

HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 157

Minutes of Meeting of Board of Directors

May 8, 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 May 8, 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, except Directors Judd and Sillman, thus constituting a quorum. Director Sillman would later join the meeting by video conference, as indicated hereinafter.

Also present were Will Gutowsky of BGE, Inc. ("BGE"); Mackenzie Johnson, Lindsey DeLong, Clay Brandenburg, and Jeremy Weber of Inframark, LLC ("Inframark"); Isabel Mata of Wheeler & Associates, Inc. ("Wheeler"); Bobby Reynolds, member of The Bridgeland Community Supports Veterans, Inc. ("Bridgeland Veterans"); Brian Krueger of Forvis Mazars, LLP ("Forvis"); Kelsey Thorne of The Howard Hughes Corporation on behalf of Bridgeland Development, LP (the "Developer"); 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 and recognized Mr. Reynolds who noted that he had no comments for the Board at this time.

APPROVAL OF MINUTES

The Board reviewed the draft minutes of its meeting held on April 18, 2025. Following the discussion, Director Perry moved that the minutes of the April 18, 2025, meeting be approved, as presented. Director Ware seconded said motion, which was unanimously carried.

VETERANS MEMORIAL

The Board next considered the status of the proposed construction of Veteran's Memorial, and noted there were no items to discuss regarding same at this time. Mr. Page noted that Harris County Municipal Utility District No. 419 has committed \$250,000 towards the project, subject to receipt and review of project bids. Harris County Water Control and Improvement District No. 159 committed \$150,000 over two fiscal years, with the first installment to be paid once design commences.

BOOKKEEPER'S REPORT

The Board deferred consideration of the Bookkeeper's Report, noting the bookkeeper was not yet present.

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 April 30, 2025, including the disbursements presented for approval, and a Delinquent Collections Listing as of April 30, 2025, copies of which are attached hereto as **Exhibit A**. Following discussion, Director Perry 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

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.

ENGAGEMENT OF AUDITOR

The Board next considered the engagement of an auditing firm to conduct an audit of the District's financial statements for the fiscal year ending May 31, 2025. In that regard, Mr. Krueger made a presentation to the Board on behalf of Forvis, and advised that the cost to conduct such an audit is approximately \$20,200, plus an administrative fee in the amount of \$1,100. After discussion on the matter, Director Perry moved that (i) Forvis be engaged to prepare the District's audit report for the fiscal year ending May 31, 2025, in accordance with the terms of the engagement letter attached hereto as **Exhibit B**, and (ii) the Texas Ethics Commission Form 1295 submitted by Forvis in connection therewith, be accepted and acknowledged by the District. Director Ware seconded said motion, which carried unanimously.

ENGINEER'S REPORT

Mr. Gutowsky presented to and reviewed with the Board the Engineer's Report dated May 8, 2025, a copy of which is attached hereto as **Exhibit C**.

Mr. Gutowsky then presented a schematic and proposal for the installation of two aluminum and steel "No Fishing" signs, noting the cost for fabrication and installation of two signs is \$3,230.

Following discussion, it was moved by Director Perry, seconded by Director Ware, and unanimously carried, that: (i) the Engineer's Report and the action items listed therein be approved, as recommended by BGE, and (ii) the proposal for the "No Fishing" sign fabrication and installation be approved, as discussed.

Tina Johnston and Tia Wright of Artesian Financial Services ("AFS") entered the meeting during the discussion.

BOND APPLICATION REPORT FOR ISSUANCE OF \$5,500,000 UNLIMITED TAX BONDS, SERIES 2025 (THE "SERIES 2025 BONDS")

The Board considered the status of approval of the District's issuance of the Series 2025 Bonds by the Texas Commission on Environmental Quality ("TCEQ"). Mr. Page noted that the bond application for the Series 2025 Bonds was filed with the TCEQ on April 22, 2025, and declared administratively complete on April 25, 2025.

OPERATIONS AND MAINTENANCE

Ms. Johnson presented the Operator's Report for the month of April 2025, a copy of which is attached hereto as **Exhibit D**, and reviewed the charges, related repairs and make-up well pumpage listed therein. Ms. Johnson next reported that Inframark believes that sediment is accumulating near the Irrigation Pump Station ("IPS") intakes, as evidenced by silt and debris being drawn into the irrigation system. She and Mr. Gutowsky recommended a diver be engaged to inspect the intakes, noting the cost for services would be approximately \$2,000. Following discussion, it was moved by Director Perry that the Operator's Report be approved, including (i) authorization of the diver inspection, removal of sediment deposits and making of necessary repairs, in an amount not to exceed \$5,000, and (ii) if determined to be of necessity, authorization for BGE to begin preparation of a proposal for lake dredging solutions. Director Ware seconded said motion, which was unanimously carried. The Board requested results be provided for its review at the next regular Board meeting.

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

A brief discussion ensued regarding a request made by Harris County Water Control and Improvement District No. 159 ("No. 159") for isolation of IPS No. 4 from IPS No. 5 so that No. 159 may perform a pressure test of IPS No. 5, and the related monitoring of water usage and end user locations between the District and No. 159. The Board concurred to defer additional discussion pending receipt of clarifying information from No. 159 regarding its request, and mapping to delineate ownership of lines and valves between the two districts.

DETENTION FACILITY AND GROUNDS MAINTENANCE

The Board next discussed general maintenance matters for the District. In connection therewith, Director Dickey noted overgrowth in the turf areas around the amenity ponds and requested contact information for the Lakeland Village Community Association ("LVCA") Landscaping Manager and SouthernGreen to resolve same. Mr. Page advised that SPH would provide same.

DEVELOPER'S REPORT

Ms. Thorne reviewed with the Board the home inventory report through April 2025, as prepared by the Developer, a copy of which is attached hereto as **Exhibit E**. 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 the District's new website with The Texas Network ("TTN") went live. Discussion ensued regarding the use of certain designs on the webpage that may be trademarked by the Developer. The Board concurred to remove the potentially trademarked designs. Director Ware noted he would communicate same with TTN.

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 a reminder of the scheduled Town Hall meeting to be held at Lakeland Activity Center on Tuesday, May 20, 2025 at 6:30 p.m. Director Dickey requested the Town Hall meeting agenda be distributed as soon as possible. Mr. Page then circulated correspondence received from the Harris Central Appraisal District regarding nomination of a candidate to the Board of Directors.

BOOKKEEPER'S REPORT

Ms. Johnston presented to and reviewed with the Board the Bookkeeper's Report dated May 8, 2025, a copy of which is attached hereto as **Exhibit F**, including the disbursements and wire transfers presented for approval, in addition to check no. 2175 payable to LVCA for room rental fees for the Town Hall meeting, and check no. 6022 payable to Bridgeland Council for the annual Recreational Maintenance contribution. Ms. Johnston then reported on the remaining bond funds for the District. A discussion ensued regarding the disposition of the remaining funds, and the Board requested additional information be provided on the relevant projects, and whether

applications for use of surplus funds must be made to the TCEQ for same.

Following discussion of bookkeeping matters, it was moved by Director Perry, seconded by Director Ware and unanimously carried, that the Bookkeeper's Report be approved, as presented, and the disbursements listed therein, including check nos. 2175 and 6022, be approved for payment.

OPERATING BUDGET FOR DISTRICT'S FISCAL YEAR ENDING MAY 31, 2026

The Board then discussed the proposed operating budget for the District's fiscal year ending May 31, 2026. The Board discussed options to offset the deficit due to the loss of the stormwater capture credits from the West Harris County Regional Water Authority. After discussion, Director Perry moved that the operating budget for the District's fiscal year ending May 31, 2026 be approved, subject to AFS amending the budget to reflect a transfer from District reserves into the operating fund in the amount of the anticipated deficit. Director Ware seconded said motion, which unanimously carried.

UNCLAIMED PROPERTY REPORTS AS OF MARCH 1, 2025

The Board considered approval of Unclaimed Property Reports as of March 1, 2025, and the filing of same with the Texas Comptroller of Public Accounts prior to July 1, 2025. In connection therewith, Ms. Johnston and Ms. Mata each informed the Board that the District does not have any unclaimed property to report at this time. Correspondence from AFS was presented for the District's files regarding same, a copy of which is attached hereto as **Exhibit G**.

Director Sillman joined the meeting via video conference at this time.

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 Perry, seconded by Director Ware and unanimously carried, the meeting was adjourned.




Secretary

HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 157

LIST OF ATTACHMENTS TO MINUTES

May 8, 2025

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|--------------------|--|
| Exhibit A – | Tax Assessor-Collector's Report |
| Exhibit B – | Engagement of Auditor (Forvis Mazars, LLP) |
| Exhibit C – | Engineer's Report |
| Exhibit D – | Operator's Report |
| Exhibit E – | Home Inventory Report through April 2025 |
| Exhibit F – | Bookkeeper's Report |
| Exhibit G – | Unclaimed Property Report |