

HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 157

Minutes of Meeting of Board of Directors

April 18, 2025

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 April 18, 2025, 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
Chad Sillman, Secretary
Keith D. Perry, Assistant Secretary
Shane Ware, Assistant Secretary

and all of said persons were present, thus constituting a quorum.

Also present were Will Gutowsky and Chris Patterson of BGE, Inc. ("BGE"); Mackenzie Johnson, Todd Burrer and Mark Landreneau of Inframark, LLC ("Inframark"); Tina Johnston of Artesian Financial Services ("AFS"); Isabel Mata of Wheeler & Associates, Inc. ("Wheeler"); Bobby Reynolds, Bob Thomas, Donna Thomas, Steve Bosser, Walter Bohn, and Kay Burkhalter, members of The Bridgeland Community Supports Veterans, Inc. ("Bridgeland Veterans"); Bill Cook, President of the Board of Directors of Harris County Water Control and Improvement District No. 159 ("No. 159"); and Mitchell G. Page and Shelby Yllana 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. In connection therewith, members of the Bridgeland Veterans were recognized and it was noted that a discussion item regarding the proposed Memorial Park is on today's agenda.

Director Dickey then advised of recent online discussions regarding the content of the District's website. He then requested that, although the District is transitioning to a new website provider, the current website continue to be updated until the transition is complete.

APPROVAL OF MINUTES

The Board reviewed the draft minutes of its meeting held on February 13, 2025. Following

discussion, Director Perry moved that the minutes of the February 13, 2025, meeting be approved, as presented. Director Sillman seconded said motion, which was unanimously carried.

VETERANS MEMORIAL

The Board next considered the status of the proposed construction of Veteran's Memorial. In connection therewith, Ms. Burkhalter addressed the Board and discussed the recent contribution amounts agreed upon by the other Bridgeland districts. Mr. Bosser then made a statement reiterating the importance and purpose of the Veteran's Memorial. Mr. Patterson of BGE then presented to the Board a proposal for the initial construction document services (bid package) for the project, a copy of which proposal is attached hereto as **Exhibit A**. The Board then discussed whether the entire scope of work under the proposal should be approved at this time. Mr. Patterson confirmed that the District would not be billed for stages of the work that were not authorized and completed. The timeline of the project was discussed, and Mr. Patterson noted that it could potentially be one year before groundbreaking. The Board then discussed the necessity of finding a project manager, and Ms. Burkhalter noted that a member of the Bridgeland Veterans could act in conjunction with Mr. Patterson and a District Board member to monitor the project. Following the discussion, Director Perry moved that the proposal provided by BGE be approved, and that construction document services commence, as discussed. Director Sillman seconded said motion, which unanimously carried.

BOOKKEEPER'S REPORT AND QUARTERLY INVESTMENT REPORT

Ms. Johnston presented to and reviewed with the Board the Bookkeeper's Report dated April 18, 2025, a copy of which is attached hereto as **Exhibit B**, including the disbursements and wire transfers presented for approval. Ms. Johnston additionally presented the Quarterly Investment Inventory Report (the "Investment Report") for the period ended February 29, 2025, a copy of which is included in the Bookkeeper's Report. Ms. Johnston then advised that several of the District's Certificates of Deposit ("CDs") would be maturing and inquired with the Board as to the duration and rate of a renewal.

Ms. Johnston additionally presented to the Board checks payable to District taxpayers relative to the previously approved tax payment processing fee refund. She noted that a cover letter has been provided to Director Dickey for his signature in connection therewith, which will accompany each check.

Ms. Johnston then reported on the receipt of the West Harris County Regional Water Authority water credits for stormwater capture, and noted that this credit year will be the last year received by the Board. In connection therewith, the Board then discussed the proposed fiscal year ending May 31, 2026, operating budget, and noted that considerations would need to be made to account for the proposed Irrigation Pump Station No. 1 rehabilitation project, the loss of WHCRWA credits, and payment of funds towards the Veteran's Memorial project. Ms. Johnston noted an adjusted operating budget would be presented at the May Board meeting.

Following discussion of bookkeeping matters, it was moved by Director Perry, seconded by Director Sillman and unanimously carried, that (i) the Bookkeeper's Report be approved, as

presented, and the disbursements listed therein be approved for payment, (ii) the Investment Report for the period ended February 29, 2025 be approved, as presented, and (iii) the District's Investment Officers be authorized to execute same on behalf of the Board and the District.

RATIFICATION OF RENEWAL OF DISTRICT INSURANCE COVERAGES

Mr. Page reminded the Board that the District's insurance coverages through Arthur J. Gallagher & Co. ("Gallagher"), expired on March 31, 2025. Due to the cancellation of the Board's meeting in March, the renewal proposal for policy year 2025-2026 was approved and executed by prior to today's meeting to avoid a lapse in coverage. Following discussion, Director Perry moved that the prior approval and execution of the renewal insurance proposal from Gallagher be ratified and approved in all respects. Director Sillman seconded said motion, which was unanimously carried. A copy of Gallagher's proposal thus accepted is attached hereto as **Exhibit C**.

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 March 31, 2025, including the disbursements presented for approval, and a Delinquent Collections Listing as of March 31, 2025, copies of which are attached hereto as **Exhibit D**. Following discussion, Director Perry moved that the Tax Assessor-Collector Monthly Report be approved, and the disbursements identified therein be authorized for payment. Director Sillman seconded said motion, which carried unanimously.

RESOLUTION AUTHORIZING ADDITIONAL PENALTY ON DELINQUENT REAL PROPERTY TAXES

The Board next considered the adoption of a Resolution Authorizing an Additional Penalty on Delinquent Real Property Taxes. Mr. Page advised that the Board is authorized to impose, under certain conditions on July 1, an additional penalty not to exceed twenty percent (20%) of the total taxes, penalty and interest due the District on real property taxes that remain delinquent as of July 1 of the year in which they become delinquent. After discussion, it was moved by Director Perry, seconded by Director Sillman and unanimously carried, that the Resolution Authorizing an Additional Penalty on Delinquent Real Property Taxes, attached hereto as **Exhibit E**, be adopted by the Board, and that Perdue, Brandon, Fielder, Collins & Mott, LLP ("Perdue"), delinquent tax attorneys for the District, be authorized to proceed with the collection of real property taxes delinquent as of July 1, 2025.

UNCLAIMED PROPERTY

The Board next considered authorizing the District's consultants to research their records for unclaimed property and authorizing the District's Bookkeeper and Tax Assessor-Collector to prepare Unclaimed Property Reports as of March 1, 2025. Following discussion, Director Perry moved that the District's consultants be authorized to research the District's records for unclaimed property and that the District's Bookkeeper and Tax Assessor-Collector be authorized to prepare Unclaimed Property Reports as of March 1, 2025. Director Sillman seconded said motion, which

unanimously carried.

DELINQUENT TAX COLLECTIONS

The Board deferred consideration of a Delinquent Tax Report, as it was noted that no report was received nor was due at this time from Perdue.

ENGINEER'S REPORT

Mr. Gutowsky presented to and reviewed with the Board the Engineer's Report dated April 18, 2025, a copy of which is attached hereto as **Exhibit F**, including the pay estimate and change order listed therein. Mr. Page then presented to the Board an Access Easement to serve planned Water Well No. 8, noting the access point runs along the Irrigation Pump Station No. 4 site. He additionally noted that No. 159 will need to consider the same Access Easement, as it is a joint facility.

Mr. Gutowsky reported on an area of washout at Cypress Creek near a trail used by residents. He advised that BGE is working with Harris County Flood Control District to monitor the washout and suggested that, in the interim, a temporary wooden fencing be installed for safety.

Mr. Gutowsky then discussed with the Board the Irrigation Pump Station No. 1 Improvement project, noting that BGE will provide the project package to Director Judd for his review.

Mr. Gutowsky additionally discussed a recent complaint received from the Lakeland Village Community Association regarding the need for recoating of a pedestrian bridge in Lakeland Heights. He noted that a quote for recoating was obtained in the amount of \$145,000. The Board requested that no action be taken at this time, and the condition of the bridge be monitored by BGE.

Director Perry noted concerns related to the HEB site, advising that there appears to be trash that could build up in the storm drains. Mr. Gutowsky replied that DeltaWest Environmental monitors and cleans the storm drains on a quarterly basis, and he will notify Bridgeland Development, LP (the "Developer") of the concern for further discussion with HEB representatives.

The Board next considered authorizing BGE and Inframark to prepare and complete a submission to electric utility providers regarding District facilities that qualify for critical load status.

Following discussion, it was moved by Director Perry, seconded by Director Sillman, and unanimously carried, that: (i) the Engineer's Report and the action items listed therein be approved, as recommended by BGE, (ii) the Access Easement for Water Well No. 8 be approved, as presented, and (iii) that BGE and Inframark be authorized to prepare and complete the critical load status submission on behalf of the Board and the District. Director Sillman seconded said motion, which unanimously carried.

BOND APPLICATION REPORT

The Board considered the District's fifteenth issuance of bonds. Mr. Gutowsky presented to the Board the Bond Application Report prepared by BGE. Mr. Page then presented to the Board an Order Authorizing the Application to the Texas Commission on Environmental Quality for approval of the issuance of bonds and the projects to be funded thereby. After discussion, Director Perry moved that the Order Authorizing the Application to the Texas Commission on Environmental Quality for approval of the issuance of bonds and the projects to be funded thereby, be approved as presented and the President and Secretary be authorized to execute same on behalf of the Board and the District. Director Sillman seconded said motion, which unanimously carried. Said Order is attached hereto as **Exhibit G**.

OPERATIONS AND MAINTENANCE

Ms. Johnson presented the Operator's Report for the month of March 2025, 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 reviewed with the Board the proposed repair or replacement of Booster Pump and Motor No. 1 at Irrigation Pump Station No. 2. Director Judd suggested replacement and noted that the totally enclosed fan-cooled motor should be utilized. The Board concurred with same and requested that Director Judd coordinate with Ms. Johnston and Ms. Johnson so that the District purchases the suggested Flowtronex pump from Northside Electric and the motor from Integrated Power Services, if the price is the same or less than purchasing through Northside Electric, for delivery to Inframark for installation.

Ms. Johnson, Mr. Landreneau, and Mr. Burrer then provided a presentation regarding the SediVision proposal for survey of sediment accumulation around the District's Irrigation Pump Station intakes. They noted the impact of sediment on operation of the Irrigation Pump Stations, and that the SediVision survey may help identify areas that require sediment removal.

The Board then received a presentation from Mr. Burrer of Inframark regarding pump corrections and procedural changes being made by Inframark to improve field communications and response times. He reviewed strategic changes to the facility design and presented a real-time dashboard of information to the Board illustrating the varying pressures at each of the pump facilities.

The Board noted that the District's facilities should be operated within design capacity. In response, Mr. Landreneau noted that Inframark is reviewing field data and taking additional measures to better understand the facility's design and operational parameters. He advised that a team has been formed, comprised of Inframark, the HOA, and landscaping representatives, to ensure adequate service to the landscaping throughout Bridgeland during the summer months.

Following discussion, it was moved by Director Perry that the Operator's Report be approved, including (i) approval of the replacement of Booster Pump and Motor No. 1 at Irrigation Pump Station No. 2 as discussed hereinabove, (ii) deferral of the SediVision proposal. Director Sillman seconded said motion, which was unanimously carried.

MATTERS RELATING TO IRRIGATION PUMP STATION NO. 4 ("IPS NO. 4")

The Board next considered issues relating to IPS No. 4. In connection therewith, Mr. Cook of No. 159 discussed concerns with the Board relative to the pressure and service issues at IPS No. 4, and the impact to landscaping. Mr. Cook advised that No. 159 recently awarded three sizeable contracts for the replacement of landscaping and that this landscaping will require a dependable source of irrigation water to survive. Mr. Cook suggested to the Board that No. 159 take on the operation and maintenance of IPS No. 4 and back-charge costs to the District, and enter into an Amendment to the Joint Site Agreement with No. 159 memorializing same. The Board raised concerns regarding the proposed amendment. After due discussion, the Board concurred not to take action on the amendment of the Joint Services Agreement.

DETENTION FACILITY AND GROUNDS MAINTENANCE

The Board next discussed general maintenance matters for the District. In connection therewith, Director Sillman informed the Board that coordination with the Developer is ongoing to ensure appropriate placement of traps for feral hogs. The Board noted no action on its part regarding same was necessary at this time.

DEVELOPER'S REPORT

Mr. Page reviewed with the Board the home inventory report through March 2025, as prepared by the Developer, a copy of which is attached hereto as **Exhibit I**. The Board took no action regarding same.

RESIDENT COMMUNICATIONS AND EMERGENCY MATTERS

The Board considered committee discussions relating to resident communications and emergency matters. In connection therewith, the Board noted no updates at this time.

WEBSITE UPDATES

The Board considered updates to the District's website. In connection therewith, it was noted that, due to the meeting cancellation in March, OffCinco continued supporting the District's current website through the end of April. Mr. Page noted that the engagement of The Texas Network ("TTN") is finalized, and TTN has prepared a draft website for Board review. Following the discussion, the Board concurred to move forward with TTN as previously engaged, and Directors Ware and Dickey were authorized to communicate to TTN that the website can go live.

ARBITRAGE COMPLIANCE

Mr. Page next advised the Board that Arbitrage Compliance Specialists, Inc. ("ACS") will need to prepare thirteen reports as follows: (i) Series 2015 Refunding, 10th Year Arbitrage Rebate Report, (ii) Series 2015A, 10th Year Arbitrage Rebate Report, (iii) Series 2016 Refunding, 10th Year Arbitrage Rebate Report, (iv) Series 2016A, Interim Arbitrage Rebate Report through

November 15, 2025, (v) Series 2017, Interim Arbitrage Rebate Report through December 12, 2025, (vi) Series 2017A Park, Interim Arbitrage Rebate Report through December 12, 2025, (vii) Series 2017B Refunding, Interim Arbitrage Rebate Report through December 21, 2025, (viii) Series 2018, Interim Arbitrage Rebate Report through December 27, 2025, (ix) Series 2018A Park, Interim Arbitrage Rebate Report through December 27, 2025, (x) Series 2021 Refunding, Interim Arbitrage Rebate Report through July 26, 2025, (xi) Series 2021A Park Refunding, Interim Arbitrage Rebate Report through July 26, 2025, (xii) Series 2021 B & C, Interim Arbitrage Rebate Report through July 26, 2025, and (xiii) Series 2021 B & C, Interim Yield Restriction calculations through November 18, 2025. He additionally noted that the Board previously executed an evergreen engagement letter with ACS for same. Following discussion, it was moved by Director Perry, seconded by Director Sillman, and unanimously carried that ACS be authorized to proceed with Compliance Services for all thirteen reports on behalf of the District. The Board then discussed the inclusion of these costs in its fiscal year ending May 31, 2026 budget.

ATTORNEY'S REPORT

The Board considered the attorney's report. Mr. Page advised that he had nothing further of a legal nature to discuss with the Board at this time, other than the scheduling of a future Town Hall meeting. The Board members discussed their availability for a Town Hall meeting to be held at Lakeland Activity Center, or Dragonfly Rec Center, depending on availability, during the evenings of the weeks of May 12th and May 19th. The Board indicated its preferences for May 20th and 21st. Mr. Page noted that SPH will coordinate same with the HOA.

FUTURE AGENDA ITEMS

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

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.



Secretary

HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 157

LIST OF ATTACHMENTS TO MINUTES

April 18, 2025

Exhibit A – Veteran's Memorial contract document services proposal

Exhibit B – Bookkeeper's Report; Quarterly Investment Report

Exhibit C – Insurance Proposal

Exhibit D – Tax Assessor Collectors Report

Exhibit E – Resolution Authorizing Additional Penalty on Delinquent Real Property Taxes

Exhibit F – Engineer's Report

Exhibit G – Order Authorizing Application to TCEQ

Exhibit H – Operator's Report

Exhibit I – Inventory Report