

MINUTES  
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 503

October 30, 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 30<sup>th</sup> day of October, 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 Jennifer Vossler of McCall Gibson Swedlund Barfoot PLLC; Michael Crahan of Caldwell Companies; 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 ("BLI"); Kenrick Piercy of EHRA Engineering; 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 September 30, 2024, regular meeting. After review and discussion, Director Taylor moved to approve the minutes of the September 30, 2024, regular meeting, as submitted. Director Schilhab seconded the motion, which passed unanimously.

SERIES 2024 UNLIMITED TAX ROAD BONDS

Ms. Cook reviewed a Pricing Book for the sale of the District's \$9,630,000 Unlimited Tax Road Bonds, Series 2024 ("Series 2024 Bonds"), a copy of which is attached.

## REVIEW BIDS AND AWARD SALE OF THE DISTRICT'S SERIES 2024 BONDS

The Board considered review of the bids and award of the sale of the Series 2024 Bonds. Ms. Cook read the bids that had been received:

- (1) Robert W. Baird & Co., Inc. ("Baird"), with a net effective interest rate of 4.360328%;
- (2) SAMCO Capital Markets, with a net effective interest rate of 4.401860%;
- (3) HilltopSecurities, with a net effective interest rate of 4.457571%; and
- (4) Crews & Associates, Inc., with a net effective interest rate of 4.503610%.

The Board next considered award of the sale of the Series 2024 Bonds. Ms. Cook stated that the low bid submitted by Baird, with a net effective interest rate of 4.360328%, had been reviewed and all numbers checked and confirmed. She recommended that the District accept the bid of Baird, as submitted. After review and discussion, Director Odum moved to award the sale of the Series 2024 Bonds to Baird, with a net effective interest rate of 4.360328%, as recommended. Director Taylor seconded the motion, which passed unanimously.

## RESOLUTION AUTHORIZING THE ISSUANCE OF THE DISTRICT'S SERIES 2024 BONDS

The Board considered adopting a Resolution Authorizing the Issuance of the District's Series 2024 Bonds (the "Resolution"). Ms. Leatherwood 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 2024 Bonds, the payment of principal and interest over the life of the Series 2024 Bonds, and certain District covenants regarding the Series 2024 Bonds. After review and discussion, Director Odum moved to adopt the Resolution and direct that it be filed appropriately and retained in the District's official records. Director Taylor seconded the motion, which passed unanimously.

## PAYING AGENT/REGISTRAR AGREEMENT

The Board next considered execution of the Paying Agent/Registrar Agreement with The Bank of New York Mellon Trust Company, N.A. Ms. Leatherwood stated that the Paying Agent/Registrar Agreement sets forth the provisions by which the paying agent/registrar will handle registration, transfer, and payment of the District's Series 2024 Bonds. After discussion, Director Odum 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 Taylor seconded the motion, which passed unanimously.

#### OFFICIAL STATEMENT

The Board next considered approving the Official Statement. Ms. Leatherwood 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 Odum moved to approve the Official Statement and direct that it be filed appropriately and retained in the District's official records. Director Taylor seconded the motion, which passed unanimously.

#### EXECUTION OF CERTIFICATE REGARDING PROVISION OF FINANCIAL ADVICE

Ms. Leatherwood reviewed with the Board a Certificate Regarding Provision of Financial Advice (the "Certificate"). After review and discussion, Director Odum moved to authorize execution of the Certificate and direct that it be filed appropriately and retained in the District's official records. Director Taylor seconded the motion, which passed unanimously.

#### EXECUTION OF DOCUMENTS RELATED TO DISTRICT'S SERIES 2024 BONDS

Ms. Leatherwood explained that there will be various documents related to delivery of the Series 2024 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 2024 Bonds to the purchaser. After discussion, Director Odum moved to authorize execution of documents related to the sale and delivery of the Series 2024 Bonds and authorize the District's attorney and financial advisor to take all necessary action to deliver the Series 2024 Bonds. Director Taylor 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 the Series 2024 bond issue transcript review. After discussion, Director Odum moved to approve payment to the Attorney General relating to

the bond issue transcript review. Director Taylor seconded the motion, which passed unanimously.

EXECUTION OF AMENDMENT TO INFORMATION FORM

The Board considered authorizing execution of the Amendment to Information Form to reflect the total amount of bonds sold by the District. After review and discussion, Director Odum moved to authorize execution of the Amendment to Information Form and direct that it be filed with the Texas Commission on Environmental Quality ("TCEQ") and with Harris County as required by law. Director Taylor seconded the motion, which passed unanimously.

APPROVE DEVELOPER REIMBURSEMENT REPORT AND AUTHORIZE DISBURSEMENT OF BOND PROCEEDS

Ms. Vossler reviewed a report of the amount reimbursable by the District to CW SCOA West, L.P. from the proceeds of the District's \$10,615,000 Unlimited Tax Bonds, Series 2024. After review and discussion, Director Gilligan moved to approve the developer reimbursement report and authorize disbursement of the bond proceeds, subject to receipt of an executed receipt from the developer. Director Taylor 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. Leatherwood stated that BLI published a Notice of Public Hearing regarding the adoption of the District's 2024 tax rate stating that the Board anticipates levying a maximum total 2024 tax rate of \$1.50 per \$100 assessed valuation.

The Board opened the public hearing. There being no comments from the public, the Board closed the public hearing.

After discussion, the Board agreed to levy a total 2024 tax rate of \$1.50 per \$100 of assessed valuation, composed of a \$0.50 contract tax component, a \$0.50 debt service component, and a \$0.50 maintenance and operations tax component. Ms. Leatherwood presented an Order Levying Taxes reflecting the proposed 2024 tax rate.

After review and discussion, Director Gilligan moved to adopt the Order Levying Taxes and direct that the Order be filed appropriately and retained in the District's official records. Director Schilhab seconded the motion, which passed unanimously.

Director Gonzalez entered the meeting.

#### 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. 2356 in the amount of \$1,029,773.97, payable to David R. Klein.

Following review and discussion, Director Odum moved to approve the bookkeeper's report and the checks presented for payment, including check no. 2356 as detailed above. Director Taylor seconded the motion, which passed unanimously.

#### CONDUCT ANNUAL REVIEW OF INVESTMENT POLICY AND ADOPT RESOLUTION REGARDING ANNUAL REVIEW OF INVESTMENT POLICY

Ms. Leatherwood explained that the Texas Public Funds Investment Act requires the Board to annually review its Investment Policy and authorize any appropriate amendments. After discussion, the Board determined to make no amendments at this time. After review and discussion, Director Gilligan moved to adopt a Resolution Regarding Annual Review of Investment Policy and direct that the Resolution be filed appropriately and retained in the District's official records. Director Odum seconded the motion, which passed unanimously.

#### REVIEW, REVISE, AND ADOPT RESOLUTION ESTABLISHING THE AUTHORIZED DEPOSITORY INSTITUTIONS AND ADOPTING LIST OF QUALIFIED BROKER/DEALERS WITH WHOM THE DISTRICT MAY ENGAGE IN INVESTMENT TRANSACTIONS

Ms. Leatherwood reviewed a Resolution Establishing the Authorized Depository Institutions and Adopting List of Qualified Broker/Dealers with Whom the District May Engage in Investment Transactions. After review and discussion, Director Taylor moved to adopt the Resolution Establishing the Authorized Depository Institutions and Adopting List of Qualified Broker/Dealers with Whom the District May Engage in Investment Transactions, and direct that the Resolution be filed appropriately and retained in the District's official records. Director Odum seconded the motion, which passed unanimously.

#### TAX ASSESSMENT AND COLLECTION MATTERS

Ms. McLaughlin updated the Board on the status of tax assessment and collection matters.

The Board reviewed the delinquent tax report provided by Perdue, Brandon, Fielder, Collins & Mott, LLP, a copy of which is attached.

## AMENDED AND RESTATED AGREEMENT FOR SERVICES OF TAX ASSESSOR AND COLLECTOR

The Board reviewed a proposed Amended and Restated Agreement for Services of Tax Assessor and Collector with BLI. Ms. McLaughlin stated that the proposed agreement updates BLI's schedule of fees.

After review and discussion, Director Gonzalez moved to approve the Amended and Restated Agreement for Services of Tax Assessor and Collector with BLI and direct that it be filed appropriately and retained in the District's official records. Director Schilhab seconded the motion, which passed unanimously.

## OPERATION OF DISTRICT FACILITIES

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

Following review and discussion, Director Gilligan moved to approve the operator's report. Director Taylor 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 Gilligan 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 Taylor 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. Leatherwood updated the Board on the status of Harris County Municipal Utility District No. 500 ("HC 500"), as Master District's, UPRR/Highway 290 Project.

DEEDS AND EASEMENTS

There was no discussion on this agenda item.

HC 500 MASTER DISTRICT MATTERS

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

REPORT ON DEVELOPMENT

Mr. Crahan updated the Board on the status of development in Towne Lake.

The Board discussed the regular meeting schedule. After discussion, the Board concurred to reschedule the November regular meeting for November 25, 2024 at 1:00 p.m. The Board also concurred to cancel the December regular meeting.

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

(SEAL)



Secretary, Board of Directors

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