

HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 157

Minutes of Special Meeting of Board of Directors

January 9, 2026

The Board of Directors (the "Board") of Harris County Water Control and Improvement District No. 157 (the "District") met in special session, open to the public, on January 9, 2026, 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:

Benjamin Judd, President
Chad Sillman, Vice President
Shane Ware, Secretary
Keith D. Perry, Assistant Secretary
Kenneth Weston, Assistant Secretary

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

Also present were Will Gutowsky of BGE, Inc. ("BGE"); Isabel Mata of Wheeler & Associates, Inc. ("Wheeler"); Lisa Rickert of Artesian Financial Services ("AFS"); Paulina Baker of Howard Hughes Holdings, on behalf of Bridgeland Development, LP ("Developer"); and Mitchell G. Page, Kendall M. Dicke and Sabrina Ernst 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 advised the Board that it appears Harris County Water Control and Improvement District No. 159 ("WCID 159") has placed trash receptacles around the lake at Dragonfly Park, and inquired whether the District could duplicate such efforts at Josey Lake Park and Oak Meadow Park. Director Judd noted that Josey Lake Park and Oak Meadow Park could benefit from additional trash receptacles. Mr. Page responded that he would provide Director Judd with information regarding WCID 159's addition of trash receptacles and signage. Following discussion, the Board concurred that it would further consider the addition of trash receptacles at Josey Lake Park and Oak Meadow Park.

Ethan Condiff of BGE entered the meeting at this time.

Director Judd next expressed the need for additional "Catch-and-Release" signage around the District's amenity lakes, and noted that he recently observed prohibited fishing activity around

Dragonfly Lake. Following discussion, the Board requested that an item be included on the agenda for next month's meeting to consider additional signage around the District's lakes.

APPROVAL OF MINUTES

The Board considered the approval of the draft minutes of its meeting held on December 12, 2025. Following discussion, Director Judd moved that the minutes of the December 12, 2025, Board meeting be approved, as written. Director Ware seconded the motion, which unanimously carried.

VETERANS MEMORIAL

The Board next considered the status of the proposed construction of the Veterans Memorial Park project. In connection therewith, Mr. Gutowsky provided the Board with a brief update regarding the Veterans Memorial Park project. Following discussion, it was noted that no action was required by the Board in connection with this matter at this time.

BOOKKEEPER'S REPORT

Ms. Rickert presented to and reviewed with the Board the Bookkeeper's Report dated January 9, 2026, a copy of which is attached hereto as **Exhibit A**, including the disbursements and wire transfers presented for approval. Following discussion, it was moved by Director Sillman, seconded by Director Ware and unanimously carried, that the Bookkeeper's Report be approved, as presented, and the disbursements listed therein be approved for payment.

Melissa Hargrove of Bridgeland Council, Inc. ("Council") entered the meeting at this time.

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 December 31, 2025, including the disbursements presented for approval, and a Delinquent Collections Listing as of December 31, 2025, copies of which are attached hereto as **Exhibit B**. 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

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, Brandon, Fielder, Collins & Mott, L.L.P. ("Perdue Brandon"), delinquent tax attorneys for the District.

ADDITIONAL PENALTY ON DELINQUENT PERSONAL PROPERTY TAXES

Mr. Page advised the Board that it is authorized, pursuant to Section 33.11 of the Tax Code,

to impose, under certain conditions, an additional penalty not to exceed 20% of the total taxes, penalty and interest due the District on personal property that become delinquent after February 1 of a year and that remain delinquent sixty (60) days after said date, to defray the costs of collection of said delinquent taxes, in accordance with Section 33.11 of the Tax Code, as amended. Following discussion, it was moved by Director Sillman, seconded by Director Ware and unanimously carried, that: (i) the Resolution Authorizing an Additional Penalty on Delinquent Personal Property Taxes, attached hereto as **Exhibit C**, be adopted by the Board, and (ii) Perdue Brandon, the District's delinquent tax collections attorneys, be authorized to proceed with collection of the District's delinquent 2025 personal property tax accounts on April 1, 2026, including the filing of lawsuits, as necessary.

EXEMPTIONS FROM TAXATION

The Board considered granting exemptions from taxation for 2026. In connection therewith, Mr. Page outlined for the Board the various tax exemptions available for the District, including the exemptions provided for by Article VIII, Section 1-b of the Texas Constitution and Section 11.13 of the Tax Code, as amended. He advised that under said provisions, the District may provide for the exemption of up to 20% (but not less than \$5,000, if granted) of the appraised value of residential homestead improvements for the year 2026, and may also exempt residential homesteads of persons who are under a disability for purposes of payment of disability insurance benefits under the Federal Old Age, Survivors and Disability Insurance Act, or its successor, or persons sixty-five years of age or older from ad valorem taxes levied by the District during the calendar year 2026, and, if any such exemptions are granted, they must be for not less than \$3,000 of the market value of such homesteads. After discussion on the matter, Director Sillman moved that (i) the District grant an exemption in the amount of \$25,000 for residents 65 years of age or older, (ii) the District grant an exemption for persons under a disability in the amount of \$30,000, (iii) the District grant a general homestead exemption of 5% of appraised value, and (iv) the Resolution Concerning Exemptions from Taxation, a copy of which is attached hereto as **Exhibit D**, be approved and adopted by the Board and the District. Director Ware seconded the motion, which unanimously carried.

TEXAS COMPTROLLER OF PUBLIC ACCOUNTS SPECIAL PURPOSE DISTRICT PUBLIC INFORMATION DATABASE

Mr. Page informed the Board that, pursuant to provisions of Chapter 403, Government Code, and Chapter 203, Local Government Code, the District is required to submit information to the Texas Comptroller of Public Accounts (the "Comptroller") for inclusion in the Special Purpose District Public Information Database. Following discussion, it was moved by Director Sillman, seconded by Director Ware and unanimously carried, that Forvis Mazars, LLP, the District's auditor, be authorized to prepare the required information and submit same to the Comptroller for inclusion in the Special Purpose District Public Information Database.

ENGINEER'S REPORT

Mr. Gutowsky presented to and reviewed with the Board the Engineer's Report dated January 9, 2026, a copy of which is attached hereto as **Exhibit E**, including the pay estimates and

change orders listed therein. In connection therewith, Mr. Gutowsky requested the Board's concurrence in the award of contract for the Irrigation Pump Station ("IPS") Nos. 1, 2 and 4 Rehab project (the "Rehab Project") to McDonald Municipal & Industrial ("McDonald"). Mr. Gutowsky advised the Board that, following last month's meeting, BGE reached out to McDonald to inquire whether any revisions to project specifications would reduce costs. In that regard, Mr. Gutowsky informed the Board that removing the sole sourced components from the project specifications would reduce the contract amount by \$9,554.00. He noted that if the sole sourced components are removed, the project may contain a mix of components and make it more difficult to stock replacement parts that are interchangeable between the IPS. Following review and discussion, the Board concurred to defer any action with respect to the award of contract for the Rehab Project until later in the meeting, after the Board has had a chance to review the proposed construction contract for same.

Following discussion, it was moved by Director Sillman, seconded by Director Ware and unanimously carried, that the Engineer's Report and the action items listed therein be approved, with the exception of the award of contract for the Rehab Project, as hereinabove discussed.

OPERATIONS AND MAINTENANCE

Ms. DeLong presented to and reviewed with the Board the Operations and Maintenance Report for the month of December 2025, a copy of which is attached hereto as **Exhibit F**, and reviewed the charges, related repairs and make-up well pumpage listed therein.

Ms. DeLong next provided the Board with a proposal for the repair of the discharge header at Irrigation Pump Station No. 2 ("IPS No. 2"). She noted that such work is expected to cost between \$20,000.00 and \$25,000.00.

Following discussion, it was moved by Director Sillman, seconded by Director Ware and unanimously carried, that the Operations and Maintenance Report and the action items listed therein be approved, including the repair of the discharge header at IPS No. 2 in an amount not to exceed \$25,000.00. Director Judd requested to receive all future operations invoices in advance of monthly Board meetings.

PRESENTATION FROM BRIDGELAND COUNCIL, INC. REGARDING IRRIGATION MANAGEMENT AND OTHER MAINTENANCE ITEMS

Ms. Hargrove gave a presentation to the Board regarding irrigation management and the demand on the District's non-potable water system, the maintenance of Josey Lake Park and other District recreational facilities, and other related maintenance items. In connection therewith, Ms. Hargrove explained Council's role in the management of the Bridgeland irrigation system, and noted that Council is working towards the replacement of the irrigation control system in order to lessen the demand on the District's non-potable water system. Ms. Hargrove then reviewed the process for the replacement of said irrigation control system, and inquired whether any of the Board members desired to participate in Council's discussions with Calsense regarding the matter. Following discussion, Director Sillman volunteered to participate in Council's discussions with Calsense.

The Board next addressed Ms. Hargrove concerning the maintenance performed by Council on several community amenities located within the District. The Board provided Ms. Hargrove with photographs depicting several recreational amenities needing repair and/or maintenance in the District, copies of which are attached hereto as **Exhibit G**. Ms. Hargrove reviewed and discussed such photographs in detail with the Board. She noted that many items identified by the Board were the result of vandalism and had been recently addressed by Council. Following discussion, the Board concurred to increase communications with Council regarding maintenance matters, and designated Director Sillman to coordinate with Council regarding irrigation matters. It was noted that no action was required by the Board in connection with this matter at this time.

DETENTION FACILITY AND GROUNDS MAINTENANCE

The Board next discussed general maintenance matters for the District. In connection therewith, Director Sillman provided the Board with an update relative to the status of the District's tree maintenance services. In connection therewith, Director Sillman advised the Board of recent tree maintenance performed by Garden Oaks Tree Service, and requested that the Board approve the payment of the invoice for such work in the amount of \$9,500.00. Following discussion, it was moved by Director Sillman, seconded by Director Ware and unanimously carried, that the invoice from Garden Oaks Tree Service in the amount of \$9,500.00 be approved for payment, and that MA&C be authorized to issue check no. 6058, payable to Garden Oaks Tree Service, in the amount of \$9,500.00, accordingly.

DEVELOPER'S REPORT

Ms. Baker next presented to and reviewed with the Board the home inventory report through December 2025, as prepared by the Developer, a copy of which is attached hereto as **Exhibit H**. Following discussion, it was noted that no action was required by the Board in connection with the Developer's Report.

Ms. Hargrove exited the meeting at this time.

RESIDENT COMMUNICATIONS AND EMERGENCY MATTERS

The Board noted that it had nothing new to discuss with respect to committee discussions relating to resident communications and emergency matters at this time.

WEBSITE UPDATES

The Board considered updates to the District's website. Following discussion, the Board concurred to remove the dialog box from the 'Contact' page of the District's website, and instead list contact information for SPH and Inframark. Director Ware advised that he would communicate same to The Texas Network, the District's website services provider.

TRACEAIR FLYOVER AS OF JANUARY 1, 2026

Mr. Page next discussed with the Board the District's participation in the annual aerial flyover of the Bridgeland development. Mr. Page reminded the Board that said flyover provides for the gathering of data and photographs to assist in, among other things, the evaluation of Harris Central Appraisal District's assessment of land values as of January 1, 2026. Following discussion, it was moved by Director Sillman, seconded by Director Judd and unanimously carried, that: (i) the District's participation in the cost for the TraceAir flyover as of January 1, 2026, be authorized; (ii) the District enter into a letter agreement with Harris County Municipal Utility District No. 418 ("MUD 418"), in a form prepared by SPH, to share the costs of the flyover with the other Bridgeland water districts; and (iii) the President be authorized to execute said letter agreement on behalf of the Board and the District. A copy of the letter agreement, thus approved, is attached hereto as **Exhibit I**. Mr. Page noted that MUD 418 will invoice the District for its share of costs after all Bridgeland water districts have approved the letter agreement.

RENEWAL OF DISTRICT INSURANCE COVERAGES

Mr. Page reported to the Board that the District's current insurance coverage through Arthur J. Gallagher & Co. ("Gallagher"), will expire on March 31, 2026. He informed the Board of the other insurance companies available to the District that provide coverage to water districts, and inquired as to whether the Board desired to solicit proposals from such companies for review prior to the expiration of the District's current policies. Following discussion, it was moved by Director Sillman, seconded by Director Ware and unanimously carried, that SPH be authorized to solicit a renewal quote from Gallagher only at this time.

SUPPLEMENTAL AGENDA

The Board considered calling the Election in accordance with the requirements of the Texas Water Code. In connection therewith, Mr. Page presented the Order Calling Directors Election (the "Order"), attached hereto as **Exhibit J**, calling the Election to be held on May 2, 2026. He noted that the Order is structured for an independent election and could be amended if Harris County determines to offer contracts for participation in a joint election. It was noted that the terms of office of Directors Ware and Weston expire in May of this year. In reviewing the Order with the Board, Mr. Page advised that the Texas Water Code and the Texas Election Code authorize the Board to designate an agent to perform certain duties in connection with the Election, and that the Order named Peyton McKelvey as such agent (the "Election Agent"). Mr. Page further advised the Board that notice of the Election must be given in accordance with the requirements of the Texas Election Code. Mr. Page advised the Board that notice of the Election could be given by one or more of the following methods: (i) publishing the notice in a newspaper published in the territory of the District or of general circulation in the District at least ten (10) days before the election, but not more than thirty (30) days before the election; (ii) posting the notice at a public place in each election precinct that overlaps the District at least twenty-one (21) days before the election; or (iii) mailing the notice to each registered voter in the District at least ten (10) days before the election. He further advised that, in addition to the above, notice must be posted on the District's website at least twenty-one (21) days before the election. Following discussion of the options, the Board concurred that notice of the Election be given by posting same at a public place

in each election precinct that overlaps the District and on the District's website. After discussion on the matter, Director Sillman moved that said Order be passed and adopted, that the President and Secretary be authorized to execute the Order, and that the Election Agent be authorized and directed to make necessary arrangements for the Election in accordance with the Order. Director Ware seconded said motion, which unanimously carried. Mr. Page advised the Board that if each candidate whose name is to appear on the ballot is unopposed as of 5:00 p.m. on February 20, 2026, the Board may thereafter cancel the Election in accordance with the Texas Election Code.

The Board next considered the establishment of fees to be paid to officials for the Election. Mr. Page advised the Board that, in accordance with the Texas Election Code, the rate of pay for judges and clerks shall be determined by the Board, but shall not be less than the federal minimum wage rate. After discussion on the matter, Director Sillman moved that the judges and clerks for the Election, including early voting clerks, be paid \$10.00 per hour. Director Ware seconded said motion, which unanimously carried.

ATTORNEY'S REPORT

The Board next considered the Attorney's Report. In connection therewith, Mr. Page presented to and reviewed with the Board a memorandum prepared by the West Harris County Regional Water Authority ("WHCRWA") regarding the 2026 appointment process for the WHCRWA Board of Directors, a copy of which is attached hereto as **Exhibit K**. Following discussion, it was noted that no action was taken by the Board in connection with this matter.

CLOSED SESSION

The President announced that the Board would enter into Closed Session at 1:13 p.m. pursuant to Section 551.071 of the Texas Government Code, as amended, to receive advice from Mr. Page regarding the contract terms for the Rehab Project. Those in attendance other than Directors Judd, Sillman and Ware, Ms. DeLong, Mr. Gutowsky, Mr. Condiff, Mr. Page, Mr. Dicke and Ms. Ernst, exited the meeting at this time.

RECONVENE IN OPEN SESSION

The Board reconvened in Open Session at 1:18 p.m., and resumed its consideration of the award of contract for the Rehab Project to McDonald. Mr. Gutowsky reviewed the construction contract and project specifications in detail with the Board. Following review and discussion, it was moved by Director Sillman, seconded by Director Ware and unanimously carried, that BGE be authorized to proceed with the award of the contract for the Rehab Project to McDonald, as recommended by BGE.

FUTURE AGENDA ITEMS

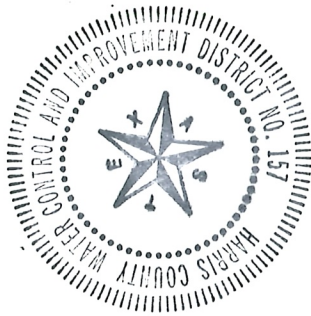
The Board considered matters for placement on future agendas. Following discussion, the Board concurred that the next regular meeting be held on Thursday, February 12, 2026, as scheduled.

ADJOURNMENT

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

January 9, 2026

- Exhibit A** – Bookkeeper's Report
- Exhibit B** – Tax Assessor-Collector's Report
- Exhibit C** – Resolution Authorizing an Additional Penalty on Delinquent Personal Property Taxes
- Exhibit D** – Resolution Concerning Exemptions from Taxation
- Exhibit E** – Engineer's Report
- Exhibit F** – Operations and Maintenance Report
- Exhibit G** – Photographs of Items for Maintenance
- Exhibit H** – Home Inventory Report through December 2025
- Exhibit I** – Letter Agreement for TraceAir Flyover as of January 1, 2026
- Exhibit J** – Order Calling Directors Election
- Exhibit K** – WHCRWA Notice of 2026 Appointment Process for Authority Directors