

HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 157

Minutes of Meeting of Board of Directors

June 13, 2024

The Board of Directors (the "Board") of Harris County Water Control and Improvement District No. 157 (the "District") met in regular session, open to the public, on June 13, 2024, at 1300 Post Oak Boulevard, Suite 2500, Houston, Texas 77056, in accordance with the duly posted notice of meeting, and the roll was called of the duly constituted members of said Board, as follows:

Keith Nystrom, President
Cameron Dickey, Vice President
Keith Perry, Secretary
Benjamin Judd, Assistant Secretary
Chad Sillman, Assistant Secretary

and all of said persons were present, with the exception of Directors Perry and Sillman, thus constituting a quorum.

Also present were Will Gutowsky of BGE, Inc. ("BGE"); Mackenzie Osborne of Inframark, LLC ("Inframark"); Miguel Medina and Carol Morrison of Municipal Accounts & Consulting, L.P. ("MA&C"); Stephanie Dorrough of Wheeler & Associates, Inc. ("Wheeler"); Paulina Baker of The Howard Hughes Corporation, on behalf of Bridgeland Development, LP ("Developer"); Bill Cook, President of the Board of Directors of Harris County Water Control and Improvement District No. 159 ("No. 159"); Kay Burkhalter, Steve Bosser and Walter Bohn, representatives of The Bridgeland Community Supports Veterans, Inc. ("The Veterans Group"); and Mitchell G. Page and Peyton Ellis of Schwartz, Page & Harding, L.L.P. ("SPH"). Bobby Reynolds of The Veterans Group entered the meeting after it was called to order, as noted herein.

The President called the meeting to order and declared it open for such business as might regularly come before the Board.

PUBLIC COMMENTS

The Board considered public comments, and recognized Mr. Cook. Mr. Cook noted that he had no comments for the Board at this time.

The Board next recognized those in attendance from The Veterans Group. In connection there with, Ms. Burkhalter advised of The Veterans Group's desire to address the Board concerning matters related to the construction of Veteran's Memorial Park. Following discussion, the Board noted that it would consider and discuss matters related to Veteran's Memorial Park later in the meeting, under the agenda item designated for such topic.

Director Nystrom next informed the Board of his need to resign from the Board of Directors prior to next month's meeting due to his moving outside of the boundaries of the District.

Following discussion, the Board thanked Director Nystrom for his many years of service to the Board and the District, and concurred that it would accept Director Nystrom's resignation at next month's meeting.

APPROVAL OF MINUTES

The Board reviewed the draft minutes of its meetings held on May 9, 2024, and May 30, 2024. Following discussion, Director Judd moved that the minutes of the meetings held on May 9, 2024, and May 30, 2023, be approved, as written. Director Dickey seconded said motion, which unanimously carried.

BOOKKEEPER'S REPORT

Mr. Medina presented to and reviewed with the Board the Bookkeeper's Report dated June 13, 2024, a copy of which is attached hereto as **Exhibit A**, including the disbursements and wire transfers presented for approval. During such review, Mr. Medina directed the Board's attention to the District's Investment Detail, and advised that MA&C has purchased six (6) new Certificates of Deposit for the District. Following discussion, it was moved by Director Judd, seconded by Director Dickey and unanimously carried, that the Bookkeeper's Report be approved, as presented, and the disbursements listed therein be approved for payment, with (i) the addition of check no. 4498, payable to Jorge Ruiz Torrijos, for tree removal services, and the addition of three (3) checks, payable to Directors Nystrom, Judd and Dickey, for attendance at the May 30, 2024, special Board meeting, and (ii) the revision of the memo line for check nos. 4485 and 4486, payable to Directors Perry and Sillman, respectively, to reflect fees of office for attendance at the May 30, 2024, special Board meeting.

TAX ASSESSOR COLLECTOR MONTHLY REPORT; DELINQUENT COLLECTIONS LISTING

Ms. Dorrough presented to and reviewed with the Board the Tax Assessor Collector Monthly Report dated as of May 31, 2024, including the disbursements presented for approval, and a Delinquent Collections Listing as of May 31, 2024, copies of which are attached hereto as **Exhibit B**. Following discussion, Director Dickey moved that the Tax Assessor Collector Monthly Report be approved, and the disbursements identified therein be authorized for payment. Director Judd seconded said motion, which carried unanimously.

Mr. Reynolds entered the meeting at this time.

DELINQUENT TAX COLLECTIONS

Mr. Page presented to and reviewed with the Board the Delinquent Tax Collections Report received from Perdue, Brandon, Fielder, Collins & Mott, L.L.P. ("Perdue Brandon"), delinquent tax attorneys for the District, a copy of which is attached hereto as **Exhibit C**. Mr. Page noted that Perdue Brandon is requesting authorization to move four (4) delinquent accounts to the uncollectible roll. Following discussion, it was moved by Director Judd, seconded by Director

Dickey and unanimously carried, that Perdue Brandon be authorized to move the delinquent accounts to the uncollectible roll, as requested.

VETERAN'S MEMORIAL PARK

The Board discussed matters related to the proposed construction of Veteran's Memorial Park. In connection therewith, Mr. Gutowsky gave a presentation to the Board regarding the conceptual design/layout of Veteran's Memorial Park on combined site nos. 3 and 4 (the "Combined Site"). A copy of said presentation is attached hereto as **Exhibit D**. Mr. Gutowsky reviewed and discussed two (2) conceptual design options, and noted that the projected cost for the construction of Veteran's Memorial Park is approximately \$1,800,000. The Board and The Veterans Group asked various questions and provided comments to the conceptual layouts, to which Mr. Gutowsky responded. After thorough discussion on the matter, Director Judd moved to preliminarily approve the contribution of the Combined Site and the construction and continued maintenance by the District of Veteran's Memorial Park on the Combined Site. Director Dickey seconded the motion, which unanimously carried. The Board noted that it intended to gauge community support for the project and that funding of the project is still a matter to be considered, notwithstanding such preliminary approval.

ENGINEER'S REPORT

Mr. Gutowsky presented to and reviewed with the Board the Engineer's Report dated June 13, 2024, a copy of which is attached hereto as **Exhibit E**. In connection therewith, Mr. Gutowsky requested the Board's concurrence in the award of bid for the construction of Bridgeland Phase 6B Detention and Spoil Disposal to Sonora Construction. Following discussion, Director Judd moved that the Board concur in the award of bid for the construction of Bridgeland Phase 6B Detention and Spoil Disposal to Sonora Construction, as recommended by BGE. Director Dickey seconded the motion, which unanimously carried.

Mr. Gutowsky next presented to and reviewed with the Board a proposal prepared by Delta Environmental for hydro mulching the "football" field located near the lap pool at Lakeland Village Park, a copy of which is included in **Exhibit E**. Following discussion, it was moved by Director Judd, seconded by Director Dickey and unanimously carried, that the proposal for hydro mulching services be approved, with the addition of an item to said proposal for the installation and removal of orange safety fencing around the entire field following the final re-seeding.

Mr. Gutowsky next addressed the Board concerning recent inquiries received through the District's website. In connection therewith, Mr. Gutowsky advised the Board of several leaks reported on the weir wall located in the amenity pond near Fry Road and Bridgeland Creek Parkway. He noted that BGE will investigate the matter and determine the best option for the repair of said leaks. Mr. Gutowsky then advised the Board of a resident inquiry concerning the condition of the grass and sidewalk at the end of the Hidden Creek cul-de-sac, near Josey Lake. In connection therewith, Mr. Gutowsky advised the Board that that he would recommend hydro mulching the area to prevent dirt from covering the sidewalk, and noted that he would work with Delta Environmental to determine whether such work can be included in the previously approved proposal for the field at Lakeland Village Park.

OPERATIONS AND MAINTENANCE

Ms. Osborne presented the Operator's Report for the month of May 2024, a copy of which is attached hereto as **Exhibit F**, and reviewed the charges, related repairs, and make up well pumpage listed therein.

Ms. Osborne advised the Board that Booster Pump and Motor No. 4 at Irrigation Pump Station No. 1 ("IPS No. 1") experienced a failure and required replacement. She further advised that she immediately notified Directors Nystrom and Dickey of the equipment failure, and received authorization to proceed with the replacement of Booster Pump and Motor No. 4 at the cost of approximately \$32,837.00. Following discussion, Director Judd moved that the prior actions taken by Directors Nystrom and Dickey with respect to the replacement of Booster Pump and Motor No. 4 at IPS No. 1, be approved and ratified in all respects. Director Dickey seconded the motion, which unanimously carried.

Mr. Page next advised the Board that Harris County Municipal Utility District No. 419 ("No. 419") is interested in replacing the existing wooden fencing surrounding No. 419's lift stations with brick fencing. He then inquired as to whether the Board would be amenable to sharing the costs for replacement of the fencing around Lift Station No. 2. Following discussion, the Board concurred that it would be amenable to sharing costs for the replacement of fencing at Lift Station No. 2, but will require No. 419 to provide the cost estimates for such work to the Board for review once received by BGE.

CRITICAL LOAD STATUS

Mr. Page next advised that Section 13.1396 of the Texas Water Code, as amended, requires the District to update its information identifying the location and description of facilities that have qualified for critical load status and its information regarding emergency contacts (a) annually to each electric utility that provides transmission and distribution service to the District and each retail electric provider that sells power to the District, and (b) immediately upon any change in the information to the above entities, as well as to the office of emergency management of Harris County, the Public Utility Commission of Texas, and the division of emergency management of the governor. In that regard, Ms. Osborne presented to and reviewed with the Board correspondence confirming that Inframark submitted the required information to the appropriate regulatory entities, on behalf of the Board and the District, on May 23, 2024. A copy of said correspondence is attached hereto as **Exhibit G**. It was noted that no further action was required by the Board in connection with this matter.

REVIEW OF WATER CONSERVATION AND DROUGHT CONTINGENCY PLAN

Mr. Page advised the Board that, in accordance with the Texas Water Code, the District is required to review and, if appropriate, revise its Water Conservation and Drought Contingency Plan (the "Plan") every five years. Mr. Page then presented to and reviewed with the Board a proposed draft of the updated Plan, a copy of which is attached hereto as **Exhibit H**. Following review and discussion, it was moved by Director Judd, seconded by Director Dickey and

unanimously carried, that: (i) the revised Plan be approved, as presented, (ii) the Resolution Regarding Review of Water Conservation and Drought Contingency Plan, a copy of which is included in **Exhibit H**, be approved, and the President be authorized to execute same on behalf of the Board and the District, and (iii) SPH be authorized to file the updated Plan with the appropriate authorities, as and if required.

MOWING AND MAINTENANCE; INSTALLATION OF SECURITY CAMERAS; GRAFITTI REMOVAL; PRESSURE WASHING; EROSION CONTROL; TREE PRUNING; GENERAL MATTERS

The Board considered general maintenance matters for the District. Director Nystrom advised the Board that he received additional information with the respect to the proposed addition of cameras in the District's pedestrian tunnels by A & V Nuisance Wildlife Management & Control LLC ("A&V"), and noted his concerns regarding the mounting of the proposed cameras. The Board discussed installing cameras in one tunnel at this time to evaluate prior to installing cameras in all tunnels. Following discussion, Director Nystrom moved that the Board proceed with authorizing A&V to purchase, install, and monitor two (2) security cameras in one pedestrian tunnel. The motion was seconded by Director Dickey, and with Directors Nystrom and Dickey voting in favor, and Director Judd voting against, the motion carried.

DEVELOPER'S REPORT

Ms. Baker presented to and reviewed with the Board the home inventory report through May 2024, as prepared by the Developer, a copy of which is attached hereto as **Exhibit I**. Ms. Baker then provided an update regarding the commercial activity in the Bridgeland community.

COMMUNICATIONS

The Board concurred that there were no emergency or other communication items to discuss.

WEBSITE UPDATES

Director Nystrom reminded the Board of his service on several District subcommittees for various District maintenance items, and suggested that the Board consider the designation of a replacement. Following discussion, it was moved by Director Dickey, seconded by Director Judd and unanimously carried, that any committee position held by Director Nystrom be transferred to Directors Judd and Dickey.

RATIFY APPROVAL OF LETTER AGREEMENT WITH BRIDGELAND WATER AGENCY (THE "AGENCY")

Mr. Page reminded the Board that it previously approved a Letter Agreement between the Agency and the District, which provides for the Agency's service as the District's communications partner, and requested that the Board ratify such action. A copy of said Letter Agreement is attached hereto as **Exhibit J**. Following discussion, it was moved by Director Judd, seconded by

Director Dickey and unanimously carried, that the Board's prior approval of the Letter Agreement with the Agency, be approved and ratified in all respects.

VOTING SYSTEM ANNUAL FILING FORM

Mr. Page requested that the Board authorize SPH to complete and submit a Voting System Annual Filing Form ("Voting Form") to the Secretary of State's Office on behalf of the District. He advised that, pursuant to the Texas Election Code, each political subdivision in the State of Texas is required to complete and file said Voting Form with the Secretary of State's Office on an annual basis, even if the District did not conduct an election during that particular year. Following discussion, Director Judd moved that SPH be authorized to complete the Voting Form and file same with the Secretary of State's Office, as required by law. Director Dickey seconded said motion, which unanimously carried.

FUTURE AGENDA ITEMS

The Board considered items for placement on future agendas. In connection therewith, the Board concurred to include an item on the agenda for next month's meeting to accept Director Nystrom's resignation from the Board of Directors, and to consider the appointment of a new Director to fill the vacancy on the Board.

Director Dickey then informed the Board of his need to resign from the Board of Directors in the near future due to an anticipated move outside of the boundaries of the District. Following discussion, the Board noted that it would take such information into consideration when identifying candidates to fill the vacancy to be created by Director Nystrom's resignation.

ATTORNEY'S REPORT

The Board considered the attorney's report. In connection therewith, Mr. Page advised that he had nothing further of a legal nature to discuss with the Board at this time.

All of those in attendance other than Directors Nystrom, Dickey and Judd, Ms. Morrison, Ms. Ellis and Mr. Page, exited the meeting at this time.

REQUESTS FOR QUALIFICATIONS ("RFQs") FOR BOOKKEEPING SERVICES

The Board considered qualifications for the District's bookkeeping services, and recognized Ms. Morrison to present on behalf of MA&C. Ms. Morrison introduced herself to the Board, and delivered a presentation relative to the qualifications of MA&C for the District's bookkeeping services. A copy of said presentation is attached hereto as **Exhibit K**. The Board asked various questions, to which Ms. Morrison responded. Following discussion, Ms. Morrison thanked the Board for its time and consideration, and exited the meeting.

CLOSED SESSION

The President noted that the Board would enter into Closed Session at 1:21 p.m. pursuant

to Section 551.071 of the Texas Government Code, as amended.

RECONVENE IN OPEN SESSION

The Board reconvened in Open Session at 1:37 p.m. Following discussion of the qualifications received from MA&C, Artesian Financial Services, LLC ("Artesian"), and TNR Advisors & Management Consultants, LLC, for the District's bookkeeping services, it was moved by Director Judd, seconded by Director Dickey and unanimously carried, that (i) SPH be authorized to negotiate the terms of the proposed form of Agreement for Bookkeeping Services between the District and Artesian, as discussed in Closed Session, and (ii) if such negotiations are successful, the President be authorized to execute said Agreement and SPH be authorized to acknowledge the Texas Ethics Commission Form 1295 submitted by Artesian in connection therewith, and deliver a notice of termination to MA&C.

ADJOURNMENT

There being no further business to come before the Board, on motion made by Director Judd, seconded by Director Dickey, and unanimously carried, the meeting was adjourned.

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Secretary

HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 157

LIST OF ATTACHMENTS TO MINUTES

June 13, 2024

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| Exhibit A – | Bookkeeper's Report |
| Exhibit B – | Tax Assessor-Collector Monthly Report; Delinquent Collections Listing |
| Exhibit C – | Delinquent Tax Collections Report |
| Exhibit D – | Veteran's Memorial Park Presentation |
| Exhibit E – | Engineer's Report |
| Exhibit F – | Operator's Report |
| Exhibit G – | Critical Load Status |
| Exhibit H – | Resolution Regarding Review of Water Conservation and Drought Contingency Plan |
| Exhibit I – | Home Inventory Report through May 2024 |
| Exhibit J – | Letter Agreement – Bridgeland Water Agency Communications Partner |
| Exhibit K – | Presentation by Municipal Accounts & Consulting, L.P. |