

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

December 4, 2019

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 4th day of December, 2019, 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:

Joanne E. Quintero	President
Jeffry D. Ottmann	Vice President
Saundra Dahlke	Secretary
Gerald P. Mathers	Assistant Secretary
James Ross	Assistant Vice President

and all of the above were present except Director Dahlke, thus constituting a quorum.

Also present at the meeting were Justin Jenkins of McCall Gibson Swedlund Barfoot PLLC; George Gentry and Wayne Tyson, directors of Harris County Municipal Utility District No. 501; Rose Montalbano of F. Matuska, Inc.; Michael Ammel and Amanda Benzman of Environmental Development Partners, LLC ("EDP"); J.T. Gaden of Edminster Hinshaw Russ and Associates, Inc. ("EHRA"); Bob DeForest of KGA DeForest Design, LLC ("KGA"); Brenda McLaughlin of Bob Leared Interests ("BLI"); and Alia Vinson 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 November 6, 2019, regular meeting. After review and discussion, Director Ottmann moved to approve the minutes, as presented. The motion was seconded by Director Mathers and passed by unanimous vote.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Montalbano 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 Ottmann moved to approve the bookkeeper's report and the payments presented. Director Ross seconded the motion, which passed unanimously.

#### TRAVEL REIMBURSEMENT GUIDELINES AND DIRECTOR EXPENSES FOR THE ASSOCIATION OF WATER BOARD DIRECTORS WINTER CONFERENCE

Ms. Vinson discussed the District's Travel Reimbursement Guidelines in connection with the upcoming Association of Water Board Directors winter conference in Dallas. After review and discussion, Director Ottmann moved to authorize 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 winter conference, all to be submitted in accordance with the Travel Reimbursement Guidelines. Director Ross seconded the motion, which passed unanimously.

#### TAX ASSESSMENT AND COLLECTION MATTERS

Ms. McLaughlin presented the monthly tax assessor/collector's report, a copy of which is attached. She also reviewed the District's delinquent tax roll, a copy of which is attached. Ms. McLaughlin updated the Board on the status of the delinquent account for the Deluxe Nails & Spa. She stated that the District received a return receipt for the certified letter sent to the Deluxe Nails & Spa, but there has been no response from the owner. Discussion ensued.

Following review and discussion, Director Ottmann moved to (1) approve the tax report; and (2) direct the District's delinquent tax attorney to file suit against the account for the Deluxe Nails & Spa. Director Mathers seconded the motion, which carried unanimously.

#### DELINQUENT TAX REPORT

There was no discussion on this agenda item.

#### REVIEW AND UPDATE EMINENT DOMAIN REPORT TO THE TEXAS COMPTROLLER

Ms. Vinson reported on the requirement to file the District's Eminent Domain Authority Annual Report with the Comptroller of the State of Texas pursuant to Senate Bill 1812 from the 2015 legislative session. She stated that ABHR has filed the District's Eminent Domain Authority Annual Report for 2019.

## SECURITY MATTERS

Ms. Vinson stated the November security report was distributed via e-mail and posted to the District's Share Point site.

## WEBSITE AND COMMUNICATION MATTERS

The Board discussed content on the District website.

## REPORT FROM WATER CONSERVATION COALITION ("WCC"), INCLUDING REPORT ON PREPARATION FOR COMMUNITY EVENT

Director Ottmann distributed and discussed notes from the WCC meeting held on November 11, 2019, a copy of which is attached. He stated that the WCC members discussed tiered water rate structures to incentivize water conservation, possible discounts on tap fees for homebuilders who install smart irrigation system controllers, and smart irrigation system controllers for the Towne Lake parks. He noted that the next WCC meeting will be held on January 13, 2020.

## OPERATION OF DISTRICT FACILITIES

Mr. Ammel presented the operator's report from EDP, a copy of which is attached.

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

## CONDUCT HEARING ON TERMINATION OF WATER AND SEWER SERVICE

Mr. Ammel submitted a list of delinquent accounts to the Board for termination of utility service. He stated that the accounts in question have been given written notification of the opportunity to appear, either in person or in writing, at the Board meeting to contest, explain, or correct the charges, services, or disconnection. Mr. Ammel noted that the accounts listed have neither attended the Board meeting nor contacted his office or the District to contest or explain the charges. After discussion, the Board took no action on the termination of utility service.

## ENGINEERING MATTERS

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

APPROVE ENGINEER'S REVISED HOURLY RATE AND REIMBURSEMENT SCHEDULE

Mr. Gaden presented and reviewed a proposed revised Hourly Rate and Reimbursement Schedule for EHRA. After review and discussion, the Board requested Mr. Gaden provide the Board with a rate comparison for the Board's review at the next regular meeting.

APPROVE SUBMERGED STORM SEWER AGREEMENTS

There was no discussion on this matter.

REQUESTS FOR CAPACITY RESERVATION TO HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500 (MASTER), REQUEST FOR UTILITY COMMITMENTS, AND ANNEXATION REQUEST, INCLUDING UPDATE ON PETITION FOR ADDITION OF CERTAIN LAND AND PETITION FOR CITY CONSENT TO ANNEX LAND

Mr. Gaden updated the Board on the status of the pending annexation of the approximately 11.78-acre tract of land adjacent to the District.

CONVEYANCE OF EASEMENT/DEEDS; APPROVE ENCROACHMENT AGREEMENTS; APPROVE ABANDONMENT OF EASEMENTS

There was no discussion on this matter.

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

The Board reviewed a letter from the WHCRWA regarding the increase in groundwater pumpage and surface water fees effective January 1, 2020, a copy of which is attached. Discussion ensued regarding the rate increases.

REPORT REGARDING DEVELOPMENT IN THE DISTRICT, INCLUDING CONSENT TO PARTIAL ASSIGNMENT OF FINANCING AND REIMBURSEMENT AGREEMENT

There was no discussion on this matter.

REPORT FROM DISTRICT CONSULTANTS REGARDING DISTRICT CORRESPONDENCE AND PROVISION OF RECORDS

There was no discussion on this agenda item.

DISCUSS MEETING SCHEDULE

The Board discussed the regular meeting schedule for January, 2020. After discussion, the Board concurred to reschedule the January regular meeting for January 6, 2020, at noon at the Lakehouse.

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



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Asst. Secretary, Board of Directors

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