

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

July 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 July, 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, thus constituting a quorum.

Also present at the meeting were Bear Oakley of Acclaim Energy Advisors ("Acclaim"); Jerry Hlozek of Caldwell Companies; JC Reno of Storm Water Solutions, LLC ("SWS"); Eric Steinman of KGA/DeForest Design, LLC ("KGA"); Leslie Cook of RBC Capital Markets; Lynn Kurtz of Myrtle Cruz, Inc.; Brenda McLaughlin of Bob Leared Interests; Amanda Benzman of Environmental Development Partners ("EDP"); J.T. Gaden 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 June 13, 2023, regular meeting. After review and discussion, Director Quintero moved to approve the minutes of the June 13, 2023, regular meeting, as presented. Director Collins seconded the motion, which passed unanimously.

CONVENE IN EXECUTIVE SESSION PURSUANT TO SECTION 551.072, TEXAS GOVERNMENT CODE, TO DELIBERATE THE PURCHASE, EXCHANGE, LEASE, OR VALUE OF REAL PROPERTY

The Board convened in Executive Session at 12:03 p.m. pursuant to Section 551.072 of the Texas Government Code to deliberate the purchase, exchange, lease, or

value of real property. Ms. Carner, Ms. Leatherwood, Ms. Ramirez, and Mr. Gaden also were present.

Ms. Carner, Ms. Leatherwood, Ms. Ramirez, and Mr. Gaden exited the Executive Session at 12:10 p.m.

RECONVENE IN OPEN SESSION AND AUTHORIZE APPROPRIATE ACTION REGARDING THE PURCHASE, EXCHANGE, LEASE, OR VALUE OF REAL PROPERTY

The Board reconvened in Open Session at 12:21 p.m.

CONVEYANCE OF EASEMENTS/DEEDS; ABANDONMENT OF EASEMENT; CONSENTS TO ENCROACHMENT; ENGAGEMENT OF SPECIAL COUNSEL FOR LEGAL SERVICES

The Board took no action on the engagement of special counsel for legal services.

The Board suspended the Master District meeting at 12:22 p.m.

The Board resumed the Master District meeting at 1:06 p.m.

APPROVE AUDIT FOR FISCAL YEAR END MARCH 31, 2023

The Board considered approving the combined draft audit for the Master District and Internal District for the fiscal year ending March 31, 2023. Following review and discussion, Director Quintero moved to approve the audit for fiscal year ended March 31, 2023, subject to final review. Director Spackman seconded the motion, which passed unanimously.

APPROVE ANNUAL REPORT AND AUTHORIZE FILING OF SAME IN ACCORDANCE WITH CONTINUING DISCLOSURE OF INFORMATION AGREEMENT

Ms. Carner reviewed an Annual Report containing updated financial and operating data to be filed in accordance with the continuing disclosure provisions contained in the bond resolutions. She stated that the District is required to file certain financial and operating data with the Municipal Securities Rulemaking Board through EMMA in compliance with SEC Rule 15c2-12. Following review and discussion, Director Quintero moved to approve the Annual Report, subject to final review, authorize the attorney to submit the Annual Report in compliance with the continuing disclosure provisions contained in the bond resolutions and direct that the Annual Report be filed appropriately and retained in the District’s official records. Director Spackman seconded the motion, which passed unanimously.

## ANNUAL REVIEW OF PROCEDURES FOR CONTINUING DISCLOSURE COMPLIANCE

The Board reviewed the District's procedures for continuing disclosure compliance. The Board concurred that no changes are required at this time.

## AUTHORIZE RENEWAL OF DISTRICT'S INSURANCE POLICIES

The Board reviewed the insurance renewal proposal from Arthur J. Gallagher & Co. ("Gallagher") for the District's insurance policies.

Following review and discussion, Director Quintero moved to accept the proposal from Gallagher and direct that the proposal be filed appropriately and retained in the District's official records. Director Spackman seconded the motion, which passed unanimously.

## DISCUSS AND, IF APPROPRIATE, APPROVE ACCLAIM ENERGY MANAGEMENT AGREEMENT

Mr. Oakley discussed changes in the electricity market and noted the standard electricity broker fee, which had previously been built into the electricity rate, no longer covers Acclaim's costs. He requested approval of an Acclaim Energy Management Agreement with Acclaim, which includes flat rate costs billed to the District for meter additions and certain other services.

After discussion, the Board tabled discussion on this agenda item.

## 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.

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

## ADOPT RESOLUTION EXPRESSING INTENT TO REIMBURSE

The Board considered adopting a Resolution Expressing Intent to Reimburse for the costs associated with the Barker Cypress left turn lane project. After review and discussion, Director Collins 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 Spackman seconded the motion, which passed unanimously.

## LANDSCAPE ARCHITECT'S REPORT

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

Mr. Steinman updated the Board on the status of construction of the wastewater treatment plant no. 1 landscape improvements. He reviewed and recommended approval of Pay Estimate No. 5 in the amount of \$1,425.00, submitted by D.L. Meacham L.P. ("D.L. Meacham").

Mr. Steinman updated the Board on the preparation of the Amended Master Parks Plan.

Mr. Steinman updated the Board on the status of the appraisal of existing parks and recreational facilities within certain road rights-of-way and adjacent reserves.

After review and discussion, and based upon the landscape architect's recommendation, Director Spackman moved to: (1) approve the landscape architect's report; and (2) approve Pay Estimate No. 5 in the amount of \$1,425.00 to D.L. Meacham. Director Quintero seconded the motion, which passed unanimously.

## OPERATION OF DISTRICT FACILITIES

Ms. Benzman updated the Board on the status of the SuperAll odor control system. She stated that thus far the system is functioning well for odor control and the only odor complaints have been related to specific issues, such as clogged filters. Ms. Benzman stated that the SuperAll vendor would like to install a newer SuperAll system at lift station no. 1 at no cost to the District. She stated that the vendor and EDP feel that system reliability will improve at the lift station. Ms. Benzman stated that, if the Board approves the change, the vendor will leave the system in place at the wastewater treatment plant for 90 days in case it is needed. She also stated that the lift station system will cost \$755.00 more per month to operate. Discussion ensued.

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 reviewed a proposal from Seaback Maintenance, Inc. ("Seaback") in the amount of \$1,475.00 per year to maintain the wastewater treatment plant no. 1 landscape improvements. She noted that Seaback currently does the landscape maintenance for the District's facilities.

Ms. Benzman reported that repairs to blower nos. 1 and 2 at wastewater treatment plant no. 1 are complete. She stated that the repair to blower no. 3 is still ongoing.

After discussion, Director Quintero moved to (1) approve the operator's report; (2) authorize proceeding with the installation of a SuperAll odor control system at lift station no. 1; and (3) approve the proposal from Seaback in the amount of \$1,475.00 per year to maintain the wastewater treatment plant no. 1 landscape improvements. Director Collins 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 June, a copy of which is attached.

##### EROSION, DREDGING, AND WATER QUALITY

Mr. Gaden reported that the funding for the erosion rehabilitation projects is included in the next bond issue.

##### AGREEMENT FOR USE OF FACILITIES WITH CY-FAIR FIRE DEPARTMENT

There was no discussion on this agenda item.

Ms. Carner stated that the Towne Lake Community Association, Inc. ("HOA") has submitted a proposed amendment to the HOA rules related to swimming, a copy of which is attached. The Board deferred discussion on the proposed amendment, subject to additional review by the Board.

Director Collins reported that there are no buoys or warning signs by the scaffolding for the Tuckerton bridge painting project. Mr. Gaden stated he would contact the contractor regarding additional safety measures.

##### 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. He stated that EHRA provided the updated project schedule.

Ms. Carner updated the Board on the discussions with Harris County Emergency

Services District No. 9 (“ESD No. 9”) regarding its funding contribution for the UPRR/Highway 290 project. She stated that ABHR sent ESD No. 9 an updated agreement with the increased funding request and the Board of ESD No. 9 will consider it at its July 27, 2023, meeting.

Ms. Carner reviewed a Facilities Extension Agreement with CenterPoint Energy Houston Electric, LLC for overhead power lines related to the UPRR/Highway 290 project. After review and discussion, Director Quintero moved to approve the Facilities Extension Agreement and direct that it be filed appropriately and retained in the District’s official records. Director Collins seconded the motion, which passed unanimously.

Ms. Carner stated that ABHR and EHRA are coordinating with ExxonMobil on a pipeline relocation agreement. She stated that a portion of the pipeline lies within Harris County’s Mound Road project and will also need to be relocated. Ms. Carner stated that ExxonMobil would like to combine both relocations into one agreement. She stated that the District will enter into an Interlocal Agreement with Harris County regarding the funding for Harris County’s portion of the project, which Harris County would pay up front.

#### 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 noted some areas of erosion along the shoreline of the regional detention facilities by the Tuckerton bridge.

Mr. Reno reviewed a proposal in the amount of \$3,700.00, submitted by SWS, to repair a sinkhole near the bulkhead by the boat dock near Towne Lake Parkway. After review and discussion, Director Spackman moved to approve the proposal in the amount of \$3,700.00. Director Collins 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.

Mr. Gaden requested the Board conditionally approve the maintenance letter for the automatic blow off valve that is required for the project. After review and discussion, Director Spackman moved to approve the maintenance letter for the automatic blow off valve, subject to receipt and final approval. Director Quintero seconded the motion, which passed unanimously.

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 updated the Board on the status of design of the lake erosion rehabilitation project.

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 No. 6 in the amount of \$373,757.85, submitted by C4 Partners.

After review and discussion, Director Spackman moved to approve Pay Estimate No. 6 in the amount of \$373,757.85 to C4 Partners, as recommended. Director Quintero 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.

Mr. Gaden reviewed and recommended approval of a proposal in the amount of \$5,945.00, submitted by Ninyo & Moore, for construction materials testing and observation services. After review and discussion, Director Spackman moved to approval the proposal in the amount of \$5,945.00, as recommended. Director Quintero seconded the motion, which passed unanimously.

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.

Mr. Gaden reviewed and recommended approval of an invoice in the amount of \$1,113.75, submitted by Ninyo & Moore. After review and discussion, Director

Spackman moved to approve the invoice in the amount of \$1,113.75. Director Quintero seconded the motion, which passed unanimously.

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 reviewed and recommended approval of Pay Estimate No. 13 in the amount of \$20,952.00, submitted by HCG, LLC ("HCG").

After review and discussion, Director Spackman moved to approve Pay Estimate No. 13 in the amount of \$20,952.00 to HCG, as recommended. Director Quintero seconded the motion, which passed unanimously.

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 (CONT'D)

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 TEXAS COMMISSION ON ENVIRONMENTAL QUALITY ("TCEQ") FOR USE OF SURPLUS FUNDS

Mr. Gaden updated the Board on the status of the preparation of water, sewer, and drainage bond application no. 13.

Ms. Carner updated the Board on the status of the preparation of the park surplus funds application. 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.

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.

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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