

HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 157

Minutes of Meeting of Board of Directors

August 8, 2019

The Board of Directors (the "Board") of Harris County Water Control and Improvement District No. 157 (the "District") met in regular session, open to the public, on August 8, 2019, at 1300 Post Oak Boulevard, Suite 1400, Houston, Texas 77056, such address being an office and meeting place of the District, in accordance with the duly posted notice of meeting, and the roll was called of the duly constituted members of said Board, as follows:

Keith Nystrom, President
Cameron Dickey, Vice President
David Redburn, Secretary
James Motejzik, Assistant Secretary
Shane Bueno, Director

and all of said persons were present, thus constituting a quorum.

Also present were Ray Arce of Wheeler & Associates, Inc. ("Wheeler"); David Baños of Municipal Accounts & Consulting, L.P. ("Municipal Accounts"); Juan Montano of Inframark, LLC ("Inframark"); Will Gutowsky of BGE, Inc. ("BGE"); Mark Gehringer on behalf of Bridgeland Development, LP, a division of the Howard Hughes Corporation ("Developer"); Mike Willingham, resident of the District; and Mitchell G. Page and Melanie Walsh 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.

APPROVAL OF MINUTES

The Board reviewed the draft minutes of its meeting held on July 11, 2019. After review and discussion, Director Redburn moved that the draft minutes of July 11, 2019, be approved, as revised. Director Motejzik seconded said motion, which unanimously carried. Mr. Page advised that the approval of the May 30, 2019 Town Hall meeting minutes and the July 23, 2019 special meeting minutes will be deferred until the next meeting of the Board. Director Nystrom noted that he was designated to prepare the draft minutes of said Board meetings and will forward same to SPH.

PUBLIC COMMENTS

Mr. Willingham advised that he had no comments for the Board.

Mr. Page discussed H.B. 2840 with the Board, which adds Section 551.007, Texas Government Code, and sets forth requirements regarding public comments at Board meetings.

Director Nystrom reported that he had been contacted by a prospective District resident that expressed concerns over a generator that had been installed behind the lot he was contracted to purchase. Mr. Page noted that the Developer is aware of the issue, and is working with Harris County Municipal Utility District No. 418 ("No. 418") to address the matter. Mr. Gutowsky further noted that the Developer's contract with home builders in the District includes disclosure language regarding the placement of adjacent facilities, such as the generator. After discussion, the Board concurred that the matter should be addressed by No. 418 in concert with the Developer.

DISTRICT WEBSITE

The Board considered the administration of the District website. Mr. Page presented and reviewed a website analytics report prepared by OffCinco, a copy of which is attached hereto as **Exhibit A**. Mr. Page next presented an inquiry received through the District's website, a copy of which is included in **Exhibit A**, regarding setting up water service. Director Nystrom advised that he would forward the request to Inframark for a response.

Director Redburn next advised that he had received an inquiry from a resident regarding low water levels at the lake in the District, and asked if an explanation for same could be posted to the District's website. Mr. Page asked Director Redburn to forward the inquiry via electronic mail to Mr. Page and Mr. Gutowsky, and advised they would assist Director Redburn with an appropriate response for the resident. Mr. Gutowsky further noted that lake levels are also managed pursuant to the District's drought contingency plan, which is posted on the District's website.

Mr. Page next discussed new legislation from the 86th Regular Session of the Texas Legislature that will take effect on September 1, 2019 regarding website requirements. He presented to and reviewed with the Board a memorandum, included in **Exhibit A**, prepared by SPH relative to same.

PUBLIC INFORMATION ACT UPDATES

Mr. Page next discussed S.B. 944 with the Board, which modifies Chapter 552, Texas Government Code (the "Public Information Act") and primarily clarifies existing law regarding local government records. He advised the Board that, beginning on September 1, 2019, public information, which includes information written produced, collected, assembled or maintained in connection with the transaction of District business, created or received by Directors or former Directors on a privately owned device, including e-mails, notes, text messages, or other documents, is subject to a request for information under the Public Information Act. Such information must either be forwarded to SPH or a District server or preserved by the Director in its original form in a backup or archive and on their private device for the minimum amount of time required for the applicable information under the District's records retention schedules. Directors must turn over such information on their private devices within 10 days of a request for same from the District's Records Management Officer or be subject to discipline by the Board or any other applicable penalties provided by the Public Information Act or Texas

law. Mr. Page also advised the Board that S.B. 944 requires the Attorney General to create a Public Information Request Form which may be used by the District and that SPH will review such form after it is produced and advise the Board regarding future use of same.

ENGINEER'S REPORT

Mr. Gutowsky presented the Engineer's Report, dated August 8, 2019, a copy of which is attached hereto as **Exhibit B**, and reviewed the status of projects listed therein, including the pay estimate and conveyances presented for Board action. In connection therewith, Mr. Gutowsky discussed Phase I & II Landscape to serve Josey Lake Park. He presented Pay Application No. 41 in the amount of \$14,503.50, and two new proposals from D.L. Meacham, L.P. for: (i) additional rip rap to the weir for \$3,535.13, and (ii) bike racks at the playground area for \$4,975.00. After discussion, Director Dickey moved that the Board approve the action items in the Engineer's Report, including the proposals discussed, subject to the request that BGE and the Developer attempt to negotiate a lower price for the bike racks for the park. Director Nystrom seconded the motion, which carried unanimously.

The Board next discussed the review of the District's contract with BGE. Director Nystrom noted that the review had been performed by the Board at the special meeting held July 23, and no further discussion of this matter was necessary. The Board requested that the item be removed from the agenda going forward.

TAX ASSESSOR-COLLECTOR REPORT

Mr. Arce presented and reviewed the Tax Assessor Collector Monthly Report, dated as of July 31, 2019, a copy of which is attached hereto as **Exhibit C**, including the disbursements presented for approval, and a Delinquent Collections Listing as of July 31, 2019, prepared by Wheeler. After discussion, Director Redburn moved that the Tax Assessor Collector Monthly Report be approved and the disbursements shown therein be authorized for payment. Director Motejzik seconded said motion, which carried unanimously.

DELINQUENT TAX COLLECTIONS REPORT

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

2019 TAX RATE

The Board next considered setting the District's 2019 tax rate. After noting that no representative of The GMS Group was present, the Board deferred further discussion of the 2019 tax rate at this time.

BOOKKEEPER'S REPORT

Mr. Baños presented and reviewed with the Board the Bookkeeper's Report dated August 8, 2019, a copy of which is attached hereto as **Exhibit D**, including the disbursements and wire transfers presented for approval. After discussion, Director Redburn moved that the

Bookkeeper's Report be approved as presented, and the disbursements and wire transfers listed therein be approved for payment.

Director Redburn exited the meeting at this time.

The Board next discussed the disbursement to Spencer Outdoor, LLC ("Spencer") for irrigation repairs. Director Bueno asked the Board about the cost that was incurred when a subcontractor for CenterPoint Energy ("CenterPoint") broke an irrigation water line. Mr. Page noted that reimbursement claims are often submitted to CenterPoint by the District's operator in such circumstances, but noted that a Director may pursue the claim if they so choose. Director Bueno advised he would be willing to collect any supporting documentation from Spencer and contact CenterPoint to file a claim. After discussion, it was moved by Director Bueno, seconded by Director Motejzik, and unanimously carried that Director Bueno collect documentation to support a claim for reimbursement for damages incurred due to the irrigation line break and to pursue said claim with CenterPoint.

Director Redburn reentered the meeting at this time.

OPERATIONS AND MAINTENANCE

Mr. Montano then presented the Operator's Report for the month of July 2019, a copy of which report is attached hereto as **Exhibit E**, and reviewed the charges, related repairs, and make up well pumpage listed therein.

Mr. Montano advised the Board that he had been approached by a member of the League of Women Voters regarding a superfund site off of Jones Road. A discussion ensued. Director Dickey advised the Board that he would collect more information regarding this matter and report on same at the next Board meeting. Mr. Page also noted that specialists at BGE can research the superfund site and review the site data and protocols to determine whether any contamination is migrating from the site in a manner that could impact Bridgeland.

FINANCIAL ADVISOR'S REPORT

In connection with the District's proposed issuance of \$3,620,000 Unlimited Tax Bonds, Series 2019, Mr. Page advised that the Bond Application Report has been filed with the Texas Commission on Environmental Quality and is currently under expedited technical review.

MOWING AND MAINTENANCE REPORTS

The Board deferred consideration of mowing and maintenance reports after noting that no representative of either Southern Green Lawns, LLC or Spencer Outdoor, LLC was present at the meeting.

DETENTION/AMENITY POND MANAGEMENT

The Board deferred consideration of the status of amenity pond management and wildlife management.

DEVELOPER'S REPORT

The Board considered the Developer's Report. Mr. Gehringer advised the Board that he had no updates for the Board at this time.

ATTORNEY REPORT

The Board considered the attorney's report. Mr. Page advised the Board that he had nothing further of a legal nature to report.

PROPOSED ANNEXATION OF CERTAIN LAND INTO AND EXCLUSION OF LAND FROM THE DISTRICT

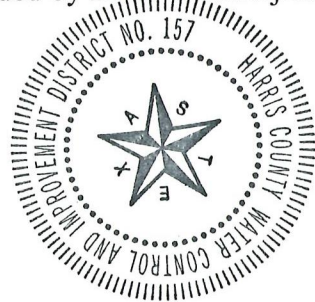
Mr. Page reported on the proposed annexation of land into and exclusion of land from the District boundaries and the bisecting of two homeowner lots by the proposed boundary line of the District and Harris County Water Control and Improvement District No. 159. Director Nystrom advised that he had spoken to the resident and noted that he was in the process of processing the paperwork. Director Nystrom further advised that he would collect the original paperwork when it was complete. Mr. Page suggested that Director Nystrom advise the resident that SPH will be happy to assist with the paperwork and, once all necessary documentation is in place, a hearing on the matter can be held.

FUTURE AGENDA ITEMS

The Board discussed items for future Board meeting agendas. The Board noted that it would hold a Town Hall on September 26, 2019, at Pope Elementary School.

ADJOURNMENT

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



David Redburn

David Redburn, Secretary

LIST OF ATTACHMENTS TO MINUTES

Exhibit A – Website Analytics Report; Memorandum Regarding Legal Requirements for the District's Website

Exhibit B – Engineer's Report

Exhibit C – Tax Assessor-Collector Report; Delinquent Collections Listing

Exhibit D – Bookkeeper's Report

Exhibit E – Operator's Report