

MINUTES
FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 165

March 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 9th day of March, 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 McKinnie and Moake, thus constituting a quorum.

Also attending the meeting in person were Emil Tadros, a resident of the District; Lieutenant Cory Hansen of Fort Bend County Precinct 4 ("Precinct 4"); Brenda Garcia of Municipal Accounts & Consulting, L.P.; 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

This agenda matter was deferred.

PUBLIC COMMENT

Director Bidmead 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

Lieutenant Hansen presented and reviewed a security report from Precinct 4 and two security statistics reports, 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. Following review and discussion, Director Oliver made a motion to (1) approve the bookkeeper's report and investment report; and (2) pay the District's bills as submitted. Director Escobar seconded the motion, which passed unanimously.

PARK AND RECREATIONAL MATTERS

The Board received a report regarding landscaping projects in the District, a copy of which is attached. Director Bidmead reported that KGA is re-bidding the Recreational Facility Improvements Projects ("Improvement Projects").

PARK AND LANDSCAPE MATTERS, INCLUDING PROPOSALS FOR ADDITIONAL WORK

The Board discussed park and landscaping matters in the District.

The Board reviewed the terms of the Cost Sharing Agreement (the "Cost Sharing Agreement") Regarding Landscape Maintenance By And Between the District and Fieldstone Community Association, Inc. (the "HOA").

The Board discussed the administration of a form of Right of Entry and Indemnification Agreement ("ROE Agreement") to be presented to residents who wish to access District property for the purpose of making certain improvements.

Director Escobar reported that most of the residents who reside near the proposed new playground are in favor of the project. Director Escobar agreed to follow up with KGA regarding the project.

After review and discussion, Director Bidmead made a motion to (1) approve handwritten check no. 5376 in the amount of \$85,031.76 to the HOA for the Cost Sharing Agreement; and (2) designate MDS as the point of contact for the provision of a form of ROE Agreement to residents who wish to access District property. Director Oliver seconded the motion, which passed 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 97.556% of the District's 2022 taxes were collected as of the meeting date. Discussion ensued regarding certain delinquent tax accounts.

The Board concurred that the delinquent tax attorney should begin collecting delinquent property taxes for personal property accounts as of April 1, 2023.

Following review and discussion, Director Oliver made a motion to (1) approve the tax assessor/collector's report; (2) pay the bills presented for payment from the tax account; and (3) authorize the delinquent tax attorney to proceed with collection of delinquent personal property accounts after April 1, 2023. Director Escobar seconded the motion, which carried 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 \$724.09.

Discussion ensued regarding median maintenance. Mr. Muse stated that MDS can install decorative landscaping in certain medians and that he will meet Directors Bidmead and Escobar on site to discuss decorative landscaping.

Director Bidmead asked Mr. Muse to re-grade and re-sod around a storm sewer manhole at Mason Road and Sandstone Cavern Circle and to touch up a previously re-graded area near Stoneroses Park. Discussion ensued.

Mr. Muse requested the addition of two items for discussion and approval at the April Board meeting: (1) MDS contract amendment; and (2) amendment of the Rate Order.

CRITICAL LOAD ANNUAL FILING

Ms. Higgins reviewed the District's critical load spreadsheet, which had been previously provided to the District's operator, engineer, and bookkeeper for review. A copy of the critical load spreadsheet is attached. Ms. Higgins noted that the critical load information on the District's facilities is required to be reviewed at least annually and provided to certain entities, which include the District's electricity provider, the Public Utility Commission, and other governmental entities.

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 Bidmead moved to (1) approve the operator's report; (2) authorize MDS to send three accounts to collections in the amount of \$724.09; (3) approve median landscaping, re-grading and re-sodding around a storm sewer manhole, and touch ups at Stoneroses Park in an amount not to exceed \$5,000.00; (4) approve the critical load spreadsheet, authorize providing it to the appropriate entities, and direct that a copy be retained in the District's official records; and (5) 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 Escobar 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 No. 1 ("GMM1") approved CDC Unlimited, LLC's ("CDC") Invoice No. 24340 in the total amount of \$4,205.25, of which the District's share is \$1,009.46.

Ms. Evans stated that GMM1's engineer is designing the Corrosion Control Treatment System project and that GMM1 will be requesting a deposit for the project from the regional participants.

Ms. Evans presented and reviewed the MS4 Phase II Annual Report for Permit Year 4 ("Annual Report for Year 4") and requested the Board's approval of and the authorization to submit the Annual Report for Year 4 to the Texas Commission on Environmental Quality ("TCEQ").

Ms. Evans stated that Quiddity prepared a draft Surplus Funds Application (the "Application") and that once all comments are received and addressed, Quiddity will submit the Application to the TCEQ.

Ms. Evans requested the Board's authorization to update the District's Emergency Preparedness Plan ("EPP") and submit it to the necessary governmental agencies.

After review and discussion, Director Bidmead moved to (1) approve the engineer's report; (2) upon the engineer's recommendation, approve CDC's Invoice No. 24340 in the total amount of \$4,205.25, of which the District's share is \$1,009.46; (3) approved the Annual Report for Year 4 and authorize Quiddity to submit it to the TCEQ; and (4) authorize Quiddity to update the District's EPP and submit it to the necessary

governmental agencies. 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. Discussion ensued regarding the repair of slope paving at the District-owned drainage channel.

GARBAGE AND RECYCLING COLLECTION

The Board discussed garbage and recycling collection matters. Discussion ensued regarding replacing the recycling bins with recycling carts, and the Board decided to defer the matter. The Board concurred in the automatic renewal of the Residential Solid Waste Collection Contract with Best Trash, LLC for a three-year term.

DISTRICT WEBSITE

The Board requested that Off Cinco provide an analytics report to the Board monthly.

NORTH FORT BEND WATER AUTHORITY'S (THE "AUTHORITY") MATTERS

Ms. Higgins reviewed the Water Conservation Plan Annual Report with the Board. After review and discussion, Director Escobar moved to approve the Water Conservation Plan Annual Report, direct that the report be filed appropriately and retained in the District's official records, and authorize the District' operator to submit the report to the appropriate government agencies. Director Oliver seconded the motion, which passed unanimously.

ATTORNEY'S REPORT

Ms. Higgins reported that the District is required to review the District's Drought Contingency Plan ("DCP") annually. Ms. Higgins asked Mr. Muse to review the DCP for possible updates and report his findings at the April Board meeting.

Ms. Higgins reviewed a cease and desist letter to Exclusive Furniture regarding the placement of signs on District property. Director Bidmead requested one change to the letter. After review and discussion, Director Bidmead moved to approve the letter and authorize ABHR to send it to Exclusive Furniture. Director Escobar seconded the motion, which passed unanimously.

MEETING SCHEDULE

The Board concurred to hold its next meeting on April 13, 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

There was no discussion regarding this agenda matter.

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



A handwritten signature in blue ink, appearing to be "Ed", written over a horizontal line.

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..... 2
Operator’s Report and the Storm Water Management Report 3
Engineering Report..... 4
Drainage Facilities Report..... 5