

MINUTES  
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 504

March 7, 2024

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 504 (the "District") met in regular session, open to the public, on the 7th day of March, 2024, at the offices of Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2400, Blanco Conference Room, Houston, Texas, outside the boundaries of the District, and the roll was called of the members of the Board:

John Hernandez	President
Ebony McGowen	Vice President
Kedrin Bell	Secretary
Anthony Turner	Assistant Secretary
Kimberly Badu	Assistant Vice President

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

Also present in person at the meeting were Antonette Calicut, Jock Calicut, and Allen Brown, residents of the District; Corporal Oswaldo Alvarez of Harris County Constable's Office ("HCCO"); Danae Dehoyos of Touchstone District Services ("Touchstone"); Chip Patronella of Champions Hydro-Lawn, Inc. ("Champions"); Ryan Lesikar and Rachel Sternberg of BGE, Inc. ("BGE"); Christina Ferguson of Myrtle Cruz, Inc.; Brittany Keeswood and Monica Saucedo of Assessments of the Southwest, Inc.; Trina Kilgore of Inframark Water & Infrastructure Services ("Inframark"); and Christina Miller and Jennifer Ramirez of Allen Boone Humphries Robinson LLP ("ABHR").

On the telephone were Felipe Cornado, Penny Kannady, Amber Birksey, Alyssa Harkoo, Darrell Harrington, Cindy Hernandez, Kathy Story, Kevin Lejeune, Charles Gott, Jasmonae Chisel, and Kylie Edmond, residents of the District; Tiffany Darst of Ashlar Development; Ben Smith of The Groves Community Association, Inc. ("HOA"); and Paul Schneider and Harry Rockwood, directors of Harris County Municipal Utility District No. 412 ("HC 412").

#### PUBLIC COMMENTS

Director Hernandez welcomed the members of the public to the meeting. Ms. Miller reviewed the District's policy for public comments and requested that each speaker keep their statement length under three minutes.

Mr. Brown addressed the Board regarding vehicles speeding in the District. Corporal Alvarez discussed the traffic initiatives undertaken by the HCCO in the

District.

Ms. Calicut addressed the Board regarding the 2020 and 2022 Directors Elections, noting that she felt each of those elections was more publicly announced. She stated she believes that the 2024 Directors Election was not publicly communicated sufficiently, as the District did not have election information posted on the District's website. Ms. Calicut also noted that the minutes of the January, 2024, Board meeting did not include specific candidate filing deadline information nor the exact location of the election notice postings. She stated that she was unable to find the election notice postings, and she believes that the notices were not properly posted. Ms. Calicut then requested that the Board take no action on the election items on the agenda and re-open the candidate filing period.

Ms. Miller discussed the required election notices and the posting requirements. She stated that the District complied with all legal requirements related to posting notices for the 2024 Directors Election. Ms. Miller stated that the District is not permitted to re-open the candidate filing period.

Mr. Calicut addressed the Board regarding his request for more transparent communication. He stated that he would like the Board to change the District's official posting place to a location more visible to the residents. He stated that he believes the current posting location is not in a safe location and is obstructed by landscaping. Mr. Calicut also requested the Board move the regular Board meetings to a location within the District.

Ms. Edmond stated that she believes that information regarding the 2024 Directors Election was not communicated well to the residents. She also requested the Board move the regular Board meetings to a location within the District.

Ms. Chisel stated that she believes that information regarding the 2024 Directors Election was not communicated well to the residents. She also requested the Board move the regular Board meetings to a location within the District.

Mr. Gott stated that the streetlight at the mailbox station near his residence on Tranquility Groves Drive has been out for almost a year and inquired who was responsible for replacing the light. Mr. Smith stated that residents can report the streetlight outage directly to CenterPoint Energy via a link on the HOA website. He added that he will report the streetlight outage to CenterPoint Energy in this instance.

Ms. Story requested the Board move the regular Board meetings to a location within the District and move the District's official posting place to a location more visible to the residents. She also stated that she would like the Board to take no action on the election items on the agenda and re-open the candidate filing period.

Ms. Harkoo requested the Board move the regular Board meetings to a location within the District. She also requested the Board communicate future election matters more transparently to the resident.

Ms. Birksey requested the Board improve its communication with residents and increase community engagement.

The Board additionally reviewed written correspondence from residents and an open records request from a resident that were received since the last regular Board meeting.

### APPROVE MINUTES

The Board reviewed the minutes of the February 1, 2024, regular meeting. After review and discussion, Director Turner moved to approve the minutes of February 1, 2024, regular meeting, as presented. Director Badu seconded the motion, which passed unanimously.

### DISCUSS MEETING LOCATION

Ms. Miller discussed the legal requirements related to meeting locations. She stated that the District has received four written requests for the Board to move the District's regular meeting to a meeting location within the District.

The Board discussed the reasons for choosing to conduct meetings at ABHR instead of a location within the District, including the additional costs and low resident attendance at meetings. Discussion ensued regarding the written and verbal requests to move the regular meetings to a location within the District. Ms. Miller stated that moving the regular meetings to the District would likely involve changing the meeting time and date due to consultant availability.

Ms. Story inquired about the additional costs incurred should the District move its meetings to a location within the District. She stated that the District's consultants could attend meetings via teleconference.

Ms. Edmond inquired about the possibility of finding consultants that are located closer to District and the process by which consultants are chosen. Ms. Miller discussed the process for choosing the various types of consultants, noting that each consultants' contract includes a 30-day termination provision.

Director Hernandez suggested that the Board discuss the logistics of moving the regular meeting to a location within the District at the April regular meeting and holding the May regular meeting within the District.

Ms. Calicut stated that she will submit a petition to the Texas Commission on

Environmental Quality ("TCEQ") if the April regular meeting is not held within the District.

Director Badu stated that the Board needs to be able to put together a better plan before moving the meeting to a new location.

Ms. Miller stated that the Board could schedule a special meeting later in March to discuss the logistics and cost of moving the regular meetings within the District.

Director Turner stated that he believes the Board should find out what the entire community feels about paying additional costs to move the meetings to within the District, noting that there has typically been very low resident participation in previous meetings. The Board discussed sending out a community survey via the text messaging system to solicit resident feedback on meeting location, ways to improve communication, and how to improve community engagement.

After further discussion, Director Turner moved to (1) schedule a special meeting to discuss the costs and logistics of moving the April regular meeting to a location within the District, subject to ABHR coordinating a date based on director availability; and (2) direct Touchstone to coordinate with the Communications Committee on preparation of a draft community survey for review at the special meeting. Director Bell seconded the motion, which passed unanimously.

Ms. Chisel stated that there are a lot of new residents in the community that don't understand the role of the District or aren't aware they live in a municipal utility district. She inquired how new residents are being communicated with about the District and its functions. Ms. Miller stated that the Communications Committee can include something about this topic in the proposed community survey.

#### POSTING PLACE FOR NOTICE OF BOARD OF DIRECTORS MEETINGS

The Board discussed the current posting place for notices of Board meetings and discussed moving the official posting location to the HOA's Lifestyle Center, located at 17317 Cathedral Pines Drive, Atascocita, Texas 77346. Ms. Ramirez noted that a posting board or box might be necessary. Ms. Kilgore stated that Inframark can coordinate with the HOA on a suitable posting method and purchase a posting board or box, if necessary.

The Board then reviewed a proposed Resolution Changing Posting Place for Notice of Board of Director Meetings to update the address of the posting location of the notices of Board meetings to 17317 Cathedral Pines Drive, Atascocita, Texas 77346. After review and discussion, Director Badu moved to (1) adopt the Resolution Changing Posting Place for Notice of Board of Director Meetings to reflect the new posting location of 17317 Cathedral Pines Drive, Atascocita, Texas 77346 and direct that the Resolution be filed appropriately and retained in the District's official records; and



(2) authorize Inframark to purchase and install a posting board or box, if necessary. Director Bell seconded the motion, which passed unanimously.

### 2024 DIRECTORS ELECTION

Ms. Miller discussed procedures related to the District's 2024 Directors Election, including legal requirements. The Board further discussed the communication and posting requirements related to the election. In response to an inquiry from the Board, Ms. Ramirez confirmed that the District did not receive any inquiries from residents regarding the 2024 Directors Election prior to February 17, 2024.

Ms. Miller presented a Certificate Declaring Unopposed Status of Candidates for Election to the Board of Directors executed by the Board Secretary stating that the District received three candidate applications for the three director positions for the May 4, 2024, Directors Election. Following review and discussion, Director Hernandez moved to accept the Certificate Declaring Unopposed Status of Candidates for Election to the Board of Directors and direct that the Certificate be filed appropriately and retained in the District's official records. Director Badu seconded the motion, which passed unanimously.

Ms. Miller presented an Order Cancelling Election and Declaring Unopposed Candidates Elected to Office stating that the May 4, 2024, Directors Election is cancelled and that the unopposed candidates, John Hernandez, Kedrin Bell, and Kimberly Badu, are declared elected to office to serve from the May 4, 2024, election until the May 6, 2028, Directors Election. Following review and discussion, Director Hernandez moved to adopt the Order Cancelling Election and Declaring Unopposed Candidates Elected to Office and direct that the Order be filed appropriately and retained in the District's official records. Director Badu seconded the motion, which passed unanimously.

### UPDATE FROM HC 412, INCLUDING REPORT FROM JOINT FACILITIES COMMITTEE

Mr. Schneider provided an update on the joint facilities, including repairs and maintenance conducted during the previous month. He then reported on the District's water usage in January and February, 2024. Mr. Schneider also stated that the next free chlorine maintenance for the water distribution system is scheduled for the week of April 2<sup>nd</sup>.

### REPORT FROM BEST TRASH

The Board reviewed a report on garbage collection and recycling services in the District provided by Best Trash, a copy of which is attached.

## SECURITY MATTERS, INCLUDING CONSTABLE'S REPORT AND REPORT FROM THE SECURITY COMMITTEE

Corporal Alvarez reviewed the security report from the HCCO, a copy of which is attached. The Board discussed security matters in the District.

The Board discussed potentially adding an extra deputy to the District's law enforcement contract with Harris County. The Board requested that ABHR investigate the cost to add a deputy in the middle of a contract period. Ms. Miller noted that deputies added mid-year are required to be at 100% coverage.

The Board discussed potentially inquiring if the District's commercial business would be willing to contribute to the District for additional security. Ms. Miller stated that ABHR can ask the commercial business but noted that the increased tax revenue from the commercial properties can often offset the expense of additional security.

## TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Saucedo reviewed the tax assessor/collector's report, a copy of which is attached, and reviewed the District's delinquent tax roll. She reported that the District's 2023 taxes are 96.48% collected as of February 29, 2024.

Following review and discussion, Director Bell moved to approve the tax assessor/collector's report and payment of the tax bills. Director Turner seconded the motion, which passed unanimously.

## REPORT ON DETENTION AND DRAINAGE FACILITIES

Mr. Patronella reviewed the report on mowing and maintenance in the District, a copy of which is attached.

Mr. Patronella reviewed a proposal in the amount of \$5,400 for removal of large dead trees, a copy of which is attached. Mr. Lesikar noted that the proposal falls under the total amount authorized by the Board for dead tree removal. After review and discussion, the Board concurred to approve the proposal.

Mr. Patronella reviewed a proposal in the amount of \$5,850.00 for clearing and removing dead trees and tree debris along pipeline easement, a copy of which is attached. Mr. Lesikar noted that the proposal falls under the total amount authorized by the Board for dead tree removal. After review and discussion, the Board concurred to approve the proposal.

REVIEW CRITICAL LOAD SPREADSHEET FOR DISTRICT'S FACILITIES AND AUTHORIZE ANNUAL FILING

The Board reviewed the Critical Load Spreadsheet for the District's facilities. Ms. Miller stated that the District's engineer, bookkeeper, and operator have also reviewed the Critical Load Spreadsheet.

Following reviewed discussion, Director Turner moved to authorize the annual filing of the updated Critical Load Spreadsheet. Director Hernandez seconded the motion, which passed unanimously.

REVIEW DROUGHT CONTINGENCY PLAN AND ORDER ADOPTING AMENDED AND RESTATED DROUGHT CONTINGENCY PLAN

Ms. Miller stated that the TCEQ rules require that the District review and adopt an Amended and Restated Drought Contingency Plan prior to May 1, 2024. The Board then reviewed a proposed Amended and Restated Drought Contingency Plan. After review and discussion, Director Bell moved to adopt an Order Adopting Amended and Restated Drought Contingency Plan; Providing for Implementation and Enforcement Thereof; Providing Penalties for Violations; and Containing Other Provisions Related to the Subject and direct that the Order be filed appropriately and retained in the District's official records. Director Hernandez seconded the motion, which passed unanimously.

REVIEW EMERGENCY PREPAREDNESS PLAN ("EPP") AND AUTHORIZE FILING OF UPDATES, IF NECESSARY

Ms. Miller discussed the District's EPP and requirements to file any updates with the TCEQ and other required entities. After discussion, Director Turner moved to authorize BGE to update the District's EPP and submit the updated pages to all required entities, if necessary. Director Badu seconded the motion, which passed unanimously.

OPERATION OF DISTRICT FACILITIES

Ms. Kilgore presented an operator's report, a copy of which is attached, and reviewed it with the Board. She reported that the District currently has 1,824 occupied homes.

Ms. Kilgore reviewed one abandoned account with an outstanding balance in excess of \$25.00, and requested authorization to turn over the account to a collection agency to pursue collection.

Ms. Kilgore requested the Board authorize the replacement of a faulty 8-inch check valve at lift station no. 2 in the amount of \$6,320.00.



In response to an inquiry from the Board, Ms. Kilgore stated that Inframark will give notice to residents regarding the scheduled free chlorine maintenance.

Following review and discussion, Director Badu moved to (1) approve the operator's report; (2) authorize Inframark to turn over the recommended account with an outstanding balance in excess of \$25.00 to a collection agency; and (3) authorize the replacement of a faulty 8-inch check valve at lift station no. 2 in the amount of \$6,320.00. Director Turner seconded the motion, which passed unanimously.

#### HEARING ON TERMINATION OF WATER AND SEWER SERVICE TO DELINQUENT CUSTOMERS AND AUTHORIZE TERMINATION OF SERVICE

Ms. Kilgore presented a list of delinquent customers and reported the residents on the termination list were delinquent in payment of their water and sewer bills and were given written notification, in accordance with the District's Rate Order, prior to the meeting of the opportunity to appear before the Board to explain, contest, or correct their bills and to show why utility services should not be terminated for reason of non-payment. Following review and discussion, Director Badu moved to authorize termination of delinquent accounts in accordance with the District's Rate Order and direct that the delinquent customer list be filed appropriately and retained in the District's official records. Director Turner seconded the motion, which passed unanimously.

#### ENGINEER'S REPORT

Mr. Lesikar reviewed the engineer's report, a copy of which is attached.

#### GROUND STORAGE TANK NO. 4

Mr. Lesikar updated the Board on the status of construction of the ground storage tank no. 4 project. He reviewed and recommended approval of Pay Estimate No. 6 in the amount of \$18,225.00, submitted by Schier Construction Company, Inc. ("Schier").

After review and discussion, Director Bell moved to approve Pay Estimate No. 6 in the amount of \$18,225.00 to Schier, as recommended. Director Turner seconded the motion, which passed unanimously.

#### WATER, SEWER, DRAINAGE, AND PAVING FACILITIES TO SERVE GRAMINA WAY STREET DEDICATION

Mr. Lesikar updated the Board on the status of construction of the water, sewer, drainage, and paving facilities to serve Gramina Way Street Dedication. He reviewed and recommended approval of Pay Estimate No. 6 and Final in the



amount of \$137,659.77, submitted by NORKON Construction, LLC ("NORKON"). Mr. Lesikar also recommended the Board accept the project.

After review and discussion, Director Bell moved to approve Pay Estimate No. 6 and Final in the amount of \$137,659.77 to NORKON and accept the project, as recommended. Director Turner seconded the motion, which passed unanimously.

#### WATER, SEWER, AND DRAINAGE FACILITIES TO SERVE THE GROVES, SECTIONS 42 AND 43

Mr. Lesikar updated the Board on the status of construction of the water, sewer, and drainage facilities to serve The Groves, Sections 42 and 43. He reviewed and recommended approval of Pay Estimate No. 2 in the amount of \$347,282.46, submitted by Beyer Construction, LLC ("Beyer").

After review and discussion, Director Bell moved to approve Pay Estimate No. 2 in the amount of \$347,282.46 to Beyer, as recommended. Director Turner seconded the motion, which passed unanimously.

#### LIFT STATION NO. 2 EXPANSION

Mr. Lesikar updated the Board on the status of construction of the construction of the lift station no. 2 expansion project. He reviewed and recommended approval of Pay Estimate No. 1 in the amount of \$89,500.00, submitted Peltier Brothers Construction, LLC ("Peltier").

Mr. Lesikar noted that during construction, damage was found on one of the existing pumps and the pump was pulled for further investigation.

After review and discussion, Director Bell moved to approve Pay Estimate No. 1 in the amount of \$89,500.00 to Peltier, as recommended. Director Turner seconded the motion, which passed unanimously.

#### MADERA RUN PARKWAY EXPANSION (FROM HICKORY ARROYO DRIVE TO RADURA ROAD)

Mr. Lesikar updated the Board on the status of the Madera Run Parkway expansion (from Hickory Arroyo Drive to Radura Road) project, as reflected in his report. He also reviewed a preliminary schedule for bidding and construction of the project.

Mr. Lesikar reviewed a proposal in the amount of \$67,500.00 from BGE for construction phase services related to the project, a copy of which is attached.

After review and discussion, Director Bell moved to approve the proposal in the amount of \$67,500.00 from BGE for construction phase services related to the Madera Run Parkway expansion (from Hickory Arroyo Drive to Radura Road) project. Director Turner seconded the motion, which passed unanimously.

#### GROVES SOUTH PUBLIC INFRASTRUCTURE TO SERVE THE 26-ACRE COMMERCIAL TRACT

Mr. Lesikar updated the Board on the status of construction of the Groves South public infrastructure to serve the 26-acre commercial tract project. He stated that he had no pay estimates from Fellers & Clark, L.P. for the Board's approval.

#### UPDATE ON PREPARATION OF BOND APPLICATION NO. 9

Mr. Lesikar updated the Board on the status of preparation of bond application no. 9.

#### DISTRICT CAPITAL IMPROVEMENT PLAN ("CIP")

Mr. Lesikar stated that there were no updates to the District's CIP at this time.

#### JOINT CIP WITH HC 412

Mr. Lesikar stated that there were no updates to the joint CIP with HC 412 at this time.

#### UTILITY COMMITMENT LETTERS

There was no discussion on this agenda item.

#### OTHER ENGINEERING MATTERS

Mr. Lesikar requested the Board authorize the District's auditor to prepare a supplemental developer reimbursement report for additional amounts reimbursable to the developer from the Series 2023A Road Bonds. After review and discussion, Director Bell moved to authorize to prepare a supplemental developer reimbursement report. Director Turner seconded the motion, which passed unanimously.

Mr. Lesikar updated the Board on the status of removal of the identified dead trees on District-owned reserves throughout the District. He stated that

there are approximately 12 dead trees left to remove.

Mr. Lesikar that BGE is still working to obtain a proposal from Fencecrete for repair of the fence at lift station no. 3.

Mr. Lesikar stated that BGE and Champions are still investigating possible causes of the two sinkholes in the District's drainage channel.

Mr. Lesikar stated that Custom Scapes completed their biannual maintenance of the Fernbank culvert crossing.

After review and discussion, Director Bell moved to approve the engineer's report. Director Turner seconded the motion, which passed unanimously.

#### DEEDS, EASEMENTS, AND ENCROACHMENT AGREEMENTS, INCLUDING PROPOSALS FOR ENVIRONMENTAL SERVICES AND CONSENTS TO ENCROACHMENT

There was no discussion on this agenda item.

#### FINANCIAL AND BOOKKEEPING MATTERS

Ms. Ferguson reviewed the bookkeeper's report, a copy of which is attached, and submitted the bills of the District for payment. She noted that check no. 1013, payable from the road capital projects account, will be voided.

After review and discussion, Director Turner moved to approve the bookkeeper's report and payment of the bills, with the exception of check no. 1013 as detailed above. Director Hernandez seconded the motion, which passed unanimously.

#### LANDSCAPING REPORT

The Board reviewed the landscape architect's report prepared by TBG Partners, a copy of which is attached.

#### THE GROVES, SECTION 40

The Board reviewed the status of construction of The Groves, Section 40 project. There were no action items for the Board's approval.

#### THE GROVES, SECTION 41

The Board reviewed the status of construction of The Groves, Section 41 project. There were no action items for the Board's approval.



After review and discussion, Director Badu moved to approve the landscape architect's report. Director Turner seconded the motion, which passed unanimously.

REPORT ON DEVELOPMENT

There was no discussion on this agenda item.

REPORT FROM COMMUNICATIONS COMMITTEE, INCLUDING DISTRICT WEBSITE MATTERS

Ms. Dehoyos reviewed a website analytics report for the months of January and February, a copy of which is attached.

Director Turner updated the Board on the status of the District's website and the Communication Committee's activities.

TOWN HALL PLANNING MATTERS

The Board discussed planning matters for holding an annual town hall meeting in the District. The Board concurred to discuss planning matters for the town hall meeting at the special meeting to be held later in the month.

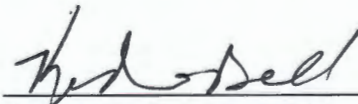
DISTRICT ACTION ITEMS LIST

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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