

MINUTES
FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 165

April 13, 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 13th day of April, 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 Director Moake, thus constituting a quorum.

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

MINUTES

The Board considered approving the minutes of the February 9, 2023, and March 9, 2023, regular meetings. Following review and discussion, Director Oliver made a motion to approve the minutes as written. Director Escobar seconded the motion, which passed unanimously.

PUBLIC COMMENT

Director Bidmead offered any members of the public attending the meeting the opportunity to make public comment.

Mr. Henry introduced himself to the Board.

Director Bidmead moved to the next agenda item.

SECURITY MATTERS AND FIRE PROTECTION SERVICES

Sergeant Garcia 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 McKinnie 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 bids were received for the Recreational Amenity Improvements project. She recommended the Board award the contract to D.L. Meacham, LP ("Meacham") in the amount of \$537,459.84. The Board concurred that, in its judgement, Meacham was a responsible bidder who would be most advantageous to the District and would result in the best and most economical completion of the project. Following review and discussion, Director Oliver made the following motion: (1) based on the landscape architect's recommendation and subject to approval of the payment and performance bonds and review of the certificate(s) of insurance and endorsements, if any, provided by the contractor, to award the contract for the Recreational Amenity Improvements project to Meacham in the amount of \$537,459.84. Director Escobar seconded the motion, which carried unanimously.

PARK AND LANDSCAPE MATTERS, INCLUDING PROPOSALS FOR ADDITIONAL WORK

Director Bidmead updated the Board regarding park and landscaping matters in the District. The Board discussed decorative landscaping for two medians with six flower beds at Victoria Bay Boulevard and at Stonegate Drive. After review and discussion, Director Bidmead made a motion to authorize Torres Construction to landscape the medians in an amount not to exceed \$5,000.00. Director Escobar 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 slope paving repair at the District's drainage channel. Mr. Robertson stated that he will prepare proposals for slope paving repair and desilting the drainage channel at the May Board meeting.

Discussion ensued regarding an area of the drainage channel disturbed by a pool contractor. Following review and discussion, Director Oliver made a motion to authorize MDS to backcharge the resident in the amount of \$500.00. Director McKinnie 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 98.61% 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 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 March.

CONDUCT ANNUAL REVIEW AND RECEIVE REPORT FROM OPERATOR ON IDENTITY THEFT PREVENTION PROGRAM AND ADOPT IDENTITY THEFT PREVENTION PROGRAM AMENDMENT

Mr. Muse presented and reviewed the annual report on the District's Identity Theft Prevention Program, a copy of which is included in the operator's report. Mr. Muse stated that the annual report indicates no significant incidents of identity theft detection and recommended no changes to the program at this time.

CONSUMER CONFIDENCE REPORT

This matter was deferred until the May Board meeting.

AMEND RATE ORDER

Mr. Muse requested the Board's approval of an Amended Rate Order reflecting certain updated operator fees.

MDS CONTRACT AMENDMENT

Mr. Muse presented and reviewed an Exhibit A Schedule of Rates (“Schedule of Rates”) effective as of April 1, 2023. Mr. Muse stated that MDS will begin implementing annual adjustments on the anniversary date of the executed Schedule of Rates based on the Consumer Price Index (“CPI-U”) in 2024.

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 Oliver moved to (1) approve the operator’s report; (2) amend the Rate Order; (3) approve the Schedule of Rates; and (4) 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 McKinnie 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 Nos. 24424, 24503, and 24525 in the total amount of \$32,997.25, of which the District’s share is \$6,402.04.

Ms. Evans stated that the 30% design phase for the Corrosion Control Treatment System project is under review with the operator for GMM1. Ms. Evans stated that Quiddity is submitting the Surplus Funds Application for the project to the Texas Commission on Environmental Quality (“TCEQ”).

Ms. Evans stated that GMM1 is collecting data and analyzing route options and potential reclaimed water users for the Water Reuse Study.

Ms. Evans reported that GMM1 tested the wells at the water plant and that brass shavings and irregular noises were identified in well no. 2. She stated that the well motor was removed from service and that GMM1 is sending a letter to the TCEQ to request an emergency repair to the well motor.

Ms. Evans reported that Atmos Energy will be working in the utility easement to perform cathodic protection on the electrical lines.

After review and discussion, Director McKinnie moved to (1) approve the engineer's report; and (2) upon the engineer's recommendation, approve CDC's Invoice Nos. 24424, 24503, and 24525 in the total amount of \$32,997.25, of which the District's share is \$6,402.04. Director Oliver seconded the motion, which passed unanimously.

GARBAGE AND RECYCLING COLLECTION

This agenda matter was deferred until the June Board meeting.

DISTRICT WEBSITE

The Board received a proposal from Off Cinco to provide monthly analytics reports beginning in July 2023 in the amount of \$100.00 per hour. After discussion, the Board requested that ABHR obtain a proposal from Off Cinco to provide an annual analytics report.

Ms. Higgins and Mr. Muse discussed the coordination of information on MDS's District page and the District's website. Director Oliver asked Mr. Muse to include the District's website address on water bills.

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

Mr. Muse 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

There was no discussion regarding this matter.

MEETING SCHEDULE

The Board concurred to hold its next meeting on May 11, 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

Director Bidmead reported on a meeting with Fieldstone Community Association, Inc. (the "HOA") regarding communication between the District and the HOA.

Director Bidmead reported that Exclusive Furniture continues to place signs on District property. The Board concurred to have Director Bidmead contact LaNetra Lary at Fort Bend County to request that they take action against Exclusive Furniture for continued illegal posing of signs.

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



Secretary, Board of Directors



LIST OF ATTACHMENTS

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Bookkeeper’s Report..... 2
Landscaping Report..... 2
Drainage Facilities Report..... 3
Tax Report 3
Operator’s Report and the Storm Water Management Report 3
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