

HARRIS COUNTY WATER CONTROL & IMPROVEMENT DISTRICT NO. 156

MINUTES OF BOARD OF DIRECTORS MEETING

July 23, 2026

The Board of Directors (the "Board") of Harris County Water Control and Improvement District No. 156 (the "District") met in regular session, open to the public, on Thursday, July 23, 2026, at 9:30 a.m., at Clear Lake City Water Authority, 900 Bay Area Boulevard, Houston, Texas 77058, located outside the boundaries of the District, pursuant to the notice of said meeting, posted in accordance with Chapter 551, Texas Government Code, whereupon, the roll was called of the members of the Board, to-wit:

Susan Lindamood	President
Carl Williams	Vice President
Arnold Mallett	Secretary
Nancy Gilman	Treasurer
<i>Vacant</i>	Assistant Secretary

All members of the Board were present, except Director Gilman, thus constituting a quorum. Others in attendance were the following: Ms. Debbie Arellano of Bob Leared Interests ("BLI" or "Tax Assessor"), tax assessor-collector for the District; Mr. Adam Anderson of Lockwood, Andrews, & Newman, Inc. ("LAN" or "Engineer"), engineer for the District; Mr. Jorge Diaz of McLennan & Associates ("M&A" or "Bookkeeper"), bookkeeper for the District; Mr. Dean McGee and Ms. Jennifer Morrow of Clear Lake City Water Authority ("CLCWA"); and Ms. Regina D. Adams and Mr. Nicholas L. Roberts, attorneys, and Ms. Carla Christensen, paralegal, of Radcliffe Adams Barner PLLC ("RAB").

The President, after finding that notice of the meeting was posted as required by law and determining that a quorum of the Board was present, called the meeting to order and declared it open for such business as may regularly come before it.

ROLL CALL

The President proceeded with roll call of the Directors and Consultants.

PUBLIC COMMENTS

There were no comments from the public.

APPROVE MINUTES OF REGULAR MEETING OF MAY 21, 2026 AND SPECIAL MEETING OF JUNE 18, 2026

The Board then considered approval of the minutes of the regular meeting of May 21, 2026. Director Lindamood and Mr. McGee noted two (2) revisions. A discussion ensued. Upon a motion by Director Williams, seconded by Director Mallett, after full discussion and the question being put to the Board, the Board voted unanimously to approve the minutes, as revised.

The Board then considered approval of the minutes of the special meeting of June 18, 2026. Director Lindamood noted three (3) revisions. A discussion ensued. Upon a motion by Director Williams, seconded by Director Mallett, after full discussion and the question being put to the Board, the Board voted unanimously to approve the minutes, as revised.

CONSIDER MAINTENANCE OF DISTRICT FACILITIES REPORT AND TAKE ANY NECESSARY ACTION

Mr. Anderson stated there were no maintenance issues to report for the District's Lift Station (the "Lift Station"). Mr. Anderson reported that he was in the process of obtaining a proposal from Taylor Generator for future semi-annual maintenance and servicing of the Lift Station generator. In response to a question, Mr. Anderson stated that the estimated annual cost for servicing the Lift Station generator was \$925.00.

CONSIDER AND APPROVE TAX ASSESSOR-COLLECTOR'S REPORT

Ms. Arellano then reviewed with the Board the Tax Assessor-Collector's Reports for the months of May 2026 and June 2026, copies of which are attached hereto. Ms. Arellano reported that 98.10% of the 2025 taxes have been collected, and the taxes receivable, as of June 30, 2026, were \$10,224.95.

Upon a motion by Director Williams, seconded by Director Mallett, and the question being put to the Board, the Board voted unanimously to: 1) approve the Tax Assessor-Collector's Reports, as presented; and 2) authorize payment of checks numbered 1121, 1150 and 1151 from the Tax Account.

CONSIDER AND APPROVE BOOKKEEPER'S REPORT AND PAYMENT OF BILLS

Mr. Diaz presented to and reviewed with the Board the Bookkeeper's Report, a copy of which is attached hereto. A discussion ensued and Mr. Diaz answered various questions from the Directors.

Upon motion by Director Williams, seconded by Director Mallett, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Bookkeeper's Report and authorize payments of checks numbered 1377 through 1388 from the General Operating Fund.

APPROVE BUDGET FOR FISCAL YEAR ENDING ("FYE") AUGUST 31, 2027 (THE "2027 BUDGET")

Mr. Diaz then presented to and reviewed with the Board the proposed 2027 Budget, a copy of which is attached hereto. An extensive discussion ensued regarding the significant revenue and expense differential in the 2027 Budget in comparison to the FYE August 31, 2026 Budget ("2026 Budget"). Mr. Diaz also noted that the 2027 Budget was in a different format from the 2026 Budget.

Upon motion by Director Williams, seconded by Director Mallett, after full discussion and the question being put to the Board, the Board voted unanimously to adopt the 2027 Budget, as discussed.

CONSIDER AND APPROVE CLCWA OPERATIONS REPORT AND TAKE ANY NECESSARY ACTION

Mr. McGee reviewed the CLCWA Operations Recap Statements for the months of May and June 2026, copies of which are attached hereto. A brief discussion ensued regarding CLCWA's proposed assessment of a meeting room fee to the District. Mr. McGee reviewed the: 1) total customer charges and receipts for May 2026, and the balance due to CLCWA in the amount of \$10,500.65; and 2) total customer charges and receipts for June 2026, and the balance due to CLCWA in the amount of \$6,331.99.

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

ENGAGE AUDITOR FOR FYE AUGUST 31, 2026 AUDIT ("2026 AUDIT") PREPARATION

Director Lindamood reminded the Board that the District previously approved an evergreen engagement letter with McCall Gibson Swedlund Barfoot Ellis PLLC ("MGSBE") to perform the District's annual audit and requested the Board confirm the engagement of MGSBE to prepare the 2026 Audit, pursuant to the Auditor's confirmation letter dated July 23, 2026, a copy of which is attached hereto. Director Lindamood noted the estimated fee range of \$15,500.00 and \$16,500.00 for preparation of the 2026 Audit was the same as the previous year.

Upon motion by Director Williams, seconded by Director Mallett, after full discussion and the question being put to the Board, the Board voted unanimously to confirm engagement of MGSBE to prepare the 2026 Audit.

DISCUSS THE MEETING LOCATION AND CLCWA CONFERENCE ROOM FEE AND TAKE ANY NECESSARY ACTION

An extensive discussion ensued regarding whether the District should be required to pay a fee to CLCWA for the use of the conference room for Board meetings. Director Williams noted that the Bay Oaks Country Club, which was outside of the District's boundaries, was available for the District's use with no fee. Further discussion ensued after which the Directors concurred that the previously-appointed committee of Directors Lindamood and Williams continue negotiations with CLCWA regarding the proposed assessment of a fee for use of the conference room.

DISCUSS MISSING DOCUMENTS AND IMPROVEMENTS TO DISTRICT'S WEBSITE AND TAKE ANY NECESSARY ACTION

Director Lindamood then expressed her concerns regarding documents missing from the District's website, which were legally required to be posted and the lack of responsiveness from the District's previous legal counsel regarding same. A discussion ensued.

DISCUSS RETAINING NEW LEGAL COUNSEL AND TAKE ANY NECESSARY ACTION

Director Lindamood then introduced Ms. Adams, who presented RAB's proposal and a proposed engagement letter to provide general and bond counsel services to the District. Ms. Adams discussed the general counsel services that RAB would perform for the District and stated RAB would bill hourly for these services. Ms. Adams also reviewed RAB's experience in the special district space and answered questions from the Directors.

Upon motion by Director Williams, seconded by Director Mallett, after full discussion and the question being put to the Board, the Board voted unanimously to approve and authorize execution of the engagement letter with RAB.

DISCUSS AND CONSIDER CANDIDATES TO APPOINT FOR DIRECTOR VACANCY AND TAKE ANY NECESSARY ACTION

Director Lindamood stated that Director Gilman was aware of potential candidates to fill the current director position vacancy. The Directors concurred to defer discussion and action on such matter until the September Board meeting when Director Gilman would be in attendance.

DISCUSS CITY OF HOUSTON (THE "CITY") DRAINAGE FEE AND TAKE ANY NECESSARY ACTION

Director Lindamood then updated the Board on the status of the City drainage fee matter. Director Lindamood stated that she was still reviewing the City's bill and the drainage fee was not being assessed.

CONSIDER AND APPROVE ENGINEER'S REPORT

Mr. Anderson presented to and reviewed with the Board the Engineer's Report, a copy of which is attached hereto. Mr. Anderson reported that the Lift Station generator project was complete and the final Texas Commission on Environmental Quality inspection was scheduled for the first (1st) week in August, 2026.

Upon motion by Director Mallett, seconded by Director Williams, after full discussion and the question being put to the Board, the Board voted unanimously to approve the Engineer's Report.

DISCUSS NEXT MEETING DATE (SEPTEMBER 17, 2026)

Director Lindamood stated that the next regular meeting was scheduled for Thursday, September 17, 2026.

No further action was taken, and the meeting was adjourned at 11:05 a.m.

PASSED, APPROVED and ADOPTED this 17th day of September, 2026.




Secretary, Board of Directors