

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 504

January 4, 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 4th day of January, 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 Hernandez, thus constituting a quorum.

Also present in person at the meeting were Cort King of Read King; Sergeant Jeremy Talbert of Harris County Constable's Office ("HCCO"); Chip Patronella of Champions Hydro-Lawn, Inc. ("Champions"); JC Reno of Storm Water Solutions, LLC; Ryan Lesikar of BGE, Inc. ("BGE"); Christina Ferguson of Myrtle Cruz, Inc.; Brittany Keeswood 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 Josh LaMartina of TBG Partners; Ben Smith of The Groves Community Association ("HOA"); and Paul Schneider and Harry Rockwood, directors of Harris County Municipal Utility District No. 412 ("HC 412").

PUBLIC COMMENTS

There were no comments from the public.

APPROVE MINUTES

The Board reviewed the minutes of the December 7, 2023, regular meeting. After review and discussion, Director Bell moved to approve the minutes of December 7, 2023, regular meeting, as presented. Director Turner seconded the motion, which passed by a vote of 3-0 with Director Badu absent from the meeting.

2024 DIRECTORS ELECTION

Ms. Miller discussed procedures related to the 2024 Directors Election. She reviewed a Resolution Designating an Agent of the Secretary of the Board of Directors During the 2024 Directors Election Period. Following review and discussion, Director McGowen moved to adopt a Resolution Designating an Agent of the Secretary of the Board During the 2024 Directors Election Period appointing Jennifer Ramirez as the agent of the Secretary of the Board of Directors to perform the duties of the District's Directors Election, authorize the agent to post the related notice as required, and direct that the Resolution be filed appropriately and retained in the District's official records. Director Bell seconded the motion, which passed by a vote of 3-0 with Director Badu absent from the meeting.

Ms. Miller reported on requirements to post a Notice of Deadline to File Applications for Place on the Ballot for the 2024 Directors Election. Following discussion, Director McGowen moved to authorize the Secretary's agent to post the notice as required. Director Bell seconded the motion, which passed by a vote of 3-0 with Director Badu absent from the meeting.

Ms. Miller stated that the District may contract with Harris County to conduct the District's 2024 Directors Election. After review and discussion, Director McGowen moved to contract with Harris County to administer the District's election. Director Bell seconded the motion, which passed by a vote of 3-0 with Director Badu absent from the meeting.

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 November and December, 2023.

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

Sergeant Talbert reviewed the security report from the HCCO, a copy of which is attached.

ANNUAL REPORT REGARDING POST-ISSUANCE COMPLIANCE POLICY

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

TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Keeswood 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 25.37% collected as of December 31, 2023.

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 by a vote of 3-0 with Director Badu absent from the meeting.

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 \$15,350.00 for removal of 37 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. Reno reviewed a report on the maintenance of the District's storm water quality features, a copy of which is attached.

Director Badu entered the meeting.

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 1,799 occupied homes.

Ms. Kilgore reported that Inframark received two water quality complaints in December, 2023.

Following review and discussion, Director McGowen moved to approve the operator's report. Director Bell 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 Bell 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 Change Order No. 1 to increase the contract in the amount of \$218,400.00, submitted by Schier Construction Company, Inc. ("Schier"). Mr. Lesikar stated that Change Order No. 1 is for the replacement of the autosensory control panel and the deduction of items not needed for completion of the project. He stated that the Joint Facilities Committee has reviewed the Change Order. The Board determined that Change Order No. 1 is beneficial to the District.

After review and discussion, Director McGowen moved to approve Change Order No. 1 to increase the contract in the amount of \$218,400.00, submitted by Schier, based on the engineer's recommendation and the Board's determination that the Change Order is beneficial to the District. 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. 5 in the amount of \$57,955.68, submitted by NORKON Construction, LLC ("NORKON").

After review and discussion, Director McGowen moved to approve Pay

Estimate No. 5 in the amount of \$57,955.68 to NORKON, 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. 1 in the amount of \$80,766.90, submitted by Beyer Construction, LLC ("Beyer").

After review and discussion, Director McGowen moved to approve Pay Estimate No. 1 in the amount of \$80,766.90 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 stated that he had no pay estimates from Peltier Brothers Construction, LLC for the Board's approval.

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.

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

Mr. Lesikar reported that the District received five bids for construction of the Groves South public infrastructure to serve the 26-acre commercial tract project. He recommended that the Board award the contract to the low bidder, Fellers & Clark, L.P. ("Fellers"), in the amount of \$2,291,500.00. The Board concurred that, in its judgment, Fellers was a responsible bidder who would be most advantageous to the District and would result in the best and most economical completion of the project.

Following review and discussion, Director McGowen moved to award the contract for construction of the Groves South public infrastructure to serve the 26-acre commercial tract project to Fellers in the amount of \$2,291,500.00, based on the engineer's recommendation and subject to receipt of payment and performance bonds and the certificate of insurance and endorsements, if any,

provided by the contractor. Director Turner seconded the motion, which passed unanimously.

Mr. Lesikar reviewed and requested the Board authorize execution of a maintenance letter for the storm sewer lines located in a District easement. After review and discussion, Director McGowen moved to authorize execution of the maintenance letter, as recommended. Director Turner seconded the motion, which passed unanimously.

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 updated the Board on the status of removal of the identified dead trees on District-owned reserves throughout the District.

Mr. Lesikar stated that BGE is still working on obtaining proposals for maintaining the MUD-owned wooded reserves along fences.

After review and discussion, Director McGowen 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

The Board considered granting a Temporary Construction Easement to Harris

County Flood Control District ("HCFCFCD"). Mr. Lesikar stated that HCFCFCD is requesting access to Williams Gully via the lift station no. 3 driveway. After review and discussion, Director McGowen moved to grant the Temporary Construction Easement to HCFCFCD, subject to final review. Director Turner seconded the motion, which passed unanimously.

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 McGowen moved to accept the annual disclosure statements of the bookkeeper and Investment Officer. Director Bell 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 39

Mr. LaMartina updated the Board on the status of construction of The Groves, Section 39 project. He stated that he had no pay estimates from HD Outdoor Designs, LLC ("HD Outdoor") for the Board's approval.

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. 5 in the amount of \$197,034.34, submitted by HD Outdoor.

After review and discussion, Director Turner moved to approve Pay Estimate No. 5 in the amount of \$197,034.34 to HD Outdoor, as recommended. Director Badu 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. 3 in the amount of \$63,473.40, each submitted by HD Outdoor.

After review and discussion, Director Turner moved to approve Pay Estimate No. 3 in the amount of \$63,473.40 to HD Outdoor, as recommended. Director Badu seconded the motion, which passed unanimously.

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

REPORT ON DEVELOPMENT

Mr. King updated the Board on the status of Read King's development in the District.

REPORT FROM COMMUNICATIONS COMMITTEE, INCLUDING DISTRICT WEBSITE MATTERS

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

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.

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.

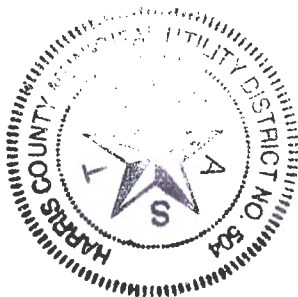
DISTRICT ACTION ITEMS LIST

The Board reviewed the action list and noted items to be included and removed from the list.

The Board discussed holding an annual town hall meeting in the District.

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

	<u>Minutes</u> <u>Page</u>
Report from Best Trash	2
Constable's report	2
Tax assessor/collector's report	3
Mowing and maintenance report	3
Proposal for tree removal	3
Report on the maintenance of the District's storm water quality features.....	3
Operator's report.....	3
Engineer's report.....	4
Landscape architect's report.....	7
Bookkeeper's report.....	8