

HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 158

Minutes of Meeting of Board of Directors

January 20, 2026

The Board of Directors (the "Board") of Harris County Water Control and Improvement District No. 158 (the "District") met in regular session, open to the public, on January 20, 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:

Nancy Seale, President
Judy Hudson, Vice-President
Catherine Stellakis, Secretary
Barbara Kimzey, Assistant Secretary
Zachary Short, Assistant Secretary

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

Also present were Garrett Tabor of Municipal Accounts & Consulting, LP ("MA&C"); Ryan Derong of BGE, Inc. ("BGE"); Wendy Maddox of B&A Municipal Tax Service, LLC ("B&A"); Rhonda Gideon of Assessments of the Southwest, Inc. ("ASW"); Greg Lentz of Masterson Advisors, LLC ("Masterson"); Mackenzie Johnson of Inframark, LLC ("Inframark"); Paulina Baker of Howard Hughes Holdings, Inc., on behalf of Bridgeland Development, LP ("Developer"); and Joseph M. Schwartz, Kendall Dicke 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 noted that there were no members of the public present to offer comments, and proceeded to the next item of business.

APPROVAL OF MINUTES

The Board reviewed the minutes of its meeting held on December 16, 2025. Following discussion, Director Seale moved that the minutes of said meeting be approved, as written. Director Stellakis seconded said motion, which unanimously carried.

BOOKKEEPER'S REPORT

Mr. Tabor presented to and reviewed with the Board the Bookkeeper's Report dated January 20, 2026, a copy of which is attached hereto as **Exhibit A**, including the disbursements presented for payment. Following discussion, it was moved by Director Seale, seconded by

Director Stellakis and unanimously carried, that the Bookkeeper's Report be approved, as presented, and the disbursements listed in the Bookkeeper's Report be approved for payment.

TAX ASSESSOR/COLLECTOR'S REPORT

Ms. Maddox introduced Ms. Gideon and reported that ASW is acquiring B&A. Mr. Schwartz next advised the Board that an Assignment of, Assumption of, and Amendment to Agreement for Services of Tax Assessor (the "Assignment") from B&A to ASW will be required in connection with said acquisition. Ms. Maddox presented to and reviewed with the Board the Tax Assessor Collector Monthly Report and Delinquent Tax Roll for the month ending December 31, 2025, copies of which are attached hereto as **Exhibit B**. Following discussion, Director Seale moved that the Tax Assessor Collector Monthly Report for the month ending December 31, 2025, be approved, as presented, and the disbursements listed therein be approved for payment. Director Stellakis seconded the motion, which carried unanimously.

RESOLUTION CONCERNING EXEMPTIONS FROM TAXATION

Mr. Schwartz 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 Sections 11.13, 11.184 and 11.142 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 Seale moved that (i) the District not grant a residential homestead exemption from ad valorem taxes levied by the District during the calendar year 2026, (ii) the District not grant an exemption for persons under a disability or sixty-five years of age or older from ad valorem taxes levied by the District during the calendar year 2026, and (iii) the Resolution attached hereto as **Exhibit C** relative to same be approved and adopted by the Board and District. Director Stellakis 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 D**. Mr. Schwartz 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 Seale, seconded by Director Stellakis 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.

SUBMISSION OF DISTRICT INFORMATION TO TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

Mr. Schwartz 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. Schwartz then recommended that Forvis Mazars, LLP ("Forvis Mazars"), 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 Seale moved, Director Stellakis seconded, and it was unanimously carried that Forvis Mazars be authorized to prepare the required information and submit same to the Comptroller for inclusion in the Special Purpose District Public Information Database.

DELINQUENT TAX ATTORNEY COLLECTIONS REPORT

The Board deferred consideration of a Delinquent Tax Report, as it was noted that none was received nor is due at this time from Perdue Brandon, delinquent tax attorneys for the District.

OPERATOR'S REPORT

Ms. Johnson presented to and reviewed with the Board an Operations and Maintenance Report for the month of December 2025, a copy of which is attached hereto as **Exhibit E**. Following discussion, Director Seale moved to approve the Operations and Maintenance Report, as presented. Director Stellakis seconded the motion, which carried unanimously.

APPROVAL OF AMENDED AND RESTATED SITE MAINTENANCE AGREEMENT BY AND BETWEEN RIDGEWOOD LANDSCAPING, INC. ("RIDGEWOOD") AND THE DISTRICT

Mr. Schwartz presented to and reviewed with the Board an Amended and Restated Site Maintenance Agreement (the "Agreement") between Ridgewood and the District, a copy of which is attached hereto as **Exhibit F**. Following discussion, it was moved by Director Seale, seconded by Director Stellakis and unanimously carried that said Agreement be approved, as presented, and the President be authorized to execute same on behalf of the Board and District.

APPROVAL OF AMENDED AND RESTATED SITE MAINTENANCE AGREEMENT BY AND BETWEEN SPECIALTY TURF SERVICES, LLC ("STS") AND THE DISTRICT

Mr. Schwartz presented to and reviewed with the Board an Amended and Restated Site Maintenance Agreement (the "Agreement") between STS and the District, a copy of which is attached hereto as **Exhibit G**. Following discussion, it was moved by Director Seale, seconded by Director Stellakis and unanimously carried that said Agreement be approved, as presented, and the President be authorized to execute same on behalf of the Board and District.

ENGINEER'S REPORT

Mr. Derong presented to and reviewed with the Board the Engineer's Report dated January 20, 2026, a copy of which is attached hereto as **Exhibit H**, including the pay estimates and change orders listed therein. Mr. Derong next requested the Board's concurrence in the award of a construction contract for Irrigation Pump Station No. 8 to C4 Partners in the amount of \$6,095,754.00. Following discussion, Director Seale moved that the Engineer's Report and the actions listed therein, be approved, as presented. Director Stellakis seconded the motion, which unanimously carried.

PROPOSED ANNEXATION REQUEST OF 126.94 ACRES

The Board then considered the Developer's request to annex 126.94 acres into the boundaries of the District. In connection therewith, Mr. Schwartz presented to and reviewed with the Board a petition to the City of Houston. Mr. Schwartz advised the Board that SPH will file the application with the City of Houston for consent to annex land into the boundaries of the District. After discussion, it was moved by Director Seale, seconded by Director Stellakis and unanimously carried that the petition to the City of Houston, be approved, as presented, and that the President be authorized to execute same on behalf of the Board and District.

DEVELOPER'S REPORT

Ms. Baker presented to and reviewed with the Board the home inventory report through December 2025, prepared by the Developer, a copy of which is attached hereto as **Exhibit I**. It was noted that no action was required by the Board.

DETENTION FACILITIES MAINTENANCE; WILDLIFE; SECURITY

The Board considered matters relative to mowing and maintenance of District facilities. In connection therewith, Mr. Schwartz updated the Board regarding a request from Bridgeland Council, Inc. ("Council") to replace various trees in the District. Following discussion, it was moved by Director Seale, seconded by Director Stellakis and unanimously carried that Council be authorized to replace said trees, and that the District reimburse Council for same, subject to the receipt of an advance from the Developer.

BRIDGELAND WATER AGENCY

The Board discussed the status of matters related to the Bridgeland Water Agency. In connection therewith, Mr. Schwartz reported that a paper shredding event has been scheduled for March 28, 2026, and a hazardous e-waste event has been tentatively scheduled for October 24, 2026.

APPROVAL OF LETTER AGREEMENT FOR PARTICIPATION IN JANUARY 1, 2026 TRACE AIR FLYOVER

The Board considered participation in the Trace Air Flyover, including approval of a Letter Agreement among Harris County Municipal Utility District No. 418, the District, and other

Bridgeland districts ("Letter Agreement") relative to same. Following discussion, it was moved by Director Seale, seconded by Director Stellakis and unanimously carried, that the District's participation in the cost for such flyover be authorized in the amount of \$1,613.00, and the President be authorized to execute the Letter Agreement, a copy of which is attached hereto as **Exhibit J**, on behalf of the Board and the District.

RENEWAL OF INSURANCE COVERAGES

Mr. Schwartz next discussed the solicitation of proposals in connection with the renewal of the District's insurance coverages that expire on March 31, 2026. He advised that the District's current insurance broker is Arthur J. Gallagher ("Gallagher"). Mr. Schwartz further advised 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, it was moved by Director Seale, seconded by Director Stellakis and unanimously carried that SPH be authorized to obtain a renewal proposal from Gallagher for the Board's consideration at next month's Board meeting.

MATTERS RELATED TO MAY 2, 2026 DIRECTORS ELECTION

Mr. Schwartz reported on issues related to the District's Directors Election (the "Election") to be held on May 2, 2026. In connection therewith, Mr. Schwartz presented to and discussed with the Board a memorandum prepared by SPH, a copy of which is attached hereto as **Exhibit K**. Mr. Schwartz advised that Harris County will not offer joint election services to political subdivisions for the May 2, 2026 election, and therefore, the District will have to hold an independent election. He further discussed the challenges of administrating an independent election.

ACCESSIBLE VOTING SYSTEM

Mr. Schwartz noted that Section 49.111, Texas Water Code, provides an exemption from the requirement to provide certain electronic voting systems at the Election if the District's previous directors election was canceled as uncontested or if fewer than 250 voters voted in the District's previous directors election. Mr. Schwartz reported that the District is exempt from said requirement because the District's previous directors election was canceled. Following discussion, it was moved by Director Seale, seconded by Director Stellakis and unanimously carried that SPH be authorized to provide notice of the District's intent not to provide electronic voting systems for said Election by publication in a newspaper of general circulation in an area that includes the District.

SUPPLEMENTAL AGENDA

The Board considered calling the Election in accordance with the requirements of the Texas Water Code. In connection therewith, Mr. Schwartz 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 Seale, Short, and Kimzey expire in May of this year. In reviewing the Order with the Board, Mr. Schwartz 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 Sabrina Ernst as such agent (the

"Election Agent"). Mr. Schwartz further advised the Board that notice of the Election must be given in accordance with the requirements of the Texas Election Code. Mr. Schwartz 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. 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. After discussion on the matter, Director Seale 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 Stellakis seconded said motion, which unanimously carried. Mr. Schwartz 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. Schwartz 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 Seale moved that the judges and clerks for the Election, including early voting clerks, be paid \$20.00 per hour. Director Stellakis seconded said motion, which unanimously carried.

ATTORNEY'S REPORT

The Board considered the Attorney's Report. In connection therewith, Mr. Schwartz advised that he had nothing further of a legal nature to discuss with the Board at this time.

EXECUTIVE SESSION

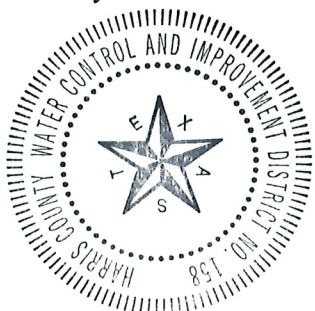
The President noted that the Board would not need to enter Executive Session.

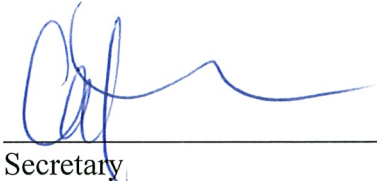
MATTERS FOR PLACEMENT ON FUTURE AGENDAS

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 Seale, seconded by Director Stellakis and unanimously carried, the meeting was adjourned.




Secretary

HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 158

LIST OF ATTACHMENTS TO MINUTES

January 20, 2026

Exhibit A	Bookkeeper's Report
Exhibit B	Tax Assessor-Collector's Report
Exhibit C	Resolution Concerning Exemptions from Taxation
Exhibit D	Resolution Authorizing an Additional Penalty on Delinquent Personal Property Taxes
Exhibit E	Operations and Maintenance Report
Exhibit F	Amended and Restated Site Maintenance Agreement by and between Ridgewood Landscaping, Inc. and the District
Exhibit G	Amended and Restated Site Maintenance Agreement by and between Specialty Turf Services, LLC and the District
Exhibit H	Engineer's Report
Exhibit I	Home Inventory Report through December 2025
Exhibit J	Letter Agreement Regarding Cost Sharing for Trace Air 2026 Flyover of Bridgeland
Exhibit K	Memorandum regarding Independent Elections with Harris County
Exhibit L	Order Calling Directors Election