

MINUTES
FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 165

January 13, 2022

The Board of Directors (the "Board") of Fort Bend County Municipal Utility District No. 165 (the "District") met in regular session, open to the public, on the 13th day of January, 2022 at the offices of Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2400, Houston, Texas 77027, outside the boundaries of the District, and the roll was called of the members of the Board:

William "Mac" McKinnie	President
Rick Garcia	Vice President
Matt Moake	Secretary
Avery Bidmead	Assistant Vice President
Christine Oliver	Assistant Secretary

and all of the above were present except Director Moake, thus constituting a quorum.

Also attending the meeting in person or by teleconference were Corporal Jeffrey Taynan of Fort Bend County Precinct No. 4 Constable's Office ("Precinct 4"); Brenda Garcia of Municipal Accounts & Consulting, L.P.; Stephanie Lee of KGA/DeForest Design, LLC ("KGA"); Shammarie Leon of Bob Leared Interests, Inc.; Austin Muse of Municipal District Services ("MDS"); Lyndsay Evans of Jones & Carter, Inc. ("J&C"); and Whitney Higgins and Caroline Jones of Allen Boone Humphries Robinson LLP ("ABHR").

MINUTES

The Board considered approving the minutes of the December 9, 2021, regular meeting. Following review and discussion, Director Garcia made a motion to approve the minutes as written. Director Oliver seconded the motion, which passed unanimously.

PUBLIC COMMENT

Director McKinnie offered any members of the public attending the meeting by telephone the opportunity to make public comment. There being no members of the public requesting to make public comment, Director McKinnie moved to the next agenda item.

2022 DIRECTORS ELECTION

Ms. Higgins discussed procedures related to the 2022 Directors Election. She reviewed a Resolution Designating an Agent of the Secretary of the Board of Directors During the 2022 Directors Election Period.

Ms. Higgins reported on requirements to post a Notice of Deadline to File Applications for Place on the Ballot for the 2022 Directors Election.

Ms. Higgins stated that the District may contract with Fort Bend County (the "County") to conduct the District's 2022 Directors Election.

Following review and discussion, Director Garcia moved to (1) adopt a Resolution Designating an Agent of the Secretary of the Board of Directors During the 2022 Directors Election Period appointing Caroline Jones as the agent of the Secretary of the Board of Directors to perform the duties of the District's Directors Election, authorize the agent to post the related notice as required, and direct that the Resolution be filed appropriately and retained in the District's official records; (2) authorize the Secretary's agent to post the notice as required; and (3) contract with the County to administer the District's election. Director Bidmead seconded the motion, which was approved by unanimous vote.

ANNUAL REPORT REGARDING POST-ISSUANCE COMPLIANCE POLICY

Ms. Higgins reported on the District's compliance activities during the prior calendar year related to bond financings. Ms. Higgins stated that no corrective action is required at this time.

SECURITY MATTERS AND FIRE PROTECTION SERVICE

Corporal Taynan presented and reviewed a security report and a traffic report from Precinct 4 for the month of December, copies of which are attached.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Garcia distributed and reviewed the bookkeeper's report, budget comparisons, bills presented for payment, the investment report from the reporting period, and the quarterly investment report for approval. Copies of the bookkeeper's report and the investment report are attached to the minutes.

ANNUAL DISCLOSURE STATEMENTS

In accordance with the District's Investment Policy, the Board considered the annual disclosure statements of Brenda Garcia, Mark Burton, and Ghia Lewis as the District's bookkeeper and investment officers, respectively. Ms. Higgins explained that the statements disclose any relationships with entities or individuals who are offering, have offered, or may offer to engage in an investment transaction with the District, and the disclosure statements will be filed with the Texas Ethics Commission and the District.

Following review and discussion, Director Garcia made a motion to (1) approve the bookkeeper's report and investment report; (2) pay the District's bills as submitted; and (3) accept the disclosure statements as presented and to authorize they be appropriately filed. Director Oliver seconded the motion, which passed unanimously.

PARK AND RECREATIONAL MATTERS

Ms. Lee distributed and reviewed a report regarding landscaping projects in the District, a copy of which is attached.

RECREATIONAL FACILITY IMPROVEMENTS PROJECTS

Ms. Lee stated that KGA will present updated layout plans and an opinion of probable costs for the regional facility improvements at the February Board meeting.

COUNTY LIVE OAK IMPROVEMENT PROJECT

Ms. Lee updated the Board regarding construction of the County Live Oak Improvement Project and reviewed and recommended approval of Pay Estimate No. 2 and Final in the amount of \$5,926.00, payable to Lucky 7 Landscape. She also presented a Certificate of Completion and Acceptance and recommended the Board accept the facilities. Following review and discussion, Director Garcia made a motion, based on the landscape architect's recommendation, to approve Pay Estimate No. 2 and Final in the amount of \$5,926.00, and to accept the facilities. Director Oliver seconded the motion, which carried unanimously.

TAX ASSESSMENT AND COLLECTIONS MATTERS

Ms. Leon distributed and reviewed the tax report, including a list of delinquent accounts, a copy of which is attached. She stated 99.689% of the District's 2020 taxes and 82.200% of the District's 2021 taxes were collected as of the meeting date. After review and discussion, Director Oliver moved to approve the tax report and the checks presented for payment. Director Bidmead seconded the motion, which passed by unanimous vote.

OPERATION OF DISTRICT FACILITIES

Mr. Muse presented and reviewed the operator's report and the storm water management report and updated the Board on repairs and maintenance in the District for the month of December.

HEARING ON TERMINATION OF WATER SERVICE

Mr. Muse presented to the Board a list of delinquent customers and reported the residents on the termination list were delinquent in payment of their

water and sewer bills and were given written notification, in accordance with the District's Rate Order, prior to the meeting of the opportunity to appear before the Board to explain, contest, or correct their bills and to show why utility services should not be terminated for reason of non-payment.

Following review and discussion, Director Garcia made a motion to (1) approve the operator's report; and (2) authorize termination of delinquent accounts in accordance with the District's Rate Order and direct that the delinquent customer list be filed appropriately and retained in the District's official records. Director Oliver seconded the motion, which passed unanimously.

ENGINEERING MATTERS

Ms. Evans distributed and reviewed the District's engineering report, a copy of which is attached.

Ms. Evans updated the Board regarding the 2021 Sanitary Sewer Cleaning and Televising project and stated that Source Point Solutions, LLC ("Source Point") is continuing field work on the manhole surveys due to an equipment breakdown and a shortage of replacement parts. Ms. Evans reviewed and recommended approval of Change Order No. 1 to the contract with Source Point for sanitary sewer cleaning and televising to increase the time of the project from 60 calendar days to 95 calendar days with no price increase to the contract amount. The Board determined that Change Order No. 1 is beneficial to the District.

Ms. Evans stated that CDC Unlimited, LLC ("CDC") is maintaining the detention facilities. She said Grand Mission Municipal Utility District ("GMM1") received and approved invoice nos. 22111, 22210, 22329, 22389, and 22451 in the total amount of \$28,174.00, of which the District's share of these is \$6,880.68.

Ms. Evans stated that GMM1 received and approved the Preliminary Cost Estimate For The Rehabilitation And Repair Of The GMM1 Regional Drainage Channel Slope Failure Repairs ("Preliminary Cost Estimate") located south of Beechnut Road for a total amount of \$221,000.00, of which the District's share is \$77,327.90. A copy of the Preliminary Cost Estimate is attached to the engineer's report.

Ms. Evans stated GMM1 finalized and completed the Emergency Response Plan ("ERP") and that Jones & Carter submitted the certification of the ERP to the Environmental Protection Agency on December 14, 2021.

Ms. Evans stated that GMM1 received the final inspection report for the Grand Mission Regional 2021 Water Plant Inspection, a copy of which is attached to the engineer's report. Ms. Evans stated that GMM1 received and approved the scope memorandum and the engineer's opinion of probable construction cost for the 2022

Water Plant Nos. 1 & 2 Improvements in the approximate amount of \$246,000.00, of which the District's share is \$43,802.91.

Ms. Evans updated the Board regarding the Grand Mission Wastewater Treatment Plant Expansion. She stated that T&C Construction, the contractor, completed all the project's punch list items and that GMM1 approved Pay Estimate No. 27 and Final in the amount of \$74,842.33, of which the District's share is \$13,953.34.

Ms. Evans stated that Fencecrete has completed construction of the Wastewater Treatment Plant fence and pedestrian gate and that the final inspection is scheduled for the second half of January 2022.

Ms. Evans stated that J&C is working on the District's Annual Report for Permit Year 3 of the MS4 Storm Water Management Plan and that she anticipates presenting it to the Board at the March 2022 meeting.

Ms. Evans updated the Board regarding a Reserve Topographic Survey to determine the cause of standing water issues along Stoneroses Trail and stated that the field work is scheduled for January 14, 2022.

Following review and discussion, Director Garcia moved to (1) approve the engineer's report; (2) approve Change Order No. 1 to the contract with Source Point based upon the Board's finding that the Change Order is beneficial to the District and the engineer's recommendation; (3) based on the engineer's recommendation, concur with GMM1's approval of the invoices for maintenance of the regional detention facilities, of which the District's share is \$6,880.68; (4) based on the engineer's recommendation, concur with GMM1's approval of the scope memorandum and the opinion of probable costs, of which the District's share is \$43,802.91; and (5) based on the engineer's recommendation, concur with GMM1's approval of Pay Estimate No. 27 and Final, of which the District's share is \$13,953.34, and accept the facilities. Director Oliver seconded the motion, which passed unanimously.

DRAINAGE FACILITIES REPORT

The Board received a drainage facilities report, a copy of which is attached.

GARBAGE AND RECYCLING COLLECTION

There was no discussion regarding this agenda matter.

DISTRICT WEBSITE

Director Garcia updated the Board regarding website matters. Director Garcia stated that he will follow up with Jesse Deleon regarding the Service Agreement between the District and InMode Interactive.

NORTH FORT BEND WATER AUTHORITY ("AUTHORITY") MATTERS

Mr. Muse stated that the Authority has renamed and reorganized the Larry’s Toolbox Water Conservation Program. Mr. Muse stated that the new program will begin on March 1, 2022, under its new name, the Water Provider Conservation Program (the “Program”). A copy of the Program’s COR3 Initiatives is attached to the operator’s report.

Mr. Muse stated that the District is required to submit a 2021 Water Usage Reporting Form to the Authority. After discussion, Director Garcia moved to authorize MDS to prepare and submit a Water Usage Reporting Form on behalf of the District, and direct that it be filed appropriately and retained in the District’s official records. Director Bidmead seconded the motion, which carried unanimously.

ATTORNEY’S REPORT

There was no discussion regarding this agenda matter.

MEETING SCHEDULE

The Board concurred to hold its next meeting on February 10, 2022, at 9:00 a.m. at the offices of ABHR.

REPORTS FROM DIRECTORS AND CONSULTANTS REGARDING PENDING DISTRICT BUSINESS AND OUTSTANDING ITEMS

Ms. Higgins stated that ABHR will present a Cost Sharing Agreement Regarding Landscape Maintenance By and Between the District and the Fieldstone Community Association, Inc. to the Board at the February meeting.

Director Garcia discussed the addition of a part-time or full-time deputy to patrol the District when the current Interlocal Agreement for Additional Law Enforcement Services Between the County and the District expires. Discussion ensued.

There being no further business to come before the Board, the meeting was adjourned.


Secretary, Board of Directors



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