HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 159

Minutes of Meeting of Board of Directors

May 18, 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 May 18, 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 Wendy Maddox of Assessments of the Southwest, Inc. ("ASW"); 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"); Brian Gates of Howard Hughes Holdings, Inc., on behalf of Bridgeland Development, L.P. ("Developer"); Emily Peck of Forvis Mazars, LP ("Forvis"); Julie Peak of Masterson Advisors, LLC ("Masterson"); Kay Burkhalter 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 began by opening the meeting for public comments. Ms. Burkhalter thanked the Board for the District's contribution to the Veteran's Memorial Park project, and presented renderings of same. The Board then continued to the next item of business.

APPROVAL OF MINUTES

The Board considered ratification of the approval of the minutes of its meeting held on March 16, 2026, and approval of the minutes of its meeting held on April 20, 2026. After discussion of the draft minutes presented, Director Cook moved that the March 16, 2026, minutes be ratified in all respects, and that the April 20, 2026, minutes be approved, as written. Director Russo seconded said motion, which unanimously carried.

ACCEPTANCE OF QUALIFICATION STATEMENTS, BONDS, OATHS OF OFFICE, AFFIDAVITS OF CURRENT DIRECTORS, ELECTIONS NOT TO DISCLOSE CERTAIN INFORMATION OF DIRECTORS

The Board considered the acceptance of the Bonds, Qualification Statements of Elected Officers, Oaths of Office, Affidavits of Current Directors, and Elections Not to Disclose Certain Information of Directors for Bill Cook and Nicholas Russo, III. Mr. Cook and Mr. Russo presented their Bonds, Qualification Statements of Elected Officers, Oaths of Office, Affidavits of Current Directors, and Elections Not to Disclose Certain Information. After discussion on the matter, it was moved by Director Maham, seconded by Director Russo and unanimously carried, that the Board (i) approve said Bonds, accept said Qualification Statements of Elected Officers, Oaths of Office, Affidavits of Current Directors, and Elections Not To Disclose Certain Information, and (ii) declare Bill Cook and Nicholas Russo, III to be duly elected and qualified Directors of the District, each to serve a four (4) year term ending May 4, 2030.

REORGANIZATION OF THE BOARD OF DIRECTORS AND ELECTION OF OFFICERS

The Board considered the reorganization of the Board of Directors. After discussion, Director Maham moved that all Directors remain in their current officer positions. Director Russo seconded said motion, which unanimously carried.

DISTRICT REGISTRATION FORM

The Board considered approving a District Registration Form required by the Texas Commission on Environmental Quality (the "TCEQ"). Mr. Page explained that, water districts are required to file names, mailing addresses, officer positions and terms of new directors with the TCEQ within thirty days (30) after an election or appointment. He advised that with the Board's approval, SPH will prepare an updated District Registration Form to include the new terms of office of Directors Cook and Russo and file same with the TCEQ. After further discussion of the matter, Director Maham moved that the Board authorize SPH to complete the updated District Registration Form as discussed and file same with the TCEQ. Director Russo seconded said motion, which unanimously carried.

LIST OF LOCAL GOVERNMENT OFFICERS

Mr. Page reminded the Board that, pursuant to Chapter 176 of the Texas Local Government Code, the District is required to and does maintain a list of Local Government Officers, which includes the members of the Board and the District's Investment Officers in connection with conflict of interest disclosure requirements. After discussion on the matter, it was noted that no action was required of the Board at this time since the Board made no changes to its officers.

CYBERSECURITY TRAINING AND AI TRAINING

The Board next considered recent changes to cybersecurity and artificial intelligence training requirements for directors of the District. Mr. Page then presented a memorandum from SPH regarding changes to such training requirements, a copy of which is attached hereto as **Exhibit A**, and discussed same with the Board. Mr. Page advised that all directors of the District must annually complete a certified cybersecurity awareness training program prior to August 31 of the given year as required by Chapter 2063, Texas Government Code. He further advised that any director of the District who uses a computer to perform at least 25% of his or her duties and has access to the District's computer system must also complete a certified artificial intelligence training program by August 31 of each year as required by Chapter 2054, Texas Gov't Code. Following discussion, Mr. Page noted that a link to the training program created by the Department of Information Resources will be provided to directors following the meeting and requested that each director notify SPH upon completion of the training program.

BOOKKEEPER'S REPORT

Mr. Smith presented to and reviewed with the Board the Bookkeeper's Report dated May 18, 2026, a copy of which is attached hereto as **Exhibit B**, and reviewed the Executive Summary therein. 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 exception of check no. 4057, which was to be discussed later in the meeting.

ADOPTION OF OPERATING BUDGET FOR FISCAL YEAR ENDING MAY 31, 2027

Mr. Smith next presented and reviewed with the Board a proposed Operating Budget for the District's fiscal year ending May 31, 2027, a copy of which is included in the Bookkeeper's Report. Director Cook reminded the Board that over $500,000 in potential tax revenue had been shifted from Maintenance and Operations to Debt Service in connection with the proposed 2026-2027 fiscal year budget under consideration. In order for the District to maintain its operations at anticipated levels, and not draw down its reserves, the Board should decline to consider any future bond issues that might be proposed until a verifiable increase in taxable assessed valuation is on the ground which would fund the repayment of additional debt. Following discussion, upon motion duly made by Director Cook, seconded by Director Russo and unanimously carried, the Board approved the proposed Operating Budget for the District's fiscal year ending May 31, 2027.

ENGAGEMENT OF AUDITOR

The Board next considered the engagement of an auditing firm to prepare the District's audit report for the fiscal year ending May 31, 2026. In connection therewith, Ms. Peck presented to and reviewed with the Board an engagement letter, prepared by Forvis, a copy of which is attached hereto as **Exhibit C**, and advised that such engagement letter provides for the annual audit of the District's governmental activities, each major fnd and the aggregate remaining fund information. Ms. Peck stated that the estimated fee for preparation of the annual audit report and other services to be provided in connnection therewith would be $21,400, plus an administrative fee in the amount of $1,100. Additionally, fees for the review of preliminary office statement, official statement and agreement to the reproduction of the audit opinion in the official statement for any new bond sales during the period will be in the range of $2,500 to $3,000. Following discussion, Director Cook moved that (i) the firm of Forvis be engaged to conduct the annual audit for the District's fiscal year ending May 31, 2026, (ii) the related Texas Ethics Commission Form 1295 from Forvis be accepted and acknowledged by SPH on behalf of the District, and (iii) the President be authorized to execute the engagement letter on behalf of the Board and the District. Director Maham seconded said motion, which unanimously carried.

TAX ASSESSOR-COLLECTOR'S REPORT

Ms. Maddox next presented to and reviewed with the Board the Tax Assessor-Collector's Report for the month ended April 30, 2026, a copy of which is attached hereto as **Exhibit D**, 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.

UNCLAIMED PROPERTY REPORT

The Board next considered approval of an Unclaimed Property Report as of March 1, 2026 and the filing of same with the Texas Comptroller of Public Accounts (the "Comptroller") prior to July 1, 2026. In connection therewith, Mr. Smith advised the Board that the District had no unclaimed property in the District's operating accounts for the reporting period and presented a letter for the District's files confirming same, a copy of which letter is attached hereto as **Exhibit E**. Ms. Maddox then advised the Board that there was no unclaimed property in the District's tax accounts for the reporting period and presented a Report of Unclaimed Property for the District's files confirming same, a copy of which report is included with **Exhibit E**. After discussion, it was noted that no action was required by the Board at this time.

DELINQUENT TAX COLLECTIONS REPORT

The Board deferred consideration of the Delinquent Tax Report, as it was noted that no report was received, nor due at this time, from Perdue, Brandon, Fielder, Collins & Mott, L.L.P., delinquent tax attorneys for the District.

ENGINEER'S REPORT

Ms. Demary presented to and reviewed with the Board the Engineer's Report dated May 18, 2026, a copy of which is attached hereto as **Exhibit F**. In connection therewith, Ms. Demary also recommended that the Board hold check no. 4057, as listed in the Bookkeeper's Report, until such time that the final inspection is completed for the Trio Lakes Water Transfer Station. Following discussion, Director Cook moved that the Engineer's Report, including all action items therein, be approved, and that the bookkeeper's check no. 4057 be held until the final inspection is completed on the Trio Lakes Water Transfer Station, as recommended by BGE. Director Russo 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, Ms. Demary reported that a final repair is underway, at which point the project may be closed out. 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 next considered matters relating to the HCFCD. In connection therewith, Mr. Page reported that he had no updates to share with the Board at this time.

ACQUISITION OF PROPERTY; EXERCISE OF EMINENT DOMAIN AUTHORITY

Mr. Page reported as to the acquisition of three (3) tracts of land situated along House Hahl Road (the "Tracts") for District detention facilities. In connection therewith, he reported that developer TPHTL House Hahl, LLC has reached an agreement with the owner and has acquired said Tracts. As such, the condemnation action is in the process of being dismissed.

OPERATOR'S REPORT

Mr. Scott presented to and reviewed with the Board the Operator's Report dated May 18, 2026, a copy of which is attached hereto as **Exhibit G**. A discussion ensued regarding the cost of purchase and installation of a digital level monitor for the bleach tank at Irrigation Pump Station No. 5. Mr. Scott reported that the estimate for said work, a copy of which is included with the Operator's Report, was approved by Director Cook between meetings. Following discussion on the matter, Director Russo moved that Director Cook's approval of the estimate be ratified in all respects. Director Goin seconded said motion, which unanimously carried.

MATTERS RELATING TO IRRIGATION PUMP STATION NO. 4

The Board next discussed the operation and maintenance of Irrigation Pump Station No 4. ("IPS No. 4") by Harris County Water Control and Improvement District No. 157 ("WCID 157"). In connection therewith, Mr. Page reported that WCID 157 has received the District's payment of the October 2024 invoice for regular operations. He further reported that WCID 157 is confirming that its operator, Inframark, has reimbursed WCID 157 for the cost of repairs to IPS No. 4. Following discussion, it was noted that no action was required of the Board at this time in connection with IPS No. 4.

DETENTION FACILITY AND GROUNDS MAINTENANCE

Director Cook presented and reviewed with the Board a Landscaping Report, dated May 18, 2026, a copy of which is attached hereto as **Exhibit H**. In connection therewith, Director Cook provided a brief update as to matters within the District. A discussion ensued regarding the replacement of plants in the District's buffer zones. In connection therewith, Director Cook presented to and reviewed with the Board four (4) bids for the work relating to same, copies of which are included with the Landscaping Report. Following discussion, Director Russo moved to accept the bid from Berkeley Services, in the amount of $24,898. Director Maham seconded said motion, which unanimously carried.

A discussion next ensued regarding the District's wildflower areas. In connection therewith, Director Cook requested that the Board authorize him to purchase and install "No Mowing" signs for such areas in order to preserve the wildflowers. Following discussion, Director Russo moved to authorize Director Cook to purchase and install "No Mowing" signs at a cost not to exceed $750. Director Maham seconded said motion, which carried unanimously.

WEBSITE UPDATES

Mr. Page next presented to the Board a Monthly Communications Report dated May 18, 2026, as prepared by Touchstone, a copy of which is attached hereto as **Exhibit I**. It was noted that no action was required of the Board in connection with the Monthly Communications Report.

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 to the Board that SPH has received the required consent from the West Harris County Regional Water Authority to the proposed annexation, and is currently finalizing the application package to be provided to the City of Houston. Following discussion, it was noted that no action was required of the Board at this time.

DEVELOPER'S REPORT

Mr. Gates presented to and reviewed with the Board the home inventory report through April 2026, 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.

ATTORNEY'S REPORT

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

EXECUTIVE SESSION

The Board concurred that it was not necessary to enter into Executive Session at this time.

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 Russo, seconded by Director Maham and unanimously carried, the meeting was adjourned.

Secretary

HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 159

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HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 159
LIST OF ATTACHMENTS TO MINUTES
May 18, 2026

Exhibit A	Memorandum Regarding Required Cybersecurity Training
Exhibit B	Bookkeeper's Report
Exhibit C	Forvis Engagement Letter
Exhibit D	Tax Assessor-Collector's Report
Exhibit E	Unclaimed Property Reports
Exhibit F	Engineer's Report
Exhibit G	Operator's Report
Exhibit H	Landscape Report and Affidavit to the Harris County Constable's Office
Exhibit I	Monthly Communications Report
Exhibit J	Developer's Home Inventory Report