

MINUTES  
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 504

January 3, 2025

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 3<sup>rd</sup> day of January, 2025, at the offices of Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2400, Houston, Texas, outside the boundaries of the District, and by videoconference, with access available to the public, pursuant to Chapter 551.127 of the Texas Government Code, and the roll was called of the members of the Board present in person:

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, thus constituting a quorum.

Also present at the meeting either in person or via videoconference were Garth Wilson and Taneisha Furr, residents of the District; Hermes Amaya of Custom Scapes; Ben Smith of The Groves Community Association ("HOA"); Tiffany Darst of Ashlar Development; Brian Krueger of Forvis Mazars, LLP; Christina Ferguson of Myrtle Cruz, Inc. ("MCI"); Michael Willett and Jenna Craig of Touchstone District Services ("Touchstone"); Harry Rockwood, director of Harris County Municipal Utility District No. 412 ("HC 412"); Sergeant Oswaldo Alvarez of Harris County Constable's Office ("HCCO"); Chip Patronella of Champions Hydro-Lawn, Inc. ("Champions"); Ryan Lesikar of BGE, Inc. ("BGE"); Rhonda Gideon of Assessments of the Southwest, Inc.; Trina Kilgore of Inframark Water & Infrastructure Services ("Inframark"); and David Oliver 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 December 5, 2024, regular meeting. After review and discussion, Director Bell moved to approve the minutes of the December 5, 2024, regular meeting, as submitted. Director McGowen seconded the motion, which passed unanimously.

UPDATE FROM HC 412, INCLUDING REPORT FROM JOINT FACILITIES COMMITTEE

Mr. Rockwood reviewed an update provided by HC 412 on the status of the joint facilities, including repairs and maintenance conducted during the previous month and water usage.

The Board discussed the boil water notice that was issued by the District on January 2, 2025, due to a water leak at the water plant. Mr. Lesikar stated that the fitting on 2" water line connected to the main 24" water line failed, which caused a rapid drop in water pressure throughout the District and HC 412 and, as a result, a boil water notice had to be issued in both districts. He stated that the leak was repaired and pressure restored within a few hours. Ms. Kilgore stated that the required samples have been submitted to the laboratory for testing and the boil water notice will be lifted once the passing results have been received. Discussion ensued regarding the timeline of communication between the District and HC 412 regarding the pressure drop and the issuance of the boil water notice, as well as the subsequent notifications to residents.

The Board discussed the water usage billing discrepancy between the District and HC 412 whereby the District was inadvertently credited for excess water usage payments. Mr. Krueger discussed the procedures followed during the audits of the District and HC 412 and how the error was identified. After review and discussion, Director Turner moved to authorize MCI to release check no. 2449 in the amount of \$87,503.00, payable to HC 412, to correct the discrepancy. Director Bell seconded the motion, which passed unanimously.

Director Badu entered the meeting.

SERIES 2025 UNLIMITED TAX BOND MATTERS

Mr. Rathmann discussed the proposed schedule for the District's Series 2025 Bonds.

APPROVE PRELIMINARY OFFICIAL STATEMENT AND OFFICIAL NOTICE OF SALE

Mr. Rathmann reviewed a draft Preliminary Official Statement for the District's issuance and sale of its \$7,500,000 Unlimited Tax Bonds, Series 2025 ("Series 2025 Bonds"). Following review and discussion, Director Hernandez moved to approve the Preliminary Official Statement, subject to final review. Director Turner seconded the motion, which passed unanimously.

## ENGAGE RATING COMPANY

The Board considered engaging Moody's Investor Services ("Moody's") to perform credit rating analysis for the District's Series 2025 Bonds. After review and discussion, Director Hernandez moved to engage Moody's to perform credit rating analysis for the Series 2025 Bonds. Director Turner seconded the motion, which passed unanimously.

## APPOINT PAYING AGENT/REGISTRAR

The Board considered appointing a paying agent/registrar in connection with the Series 2025 Bonds. After discussion, Director Hernandez moved to appoint The Bank of New York Mellon Trust Company, N.A as the paying agent/registrar, as recommended by the financial advisor. Director Turner seconded the motion, which passed unanimously.

## AUTHORIZE ADVERTISEMENT FOR SALE OF SERIES 2025 BONDS AND SCHEDULE BOND SALE

The Board considered authorizing the District's financial advisor to advertise the sale of the District's Series 2025 Bonds. After discussion, Director Hernandez moved to authorize the District's financial advisor to advertise the sale of the District's Series 2025 Bonds and schedule the bond sale for February 6, 2025, at 12 p.m. Director Turner seconded the motion, which passed unanimously.

## 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.

## TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Gideon 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 2024 taxes were 11.23 % collected as of December 31, 2024.

Following review and discussion, Director McGowen moved to approve the tax

assessor/collector's report and payment of the tax bills. Director Hernandez seconded the motion, which passed unanimously.

The Board reviewed correspondence from the Harris Central Appraisal District ("HCAD") regarding the results of HCAD's Board Election, a copy of which is attached.

#### ANNUAL REPORT REGARDING POST-ISSUANCE COMPLIANCE POLICY

Mr. Oliver reported on the District's compliance activities during the prior calendar year related to bond financings. He stated that no changes to the policy are required at this time.

#### ACCEPT ANNUAL DISCLOSURE STATEMENTS FOR INVESTMENT OFFICER AND BOOKKEEPER

The Board considered accepting the annual disclosure statements of the District's bookkeeper and Investment Officer. Following review, Director Bell moved to accept the annual disclosure statements of the bookkeeper and Investment Officer. Director Badu 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. Lesikar reviewed a summary of the proposals from Custom Scapes and Champions, a copy of which is attached, to remove the medium priority trees identified in the District-wide tree survey prepared by Bio Vista Services, LLC.

Mr. Amaya introduced himself and reviewed the Custom Scapes proposal, noting that the proposal is for hauling all trees offsite. After discussion, the Board concurred to have Custom Scapes submit a revised proposal with disposal of trees by wood chipping on site when feasible.

The Board reviewed the report on the maintenance of the District's storm water quality features provided by Storm Water Solutions, LLC, a copy of which is attached.

Director Bell left the meeting.

#### FINANCIAL AND BOOKKEEPING MATTERS

Ms. Ferguson reviewed the bookkeeper's report, a copy of which is attached, and reviewed the bills of the District submitted for payment. She also requested approval of additional check no. 2505 in the amount of \$24,100.00, payable to Custom Scapes, check

no. 2506 in the amount of \$204.09, payable to Director Hernandez, and check no. 2507 in the amount of \$204.09, payable to Director Badu.

After review and discussion, Director Hernandez moved to approve the bookkeeper's report and payment of the bills, including check nos. 2505-2507 as detailed above. 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 1,962 occupied homes.

Following review and discussion, Director Badu moved to approve the operator's report. Director Hernandez 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 Hernandez 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. 14 in the amount of \$67,450.00, submitted by Schier Construction Company, Inc. ("Schier").

After review and discussion, Director Turner moved to approve Pay Estimate No. 14 in the amount of \$67,450.00 to Schier, as recommended. Director

Badu 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 construction of the Madera Run Parkway expansion (from Hickory Arroyo Drive to Radura Road) project. He stated that he had no pay estimates from Precise Services, Inc. for the Board's approval.

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.

WOODLAND HILLS DRIVE AT PINE PEAK WAY TRAFFIC SIGNAL

Mr. Lesikar updated the Board on the status of construction of the Woodland Hills Drive at Pine Peak Way Traffic Signal project. He stated that he had no pay estimates from Third Coast Services LLC for the Board's approval.

CLEARING AND GRUBBING TO SERVE GROVES NORTH RETAIL

Mr. Lesikar requested the Board authorize design, approve the plans and specifications, and authorize advertisement for bids for the clearing and grubbing to serve Groves North retail.

After review and discussion, Director Turner moved to authorize design, approve the plans and specifications, and authorize advertisement for bids for the clearing and grubbing to serve Groves North retail. Director Badu seconded the motion, which passed unanimously.

GROVES NORTH RETAIL PUBLIC INFRASTRUCTURE

Mr. Lesikar requested the Board authorize design, approve the plans and specifications, and authorize advertisement for bids for the Groves North retail public infrastructure project.

After review and discussion, Director Turner moved to authorize design, approve the plans and specifications, and authorize advertisement for bids for the Groves North retail public infrastructure project. Director Badu seconded the

motion, which passed unanimously.

#### LIFT STATION NO. 1 EXPANSION AND GENERATOR ADDITION

Mr. Lesikar updated the Board on the status of design and ultimate sizing of the proposed lift station no. 1 expansion and generator addition.

#### LIFT STATION NOS. 2 AND 3 GENERATOR ADDITIONS

Mr. Lesikar updated the Board on the status of design of the lift station nos. 2 and 3 generator addition project.

#### REHABILITATION OF GROUND STORAGE TANK NO. 2 (INTERIOR AND EXTERIOR) AND GROUND STORAGE TANK NO. 1 (EXTERIOR)

Mr. Lesikar updated the Board on the status of design of the rehabilitation of ground storage tank no. 2 (interior and exterior) and ground storage tank no. 1 (exterior) project.

#### DISTRICT CAPITAL IMPROVEMENT PLAN ("CIP") AND JOINT CIP WITH HC 412

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

#### COMMERCIAL DEVELOPMENT AND DISTRICT PLAN REVIEW

Mr. Lesikar updated the Board on the status of commercial development and plan reviews in the District, as reflected in his report.

#### UPDATE ON DEVELOPMENT OF GIS ASSET MANAGEMENT SYSTEM

Mr. Lesikar updated the Board on the development of the GIS asset management system.

#### UTILITY COMMITMENT LETTERS

There was no discussion on this agenda item.

#### DISCUSS DEDICATION OF DISTRICT FACILITY

Ms. Ramirez stated that ABHR reached out to Harris County Precinct 3 regarding the dedication of a District facility to Deputy Omar Ursin. She stated that a representative of Precinct 3 will discuss the request with Deputy Ursin's

family.

#### OTHER ENGINEERING MATTERS

There was no discussion on this agenda item.

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

#### DEEDS AND EASEMENTS

There was no discussion on this agenda item.

#### 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.

#### LANDSCAPING IMPROVEMENTS TO TRANQUILITY GROVE DRIVE CUL-DE-SAC

The Board reviewed the status of design of the landscaping improvements to Tranquility Grove Drive cul-de-sac project.

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

#### REPORT ON DEVELOPMENT

There was no discussion on this agenda item.

#### REPORT FROM COMMUNICATIONS COMMITTEE, INCLUDING DISTRICT WEBSITE MATTERS

Director Turner updated the Board on the status of the District's website and the



Communication Committee's activities.

The Board reviewed the monthly communications report prepared by Touchstone, a copy of which is attached.

The Board tabled consideration of the proposals for the purchase and administration of District iPads and a SharePoint site until the next regular meeting.

ADOPT AMENDED RESOLUTION ESTABLISHING COMMITTEES

The Board discussed revisions to the District's current Resolution Establishing Committees. After review and discussion, Director McGowen moved to adopt the Amended Resolution Establishing Committees, as discussed, and direct that the Resolution be filed appropriately and retained in the District's official records. Director Turner seconded the motion, which passed unanimously.

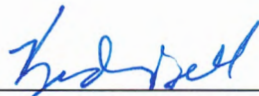
DISTRICT ACTION ITEMS LIST

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)



  
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Secretary, Board of Directors

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