

MINUTES  
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 503

March 27, 2025

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 27<sup>th</sup> day of March, 2025, 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 except Director Taylor, thus constituting a quorum.

Also present at the meeting were Brenda McLaughlin of Bob Leared Interests; Lynn Kurtz of Myrtle Cruz, Inc.; Amanda Benzman of Inframark Water & Infrastructure Services ("Inframark"); J.T. Gaden of EHRA Engineering; Michael Crahan of Caldwell Companies; and Allison Leatherwood and Franky Wallace 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 February 5, 2025, regular meeting. After review and discussion, Director Schilhab moved to approve the minutes of the February 5, 2025, regular meeting, as submitted. Director Odum seconded the motion, which passed unanimously.

AUTHORIZE RENEWAL OF DISTRICT'S INSURANCE POLICIES

The Board reviewed a proposal from McDonald & Wessendorff Insurance for renewal of the District's insurance policies. Following review and discussion, Director Schilhab moved to approve the proposal from McDonald & Wessendorff Insurance for renewal of the District's insurance policies. Director Gonzalez seconded the motion, which passed unanimously.

## FINANCIAL AND BOOKKEEPING MATTERS INCLUDING AUTHORIZE AUDITOR TO CONDUCT AUDIT FOR FISCAL YEAR END MARCH 31, 2025

The Board considered authorizing McCall Gibson Swedlund Barfoot PLLC ("McCall") to prepare the District's audit for fiscal year end March 31, 2025. The Board reviewed an audit continuance letter from McCall, a copy of which is attached, which notes that preparation of the District's annual audit will cost an estimated \$14,000-\$16,000. Following review and discussion, Director Gilligan moved to authorize McCall to prepare the District's audit for fiscal year end March 31, 2025. Director Gonzalez 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 96.034% of the District's 2024 taxes had been collected as of February 28, 2025. Following review and discussion, Director Gilligan moved to approve the tax assessor/collector's report, and the checks presented for payment. Director Odum seconded the motion, which passed unanimously.

## ADOPT RESOLUTION CONCERNING EXEMPTIONS FROM TAXATION

Ms. Leatherwood discussed optional tax exemptions with the Board for the 2025 tax year. The Board reviewed a Resolution Concerning Exemptions from Taxation for the 2025 tax year. After discussion, Director Gilligan moved to adopt the Resolution Concerning Exemptions from Taxation, which declines granting any exemptions for residential homesteads and individuals who are over 65 or disabled in the District, and direct that the Resolution be filed appropriately and retained in the District's official records. Director Gonzalez seconded the motion, which passed unanimously.

## FINANCIAL AND BOOKKEEPING MATTERS CONTINUED

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

## ADOPT BUDGET FOR FISCAL YEAR ENDING MARCH 31, 2026

Ms. Kurtz reviewed the draft budget for fiscal year ending March 31, 2026, a copy of which is attached to the bookkeeper's report. The Board discussed revisions to the proposed budget.

Following review and discussion, Director Gilligan moved to (1) approve the bookkeeper's report, and the checks presented for payment; and (2) adopt the budget for fiscal year ending March 31, 2026, as presented. 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.

Ms. Leatherwood stated that Harris County Municipal Utility District No. 501 is hosting a document shredding and electronics recycling event on May 10, 2025, from 9:00 a.m. to 1:00 p.m., at Anthony Middle School. She asked the Board if they would like to post the event flyer to the District's website.

## 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.

Following review and discussion, Director Schilhab moved to (1) approve the operator's report; (2) authorize the posting of the shred event flyer to the District's website; and (3) authorize Inframark to proceed with termination of utility service to the delinquent accounts pursuant to the provisions of the District's Rate Order. Director Gilligan seconded the motion, which passed unanimously.

## REVIEW EMERGENCY PREPAREDNESS PLAN

Ms. Leatherwood discussed the District's Emergency Preparedness Plan and stated no updates are necessary at this time.

## APPROVE ANNUAL REPORT ON IMPLEMENTATION OF WATER CONSERVATION PLAN

Ms. Benzman reviewed the Water Conservation Plan Annual Report with the Board. After review and discussion, Director Gonzalez moved to approve the Water Conservation Annual Report, direct that the report be filed appropriately and retained in the District's official records, and authorize the District's Operator to submit the report to the appropriate government agencies. Director Gilligan seconded the motion, which passed by unanimous vote.

## ANNUAL REVIEW OF DROUGHT CONTINGENCY PLAN

Ms. Leatherwood reported that the Board is required to review the District's Drought Contingency Plan annually. Ms. Benzman confirmed that no changes need to be made at this time.

## ENGINEERING MATTERS

Mr. Gaden 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

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

## APPROVE FIFTH AMENDMENT TO CONTRACT FOR FINANCING, OPERATION, AND MAINTENANCE OF REGIONAL FACILITIES

The Board then considered approval of a Fifth Amendment to Contract for Financing, Operation, and Maintenance of Regional Facilities between HC 500, as Master District, and the District (the "Fifth Amendment"). Ms. Leatherwood reviewed the provisions of the Fifth Amendment, including a legal conflict waiver. Following review and discussion, Director Schilhab moved to approve the Fifth Amendment and the legal conflict waiver and direct that the documents be filed appropriately and retained in the District's official records. Director Odum seconded the motion, which carried unanimously.

## REPORT ON DEVELOPMENT

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

Ms. Leatherwood presented and reviewed a Partial Assignment of Financing and Reimbursement Agreement for Water, Sewer, and Drainage Facilities between CW SCOA West, L.P. and CC Towne Lake MF II, L.P, including an Acknowledgement of Assignment. Discussion ensued. After review and discussion, Director Gilligan moved to consent to the assignment and direct that a copy of the same be filed appropriately and retained in the District's official records. Director Schilhab seconded the motion, which passed unanimously.

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

  
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Asst. Secretary, Board of Directors



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