

MINUTES  
FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 165

February 9, 2023

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 9<sup>th</sup> day of February, 2023, 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:

Avery Bidmead	President
Christine Oliver	Vice President
Ed Escobar	Secretary
William "Mac" McKinnie	Assistant Vice President
Matt Moake	Assistant Secretary

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

Also attending the meeting in person were Emil Tadros, a resident of the District; Deputy Constable Jeffrey Taynan of Fort Bend County Precinct 4 ("Precinct 4"); Brenda Garcia of Municipal Accounts & Consulting, L.P.; Stephanie Lee of KGA/DeForest Design, LLC; Shammarie Leon of Bob Leared Interests, Inc.; Austin Muse of Municipal District Services ("MDS"); Lyndsay Evans of Quiddity Engineering, LLC ("Quiddity"); Garrett Robertson of Storm Water Solutions, LLC ("SWS") and Whitney Higgins and Caroline Jones of Allen Boone Humphries Robinson LLP ("ABHR").

MINUTES

The Board considered approving the minutes of the January 12, 2023, regular meeting. Following review and discussion, Director McKinnie made a motion to approve the minutes as written. Director Oliver seconded the motion, which passed unanimously.

PUBLIC COMMENT

Director Bidmead introduced Mr. Tadros to the Board and offered any members of the public attending the meeting the opportunity to make public comment. There being no members of the public requesting to make public comment, Director Bidmead moved to the next agenda item.

SECURITY MATTERS AND FIRE PROTECTION SERVICES

Deputy Constable Taynan presented and reviewed a security report from Precinct 4 and two security statistics reports, copies of which are attached.

## ARBITRAGE REBATE REPORT FOR SERIES 2017 AND 2017A PARK BONDS

Ms. Higgins presented the Arbitrage Rebate Report prepared by OmniCap Group (“OmniCap”) for the Unlimited Tax Bonds, Series 2017 and the Unlimited Tax Park Bonds, Series 2017A. She noted that OmniCap determined that there were no rebate or yield reduction payments due on the District’s Unlimited Tax Bonds, Series 2017, or the Unlimited Tax Park Bonds, Series 2017A.

## 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.

### AMENDMENT TO ELECTRICITY CONTRACT

The Board considered amending the electricity contract with TXU Energy Retail Company, LLC, (“TXU”) to add the account for 20314 ½ Sandstone Cavern to the contract.

### ASSOCIATION OF WATER BOARD DIRECTORS

The Board discussed the Association of Water Board Directors winter conference. The Board then considered authorizing attendance at the summer conference in Corpus Christi from June 22 - 24, 2023.

Following review and discussion, Director McKinnie made a motion to (1) approve the bookkeeper’s report and investment report; (2) pay the District’s bills as submitted; (3) amend the TXU contract; and (4) authorize attendance of any interested Directors at the summer conference. 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 (“RECREATIONAL IMPROVEMENTS”)

Ms. Lee stated that the Recreational Improvements are being revised for bidding. Ms. Lee then presented and reviewed a Playground Concept Exhibit, an Event Lawn Area Concept Exhibit, and a Site Furniture Options Exhibit, copies of which are attached to the landscape architect’s report. Discussion ensued

regarding the site furniture options, and the Board deferred action on the matter until the March Board meeting.

Ms. Lee then presented and reviewed two Letters of No Objection (collectively "LONOS"), one from Atmos Energy Corporation, and one from Dow Pipeline Company, for the installation of a sidewalk and irrigation to serve a proposed playground. After review and discussion, Director McKinnie moved to approve the LONOS. Director Oliver seconded the motion, which passed unanimously.

#### PARK AND LANDSCAPE MATTERS, INCLUDING PROPOSALS FOR ADDITIONAL WORK

Discussion ensued regarding park and landscaping matters in the District. The Board deferred further action regarding park and landscaping matters until the March Board meeting.

#### 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 96.359% of the District's 2022 taxes were collected as of the meeting date. Following review and discussion, Director McKinnie made a motion to (1) approve the tax assessor/collector's report; and (2) pay the bills presented for payment from the tax account. Director Oliver seconded the motion, which passed unanimously.

#### RESOLUTION CONCERNING EXEMPTIONS FROM TAXATION

Ms. Higgins then discussed the Resolution Concerning Exemptions from Taxation with the Board. She explained that the Board can grant various exemptions including a general homestead exemption and a homestead exemption for residents over the age of 65 or disabled. She reminded the Board that it currently offers a \$20,000 homestead exemption for residents over the age of 65 or disabled. Discussion ensued. After discussion, Director McKinnie moved that the Board adopt the Resolution Concerning Exemptions from Taxation, granting a homestead exemption in the amount of \$20,000 of the appraised value of the homestead property for residents over the age of 65 or disabled. Director Oliver seconded the motion, which passed unanimously.

#### 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 January.

Mr. Muse requested Board authorization to send three accounts to collections in the amount of \$490.63.

Mr. Muse stated that he updated the settings of the solar powered speed awareness signs and that he will continue to monitor their needs for maintenance.

#### 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.

After review and discussion, Director McKinnie moved to (1) approve the operator's report; (2) authorize MDS to send three accounts to collections in the amount of \$490.63; and (3) 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 stated that Grand Mission Municipal Utility District One approved the design of the corrosion control treatment system at Water Plant Nos. 1 and 2 at the January 2023 meeting. Ms. Evans stated that Quiddity is preparing the application to the Texas Commission on Environmental Quality for the project.

Ms. Evans stated that Quiddity is working with MDS to collect data to submit to GMM1 for the water reuse project.

Ms. Evans then discussed revisions made by the Environmental Protection Agency to the Lead and Copper Rule that went into effect December 16, 2021. She stated that the District is required to complete a Lead Service Line Inventory by October 16, 2024.

After review and discussion, Director McKinnie moved to approve the engineer's report. Director Oliver seconded the motion, which passed unanimously.

DRAINAGE FACILITIES REPORT

Mr. Robertson presented and reviewed a drainage facilities report, a copy of which is attached.

Mr. Robertson presented and reviewed a Proposal for a Sinkhole Foam Injection and Manhole Repair (the "Proposal") in the amount of \$6,570.00.

After review and discussion, Director Oliver moved to (1) approve the drainage facilities report; and (2) approve the Proposal in the amount of \$6,570.00. Director McKinnie seconded the motion, which passed unanimously.

GARBAGE AND RECYCLING COLLECTION

There were no updates regarding this agenda matter.

DISTRICT WEBSITE

There were no updates regarding this agenda matter.

NORTH FORT BEND WATER AUTHORITY MATTERS

There were no updates regarding this agenda matter.

ATTORNEY'S REPORT

There were no updates regarding this agenda matter.

MEETING SCHEDULE

The Board concurred to hold its next meeting on March 9, 2023, at 9:00 a.m. at the offices of ABHR.

REPORTS FROM DIRECTORS AND CONSULTANTS REGARDING PENDING DISTRICT BUSINESS AND OUTSTANDING ITEMS/PARK AND LANDSCAPE MATTERS, INCLUDING PROPOSALS FOR ADDITIONAL WORK CONTINUED

Discussion ensued regarding the administration of a form of Right of Entry and Indemnification Agreement for residents who request to access District property to perform work or construction on their own property. Director Bidmead stated he would discuss administration of a form of Right of Entry and Indemnification Agreement with the Fieldstone Community Association, Inc.

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



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Secretary, Board of Directors

LIST OF ATTACHMENTS

Precinct 4 Security Report..... 1  
Security Statistics Reports..... 1  
Bookkeeper’s Report..... 2  
Landscape Architect’s Report ..... 2  
Tax Report..... 3  
Operator’s Report and the Storm Water Management Report ..... 3  
Engineering Report..... 4  
Drainage Facilities Report..... 5