

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500
(Master)

September 1, 2021

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 500 (the "District") met in regular session, open to the public, on the 1st day of September, 2021, at the Lakehouse, 10000 Towne Lake Parkway, Cypress, Texas, outside the boundaries of the District but inside the boundaries of the Service Area, and the roll was called of the members of the Board:

Joanne E. Quintero	President
Jeffry D. Ottmann	Vice President
Sandra Dahlke	Secretary
James Spackman	Assistant Secretary
James Ross	Asst. Vice President/ Asst. Secretary

and all of the above were present, thus constituting a quorum.

Also present at the meeting were Fran Matuska of F. Matuska, Inc.; Jesse Carrasco of Caldwell Companies; Michael Ammel and Amanda Benzman of Environmental Development Partners, LLC ("EDP"); Loren Morales and Leslie Cook of RBC Capital Markets; J.T. Gaden of Edminster Hinshaw Russ and Associates, Inc. ("EHRA"); Chris Gilbert of Thompson & Horton LLP; and Alia Vinson, Katie Carner, and Jennifer Ramirez of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENTS

There were no comments from the public.

APPROVE MINUTES

The Board reviewed the minutes of the August 4, 2021, regular meeting. After review and discussion, Director Dahlke moved to approve the minutes as submitted. Director Spackman seconded the motion, which passed by a vote of 4-0, with Director Quintero abstaining.

CONVENE IN EXECUTIVE SESSION TO CONDUCT A PRIVATE CONSULTATION WITH ATTORNEY TO DISCUSS PENDING OR CONTEMPLATED LITIGATION, OR A SETTLEMENT OFFER, PURSUANT TO SECTION 551.071, TEXAS GOVERNMENT CODE

The Board convened in Executive Session at 1:01 p.m. pursuant to Section 551.071 of the Texas Government Code to conduct a private consultation with their attorney to

discuss pending or contemplated litigation or a settlement offer. Ms. Vinson, Ms. Carner, Ms. Ramirez, and Mr. Gilbert were also present.

RECONVENE IN OPEN SESSION AND AUTHORIZE APPROPRIATE ACTION

The Board reconvened in Open Session at 1:28 p.m. No action was taken by the Board.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Matuska presented the bookkeeper's report and submitted the bills for the Board's review. A copy of the bookkeeper's report is attached.

The Board considered adopting a Resolution Rescinding Delegation of Authority Due to an Emergency.

After discussion, Director Ross moved to: (1) approve the bookkeeper's report and the payments presented; and (2) adopt the Resolution Rescinding Delegation of Authority Due to an Emergency and direct that the Resolution be filed appropriately and retained in the District's official records. Director Spackman seconded the motion, which passed unanimously

OPERATION OF DISTRICT FACILITIES

Ms. Benzman presented the operator's report, a copy of which is attached. She reported on routine maintenance and repair items in the Service Area.

Ms. Benzman stated that the District, as Master District, needs to authorize EDP to transfer the customer payment lockbox to Central Bank, as the District, as Internal District, already has approved. She then reviewed a Resolution Approving Central Bank's Electronic Lockbox Payment Services for District Customers, a Processing Agreement with Central Bank, and an Addendum to the Service Agreement with EDP.

Ms. Benzman updated the Board on the status of the replacement of the lift pump nos. 1 and 2 at lift station no. 2.

Ms. Benzman updated the Board on the status of the replacement of the air drop pipes at the wastewater treatment plant.

Ms. Benzman updated the Board on the status of the water plant no. 2 fence rehabilitation project.

Ms. Benzman reported that EDP has resubmitted the insurance claim on behalf of the District for repairs related to the February 2021 Freeze Event. She stated that EDP believes additional items should have been covered by the District's insurance.

Director Ottmann reported dead landscaping around the wastewater treatment plant that needs to be replaced. Ms. Benzman stated EDP would investigate and bring back a proposal for same.

After review and discussion, Director Spackman moved to: (1) accept the operator's report; (2) adopt the Resolution Approving Central Bank's Electronic Lockbox Payment Services for District Customers, subject to final review; (3) approve the Processing Agreement with Central Bank related to the electronic lockbox payment services, subject to final review; (4) approve the Addendum to Service Agreement with EDP, subject to final review; and (5) direct that the documents be filed appropriately and retained in the District's official records. Director Ross seconded the motion, which passed unanimously.

DISCUSS LAKE MANAGEMENT AND MAINTENANCE

WILDLIFE MANAGEMENT, INCLUDING REPORT AND PROPOSALS FROM A ALL ANIMAL CONTROL ("AAAC")

The Board discussed the status of wildlife management in the District, including wildlife monitoring and trapping, and reviewed a report from AAAC for August, a copy of which is attached. The Board then reviewed a memorandum from the District to the Participant districts regarding a recent reported alligator sighting, a copy of which is attached.

EROSION, DREDGING, AND WATER QUALITY

The Board deferred discussion on this agenda item until the engineer's report.

AGREEMENT FOR USE OF FACILITIES WITH TEXAS SEARCH AND RESCUE ("TEXSAR")

Ms. Carner stated that she is still coordinating with the Towne Lake Community Association regarding the Agreement for Use of Facilities with TEXSAR.

ENGINEERING MATTERS

Mr. Gaden presented an engineer's report, a copy of which is attached, and reviewed it with the Board.

Mr. Gaden noted the phone number residents can call to report potential Storm Water Pollution Prevention Plan ("SWPPP") violations to Harris County, the enforcement agency for SWPPPs in Harris County.

Mr. Gaden reviewed the capital projects fund sheet, a copy of which is attached to the engineer's report. He noted that additional funds might be owed to the West Harris County Regional Water Authority ("WHCRWA") for the District's portion of the construction costs for the surface water line to serve water plant no. 2, due to expected higher than anticipated construction costs. Discussion ensued.

Mr. Gaden updated the Board on the possible purchase and installation of a permanent generator at the wastewater treatment plant no. 1. He stated that a diesel generator would cost approximately \$525,000.00 and a natural gas generator would cost approximately \$590,000.00. Discussion ensued.

Mr. Gaden reported on a meeting held with the Erosion Control Committee to discuss erosion control matters in the regional detention facilities, including proposed next steps for addressing and remediating existing erosion. He requested the Board authorize EHRA to obtain a survey for detention ponds 1A and 1B for the estimated amount of \$13,500.00. After review and discussion, Director Ross moved to authorize EHRA to obtain a survey of detention ponds 1A and 1B for the estimated amount of \$13,500.00. Director Spackman seconded the motion, which passed unanimously.

Mr. Gaden requested the Board approve the Owner's Ratification of Plat for the Detention Reserve at Cypress North Houston. After discussion, Director Ross moved to authorize execution of the Owner's Ratification of Plat. Director Spackman seconded the motion, which passed unanimously.

PRELIMINARY PLANNING FOR GRADE SEPARATION AT UNION PACIFIC RAILROAD AND INTERSECTION IMPROVEMENTS AT HIGHWAY 290 ("UPRR/HIGHWAY 290 PROJECT")

Mr. Gaden updated the Board on the status of the UPRR/Highway 290 Project. He stated that EHRA is preparing contracts for the design portion of the project. Discussion ensued regarding the proposed acquisition process for the design consultants and subconsultants. The Board requested EHRA obtain written approval of the proposed acquisition process from the Texas Department of Transportation.

REPORT ON STORMWATER FACILITIES MAINTENANCE AND REPAIRS, AND APPROVE SUBMERGED STORM SEWER AGREEMENTS AND MAINTENANCE AGREEMENTS

Mr. Gaden stated that the Storm Water Solutions, LLC, report will be provided to the Board.

REVIEW BIDS AND AWARD CONTRACT FOR EMERGENCY WATER INTERCONNECT

Mr. Gaden updated the Board on the status of design of the emergency water interconnect with Harris County Municipal Utility District No. 196.

REVIEW BIDS AND AWARD CONTRACT FOR WATER WELL NO. 1

Mr. Gaden updated the Board on the status of the design of water well no. 1.

APPROVE PLANS AND SPECIFICATIONS AND AUTHORIZE ADVERTISEMENT FOR BIDS FOR WASTEWATER TREATMENT PLANT NO. 2

Mr. Gaden updated the Board on the design of wastewater treatment plant no. 2.

APPROVE PLANS AND SPECIFICATIONS AND AUTHORIZE ADVERTISEMENT FOR BIDS FOR THE MOUND ROAD EAST UTILITY EXTENSION PROJECT

Mr. Gaden updated the Board on the design of the Mound Road East Utility Extension project. He reported on the status of Harris County's proposed realignment of a portion of Mound Road and reviewed an exhibit of the same, a copy of which is attached.

REVIEW BIDS AND AWARD CONTRACT FOR CONSTRUCTION OF WATER PLANT NO. 1 HYDROPNEUMATIC TANK ADDITION

Mr. Gaden updated the Board on the status of design of the additional hydropneumatic tank at water plant no. 1.

APPROVE PAY ESTIMATES AND CHANGE ORDERS FOR WASTEWATER TREATMENT PLANT AERATION AND DIGESTER BASIN REHABILITATION PROJECT

Mr. Gaden updated the Board on the status of the wastewater treatment plant aeration and digester basin rehabilitation project. He reviewed and recommended approval of Pay Estimate Nos. 3 and 4 in the amounts of \$49,500.00 and \$37,575.00, respectively, submitted by T&G Services.

After review and discussion, and as recommended by the engineer, Director Ross moved to approve Pay Estimate Nos. 3 and 4 in the amounts of \$49,500.00 and \$37,575.00, respectively, submitted by T&G Services. Director Spackman seconded the motion, which passed unanimously.

APPROVE PAY ESTIMATES AND CHANGE ORDERS FOR CLEARING AND GRUBBING FOR DETENTION 1L, PHASE 2

Mr. Gaden updated the Board on the status of clearing and grubbing to serve detention 1L, Phase 2. He stated that he had no pay estimates from Project Storm, LLC for the Board's approval.

APPROVE PAY ESTIMATES AND CHANGE ORDERS FOR TOWNE LAKE SECTION 60 TEMPORARY ACCESS ROAD

Mr. Gaden updated the Board on the construction of the Towne Lake Section 60 temporary construction access road. He stated that he had no pay estimates from Storm Water Solutions, LLC for the Board's approval.

APPROVE PAY ESTIMATES AND CHANGE ORDERS FOR DETENTION 1L, PHASE 2

Mr. Gaden updated the Board on the status of construction of detention 1L, Phase 2. He stated that he had no pay estimates from Allgood Construction Co., Inc. for the Board's approval.

INTERLOCAL AGREEMENT WITH HARRIS COUNTY FOR MOUND ROAD EXTENSION DRAINAGE

Ms. Carner stated that, in connection with the extension of Mound Road, Harris County is requesting to utilize the District's drainage easement for temporary drainage until the permanent drainage system is constructed as part of the UPRR/Highway 290 project. She reviewed the terms of a proposed Interlocal Agreement with Harris County. Mr. Gaden stated EHRA has no objections to the proposed Interlocal Agreement. After review and discussion, Director Ross moved to authorize execution of the Interlocal Agreement with Harris County, subject to the Board President's final approval, and direct that the Agreement be filed appropriately and retained in the District's official records. Director Spackman seconded the motion, which passed unanimously.

APPROVE CAPACITY RESERVATIONS AND UTILITY COMMITMENT LETTERS

There was no discussion on this agenda item.

UPDATE ON TPDES PERMIT RENEWAL APPLICATION FOR HORSEPEN CREEK WASTEWATER TREATMENT PLANT

Mr. Gaden reported that the TPDES permit renewal application for the Horsepen Creek wastewater treatment plant is under review at the Texas Commission on Environmental Quality.

CONVEYANCE OF EASEMENTS/DEEDS; ABANDONMENT OF EASEMENT;
CONSENTS TO ENCROACHMENT

There was no discussion on this agenda item.

Director Ross left the meeting.

UPDATE ON PARK BOND APPLICATION NO. 1, SURPLUS FUNDS
APPLICATIONS, AND BOND APPLICATION NO. 11

Ms. Carner and Mr. Gaden updated the Board on the status of the park bond application no. 1 and the surplus funds applications.

Ms. Carner and Mr. Gaden updated the Board on the status of preparation of the taxable bond application no. 11 for water, sewer, and drainage facilities.

WHCRWA MATTERS

There was no discussion on this agenda item.

LANDSCAPE ARCHITECT'S REPORT

The Board reviewed the landscape architect's report from KGA/DeForest Design, LLC, a copy of which is attached.

REPORT REGARDING DEVELOPMENT IN THE DISTRICT

There was no discussion on this agenda item.

REPORTS FROM DISTRICT CONSULTANTS REGARDING DISTRICT
CORRESPONDENCE AND PROVISION OF RECORDS

There was no discussion on this agenda item.

REVIEW AND REVISE ACTION LIST

The Board reviewed the action list and noted items to be included and removed from the list.

There being no further business to come before the Board, the Board concurred to adjourn the meeting.

(SEAL)




Secretary, Board of Directors

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