

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

May 6, 2020

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 500 (the "District") met in regular session, with access by telephone available to the public, pursuant to Texas Government Code Section 551.125 and Governor Greg Abbott's emergency disaster declaration dated March 13, 2020, on the 6th day of May, 2020, and the roll was called of the members of the Board being present by telephone:

Joanne E. Quintero	President
Jeffrey D. Ottmann	Vice President
Saundra Dahlke	Secretary
Vacant	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 via teleconference Rose Montalbano of F. Matuska, Inc.; Michael Ammel of Environmental Development Partners, LLC ("EDP"); Truman Edminster and J.T. Gaden of Edminster Hinshaw Russ and Associates, Inc. ("EHRA"); Brenda McLaughlin of Bob Leared Interests; Loren Morales of RBC Capital Markets; Eric Steinman of KGA DeForest Design, LLC ("KGA"); Jerry Hlozek of the Caldwell Company; and Katie Carner and Jennifer Ramirez of Allen Boone Humphries Robinson LLP ("ABHR").

Ms. Carner reviewed certain recommended protocols for conducting the District's meeting via teleconference. She announced that the meeting was being recorded and that consultant reports presented at the meeting were posted online and available to the public in the form of an "agenda packet" prior to the start of the meeting at [www.districtdirectory.org/agendapackets/hcmud500](http://www.districtdirectory.org/agendapackets/hcmud500) (posted on May 5, 2020).

PUBLIC COMMENTS

There were no comments from the public.

APPROVE MINUTES

The Board reviewed the minutes of the April 1, 2020, regular meeting. Director Ottmann requested a revision to the minutes regarding the posting of the public agenda packet. After review and discussion, Director Ottmann moved to approve the minutes

of April 1, 2020, regular meeting, as revised. Director Ross seconded the motion. A roll call of the Board was taken and the motion passed unanimously.

#### OPERATIONS AND SERVICE REQUIREMENTS RELATING TO COVID-19 EPIDEMIC

The Board discussed operations and service requirements relating to COVID-19 epidemic.

#### ORDER ADOPTING ELECTRONIC SIGNATURE RULES FOR CONSTRUCTION CONTRACTS

The Board considered adopting an Order Adopting Electronic Signature Rules For Construction Contracts to set forth rules surrounding the receipt of electronic signatures on construction contracts. Following review and discussion, Director Dahlke moved to adopt an Order Adopting Electronic Signature Rules For Construction Contracts and direct that the Order be filed appropriately and retained in the District's official records. Director Ottmann seconded the motion. A roll call of the Board was taken and the motion passed unanimously.

#### ORDER ADOPTING SECTION 49.2731 ELECTRONIC BIDDING RULES

The Board considered adopting an Order Adopting Section 49.2731 Electronic Bidding Rules to permit the receipt of bids under Section 49.273 of the Texas Water Code through electronic transmission. Following review and discussion, Director Dahlke moved to adopt an Order Adopting Section 49.2731 Electronic Bidding Rules and direct that the Order be filed appropriately and retained in the District's official records. Director Ottmann seconded the motion. A roll call of the Board was taken and the motion passed unanimously.

#### FINANCIAL AND BOOKKEEPING MATTERS

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

After review and discussion, Director Ottmann moved to approve the bookkeeper's report and the payments presented. Director Ross seconded the motion. A roll call of the Board was taken and the motion passed unanimously.

Mr. Morales reviewed with the Board a potential refunding opportunity for the District's outstanding bonds and presented a Sources and Uses of Funds Analysis regarding a potential refunding bond issue to refund certain maturities of the District's \$7,075,000 Contract Revenue Bonds (Water, Sewer, and Drainage Facilities), Series 2010 and \$5,000,000 Contract Revenue Bonds (Water, Sewer, and Drainage Facilities), Series

2012, a copy of which is attached. He discussed the timing for the proposed bond issue. Ms. Carner stated that if the Board wishes to proceed with a potential refunding bond issue, the District will need to send a notice to the Participant districts regarding the potential issuance.

After review and discussion, Director Ottmann moved to authorize distribution of a notice to the Participant districts regarding the District's intent to issue Contract Revenue Bonds (Water, Sewer, and Drainage Facilities), Series 2020. Director Dahlke seconded the motion. A roll call of the Board was taken and the motion passed unanimously.

#### OPERATION OF DISTRICT FACILITIES

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

Mr. Ammel updated the Board on the status of the water plant piping rehabilitation project.

Mr. Ammel reported that the repair of lift pump no. 1 at lift station no. 2 is complete.

Mr. Ammel requested that the Board authorize EDP to install a flow meter on the water supply line to the ground storage tank for an estimated cost of \$10,000.

After review and discussion, Director Ottmann moved to (1) approve the operator's report; and (2) authorize EDP to install a flow meter on the water supply line to the water plant no. 2 ground storage tank for an estimated cost of \$10,000. Director Ross seconded the motion. A roll call of the Board was taken and the motion passed unanimously following a roll call vote.

#### 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 alligator monitoring and beaver removal, and reviewed a report from AAAC for April, a copy of which is attached.

The Board considered authorizing an extension of the alligator monitoring services provided by AAAC, in the amount of \$500 per week.

The Board also considered authorizing AAAC to set up for beaver trapping in Section 2 in the amount of \$2,000, pursuant to a previously approved proposal.

After review and discussion, Director Ottmann moved to (1) approve the extension of the alligator monitoring services provided by AAAC for an additional six months, at the rate of \$500 per monitoring visit per week; and (2) authorize AAAC to proceed with set up for beaver trapping in Section 2 in the amount of \$2,000. Director Dahlke seconded the motion, which passed by unanimous vote.

#### EROSION, DREDGING, AND WATER QUALITY

There was no discussion on this agenda item.

#### DISCUSS AMENDMENT TO MAINTENANCE AGREEMENT WITH THE TOWNE LAKE COMMUNITY ASSOCIATION, INC. AND LAKE ACCESS AND RULES

There was no discussion on this agenda item.

#### ENGINEERING MATTERS, INCLUDING ALTERNATE WATER SUPPLY SOURCES

Mr. Gaden presented an engineer's report from EHRA, 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 updated the Board on the status of discussions with Harris County Municipal Utility District No. 196 ("HC 196") regarding a potential emergency interconnect with the District. Ms. Carner stated that ABHR revised the draft proposed Emergency Water Supply Agreement pursuant to feedback from the Board and sent the agreement to HC 196's attorney for review.

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

Mr. Edminster updated the Board on the status of the UPRR/Highway 290 Project, including the preliminary engineering work and projected schedule for completion of the project, a copy of which is attached to the engineer's report.

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 was provided to the Board.

APPROVE PLANS AND SPECIFICATIONS AND AUTHORIZE ADVERTISEMENT FOR BIDS FOR WATER WELL NO. 1

Mr. Gaden updated the Board on the status of the design of water well no. 1. He reviewed options for casing sizes for various pump capacities and the related cost estimates. Discussion ensued. The Board requested Mr. Gaden and Ms. Montalbano to provide a breakdown of funds in the capital projects fund for review in advance of the June meeting.

TOWNE LAKE SECTION 60 TEMPORARY ACCESS ROAD

Mr. Gaden updated the Board on the status of construction of the Towne Lake Section 60 temporary construction access road. He stated that the access road is still under design, and the Towne Lake, Section 60 project is expected to proceed once design is complete.

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

Mr. Gaden updated the Board on the status of the detention 1L, Phase 2, project.

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 REHABILITATION OF TIE-BACK WALLS

Mr. Gaden updated the Board on the status of rehabilitation of the tie-back walls. He reviewed and recommended approval of Change Order Nos. 1 and 2 to increase the contract in the amounts of \$38,008.00 and \$1,625.00, respectively, and Pay Estimate Nos. 1 and 2 and Final in the amounts of \$220,602.02 and \$24,511.33, respectively, submitted

by Structural Concrete Systems, LLC. He then recommended that the Board accept the project. The Board determined that Change Order Nos. 1 and 2 are beneficial to the District.

After review and discussion, Director Ottmann moved to (1) approve Change Order Nos. 1 and 2 to increase the contract in the amounts of \$38,008.00 and \$1,625.00, respectively, based upon the Board's determination that the Change Orders are beneficial to the District and the engineer's recommendation; and (2) approve Pay Estimate Nos. 1 and 2 and Final in the amounts of \$220,602.02 and \$24,511.33, respectively, and accept the project, as recommended. Director Ross seconded the motion. A roll call of the Board was taken and the motion passed unanimously.

APPROVE PAY ESTIMATES AND CHANGE ORDERS FOR WASTEWATER TREATMENT PLANT HEADWORKS IMPROVEMENT PROJECT

Mr. Gaden updated the Board on the status of the wastewater treatment plant headworks improvement project. He stated that he had no pay estimates from Electrical Mechanical Service, Inc. for the Board's approval.

APPROVE PAY ESTIMATES AND CHANGE ORDERS FOR WATER PLANT NO. 2

Mr. Gaden updated the Board on the status of construction of water plant no. 2. He stated that he had no pay estimates from W.W. Payton Corporation for the Board's approval.

APPROVE PAY ESTIMATES AND CHANGE ORDERS FOR TOWNE LAKE PARKWAY, SEGMENT ONE (FROM GREENHOUSE ROAD TO CYPRESS NORTH HOUSTON)

Mr. Gaden updated the Board on the status of Towne Lake Parkway, Segment One (from Greenhouse Road to Cypress North Houston). He stated that he had no pay estimates from Hassell Construction Company, Inc. for the Board's approval.

REPAIRS TO 24-INCH SANITARY SEWER LINE NEAR TOWNE LAKE PARKWAY AND TUCKERTON ROAD

There was no discussion on this agenda item.

APPROVE CAPACITY RESERVATIONS AND UTILITY COMMITMENT LETTERS

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.

UPDATE ON PARK BOND APPLICATION NO. 1, WATER, SEWER, AND  
DRAINAGE BOND APPLICATION NO. 10, AND PREPARATION OF SURPLUS  
FUNDS APPLICATION

Ms. Carner updated the Board on the status of the preparation of park bond application no. 1. The Board deferred adoption of a Resolution Authorizing Application to the Texas Commission on Environmental Quality ("TCEQ") for Approval of Projects and Bonds for park bond application no. 1.

Ms. Carner updated the Board on the status of preparation of the surplus funds application for construction of water well no. 1. The Board deferred adoption of a Resolution Authorizing Application to the TCEQ for Use of Surplus Funds.

WEST HARRIS COUNTY REGIONAL WATER AUTHORITY MATTERS

There was no discussion on this agenda item.

LANDSCAPE ARCHITECT'S REPORT, INCLUDING UPDATED MASTER PARK  
PLAN

Mr. Steinman reviewed the landscape architect's report from KGA, a copy of which is attached.

APPROVE PLANS AND SPECIFICATIONS AND AUTHORIZE ADVERTISEMENT  
FOR BIDS FOR GREENHOUSE ROAD, SEGMENT SIX

The Board deferred approval of plans and specifications and authorizing advertisement for bids for Greenhouse Road, Segment Six.

TRAILS, TREES, AND SIDEWALKS

There was no discussion on this matter.

APPROVE PAY ESTIMATES AND CHANGE ORDERS FOR GREENHOUSE ROAD,  
SEGMENT FIVE HARDSCAPE IMPROVEMENTS

Mr. Steinman updated the Board on the status of Greenhouse Road, Segment Five hardscape improvements. He reviewed and recommended approval of Pay Estimate No. 9 in the amount of \$32,739.66, submitted by Texas Wall & Landscapes, LLC. After review and discussion, Director Ottmann moved to approve Pay Estimate

No. 9 in the amount of \$32,739.66, as recommended. Director Ross seconded the motion. A roll call of the Board was taken and the motion passed unanimously.

APPROVE PAY ESTIMATES AND CHANGE ORDERS FOR GREENHOUSE ROAD, SEGMENT FIVE LANDSCAPE IMPROVEMENTS

Mr. Steinman updated the Board on the status of Greenhouse Road, Segment Five landscape improvements. He reviewed and recommended approval of Pay Estimate No. 6 in the amount of \$62,786.82 and Change Order No. 1 to increase the contract in the amount of \$5,292.00, submitted by Classic Irrigation & Landscape, LLC. The Board determined that Change Order No. 1 is beneficial to the District.

After review and discussion, Director Ottmann moved to approve Pay Estimate No. 6 in the amount of \$62,786.82 and Change Order No. 1 to increase the contract in the amount of \$5,292.00, based upon the Board's determination that the Change Order is beneficial to the District and the landscape architect's recommendation. Director Ross seconded the motion. A roll call of the Board was taken and the motion passed unanimously.

REPORT REGARDING DEVELOPMENT IN THE DISTRICT

There was no discussion on this agenda item.

APPROVE FOURTH AMENDMENT TO CONTRACT FOR FINANCING, OPERATION, AND MAINTENANCE OF REGIONAL FACILITIES

The Board considered approval of (i) a Fourth Amendment to Contract for Financing, Operation, and Maintenance of Regional Facilities between the District, as Master District, and Harris County Municipal Utility District No. 500, as Internal District; (ii) a Fourth Amendment to Contract for Financing, Operation, and Maintenance of Regional Facilities between the District, as Master District, and Harris County Municipal Utility District No. 501; (iii) a Fourth Amendment to Contract for Financing, Operation, and Maintenance of Regional Facilities between the District, as Master District, and Harris County Municipal Utility District No. 502; and (iv) a Fourth Amendment to Contract for Financing, Operation, and Maintenance of Regional Facilities between the District, as Master District, and Harris County Municipal Utility District No. 503 (collectively, the "Contract Amendments"). Ms. Carner reviewed the provisions of the Contract Amendments. Following review and discussion, Director Ottmann moved to approve the Contract Amendments and direct that the Contract Amendments be filed appropriately and retained in the District's official records. Director Ross seconded the motion. A roll call of the Board was taken and the motion passed unanimously.



REPORTS FROM DISTRICT CONSULTANTS REGARDING DISTRICT  
CORRESPONDENCE AND PROVISION OF RECORDS

There was no discussion on this agenda item.

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 did not convene in Executive Session.

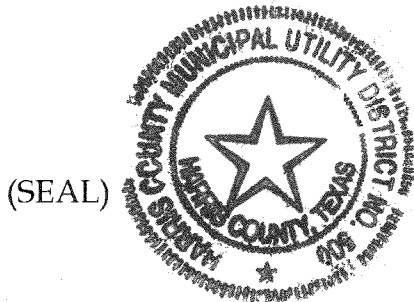
REVIEW AND REVISE ACTION LIST


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

OPERATION OF DISTRICT FACILITIES (CONT'D)

Ms. Carner reported that the District's engineer, bookkeeper, and operator have reviewed the critical load spreadsheet for the District's facilities. Following discussion, Director Ottmann moved to authorize filing of the critical load spreadsheet, subject to final review. Director Dahlke seconded the motion. A roll call of the Board was taken and the motion passed unanimously.

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



  
Secretary, Board of Directors

LIST OF ATTACHMENTS TO MINUTES

	Minutes
	<u>Page</u>
Bookkeeper's report.....	2
Sources of Uses of Funds Analysis regarding potential refunding bond issue.....	3
Operator's report.....	3
Report from A All Animal Control .....	3
Engineer's report.....	4
Landscape architect's report.....	7