

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 504

July 2, 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 2nd day of July, 2024, at the offices of Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2600, 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 except Directors Badu and Turner, thus constituting a quorum.

Also present either in person or via videoconference at the meeting were Paul Schneider and Harry Rockwood, directors of Harris County Municipal Utility District No. 412 ("HC 412"); Vanessa Martinez of Myrtle Cruz, Inc.; Josh LaMartina of TBG Partners ("TBG"); Sergeant Blake Elmer of Harris County Constable's Office ("HCCO"); Michael Willett, Danae Dehoyos, and Dee Russel of Touchstone District Services; Chip Patronella of Champions Hydro-Lawn, Inc. ("Champions"); Ryan Lesikar and Jack Musleh of BGE, Inc. ("BGE"); Cameron Brown of Assessments of the Southwest, Inc.; Trina Kilgore of Inframark Water & Infrastructure Services ("Inframark"); and Sanjay Bapat 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 June 3, 2024, regular meeting. After review and discussion, Director Bell moved to approve the minutes of June 3, 2024, regular meeting, as submitted. Director Hernandez seconded the motion, which passed unanimously.

UPDATE FROM HC 412, INCLUDING REPORT FROM JOINT FACILITIES COMMITTEE

Mr. Rockwood 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 May and June, 2024.

Mr. Rockwood reported on a system-wide drop in water pressure during the night of June 28, 2024. He stated that the joint water distribution was utilizing solely surface water when the City of Houston unexpectedly reduced the delivery of surface water without notice to HC 412's operator. Mr. Rockwood stated that HC 412's operator was alerted to the issue by the low-level alerts in the ground storage tanks and the water wells were brought back online to compensate. He stated that a boil water notice was not required to be issued. Discussion ensued.

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.

Mr. Bapat stated that the District has not yet received the Interlocal Agreement for Law Enforcement Services from Harris County. The Board discussed the contract renewal terms and considered adding an additional deputy. After review and discussion, Director Bell moved to add an additional deputy at 70% coverage to the District's contract renewal, for a total of four deputies. Director McGowen seconded the motion, which passed unanimously.

DISCUSS ASSOCIATION OF WATER BOARD DIRECTORS ("AWBD") SUMMER CONFERENCE, APPROVE REIMBURSEMENT OF ELIGIBLE EXPENSES, AND AUTHORIZE ATTENDANCE AT WINTER CONFERENCE

Mr. Bapat stated that no directors attended the summer AWBD conference. The Board then considered authorizing attendance at the winter AWBD conference. After discussion, Director McGowen moved to authorize any interested directors to attend the winter AWBD conference. Director Hernandez seconded the motion, which passed unanimously.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Martinez presented the bookkeeper's report and submitted the bills of the District for payment. A copy of the bookkeeper's report is attached.

After review and discussion, Director McGowen moved to approve the bookkeeper's report and payment of the bills. Director Bell seconded the motion, which passed unanimously.

TAX ASSESSMENT AND COLLECTION MATTERS

Mr. Brown reviewed the tax assessor/collector's report, a copy of which is attached, and reviewed the District's delinquent tax roll. He reported that the District's 2023 taxes were 98.86% collected as of June 30, 2024.

Following review and discussion, Director Hernandez moved to approve the tax assessor/collector's report and payment of the tax bills. Director McGowen 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.

The Board discussed the slope paving around The Groves trash rack, including residents' complaints about trespassing in the area. Mr. Patronella reviewed a sample of the "no trespassing" sign authorized by the Board. The Board requested the sign be revised to have the "violators will be prosecuted" written in red letters. Mr. Bapat stated that the Board received a request from the homeowner adjacent to the area for the District to install physical barriers to prevent access to the areas. After discussion, the Board concurred to decline the request for installation of physical barriers.

Mr. Patronella reviewed a proposal in the amount of \$52,379.25 for washout and slope repairs on the north end of the drainage channel reserve near The Groves, Section 3, a copy of which is attached. After review and discussion, Director Hernandez moved to approve the proposal in the amount of \$52,379.25. Director Bell seconded the motion, which passed unanimously.

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

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 1,889 occupied homes.

Following review and discussion, Director McGowen 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 McGowen 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. 10 in the amount of \$40,660.00 submitted by Schier Construction Company, Inc. ("Schier").

After review and discussion, Director Hernandez moved to approve Pay Estimate No. 10 in the amount of \$40,660.00 to Schier, as recommended. Director Bell 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.

Mr. Lesikar reviewed a Change Order for an increase in an amount not to exceed \$7,500.00 to BGE's previously approved project budget. He stated that the additional budget amount is for additional coordination with CenterPoint Energy for installation of street lights along Madera Run Parkway. The Board discussed additional areas in the District that do not currently have street lights. After discussion, the Board requested that BGE prepare an exhibit of areas in the District that do not have streetlights. After review and discussion, the Board deferred consideration of the engineering change order.

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.

UPDATE ON PREPARATION OF BOND APPLICATION NO. 9

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

The Board then considered adopting a Resolution Authorizing Application to the Texas Commission on Environmental Quality for Approval of Projects and Bonds. After review and discussion, Director Hernandez moved to Resolution Authorizing Application to the Texas Commission on Environmental Quality for Approval of Projects and Bonds and direct that it be filed appropriately and filed in the District's official records. Director Bell seconded the motion, which passed unanimously.

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 proposed office development located at 13803 Madera Run Parkway, as reflected in his report.

Mr. Lesikar reported that there are no updates on the proposed apartment complex located at the northeast corner of Madera Run Parkway and Woodland Hills Drive.

Mr. Lesikar stated that BGE is still reviewing the revised plans for the Groves South Retail Infrastructure. He stated that construction is now scheduled to commence in August.

Mr. Lesikar reported that there are no updates on Read King's proposed multifamily development.

UTILITY COMMITMENT LETTERS

There was no discussion on this agenda item.

OTHER ENGINEERING MATTERS

There was no discussion on this agenda item.

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

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

The Board considered accepting a water line easement, a sanitary sewer easement, and a storm sewer easement from RK Groves LLC to the District (collectively, the "Easements"). Mr. Bapat then reviewed the terms of a proposed letter agreement with RK Groves, LLC regarding allowable encroachments within the Easements and informed the Board it is on the form negotiated with RK Groves, LLC for all easements granted to the District.

Following review and discussion, Director Bell moved to (1) accept the Easements and direct that they be filed appropriately and retained in the District's official records; and (2) approve the letter agreement with RK Groves, LLC and direct that it be filed appropriately and retained in the District's official records. Director Hernandez seconded the motion, which passed unanimously.

LANDSCAPING REPORT

Mr. LaMartina reviewed the landscape architect's report, a copy of which is attached.

THE GROVES, SECTION 40

Mr. LaMartina updated the Board on the status of construction of The Groves, Section 40 project. He reviewed and recommended approval of Pay Estimate No. 9 in the amount of \$3,150.00 and Change Order No. 1 to increase the contract in the amount of \$4,747.50, each submitted by HD Outdoor Designs, LLC ("HD Outdoor"). Mr. LaMartina stated that Change Order No. 1 is for the installation of additional bull rock border at the roundabout. The Board determined that Change Order No. 1 is beneficial to the District. The Board requested that TBG obtain a more detailed cost breakdown of Change Order No. 1 from the contractor for Director Hernandez's review.

After review and discussion, Director Hernandez moved to approve Pay Estimate No. 9 in the amount of \$3,150.00 to HD Outdoor and Change Order No. 1 to increase the contract in the amount of \$4,747.50, submitted by HD Outdoor, based on the landscape architect's recommendation and the Board's determination that the Change Order is beneficial to the District, and subject to Director Hernandez's final approval. Director Bell seconded the motion, which passed unanimously.

THE GROVES, SECTION 41

Mr. LaMartina updated the Board on the status of construction of The Groves, Section 41 project. He reviewed and recommended approval of Pay Estimate No. 6 in the amount of \$14,048.45, submitted by HD Outdoor.

After review and discussion, Director Hernandez moved to approve Pay Estimate No. 6 in the amount of \$14,048.45 to HD Outdoor, as recommended. Director Bell seconded the motion, which passed unanimously.

Mr. LaMartina reviewed a proposal in the estimated amount of \$57,000.00 for services related to preparation a future park bond application. Mr. Bapat noted that the fee will be included in a future park bond issuance.

After review and discussion, Director Hernandez moved to (1) approve the landscape architect's report; and (2) approve the proposal from TBG in the estimated amount of \$57,000.00. Director Bell 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

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

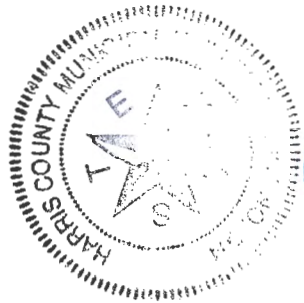
The Board reviewed a website analytics report for the month of June, a copy of which is attached.

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)



Asst.

Secretary, Board of Directors

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