

# **HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 157**

## **Minutes of Meeting of Board of Directors**

November 14, 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 November 14, 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:

Cameron C. Dickey, President  
Benjamin Judd, Vice President  
Keith D. Perry, Secretary  
Chad Sillman, Assistant Secretary

and all of said persons were present, with the exception of Director Perry, thus constituting a quorum. Director Perry entered the meeting after it was called to order, as noted herein.

Also present were Will Gutowsky of BGE, Inc. ("BGE"); Mackenzie Johnson and Mark Landreneau of Inframark, LLC ("Inframark"); Lisa Rickert and Tina Johnston of Artesian Financial Services ("AFS"); Paulina Baker of Howard Hughes Holdings, on behalf of Bridgeland Development, LP ("Developer"); Isabel Mata of Wheeler & Associates, Inc. ("Wheeler"); Shane Ware, resident of the District; and Mitchell G. Page and Peyton Ellis of Schwartz, Page & Harding, L.L.P. ("SPH").

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. Director Judd informed the Board that he noticed the District's irrigation system had been left running over the course of the weekend, but was unable to reach someone to report the issue at the after-hours service number on the 3-1-1 smart phone application. Following discussion, Ms. Johnson advised the Board that she would contact Melissa Hargrove of Bridgeland Council, Inc. ("Council") to report the issue.

Director Dickey advised the Board of a resident inquiry received through the Bridgeland Water Agency's smart phone application concerning the condition of a drainage channel. Following discussion, the Board concurred to consider and further discuss the matter later in the meeting.

## **ACCEPTANCE OF OFFICIAL BOND, STATEMENT OF APPOINTED OFFICER, AFFIDAVIT OF CURRENT DIRECTOR, AND OATH OF OFFICE FOR APPOINTED DIRECTOR**

The Board considered the appointment of a new director to fill the vacancy created by the resignation of Keith Nystrom. Mr. Ware introduced himself to the Board and expressed a desire to serve on the Board. He then presented the Board with evidence of his qualifications to serve on the Board, including a Statement of Appointed Officer and Affidavit of Current Director, and took his Oath of Office. Mr. Ware additionally presented his Official Bond, which the Board found to be in proper form. After discussion on the matter, it was moved by Director Sillman, seconded by Director Judd and unanimously carried, that the Board approve said Bond, accept Mr. Ware's Statement of Appointed Officer, Affidavit of Current Director, and Oath of Office, and declare Mr. Ware to be a duly appointed and qualified Director of the District. Director Ware participated in the remainder of the meeting.

## **ELECTIONS NOT TO DISCLOSE CERTAIN INFORMATION**

Mr. Page advised the Board that, pursuant to Section 552.024 of the Texas Government Code, Directors are permitted to elect to withhold public access to certain information in the custody of the District relating to home addresses, home telephone numbers, social security numbers and information regarding family members. Following discussion, Director Ware executed an Election Not to Disclose Certain Information presented for such purpose.

## **REORGANIZATION OF THE BOARD AND ELECTION OF OFFICERS**

The Board next considered the reorganization of the Board and the election of officers. After discussion, it was moved by Director Judd, seconded by Director Sillman and unanimously carried, that Director Sillman be elected Secretary of the Board, that Director Perry and Director Ware be elected Assistant Secretaries of the Board, and that Director Dickey and Director Judd continue in their offices of President and Vice President, respectively.

## **DISTRICT REGISTRATION FORM**

The Board considered approving a District Registration Form required by the Texas Commission on Environmental Quality (the "TCEQ"). Mr. Page explained that, in accordance with the Texas Water Code, special districts are required to file names, mailing addresses, officer positions and terms of new directors with the TCEQ within thirty days after an election or appointment. He advised that, with the Board's approval, SPH will complete the District Registration Form to reflect the appointment of Director Ware and the reorganization of the Board, and file same with the TCEQ, as required. After further discussion of the matter, Director Sillman moved that the Board authorize SPH to complete the District Registration Form and file same with the TCEQ, as discussed. Director Ware seconded said motion, which unanimously carried.

## **LOCAL GOVERNMENT OFFICERS LIST**

Mr. Page advised the Board that the District is required to maintain a list of Local

Government Officers, which includes the members of the Board and the District's Investment Officers, in connection with conflict of interest disclosure requirements. After discussion on the matter, Director Sillman moved that SPH be authorized to update the District's list of local government officers, as required by law. Director Ware seconded said motion, which unanimously carried.

### **DIRECTOR TRAINING REQUIREMENTS**

Mr. Page discussed with Director Ware the training requirements for public officials. He advised that public officials, including directors of a municipal utility district, must complete separate training courses regarding the Texas Open Meetings Act ("OMA") and the Texas Public Information Act ("PIA"). Mr. Page then presented to and reviewed with Director Ware a Memorandum prepared by SPH which summarizes the training requirements, and advised that the deadline for public officials to complete their training is the 90<sup>th</sup> day after they either take their oath of office or otherwise assume their responsibilities as a public official. He noted that the Texas Attorney General has prepared an online course which satisfies the training requirements for both the OMA and PIA. Mr. Page further noted that it is the responsibility of Director Ware to ensure that the required training courses are completed by the deadline.

### **DISCUSSION OF CONFLICTS DISCLOSURE REPORTING REQUIREMENTS**

Mr. Page next discussed with Director Barrington the conflicts disclosure statement reporting requirements for officers of certain local governmental entities pursuant to Chapter 176 of the Texas Local Government Code. Mr. Page presented Director Ware with a Memorandum prepared by SPH, which summarizes the conflicts disclosure reporting requirements, and a questionnaire for completion by Director Ware in connection therewith. Following discussion, Mr. Page confirmed receipt of the completed conflict of interest questionnaire from Director Ware.

### **APPROVAL OF MINUTES**

The Board reviewed the draft minutes of its meetings held on October 8, 2024, and October 10, 2024. Following discussion, Director Judd moved that the minutes of the October 8, 2024, and October 10, 2024, meetings be approved, as presented. Director Ware seconded said motion, which unanimously carried.

Director Perry entered the meeting at this time.

### **BOOKKEEPER'S REPORT**

Ms. Rickert presented to and reviewed with the Board the Bookkeeper's Report dated November 14, 2024, a copy of which is attached hereto as **Exhibit A**, including the disbursements and wire transfers presented for approval. During such review, the Board concurred to request that the District's financial advisor attend next month's Board meeting to further discuss the District's debt service schedule. Following discussion, Director Sillman moved that the Bookkeeper's Report be approved, as presented, and the disbursements and wire transfers, including check nos. 5030 and 5031, which were not listed in the report, be approved for payment. Director Ware

seconded the motion, which carried unanimously.

### **COMPLIANCE BY THE DISTRICT WITH TEXAS GOVERNMENT CODE, CHAPTER 2265, RELATIVE TO ENERGY REPORTING**

The Board considered the District's compliance with Texas Government Code, Chapter 2265, relative to energy reporting requirements. In connection therewith, Mr. Page advised the Board that governmental entities, including the District, are required to prepare an annual report of its metered usage of electricity and natural gas, and the aggregate costs for same. Ms. Rickert then presented the Energy Usage Report prepared by Acclaim Energy, a copy of which is included in **Exhibit A**, summarizing the District's electricity usage and costs. It was noted that said report satisfies the statutory reporting requirements.

### **APPROVAL OF AMENDED OPERATING BUDGET FOR THE DISTRICT'S FISCAL YEAR ENDING MAY 31, 2025**

Ms. Rickert next presented the proposed amended budget for the District's fiscal year ending May 31, 2025 for the Board's review and comment, a copy of which is attached hereto as **Exhibit B**. Following discussion, it was moved by Director Sillman, seconded by Director Ware and unanimously carried, that the amended budget for the District's fiscal year ending May 31, 2025, be approved, as presented.

### **TAX ASSESSOR COLLECTOR MONTHLY REPORT; DELINQUENT COLLECTIONS LISTING**

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

### **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 collections attorney for the District.

### **VETERANS MEMORIAL**

The Board next considered the status of the proposed construction of Veteran's Memorial. In connection therewith, Director Dickey advised the Board that he and Director Perry held meetings with the Developer and The Veterans Group to discuss each party's respective opinion on the design and location of the Veteran's Memorial. Director Dickey then presented to and reviewed with the Board a report detailing an updated conceptual design plan for the project, which incorporates the suggestions of both the Developer and The Veteran's Group, a copy of which is

attached hereto as **Exhibit D**. Director Dickey advised that the Developer plans to present a proposed alternative design plan and site location for the proposed Veteran's Memorial at the Board's January meeting. Following discussion, it was moved by Director Perry, seconded by Director Ware and unanimously carried, that \$25,000.00 in District funds be designated towards the preparation of an updated conceptual design layout in accordance with the earlier presented report, and that a budget amendment reflecting same be prepared by the District's bookkeeper for consideration at the January Board meeting. The Board also requested the District's bookkeepers prepare and maintain a ledger to track previously incurred engineering expenses related to the Veteran's Memorial and all future expenses and contributions related to same.

### **ENGINEER'S REPORT**

Mr. Gutowsky presented to and reviewed with the Board the Engineer's Report dated November 14, 2024, a copy of which is attached hereto as **Exhibit E**, including the pay estimate listed therein. The Board considered and discussed the status of various ongoing engineering matters, including necessary updates to certain District signage and the possible repair of the washout at Cypress Creek Trail, among other things. Following discussion, Director Sillman moved to approve engineer's report as presented. Director Ware seconded said motion, which unanimously carried.

Mr. Gutowsky presented to and reviewed with the Board photographs depicting cracks in the stonework of the Bridgeland Creek Parkway pedestrian bridge/underpass, copies of which are attached hereto as **Exhibit F**. In connection therewith, Mr. Gutowsky advised the Board that BGE does not believe the damage to be structural in nature at this time, but plans to investigate the matter further to confirm same. No action was required by the Board in connection with this matter.

### **SUMMARY OF COSTS**

Mr. Page advised the Board that the District's financial advisor has requested that the Board adopt a Resolution Requesting Appraisal of Property as of November 15, 2024, from the Harris Central Appraisal District, to aid in the preparation of a Summary of Costs for a potential 2025 bond issuance. Following discussion, Director Sillman moved that the Resolution Requesting Appraisal of District Property, which is attached hereto as **Exhibit G**, be approved. Director Ware seconded said motion, which unanimously carried. Mr. Gutowsky confirmed that the District has plenty of eligible projects for bond financing, and noted that BGE will work with the District's financial advisor to begin preparation of a draft Summary of Costs accordingly.

### **OPERATIONS AND MAINTENANCE**

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

Ms. Johnson next presented to and reviewed with the Board a proposal for the replacement of the flow meter at Irrigation Pump Station ("IPS") No. 3, a copy of which is included in the

Operator's Report, and advised that Inframark is recommending the Siemens meter in lieu of the Octave meter for such replacement at this time. Following discussion, it was moved by Director Sillman, seconded by Director Ware and unanimously carried, that Inframark be authorized to proceed with the replacement of the flow meter at IPS No. 3 with a Siemens meter at the cost of approximately \$11,842.00.

Ms. Johnson next informed the Board that the Site Survey of the District's IPS facilities, which was previously prepared by Inframark and presented to the Board for review at its July meeting, has since been updated to reflect the current status of each IPS facility, including notes on the current condition of each site's electrical components. She then presented the updated Site Survey to the Board for its review, a copy of which is attached hereto as **Exhibit I**. It was noted that no action was required by the Board in connection with the updated Site Survey at this time.

Ms. Johnson next presented to and reviewed with the Board a proposed renewal Landscape Management Agreement between the District and I.M.S. Landscape Services, Inc. ("I.M.S."), a copy of which is attached hereto as **Exhibit J**. In connection therewith, Ms. Johnson advised the Board that the proposed renewal Agreement provides for an increase in the total cost for landscape maintenance functions of roughly \$2,700.00. Following discussion, Director Sillman expressed an interest in obtaining a competitive quote for such services from MG2 Tree Service, LLC, and requested that Inframark also obtain competitive quotes for the Board's consideration at its next meeting.

Ms. Osborne and Mr. Landreneau next addressed the Board concerning the prior replacement of the Booster Pump Nos. 2 and 3 motors (the "Pump Motors") at the District's IPS No. 4. In connection therewith, Ms. Osborne recalled for the Board that Inframark previously recommended the replacement of the Pump Motors at a cost of approximately \$62,000.00 due failure caused by excessive moisture, but noted that the Pump Motors were only about 2 years old at the time. She advised that Inframark investigated the matter after noting the age of the Pump Motors and concluded that Inframark's operation of the IPS No. 4 equipment could have been better handled. She further advised that Inframark has therefore reduced the total invoiced amount for the replacement of the Pump Motors from the original cost of approximately \$62,000.00 to \$25,000.00. Following discussion, the Board thanked Ms. Osborne and Mr. Landreneau for the explanation, and expressed gratitude for Inframark's efforts in resolving the situation.

The Board expressed concerns regarding the maintenance of the District's landscaping facilities, including scheduled irrigation during peak heat hours and the status of completion of the services invoiced to the District, and requested that representatives of Spencer Outdoor, LLC, and Bridgeland Council, Inc. be invited to attend the Board's next meeting to further discuss such concerns.

## **DETENTION FACILITY AND GROUNDS MAINTANENCE**

The Board discussed general maintenance matters for the District. In connection therewith, Mr. Page advised the Board that the District is currently responsible for the mowing and maintenance of a section of the buffer zone located around DragonFly Lake, which lake is owned by Harris County Water Control and Improvement District No. 159 ("No. 159"), and inquired

whether the Board would be amenable to accepting No. 159's offer to assume responsibility for the mowing and maintenance of said buffer zone. A copy of an exhibit identifying the DragonFly Lake buffer zone is attached hereto as **Exhibit K**. Following discussion, the Board concurred to accept No. 159's offer. Mr. Page advised that he would make the necessary adjustments to the District's and No. 159's respective maintenance contracts to address the matter.

Director Sillman next provided the Board with an update regarding the status of the tree maintenance throughout the District. In connection therewith, Director Sillman presented to and reviewed with the Board a map identifying the sections of the District in which tree pruning has been completed, and the sections of the District still requiring tree pruning services. A copy of such map tree pruning map is attached hereto as **Exhibit L**. The Board reviewed said map in detail and noted the outstanding sections that should be prioritized. No action was required by the Board in connection with this matter.

The Board resumed its earlier discussion regarding the resident inquiry concerning the condition of the drainage channel formerly referred to as "K-150". Director Sillman noted that dead trees along the channel are targeted for removal in the near future. With regard to litter and other issues raised by the resident inquiry, the Board requested that BGE inspect K-150 and report back to the Board with recommendations. Director Dickey noted that he would respond to the resident and inform them that the Board is working to resolve the issue.

### **DEVELOPER'S REPORT**

Ms. Baker presented to and reviewed with the Board the home inventory report through October 2024, as prepared by the Developer, a copy of which is attached hereto as **Exhibit M**. Ms. Baker then provided an update regarding the commercial activity in the Bridgeland community. It was noted that no action was required by the Board in connection with the Developer's Report.

### **WEBSITE UPDATES**

The Board considered updates to the District's website. In connection therewith, Director Dickey advised the Board that he is working with the District's website services provider to restore functionality to the 'Contact Us' portion of the District's website. Following discussion, the Board requested a list of other website providers for possible consideration in the future.

### **ATTORNEY'S REPORT**

The Board considered the attorney's report. In connection therewith, Mr. Page reminded the Board that political subdivisions with the power of eminent domain, including the District, are required to file an annual eminent domain report by February 1 of each year with the Texas Comptroller of Public Accounts (the "Comptroller"). He explained that the report will contain the District's contact information as well as information related to the District's ability to exercise the power of eminent domain. Following discussion on the matter, Director Sillman moved to authorize SPH to prepare and file the required eminent domain report with the Comptroller prior to February 1, 2025. Director Ware seconded the motion, which unanimously carried.

## **FUTURE AGENDA ITEMS**

The Board considered items for placement on future agendas. In connection therewith, Director Sillman noted observing a considerable amount of trash buildup within the wooded areas throughout the District. Following discussion, the Board concurred to explore potential options for handling trash pickup in the District's wooded areas at next month's meeting.

## **ADJOURNMENT**

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



Secretary

A handwritten signature in blue ink, appearing to be 'C. J. R.', is written over a horizontal line.

# **HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 157**

## **LIST OF ATTACHMENTS TO MINUTES**

October 10, 2024

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<b>Exhibit A –</b>	Bookkeeper's Report
<b>Exhibit B –</b>	Amended Operating Budget for Fiscal Year Ending May 31, 2025
<b>Exhibit C –</b>	Tax Assessor-Collector Monthly Report; Delinquent Collections Listing
<b>Exhibit D –</b>	Report detailing Updated Conceptual Design of Veteran's Memorial Park
<b>Exhibit E –</b>	Engineer's Report
<b>Exhibit F –</b>	Photographs depicting Bridgeland Creek Parkway Pedestrian Underpass
<b>Exhibit G –</b>	Resolution Requesting Appraisal of District Property as of November 15, 2024
<b>Exhibit H –</b>	Operator's Report
<b>Exhibit I –</b>	Updated Site Survey
<b>Exhibit J –</b>	Proposed Landscape Management Agreement between the District and I.M.S. Landscape Services, Inc.
<b>Exhibit K –</b>	DragonFly Lake Exhibit
<b>Exhibit L –</b>	Tree Pruning Map
<b>Exhibit M –</b>	Inventory Report through October 2024