

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

October 6, 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 6th day of October, 2021, at the Lakehouse, 10000 Towne Lake Parkway, Cypress, Texas, outside the boundaries of the District, and the roll was called of the members of the Board:

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

and all of the above were present except for Director Ottmann, thus constituting a quorum.

Also present at the meeting were Doug Larson, member of the public; Travis Singleton of the Towne Lake Community Association, Inc.; Fran Matuska of F. Matuska, Inc. ("FMI"); Jerry Hlozek and Michael Crahan of Caldwell Companies; Michael Ammel and Amanda Benzman of Environmental Development Partners, LLC ("EDP"); Leslie Cook of RBC Capital Markets ("RBC"); Robert Atkinson of Edminster Hinshaw Russ and Associates, Inc.; Brenda McLaughlin of Bob Leared Interests ("BLI"); and Katie Carner and Jennifer Ramirez of Allen Boone Humphries Robinson LLP.

PUBLIC COMMENTS

There were no comments from the public.

CONSENT AGENDA

Director Quintero offered Board members the opportunity to remove items from the consent agenda for individual discussion. After discussion, Director Spackman moved to approve all items on the consent agenda and direct that, where appropriate, the documents be filed appropriately and retained in the District's official records, including: (1) the minutes of the September 1, 2021, regular meeting; (2) the bookkeeper's report; (3) the tax assessor's report; (4) the website analytics report; (5) the operator's report; (6) the engineer's report; and (7) the Notice of Anticipated Fees from the West Harris County Regional Water Authority. Director Dahlke seconded the motion, which passed unanimously. Copies of the bookkeeper's report, tax assessor's report, the website analytics report, operator's report, engineer's report, and the Notice

of Anticipated Fees from the West Harris County Regional Water Authority are attached.

ITEMS REMOVED FROM THE CONSENT AGENDA

There were no items removed from the Consent Agenda.

ADDITIONAL FINANCIAL AND BOOKKEEPING MATTERS

Ms. Matuska discussed plans for her upcoming retirement and stated that FMI is now a wholly owned subsidiary of Texas Utility Bookkeeping.

INVESTMENT OFFICER MATTERS

ADOPT RESOLUTION CHANGING AND APPOINTING INVESTMENT OFFICER

Ms. Carner reviewed the Resolution Changing and Appointing Investment Officer, which reflected the appointment of Brendan Doran with FMI as the District’s new Investment Officer. After review and discussion, Director Spackman moved to adopt the Resolution Changing and Appointing Investment Officer and direct that the Resolution be filed appropriately and retained in the District’s official records. Director Ross seconded the motion, which passed unanimously.

ACCEPT DISCLOSURE STATEMENT FOR INVESTMENT OFFICER

The Board considered accepting the disclosure statement from the District’s Investment Officer. Ms. Carner explained that the disclosure statement required by the Public Funds Investment Act discloses relationships between the District’s investment officer and entities or individuals who are offering, have offered, or may offer to engage in an investment transaction with the District. She also explained that the statement would be filed in the District’s official records and with the Texas Ethics Commission. Following review and discussion, Director Spackman moved to accept the disclosure statement and authorize filing of the disclosure statement with the Texas Ethics Commission. Director Ross seconded the motion, which passed unanimously.

APPROVED AMENDED EXHIBITS A TO DEPOSITORY PLEDGE AGREEMENTS WITH CENTRAL BANK AND ALLEGIANCE BANK

The Board considered approving an Amended Exhibit A to each of the Depository Pledge Agreements with Central Bank and Allegiance Bank providing for the appointment of Brendan Doran as Investment Officer.

Following review and discussion, Director Spackman moved to approve Amended Exhibits A to the Depository Pledge Agreements with Central Bank and Allegiance Bank. Director Ross seconded the motion, which passed unanimously.

AUTHORIZE EXECUTION AND FILING OF DISTRICT REGISTRATION FORM

The Board considered authorizing execution of an updated District Registration Form with the Texas Commission on Environmental Quality ("TCEQ"), reflecting the new Investment Officer. Following review and discussion, Director Spackman moved to authorize filing of the updated District Registration Form with the TCEQ and direct that the District Registration Form be filed appropriately and retained in the District's official records. Director Ross seconded the motion, which passed unanimously.

CONDUCT PUBLIC HEARING REGARDING DISTRICT'S TAX RATE, ADOPT ORDER LEVYING TAXES, AND AUTHORIZE EXECUTION OF AMENDMENT TO INFORMATION FORM

Ms. Carner stated that BLI published a Notice of Public Hearing regarding the adoption of the District's 2021 tax rate stating that the Board anticipates levying a maximum total 2021 tax rate of \$0.98 per \$100 assessed valuation.

Director Quintero opened the public hearing. There being no comments from the public, Director Quintero closed the public hearing.

After discussion, the Board agreed to levy a total 2021 tax rate of \$0.98 per \$100 of assessed valuation, composed of a \$0.75 contract tax component, a \$0.06 debt service tax component, and a \$0.17 maintenance and operations tax component. Ms. Carner reviewed an Order Levying Taxes and an Amendment to Information Form reflecting the 2021 tax rate. Ms. Carner stated that the Amendment to Information Form will be filed with Harris County and the TCEQ. After review and discussion, Director Spackman moved to (1) adopt the Order Levying Taxes; (2) authorize execution of the Amendment to Information Form; and (3) direct that the Order and Amendment be filed appropriately and retained in the District's official records. Director Dahlke seconded the motion, which passed unanimously.

ADOPT RESOLUTION NOMINATING CANDIDATE FOR BOARD OF DIRECTOR ELECTION FOR HARRIS COUNTY APPRAISAL DISTRICT ("HCAD")

The Board considered nominating a candidate for the Board of Director Election for HCAD. After review and discussion, Director Dahlke moved to adopt a Resolution Nominating Candidate for Board of Director Election for HCAD, reflecting the District's nomination of Jonathan Cowen, and direct that the Resolution be filed appropriately

and retained in the District's official records. Director Spackman seconded the motion, which passed unanimously.

DISCUSS OPTIONAL INSURANCE COVERAGE

The Board deferred discussion on this agenda item.

REPORT FROM WATER CONSERVATION COALITION

There was no discussion no this agenda item.

ADDITIONAL OPERATIONAL MATTERS, INCLUDING CUSTOMER CONFIDENTIALITY

Ms. Carner reviewed a memorandum with the Board regarding legislative changes to Section 182.052, Utilities Code, relating to confidentiality of certain personal and billing information of utility customers, a copy of which is attached. She said such information must be kept confidential, with certain exceptions, unless the customer requests disclosure. Ms. Carner discussed the requirement for the District to provide notice of the customer's right to request disclosure, along with a request form, by including the notice and form with the utility bills sent to customers. Ms. Benzman confirmed that EDP received the required notice and form language from ABHR for inclusion on the utility bills.

HEARING ON TERMINATION OF WATER AND SEWER SERVICE

There were no accounts submitted for termination.

ADDITIONAL ENGINEERING MATTERS

There was no discussion on this agenda item.

REPORT REGARDING DEVELOPMENT IN THE DISTRICT

Mr. Hlozek reported on development in Towne Lake.

CONVENE IN EXECUTIVE SESSION PURSUANT TO SECTION 551.074, TEXAS GOVERNMENT CODE, TO DELIBERATE THE APPOINTMENT, EMPLOYMENT, EVALUATION, REASSIGNMENT, DUTIES, DISCIPLINE, OR DISMISSAL OF A PUBLIC OFFICER OR EMPLOYEE

The Board did not convene in Executive Session.

DISCUSS MEETING SCHEDULE

The Board discussed the regular meeting schedule.

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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