

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 504

October 2, 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 2nd day of October, 2025, at The Groves Lifestyle Center, 17317 Cathedral Pines Drive, Atascocita, Texas, inside the boundaries of the District, 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 were Tunisia Turner, resident of the District; Josh LaMartina of TBG Partners; Brian Krueger of Forvis Mazars, LLP; Jenna Craig of Touchstone District Services ("Touchstone"); Paul Schneider, director of Harris County Municipal Utility District No. 412 ("HC 412"); Jenna Craig of Touchstone District Services; Corporal Oswaldo Alvarez of Harris County Constable's Office ("HCCO"); Chip Patronella of Champions Hydro-Lawn, Inc. ("Champions"); Rachel Sternberg of BGE, Inc. ("BGE"); Monica Garcia of Assessments of the Southwest, Inc. ("ASW"); Trina Kilgore of Inframark Water & Infrastructure Services ("Inframark"); and Elizabeth Cone and Jennifer Ramirez of Allen Boone Humphries Robinson LLP.

PUBLIC COMMENTS

There were no comments from the public.

APPROVE MINUTES

The Board reviewed the minutes of the September 5, 2025, regular meeting and the September 12, 2025, special meeting. After review and discussion, Director Turner moved to approve the minutes of the September 5, 2025, regular meeting and the September 12, 2025, special meeting, as presented. Director McGowen seconded the motion, which passed unanimously.

SERIES 2025A UNLIMITED TAX BOND MATTERS

Mr. Morales reviewed a Credit Opinion from Moody's Investor Services, a copy of which is attached, which confirms that the District's credit rating is Baa1.

REVIEW BIDS AND AWARD SALE OF DISTRICT'S \$6,940,000 UNLIMITED TAX BONDS, SERIES 2025A (THE "SERIES 2025A BONDS")

The Board considered review of the bids and award of the sale of the Series 2025A Bonds. Mr. Morales reviewed the bids that had been received, including:

- (1) SAMCO Capital Markets ("SAMCO"), with a net effective interest rate of 4.871018%;
- (2) SWBC Investment Services, LLC, with a net effective interest rate of 4.879060%;
- (3) Robert W. Baird & Co., Inc., with a net effective interest rate of 4.883288%;
- (4) RBC Capital Markets, with a net effective interest rate of 5.007359%; and
- (5) Raymond James & Associates, Inc., with a net effective interest rate of 5.069649%.

The Board next considered award of the sale of the Series 2025A Bonds. Mr. Morales stated that the low bid submitted by SAMCO, with a net effective interest rate of 4.871018%, had been reviewed and all numbers checked, and everything was found to be correct and in order. Mr. Morales provided a written bid tabulation and recommended that the District accept the bid of SAMCO, as submitted. A copy of the written recommendation is attached. After review and discussion, Director Bell moved to award the sale of the Series 2025A Bonds to SAMCO, with a net effective interest rate of 4.871018%, as recommended. Director Badu seconded the motion, which passed unanimously.

RESOLUTION AUTHORIZING THE ISSUANCE OF THE DISTRICT'S SERIES 2025A BONDS

The Board considered adopting a Resolution Authorizing the Issuance of the District's Series 2025A Bonds ("Resolution"). Ms. Cone reviewed the proposed Resolution with the Board and explained that the document sets forth the terms and provisions of issuance and delivery of the Series 2025A Bonds, the payment of principal and interest over the life of the Series 2025A Bonds, and certain District covenants regarding the tax-exempt status of the Series 2025A Bonds. After review and discussion, Director Bell moved to adopt the Resolution and direct that the Resolution be filed appropriately and retained in the District's official records. Director Badu seconded the motion, which passed unanimously.

PAYING AGENT/REGISTRAR AGREEMENT

The Board considered execution of the Paying Agent/Registrar Agreement with The Bank of New York Mellon Trust Company, N.A. Ms. Cone stated that the Agreement sets forth the provisions by which the paying agent/registrar will handle registration, transfer, and payment of the District's Bonds. After review and discussion, Director Bell moved to approve the Paying Agent/Registrar Agreement with The Bank of New York Mellon Trust Company, N.A. and direct that it be filed appropriately and retained in the District's official records. Director Badu seconded the motion, which passed unanimously.

OFFICIAL STATEMENT

The Board next considered approving the Official Statement. Ms. Cone explained that the Preliminary Official Statement would be revised to reflect the terms of this sale, including the purchaser, interest rates, and debt service requirements. After discussion, Director Bell moved to approve the Official Statement. Director Badu seconded the motion, which passed unanimously.

EXECUTION OF CERTIFICATE REGARDING PROVISION OF FINANCIAL ADVICE

Ms. Cone reviewed with the Board a Certificate Regarding Provision of Financial Advice stating that the Board has relied on its financial advisor for financial advice concerning the issuance of the Series 2025A Bonds. After review and discussion, Director Bell moved to authorize execution of the Certificate Regarding Provision of Financial Advice and direct that it be filed appropriately and retained in the District's official records. Director Badu seconded the motion, which passed unanimously.

EXECUTION OF DOCUMENTS RELATED TO DISTRICT'S SERIES 2025A BONDS

Ms. Cone explained that there will be various documents related to delivery of the Series 2025A Bonds requiring execution by the directors prior to closing. She requested that the Board authorize the President or Vice President and Secretary or Assistant Secretary to execute documents necessary in connection with the transaction and authorize the District's attorney and financial advisor to take all necessary action to deliver the Series 2025A Bonds to the purchaser. After review and discussion, Director Bell moved to authorize execution of documents related to the sale and delivery of the Series 2025A Bonds and authorize the District's attorney and financial advisor to take all

necessary action to deliver the Series 2025A Bonds. Director Badu seconded the motion, which passed unanimously.

APPROVE PAYMENT TO ATTORNEY GENERAL RELATING TO BOND
ISSUE TRANSCRIPT REVIEW

The Board considered approving payment to the Attorney General relating to bond issue transcript review. After discussion, Director Bell moved to approve payment to the Attorney General relating to bond issue transcript review. Director Badu seconded the motion, which passed unanimously.

EXECUTION OF AMENDMENT TO INFORMATION FORM

The Board deferred discussion on this agenda item.

APPROVE DEVELOPER REIMBURSEMENT REPORT AND AUTHORIZE
DISBURSEMENT OF FUNDS

Mr. Krueger reviewed a draft developer reimbursement report reflecting the amounts reimbursable by the District to CF CSLK Groves LLC, PHHOU - Groves 33, LLC, and HSD-Lakeway Holdings, Ltd. for construction of the projects funded by the \$6,940,000 Unlimited Tax Bonds, Series 2025A.

After review and discussion, Director Bell moved to approve the developer reimbursement report, subject to final review, and authorize the disbursement of the bond funds, subject to closing of the bonds and receipt of executed receipts by the developers. Director Badu seconded the motion, which passed unanimously.

Director Hernandez entered the meeting.

APPROVE AUDIT FOR FISCAL YEAR END JUNE 30, 2025

Mr. Krueger reviewed the draft audit for the fiscal year ending June 30, 2025. Following review and discussion, Director Turner moved to approve the audit for the fiscal year ended June 30, 2025, subject to final review. Director Badu seconded the motion, which passed unanimously.

CONDUCT PUBLIC HEARING REGARDING DISTRICT'S TAX RATE, ADOPT
ORDER LEVYING TAXES, AND AUTHORIZE EXECUTION OF AMENDMENT TO
INFORMATION FORM

Ms. Cone stated that ASW published a Notice of Public Hearing regarding the adoption of the District's 2025 tax rate stating that the Board anticipates levying a total 2025 tax rate of \$1.05 per \$100 assessed valuation. Director McGowen then opened the

public hearing. There being no comments from the public, Director McGowen closed the public hearing.

After discussion, the Board agreed to levy a total 2025 tax rate of \$1.05 per \$100 of assessed valuation, with \$0.68 allocated for water, sewer, and drainage debt service, \$0.13 allocated for road debt service, and \$0.24 allocated for maintenance and operation expenditures. Ms. Cone reviewed an Order Levying Taxes and an Amendment to Information Form reflecting the proposed tax rate and the total amount of bonds sold by the District. She stated that the Amendment to Information Form will be filed with Harris County and the Texas Commission on Environmental Quality.

After review and discussion, Director McGowen moved to (1) adopt the Order Levying Taxes; (2) authorize execution of the Amendment to Information Form; and (3) direct that the Order and Amendment be filed appropriately and retained in the District's official records. Director Hernandez seconded the motion, which passed unanimously.

UPDATE FROM HC 412, INCLUDING REPORT FROM JOINT FACILITIES COMMITTEE

Mr. Schneider 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.

REPORT FROM COMMUNICATIONS COMMITTEE, INCLUDING DISTRICT WEBSITE MATTERS AND DONATION REQUEST FROM THE GROVES COMMUNITY ASSOCIATION ("HOA")

The Board reviewed the monthly communications report prepared by Touchstone, a copy of which is attached. Director McGowen reviewed a proposed District window decal for new retail tenants in the District, a copy of which is attached, and stated that the decals are \$3.50 each and the total amount would not exceed \$100.00. After review and discussion, Director McGowen moved to approve the purchase and distribution of window decals to the retail tenants in an amount not to exceed \$100.00. Director Badu seconded the motion, which passed unanimously.

The Board discussed a donation request from the HOA for the National Night Out public education event in an amount not to exceed \$300.00. After review and discussion, Director McGowen moved to approve the request. Director Badu seconded the motion, which passed unanimously.

REPORT FROM BEST TRASH

The Board reviewed a report on garbage collection and recycling services in the

District from 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.

Director Badu left the meeting.

REVIEW ARBITRAGE REBATE REPORT FOR THE SERIES 2020 BONDS

Ms. Cone reviewed an arbitrage rebate report for the Series 2020 Bonds prepared by OmniCap Group LLC. She noted that the report reflects that the District does not owe any payment to the Internal Revenue Service for excess earnings on bond funds.

TAX ASSESSMENT AND COLLECTION MATTERS

Ms. Garcia 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 99.74% collected as of September 30, 2025.

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

FINANCIAL AND BOOKKEEPING MATTERS

The Board reviewed the bookkeeper's report prepared by Myrtle Cruz, Inc., a copy of which is attached, and reviewed the bills of the District submitted for payment.

After review and discussion, Director Turner moved to approve the bookkeeper's report and payment of the bills. Director Hernandez 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 for vegetation clearing and debris removal along certain District-owned wooded reserves along fences in the amount of \$24,940.00, a copy of which is attached. He also reviewed a proposal in the amount of \$1,500.00 per month for ongoing maintenance of same reserves, a copy of which is attached. Ms. Kilgore reviewed a proposal from Zavala Landscaping ("Zavala") in the amount of

\$17,546.30 for vegetation clearing and debris removal for the same area, a copy of which is attached to the operator's report. After review and discussion, Director McGowen moved to (1) approve the proposal from Zavala in the amount of \$17,546.30 for vegetation clearing and debris removal along certain District-owned wooded reserves along fences; and (2) approve the proposal from Champions in the amount of \$1,500.00 per month for ongoing maintenance of the same area. Director Turner 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.

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

Ms. Kilgore reviewed a handout from Inframark regarding the annual Consumer Price Index increase, a copy of which is attached to the operator's report.

Ms. Kilgore stated that Zenner USA ("Zenner") conducted a field inspection of all of the District's electronic water meters and provided a report on meters with identified issues. She stated that Zenner provided a proposal in the amount of \$10,000.00 for Zenner technicians to troubleshoot and repair the District meters with identified issues. Ms. Kilgore then reviewed a cost estimate to replace all of the District's electronic smart meters with Badger meters, a copy of which is attached. Discussion ensued regarding the performance of the existing water meters.

Following review and discussion, Director McGowen moved to (1) approve the operator's report; (2) authorize Inframark to turn over the recommended accounts with an outstanding balance in excess of \$25.00 to a collection agency; and (3) approve the proposal from Zenner for troubleshooting and repairing District meters. 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

Ms. Sternberg reviewed the engineer's report, a copy of which is attached.

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

Ms. Sternberg updated the Board on the status of the Madera Run Parkway expansion (from Hickory Arroyo Drive to Radura Road) project. She stated that she had no pay estimates from Precise Services, Inc. for the Board's approval.

WOODLAND HILLS DRIVE AT PINE PEAK WAY TRAFFIC SIGNAL

Ms. Sternberg updated the Board on the status of construction of the Woodland Hills Drive at Pine Peak Way Traffic Signal project. She reviewed and recommended approval of Pay Estimate No. 5 and Final in the amount of \$29,178.16, submitted by Third Coast Services LLC ("Third Coast"). Ms. Sternberg also recommended the Board accept the project.

After review and discussion, Director Turner moved to approve Pay Estimate No. 5 and Final in the amount of \$29,178.16 to Third Coast and accept the project, as recommended. Director Hernandez seconded the motion, which passed unanimously.

GROVES NORTH RETAIL PUBLIC INFRASTRUCTURE

Ms. Sternberg updated the Board on the status of construction of the Groves North retail public infrastructure project. She stated that she had no pay estimates from C.E. Barker Ltd. for the Board's approval.

LIFT STATION NO. 1 EXPANSION AND GENERATOR ADDITION

Ms. Sternberg 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

Ms. Sternberg updated the Board on the status of construction of the lift station nos. 2 and 3 generator addition project. She stated that she had no pay estimates from C.F. McDonald Electric, Inc. for the Board's approval.

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

Ms. Sternberg updated the Board on the status of the rehabilitation of ground storage tank no. 2 (interior and exterior) and ground storage tank no. 1 (exterior) project, as reflected in her report.

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

Ms. Sternberg 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

Ms. Sternberg updated the Board on the status of commercial development and plan reviews in the District, as reflected in her report.

UTILITY COMMITMENT LETTERS

There was no discussion on this agenda item.

OTHER ENGINEERING MATTERS

Ms. Sternberg stated that BGE solicited a proposal from GMR Total Services ("GMR") in the amount of \$1,505.00 to repair six street signs throughout the District. She stated that Director Hernandez approved the proposal between meetings due to the safety hazard posed by the damaged signs and requested the Board ratify approval of the proposal. Ms. Sternberg then suggested that the Board authorize a not-to-exceed amount of repair and maintenance of the various non-standard roadway elements in the District. After review and discussion, Director Turner moved to (1) ratify approval of the proposal from GMR in the amount of \$1,505.00; and (2) authorize repairs and maintenance on non-standard roadway elements in the District in the amount of \$2,500.00 per month, subject to approval by the District's engineer. Director Hernandez seconded the motion, which passed unanimously.

After review and discussion, Director Turner 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

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

LANDSCAPING IMPROVEMENTS TO TRANQUILITY GROVE DRIVE CUL-DE-SAC

Mr. LaMartina updated the Board on the status of the landscaping improvements to Tranquility Grove Drive cul-de-sac project. He reviewed and recommended approval of Pay Estimate Nos. 3, 4, and 5 and Final in the amounts of \$18,444.06, \$1,584.00, and \$4,766.42, respectively, and Change Order No. 1 to decrease the contract in the amount of \$3,250.00, submitted by Landecor Landscaping Services ("Landecor"). Mr. LaMartina stated that Change Order No. 1 is to remove the remainder of the 90-day maintenance period from the scope of the contract. The Board determined that Change Order No. 1 is beneficial to the District. Mr. LaMartina also recommended the Board accept the project.

After review and discussion, and based on the landscape architect's recommendation, Director Bell moved to (1) approve Pay Estimate Nos. 3, 4, and 5 and Final in the amounts of \$18,444.06, \$1,584.00, and \$4,766.42, respectively, to Landecor; (2) approve Change Order No. 1 to decrease the contract in the amount of \$3,250.00, submitted by Landecor, based on the Board's determination that the Change Order is beneficial to the District; and (3) accept the project. Director Turner seconded the motion, which passed unanimously.

LANDSCAPING IMPROVEMENTS TO MADERA RUN PARKWAY

Mr. LaMartina updated the Board on the status of design of the Madera Run Parkway landscaping improvements project. The Board discussed the scope of the sidewalk portion of the project.

Mr. LaMartina stated that the District's project application to Harris County Precinct 3 for the sidewalk portion of the Madera Run Parkway landscaping improvements project was not selected for funding, but the District was encouraged to apply again next year.

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

REPORT ON DEVELOPMENT

There was no discussion on this agenda item.

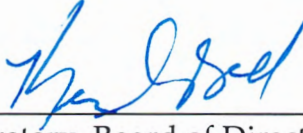
DISTRICT ACTION ITEMS LIST

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

LIST OF ATTACHMENTS TO MINUTES

	Minutes
	<u>Page</u>
Moody's Credit Opinion.....	1
Written recommendation for Series 2025A Bonds	2
Monthly communications report.....	5
Proposed District window decal.....	5
Reports from Best Trash.....	5
Security report.....	6
Tax assessor/collector's report	6
Bookkeeper's report.....	6
Champions report.....	6
Proposals from Champions	6
Proposal from Zavala Landscaping	6
Storm Water Solutions report.....	7
Operator's report.....	7
Cost estimate for Badger Meters.....	7
Engineer's report.....	8
Landscape architect's report.....	10