

HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 159

Minutes of Meeting of Board of Directors

March 17, 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 March 17, 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 Director Russo, 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"); Kristen Turkal and Will Gutowsky of BGE, Inc. ("BGE"); Mike Scott of Si Environmental, LLC ("Si Environmental"); Todd Burrer of Inframark, LLC ("Inframark"); Greg Lentz of Masterson Advisors, LLC ("Masterson"); Paulina Baker of Bridgeland Development, L.P. ("Bridgeland Development"); Bear Oakley of Acclaim Energy Advisors ("Acclaim"); Kay Burkhalter, Steven Bosser, and Emilio Rodriguez of The Bridgeland Community Supports Veterans, Inc. (the "Bridgeland Veterans Group"); and Mitchell G. Page and Lindsey Pittman of Schwartz, Page & Harding, L.L.P. ("SPH"). Mr. Gutowsky, Mr. Burrer, Mr. Lentz, and Mr. Page entered the meeting after it was called to order, as noted herein.

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 Ms. Burkhalter, 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 February 17, 2025. 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.

VETERANS MEMORIAL PARK

Ms. Burkhalter presented to and reviewed with the Board a presentation outlining the Veterans Group's proposal for a Veteran's Memorial Park, a copy of which is attached hereto as **Exhibit A**. Ms. Burkhalter noted that the Veterans Group is requesting a financial contributions from the District, and other water districts within the Bridgeland community, in order to complete the project. Following her presentation, Mr. Rodriguez and Mr. Bosser, both veterans themselves, spoke to the Board about the purpose and the importance of the project to veterans and their families within the Bridgeland community. Following discussion, the Board concurred to discuss the matter with the District's bookkeepers and financial advisors and communicate to Ms. Burkhalter whether the District will be able to provide a contribution.

Mr. Gutowsky, Mr. Burrer, Mr. Lentz, and Mr. Page entered the meeting at this time.

Mr. Rodriguez exited the meeting at this time.

ELECTRICITY SERVICES

Mr. Oakley presented pricing for the District's electricity service, a copy of which is attached hereto as **Exhibit B**. He advised that Ammper Power has submitted the low bid, at prices ranging from \$0.08986 per kWh for a 12-month contract term, to \$0.08109 per kWh for a 60-month contract term. After discussion, Director Maham moved that the District enter into a 12-month pricing agreement with Ammper Power at a cost of \$0.08986 per kWh, and Director Cook be designated to execute same once received from Ammper Power. Director Goin seconded said motion, which carried unanimously.

Mr. Oakley exited the meeting at this time.

BOOKKEEPER'S REPORT

Mr. Smith presented to and reviewed with the Board the Bookkeeper's Report dated March 17, 2025, a copy of which is attached hereto as **Exhibit C**. He also noted that MA&C is still holding check no. 3746 for payment to Harris County Water Control and Improvement District No. 157 ("WCID 157") relating to IPS No. 4, until such time that the Board instructs the check to be released. Mr. Smith highlighted check no. 3767 for the Board, which represents a payment to WCID 157 for WCID 159's portions of pumpage fees paid to the West Harris County Regional Water Authority. Following discussion, the Board requested further clarification on the agreement between the District and WCID 157. In connection therewith, Director Goin moved that check no. 3767 be held by MA&C. Director Maham seconded said motion, which carried unanimously.

Following discussion of the Bookkeeper's Report, it was moved by Director Cook, seconded by Director Maham 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 nos. 3746 and 3767, which are to be held by MA&C at this time, as discussed above.

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, 2025. He then presented to and reviewed with the Board a renewal proposal from Gallagher, a copy of which is attached hereto as **Exhibit D**. He reported that the quoted premium for 2025-2026 is \$9,503, as compared to the premium for 2024-2025, which was \$8,826. Following discussion, it was moved by Director Maham, seconded by Director Goin and unanimously carried that the renewal proposal be accepted and that the President be authorized to execute same on behalf of the Board and the District.

UNCLAIMED PROPERTY REPORT

The Board considered authorizing the preparation of Unclaimed Property Reports as of March 1, 2025. After discussion on the matter, Director Maham moved that the District's consultants be authorized to research the District's accounts to determine whether the District has unclaimed property and the District's Bookkeeper and/or Tax Assessor-Collector be authorized to prepare such report for the Board's approval. Director Helbig seconded said motion, which unanimously carried.

TAX ASSESSOR-COLLECTOR'S REPORT

Mr. Bonnerjee presented to and reviewed with the Board the Tax Assessor-Collector's Report and Delinquent Tax Roll for the month ending February 28, 2025, copies of which are attached hereto as **Exhibit E**. Following 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 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 no report was due at this time from Perdue, Brandon, Fielder, Collins & Mott, L.L.P. ("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 March 17, 2025, a copy of which is attached hereto as **Exhibit F**. In connection therewith, Ms. Turkal provided updates regarding various construction projects within the District. She also noted that the trailer-mounted pump that the District purchased in January (the "Pump") had arrived and that Si Environmental is currently coordinating the appropriate registration for the Pump, so that it can be added to the District's insurance policy. In connection with the Engineer's Report, Director Cook also shared an image of the drilling site for Make-Up Well No. 6, a copy of which is included with **Exhibit F**. Following discussion of the Engineer's Report, it was moved by Director Maham, seconded by Director Goin and unanimously carried that the Engineer's Report be approved, including all action items therein, as recommended by BGE.

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 the two-year inspection for this project has been completed by the Harris County Flood Control District ("HCFCD"), and that BGE is currently awaiting HCFCD's punchlist following the inspection. It was noted that no action was required of the Board at this time.

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 conveyance of a detention site from the HCFCD to the District. In connection therewith, the Board requested a copy of the landscaping plans related to the detention site. Mr. Page also reported that there is a drainage easement on the proposed site (the "Easement") that will need to be released from HCFCD to the District, with the intent to abandon the Easement. Following discussion, Director Maham moved that the acceptance of the Easement be approved, and that Director Cook and/or SPH be authorized to contact HCFCD relating to same. Director Goin 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 a good faith 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 March 17, 2025, a copy of which is attached hereto as **Exhibit G**. The Board requested that the landscaping services with IMS Landscaping Services, Inc. be terminated, effective immediately. 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 photos and a video from the recent inspection of IPS No. 4, copies of which are attached hereto as **Exhibit H**. He reported that only two IPS No. 4 motors were operational at the time of the inspection. Director Cook next presented a map demonstrating the areas served by each Irrigation Pump Station, including IPS No. 4 and an e-mail sent to Cameron Dickey, President of

the Board of Directors of WCID 157, copies of which are included with **Exhibit H**. Following discussion, it was noted that no action was required by the Board at this time in connection with IPS No. 4.

DETENTION FACILITY AND GROUNDS MAINTENANCE

In regards to maintenance of the detention areas in the District, Director Cook reported to the Board that sportsmen in the Bridgeland community have been catching large fish in the District's ponds, and presented a social media post from a local fisherman, a copy of which is attached hereto as **Exhibit I**.

In connection with the Landscape Enhancement and Plant Replacement project (the "Project"), Director Cook next presented to and reviewed with the Board the bids received, copies of which are included in **Exhibit J**. He reported that Berkeley Services ("Berkeley") submitted the low bids for all three phases of the Project, and suggested that the District contract with Berkeley for the Project. Following discussion, Director Maham moved that the bids from Berkeley be accepted, and that Director Cook be authorized to execute construction contracts for all three phases of the Project with Berkeley. Director Helbig seconded said motion, which unanimously carried.

In connection with weed and pest control, Director Cook next presented to and reviewed with the Board a work order from Southern Green Lawns, LLC ("Southern Green") for weed control services within the District, a copy of which is attached hereto as **Exhibit K**. Following discussion, Director Maham moved that the work order Southern Green be approved. Director Goin seconded said motion, which carried unanimously.

In connection with tree maintenance matters, Director Cook next discussed a proposed project with MG2 Tree Service, LLC ("MG2") to clear out dead trees and branches from a forested area of the District's property near the southeast corner edge of Dragonfly Lake. Following discussion, it was moved by Director Goin that the Director Cook be authorized to negotiate and execute a work order with MG2, in an amount not to exceed \$15,000, to complete the described work. Director Maham seconded said motion, which carried unanimously.

Director Cook next discussed that he had entered into an agreement with Southern Green for lawn services on his property, and that he wished to make note of said agreement in the interest of transparency.

Director Maham exited the meeting at this time.

WEBSITE UPDATES

Mr. Page next presented to the Board a Monthly Communications Report dated March 17, 2025, as prepared by Touchstone, a copy of which is attached hereto as **Exhibit L**.

Director Cook next advised the Board that Bridgeland Council, Inc. is in the process of migrating the District's website to their services. It was noted that no action was required of the

Board in connection with the Monthly Communications Report or the website migration.

Mr. Bonnerjee exited the meeting 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, 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

Ms. Baker presented to and reviewed with the Board the home inventory report through February 2025, as prepared by the Developer, a copy of which is attached hereto as **Exhibit M**. 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 advised that the Fifth Year Report and Arbitrage Rebate Calculations for the District's \$13,625,000 Unlimited Tax Bonds, Series 2019 (the "Series 2019 Bonds"), had been received, copies of which are attached hereto as **Exhibit N**. In connection with the Series 2019 Bonds, Mr. Page noted that the District was found to have no positive liability to the IRS. It was noted that no action was required of the Board at this time in connection with the Series 2019 Bonds.

Mr. Page next reported that the Fifth Year Report and Project Yield Restriction Calculations for the District's \$8,150,000 Unlimited Tax Bonds, Series 2020 (the "Series 2020 Bonds"), had also been received, a copy of which is attached hereto as **Exhibit O**. In connection with the Series 2020 Bonds, Mr. Page noted that the District had a positive liability to the IRS in the amount of \$11,693.40. Following discussion, Director Cook moved that MA&C be authorized to remit the appropriate payment to the IRS. Director Goin seconded said motion, which unanimously carried.

MATTERS FOR PLACEMENT ON FUTURE AGENDAS

The Board considered items for placement on future agendas. The Board requested that next month's agenda include an item to designate Director Cook's home as a designated meeting place for the District.

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
March 17, 2025

- Exhibit A Veteran's Memorial Park Proposal
- Exhibit B Electricity Contract Pricing Report
- Exhibit C Bookkeeper's Report
- Exhibit D 2025-2026 Accepted Insurance Proposal
- Exhibit E Tax Assessor-Collector's Report
- Exhibit F Engineer's Report
- Exhibit G Operator's Report
- Exhibit H Materials Related to IPS No. 4
- Exhibit I Social Media Post
- Exhibit J Bid Packages Relating to the Landscape Enhancement and Plant Replacement Project
- Exhibit K Work Order from Southern Green Lawns, LLC
- Exhibit L Monthly Communications Report
- Exhibit M Developer's Home Inventory Report
- Exhibit N Fifth Year Report and Project Yield Restrictions Report for the Series 2019 Bonds
- Exhibit O Fifth Year Report for the Series 2020 Bonds