

MINUTES  
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 501

June 7, 2017

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 7th day of June, 2017, 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 except Director Harkrider, thus constituting a quorum.

Also present at the meeting were DeBra Edwards, Melissa Yahner, and Renee Russell-Head, residents of the District; Colette Garcia, Marilyn Roberts, and Pamela Bretherton, directors of Harris County Municipal Utility District No. 500 ("HC 500"); Tom Russell, member of the public; Rose Montalbano of F. Matuska, Inc.; Truman Edminster and Amy Swackhamer of Edminster Hinshaw Russ and Associates, Inc. ("EHRA"); Mike Ammel of Environmental Development Partners, LLC ("EDP"); Brenda McLaughlin of Bob Leared Interests; Karla Efigenio and Kent Puckett of The Caldwell Companies; Loren Morales and Matt Dustin of RBC Capital Markets ("RBC"); and Alia Vinson, Katie Carner, and Jennifer Ramirez of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENTS

Ms. Yahner addressed the Board regarding landscaping issues on Greenhouse Road and Towne Lake Parkway, alligator traps in the HC 500 detention facilities, and the asphalt repairs on Greenhouse Road. Ms. Vinson stated that the projects referenced are either HC 500 projects or Towne Lake Community Association (the "HOA") projects. Ms. Yahner additionally inquired how the public can contact the District. Ms. Carner and Ms. Vinson explained the various options by which the public can communicate with the Board.

## APPROVE MINUTES

The Board reviewed the minutes of the May 3, 2017, regular meeting. Director Abel moved to approve the minutes of the May 3, 2017, regular meeting as submitted. The motion was seconded by Director Gentry and passed by unanimous vote.

## BOOKKEEPER'S REPORT

Ms. Montalbano then presented the bookkeeper's report and submitted the bills for the Board's review. Upon a motion made by Director Markiewicz and seconded by Director Abel, 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.

Mr. Dustin presented a fund balance analysis for the District's reserve funds and a Moody's Investor Service report, discussing fund balances for municipal utility districts, copies of which are attached.

## TAX REPORT

Ms. McLaughlin presented the monthly tax report and stated that 97.6% of the District's 2016 taxes had been paid as of May 31, 2017. She also discussed the status of delinquent accounts. Following review and discussion, Director Gentry moved to approve the tax report. Director Markiewicz 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 2016 delinquent tax accounts. After discussion, Director Markiewicz 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. Carner reported that the next free e-waste and shredding event for District residents is scheduled for October 28, 2017, at the Lake House parking lot. The Board discussed garbage collection and recycling services in the District.

## WEBSITE MATTERS

The Board reviewed the monthly analytic report from Off Cinco, a copy of which is attached. Ms. Carner stated that the monthly email blast with the meeting agenda

did not go out for June, but Off Cinco stated they will be sent out for each meeting moving forward.

The Board reviewed a proposed revised mission statement for the District's website. After review and discussion, Director Markiewicz moved to approve the revised mission statement for the District's website. Director Abel seconded the motion, which passed unanimously.

#### OPERATIONS REPORT

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

Mr. Ammel discussed the estimated costs for installation of smart meters in the District, along with various options for purchase and phased installation of the smart meters. Discussion ensued.

After review and discussion, Director Markiewicz moved to approve the operator's report. Director Gentry 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, Director Abel 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 Gentry 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 construction of the water, sewer, and drainage facilities to serve Towne Lake, Section 41.

REVIEW BIDS AND AWARD CONTRACT FOR WATER, SEWER, AND DRAINAGE TO SERVE TOWNE LAKE, SECTION 44

The Board deferred award of contract for construction of the water, sewer, and drainage facilities to serve Towne Lake, Section 44, pending receipt of bids.

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 CLEARING AND GRUBBING TO SERVE TOWNE LAKE, SECTION 41

Ms. Swackhamer updated the Board on the status of the clearing and grubbing to serve Towne Lake, Section 41. She presented and reviewed Pay Estimate No. 2 and Final in the amount of \$52,340, payable to K&K Tree and Tractor Service. She then recommended that the Board accept the project. Director Markiewicz moved to authorize payment of Pay Estimate No. 2 and Final and accept the project. Director Gentry seconded the motion, which passed unanimously.

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

There was no discussion on this matter.

APPROVE CONTRACT WITH STORM WATER SOLUTIONS, L.P.

There was no discussion on this matter.

ACCEPT CONVEYANCE OR ASSIGNMENT OF DEEDS AND EASEMENTS;  
APPROVE ABANDONMENT OF EASEMENTS; ACCEPT UTILITY DEED

There was no discussion on this matter.

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

The Board considered authorizing attendance at the WHCRWA MUD Directors Workshop on June 8, 2017. After review and discussion, Director Markiewicz moved to authorize any interested directors to attend the workshop. Director Gentry seconded the motion, which passed unanimously.

REPORT ON DEVELOPMENT

Mr. Puckett reported on development in Towne Lake, including a proposed water taxi service, construction of the amphitheater, and construction of additional boat ramps and a fuel dock. Discussion ensued.

ENGINEER'S REPORT (CONT'D)

Mr. Dustin presented a financial analysis of the Union Pacific Railroad/Highway 290 underpass project prepared for HC 500, in its capacity as the Master District. He noted that the financial analysis is based on numerous assumptions and that actual results could vary. Discussion ensued.

REPORT FROM DISTRICT CONSULTANTS REGARDING DISTRICT  
CORRESPONDENCE AND PROVISION OF RECORDS

There was no discussion on this matter.

CONVENE IN EXECUTIVE SESSION PURSUANT TO SECTION 551.071, TEXAS  
GOVERNMENT CODE, TO CONDUCT A PRIVATE CONSULTATION WITH  
ATTORNEY TO DISCUSS PENDING OR CONTEMPLATED LITIGATION, OR A  
SETTLEMENT OFFER

The Board did not convene in executive session.

DISCUSS MEETING SCHEDULE

The Board considered rescheduling the July meeting. After review and discussion, the Board concurred to hold its next meeting on its regularly scheduled day of July 5, 2017.

PUBLIC COMMENTS

Ms. Yahner inquired whether the homes with delinquent tax accounts were for sale. Ms. McLaughlin stated that at least one of the properties is for sale. Ms. Yahner then requested the Board hold their November meeting at the Lake House in Towne Lake. Ms. Yahner inquired whether any Board members had viewed the landscaping throughout Towne Lake and if so, if they had any comments. Directors Gentry and Markiewicz stated they had viewed some of the landscaping under development and that it was a HC 500 matter. They requested that Ms. Yahner address her landscaping concerns to HC 500 at its meeting immediately following the District meeting.

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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