

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

December 7, 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 7th day of December, 2022, 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:

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 Athena Henrickson of the Towne Lake Community Association, Inc. ("HOA"); Jennifer Vossler of McCall Gibson Swedlund Barfoot, PLLC; Michael Crahan of Caldwell Companies; Loren Morales of RBC Capital Markets; Lynn Kurtz of Myrtle Cruz, Inc.; Amanda Benzman of Environmental Development Partners, LLC; J.T. Gaden and Robert Atkinson of EHRA Engineering; Brenda McLaughlin of Bob Leared Interests; Katie Carner, Allison Leatherwood, and Jennifer Ramirez of Allen Boone Humphries Robinson LLP; and members of the public as shown on the attached list.

PUBLIC COMMENTS

Ms. Edwards expressed her support for the HOA's request for financial contributions from the Towne Lake municipal utility districts towards the cost of expanded security services in the Towne Lake community.

CONSENT AGENDA

Director Ottmann offered Board members the opportunity to remove items from the consent agenda for individual discussion. Director Quintero requested that agenda item no. 2b. be removed from the Consent Agenda. After discussion, Director Spackman moved to approve all items on the consent agenda, with the exception of agenda item no. 2b., and direct that, where appropriate, the documents be filed appropriately and retained in the District's official records, including: (1) the minutes of the November 2, 2022, regular meeting; (2) the tax assessor's report; (3) authorizing payment of up to three per diems, reimbursement of hotel expenses for a maximum of

two nights, and reimbursement for reasonable and necessary meals for Board members attending the Association of Water Board Directors winter conference, all to be submitted in accordance with the Travel Reimbursement Guidelines; (4) the review and update of the Eminent Domain Report; (5) the operator's report; and (6) the engineer's report. Director Spackman seconded the motion, which passed unanimously. Copies of the tax assessor's report, operator's report, and the engineer's report are attached.

#### ITEMS REMOVED FROM THE CONSENT AGENDA

##### FINANCIAL AND BOOKKEEPING MATTERS

Ms. Kurtz 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 Spackman moved to approve the bookkeeper's report and the payments presented. Director Quintero seconded the motion, which passed unanimously.

##### SECURITY MATTERS, INCLUDING REPORT FROM HARRIS COUNTY SHERIFF'S OFFICE ("HCSO") AND REQUEST FROM HOA REGARDING COST SHARING FOR SECURITY SERVICES

The Board reviewed the security report from the HCSO, a copy of which is attached.

The Board reviewed correspondence from the HOA requesting the District consider contributing to the cost of security services in Towne Lake. Mr. Crahan addressed the Board regarding the request, explaining that the HOA added a third deputy to the HOA's security contract with the HCSO and is seeking financial contributions from the Towne Lake municipal utility districts to defray the extra expense. Ms. Christopher and Mr. Edwards also addressed the Board regarding the HOA's request.

The Board discussed the request, noting that the District, as Internal District, already has a contract for one HCSO deputy and that some of the commercial areas within the District also have private security. The Board discussed whether adding an extra deputy to the District's contract might be warranted, in lieu of financially contributing towards the HOA's security contract. After discussion, the Board requested ABHR to contact the HCSO to obtain crime statistical analysis and overall trends for the District's contract and to request a representative from the HCSO attend the January regular meeting to discuss the same. The Board took no action of the HOA's request.

ADDITIONAL FINANCIAL AND BOOKKEEPING MATTERS, INCLUDING  
AUTHORIZE ATTENDANCE AT WATER FOR TEXAS CONFERENCE

The Board considered authorizing any interested directors to attend the Water for Texas Conference on January 23-25, 2023 in Austin. After review and discussion, Director Ottmann moved to authorize attendance for any interested directors at the Water for Texas Conference on January 23-25, 2023. Director Quintero seconded the motion, which passed unanimously.

DROUGHT CONTINGENCY PLAN

The Board deferred discussion on this agenda item.

AUTHORIZE EXECUTION OF GENERAL CERTIFICATE IN CONNECTION WITH  
MASTER DISTRICT'S BOND SALE

The Board considered authorizing execution of the General Certificate in connection with the Master District's Series 2023 Contract Revenue Bonds (Water, Sewer, and Drainage Facilities). Following review and discussion, Director Steinberg moved to authorize execution of the General Certificate in connection with the Master District's Series 2023 Contract Revenue Bonds (Water, Sewer, and Drainage Facilities). Director Quintero seconded the motion, which passed unanimously.

AUTHORIZE EXECUTION OF RESOLUTION TO COMPLY WITH THE SECURITIES  
AND EXCHANGE COMMISSION RULE 15C2-12 IN CONNECTION WITH MASTER  
DISTRICT'S BOND SALE

The Board considered authorizing execution of a Resolution to Comply with the Securities and Exchange Commission Rule 15c2-12, whereby the District agrees to provide current financial information on an annual basis. Following review and discussion, Director Steinberg moved to authorize execution of the Resolution to Comply with the Securities and Exchange Commission Rule 15c2-12 in connection with the Master District's Series 2023 Contract Revenue Bonds (Water, Sewer, and Drainage Facilities). Director Quintero seconded the motion, which passed unanimously.

ADDITIONAL OPERATIONAL MATTERS

There was no discussion on this agenda item.

HEARING ON TERMINATION OF WATER AND SEWER SERVICE

There were no accounts submitted for termination.

WEST HARRIS COUNTY REGIONAL WATER AUTHORITY ("WHCRWA")  
MATTERS

The Board reviewed a Notice of Fee Increases from the WHCRWA, a copy of which is attached. The Board concurred to post a notice to the District's website regarding the fee increase.

The Board reviewed a Notice of Withdrawal of Stage 1 Drought Conditions from the WHCRWA, a copy of which is attached. Ms. Benzman noted the District also recently lifted Stage 1 drought conditions.

Mr. Gaden updated the Board on the status of the WHCRWA's construction of the surface water delivery line to water plant no. 2.

ADDITIONAL ENGINEERING MATTERS

There was no discussion on this agenda item.

REPORT REGARDING DEVELOPMENT IN THE DISTRICT

Ms. Carner reviewed an update on development in Towne Lake provided by the developer. Discussion ensued.

REVIEW AND REVISE ACTION LIST

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

CONVENE IN EXECUTIVE SESSION PURSUANT TO SECTION 551.071

The Board did not convene in Executive Session.

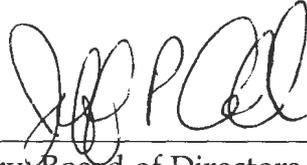
DISCUSS MEETING SCHEDULE

The Board discussed the regular meeting schedule, including potentially changing the regular meeting date. After discussion, the Board concurred to move the regular District meetings to the second Tuesday of each month at noon.

After further discussion, Director Quintero moved to retain the current schedule of the first Wednesday of each month at noon. Director Steinberg seconded the motion, which failed by a vote of 2-3 with Directors Ottmann, Collins, and Spackman opposed.

The Board discussed the January 10, 2023, regular meeting location. Ms. Carner stated ABHR would work with the HOA and the developer regarding the location and would notify the Board of the meeting location. Directors Ottmann and Spackman noted they are unavailable to attend the January 10, 2023, meeting.

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



Secretary, Board of Directors

(SEAL)



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