

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

November 3, 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 3rd day of November, 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
Saundra Dahlke	Secretary
James Spackman	Assistant Secretary
James Ross	Asst. Vice President/ Asst. Secretary

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

Also present at the meeting were Debbie Tomer of F. Matuska, Inc.; Michael Crahan and Trey Villagran 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 and Robert Atkinson of Edminster Hinshaw Russ and Associates, Inc.; and 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 October 6, 2021, regular meeting. After review and discussion, Director Dahlke moved to approve the minutes, as submitted. Director Spackman seconded the motion, which passed by unanimous vote.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Tomer reviewed the bookkeeper's report, a copy of which is attached, and submitted the bills for the Board's review.

After discussion, Director Spackman moved to approve the bookkeeper's report and the payments presented. Director Dahlke seconded the motion, which passed unanimously

CONTRACT REVENUE BONDS (PARK FACILITIES), SERIES 2021

Ms. Cook reviewed a Pricing Book for the sale of the District's \$11,680,000 Contract Revenue Bonds (Park Facilities), Series 2021 ("Series 2021 Park Bonds"), a copy of which is attached. She also reviewed a report from Moody's Investors Services, a copy of which is attached.

REVIEW BIDS AND AWARD SALE OF THE DISTRICT'S SERIES 2021 PARK BONDS

The Board considered review of the bids and award of the sale of the Series 2021 Park Bonds. Ms. Cook read the bids that had been received:

- (1) Huntington Securities, Inc. ("Huntington"), with a net effective interest rate of 2.560372%;
- (2) SAMCO Capital Markets, with a net effective interest rate of 2.617747%;
- (3) Robert W. Baird & Co., Inc., with a net effective interest rate of 2.659676%;
- (4) Raymond James & Associates, Inc., with a net effective interest rate of 2.729460%.

The Board next considered award of the sale of the Series 2021 Park Bonds. Ms. Cook stated that the low bid submitted by Huntington, with a net effective interest rate of 2.560372%, had been reviewed and all numbers checked and confirmed. She recommended that the District accept the bid of Huntington, as submitted. After review and discussion, Director Spackman moved to award the sale of the Series 2021 Park Bonds to Huntington, with a net effective interest rate of 2.560372%, as recommended. Director Dahlke seconded the motion, which passed unanimously.

RESOLUTION AUTHORIZING THE ISSUANCE OF THE DISTRICT'S SERIES 2021 PARK BONDS

The Board considered adopting a Resolution Authorizing the Issuance of the District's Series 2021 Park Bonds ("Resolution"). Ms. Carner reviewed the proposed Resolution with the Board and explained that the document sets forth the terms and provisions of issuance and delivery of the Series 2021 Park Bonds, the payment of principal and interest over the life of the Series 2021 Park Bonds, and certain District covenants regarding the Series 2021 Park Bonds. After

review and discussion, Director Spackman moved to adopt the Resolution and direct that it be filed appropriately and retained in the District's official records. Director Dahlke seconded the motion, which passed unanimously.

PAYING AGENT/REGISTRAR AGREEMENT

The Board next considered execution of the Paying Agent/Registrar Agreement with The Bank of New York Mellon Trust Company, N.A. Ms. Carner stated that the Paying Agent/Registrar Agreement sets forth the provisions by which the paying agent/registrar will handle registration, transfer, and payment of the District's Series 2021 Park Bonds. After discussion, Director Spackman moved to approve the Paying Agent/Registrar Agreement with The Bank of New York Mellon Trust Company, N.A. and direct that the agreement be filed appropriately and retained in the District's official records. Director Dahlke seconded the motion, which passed unanimously.

OFFICIAL STATEMENT

The Board next considered approving the Official Statement. Ms. Carner explained that the Preliminary Official Statement would be revised to reflect the terms of this sale, including the purchaser, interest rates and debt service requirements. After discussion, Director Spackman moved to approve the Official Statement and direct that it be filed appropriately and retained in the District's official records. Director Dahlke seconded the motion, which passed unanimously.

EXECUTION OF CERTIFICATE REGARDING PROVISION OF FINANCIAL ADVICE

Ms. Carner reviewed with the Board a Certificate Regarding Provision of Financial Advice (the "Certificate"). After review and discussion, Director Spackman moved to authorize execution of the Certificate and direct that it be filed appropriately and retained in the District's official records. Director Dahlke seconded the motion, which passed unanimously.

EXECUTION OF DOCUMENTS RELATED TO DISTRICT'S SERIES 2021 PARK BONDS

Ms. Carner next explained that there will be various documents related to delivery of the Bonds requiring execution by the directors prior to closing. She requested that the Board authorize the President or Vice President and Secretary or Assistant Secretary to execute documents necessary in connection with the transaction and authorize the District's attorney and financial advisor to take all necessary action to deliver the Series 2021 Park Bonds to the purchaser. After discussion, Director Spackman moved to authorize execution of documents

related to the sale and delivery of the Series 2021 Park Bonds and authorize the District's attorney and financial advisor to take all necessary action to deliver the Series 2021 Park Bonds. Director Dahlke seconded the motion, which passed unanimously.

APPROVE PAYMENT TO ATTORNEY GENERAL RELATING TO BOND ISSUE TRANSCRIPT REVIEW

The Board considered approving payment to the Attorney General relating to bond issue transcript review. After discussion, Director Spackman moved to approve payment to the Attorney General relating to the bond issue transcript review. Director Dahlke seconded the motion, which passed unanimously.

UPDATE FROM DISTRICT ENGINEER ON TEXAS COMMISSION ON ENVIRONMENTAL QUALITY ("TCEQ") INSPECTION OF FACILITIES

Mr. Gaden stated that the TCEQ pre-purchase inspection has been completed and no deficiencies were found.

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 reported that EDP filed an unauthorized discharge report with the TCEQ and Harris County for an excursion caused by a failure of the mechanical drum screen controls at the onsite lift station.

Ms. Benzman reviewed a proposal in the amount of \$3,000.00 for cleanup of the landscaping adjacent to the wastewater treatment plant site.

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 water plant no. 2 fence rehabilitation project.

Ms. Benzman reported that the portion of the insurance claim that EDP resubmitted on behalf of the District was not approved and has been closed.

Ms. Benzman and Ms. Carner reviewed with the Board an Assignment and Amendment of Operating Services Agreement (the "Assignment") which assigns all of the rights, title and interests under the District's services agreement with EDP, to their successor, Inframark, LLC.

After review and discussion, Director Spackman moved to: (1) accept the operator's report; (2) approve the proposal in the amount of \$3,000.00 for cleanup of the landscaping adjacent to the wastewater treatment plant site; and (3) approve the Assignment and direct that the Assignment be filed appropriately and retained in the District's official records. Director Dahlke seconded the motion, which passed unanimously.

DISCUSS LAKE MANAGEMENT AND MAINTENANCE

WILDLIFE MANAGEMENT, INCLUDING REPORT AND PROPOSALS FROM A ALL ANIMAL CONTROL

The Board discussed the status of wildlife management in the District, including wildlife monitoring and trapping.

EROSION, DREDGING, AND WATER QUALITY

Ms. Carner stated that the Towne Lake Community Association, Inc. ("HOA") sent correspondence to residents on San Solomon Springs Court requiring the removal of an unauthorized water feature. After discussion, the Board concurred to authorize EDP to inspect the water feature for a potential cross-connection to the District's public water system if the resident has not removed the water feature by the deadline provided to the residents by the HOA.

Ms. Carner stated that there has been an unverified report of the same residents utilizing gasoline for vegetation management along the shore of the regional detention facilities, which is a violation of the District's and the HOA's lake rules. Ms. Carner stated the HOA had been notified about this report.

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

The Board reviewed correspondence from Texas Search and Rescue ("TEXSAR"), a copy of which is attached. The Board took no action.

AMENDMENT TO LAKE RULES

Ms. Carner stated that ABHR is still coordinating with the HOA on the proposed amendment to the lake rules.

FIRST AMENDMENT TO EMERGENCY WATER SUPPLY AGREEMENT WITH HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 196 ("HC 196")

Ms. Carner reviewed a First Amendment to Emergency Water Supply Agreement with HC 196, which updates Exhibit A, as required by Harris County. After review and discussion, Director Spackman moved to approve the First Amendment to Emergency Water Supply Agreement with HC 196 and direct that the Amendment be filed appropriately and retained in the District's official records. Director Dahlke seconded the motion, which passed unanimously.

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 stated that the drone survey of detention ponds 1A and 1B is complete and he is waiting for the report in order to determine the scope of the existing erosion.

Mr. Gaden reviewed the capital projects fund sheet, a copy of which is attached to the engineer's report.

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.

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 HC 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.

REVIEW BIDS AND AWARD CONTRACT FOR CONSTRUCTION OF 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.

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. He stated this project would be bid together with the water well no. 1 project.

WASTEWATER TREATMENT PLANT NO. 1 GENERATOR

There was no discussion on this agenda item.

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 No. 6 in the amount of \$46,466.10, submitted by T&G Services.

After review and discussion, and as recommended by the engineer, Director Spackman moved to approve Pay Estimate No. 6 in the amount of \$46,466.10, submitted by T&G Services. Director Dahlke seconded the motion, which passed unanimously.

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 reviewed and recommended approval of Pay Estimate Nos. 7 and 8 in the amounts of \$314,168.99 and \$27,463.46, respectively, and Change Order No. 3 to increase the contract in the amount of \$212,000.00, submitted by Allgood Construction Co., Inc. The Board determined that Change Order No. 3 is beneficial to the District.

After review and discussion, and based on the engineer's recommendation, Director Spackman moved to approve Pay Estimate Nos. 7 and 8 in the amounts of \$314,168.99 and \$27,463.46, respectively, and Change Order No. 3 to increase the contract in the amount of \$212,000.00, based on the Board's determination that the Change Order is beneficial to the District. Director Dahlke 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

There was no discussion on this agenda item.

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

There was no discussion on this agenda item.

SURPLUS FUNDS APPLICATION AND BOND APPLICATION NO. 11

Ms. Carner updated the Board on the status of the taxable bond application no. 11 and the surplus funds application.

WEST HARRIS COUNTY REGIONAL WATER AUTHORITY ("WCHRWA") MATTERS, INCLUDING CONSTRUCTION OF SURFACE WATER DELIVERY LINE FOR WATER PLANT NO. 2

Ms. Carner reported that the WCHRWA awarded the contract for construction of the surface water line to serve water plant no. 2 and stated that the bid came in lower than originally anticipated.

LANDSCAPE ARCHITECT'S REPORT

There was no discussion on this agenda item.

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.

DISCUSS MEETING SCHEDULE

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

LIST OF ATTACHMENTS TO MINUTES

	Minutes
	<u>Page</u>
Bookkeeper's report.....	1
Pricing Book.....	2
Report from Moody's Investors Services	2
Operator's report.....	4
Correspondence from Texas Search and Rescue.....	5
Engineer's report.....	6