

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 501

June 1, 2016

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 501 (the "District") met in regular session, open to the public, on the 1st day of June 2016, at the offices of Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Houston, Texas, outside the boundaries of the District, and the roll was called of the members of the Board:

James Harkrider	President
Sandy Steriti	Vice President
Henry F. Abel, Jr.	Secretary
George Gentry	Assistant Secretary
Amy Markiewicz	Assistant Vice President

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

Also present at the meeting were Fran Matuska of F. Matuska, Inc.; Truman Edminster and Amy Swackhamer of Edminster Hinshaw Russ and Associates, Inc. ("EHRA"); Andy Phelps of Environmental Development Partners, LLC ("EDP"); Brenda McLaughlin of Bob Leared Interests; Melissa Palacios Yahner, William Yahner, Alex Van Duzer, Renee Russell-Head, and DeBra Edwards, residents of the District; Kent Puckett of The Caldwell Companies; Matt Dustin and Gene Shepherd of RBC Capital Markets; Shannon Waugh of Off Cinco; and Alex Garcia, Alia Vinson, Katie Carner, and Linda Sotirake of Allen Boone Humphries Robinson LLP ("ABHR").

APPROVE MINUTES

The Board reviewed the minutes of the May 4 and 18, 2016, meetings. Director Steriti moved to approve the minutes of the May 4, 2016, meeting as submitted and the minutes of the May 18, 2016, meeting as revised. The motion was seconded by Director Abel and passed by unanimous vote.

PUBLIC COMMENTS

In response to a question from Ms. Yahner regarding the status of a park on Greenhouse Road, Mr. Puckett reported that the developer is re-bidding the project.

In response to questions from Ms. Yahner and Mr. Yahner regarding water levels, Mr. Edminster reported that the Harris County Flood Control District is monitoring the water levels.

TOWN HALL MEETING

Ms. Yahner requested that the Board schedule a town hall meeting and referenced a petition submitted last month to the Board requesting same. Following discussion, the Board concurred to hold a town hall meeting in the fall and to authorize preparation and distribution of a notice to District residents regarding general information on municipal utility districts and the town hall meeting.

BOOKKEEPER'S REPORT

Ms. Matuska then presented the bookkeeper's report and the quarterly investment report and submitted the bills for the Board's review. Upon a motion made by Director Gentry and seconded by Director Markiewicz, the Board voted unanimously to approve the bookkeeper's report and the checks presented for payment. A copy of the bookkeeper's report is attached.

TAX REPORT

Ms. McLaughlin presented the monthly tax report and stated that 98.483% of the District's 2015 taxes had been paid as of May 31, 2016. Following review and discussion, Director Steriti moved to approve the tax report. Director Gentry seconded the motion, which carried unanimously. A copy of the tax assessor/collector's report is attached.

AUTHORIZE DELINQUENT TAX ATTORNEY TO PROCEED WITH COLLECTION OF DELINQUENT TAXES

The Board considered authorizing the District's delinquent tax attorney, Perdue, Brandon, Fielder, Collins & Mott, LLP ("Perdue Brandon"), to proceed with the collection of the 2015 delinquent tax accounts. After discussion, Director Steriti moved to authorize Perdue Brandon to proceed with the collection of delinquent taxes. Director Gentry seconded the motion, which passed by unanimous vote.

GARBAGE COLLECTION AND RECYCLING

Ms. Vinson reported that the agreement with Residential Recycling and Refuse of Texas ("Residential Recycling") is ready for execution. Discussion ensued regarding transition from the current provider to Residential Recycling.

WEBSITE SERVICES PROPOSALS

The Board reviewed website services proposals from Mr. Hallmark, eSiteful, and Off Cinco. Following discussion, Director Gentry moved to authorize obtaining a contract from Off Cinco. Director Markiewicz seconded the motion, which carried

unanimously.

OPERATIONS REPORT

Mr. Phelps presented an operator's report from EDP, a copy of which is attached. No action was taken.

CONDUCT HEARING ON TERMINATION OF WATER AND SEWER SERVICE

Mr. Phelps 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. Phelps 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, Director Gentry moved that the District's operator be authorized to proceed with termination of utility service to the accounts pursuant to the provisions of the District's Rate Order. The motion was seconded by Director Abel and carried unanimously.

ENGINEER'S REPORT

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

SUBMERGED STORM SEWER AGREEMENTS

There was no discussion on this matter.

APPROVE PLANS AND SPECIFICATIONS AND AUTHORIZE ADVERTISEMENT FOR BIDS

The Board deferred approval of plans and specifications and authorizing advertisement for bids for water, sewer, and drainage facilities to serve Towne Lake, Section 44.

APPROVE PAY ESTIMATES AND CHANGE ORDERS FOR WATER, SEWER, AND DRAINAGE FACILITIES TO SERVE TOWNE LAKE, SECTION 37

Ms. Swackhamer updated the Board on the status of the construction of water, sewer, drainage and paving facilities to serve Towne Lake, Section 37. She stated that she had no pay estimates from CNS Construction for the Board's approval.

APPROVE PAY ESTIMATES AND CHANGE ORDERS FOR WATER, SEWER, AND DRAINAGE FACILITIES TO SERVE TOWNE LAKE, SECTION 40

Ms. Swackhamer updated the Board on the status of the construction of water, sewer, drainage and paving facilities to serve Towne Lake, Section 40. She recommended approval of Pay Estimate No. 8 and Final in the amount of \$125,474.17, submitted by Hassell Construction Company, Inc. Ms. Swackhamer then recommended that the Board accept the project. Following discussion, Director Abel moved to approve Pay Estimate No. 8 and Final in the amount of \$125,474.17 and accept the project, as recommended. Director Gentry seconded the motion, which passed by unanimous vote.

APPROVE PAY ESTIMATES AND CHANGE ORDERS FOR WATER, SEWER, AND DRAINAGE FACILITIES TO SERVE TOWNE LAKE, SECTION 32, PARTIAL REPLAT NO. 1

Ms. Swackhamer updated the Board on the status of the construction of water, sewer, drainage and paving facilities to serve Towne Lake, Section 32, partial replat no. 1. She stated that she had no pay estimates from Jaho, Inc. for the Board's approval.

APPROVE PAY ESTIMATES AND CHANGE ORDERS FOR WATER, SEWER, AND DRAINAGE FACILITIES TO SERVE TOWNE LAKE, SECTION 15, PARTIAL REPLAT NO. 2, PARTIAL REPLAT NO. 1

Ms. Swackhamer updated the Board on the status of the construction of water, sewer, and drainage facilities to serve Towne Lake, Section 15, Partial Replat No. 2, Partial Replat No. 1. She recommended approval of Change Order No. 1 in the amount of \$37,980.00, resulting in an increase in the amount of the contract, submitted by Lischka Utilities LLC. Following discussion, Director Abel moved to approve Change Order No. 1 in the amount of \$37,980.00, as recommended. Director Gentry seconded the motion, which passed by unanimously.

UPDATE ON PREPARATION OF BOND APPLICATION NO. 3

Ms. Swackhamer updated the Board on the status of the preparation of bond application no. 3.

REQUESTS FOR CAPACITY RESERVATION TO HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 500 (MASTER) AND REQUESTS FOR UTILITY COMMITMENTS

Ms. Swackhamer reported that Harris County Municipal Utility District No. 500 (Master) has approved the updated capacity reservations previously requested.

ACCEPT CONVEYANCE OR ASSIGNMENT OF DEEDS AND EASEMENTS

There was no discussion on this matter.

APPROVE ABANDONMENT OF EASEMENTS

There was no discussion on this matter.

ACCEPT UTILITY DEED

There was no discussion on this matter.

RECEIVE REPORT ON THE WEST HARRIS COUNTY REGIONAL WATER AUTHORITY ("WHCRWA")

There was no discussion on this matter.

REPORT ON DEVELOPMENT

Mr. Puckett updated the Board on development in Towne Lake.

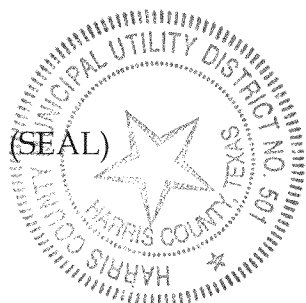
AUTHORIZE ATTENDANCE AT THE ASSOCIATION OF WATER BOARD DIRECTORS ("AWBD") SUMMER CONFERENCE

The Board considered authorizing attendance of its members at the AWBD summer conference and the one-day new director workshop scheduled for July 15, 2016. After discussion, Director Gentry moved to authorize attendance of the Board members at the one-day new director workshop scheduled for July 15, 2016. The motion was seconded by Director Markiewicz and carried by unanimous vote.

REPORT FROM DISTRICT CONSULTANTS REGARDING DISTRICT CORRESPONDENCE AND PROVISION OF RECORDS

There was no discussion on this matter.

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




Secretary, Board of Directors

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