

HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 159

Minutes of Meeting of Board of Directors

January 19, 2026

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 January 19, 2026, 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, thus constituting a quorum.

Also present were Avik Bonnerjee of B&A Municipal Services, Inc. ("B&A"); Trevor Smith of Municipal Accounts & Consulting, LP ("MA&C"); Will Gutowsky and Kristen Demary of BGE, Inc. ("BGE"); Mike Scott of Si Environmental, LLC ("Si Environmental"); Greg Lentz of Masterson Advisors, LLC ("Masterson"); David Patterson of Assessments of the Southwest, Inc. ("ASW"); and Mitchell G. Page 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 it.

PUBLIC COMMENTS

The Board began by opening the meeting for public comments. No comments from the public were presented, and the Board continued to the next item of business.

APPROVAL OF MINUTES

The Board considered the approval of the minutes of its meeting held on December 15, 2025. After discussion of the draft minutes presented, Director Cook moved that such minutes be approved, as written. Director Maham seconded said motion, which unanimously carried.

BOOKKEEPER'S REPORT

Mr. Smith presented to and reviewed with the Board the Bookkeeper's Report dated January 19, 2026, a copy of which is attached hereto as **Exhibit A**, and reviewed the Executive

Summary therein. Following discussion, it was moved by Director Cook, seconded by Director Goin and unanimously carried, that the Bookkeeper's Report be approved, as presented, and the disbursements listed therein be approved for payment.

TAX ASSESSOR-COLLECTOR'S REPORT

Mr. Bonnerjee introduced Mr. Patterson, the owner of ASW, and reported to the Board that ASW would be acquiring B&A. Mr. Patterson introduced himself to the Board and requested that the District's contract with B&A be assigned to ASW, effective February 1, 2026.

Mr. Bonnerjee next presented to and reviewed with the Board the Tax Assessor-Collector's Report for the month ended December 31, 2025, a copy of which is attached hereto as **Exhibit B**, including the checks presented for payment. After discussion, Director Maham moved that the Tax Assessor-Collector's Report be approved, as presented, and the disbursements listed therein be approved for payment. Director Goin seconded said motion, which unanimously carried.

ASSIGNMENT OF AGREEMENT FOR SERVICES OF TAX ASSESSOR-COLLECTOR

The Board next considered the assignment of tax assessor-collector services from B&A Municipal Tax Services, LLC to Assessments of the Southwest, Inc. In connection therewith, Mr. Page discussed with the Board an Assignment, Assumption of, and Amendment to Agreement for Services of Tax Assessor-Collector (the "Assignment"), a copy of which is attached hereto as **Exhibit C**. Following discussion, Director Maham moved that the Assignment be approved, and that SPH be authorized to accept the Texas Ethics Commission Form 1295 in connection therewith. Director Russo seconded said motion, which carried unanimously.

RESOLUTION CONCERNING EXEMPTIONS FROM TAXATION

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 market value of residential homestead improvements for the year 2026, and the District 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 further discussion of the matter, Director Cook moved that (i) the District not grant the residential homestead exemption from ad valorem taxes levied by the District during the calendar year 2026; (ii) the District grant an exemption for persons under a disability or sixty-five years of age or older in the amount of \$20,000 from ad valorem taxes levied by the District during the calendar year 2026; and (iii) the Resolution attached hereto as **Exhibit D** relative to same be approved and adopted by the Board and District. Director Goin seconded said motion, which carried unanimously.

RESOLUTION AUTHORIZING AN ADDITIONAL PENALTY ON DELINQUENT PERSONAL PROPERTY TAXES

The Board considered the adoption of a Resolution Authorizing an Additional Penalty on Delinquent Personal Property Taxes, attached hereto as **Exhibit E**. Mr. Page advised the Board that it is authorized pursuant to Section 33.11 of the Texas Tax Code, as amended, to impose, under certain conditions, an additional penalty not to exceed twenty percent (20%) of the total taxes, penalty and interest due to the District on personal property accounts that become delinquent after February 1st of a year and that remain delinquent sixty (60) days after said date, as more fully described in said Resolution. After discussion, it was moved by Director Cook, seconded by Director Maham and unanimously carried, that the Resolution Authorizing an Additional Penalty on Delinquent Personal Property Taxes be adopted by the Board, and that Perdue, Brandon, Fielder, Collins & Mott, L.L.P. ("Perdue Brandon") be authorized to proceed with the collection of the District's 2025 delinquent personal property accounts following proper notice 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 received, nor due at this time from Perdue Brandon, delinquent tax attorneys for the District.

SUBMISSION OF DISTRICT INFORMATION TO TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

Mr. Page next reminded the Board that, pursuant to provisions of Chapter 403, Government Code, and Chapter 203, Local Government Code, the District is required to submit certain information to the Texas Comptroller of Public Accounts (the "Comptroller") on an annual basis for inclusion in the Special Purpose District Public Information Database. Mr. Page then recommended that, Forvis Mazar, LLP ("Forvis"), the District's auditor, be authorized to prepare and submit the information on behalf of the District prior to the deadline of April 1, 2026. Following discussion, Director Maham moved, Director Goin seconded, and it was unanimously carried that Forvis 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

Ms. Demary presented to and reviewed with the Board the Engineer's Report dated January 19, 2026, a copy of which is attached hereto as **Exhibit F**. In connection therewith, Ms. Demary presented to and reviewed with the Board a proposal, a copy of which is included with **Exhibit F**, from Hoggatt LLC for replacement of the damaged wooden gate at Irrigation Pump Station No. 5 with a new, wood composite gate, at a cost of \$10,140. Following discussion, Director Cook moved that the proposal from Hoggatt LLC be approved. Director Goin seconded said motion, which unanimously carried.

Ms. Demary next presented to and reviewed with the Board the remainder of the Engineer's Report. Following discussion, Director Russo moved that the Engineer's Report, including all

action items therein, be approved, as recommended by BGE. Director Maham seconded said motion, which carried unanimously.

LANGHAM CREEK DETENTION PHASE 2

The Board then considered the status of the Langham Creek Detention Phase 2 project. In connection therewith, Mr. Gutowsky reported that he had no new updates regarding the project. It was noted that no action was required of the Board at this time.

MATTERS RELATED TO THE HARRIS COUNTY FLOOD CONTROL DISTRICT ("HCFCD")

The Board considered implementation of the Interlocal Agreement related to Langham Creek Phase 3 Drainage Improvements. In connection therewith, Mr. Gutowsky reported that BGE is still awaiting updated exhibits from HCFCD in order to finalize the Interlocal Agreement.

The Board deferred consideration of authorizing SPH to engage a consulting engineering firm to review costs for capacity in John Paul Landing Basin.

In connection with the conveyance of a detention site and assignment of drainage easements to the District, Mr. Page reported that Harris County has indicated that a formal appraisal will be needed before the detention site and assignment of drainage easements can be conveyed to the District. He reported that SPH is currently waiting on HCFCD to accept an appraiser proposed to prepare such appraisal.

ACQUISITION OF PROPERTY; EXERCISE OF EMINENT DOMAIN AUTHORITY

Mr. Page next discussed the acquisition of three (3) tracts of land situated along House Hahl Road (the "Tracts"). Mr. Page reported to the Board that the Petition and Statement in Condemnation of the District, a copy of which is attached hereto as **Exhibit G**, was filed on January 16, 2026. He summarized the steps that will follow in the condemnation process for the Board. Following discussion, 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 January 19, 2026, a copy of which is attached hereto as **Exhibit H**. Following discussion, Director Cook moved that the Operator's Report be accepted, as presented. Director Maham seconded said motion, which carried unanimously.

DETENTION FACILITY AND GROUNDS MAINTENANCE

Director Cook presented and reviewed with the Board a Landscaping Report, dated January 15, 2026, a copy of which is attached hereto as **Exhibit I**. In connection therewith, Director Cook provided a brief update as to matters within the District. He reported that the newly installed trash cans are being utilized by District residents and suggested that additional trash cans be purchased

and installed near trail entry points. Following discussion, it was moved by Director Russo that Spencer Outdoor, LLC be authorized to purchase and install the additional trash cans, as recommended. Director Goin seconded said motion, which carried unanimously.

Director Cook presented the remainder of the Landscaping Report. In connection therewith, he requested authorization to solicit and evaluate bids for mulching areas within the District's lake buffers, including areas with trees and planted beds. Following discussion, Director Cook moved that the President be authorized to solicit and evaluate such bids. Director Maham seconded said motion, which unanimously carried.

WEBSITE UPDATES

The Board deferred consideration of the Monthly Communications Report, as it was noted that no report was received from Touchstone District Services.

PROPOSED ANNEXATION NO. 5

The Board next considered the proposed annexation of land into the boundaries of the District, including 267.49 acres as requested by Bridgeland Development, LP. In connection therewith, Mr. Page reported that SPH is currently drafting the required petitions for annexation to be circulated to the landowner. It was noted that no action was required of the Board at this time.

DEVELOPER'S REPORT

Mr. Page 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 J**. It was noted that no action was required by the Board in connection with the Developer's Report.

DISTRICT PARTICIPATION IN THE JANUARY 1, 2026 TRACE AIR FLYOVER

The Board next considered the District's participation in the January 1, 2026, Trace Air flyover and participation in the costs related to same. In connection therewith, Mr. Page presented to and reviewed with the Board a letter agreement, a copy of which is attached hereto as **Exhibit K**. Mr. Page further advised that the cost to the District would be approximately \$1,613. Following discussion, Director Russo moved to approve the letter agreement for participation in the January 1, 2026 Trace Air flyover. Director Maham seconded said motion, which carried unanimously.

RENEWAL OF INSURANCE COVERAGES

Mr. Page addressed the Board concerning the solicitation of proposals in connection with the renewal of the District's insurance coverages that expire on March 31, 2026. He advised the Board that the District's current insurance broker is Arthur J. Gallagher & Co. Mr. Page further advised the Board that other insurance companies provide such policies to water districts and then inquired as to whether the Board wished to solicit proposals for insurance from other companies for review prior to the expiration of the current policies. Following discussion, the Board concurred

to authorize SPH to obtain a renewal proposal from the District's current insurance broker, Arthur J. Gallagher & Co., for the Board's consideration at next month's Board meeting.

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 L** calling the Election to be held on May 2, 2026. It was noted that the terms of office of Directors Cook and Russo 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 Lindsey H. Pittman 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 Cook 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 Maham 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 Cook moved that the judges and clerks for the Election, including early voting clerks, be paid \$10.00 per hour. Director Maham seconded said motion, which unanimously carried.

ATTORNEY'S REPORT

The Board considered the attorney's report. In connection therewith, Mr. Page reported that he had no additional items of a legal nature to discuss, which had not already been discussed.

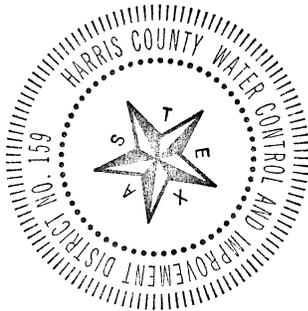
MATTERS FOR PLACEMENT ON FUTURE AGENDAS

The Board considered items for placement on future agendas and noted that no additional items, other than routine and ongoing matters, were requested.

ADJOURNMENT

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


Secretary



HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 159
LIST OF ATTACHMENTS TO MINUTES
January 19, 2026

- Exhibit A Bookkeeper's Report
- Exhibit B Tax Assessor-Collector's Report
- Exhibit C Assignment, Assumption of, and Amendment to Agreement for Services of Tax Assessor/Collector
- Exhibit D Resolution Concerning Exemptions from Taxation
- Exhibit E Resolution Authorizing an Additional Penalty on Delinquent Personal Property Taxes
- Exhibit F Engineer's Report
- Exhibit G Petition and Statement in Condemnation
- Exhibit H Operator's Report
- Exhibit I Landscape Report
- Exhibit J Developer's Home Inventory Report
- Exhibit K Trace Air Flyover Letter Agreement
- Exhibit L Order Calling Directors Election