

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

January 9, 2024

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 9th day of January, 2024, 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:

Jeffrey 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 Michael Crahan of Caldwell Companies; Angel Ruvalcaba of KGA/DeForest Design, LLC ("KGA"); Leslie Cook of RBC Capital Markets; JC Reno of Storm Water Solutions, LLC; Lynn Kurtz of Myrtle Cruz, Inc.; Amanda Benzman of Environmental Development Partners ("EDP"); J.T. Gaden and Kenrick Piercy of EHRA Engineering; Brenda McLaughlin of Bob Leared Interests; 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 December 12, 2023, regular meeting. After review and discussion, Director Quintero moved to approve the minutes of the December 12, 2023, regular meeting, as presented. Director Spackman seconded the motion, which passed unanimously.

CONTRACT REVENUE BONDS (WATER, SEWER, AND DRAINAGE FACILITIES),
SERIES 2024A

Ms. Carner updated the Board on the status of the District's \$10,195,000 Contract Revenue Bonds (Water, Sewer, and Drainage Facilities), Series 2024A ("Series 2024A

Bonds”), noting that the Texas Commission on Environmental Quality (“TCEQ”) has issued the staff memorandum and draft order for the issuance of the bonds and final approval is anticipated soon. Ms. Cook discussed the procedures and proposed schedule of events for sale of the bonds.

PRELIMINARY OFFICIAL STATEMENT FOR THE DISTRICT’S SERIES 2024A BONDS

Ms. Cook reviewed the Preliminary Official Statement for the District’s Series 2024A Bonds. After review and discussion, Director Spackman moved to approve the Preliminary Official Statement, subject to final review. Director Steinberg seconded the motion, which passed unanimously.

APPOINT PAYING AGENT/REGISTRAR

The Board considered appointing a paying agent/registrar for the Series 2024A Bonds. Following review and discussion, Director Spackman moved to appoint The Bank of New York Mellon Trust Company, N.A., as the District’s paying agent/registrar for the Series 2024A Bonds. Director Steinberg seconded the motion, which passed unanimously.

AUTHORIZE ADVERTISEMENT FOR SALE OF THE SERIES 2024A BONDS

The Board considered authorizing the District’s financial advisor to advertise for the sale of the District’s Series 2024A Bonds. After discussion, Director Spackman moved to authorize the District’s financial advisor to advertise for the sale of the District’s Series 2024A Bonds, subject to receipt of the TCEQ order approving the issuance of the bonds. Director Steinberg seconded the motion, which passed unanimously. The Board concurred to conduct the sale of the bonds at the regular meeting on February 13, 2024, at 12:00 p.m., at the Lakehouse.

AUTHORIZE DISTRICT ENGINEER TO REQUEST TCEQ INSPECTION OF FACILITIES

Mr. Gaden reported that the TCEQ pre-purchase inspection of facilities for the projects included in the bond application is complete.

AUTHORIZE TAX ASSESSOR/COLLECTOR TO REQUEST CERTIFICATE OF ASSESSED VALUE AS OF JANUARY 1 FROM THE APPRAISAL DISTRICT

The Board considered authorizing the District’s tax assessor/collector to request a Certificate of Assessed Value as of January 1, 2023, from the Harris Central Appraisal District (“HCAD”) in connection with the Series 2024A Bonds.

After discussion, Director Spackman moved to authorize the tax assessor/collector to request a Certificate of Assessed Value as of January 1, 2023, from HCAD. Director Steinberg seconded the motion, which passed unanimously.

AUTHORIZE AUDITOR TO PREPARE DEVELOPER REIMBURSEMENT REPORT

The Board considered authorizing the District's auditor, McCall Gibson Swedlund Barfoot PLLC ("McCall"), to prepare a developer reimbursement report for the Series 2024A Bonds. After review and discussion, Director Spackman moved to authorize McCall to prepare the developer reimbursement report for the Series 2024A Bonds. Director Steinberg seconded the motion, which passed unanimously.

TAXABLE CONTRACT REVENUE BONDS (WATER, SEWER, AND DRAINAGE FACILITIES), SERIES 2024B

Ms. Carner updated the Board on the status of the District's \$3,045,000 Taxable Contract Revenue Bonds (Water, Sewer, and Drainage Facilities), Series 2024B ("Series 2024B Bonds"), noting that the TCEQ has issued the staff memorandum and draft order approving the issuance of the bonds and final approval is anticipated soon. Ms. Cook discussed the procedures and proposed schedule of events for sale of the bonds.

PRELIMINARY OFFICIAL STATEMENT FOR THE DISTRICT'S SERIES 2024B BONDS

Ms. Cook reviewed the Preliminary Official Statement for the District's Series 2024B Bonds. After review and discussion, Director Spackman moved to approve the Preliminary Official Statement, subject to final review. Director Spackman seconded the motion, which passed unanimously.

APPOINT PAYING AGENT/REGISTRAR

The Board considered appointing a paying agent/registrar for the Series 2024B Bonds. Following review and discussion, Director Spackman moved to appoint The Bank of New York Mellon Trust Company, N.A., as the District's paying agent/registrar for the Series 2024B Bonds. Director Steinberg seconded the motion, which passed unanimously.

AUTHORIZE ADVERTISEMENT FOR SALE OF THE SERIES 2024B BONDS

The Board considered authorizing the District's financial advisor to advertise for the sale of the District's Series 2024B Bonds. After discussion,

Director Spackman moved to authorize the District's financial advisor to advertise for the sale of the District's Series 2024B Bonds, subject to receipt of the TCEQ order approving the issuance of the bonds. Director Steinberg seconded the motion, which passed unanimously. The Board concurred to conduct the sale of the bonds at the regular meeting on February 13, 2024, at 12:00 p.m., at the Lakehouse.

AUTHORIZE DISTRICT ENGINEER TO REQUEST TCEQ INSPECTION OF FACILITIES

Mr. Gaden reported that the TCEQ pre-purchase inspection of facilities for the projects included in the bond application is complete.

AUTHORIZE AUDITOR TO PREPARE DEVELOPER REIMBURSEMENT REPORT

The Board considered authorizing McCall to prepare a developer reimbursement report for the Series 2024B Bonds. After review and discussion, Director Spackman moved to authorize McCall to prepare the developer reimbursement report for the Series 2024B Bonds. Director Steinberg 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.

Ms. Kurtz reviewed a draft amended budget for the fiscal year ending March 31, 2024, a copy of which is attached to the bookkeeper's report. The Board discussed revisions to the proposed draft amended budget.

After review and discussion, Director Spackman moved to: (1) approve the bookkeeper's report and the payments presented; and (2) adopt the amended budget for the fiscal year ending March 31, 2024, revised as discussed. Director Quintero seconded the motion, which passed unanimously.

Ms. Kurtz reviewed a draft budget for the Master District's fiscal year ending March 31, 2025, a copy of which is attached to the bookkeeper's report. The Board then discussed scheduling a budget workshop with up to two representatives of each of the Participant districts to discuss the proposed Master District budget.

The Board then considered accepting the annual disclosure statements of the District's bookkeeper and investment officer.

After review and discussion, Director Collins moved to: (1) authorize distribution of the proposed Master District budget to the Participant districts; (2) authorize ABHR to schedule a budget workshop, as discussed, with the Directors Ottmann and Quintero attending on behalf of the District and Director Spackman as an alternate; and (3) accept the annual disclosure statements of the bookkeeper and investment officer. Director Quintero seconded the motion, which passed unanimously.

ADOPT RESOLUTION EXPRESSING INTENT TO REIMBURSE

There was no discussion on this agenda item.

ANNUAL REPORT REGARDING POST-ISSUANCE COMPLIANCE POLICY

Ms. Carner reported on the District's compliance activities during the prior calendar year related to bond financings. She stated that no changes to the policy are required at this time.

LANDSCAPE ARCHITECT'S REPORT

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

Mr. Ruvalcaba reviewed a design proposal in an amount not to exceed \$4,800.00, submitted by KGA, for the Greenhouse Road tree replacement project. He requested authorization to solicit bids upon completion of the design.

Mr. Ruvalcaba stated that KGA is coordinating with the Towne Lake Community Association ("HOA") on the inspection and approval of the irrigation repairs conducted by the HOA in anticipation of a reimbursement request to the District.

Mr. Ruvalcaba stated that KGA will present a design proposal at the February regular meeting for the Greenhouse Road landscape replacement project.

After review and discussion, and as recommended by the landscape architect, Director Spackman moved to: (1) accept the landscape architect's report; (2) approve the proposal from KGA for the Greenhouse Road tree replacement project; and (3) authorize solicitation of bids for the Greenhouse Road tree replacement project. Director Quintero 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 the replacement of the non-potable pump is complete.

Ms. Benzman updated the Board on the repair of booster pump no. 2 at water plant no. 2.

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

The Drought Contingency Plan ("DCP") Review Committee discussed the proposed updates to the District's DCP. Director Ottmann stated that the DCP Review Committee is recommending the Board consider hosting a central website landing page for all Towne Lake municipal utility districts ("MUDs") in order to more effectively communicate with Towne Lake residents. After discussion, Director Quintero moved to authorize the DCP Review Committee to obtain a proposal for a Towne Lake MUDs central website landing page and present it to the Participant districts for consideration. Director Steinberg seconded the motion, which passed unanimously.

Ms. Carner stated that ABHR will revise the proposed DCP to incorporate additional minor revisions requested by the DCP Review Committee and will circulate the proposed amended DCP to the Participant districts for their consideration.

DISCUSS LAKE MANAGEMENT AND MAINTENANCE

WILDLIFE MANAGEMENT, INCLUDING REPORT FROM A ALL ANIMAL CONTROL

The Board discussed the status of wildlife management in the District, including wildlife monitoring and trapping.

EROSION, DREDGING, AND WATER QUALITY

There was no discussion on this agenda item.

REPORT FROM HOA REGARDING LAKE AND LANDSCAPE MAINTENANCE MATTERS

The Board requested that EHRA ask the HOA about specific water quality testing items for the regional detention facilities..

REPORT ON STORMWATER FACILITIES MAINTENANCE AND REPAIRS

Mr. Reno reviewed the report on maintenance of the District's stormwater facilities, a copy of which is attached.

Mr. Reno reviewed a proposal in the amount of \$3,985.00 to clean out the stormwater quality feature located in Towne Lake Commons, Section 1, a copy of which is attached.

After review and discussion, Director Quintero moved to approve the proposal in the amount of \$3,985.00 to clean out the stormwater quality feature located in Towne Lake Commons, Section 1. Director Collins seconded the motion, which passed unanimously.

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 will provide the updated project schedule to the Board.

Ms. Carner updated the Board on the status of the various utility relocation projects and the funding agreement with the Harris County Toll Road Authority.

The Board tabled discussion on a First Amendment to Agreement with Harris County and CW SCOA West, L.P. related to Mound Road extension and construction of drainage facilities.

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 had no action items from C4 Partners.

Mr. Gaden reviewed and recommended approval of an invoice in the amount of \$579.25, submitted by Ninyo & Moore.

After review and discussion, and based on the engineer's recommendation, Director Spackman moved to approve the invoice in the amount of \$579.25 to Ninyo & Moore. Director Collins 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 reviewed and recommended approval of Pay Estimate No. 1 in the amount of \$86,186.64, submitted by SAS Concrete Construction, LLC ("SAS").

After review and discussion, Director Spackman moved to approve Pay Estimate No. 1 in the amount of \$86,186.64 to SAS, as recommended. 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. 19 in the amount of \$60,804.00, submitted by HCG, LLC.

After review and discussion, Director Spackman moved to approve Pay Estimate No. 19 in the amount of \$60,804.00 to HCG, LLC, as recommended. Director Quintero seconded the motion, which passed unanimously.

APPROVE PAY ESTIMATES AND CHANGE ORDERS FOR THE MOUND ROAD EAST UTILITY EXTENSION PROJECT

Mr. Gaden updated the Board on the status of construction of the Mound Road East Utility Extension project. He had no action items from Texasite, LLC.

APPROVE PAY ESTIMATES AND CHANGE ORDERS FOR THE WATER PLANT NO. 1 GROUND STORAGE TANK NO. 2 EMERGENCY ROOF REPLACEMENT AND RECOATING

Mr. Gaden updated the Board on the status construction of the water plant no. 1 ground storage tank no. 2 emergency roof replacement project. He had no action items from Tank Builders, Inc.

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.

WATER, SEWER, AND DRAINAGE BOND APPLICATION NO. 13 AND ROAD
BOND ISSUE NO. 6

Ms. Carner updated the Board on the status of the preparation of road bond issue no. 6.

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.

DISCUSS YEAR IN REVIEW UPDATE

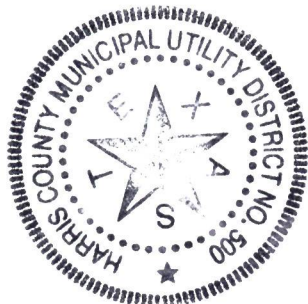
Ms. Carner updated the Board on the preparation of the year in review update.

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)



Secretary, Board of Directors

LIST OF ATTACHMENTS TO MINUTES

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