

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 501

June 5, 2019

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 5th day of June, 2019, at the Lakehouse, 10000 Towne Lake Parkway, Cypress, Texas, inside the boundaries of the District, and the roll was called of the members of the Board:

George Gentry	President
Amy Markiewicz	Vice President
DeBra D. Edwards	Secretary
Jonathan Cowen	Assistant Secretary
Wayne C. Tyson	Assistant Vice President

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

Also present at the meeting were Russell Wolff of Residential Recycling & Refuse of Texas, Inc. ("RR&R"); Rose Montalbano of F. Matuska, Inc.; Truman Edminster and J.T. Gaden of Edminster Hinshaw Russ and Associates, Inc. ("EHRA"); Michael Ammel of Environmental Development Partners, LLC ("EDP"); Brenda McLaughlin of Bob Leared Interests; Katie Carner and Jennifer Ramirez of Allen Boone Humphries Robinson LLP ("ABHR"); and members of the public as shown on the attached list.

PUBLIC COMMENTS

Director Gentry addressed the public and reviewed guidelines for public comments. He then requested any public comments.

Mr. Odufuye inquired whether the Board will post consultant reports on the District's website. Director Gentry stated that the Board previously discussed the request and declined to post consultant reports on the District's website at this time.

APPROVE MINUTES

The Board reviewed the minutes of the May 1, 2019, regular meeting. After review and discussion, Director Gentry moved to approve the minutes of the May 1, 2019, regular meeting, as submitted. The motion was seconded by Director Edwards and passed by unanimous vote.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Montalbano presented the bookkeeper's report, a copy of which is attached, and submitted the bills for the Board's review. After review and discussion, Director

Tyson moved to approve the bookkeeper's report and the checks presented for payment. Director Cowen seconded the motion, which passed unanimously.

TAX ASSESSMENT AND COLLECTION MATTERS

Ms. McLaughlin presented the monthly tax report and stated that 97.9% of the District's 2018 taxes had been paid as of May 31, 2019. She also reviewed the District's delinquent tax roll. Ms. McLaughlin distributed a handout regarding preliminary assessed values for the Participant districts, a copy of which is attached.

Following review and discussion, Director Tyson moved to approve the tax report. Director Markiewicz seconded the motion, which passed 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 2018 delinquent tax accounts as of July 1, 2019. After discussion, Director Markiewicz moved to authorize Perdue Brandon to proceed with the collection of the 2018 delinquent taxes. Director Tyson seconded the motion, which passed by unanimous vote.

ADOPT RESOLUTION REQUESTING APPRAISAL OF PROPERTY AND CERTIFICATE OF ESTIMATED APPRAISED VALUE

The Board discussed adopting a Resolution Requesting Appraisal of Property and Certificate of Estimated Appraised Value as of June 1, 2019. After discussion, Director Edwards moved that the Board adopt the Resolution Requesting Appraisal of Property and Certificate of Estimated Appraised Value and direct that the Resolution be filed appropriately and retained in the District's official records. Director Tyson seconded the motion, which carried by unanimous vote.

DISCUSS GARBAGE COLLECTION AND RECYCLING MATTERS, INCLUDING REPORT FROM TRASH COMMITTEE AND DISCUSS FALL SHRED EVENT

Mr. Wolff discussed garbage collection and recycling matters in the District, including customer calls for the month of May. Ms. Carner stated that the fall shred event is scheduled for October 12, 2019, from 9:00 a.m. to noon. The Board requested the invitation for the event be distributed in the utility bills for two months prior to the event and be posted on the District's website.

WEBSITE MATTERS

There was no discussion on this matter.

OPERATION OF DISTRICT FACILITIES

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

After review and discussion, Director Tyson moved to approve the operator's report. Director Cowen 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 Markiewicz moved that the District's operator be authorized to proceed with termination of utility service to the delinquent accounts pursuant to the provisions of the District's Rate Order. The motion was seconded by Director Edwards and carried unanimously.

ENGINEERING MATTERS, INCLUDING REPORT ON GRADE SEPARATION AT UNION PACIFIC RAILROAD AND INTERSECTION IMPROVEMENTS AT HIGHWAY 290 PROJECT ("UPRR/HIGHWAY 290 PROJECT")

Mr. Edminster updated the Board on the status of the UPRR/Highway 290 Project. Ms. Carner stated that ABHR was authorized by Harris County Municipal Utility District No. 500 ("HC 500"), as Master District, to begin preparation of Interlocal Agreements with its funding partners for the UPRR/Highway 290 Project.

Mr. Gaden reviewed a summary of remaining capital projects and associated estimated expenses for the District, a copy of which is attached to the engineer's report. Discussion ensued.

Mr. Gaden reviewed the status of Harris County's proposed road facilities for the Towne Lake area. Discussion ensued.

Mr. Gaden then 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.

REVIEW BIDS AND AWARD CONTRACT FOR GREENHOUSE ROAD COMMERCIAL RESERVE, PHASE 1

The Board deferred award of a contract for construction of the water, sewer, and drainage facilities to serve Greenhouse Road Commercial Reserve, Phase 1, pending receipt of bids.

APPROVE PAY ESTIMATES AND CHANGE ORDERS FOR WATER, SEWER, AND DRAINAGE FACILITIES TO SERVE TOWNE LAKE, SECTION 39, REPLAT 1

Mr. Gaden updated the Board on the construction of the water, sewer, and drainage facilities to serve Towne Lake, Section 39, Replat 1. He stated that he had no pay estimates from Northtex Construction, LLC for the Board's approval.

WATER, SEWER, AND DRAINAGE FACILITIES AND PAVING REPAIRS IN TOWNE LAKE, SECTIONS 27 AND 28

Mr. Gaden updated the Board on the status of the repairs in Towne Lake, Sections 27 and 28. He reviewed and recommended approval of Pay Estimate No. 1 in the amount of \$49,076.55, submitted by Camino Services. Mr. Gaden also recommended payment of an invoice in the amount of \$3,051.00, submitted by Ninyo & Moore for geotechnical services.

After review and discussion, and based upon the engineer's recommendation, Director Cowen moved to (1) approve Pay Estimate No. 1 in the amount of \$49,076.55, submitted by Camino Services; and (2) approve the invoice in the amount of \$3,051.00, submitted by Ninyo & Moore. Director Edwards seconded the motion, which passed unanimously.

WATER, SEWER, AND DRAINAGE FACILITIES AND PAVING REPAIRS IN TOWNE LAKE, SECTION 37

There was no discussion on this matter.

ADOPT RESOLUTION AUTHORIZING APPLICATION TO THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY FOR RELEASE OF FUNDS FROM ESCROW AND APPROVAL FOR USE OF SURPLUS FUNDS

The Board tabled action on this agenda item.

REQUESTS FOR CAPACITY RESERVATION HC 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.

WEST HARRIS COUNTY REGIONAL WATER AUTHORITY MATTERS

There was no discussion on this matter.

REPORT REGARDING DEVELOPMENT IN THE DISTRICT, INCLUDING ACQUISITION OF NEW TRACT WITHIN THE DISTRICT

The Board discussed development in Towne Lake, including the status of the developer's pending acquisition of a new tract within the District and the timing for closing of same.

The Board requested EHRA discuss with the developer the possibility of installing a right turn lane from the Boardwalk leading onto Tuckerton Road.

HC 500 (MASTER DISTRICT) MATTERS

DISCUSS MASTER DISTRICT RECREATIONAL AND DETENTION FACILITIES

Ms. Carner updated the Board on the status of wildlife management in detention facilities owned by HC 500, as Master District. The Board reviewed a memorandum from HC 500 to the District regarding a recent possible alligator sighting, a copy of which is attached.

DISCUSS LAKE EROSION/MAINTENANCE, INCLUDING REPORT FROM LAKE EROSION/MAINTENANCE COMMITTEE

Ms. Carner reported that HC 500, as Master District, is coordinating with the Towne Lake Community Association, Inc. on an amendment to the Maintenance Agreement.

Director Gentry stated that an entity recently conducted water rescue training in the regional detention facilities. Discussion ensued regarding HC 500, as Master District's, procedures for use of the regional detention facilities.

COMMUNITY EDUCATION MATTERS, INCLUDING REPORT FROM COMMUNITY EDUCATION COMMITTEE

The Board discussed community education matters. Director Edwards requested the District authorize the purchase of name badges to identify Board members during community education functions. After discussion, the Board concurred to authorize Director Cowen to obtain a proposal for director name badges. The Board also discussed publishing an article in the Towne Lake Harborside magazine introducing the Board and possibly the directors from the other Towne Lake municipal utility districts. After discussion, the Board concurred to authorize Director Edwards to draft the article and to direct ABHR to coordinate with the other Participant districts regarding their interest in participating.

SECURITY MATTERS, INCLUDING REPORT FROM SECURITY COMMITTEE

Ms. Carner reported that the April security report was distributed to the Board via e-mail, but she noted that the May security report was not yet available. Discussion ensued regarding security concerns in the District.

ASSOCIATION OF WATER BOARD DIRECTORS ("AWBD") MATTERS, INCLUDING BOARD OF TRUSTEES ELECTION

The Board discussed AWBD matters, including the upcoming summer conference in Fort Worth.

REPORT FROM DISTRICT CONSULTANTS REGARDING DISTRICT CORRESPONDENCE AND PROVISION OF RECORDS

The Board reviewed opinion KP-0254 from the Attorney General of Texas, a copy of which is attached, regarding the Open Meetings Act. Discussion ensued.

DISCUSS UTILITY RATES AND AMEND RATE ORDER

There was no discussion on this matter.

DISCUSS MEETING SCHEDULE, ADDITION OF FUTURE AGENDA ITEMS AND CATERING ARRANGEMENTS

The Board discussed the regular meeting schedule, including possible catering arrangements. After review and discussion, the Board made no changes to the regular meeting schedule and declined to cater future Board meetings.

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

The Board did not convene in Executive Session.

PUBLIC COMMENTS

Mr. Casey inquired about the percentage of increase in the District's taxable value. He also requested a copy of engineer's report, which Mr. Gaden provided.

Mr. Odufuye requested clarification regarding the procedures for obtaining consultant reports. Ms. Carner stated that copies are provided to interested members of the public who attend Board meetings, or they can be requested through a Public Information Act request.

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

(SEAL)




Secretary, Board of Directors

LIST OF ATTACHMENTS TO MINUTES

	Minutes
	<u>Page</u>
Sign-in sheet.....	1
Bookkeeper's report.....	1
Preliminary assessed values for the participant districts.....	2
Tax assessor/collector's report.....	2
Operator's report.	3
Engineer's report.....	3
Memorandum from the HC 500 to the District	5
Attorney General Opinion KP-0254	6