

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 503

December 17, 2021

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 503 (the "District") met in regular session, open to the public, on the 17th day of December, 2021, at the offices of Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2400, Houston, Texas, outside the boundaries of the District, and the roll was called of the members of the Board:

| | |
|------------------|--------------------------|
| Patrick Carrigan | President |
| Tammy I. Evans | Vice President |
| Ronald Grannan | Secretary |
| Jennifer Taylor | Assistant Secretary |
| Kelli Odum | Assistant Vice President |

and all of the above were present except Directors Grannan and Evans, thus constituting a quorum.

Also present at the meeting were Leslie Cook of RBC Capital Markets; Amanda Benzman of Environmental Development Partners, LLC; Debbie Tomer of F. Matuska, Inc.; Brenda McLaughlin of Bob Leared Interests; Becky Ullman of Caldwell Companies; J.T. Gaden of Edminster Hinshaw Russ and Associates, Inc. ("EHRA"); and Katie Carner and Rachel Wooten 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 November 17, 2021, meeting. After review and discussion, Director Carrigan moved to approve the minutes of the November 17, 2021, meeting, as submitted. Director Taylor seconded the motion, which passed unanimously.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Tomer reviewed the bookkeeper's report, a copy of which is attached, and reviewed the bills submitted for the Board's review.

Following discussion, Director Carrigan moved to approve the bookkeeper's report and the checks presented for payment. Director Odum seconded the motion, which passed unanimously.

TAX ASSESSMENT AND COLLECTION MATTERS

Ms. McLaughlin reviewed the tax assessor/collector's report, a copy of which is attached.

Following review and discussion, Director Odum moved to approve the tax report. Director Taylor seconded the motion, which passed unanimously.

REVIEW AND UPDATE EMINENT DOMAIN REPORT TO THE TEXAS COMPTROLLER, DISCUSS EMINENT DOMAIN AUTHORITY AND HIDALGO COUNTY WATER IMPROVEMENT DISTRICT NO. 3 V. HIDALGO COUNTY WATER IRRIGATION DISTRICT NO. 1

Ms. Carner reported that ABHR has filed the District's Eminent Domain Authority Annual Report for 2021 with the Comptroller of the State of Texas.

Ms. Carner updated the Board on an ongoing case related to the use of eminent domain authority by a governmental entity against another governmental entity, *Hidalgo County Water Improvement District No. 3 v. Hidalgo County Water Irrigation District No. 1*.

RESOLUTION ESTABLISHING ADDRESSES AND METHODS FOR TEXAS PUBLIC INFORMATION ACT REQUESTS

Ms. Carner reviewed with the Board a memorandum regarding designating addresses and methods for receipt of requests for public information under the Texas Public Information Act ("TPIA Requests"). The Board considered designating a mailing address and an email address and approving other methods for receipt of TPIA Requests, pursuant to Section 552.234 of the Texas Government Code.

After review and discussion, Director Carrigan moved to: (1) adopt a Resolution Establishing Addresses and Methods for Texas Public Information Act Requests ("Resolution") to (a) designate the address of the District's official office as the mailing address and har503@txdistricts.info as the email address for receipt of TPIA Requests to the District, (b) direct that the designated addresses and methods be printed on the sign displayed by the District under Section 552.205, Texas Government Code, and (2) direct the Resolution to be filed appropriately and retained in the District's official records. Director Taylor seconded the motion, which passed unanimously.

OPERATIONAL MATTERS

There was no discussion on this agenda item.

ENGINEERING MATTERS

Mr. Gaden reviewed the engineer's report from EHRA, a copy of which is attached.

REPORT ON UPRR/HIGHWAY 290 PROJECT

Mr. Gaden updated the Board on the status of Harris County Municipal Utility District No. 500 ("HC 500"), as Master District's, UPRR/Highway 290 Project.

REVIEW BIDS AND AWARD CONTRACT FOR THE WATER, SEWER, AND DRAINAGE FACILITIES TO SERVE TOWNE LAKE NORTH ENTRY ROAD

Mr. Gaden updated the Board on the status of the water, sewer, and drainage facilities to serve Towne Lake North Entry Road, as reflected in his report.

REVIEW BIDS AND AWARD CONTRACT FOR THE WATER, SEWER, AND DRAINAGE FACILITIES TO SERVE TOWNE LAKE, SECTION 64

Mr. Gaden reported that the District received five bids for construction of the water, sewer, and drainage facilities to serve Towne Lake, Section 64. He recommended that the Board award the contract to the low bidder, R Construction Co. ("R Construction"), in the amount of \$2,027,381.95. The Board concurred that, in its judgment, R Construction 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, and based on the engineer's recommendation, Director Carrigan moved to award the contract for construction of the water, sewer, and drainage facilities to serve Towne Lake, Section 64 to R Construction in the amount of \$2,027,381.95, based on the engineer's recommendation and subject to verification of R Construction's qualifications and references and ABHR's approval of payment and performance bonds and review of the certificate of insurance and endorsements, if any, provided by the contractor. Director Odum seconded the motion, which passed by unanimous vote.

REVIEW BIDS AND AWARD CONTRACT FOR THE WATER, SEWER, AND DRAINAGE FACILITIES TO SERVE TOWNE LAKE, SECTION 65

Mr. Gaden reported that the District received two bids for construction of the water, sewer, and drainage facilities to serve Towne Lake, Section 65. He

recommended that the Board award the contract to the low bidder, Blazey Construction Services, LLC ("Blazey"), in the amount of \$807,274.20. The Board concurred that, in its judgment, Blazey 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, and based on the engineer's recommendation, Director Carrigan moved to award the contract for construction of the water, sewer, and drainage facilities to serve Towne Lake, Section 65 to Blazey in the amount of \$807,274.20, based on the engineer's recommendation and subject to verification of Blazey's qualifications and references and ABHR's approval of payment and performance bonds and review of the certificate of insurance and endorsements, if any, provided by the contractor. Director Odum seconded the motion, which passed by unanimous vote.

APPROVE PLANS AND SPECIFICATIONS AND AUTHORIZE ADVERTISEMENT FOR BIDS FOR THE WATER, SEWER, AND DRAINAGE FACILITIES TO SERVE TOWNE LAKE, SECTION 66

Mr. Gaden updated the Board on the status of the water, sewer, and drainage facilities to serve Towne Lake, Section 66, as reflected in his report.

ACCEPT OR GRANT CONVEYANCE OF DEEDS AND EASEMENTS AND APPROVE CONSENTS TO ENCROACHMENTS, RIGHTS OF ENTRY, AND ABANDONMENT OF EASEMENTS

The Board considered accepting a sanitary sewer easement, a storm sewer easement, and a water line easement, each from CW SCOA West, L.P and a storm sewer easement from the Towne Lake Community Association, Inc. (collectively, the "Easements").

Following review and discussion, Director Carrigan moved to accept the Easements and direct that the Easements be filed appropriately and retained in the District's official records. Director Odum seconded the motion, which passed unanimously.

HC 500 MASTER DISTRICT MATTERS

AUTHORIZE EXECUTION OF GENERAL CERTIFICATE IN CONNECTION WITH MASTER DISTRICT'S BOND SALE

The Board considered authorizing execution of the General Certificate in connection with the Master District's Series 2022 Taxable Contract Revenue

Bonds (Water, Sewer, and Drainage Facilities). Following review and discussion, Director Taylor moved to authorize execution of the General Certificate in connection with the Master District's Series 2022 Taxable Contract Revenue Bonds (Water, Sewer, and Drainage Facilities). Director Carrigan seconded the motion, which passed unanimously.

AUTHORIZE EXECUTION OF RESOLUTION TO COMPLY WITH THE SECURITIES AND EXCHANGE COMMISSION RULE 15C2-12 IN CONNECTION WITH MASTER DISTRICT'S BOND SALE

The Board considered authorizing execution of a Resolution to Comply with the Securities and Exchange Commission Rule 15c2-12, whereby the District agrees to provide current financial information on an annual basis. Following review and discussion, Director Taylor moved to authorize execution of the Resolution to Comply with the Securities and Exchange Commission Rule 15c2-12 in connection with the Master District's Series 2022 Taxable Contract Revenue Bonds (Water, Sewer, and Drainage Facilities). Director Carrigan seconded the motion, which passed unanimously.

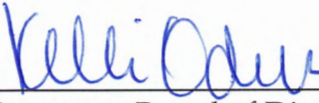
REPORT ON DEVELOPMENT

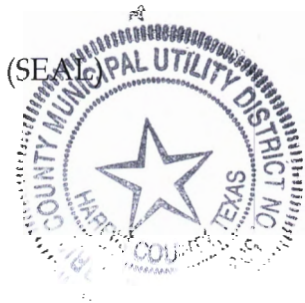
Ms. Ullman updated the Board on the status of development in Towne Lake.

DISCUSS MEETING SCHEDULE

The Board discussed the regular meeting schedule. After discussion, the Board concurred to schedule the January regular meeting for January 21, 2022, at 9:30 a.m. The Board also concurred to hold future Board meetings on the third Friday of each month at 9:30 a.m.

There being no further business to come before the Board, the Board concurred to adjourn the meeting.


Secretary, Board of Directors



LIST OF ATTACHMENTS TO MINUTES

| | Minutes <u>Page</u> |
|---------------------------------------|------------------------|
| Bookkeeper's report..... | 1 |
| Tax assessor/collector's report | 2 |
| Engineer's report..... | 3 |