

HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 159

Minutes of Meeting of Board of Directors

April 21, 2025

The Board of Directors (the "Board") of Harris County Water Control and Improvement District No. 159 (the "District") met in regular session, open to the public, on April 21, 2025, at 1300 Post Oak Boulevard, Suite 2500, Houston, Harris County, Texas, in accordance with the duly posted notice of meeting, and the roll was called of the duly constituted members of said Board of Directors, as follows:

William Cook, President
Nicholas J. Russo, III, Vice President
Krystal Helbig, Secretary
Laura Maham, Assistant Secretary
Robin Goin, Assistant Secretary

and all of said persons were present, with the exception of Directors Helbig and Maham, thus constituting a quorum. Director Helbig entered the meeting after it had been called to order, as noted herein.

Also present were Maria Felder of B&A Municipal Services, Inc. ("B&A"); Trevor Smith of Municipal Accounts & Consulting, LP ("MA&C"); Kristen Turkal and Will Gutowsky of BGE, Inc. ("BGE"); Mike Scott of Si Environmental, LLC ("Si Environmental"); Julie Peak of Masterson Advisors, LLC ("Masterson"); Steve Sams of Bridgeland Development, L.P. ("Bridgeland Development"); Kay Burkhalter, Steven Bosser, Emilio Rodriguez, Wade Wendell, and Christine Creasy of The Bridgeland Community Supports Veterans, Inc. (the "Bridgeland Veterans Group"); and Mitchell G. Page and Lindsey H. Pittman 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 it.

PUBLIC COMMENTS

The Board considered public comments. The Board acknowledged Mr. Bosser and Mr. Rodriguez, who noted that they would present their comments later in the meeting. The Board then proceeded to the next item of business.

APPROVAL OF MINUTES

The Board considered the approval of the minutes of its meeting held on March 17, 2025. After discussion of the draft minutes presented, Director Goin moved that such minutes be approved, as written. Director Cook seconded said motion, which unanimously carried.

VETERANS MEMORIAL PARK

The Board acknowledged Ms. Burkhalter, Ms. Creasy, Mr. Bosser, Mr. Rodriguez, and Mr. Wendell. Following brief discussion regarding the Veterans Memorial Park, Director Cook advised that the District would like to contribute to \$150,000 in District funds towards the project, divided equally over two fiscal years. Following discussion, Director Goin moved that the District contribute \$150,000 in funds to Harris County Water Control and Improvement District No. 157 ("WCID 157") for the Veterans Memorial Park project, with (i) \$75,000 payable during the District's fiscal year ending May 31, 2026, subject to commencement of design plans and specifications for the project, and (ii) \$75,000 payable during the District's fiscal year ending May 31, 2027, subject to award of a contract for construction of the project. Director Russo seconded said motion, which carried unanimously.

Ms. Burkhalter, Ms. Creasy, Mr. Bosser, Mr. Rodriguez, and Mr. Wendell exited the meeting at this time.

Director Helbig entered the meeting at this time.

BOOKKEEPER'S REPORT

A discussion ensued regarding check no. 3746, which was being held by MA&C, for a disputed payment to WCID 157 relating to Irrigation Pump Station ("IPS") No. 4. Following discussion, Director Goin moved that check no. 3746 be voided. Director Russo seconded said motion, which unanimously carried.

Mr. Smith next presented to and reviewed with the Board the Bookkeeper's Report dated April 21, 2025, and a Quarterly Investment Report for the period ending February 28, 2025, copies of which are attached hereto as **Exhibit A**. Following discussion of the Bookkeeper's Report, it was moved by Director Cook, seconded by Director Russo and unanimously carried, that the Bookkeeper's Report be approved, as presented, and the disbursements listed therein be approved for payment, with the exception of checks no. 3750, 3767 and 3771, which were to be voided.

TAX ASSESSOR-COLLECTOR'S REPORT

Ms. Felder presented to and reviewed with the Board the Tax Assessor-Collector's Report and Delinquent Tax Roll for the month ending March 31, 2025, a copy of which is attached hereto as **Exhibit B**. Following discussion, Director Russo moved that the Tax Assessor-Collector's Report be approved, as presented, and the disbursements listed therein be approved for payment. Director Cook seconded said motion, which unanimously carried.

RESOLUTION AUTHORIZING AN ADDITIONAL PENALTY ON DELINQUENT REAL PROPERTY TAXES

The Board considered the adoption of a Resolution Authorizing an Additional Penalty on Delinquent Real Property Taxes. Mr. Page advised the Board that it is authorized pursuant to

Section 33.07 of the Texas Tax Code, as amended, 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 taxes that remain delinquent as of July 1 of the year in which they became delinquent. He noted that the additional penalty to be imposed by this Resolution will not apply to delinquent personal property taxes which have incurred an additional penalty pursuant to that certain Resolution Authorizing an Additional Penalty on Delinquent Personal Property Taxes, which was passed and approved by the District on January 20, 2025. After further discussion, it was moved by Director Cook, seconded by Director Goin, and unanimously carried, that the Resolution Authorizing an Additional Penalty on Delinquent Real Property Taxes, a copy of which is attached hereto as **Exhibit C**, be adopted by the District, and that Perdue, Brandon, Fielder, Collins & Mott, L.L.P. ("Perdue Brandon") be authorized to proceed with the collection of the District's 2024 delinquent real property tax accounts on July 1, 2025, subject to proper notice having been given as provided in said Resolution, including the filing of lawsuits as necessary.

DELINQUENT TAX COLLECTIONS REPORT

The Board deferred consideration of a Delinquent Tax Report, as it was noted that no report was due at this time from Perdue Brandon, delinquent tax attorneys for the District.

ENGINEER'S REPORT

Ms. Turkal presented to and reviewed with the Board the Engineer's Report dated April 21, 2025, a copy of which is attached hereto as **Exhibit D**. In connection therewith, Ms. Turkal provided updates regarding various construction projects within the District. She noted that BGE is requesting that the District concur in WCID 157's approval of an Access Easement to Harris County Municipal Utility District No. 418 to serve Water Well No. 8 (the "Access Easement"), as the Access Easement will cross the IPS4 site jointly shared by the District and WCID 157. Following discussion of the Engineer's Report, it was moved by Director Russo, seconded by Director Cook and unanimously carried that the Engineer's Report and all action items therein be approved, including concurrence with WCID 157's approval of the Access Easement, as recommended by BGE.

A discussion ensued regarding issues with the float valves controlling the transfer of water between lakes. Mr. Gutowsky reported to the Board that a lake fill leak was found due to an issue with the float valves. Following discussion, it was moved by Director Russo, seconded by Director Goin, and unanimously carried that BGE and Si Environmental be authorized to bypass the float valves in the system and install a manual valves at a cost not to exceed \$60,000.

LANGHAM CREEK DETENTION PHASE 2

The Board then considered the status of the Langham Creek Detention Phase 2 project. In connection therewith, Ms. Turkal reported that BGE has received the punchlist of items from Harris County Flood Control District ("HCFCD") following the two-year inspection for this project. It was noted that no action was required of the Board at this time.

STATUS OF THE DISTRICT'S PROPOSED UNLIMITED TAX PARK BONDS, SERIES 2025 (THE "BONDS")

In connection with the District's proposed Bonds, Ms. Peak presented to and reviewed with the Board a Proforma Cash Flow Analysis Report, a copy of which is attached hereto as **Exhibit E**. She reported that the District's financials are supportive of the \$13,000,000 proposed bond issue requirement.

Ms. Turkal next presented to and reviewed with the Board a preliminary summary of costs relating to the Bonds, a copy of which is attached hereto as **Exhibit F**. Following discussion, Director Cook moved to approve the summary of costs and enter an Order Authorizing Application to the Texas Commission on Environmental Quality for Approval of Project and Bonds. Director Russo seconded said motion, which carried unanimously.

MATTERS RELATED TO THE HARRIS COUNTY FLOOD CONTROL DISTRICT

Mr. Page discussed the status of a proposed Interlocal Agreement (the "Interlocal Agreement") relating to the Langham Creek Phase 3 Drainage Finger Improvements. He noted that the draft Interlocal Agreement is currently under review by the District's consultants and the Developer. Following discussion, it was noted that no action was required of the Board in connection with this matter.

The Board next considered the proposed assignment of a detention easement from the HCFCD to the District. Mr. Page reported that BGE has been in contact with HCFCD on the issue and HCFCD requested that the District request assignment of the Easement in writing. Following discussion, Director Cook to authorized such written request, a copy of which is attached hereto as **Exhibit G**, to HCFCD for assignment of the Easement. Director Russo seconded said motion, which carried unanimously.

EXERCISE OF EMINENT DOMAIN AUTHORITY

Mr. Page next discussed the potential condemnation of three (3) tracts of land situated along House Hahl Road (the "Tracts"). He reported that SPH and Hunton Andrews Kurth, LLP, the District's eminent domain attorneys, are preparing the materials necessary to make an initial offer for the Tracts. It was noted that no action was required of the Board at this time.

OPERATOR'S REPORT

Mr. Scott presented to and reviewed with the Board the Operator's Report dated April 21, 2025, a copy of which is attached hereto as **Exhibit H**. Following discussion, it was noted that no action was required of the Board in connection with the Operator's Report.

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

The Board next considered issues relating to IPS No. 4. In connection therewith, Director Cook presented a summary of the issues at IPS No. 4 to date, as well as email correspondence

relating to same, copies of which are attached hereto as **Exhibit I**. He reported that WCID 157 is not currently interested in transferring operating control of IPS No. 4 to the District. Following discussion, it was noted that no action was required by the Board at this time in connection with IPS No. 4.

UPDATE TO THE DISTRICT'S WATER CONSERVATION AND DROUGHT CONTINGENCY PLAN

The Board next considered a proposed update to the Exhibit "B" to the District's Water Conservation and Drought Contingency Plan (the "Plan"), a copy of which is included as **Exhibit J**. In connection therewith, Mr. Page presented to and reviewed with the Board an updated Exhibit "B", listing the District's current Development Team contacts, which have changed since the original adoption of the Plan. Following discussion, it was moved by Director Cook, seconded by Director Russo, and unanimously carried that the Exhibit "B" to the Plan be updated and that the Board adopt a Resolution adopting such updated Plan.

DETENTION FACILITY AND GROUNDS MAINTENANCE

In connection with the Landscape Enhancement and Plant Replacement project, Director Cook reported that replanting is currently underway. Following discussion, it was noted that no action was required by the Board at this time.

The Board concurred to defer action regarding signage surrounding the District's lakes at this time.

WEBSITE UPDATES

Mr. Page next presented to the Board a Monthly Communications Report dated April 21, 2025, as prepared by Touchstone, a copy of which is attached hereto as **Exhibit K**.

Director Cook next advised the Board that there has been an issue with migrating the District's website to the website hosted by Bridgeland Council, Inc. Following discussion, the Board requested that the agenda item relating to the migration of website maintenance to the services of Bridgeland Council, Inc. be removed.

RUE TRACT AND HORNBERGER TRACT ANNEXATIONS

The Board considered the status of annexation of the 154 acres (the "Rue Tract") and the adjacent 168 acres (the "Hornberger Tract"), as previously requested by TPHTL House Hahl, LLC. In connection therewith, Ms. Page advised the Board that the consent application package was submitted to the City of Houston on February 24, 2025. It was noted that no action was required by the Board in connection with this matter at this time.

DEVELOPER'S REPORT

Mr. Sams presented to and 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 L**. It was noted that no action was required by the Board in connection with the Developer's Report.

DESIGNATION OF AN ADDITIONAL REGULAR MEETING PLACE OF THE BOARD OF DIRECTORS

The Board next considered the designation of 15818 Talala Trail, Cypress, Texas 77433 (the "Meeting Place") as a regular meeting place of the Board of Directors located inside the boundaries of the District. Following discussion, Director Cook moved that the additional meeting place be approved and that the District adopt an Order, attached hereto as **Exhibit M**, in connection therewith. Director Goin 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 report, which had not already been discussed.

MATTERS FOR PLACEMENT ON FUTURE AGENDAS

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

ADJOURNMENT

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




Secretary

HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 159
LIST OF ATTACHMENTS TO MINUTES
April 21, 2025

- Exhibit A Bookkeeper's Report and Quarterly Investment Report
- Exhibit B Tax Assessor-Collector's Report
- Exhibit C Resolution Authorizing an Additional Penalty on Delinquent Real Property Taxes
- Exhibit D Engineer's Report
- Exhibit E Cash Flow Analysis Report
- Exhibit F Preliminary Summary of Costs
- Exhibit G April 21, 2025 Correspondence to HCFCD
- Exhibit H Operator's Report
- Exhibit I Materials Related to IPS No. 4
- Exhibit J Water Conservation and Drought Contingency Plan
- Exhibit K Monthly Communications Report
- Exhibit L Developer's Home Inventory Report
- Exhibit M Order Establishing Meeting Place Inside the District