

**MINUTES OF MEETING
OF THE
BOARD OF DIRECTORS**

FEBRUARY 13, 2026

THE STATE OF TEXAS §
COUNTY OF HARRIS §
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 537 §

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 537 (the "District"), noticed a regular session open to the public, to be held at 8:30 a.m., on Friday, February 13, 2026, at 1330 Post Oak Boulevard, Suite 2650, Houston, Texas 77056, a designated meeting place located outside the boundaries of the District. Whereupon, at 8:35 a.m., the meeting was called to order and the roll was called of the members of the Board, to wit:

Jim Balock	-	President
Nancy Turner	-	Vice President
Francine Stefan	-	Secretary
David Kahn	-	Assistant Secretary
William Sherwood	-	Assistant Secretary

All Directors were present, thus constituting a quorum. Copies of the notices of the meeting are attached hereto.

Also attending the meeting were Loren Clark of L&S District Services ("L&S"), Bookkeeper for the District (via Zoom); Shammarie Leon of Bob Leared Interests, Tax Assessor/Collector for the District; Ben Allen, P.E. of BGE, Engineers for the District; Garrett Robertson of SiEnvironmental, LLC ("SiEnviro"), Operator for the District (via Zoom); Jenna Craig of Touchstone, Website Consultant for the District (via Zoom); Allen Watson, General Manager for the District (via Zoom); Joshua J. Kahn and Deidra Daniels (Certified Paralegal) of Sanford Kuhl Hagan Kugle Parker Kahn LLP ("SK Law"), Attorneys for the District; Rod Rudine of Texas Groundworks Maintenance; and Lita Berry, Neville Henry, and Mario Oropeza, members of the public

Some Agenda Items were taken out of order.

HEAR FROM PUBLIC

The Board recognized Ms. Berry, who discussed water billing issues. Mr. Robertson advised that he would investigate and resolve the issues.

The Board recognized Mr. Rudine, who introduced himself and provided a brief overview of the services Texas Groundworks Management could provide to the District.

The Board recognized Mr. Oropeza, who inquired about the property the District purchased for the proposed water repressurization plant and plans for moving the wall next to his home. Mr. Watson advised that the District is working with UPRR for access to the property and, if that access is approved, the wall would most likely not need to be moved.

HOA REPORT

The Board reviewed and discussed email communications from the Somerset Green HOA regarding the erosion issues and repair proposals from LMC and Storm Water Solutions. The Board noted that it had previously approved contribution of \$2,700 for such repairs and took no further action.

The Board next discussed holding a joint workshop with the HOA to discuss various ongoing issues. After discussion, it was the consensus of the Board to hold a joint workshop with the HOA.

APPROVE MINUTES OF MEETING DECEMBER 12, 2025

The Board reviewed the proposed minutes of the meeting of the Board held December 12, 2025, copies of which were previously distributed to the Board.

Upon motion by Director Stefan, seconded by Director Balock, and after full discussion, the Board voted unanimously to approve such Minutes, as amended.

FINANCIAL ADVISOR'S REPORT

No Report was offered.

GREEN FOR LIFE REPORT

Mr. J. Kahn noted that the GLF report was contained in the meeting packet previously distributed to the Board. The Board discussed lids for recycle bins and requested that SK Law solicit proposals for trash collection for the March 2026 meeting.

The Board took no action.

LAKE MANAGEMENT REPORT

Mr. J. Kahn noted that the Lake Management Report was contained in the meeting packet previously distributed to the Board.

The Board took no action.

WEBSITE REPORT

The Board recognized Ms. Craig, who presented to and reviewed with the Board the Website Report. Ms. Craig discussed various articles for posting on the District's website.

The Board inquired whether the text alert system could be used to notify residents of upcoming board meetings.

Upon motion by Director Stefan, seconded by Director Balock, and after full discussion, the Board voted unanimously to approve Touchstone sending out a text alert notifying the residents that they can sign up for email notifications regarding upcoming board meetings.

TAX ASSESSOR-COLLECTOR'S REPORT

The Board recognized Ms. Leon, who reviewed with the Board the Tax Assessor/Collector's Report and checks presented for payment and a list of delinquent accounts.

Upon motion by Director Balock, seconded by Director Stefan, and after full discussion, the Board voted unanimously to (1) approve the Tax Assessor/Collector's Report; (2) authorize payment of the tax checks listed therein; and (3) termination of water service for delinquent tax accounts.

BOOKKEEPER'S REPORT

The Board recognized Ms. Clark, who submitted to and reviewed with the Board the Bookkeeper's Report, payment of invoices, and Investment Report, copies of which are attached hereto.

Upon motion by Director Stefan, seconded by Director Balock, and after full discussion, the Board unanimously (1) approved the Bookkeeper's Report, as submitted; (2) approved the Investment Report; and (3) authorized payment of the checks therein.

OPERATOR'S REPORT

The Board recognized Mr. Robertson, who submitted to and reviewed with the Board the Operator's Report, a copy of which is attached hereto. Mr. Robertson also presented to and reviewed with the Board a Professional Services Agreement with SiEnvironmental.

Upon motion by Director Turner, seconded by Director Sherwood, and after full discussion, the Board voted unanimously to approve (1) the Operator's Report, as presented; and (2) the Professional Services Agreement.

RATE ORDER

The Board recognized Mr. J. Kahn, who reviewed with the Board the Amended Rate Order which incorporates the new Operator fees.

Upon motion by Director D. Kahn, seconded by Director Sherwood, and after full discussion, the Board voted unanimously to approve the Amended Rate Order, as presented.

ENGINEER'S REPORT

The Board recognized Mr. Allen, who presented to and reviewed with the Board the Engineer's Report, a copy of which is attached hereto.

The Board took no action.

GENERAL MANAGER REPORT - WATER PRESSURE IN DISTRICT.

The Board recognized Mr. Watson, who advised that the TxDOT property purchase was complete and the District now owned the property. Mr. Watson discussed various options for

access to the property, noting that he is negotiating an access easement from Union Pacific Railroad. Mr. Watson recommended that a Level 1 environmental inspection be conducted. Finally, Mr. Watson also noted that he would be working with the City regarding the backflow preventers.

After discussion, the Board requested that BGE obtain proposals for the environmental inspection.

ATTORNEY'S REPORT

Annual Review of Covered Applications Policy

The Board recognized Mr. J. Kahn, who reminded the Board that the District previously adopted Covered Applications and Prohibited Technology Policy, prohibiting the installation or use of a covered application as defined by Texas Government Code, Section 620.001(1) on any device owned or leased by the District. Mr. J. Kahn noted that Texas Government Code, Section 620.003 requires the District to conduct an annual review of covered applications and prohibited technology policies to comply with the Texas Department of Information Resources current listing of prohibited covered applications. In connection with such review, Mr. J. Kahn presented to and reviewed with the Board a Resolution Evidencing Annual Review of Covered Applications and Prohibited Technology Policy and recommended approval of said Resolution.

Upon motion by Director D. Kahn, seconded by Director Sherwood, and after full discussion, the Board voted unanimously to adopt the Resolution Evidencing Annual Review of Covered Applications and Prohibited Technology Policy. A copy of said Resolution is on file in the official records of the District.

Resolution Implementing 20% Penalty on 2025 Delinquent Taxes

Consideration was then given to a proposed Resolution Implementing 20% Penalty on 2025 Delinquent Taxes.

Upon motion by Director D. Kahn, seconded by Director Sherwood, after full discussion, and the question being put to the Board, the Board voted unanimously to authorize a 20% penalty on

2025 real property taxes which are delinquent on July 1, 2026, and a 20% penalty on 2025 personal property taxes which are delinquent on April 1, 2026, and thereafter, and to approve the Resolution evidencing the same. A copy of said Resolution is on file in the official records of the District.

Resolution Regarding Tax Exemptions for 2026

Consideration was then given to a proposed Resolution Concerning Tax Exemptions for 2026.

Upon motion by Director D. Kahn, seconded by Director Sherwood, and after full discussion, the Board voted unanimously not to grant any tax exemptions for 2026, and to approve the Resolution evidencing such decision. A copy of said Resolution is on file in the official records of the District.

Order Calling Directors Election

Consideration was then given to a proposed Order Calling Directors Election. The Board noted that the terms of Directors Balock, Sherwood, and D. Kahn will expire on May 2, 2026.

Upon motion by Director D. Kahn, seconded by Director Sherwood, and- after full discussion, the Board voted unanimously to adopt the Order Calling Directors Election thereby calling an election for May 2, 2026, for the purpose of electing three (3) directors to the Board. A copy of said Order is on file in the official records of the District.

Appoint Designated Agent for May 2, 2026, Directors Election

The Board next considered appointing a designated agent for the May 2, 2026, Directors Election. The Board recognized Mr. Kahn, who noted that SK Law can serve as the designated agent for such election.

Upon motion by Director D. Kahn, seconded by Director Sherwood, and after full discussion, the Board voted unanimously to designate SK Law as the District's agent for the May 2, 2026, Directors Election.

MEETINGS

Mr. J. Kahn inquired whether the Board would like to move to monthly meetings. After discussion, it was the consensus of the Board to hold monthly meetings, with the next meeting being March 13, 2026.

Mr. J. Kahn next discussed holding a Director workshop to discuss various District matters. After discussion, it was the consensus to have a Directors workshop in the near future.

ADJOURNMENT

There being no further business to come before the Board, upon a motion duly made and seconded, the Board by unanimous vote adjourned the meeting.

PASSED, APPROVED, AND ADOPTED this 13th day of March, 2026.


Secretary, Board of Directors

