

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 503

August 22, 2024

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 22nd day of August, 2024, 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:

Jennifer Taylor	President
Kevin Gilligan	Vice President
Kelli Odum	Secretary
Ryan Schilhab	Assistant Secretary
Danielle Gonzalez	Asst. Vice President/ Asst. Secretary

and all of the above were present, thus constituting a quorum.

Also present at the meeting were Lynn Kurtz of Myrtle Cruz, Inc.; Leslie Cook of RBC Capital Markets; Amanda Benzman of Inframark Water & Infrastructure Services ("Inframark"); Brenda McLaughlin of Bob Leared Interests; Kenrick Piercy of EHRA Engineering; and Katie Carner 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 July 30, 2024, regular meeting. After review and discussion, Director Gilligan moved to approve the minutes of the July 30, 2024, regular meeting, as submitted. 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, and stated that 98.9% of the District's 2023 taxes had been collected as of July 31, 2024.

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.

SERIES 2024 UNLIMITED TAX BONDS MATTERS

Ms. Cook discussed the proposed schedule for the District's Series 2024 Unlimited Tax Bonds.

APPROVE PRELIMINARY OFFICIAL STATEMENT AND OFFICIAL NOTICE OF SALE

Ms. Cook reviewed a draft Preliminary Official Statement and Official Notice of Sale for the District's issuance and sale of its \$10,615,000 Unlimited Tax Bonds, Series 2024 ("Series 2024 Bonds"). Following review and discussion, Director Taylor moved to approve the Preliminary Official Statement and Official Notice of Sale, subject to final review. Director Schilhab seconded the motion, which passed unanimously.

CONSIDER MATTERS REGARDING ENTERING INTO A CONTRACT FOR DISCLOSURE COUNSEL LEGAL SERVICES AND ADOPT RESOLUTION REGARDING APPROVAL OF LEGAL SERVICES CONTRACT

The Board considered selecting an attorney to provide disclosure counsel legal services for the District in connection with the issuance of public securities and other related matters. The Board reviewed a proposed contract submitted by Sanford Kuhl Hagan Kugle Parker Kahn, LLP ("SK Law") to serve as disclosure counsel for the District. Ms. Carner discussed requirements related to contracts for legal services entered into by governmental entities, including contingent fee contracts for disclosure counsel legal services by the District. The Board reviewed the public notice that was provided regarding consideration of SK Law's contract at the August 22, 2024 meeting, pursuant to Section 2254.1036, Texas Government Code. The Board then considered adopting a Resolution Regarding Approval of Legal Services Contract (the "Resolution").

After review and consideration of matters related thereto, including the matters listed in Section 2254.1036(a)(1), Texas Government Code, Director Taylor moved to (1) adopt the Resolution reflecting: (i) approval of the public notice provided pursuant to Section 2254.1036, Texas Government Code; (ii) adoption of the findings and determinations provided in the public notice as the findings and determinations of the Board; (iii) the Board's findings that the contents of the public notice and the timing and manner of the provision of the notice are in full compliance with Subchapter C, Chapter 2254, Texas Government Code; (iv) the Board's finding that SK Law is a well-qualified law firm on the basis of demonstrated competence, qualifications, and experience; and (v) approval of the contract with SK Law for disclosure counsel legal services; (2) direct that the Resolution and the contract with SK Law be filed

appropriately and retained in the District's official records. Director Schilhab seconded the motion, which passed unanimously.

APPOINT PAYING AGENT/REGISTRAR

The Board considered appointing a paying agent/registrar in connection with the Series 2024 Bonds. After discussion, Director Taylor moved to appoint The Bank of New York Mellon Trust Company, N.A., as the paying agent/registrar, as recommended by the financial advisor. Director Schilhab seconded the motion, which passed unanimously.

AUTHORIZE ADVERTISEMENT FOR SALE OF SERIES 2024 BONDS

The Board considered authorizing the District's financial advisor to advertise the sale of the District's Series 2024 Bonds. After discussion, Director Taylor moved to authorize the District's financial advisor to advertise the sale of the District's Series 2024 Bonds. Director Schilhab seconded the motion, which passed unanimously.

AUTHORIZE DISTRICT ENGINEER TO REQUEST TEXAS COMMISSION ON ENVIRONMENTAL QUALITY ("TCEQ") INSPECTION OF FACILITIES

Mr. Piercy stated that the TCEQ pre-purchase inspection of facilities for the projects included in the bond application has been completed.

AUTHORIZE AUDITOR TO PREPARE DEVELOPER REIMBURSEMENT REPORT

The Board considered authorizing the District's auditor, McCall Gibson Swedlund Barfoot PLLC ("McCall"), to prepare the developer reimbursement report in connection with the bond sale. After discussion, Director Taylor moved to authorize McCall to prepare the developer reimbursement report. Director Schilhab 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 handwritten check no. 2316 in the amount of \$408.18, payable to Director Schilhab.

Following review and discussion, Director Gilligan moved to approve the bookkeeper's report and the checks presented for payment, including check no. 2316 as detailed above. Director Odum seconded the motion, which passed unanimously.

ADOPT RESOLUTION REGARDING DEVELOPMENT STATUS FOR 2024 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 2024 tax year.

Following review and discussion, Director Odum moved to adopt a Resolution Regarding Development Status for 2024 Tax Year establishing the District as a Developing District for the 2024 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 Taylor 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 requested the Board authorize Inframark to purchase five drought conditions/boil water notice alert signs in the amount of \$900.00 and reviewed a sample sign, a copy of which is attached.

Following review and discussion, Director Taylor moved to (1) approve the operator's report; and (2) authorize Inframark to purchase five drought conditions/boil water notice alert signs in the amount of \$900.00. Director Odum seconded the motion, which passed unanimously.

HEARING ON TERMINATION OF WATER AND SEWER SERVICE

Ms. Benzman submitted a list of delinquent accounts to the Board for termination of utility service. She stated that the accounts in question have been given written notification of the opportunity to appear, either in person or in writing, at the Board meeting to contest, explain, or correct the charges, services, or disconnection. Ms. Benzman noted that the accounts listed have neither attended the Board meeting nor contacted Inframark's office or the District to contest or explain the charges. After discussion, Director Taylor moved to authorize Inframark to proceed with termination of utility service to the delinquent accounts pursuant to the provisions of the District's Rate Order. Director Odum seconded the motion, which passed unanimously.

ENGINEERING MATTERS

Mr. Piercy reviewed the engineer's report, a copy of which is attached.

AGREEMENTS AND CONSTRUCTION CONTRACTS

There was no discussion on this agenda item.

REPORT ON UPRR/HIGHWAY 290 PROJECT

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

UPDATE ON BOND APPLICATION NO. 1

There was no discussion on this agenda item.

DEEDS AND EASEMENTS

There was no discussion on this agenda item.

HC 500 MASTER DISTRICT MATTERS

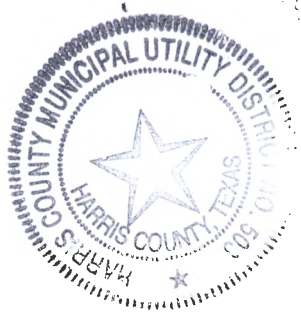
Mr. Piercy and Ms. Carner updated the Board on the status of HC 500, as Master District, projects.

REPORT ON DEVELOPMENT

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

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>
Tax assessor/collector's report	1
Bookkeeper's report.....	3
Operator's report.....	4
Sample alert sign	4
Engineer's report.....	4