MINUTES OF MEETING OF BOARD OF DIRECTORS
JANUARY 15, 2026

THE STATE OF TEXAS
COUNTY OF HARRIS
HARRIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 156

The Board of Directors (the "Board") of Harris County Water Control and Improvement District No. 156 (the "District") convened in session on January 15, 2026, at 9:30 a.m. at the Clear Lake City Water Authority, 900 Bay Area Blvd., Houston, Texas 77058. A roll call was taken of the persons present:

Mr. Peter Nagamani, President
Mr. Joseph Matthews, Vice President
Mr. Brian Akins, Secretary
Mr. Susan Lindamood, Assistant Secretary
Mr. Arnold Mallett, Treasurer

All members of the Board were present, thus constituting a quorum. Also attending all or parts of the meeting were Ms. Debbie Arellano of Bob Leared Interests ("BLI"), tax assessor and collector for the District; Mr. Adam Anderson of Lockwood, Andrews, & Newman, Inc. ("LAN"), engineer for the District; Mr. Dimitri Millas and Ms. Madeline Lopez of Norton Rose Fulbright US LLP ("NRF"), attorney for the District; Mr. Jorge Diaz of McLennan & Associates, bookkeeper for the District.

President Nagamani called the meeting to order in accordance with notice posted pursuant to law, copies of certificates of posting of which are attached hereto as *Exhibit A*, and the following business was transacted:

1. **Roll Call.** The President proceeded with roll call of the Directors and Consultants.

2. **Public Comments.** There were no comments.

3. **Approve minutes of the meeting of November 20, 2025.** Proposed minutes of the meeting November 20, 2025, previously distributed to the Board, were presented for review and approval. Director Lindamood noted the typo on page 2 with Director Matthews' name that will need to be revised. Director Matthews noted that on page 2, it states the Bookkeeper's Report was approved as amended, but no corrections were needed. Ms. Lopez stated that she would remove "as amended" from the motion approving the Bookkeeper's Report.

Upon inquiry by Director Nagamani, Ms. Arellano confirmed that 152 properties in the District currently have the over 65 years of age tax exemption, and 353 properties with the homestead tax exemption. Discussion ensued regarding tax exemptions for consideration.

Upon inquiry by Director Nagamani, Mr. Anderson discussed factors that LAN monitors when preparing updates to the Capital Improvement Plan ("CIP"). Mr. Anderson will provide recommendations next month on whether or not to update the District CIP.

Upon inquiry by Director Nagamani, Ms. Lopez confirmed that Pay Application No. 2, to W.W. Payton Corporation, was paid at the November 20, 2025 meeting. She noted that, as shown in the Bookkeeper's Report, check no. 1328 was written to W.W. Payton for $67,725.

Discussion ensued regarding Myrtle Cruz, Inc. transferring District records to McLennan & Associates. Mr. Millas stated that if McLennan & Associates does not receive the records from Myrtle Cruz, Inc., NRF will send a letter to Myrtle Cruz, Inc.

Upon inquiry by Director Nagamani, Mr. Diaz discussed the monthly base fee of $1,600, and the Board can revisit the contract in a few months.

Upon motion by Director Akins, seconded by Director Lindamood, after full discussion and the question being put to the Board, the Board voted unanimously to approve the minutes of the meeting of November 20, 2025, as revised.

4. Adopt Order Calling Directors Election. Mr. Millas presented to and reviewed with the Board the Order Calling Directors Election, a copy of which is attached hereto as *Exhibit B*.

Director Nagamani stated that the March 19, 2026 meeting will be his last meeting. Director Matthews stated that the will moving out of the District, and this is his last meeting. Director Akins discussed resigning from the Board, due to his work schedule. Discussion ensued regarding the May 2026 Directors Election and appointing new directors to the Board.

Upon motion by Director Lindamood, seconded by Director Akins, after full discussion and the question being put to the Board, the Board voted unanimously to adopt the Order Calling Directors Election.

5. Bookkeeper's Report and payment of bills. Mr. Diaz presented to and reviewed with the Board the preliminary Bookkeeper's Report, a copy of which is attached hereto as *Exhibit C*.

Mr. Diaz proceeded to review the District's operating activity. He presented 12 checks for Board approval. Director Lindamood inquired about payment to Joyce Law Firm. Discussion ensued. Mr. Diaz stated that check no. 1344 will be written to Joyce Law Firm for $700.

Mr. Diaz proceeded to review the Schedule of Investments and Investment Report.

Mr. Diaz reviewed the operating budget for fiscal year ending August 31, 2026.

Upon inquiry by Director Mallett, Mr. Diaz stated that he anticipates changes in the District's cash balance and interest earnings; once McLennan & Associates is able to access the accounts and investments, he will be able to update the Bookkeeper's Report.

Discussion ensued regarding scheduling a special meeting in February to consider potential candidates to appoint to the Board. Mr. Millas discussed the option of the Board appointing a candidate to Director Akins' position. Following the May 2026 election, the

Board can appoint candidates to Director Nagamani's and Director Matthews' positions. Mr. Anderson discussed the option of the District being annexed into Clear Lake City Water Authority. It was the consensus of the Board to schedule a special meeting on Saturday, February 21, 2026, at 8:30 a.m. at the Bay Oaks Country Club, to discuss potential candidates for the vacant Board positions.

Upon motion by Director Matthews, seconded by Director Mallett, after full discussion and the question being put to the Board, the Board voted unanimously to authorize payments of check nos. 1332 through 1344 from the General Operating Fund, each in the amounts, to the person(s)/entity, and for the purposes described in the preliminary Bookkeeper's Report.

6. Review Investment Policy and accept any related party disclosures from investment officer and bookkeeper. Mr. Millas presented a Resolution Reviewing Investment Policy and making any desirable changes thereto, a copy of which is attached hereto as *Exhibit D*. He stated that state law requires the District to review its investment policy and update the attached list of authorized brokers annually. He stated that NRF has no recommended changes to the District's current policy. Upon motion by Director Lindamood, seconded by Director Mallett, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Resolution Concerning Review of the Investment Policy, and to approve Mr. Diaz as the District's authorized Investment Officer.

7. Tax Assessor Collector's Report. Ms. Arellano presented to and reviewed with the Board the Tax Assessor and Collector's Report dated December 31, 2025, a copy of which is attached hereto as *Exhibit E*. Ms. Arellano reported 48.4% of the 2025 taxes have been collected, and the taxes receivable, as of December 31, 2025, is $260,876.54.

Ms. Arellano reviewed the Disbursements, and she presented one wire transfer and six checks for the Board's approval.

Ms. Arellano continued to review the Historical Collections Data and Historical Tax Data.

Upon motion by Director Lindamood, seconded by Director Matthews, after full discussion and the question being put to the Board, the Board voted unanimously to accept the Tax Assessor and Collector's Report, and to authorize payment of check nos. 1128 through 1133 from the Tax Account to the persons, in the amounts, and for the purposes listed therein.

8. Consider property tax exemptions and take any necessary action. Mr. Millas presented to and reviewed with the Board an Order Adopting Exemption from Taxation, a copy of which is attached hereto as *Exhibit F*. Discussion ensued. Upon motion by Director Matthews, seconded by Director Lindamood, after full discussion and the question being put to the Board, the Board voted unanimously to authorize a $100,000 tax exemption for individuals who are 65 years of age or older or disabled.

9. Adopt Resolution Authorizing Additional Penalty on Delinquent Taxes. Mr. Millas presented to and reviewed with the Board the Resolution Authorizing Additional Penalty on Delinquent Taxes, a copy of which is attached hereto as *Exhibit G*. Mr. Millas reported that the revenue collected by levying this penalty is used to pay the delinquent tax attorney for the services provided to the District. Upon motion by Director Lindamood, seconded by Director

Akins, after full discussion and the question being put to the Board, the Board voted unanimously to adopt the Resolution Authorizing Additional 20% Penalty on Delinquent Taxes.

10. Discuss and consider Resolution on Meeting Location, approve expenditures related to such meeting places, and take any necessary action. Director Nagamani discussed having the Board meetings at CLCWA for 2026. Upon inquiry by Director Mallett, Director Nagamani discussed the CLCWA charge for $200 per hour, per meeting. Director Mallett discussed the Board conducting their meetings within an hour rather than two hours. Discussion ensued regarding CLCWA representatives attending the Board meetings. Director Mallett stated that he will look into the public library as a potential meeting place. It was the consensus of the Board to continue meeting at CLCWA in 2026.

No action was taken at this time.

11. Clear Lake City Water Authority Operations Report. The Board reviewed the Clear Lake City Water Authority ("CLCWA") Operations Report for the months of November 2025 and December 2025, copies of which are attached hereto as *Exhibit H*.

Extensive discussion ensued regarding the length of Board meetings and arranging for one CLCWA representative to attend Board meetings.

Ms. Arellano left the meeting at this time.

Upon inquiry by Director Mallett, the Board discussed the Coats Rose invoice for the CLCWA's legal fees.

Upon motion by Director Mallett, seconded by Director Akins, after full discussion and the question being put to the Board, the Board voted unanimously to approve the CLCWA Operations Reports.

12. Maintenance of District Facilities. Mr. Anderson reported that on January 6, 2026, CLCWA pulled the pumps to de-rag, which is regular routine maintenance. He noted that CLCWA rented a crane truck to assist pulling the pumps out, which cost $775 to rent. Mr. Anderson stated that there were no issues to report.

13. Engineer's Report. Mr. Anderson presented to and reviewed with the Board the Engineer's Report, a copy of which is attached hereto as *Exhibit I*.

Mr. Anderson reported on the Lift Station Backup Power Generator, stating that LAN has tried coordinating with CenterPoint to set the gas meter. Mr. Anderson will be involving McLennan & Associates to set up a CenterPoint account for the gas meter.

Mr. Anderson discussed replacing the District Boundary Signs. He noted that CLCWA will be installing 10 signs. He stated that CLCWA notified LAN that the total amount for the work to install the signs will exceed $5,000; LAN instructed CLCWA to stop work until the Board approves a new authorization amount. Mr. Anderson requested the Board authorize the installation of new District Boundary Signs, not to exceed a total of $7,500. Discussion ensued regarding the estimate for work.

Upon motion by Director Akins, seconded by Director Matthews, after full discussion and the question being put to the Board, the Board voted unanimously to approve a new authorization for the installation of new District Boundary Signs, not to exceed $7,500.

14. Report on Eminent Domain filing. Mr. Millas reviewed with the Board the Eminent Domain report filing. He reported that state law requires annual filing with the Texas Comptroller of Public Accounts by entities that have eminent domain authority. Mr. Millas stated that NRF will file on behalf of the District.

15. Discuss City of Houston Drainage Fee, and take any necessary action. The Board discussed sending a letter to constituents regarding the drainage fee.

16. Discuss next meeting date. The Board agreed to schedule the next regular meeting on Thursday, March 19, 2026 at 9:30 a.m. at the Clear Lake City Water Authority.

THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE BOARD, the meeting was adjourned.

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The above and foregoing minutes were passed and approved by the Board on March 19, 2026.

President, Board of Directors

Attest:

Secretary, Board of Directors

(DISTRICT SEAL)

HARRIS COUNTY WATER CONTROL & IMPROVEMENT DISTRICT 156

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