

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

April 8, 2025

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 8th day of April, 2025, 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 Bethany Gray of the Towne Lake Community Association, Inc. ("HOA"); Leslie Cook of RBC Capital Markets; Michael Crahan of Caldwell Companies; Angel Ruvalcaba of KGA/DeForest Design, LLC; Erik Scott of Storm Water Solutions, LLC ("SWS"); Lynn Kurtz of Myrtle Cruz, Inc. ("MCI"); Amanda Benzman of Inframark Water & Infrastructure Services ("Inframark"); Kenrick Piercy of EHRA Engineering ("EHRA"); and Katie Carner 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 5, 2025, regular meeting. After review and discussion, Director Spackman moved to approve the minutes of March 5, 2025, regular meeting, as presented. Director Quintero seconded the motion, which passed unanimously.

APPROVE FIFTH AMENDMENT TO CONTRACT FOR FINANCING, OPERATION, AND MAINTENANCE OF REGIONAL FACILITIES, INCLUDING LEGAL CONFLICTS WAIVERS

Ms. Carner reminded the Board that ABHR also represents Harris County Municipal Utility District No. 501 ("HC 501") and reviewed a legal conflicts waiver with

respect to the preparation of a Fifth Amendment to Contract for Financing, Operation, and Maintenance of Regional Facilities between the District and HC 501. Following review and discussion, Director Steinberg moved to approve the legal conflicts waiver. Director Collins seconded the motion, which passed unanimously.

Ms. Carner reminded the Board that ABHR also represents Harris County Municipal Utility District No. 503 ("HC 503") and reviewed a legal conflicts waiver with respect to the preparation of a Fifth Amendment to Contract for Financing, Operation, and Maintenance of Regional Facilities between the District and HC 503. Following review and discussion, Director Steinberg moved to approve the legal conflicts waiver. Director Collins seconded the motion, which passed unanimously.

The Board considered approval of (i) a Fifth 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 Fifth Amendment to Contract for Financing, Operation, and Maintenance of Regional Facilities between the District, as Master District, and HC 501; (iii) a Fifth 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 Fifth Amendment to Contract for Financing, Operation, and Maintenance of Regional Facilities between the District, as Master District, and HC 503 (collectively, the "Contract Amendments"). Ms. Carner reviewed the provisions of the Contract Amendments. Following review and discussion, Director Steinberg moved to approve the Contract Amendments and direct that the Contract Amendments be filed appropriately and retained in the District's official records. Director Collins seconded the motion, which passed unanimously.

AUTHORIZE PREPARATION OF SUPPLEMENTAL DEVELOPER REIMBURSEMENT REPORT FOR SERIES 2023 BONDS, APPROVE DEVELOPER REIMBURSEMENT REPORT, AND AUTHORIZE DISBURSEMENT OF BOND PROCEEDS

The Board considered authorizing McCall Gibson Swedlund Barfoot Ellis PLLC ("McCall") to prepare a supplemental developer reimbursement report for additional developer reimbursements from the District's Contract Revenue Bonds (Water, Sewer, and Drainage Facilities), Series 2023. After review and discussion, Director Collins moved to authorize McCall to prepare the supplemental developer reimbursement report for additional developer reimbursements. Director Quintero 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. Carner stated that, as part of the Attorney General's review and approval of the issuance of the Series 2025 Contract Revenue Bonds (Road Facilities) (the "Bonds"), the District was required to place certain proceeds from the District's operating account into temporary escrow in a separate account, pending the extension of the term of the Master District contracts with each of the Participant districts. She stated that once the Board makes a determination that the escrow conditions have been met, the funds can be transferred back into the District's operating account. After discussion, the Board made a finding that the escrow conditions have been met, due to the approval of the Contract Amendments by all Participant districts and the District, as Master District.

After review and discussion, Director Spackman moved to (1) approve the bookkeeper's report and the payments presented; and (2) authorize MCI to close the escrow account and move the funds back into the District's operating account, based upon the Board's finding that the escrow conditions have been met. Director Quintero seconded the motion, which passed unanimously.

The Board reviewed the interim arbitrage rebate report for the District's \$10,875,000 Contract Revenue Bonds (Road Facilities), Series 2015, noting that there were no payments owed to the Internal Revenue Service.

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 Inframark filed an excursion report with the Texas Commission on Environmental Quality ("TCEQ") and Harris County for an excursion at wastewater treatment plant no. 2 caused by a plant imbalance due to low flow.

Ms. Benzman noted the higher than usual water accountability, which may be due to over-registering by the West Harris County Regional Water Authority ("WCHRWA") meters at the water plants. She stated it would cost approximately \$600.00 to test the meters.

Ms. Benzman reviewed a letter from Inframark regarding the annual Consumer Price Index increase, a copy of which is attached to the operator's report.

After review and discussion, Director Quintero moved to (1) approve the operator's report; and (2) authorize the testing of the WHCRWA meters at the water plants for an estimated cost of \$600.00. 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 discussed a request from the HOA regarding the enforcement of the District's rules against feeding wildlife related to a property on Rockport Hills Drive. After discussion, the Board concurred to authorize ABHR to send correspondence to the property owners on Rockport Hills Drive regarding the matter.

EROSION, DREDGING, AND WATER QUALITY

There was no discussion on this agenda item.

REPORT FROM THE HOA REGARDING LAKE AND LANDSCAPE MAINTENANCE MATTERS

There was no discussion on this agenda item.

REPORT ON STORMWATER FACILITIES MAINTENANCE AND REPAIRS

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

Mr. Scott discussed a gap along the edge of the stormwater quality screen at Crystal Knoll Drive due to shoreline erosion. He stated that SWS is going to address the gap with concrete bags and will continue to monitor the area as turf is established.

ENGINEERING MATTERS

Mr. Piercy reviewed the engineer's report, a copy of which is attached.

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

Mr. Piercy and Ms. Carner updated the Board on the status of design of the UPRR/Highway 290 project, including the project schedule.

Ms. Carner reported that the Houston-Galveston Area Council approved the District's request for increased project funding.

Ms. Carner updated the Board on the status of the utility relocations for the UPRR/Highway 290 project.

The Board reviewed correspondence with a resident of Towne Lake regarding the status of the UPRR/Highway 290 project, a copy of which is attached. The Board discussed posting a public update regarding the project. After discussion, the Board concurred to authorize ABHR to post a project update as a notice on the District's website, send an email alert, and provide the update to the HOA, the Heritage HOA, and the Participant districts.

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

Mr. Piercy updated the Board on the status of design of the wastewater treatment plant no. 1 expansion, phase 4 and access road improvements project.

APPROVE PLANS AND SPECIFICATIONS AND AUTHORIZE ADVERTISEMENT FOR BIDS FOR THE HOODED GREENHOUSE ROAD LEFT TURN LANE SOUTH OF CYPRESS NORTH HOUSTON

Mr. Piercy updated the Board on the status of design of the hooded Greenhouse Road left turn lane south of Cypress North Houston.

RESERVOIR DREDGING PHASE ONE

Mr. Piercy updated the Board on the status of the bathymetric survey for the lake dredging project.

APPROVE PAY ESTIMATES AND CHANGE ORDERS FOR THE WASTEWATER TREATMENT PLANT NO. 1 EMERGENCY GENERATOR

Mr. Piercy updated the Board on the status of construction of the wastewater treatment plant no. 1 emergency generator project. He reviewed and recommended approval of Pay Estimate No. 1 in the amount of \$18,000.00, submitted by McDonald Municipal and Industrial ("McDonald").

After review and discussion, Director Spackman moved to approve Pay Estimate No. 1 in the amount of \$18,000.00 to McDonald, as recommended. Director Quintero seconded the motion, which passed unanimously.

APPROVE PAY ESTIMATES AND CHANGE ORDERS FOR THE LAKE EROSION REHABILITATION PROJECT

Mr. Piercy updated the Board on the status of construction of the lake erosion rehabilitation project. He reviewed and recommended approval of Change Order No. 2 to increase the contract in an amount not to exceed \$12,000.00, submitted by Double Oak Erosion ("Double Oak"). Mr. Piercy stated that Change Order No. 2 is for replanting wetland grasses. The Board determined that Change Order No. 2 is beneficial to the District.

After review and discussion, Director Spackman moved to approve Change Order No. 2 to increase the contract in an amount not to exceed \$12,000.00, submitted by Double Oak, based on the engineer's recommendation and the Board's determination that the Change Order is beneficial to the District. Director Quintero seconded the motion, which passed unanimously.

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

Mr. Piercy updated the Board on the status of construction of wastewater treatment plant no. 2. He had no action items from C4 Partners.

UPDATE ON WATER PLANT AND LIFT STATION COATING INSPECTIONS

Mr. Piercy reported that the contractor has completed the inspections of wastewater treatment plant no. 1, water plant no. 1, water plant no. 2, lift station no. 1, and lift station no. 2, and EHRA is reviewing the reports provided by the contractor. He then requested the Board approve the coating inspection invoices in the amounts of \$1,675.00 and \$2,410.00, submitted by Preventive Services, Inc.

After review and discussion, Director Spackman moved to approve the inspection invoices in the amounts of \$1,675.00 and \$2,410.00, submitted by Preventive Services, Inc., as recommended. Director Quintero seconded the motion, which passed unanimously.

DISCUSS OPTIONS FOR WATER REUSE, INCLUDING REPORT FROM REUSE COMMITTEE

There was no discussion on this agenda item.

APPROVE CAPACITY RESERVATIONS AND UTILITY COMMITMENT LETTERS

Mr. Piercy reported that HC 501 has requested 19 equivalent single-family connections ("ESFCs") for water and sewer capacity for Kelsey Seybold Towne Lake

and a Towne Lake Specialty Grocer. Following review and discussion, and based upon the engineer's recommendation, Director Spackman moved to approve the capacity request. Director Quintero seconded the motion, which passed unanimously. The Board directed Ms. Kurtz to begin charging HC 501 for the additional 19 ESFCs, beginning in May 2025. Ms. Kurtz noted HC 501's new connection count will be 1,735 ESFCs.

CONVEYANCE OF EASEMENTS/DEEDS; ABANDONMENT OF EASEMENT; CONSENTS TO ENCROACHMENT

The Board considered approving a Consent to Encroachments with CC TL Retail, L.P., a Consent to Encroachments and License Agreement with KS Management Services, L.L.C., and a Consent to Encroachments and License Agreement with CC TL Market, L.P. (collectively, the "Consents").

After review and discussion, Director Quintero moved to approve the Consents and direct that they be filed appropriately and retained in the District's official records. Director Spackman seconded the motion, which passed unanimously.

UPDATE ON PREPARATION OF PARK BOND APPLICATION NO. 2

There was no discussion on this agenda item.

LANDSCAPE ARCHITECT'S REPORT

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

Mr. Ruvalcaba reviewed the updated design and cost estimate for the landscape improvements for the drill site located south of Tuckerton Road. The Board discussed the expected schedule for the well operator to plug and abandon the well located on the drill site and requested that ABHR coordinate with the HOA to post a notice on the District's website regarding the well abandonment.

After review and discussion, and as recommended by the landscape architect, Director Quintero moved to accept the landscape architect's report. Director Spackman seconded the motion, which passed unanimously.

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.

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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