

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

March 2, 2022

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 2nd day of March, 2022, 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:

Jeffry D. Ottmann	President
Joanne E. Quintero	Vice President
Jeff P. Collins	Secretary
James Spackman	Assistant Secretary
Alan Steinberg	Asst. Vice President/ Asst. Secretary

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

Also present at the meeting were Travis Singleton of the Towne Lake Community Association, Inc. ("HOA"); Michael Crahan of Caldwell Companies; Debbie Tomer of F. Matuska, Inc. ("FMI"); Amanda Benzman of Environmental Development Partners, LLC ("EDP"); J.T. Gaden and Robert Atkinson of EHRA Engineering; Brenda McLaughlin of Bob Leared Interests; 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 February 2, 2022, regular meeting. After review and discussion, Director Quintero moved to approve the minutes of the February 2, 2022, regular meeting, as presented. Director Steinberg seconded the motion, which passed unanimously.

AUTHORIZE AUDITOR TO CONDUCT AUDIT FOR FISCAL YEAR END MARCH 31, 2022

The Board considered authorizing McCall Gibson Swedlund Barfoot PLLC ("McCall") to prepare the District's audit for fiscal year end March 31, 2022. The Board reviewed an audit continuance letter from McCall, a copy of which is attached, noting that preparation of the District's annual audit will cost an estimated \$19,000-\$20,500 for

the Master District accounts. Following discussion, Director Spackman moved to authorize McCall to prepare the District's audit for fiscal year end March 31, 2022. Director Quintero seconded the motion, which passed unanimously.

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.

Ms. Tomer stated that FMI recommends adding Positive Pay, which is a fraud prevention service, to the Master District's general operating account for an approximate cost of \$75-85 per month.

After discussion, Director Spackman moved to: (1) approve the bookkeeper's report and the payments presented; and (2) authorize FMI to add Positive Pay to the District's general operating account, as recommended. Director Quintero seconded the motion, which passed unanimously.

The Board deferred consideration of a proposed Amendment to Contract for Bookkeeping Services, pending review by ABHR and the Board.

The Board reviewed the interim arbitrage rebate report for the District's \$6,710,000 Contract Revenue Refunding Bonds (Water, Sewer, and Drainage Facilities), Series 2017, noting that there were no payments owed to the Internal Revenue Service.

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 Texas Commission on Environmental Quality and Harris County for an excursion caused by power outage at the main lift station.

Ms. Benzman requested the Board approve a rebuild of booster pump no. 4 at water plant no. 1 in the amount of \$8,500.00. The Board requested EDP investigate the cost and availability of a new pump versus the cost of the repair. The Board considered delegating authority to the Board President to approve the purchase of a new booster pump if the cost is close to the repair quote and if the pump is immediately available.

Ms. Benzman reported that the replacement of lift pump nos. 1 and 2 at lift station no. 2 is complete.

After review and discussion, Director Spackman moved to: (1) accept the operator's report; (2) approve the rebuild of booster pump no. 4 at water plant no. 1 in

the amount of \$8,500.00; and (3) authorize the Board President to approve the purchase of a new booster pump if the cost is close to the repair quote and if the pump is immediately available, in lieu of the booster pump repair. Director Quintero seconded the motion, which passed unanimously.

Ms. Carner reported that the District's engineer, bookkeeper, and operator have reviewed the critical load spreadsheet for the District's facilities. After review and discussion, Director Quintero moved to authorize the annual filing of the critical load spreadsheet. Director Spackman 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. Ms. Carner stated that the trapper reported the removal of one beaver and four nutria from the regional detention facilities.

EROSION, DREDGING, AND WATER QUALITY

Mr. Gaden stating that he is waiting for the drone survey to be completed for the detention facilities north of Tuckerton Road and south of Cypress North Houston. He stated that another Erosion Control Committee meeting will be scheduled once the results from the drone survey are available.

AMENDMENT TO LAKE RULES

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

ENGINEERING MATTERS

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

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.

He stated that an updated project schedule was posted to the District's Share Point site.

Ms. Vinson updated the Board on the status of preparation of Interlocal Agreements with the funding partners for the 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 Harris County Municipal Utility District No. 196.

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

Mr. Gaden reported that the District received three bids for construction of water well no. 1 and the additional hydropneumatic tank. He recommended that the Board award the contract to the low bidder, HCG, in the amount of \$2,627,990.00. The Board concurred that, in its judgment, HCG was a responsible bidder who would be most advantageous to the District and would result in the best and most economical completion of the project.

Following review and discussion, Director Spackman moved to award the contract for construction of water well no. 1 and the additional hydropneumatic tank to HCG in the amount of \$2,627,990.00, based on the engineer's recommendation and subject to approval of payment and performance bonds and review of the certificate of insurance and endorsements, if any, provided by the contractor. Director Quintero seconded the motion, which passed by unanimous vote.

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. He stated that bids will be received this month.

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.

WASTEWATER TREATMENT PLANT NO. 1 GENERATOR

Mr. Gaden stated that a natural gas generator for the wastewater treatment plant would cost approximately \$600,000. Discussion ensued.

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 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.

UPDATE ON PREPARATION OF PARK SURPLUS FUNDS APPLICATION AND BOND APPLICATION NO. 12

Mr. Gaden updated the Board on the preparation of a park surplus funds application.

Mr. Gaden updated the Board on the preparation of water, sewer, and drainage bond application no. 12.

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

Ms. Carner reviewed a sanitary sewer easement from CW SCOA West, L.P. to the District. After review and discussion, Director Spackman moved to accept the sanitary sewer easement and direct that the easement be filed appropriately and retained in the District's official records. Director Quintero seconded the motion, which passed by unanimous vote.

Ms. Carner reviewed a partial abandonment of a sanitary sewer easement owned by the District. Mr. Gaden stated EHRA recommends partially abandoning the easement as a section of it is no longer required due to Harris County's realignment of the adjacent road extension project. After review and discussion, Director Spackman moved to approve the partial abandonment and direct that the abandonment be filed appropriately and retained in the District's official records. Director Quintero seconded the motion, which passed unanimously.

WEST HARRIS COUNTY REGIONAL WATER AUTHORITY MATTERS, INCLUDING CONSTRUCTION OF SURFACE WATER DELIVERY LINE FOR WATER PLANT NO.

2

There was no discussion on this agenda item.

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

The Board reviewed correspondence from Liberty Mutual Holding Company Inc., a copy of which is attached. After review and discussion, the Board took no action.

OPERATION OF DISTRICT FACILITIES (CONT'D)

Ms. Benzman stated that she received an estimate for the purchase of a new booster pump in the amount of \$35,000.00 and the delivery time would be approximately 18 weeks. The Board concurred to proceed with the rebuild of booster pump no. 4 at water plant no. 1 in the amount of \$8,500.00, as previously approved.

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)

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Secretary, Board of Directors

LIST OF ATTACHMENTS TO MINUTES

	Minutes
	<u>Page</u>
Audit continuance letter from McCall	1
Bookkeeper's report.....	2
Operator's report.....	2
Engineer's report.....	3
Correspondence from Liberty Mutual Holding Company Inc.	6