

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

April 11, 2023

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 11th day of April, 2023, 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 except Directors Quintero and Collins, thus constituting a quorum.

Also present at the meeting were Becky Ullman of Caldwell Companies; JC Reno of Storm Water Solutions, LLC ("SWS"); Brenda McLaughlin of Bob Leared Interests; Lynn Kurtz of Myrtle Cruz, Inc. ("MCI"); Loren Morales of RBC Capital Markets ("RBC"); Amanda Benzman of Environmental Development Partners, LLC ("EDP"); J.T. Gaden and Robert Atkinson of EHRA Engineering ("EHRA"); and Katie Carner, Allison Leatherwood, 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 March 8, 2023, regular meeting. After review and discussion, Director Steinberg moved to approve the minutes of the March 8, 2023, regular meeting, as presented. Director Spackman seconded the motion, which passed unanimously.

CONTRACT REVENUE BONDS (ROAD FACILITIES), SERIES 2023

Mr. Morales reviewed a Pricing Book for the sale of the District's \$8,110,000 Contract Revenue Bonds (Road Facilities), Series 2023 ("Series 2023 Road Bonds"), a copy of which is attached.

REVIEW BIDS AND AWARD SALE OF THE DISTRICT'S SERIES 2023 ROAD BONDS

The Board considered review of the bids and award of the sale of the Series 2023 Road Bonds. Mr. Morales read the bids that had been received:

- (1) Robert W. Baird & Co., Inc. ("Baird"), with a net effective interest rate of 3.998775%;
- (2) Loop Capital Markets, LLC, with a net effective interest rate of 4.041293%;
- (3) SAMCO Capital Markets, with a net effective interest rate of 4.064672%;
- (4) HilltopSecurities, with a net effective interest rate of 4.089757%;
- (5) Raymond James & Associates, Inc., with a net effective interest rate of 4.138511%;
- (6) Stifel, Nicolaus & Co., Inc., with a net effective interest rate of 4.144825%;  
and
- (7) UMB Bank, N.A, with a net effective interest rate of 4.148082%.

The Board next considered award of the sale of the Series 2023 Road Bonds. Mr. Morales stated that the low bid submitted by Baird, with a net effective interest rate of 3.998775%, had been reviewed and all numbers checked and confirmed. He recommended that the District accept the bid of Baird, as submitted. After review and discussion, Director Steinberg moved to award the sale of the Series 2023 Road Bonds to Baird, with a net effective interest rate of 3.998775%, as recommended. Director Spackman seconded the motion, which passed unanimously.

RESOLUTION AUTHORIZING THE ISSUANCE OF THE DISTRICT'S SERIES 2023 ROAD BONDS

The Board considered adopting a Resolution Authorizing the Issuance of the District's Series 2023 Road 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 2023 Road Bonds, the payment of principal and interest over the life of the Series 2023 Road Bonds, and certain District covenants regarding the Series 2023 Road Bonds. After review and discussion, Director Steinberg moved to adopt the Resolution and direct that it be filed appropriately and retained in the District's official records. Director Spackman 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 2023 Road Bonds. After discussion, Director Steinberg 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 Spackman 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 Steinberg moved to approve the Official Statement and direct that it be filed appropriately and retained in the District's official records. Director Spackman 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 Steinberg moved to authorize execution of the Certificate and direct that it be filed appropriately and retained in the District's official records. Director Spackman seconded the motion, which passed unanimously.

## EXECUTION OF DOCUMENTS RELATED TO DISTRICT'S SERIES 2023 ROAD 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 2023 Road Bonds to the purchaser. After discussion, Director Steinberg moved to authorize execution of documents related to the sale and delivery of the Series 2023 Road Bonds and authorize the District's attorney and financial advisor to take all necessary action to deliver the

Series 2023 Road Bonds. Director Spackman 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 Steinberg moved to approve payment to the Attorney General relating to the bond issue transcript review. Director Spackman seconded the motion, which passed unanimously.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Kurtz reviewed the bookkeeper's report, a copy of which is attached, and submitted the bills for the Board's review. She requested the Board approve additional check no. 5555 in the amount of \$225,501.73, payable to the West Harris County Regional Water Authority ("WHCRWA"), which she noted will replace check no. 5543 that was voided. She also requested approval of additional check no. 5556 in the amount of \$363,417.32, payable to C4 Partners.

After review and discussion, Director Spackman moved to approve the bookkeeper's report and the payments presented, including check nos. 5555 and 5556 as detailed above. Director Steinberg seconded the motion, which passed unanimously.

The Board reviewed the interim arbitrage rebate report for the District's \$9,635,000 Contract Revenue Refunding Bonds (Road Facilities), Series 2018, noting that there were no payments owed to the Internal Revenue Service.

ADOPT RESOLUTION EXPRESSING INTENT TO REIMBURSE

The Board deferred discussion on this agenda item.

LANDSCAPE ARCHITECT'S REPORT

The Board reviewed the landscape architect's report prepared by KGA/DeForest Design, LLC ("KGA"), a copy of which is attached.

The Board reviewed the status of construction of the wastewater treatment plant no. 1 landscape improvements. Ms. Carner stated that KGA recommends approval of Pay Estimate No. 2 in the amount of \$51,157.80, submitted by D.L. Meacham L.P. ("D.L. Meacham").

The Board reviewed a proposal from KGA for preparation of an Amended Master Parks Plan, a copy of which is attached.

After review and discussion, and based upon the landscape architect's recommendation, Director Spackman moved to: (1) approve Pay Estimate No. 2 in the amount of \$51,157.80 to D.L. Meacham; and (2) approve the proposal from KGA for preparation of an Amended Master Parks Plan. Director Steinberg seconded the motion, which passed unanimously.

#### 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 three unauthorized discharge reports with the Texas Commission on Environmental Quality ("TCEQ") and Harris County for excursions caused by the internal welds failing on the rotating drum screen at wastewater treatment plant no. 1. She reported that EDP received approval from Director Ottmann for an emergency rehabilitation to the drum screen welds in the approximate amount of \$30,000 and the work is estimated to take 6-7 weeks to complete. Ms. Benzman stated that the installation of the SuperAll odor control system will be delayed until the drum screen weld repairs are complete.

Ms. Benzman reviewed the final handout for the resident education plan regarding disposable wipes and rags that was presented to the Participant districts. She reported that Harris County Municipal Utility District No. 501 and Harris County Municipal Utility District No. 502 both approved distributing the handout to residents in the June utility bills.

Ms. Benzman reported that the installation of a splash guard for aeration basin no. 1 at wastewater treatment plant no. 1 will be complete by the end of the day.

Ms. Benzman reported that the repair of lift pump no. 3 at lift station no. 3 is complete.

In response to an inquiry regarding the collection of the on-site dumpster at wastewater treatment plant no. 1, Ms. Benzman reported that the GFL invoices are now being direct billed through EDP in order to ensure timely payment.

After review and discussion, Director Steinberg moved to approve the operator's report. Director Spackman seconded the motion, which passed unanimously.

#### DISCUSS LAKE MANAGEMENT AND MAINTENANCE

##### WILDLIFE MANAGEMENT, INCLUDING REPORT FROM A ALL ANIMAL CONTROL ("AAAC")

The Board discussed the status of wildlife management in the District,

including wildlife monitoring and trapping, and reviewed a report from AAAC for March, a copy of which is attached. The Board also reviewed an article from the Houston Chronicle, provided by Director Ottmann, regarding nutria, a copy of which is attached. Director Ottmann stated that there have been no new reports of any issues with the District's trapper and the Towne Lake Community Association's ("HOA") trapper working in overlapping areas.

#### EROSION, DREDGING, AND WATER QUALITY

There was no discussion on this agenda item.

#### ENGINEERING MATTERS

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

#### 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 design of the UPRR/Highway 290 Project.

Ms. Carner stated that, in connection with the UPRR/Highway 290 project, certain communication lines will need to be relocated and the District will need to conduct work adjacent to/within a pipeline easement. She then reviewed a form of encroachment agreement with Energy Transfer and form of utility relocation agreement with Lumen Technologies, Inc. After review and discussion, Director Spackman moved to authorize execution of the encroachment agreement with Energy Transfer and the utility relocation agreement with Lumen Technologies, Inc., subject to the Board President's final approval, and direct that the final agreements be filed appropriately and retained in the District's official records. Director Steinberg seconded the motion, which passed unanimously.

#### REPORT ON STORMWATER FACILITIES MAINTENANCE AND REPAIRS, AND APPROVE SUBMERGED STORM SEWER AGREEMENTS AND MAINTENANCE AGREEMENTS

Mr. Reno reviewed the report on maintenance of the District's stormwater facilities, a copy of which is attached. He then reviewed and recommended approval of a proposal in the amount of \$53,302.00 for rehabilitation of an area of erosion on the side slope of the phase 1L detention facility. After review and discussion, Director Spackman moved to approve the proposal in the amount of \$53,302.00, as recommended. Director Steinberg seconded the motion, which passed unanimously.

FINANCIAL AND BOOKKEEPING MATTERS (CONT'D)

ADOPT RESOLUTION EXPRESSING INTENT TO REIMBURSE (CONT'D)

The Board considered adopting a Resolution Expressing Intent to Reimburse for the costs associated with the rotating drum screen rehabilitation at wastewater treatment plant no. 1 and the erosion rehabilitation on the side slope of the phase 1L detention facility. After review and discussion, Director Spackman moved to adopt the Resolution Expressing Intent to Reimburse, subject to final review, and direct that the Resolution be filed appropriately and retained in the District's official records. Director Steinberg seconded the motion, which passed unanimously.

REVIEW BIDS AND AWARD CONTRACT FOR THE MOUND ROAD EAST UTILITY EXTENSION PROJECT

Mr. Gaden updated the Board on the design of the Mound Road East Utility Extension project.

APPROVE PLANS AND SPECIFICATIONS AND AUTHORIZE ADVERTISEMENT FOR BIDS FOR THE WASTEWATER TREATMENT PLANT NO. 1 EXPANSION, PHASE 4

Mr. Gaden updated the Board on the status of design of the wastewater treatment plant no. 1 expansion, phase 4 project.

LAKE EROSION REHABILITATION PROJECT

Mr. Gaden reviewed a proposal in the amount of \$71,500.00 from EHRA for engineering services for the lake erosion rehabilitation project. After review and discussion, Director Spackman moved to approve the proposal in the amount of \$71,500.00 from EHRA. Director Steinberg seconded the motion, which passed unanimously.

APPROVE PAY ESTIMATES AND CHANGE ORDERS FOR CONSTRUCTION OF WASTEWATER TREATMENT PLANT NO. 2

Mr. Gaden updated the Board on the status of construction of wastewater treatment plant no. 2. He reviewed and recommended approval of Pay Estimate Nos. 3 and 4 in the amounts of \$437,188.97 and \$363,417.32, respectively, submitted by C4 Partners.

After review and discussion, Director Spackman moved to approve Pay Estimate Nos. 3 and 4 in the amounts of \$437,188.97 and \$363,417.32, respectively, to C4 Partners, as recommended. Director Steinberg seconded the motion, which passed unanimously.

APPROVE PAY ESTIMATES AND CHANGE ORDERS FOR THE BARKER CYPRESS LEFT TURN LANE

Mr. Gaden updated the Board on the status of construction of the Barker Cypress left turn lane project. He had no action items from SAS Concrete Construction, LLC.

The Board discussed the impact of the construction on the area traffic. After discussion, the Board concurred to post a website notice and send a notice to the Participants districts, the HOA, and the H. Towne Lake Community Association regarding the project.

APPROVE PAY ESTIMATES AND CHANGE ORDERS FOR EMERGENCY WATER INTERCONNECT

Mr. Gaden updated the Board on the status of construction of the emergency water interconnect with Harris County Municipal Utility District No. 196. He had no action items from P&Z Logistics, Inc.

APPROVE PAY ESTIMATES AND CHANGE ORDERS FOR TOWNE LAKE SECTION 60 TEMPORARY ACCESS ROAD

Mr. Gaden updated the Board on the Towne Lake Section 60 temporary construction access road. He stated that he had no pay estimates from SWS for the Board's approval.

APPROVE PAY ESTIMATES AND CHANGE ORDERS FOR WATER WELL NO. 1 AND WATER PLANT NO. 1 HYDROPNEUMATIC TANK ADDITION

Mr. Gaden updated the Board on the status of construction of water well no. 1 and the additional hydropneumatic tank. He had no action items from HCG, LLC.

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 PREPARATION OF WATER, SEWER, AND DRAINAGE BOND APPLICATION NO. 13 AND PARK SURPLUS FUNDS APPLICATION, INCLUDING ADOPT RESOLUTION AUTHORIZING APPLICATION TO THE TCEQ FOR USE OF SURPLUS FUNDS

Ms. Carner updated the Board on the status of the preparation of water, sewer, and drainage bond application no. 13 and preparation of the park surplus funds application. The Board deferred adoption of a Resolution Authorizing Application to the TCEQ for Use of Surplus Funds.

WHCRWA MATTERS

There was no discussion on this agenda item.

REPORT REGARDING DEVELOPMENT IN THE DISTRICT

Ms. Ullman reported that the new Marina Bay Park will open prior to Memorial Day weekend.

REPORTS FROM DISTRICT CONSULTANTS REGARDING DISTRICT CORRESPONDENCE AND PROVISION OF RECORDS

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.

CONVENE IN EXECUTIVE SESSION TO CONSULT WITH ATTORNEY, PURSUANT TO SECTION 551.071, TEXAS GOVERNMENT CODE

The Board did not convene in Executive Session.

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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