

HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 157

Minutes of Meeting of Board of Directors

July 11, 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 July 11, 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 D. 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 Nystrom and Sillman, thus constituting a quorum.

Also present were Will Gutowsky of BGE, Inc. ("BGE"); Mackenzie Osborne and Kristy Hyatt of Inframark, LLC ("Inframark"); Miguel Medina of Municipal Accounts & Consulting, L.P. ("MA&C"); Kelsey Thorne of The Howard Hughes Corporation, on behalf of Bridgeland Development, LP ("Developer"); Robert G. Thomas, Bobby Reynolds, Kay Burkhalter, Steve Bosser and Walter Bohn, representatives of The Bridgeland Community Supports Veterans, Inc. ("The Veterans Group"); and Mitchell G. Page and Sabrina Johnston of Schwartz, Page & Harding, L.L.P. ("SPH"). Tina Johnston and Cara Sliva of Artesian Financial Services, LLC ("Artesian") entered the meeting after it was called to order, as noted herein.

In the absence of the President, the Vice 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. Ms. Burkhalter thanked the Board and the District's consultants for their diligent efforts during Hurricane Beryl.

APPROVAL OF MINUTES

The Board reviewed the draft minutes of its meeting held on June 13, 2024. Following discussion, Director Judd moved that the minutes of the meeting held on June 13, 2024, be approved, as written. Director Perry seconded said motion, which unanimously carried.

ACCEPT RESIGNATION OF DIRECTOR NYSTROM

Mr. Page advised the Board that Director Nystrom has submitted his letter of resignation

from the Board of Directors, effective as of June 23, 2024, and requested the Board's acceptance of same. Following discussion, Director Judd moved that Director Nystrom's resignation letter be accepted. Director Perry seconded the motion, which unanimously carried.

REORGANIZATION OF THE BOARD AND ELECTION OF OFFICERS

The Board next considered the reorganization of the Board and the election of officers.

The Board first considered the election of a President. After discussion, it was moved by Director Perry, seconded by Director Judd and unanimously carried, that Director Dickey be elected President of the Board.

The Board next considered the election of a Vice President. After discussion, it was moved by Director Perry, seconded by Director Judd and unanimously carried, that Director Judd be elected Vice President of the Board.

The Board next considered the election of a Secretary. After discussion, the Board concurred that Director Perry remain Secretary of the Board.

The Board next considered the election of an Assistant Secretary. After discussion, the Board concurred that Director Sillman remain Assistant Secretary of the Board.

DISTRICT REGISTRATION FORM

The Board next considered authorizing the preparation and filing of a District Registration Form, as required by the rules of the Texas Commission on Environmental Quality (the "TCEQ"). Mr. Page explained that, in accordance with certain provisions the Texas Water Code and rules of the TCEQ, the District is required to file names, mailing addresses, officer positions and terms of directors with the TCEQ within thirty days after any changes to same. He advised that, with the Board's approval, SPH will prepare an updated District Registration Form and file same with the TCEQ, as required. After further discussion of the matter, Director Judd moved that the Board authorize SPH to complete the District Registration Form and file same with the TCEQ, as discussed. Director Perry seconded said motion, which unanimously carried.

BOOKKEEPER'S REPORT AND QUARTERLY INVESTMENT REPORT

Mr. Medina presented to and reviewed with the Board the Bookkeeper's Report dated July 11, 2024, a copy of which is attached hereto as **Exhibit A**, including the disbursements and wire transfers presented for approval. Mr. Medina additionally presented the Quarterly Investment Inventory Report (the "Investment Report") for the period ended May 31, 2024, a copy of which is included in the Bookkeeper's Report. Following discussion, it was moved by Director Judd, seconded by Director Perry and unanimously carried, that (i) the Bookkeeper's Report be approved, as presented, and the disbursements listed therein be approved for payment, with the exception of check nos. 4504 and 4506, which were voided, and (ii) the Investment Report for the period ended May 31, 2024 be approved, as presented, and the District's Investment Officers be authorized to execute same on behalf of the Board and the District.

TAX ASSESSOR COLLECTOR MONTHLY REPORT; DELINQUENT COLLECTIONS LISTING

The Board deferred consideration of a Tax Assessor-Collector Monthly Report, as it was noted that a representative of Wheeler & Associates, Inc. was unable to attend today's meeting following Hurricane Beryl.

DELINQUENT TAX COLLECTIONS

Mr. Page noted that no Delinquent Tax Report was received nor is due at this time from Perdue, Brandon, Fielder, Collins & Mott, L.L.P, delinquent tax attorneys for the District.

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 updated conceptual design/layout of Veteran's Memorial Park, which incorporates the comments and suggestions offered by the Board and The Veterans Group following last month's meeting. The Board and The Veterans Group asked various questions and provided comments to the updated conceptual layout, to which Mr. Gutowsky responded. Ms. Burkhalter discussed with the Board the potential funding options being considered for Veteran's Memorial Park. After thorough discussion on the matter, Mr. Gutowsky advised that he would revise the conceptual design/layout of Veteran's Memorial Park, and distribute same to the Board, The Veterans Group, and the Developer for final review and approval.

All representatives of The Veterans Group exited the meeting at this time, with the exception of Ms. Burkhalter.

Ms. Sliva and Ms. Tina Johnston entered the meeting at this time.

ENGINEER'S REPORT

Mr. Gutowsky presented to and reviewed with the Board the Engineer's Report dated July 11, 2024, a copy of which is attached hereto as **Exhibit B**, including the pay estimates and change orders listed therein. Following discussion, Director Judd moved that the Engineer's Report and the action items listed therein be approved, as recommended. Director Perry seconded said motion, which unanimously carried.

Mr. Gutowsky next addressed the Board concerning several leaks reported on the weir wall located in the amenity pond near Fry Road and Bridgeland Creek Parkway. In connection therewith, Mr. Gutowsky presented to and reviewed with the Board a proposal for the repair of said weir wall, a copy of which is included with **Exhibit B**. Following discussion, it was moved by Director Judd, seconded by Director Perry and unanimously carried, that the proposal for the repair of the weir wall located in the amenity pond near Fry Road and Bridgeland Creek Parkway, be approved.

Mr. Gutowsky next addressed the Board concerning the previously discussed 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 presented to and reviewed with the Board a proposal for the repair of the washed out area, a copy of which is included with **Exhibit B**. Following discussion, it was moved by Director Judd, seconded by Director Perry and unanimously carried, that said proposal be approved.

OPERATIONS AND MAINTENANCE

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

Ms. Osborne provided the Board with an update relative to the impact of Hurricane Beryl on the District's facilities. In connection therewith, Ms. Osborne reported that the sanitary manholes along Parkside Haven overflowed into storm drains along the road, and noted that such storm drains have a tie into Irrigation Pump Station ("IPS") No. 2. She further reported that Inframark promptly addressed the issue, and that no further action is required by the Board in connection therewith. Following discussion, it was moved by Director Judd, seconded by Director Perry and unanimously carried, that SPH be authorized to request written communication from Harris County Municipal Utility District No. 419 ("No. 419"), confirming that no further remediation efforts are required by the District in connection with the overflow of sanitary manholes into the storm drains aligned with IPS No. 2.

Ms. Hyatt then introduced herself to the Board and presented a Site Survey of the District's facilities, as prepared by Inframark, a copy of which is attached hereto as **Exhibit D**. The Board reviewed and discussed such Site Survey in detail with the District's consultants, and voiced various concerns regarding the condition of several District facilities. It was noted that no action was required by the Board in connection with the Site Survey at this time.

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

The Board next considered the annual maintenance contribution to Bridgeland Council, Inc. ("Council"). In connection therewith, Mr. Page discussed with the Board a historical overview of the Recreational Facilities Maintenance Agreement between the District and Council, wherein the District, on an annual basis, provides a contribution to Council calculated based on the percentage of acreage Council owns and maintains within the District's boundaries. Mr. Page then presented the invoice received from Council for the fiscal year ended May 31, 2024, a copy of which is attached hereto as **Exhibit E**. After discussion, Director Judd moved that the \$130,000 reimbursement to Council be approved, subject to the other participating Bridgeland water control and improvement districts also agreeing to such reimbursement, as applicable. Director Perry seconded said motion, which unanimously carried.

DEVELOPER'S REPORT

Ms. Thorne presented to and reviewed with the Board the home inventory report through June 2024, as prepared by the Developer, a copy of which is attached hereto as **Exhibit F**. Ms. Thorne 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

The Board noted that a notice regarding the vacancy on the Board of Directors will be posted on the District's website.

RECORDS RETENTION

Mr. Page presented to and reviewed with the Board a memorandum prepared by SPH, which is attached hereto as **Exhibit G**, regarding the legal requirements to electronically store District records and destroy the paper copies of such records. In that regard, Mr. Page recommended that the Board approve the Resolution Adopting Records Retention Schedules and Policies and Procedures for Electronic Storage of District Records attached hereto as **Exhibit H** (the "Records Resolution"). After discussion, Director Judd moved to approve the Records Resolution, and authorize the Records Management Officer to execute the related certifications, and that same be submitted to the Texas State Library and Archives Commission for review and approval. Director Perry seconded the motion, which unanimously carried.

Mr. Page reported that the District's Records Retention Schedules adopted in connection with its Records Management Program require that records of the District be retained only for specific periods of time based on the type of record. As an example, he explained that notes taken during meetings and which are used to prepare the official minutes of Board meetings are to be retained for ninety days after approval of such minutes by the Board. Mr. Page next presented a request from the Records Management Officer for approval to destroy certain records (which will not be scanned in and stored electronically) in accordance with the District's Records Retention Schedules, a copy of which request is attached hereto as **Exhibit I** (the "Request"). After discussion, Director Judd moved that SPH be authorized to destroy the records described in the Request. Director Perry seconded said motion, which carried unanimously.

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.

CONSIDER AND DISCUSS CANDIDATES FOR APPOINTMENT TO FILL VACANCY ON THE BOARD OF DIRECTORS

The Board concurred to defer consideration of possible candidates for appointment to fill the current vacancy on the Board of Directors at this time, and noted that it would reconsider the matter once more candidates have expressed an interest in serving on the Board.

CLOSED SESSION

The President noted that the Board would enter into Closed Session at 1:37 p.m. pursuant to Section 551.071 of the Texas Government Code, as amended. Those in attendance other than Directors Dickey, Perry and Judd, Mr. Page and Ms. Johnston, exited the meeting at this time.

RECONVENE IN OPEN SESSION

The Board reconvened in Open Session at 1:58 p.m.

Ms. Burkhalter re-entered the meeting at this time.

It was noted that no action was taken by the Board in connection with the matters discussed in Closed Session.

FUTURE AGENDA ITEMS

The Board considered items for placement on future agendas. No other specific agenda items, other than routine and ongoing matters, were requested.

ADJOURNMENT

There being no further business to come before the Board, on motion made by Director Judd, seconded by Director Perry, 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

July 11, 2024

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| Exhibit A – | Bookkeeper's Report |
| Exhibit B – | Engineer's Report |
| Exhibit C – | Operator's Report |
| Exhibit D – | Site Survey |
| Exhibit E – | Reimbursement Request by Bridgeland Council, Inc. |
| Exhibit F – | Inventory Report through June 2024 |
| Exhibit G – | Memorandum regarding Electronic Storage of District Records |
| Exhibit H – | Resolution Adopting Records Retention Schedules and Policies and Procedures for Electronic Storage of District Records |
| Exhibit I – | Records Destruction Request |