

HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 159

Minutes of Meeting of Board of Directors

July 15, 2024

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 July 15, 2024, 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 Wendy Maddox of B&A Municipal Services, Inc. ("B&A"); Trevor Smith of Municipal Accounts & Consulting, LP ("MA&C"); Kristen Turkal of BGE, Inc. ("BGE"); Mackenzie Osborne and Clay Brandenburg of Inframark, LLC ("Inframark"); Kelsey Thorne of The Howard Hughes Corporation on behalf of Bridgeland Development, LP ("Developer"); and Mitchell G. Page and Peyton Ellis 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. There being no members of the public in attendance, 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 June 17, 2024. After discussion of the draft minutes presented, Director Maham moved that such minutes be approved, as written. Director Goin seconded said motion, which unanimously carried.

BOOKKEEPER'S REPORT

Mr. Smith then presented to and reviewed with the Board the Bookkeeper's Report dated July 15, 2024, a copy of which is attached hereto as **Exhibit A**. Following discussion, 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 addition of check no. 3613, payable to Director Russo.

TAX ASSESSOR-COLLECTOR'S REPORT

Ms. Maddox presented to and reviewed with the Board the Tax Assessor-Collector's Report and Delinquent Tax Roll for the month ending June 30, 2024, copies of which are 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.

DELINQUENT TAX COLLECTIONS REPORT

The Board deferred consideration of a Delinquent Tax Report, as it was noted that none was due at this time from Perdue, Brandon, Fielder, Collins & Mott, L.L.P., delinquent tax attorneys for the District.

PROPOSED UNLIMITED TAX BONDS, SERIES 2024 ("SERIES 2024 DRAINAGE BONDS") AND UNLIMITED TAX PARK BONDS, SERIES 2024A ("SERIES 2024A PARK BONDS")

The Board considered the status of the preparation of Bond Application Report No. 7 ("BAR No. 7") in connection with the issuance of the District's Series 2024 Drainage Bonds and Series 2024A Park Bonds. In connection therewith, Mr. Page advised the Board that the completed BAR No. 7 was filed with the Texas Commission on Environmental Quality for expedited review on June 12, 2024, and was declared administratively complete on June 14, 2024. It was noted that no action was required by the Board in connection with this matter at this time.

ENGINEER'S REPORT

Ms. Turkal presented to and reviewed with the Board the Engineer's Report dated July 15, 2024, a copy of which is attached hereto as **Exhibit C**. In connection therewith, Ms. Turkal requested the Board's concurrence in the award of bid to Trahan Construction, LLC for the following projects: (i) Overflow Clearing and Grubbing (Central); (ii) Overflow Clearing and Grubbing (East); (iii) Overflow Clearing and Grubbing (North); (iv) Overflow Clearing and Grubbing (South); and (v) Overflow Clearing and Grubbing (West). Following discussion of the Engineer's Report, Director Maham moved that the Engineer's Report and the action items listed therein be approved, as recommended by BGE, as presented. Director Russo seconded said motion, which unanimously carried.

LANGHAM CREEK DETENTION PHASE 2

The Board then considered the status of the Langham Creek Detention Phase 2 project, and noted that there were no items for discussion in connection with this matter at this time.

OPERATOR'S REPORT

Ms. Osborne presented to and reviewed with the Board an Operations and Maintenance

Report for the month of June 2024, a copy of which is attached hereto as **Exhibit D**. Following review and discussion, it was noted that no action was required by the Board in connection with the Operations and Maintenance Report.

RECREATIONAL FACILITIES MAINTENANCE; WILDLIFE; SECURITY

The Board next considered the annual maintenance contribution to Bridgeland Council, Inc. ("Council"). In connection therewith, Mr. Page discussed with the Board a historical overview of the Recreational Facilities Maintenance Agreement between the District and Council (the "Maintenance Agreement"), wherein the District, on an annual basis, provides payment to Council for maintenance of District recreational facilities. Mr. Page then presented the invoice received from Council for the fiscal year ended May 31, 2024, a copy of which is attached hereto as **Exhibit E**. Director Cook discussed his review of the invoice and how amounts were calculated, recommending that the invoice be approved and that payment be withheld pending an amendment or supplement to the Maintenance Agreement to clarify certain items for the future. Following discussion, Director Goin moved that the \$130,000 reimbursement to Council be approved, subject to the District and Council entering into a supplement to the existing Maintenance Agreement for clarification of certain terms and conditions provided in said Maintenance Agreement. Director Maham seconded said motion, which unanimously carried. Mr. Smith confirmed that the \$130,000 reimbursement to Council would be withheld until further notice.

WEBSITE UPDATES

Mr. Page presented to the Board a Communications Report dated July 15, 2024, as prepared by Touchstone District Services, LLC, a copy of which is attached hereto as **Exhibit F**. It was noted that no action was required by the Board in connection with the District's website at this time.

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, Mr. Page advised the Board that SPH in the process of preparing annexation consent packages for the Rue Tract and Hornberger Tract, and plans to proceed with the submission of same to the City of Houston for review without a drainage study. No action was required by the Board in connection with this matter.

DEVELOPER'S REPORT

Ms. Thorne presented to and reviewed with the Board the home inventory report through June 2024, as prepared by the Developer, a copy of which is attached hereto as **Exhibit G**. It was noted that no action was required by the Board in connection with such report.

RECORDS RETENTION

Mr. Page presented to and reviewed with the Board a memorandum prepared by SPH,

which is attached hereto as **Exhibit H**, regarding the legal requirements to electronically store District records and destroy the paper copies of such records. In that regard, Mr. Page recommended that the Board approve the Resolution Adopting Records Retention Schedules and Policies and Procedures for Electronic Storage of District Records attached hereto as **Exhibit I** (the "Records Resolution"). After discussion, Director Cook moved to approve the Records Resolution, and authorize the Records Management Officer to execute the related certifications, and that same be submitted to the Texas State Library and Archives Commission for review and approval. Director Russo seconded the motion, which unanimously carried.

Mr. Page reported that the District's Records Retention Schedules adopted in connection with its Records Management Program require that records of the District be retained only for specific periods of time based on the type of record. As an example, he explained that notes taken during meetings and which are used to prepare the official minutes of Board meetings are to be retained for ninety days after approval of such minutes by the Board. Mr. Page next presented a request from the Records Management Officer for approval to destroy certain records (which will not be scanned in and stored electronically) in accordance with the District's Records Retention Schedules, a copy of which request is attached hereto as **Exhibit J** (the "Request"). After discussion, Director Russo moved that SPH be authorized to destroy the records described in the Request. Director Maham 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 discuss with the Board at this time.

REQUESTS FOR QUALIFICATIONS FOR OPERATIONS SERVICES

The President noted that the Board would discuss matters related to the issuance of Requests for Qualifications (RFQs) for the District's operations services in Executive Session.

EXECUTIVE SESSION

The President noted that the Board would enter into Executive Session at 1:43 p.m. pursuant to Section 551.071 of the Texas Government Code, as amended. Those in attendance other than Directors Cook, Russo, Helbig, Maham and Goin, Mr. Page and Ms. Ellis, exited the meeting at this time.

RECONVENE IN OPEN SESSION

The Board reconvened in Open Session at 2:18 p.m.

Ms. Osborne and Mr. Brandenburg re-entered the meeting at this time.

It was noted that no action was taken by the Board in connection with the matters discussed in Executive Session.

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 Maham and unanimously carried, the meeting was adjourned.

Laura Maham
Asst. Secretary

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HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 159

LIST OF ATTACHMENTS TO MINUTES

July 15, 2024

- Exhibit A –** Bookkeeper's Report
- Exhibit B –** Tax Assessor-Collector's Report
- Exhibit C –** Engineer's Report
- Exhibit D –** Operations and Maintenance Report
- Exhibit E –** Reimbursement Request by Bridgeland Council, Inc.
- Exhibit F –** Communications Report
- Exhibit G –** Home Inventory Report through June 2024
- Exhibit H –** Memorandum regarding Electronic Storage of District Records
- Exhibit I –** Resolution Adopting Records Retention Schedules and Policies and Procedures for Electronic Storage of District Records
- Exhibit J –** Records Destruction Request