

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 503

July 27, 2023

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 27th day of July, 2023, 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
Kevin Gilligan	Vice President
Jennifer Taylor	Secretary
Sean Mulroony	Assistant Secretary
Kelli Odum	Asst. Vice President/Asst. Secretary

and all of the above were present except Directors Carrigan and Mulroony, thus constituting a quorum.

Also present at the meeting were Kristen Reeves, member of the public; Leslie Cook of RBC Capital Markets; Lynn Kurtz of Myrtle Cruz, Inc.; Amanda Benzman of Environmental Development Partners; Brenda McLaughlin of Bob Leared Interests; J.T. Gaden of EHRA Engineering ("EHRA"); and Allison Leatherwood 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 28, 2023, regular meeting. After review and discussion, Director Odum moved to approve the minutes of the June 28, 2023, regular meeting, as submitted. Director Taylor seconded the motion, which passed unanimously.

ADOPT RESOLUTION ESTABLISHING DIRECTOR FEES OF OFFICE AND DISTRICT REIMBURSEMENT POLICY

Ms. Leatherwood stated that House Bill No. 2815, which became effective on June 18, 2023, sets the maximum water district director fees of office at the per diem amount set by the Texas Ethics Commission for members of the legislature. She noted that, pursuant to House Bill No. 2815, the current maximum amount for director fees of office is \$221.00, and going forward, the maximum amount automatically will be

indexed for inflation. The Board then considered adopting a Resolution Establishing Director Fees of Office and District Reimbursement Policy to reflect that directors' fees of office shall be paid at the maximum rate allowed by law, noting that this would replace the previously adopted Resolution.

After review and discussion, Director Gilligan moved to adopt a Resolution Establishing Director Fees of Office and District Reimbursement Policy, effective June 18, 2023, and direct that the Resolution be filed appropriately and retained in the District's official records. Director Odum seconded the motion, which passed unanimously.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Kurtz reviewed the bookkeeper's report, a copy of which is attached, including the bills submitted for the Board's review. She also requested the Board approve check no. 2182 in the amount of \$50.00, payable to ABHR.

Following review and discussion, Director Gilligan moved to approve the bookkeeper's report and the checks presented for payment, including check no. 2182 as detailed above. Director Taylor seconded the motion, which passed unanimously.

DISCUSS FUNDING REQUEST FROM RENNELL ELEMENTARY SCHOOL PARENT TEACHER ORGANIZATION FOR LANDSCAPE AND PLAYGROUND IMPROVEMENTS

Ms. Leatherwood stated that the District has not yet received a revised funding request from the Rennell Parent Teacher Organization.

TAX ASSESSMENT AND COLLECTION MATTERS

Ms. McLaughlin reviewed the tax assessor/collector's report, a copy of which is attached. She reported that 77.6% of the District's 2022 taxes have been collected as of June 30, 2023.

Ms. McLaughlin updated the Board on the status of the adjustments to the District's 2022 certified value by the Harris Central Appraisal District.

Following review and discussion, Director Taylor moved to approve the tax assessor/collector's report and the checks presented for payment. Director Odum seconded the motion, which passed unanimously.

RESOLUTION REQUESTING APPRAISAL OF PROPERTY AND CERTIFICATE OF ESTIMATED APPRAISED VALUE

The Board discussed adopting a Resolution Requesting Appraisal of Property

and Certificate of Estimated Appraised Value as of July 1, 2023. After discussion, Director Gilligan moved to adopt the Resolution Requesting Appraisal of Property and Certificate of Estimated Appraised Value and direct that the Resolution be filed appropriately and retained in the District's official records. Director Taylor seconded the motion, which passed unanimously.

EXECUTION OF AMENDMENT TO INFORMATION FORM

Ms. Leatherwood reported on legislation passed by the Texas Legislature to update the language for the Notice to Purchasers form that must be provided by persons proposing to sell or convey real property located in a water district. She said water districts that are required to maintain a website or have access to a website under Section 26.18, Tax Code, are also now required to post their Notice to Purchasers on the applicable website. The Board then considered authorizing execution of an Amendment to Information Form reflecting the District's new form of Notice to Purchasers attached thereto. Ms. Leatherwood explained that the District is required to file the Amendment to Information Form in the Official Public Records of Real Property of Harris County and with the Texas Commission on Environmental Quality ("TCEQ").

After review and discussion, Director Odum moved to authorize execution of the Amendment to Information Form and to authorize filing with Harris County and the TCEQ. Director Taylor seconded the motion, which passed unanimously.

ADOPT RESOLUTION REGARDING DEVELOPMENT STATUS FOR 2023 TAX YEAR

The Board discussed the District's development status. After fully considering relevant data, information, statutory definitions, and the engineer's recommendation, the Board determined that the District is a Developing District for the 2023 tax year.

Following review and discussion, Director Taylor moved to adopt a Resolution Regarding Development Status for 2023 Tax Year establishing the District as a Developing District for the 2023 tax year, pursuant to Section 49.23603, Texas Water Code, and direct that the Resolution be filed appropriately and retained in the District's official records. Director Gilligan seconded the motion, which passed unanimously.

OPERATION OF DISTRICT FACILITIES

Ms. Benzman reviewed the operator's report, a copy of which is attached.

Ms. Benzman reported that Stage 1 of the District's Drought Contingency Plan has been triggered and reviewed a notice to the District's customers, a copy of which is attached.

Following review and discussion, Director Gilligan moved to approve the

operator's report. Director Odum seconded the motion, which passed unanimously.

HEARING ON TERMINATION OF WATER AND SEWER SERVICE

There were no delinquent accounts submitted for termination of water and sewer service.

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. Ms. Leatherwood updated the Board on the status of agreements with HC 500's funding partners for the project.

APPROVE PAY ESTIMATES AND CHANGE ORDERS FOR THE WATER, SEWER, AND DRAINAGE FACILITIES TO SERVE TOWNE LAKE, SECTION 66

Mr. Gaden updated the Board on the status of construction of the water, sewer, and drainage facilities to serve Towne Lake, Section 66. He reviewed and recommended approval of Pay Estimate No. 4 and Final in the amount of \$81,739.78, submitted by Principal Services, Ltd. ("Principal"). Mr. Gaden also recommended the Board accept the project.

After review and discussion, Director Taylor moved to approve Pay Estimate No. 4 and Final in the amount of \$81,739.78 to Principal and final acceptance of the project, as recommended. Director Odum seconded the motion, which passed unanimously.

After discussion, Director Taylor moved to approve the engineer's report. Director Odum seconded the motion, which passed unanimously.

UPDATE ON PREPARATION OF BOND APPLICATION NO. 1, INCLUDING ADOPT RESOLUTION AUTHORIZING APPLICATION TO THE TCEQ FOR APPROVAL OF PROJECT AND BONDS

Mr. Gaden updated the Board on the status of preparation of bond application no. 1. He stated that he will have a draft summary of costs for the Board's review at the next regular meeting.

The Board deferred adoption of a Resolution Authorizing Application to the TCEQ for Approval of Project and Bonds.

DEEDS AND EASEMENTS

There was no discussion on this agenda item.

HC 500 MASTER DISTRICT MATTERS

Mr. Gaden updated the Board on the status of HC 500, as Master District, projects.

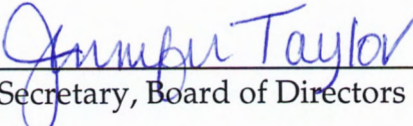
REPORT ON DEVELOPMENT

Ms. Leatherwood reviewed a report on development in Towne Lake provided by the developer.

REPORT REGARDING LEGISLATIVE MATTERS

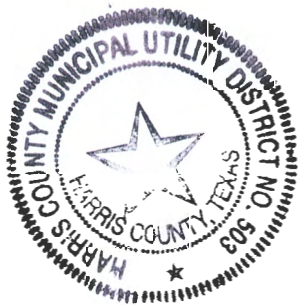
Ms. Leatherwood reviewed a report prepared by ABHR regarding legislative matters pertaining to the 88th Regular Session of the Texas Legislature.

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



Secretary, Board of Directors

(SEAL)



LIST OF ATTACHMENTS TO MINUTES

	Minutes
	<u>Page</u>
Bookkeeper's report.....	2
Tax assessor/collector's report.....	2
Operator's report.	3
Notice regarding Stage 1 Drought Conditions.....	3
Engineer's report.....	4