

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

July 18, 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 18th day of July, 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 except Directors Collins and Steinberg, thus constituting a quorum.

Also present at the meeting were Angel Ruvalcaba of KGA/DeForest Design, LLC; Leslie Cook of RBC Capital Markets; Erik Scott of Storm Water Solutions, LLC; Lynn Kurtz of Myrtle Cruz, Inc.; Amanda Benzman of Inframark Water & Infrastructure Services ("Inframark"); J.T. Gaden and Kenrick Piercy of EHRA Engineering; 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 June 11, 2024, regular meeting. After review and discussion, Director Spackman moved to approve the minutes of June 11, 2024, regular meeting, as presented. Director Quintero seconded the motion, which passed unanimously.

APPROVE AUDIT FOR FISCAL YEAR END MARCH 31, 2024

The Board considered approving the combined draft audit for the Master District and Internal District for the fiscal year ending March 31, 2024. Following review and discussion, Director Spackman moved to approve the audit for fiscal year ended March

31, 2024, subject to final review. Director Quintero 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 Spackman moved to accept the proposal from Gallagher and direct that the proposal be filed appropriately and retained in the District's official records. 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. She also requested the Board approve additional check no. 6015, payable to CenturyLink Communications LLC, and check no. 6016, payable to Sprint Communications Company LP. Ms. Carner stated that the payments are for utility relocations related to the grade separation at Union Pacific Railroad and intersection improvements at Highway 290 ("UPRR/Highway 290 Project").

After review and discussion, Director Spackman moved to approve the

bookkeeper's report and the payments presented, including check nos. 6015 and 6016 as detailed above. Director Quintero seconded the motion, which passed unanimously.

LANDSCAPE ARCHITECT'S REPORT

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

Mr. Ruvalcaba updated the Board on the status of construction of the Greenhouse Road landscape replacement project. He stated that the contractor, Jinco, Inc. ("Jinco"), did not include the soil mix in the overall plant mix bid item and Jinco submitted a Change Order to increase the contract in the amount of \$15,881.00 for the soil mix. Mr. Ruvalcaba stated that the bid instructions specified that the soil mix price was to be included in the plant mix bid item and the omission was an error on Jinco's part. After discussion, the Board concurred to defer consideration of the Change Order until completion of the project.

After review and discussion, the Board concurred to accept the landscape architect's report.

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 updated the Board on the fence repairs to lift station no. 1, wastewater treatment plant no. 1, and water plant no. 1.

Ms. Benzman updated the Board on the status of cleaning the digesters at wastewater treatment plant no. 1.

Ms. Benzman reviewed the results of the District's sanitary sewer manhole survey and requested the Board authorize Inframark to conduct the Priority 1 repairs in the estimated amount of \$26,052.42 and the Priority 2 repairs in the estimated amount of \$9,050.00.

Ms. Benzman reported that the painting of the fire hydrants is complete.

Director Ottmann reviewed a summary of the proposal for the installation of a security system and surveillance system for the District's water and wastewater treatment plants from Today's Integration, Inc. ("T.I.") He stated that, after his evaluation of the proposal in coordination with Inframark, he recommends proceeding with the installation of the recommended security system and surveillance system at the District's water plants only. Ms. Carner noted that the funding for the security equipment was included in the Series 2024A Bonds. Ms. Benzman stated that

Inframark can subcontract the project under Inframark's contract with the District.

After review and discussion, Director Spackman moved to (1) approve the operator's report; (2) authorize Inframark to conduct the sanitary sewer manhole Priority 1 repairs in the estimated amount of \$26,052.42 and the Priority 2 repairs in the estimated amount of \$9,050.00; and (3) authorize Inframark to enter into an agreement with T.I. for the installation of the recommended security system and surveillance system at the District's water plants. Director Quintero 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.

Director Ottmann stated that he has not been able to locate any "no feeding wildlife" signs and he will follow up with the Towne Lake Community Association ("HOA") regarding their installation.

EROSION, DREDGING, AND WATER QUALITY

Mr. Gaden updated the Board on the status of the lake erosion rehabilitation project.

Ms. Carner stated that the HOA inquired about the District's standards for erosion control methods in Towne Lake. She stated that the Erosion Control Committee will discuss the matter and make a recommendation to the Board.

REPORT FROM HOA REGARDING LAKE AND LANDSCAPE MAINTENANCE MATTERS

The Board reviewed landscape maintenance reports and lake maintenance reports provided by the HOA and directed that they be filed in the District's records.

AGREEMENT FOR USE OF FACILITIES WITH HARRIS COUNTY PRECINCT 5

The Board reviewed the proposed Agreement for Use of Facilities with Harris County Precinct 5 for the use of the lake for highwater rescue boat training. The Board requested that language be included for auto-renewal of the agreement unless terminated by either party.

After review and discussion, Director Spackman moved to ratify the Board's approval of an Agreement for Use of Facilities with Harris County Precinct 5 for the use of the lake for highwater rescue boat training, subject to the revision discussed, and direct that the Agreement be filed appropriately and retained in the District's official records. Director Quintero seconded the motion, which passed unanimously.

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 reviewed a revised proposal in the amount of \$64,873.95 for regrading the temporary access road for wastewater treatment plant no. 2, a copy of which is attached. Mr. Gaden stated that there was a conflict with the original design and the revised design lengthened the access road, which caused the increase to the originally approved amount. After review and discussion, Director Spackman moved to approve the revised proposal in the amount of \$64,873.95, in lieu of the previously approved proposal. Director Quintero 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.

Mr. Gaden reviewed a 10-year Capital Improvement Plan, a copy of which is attached.

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 stated that the Texas Department of Transportation has agreed to maintain the storm water pump station, access road, and the drainage facilities in the storm water easement to serve the UPRR/Highway 290 project.

Ms. Carner updated the Board on the status of the utility relocations.

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.

REVIEW BIDS AND AWARD CONTRACT FOR THE WASTEWATER TREATMENT PLANT NO. 1 EMERGENCY GENERATOR AND ACCESS ROAD IMPROVEMENTS

The Board deferred the award of contract for the wastewater treatment plant no. 1 emergency generator project, pending receipt of bids.

Mr. Gaden stated that the access road improvements for wastewater treatment plant no. 1 will now be included with the wastewater treatment plant no. 1 expansion, phase 4 project.

REVIEW BIDS AND AWARD CONTRACT FOR THE LAKE EROSION REHABILITATION PROJECT

The Board deferred the award of contract for the lake erosion rehabilitation project, pending receipt of bids.

APPROVE PAY ESTIMATES AND CHANGE ORDERS FOR CONSTRUCTION OF THE GREENHOUSE ROAD LEFT TURN LANE

Mr. Gaden updated the Board on the status of construction of the Greenhouse Road left turn lane project. He had no action items from Consta Build, LLC.

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.

Ms. Carner stated that there have been unexpected delays with energizing wastewater treatment plant no. 2, which may mean the electricity provider will be unable to hold the previously approved contract terms. She requested the Board authorize the Board President or Vice President to execute a new electricity contract for the facility, if necessary. After review and discussion, Director Quintero moved to authorize the Board President or Vice President to execute a new electricity contract, if necessary. Director Spackman seconded the motion, which passed unanimously.

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

Mr. Gaden updated the Board on the status of construction of the water plant no. 1 ground storage tank no. 2 recoating project. He stated that more extensive damage has been found than originally estimated and a large amount of additional recoating will be necessary. Mr. Gaden stated that the contractor, CFG Industries, LLC, is preparing a Change Order for the additional scope of work. The Board determined that such a Change Order is beneficial to the District. The Board then considered

authorizing the Board President to approve a Change Order to increase the contract in an amount not to exceed \$150,000 due to unforeseen field conditions.

After review and discussion, Director Quintero moved to authorize the Board President to approve a Change Order to increase the contract in an amount not to exceed \$150,000 due to unforeseen field conditions, based on the Board's determination that such a Change Order is beneficial to the District. Director Spackman 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. 22 and Final in the amount of \$272,061.09 and Change Order No. 2 to increase the contract in the amount of \$9,160.88, submitted by HCG, LLC ("HCG"). Mr. Gaden stated that Change Order No. 2 is for a change in the electrical control panel. The Board determined that Change Order No. 2 is beneficial to the District. Mr. Gaden also recommended the Board accept the project.

After review and discussion, and based on the engineer's recommendation, Director Quintero moved to (1) approve Pay Estimate No. 22 and Final in the amount of \$272,061.09 to HCG; (2) approve Change Order No. 2 to increase the contract in the amount of \$9,160.88, submitted by HCG, based on the Board's determination that the Change Order is beneficial to the District; and (3) accept the project. Director Spackman 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

Mr. Gaden updated the Board on the status of construction of the water plant no. 1 ground storage tank no. 2 emergency roof replacement project. He reviewed and recommended approval of Pay Estimate No. 2 in the amount of \$187,438.50, submitted by Tank Builders, Inc. ("TBI").

After review and discussion, Director Quintero moved to approve Pay Estimate No. 2 in the amount of \$187,438.50 to TBI, as recommended. Director Spackman 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

There was no discussion on this agenda item.

UPDATE ON PREPARATION OF ROAD BOND ISSUE NO. 6 AND PARK BOND
APPLICATION NO. 2

There was no discussion on this agenda item.

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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