

MINUTES
FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 165

May 11, 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 11th day of May, 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 Gregory J. Henry, a resident of the District; Lieutenant Cory Hansen and Deputy Jeffry Taynan of Fort Bend County Precinct 4 ("Precinct 4"); Jennifer Abad 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 and Josh Netardus 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 April 13, 2023, regular meeting. Following review and discussion, Director Oliver made a motion to approve the minutes as written. Director McKinnie 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. There being no members of the public requesting to make public comment, Director Bidmead moved to the next agenda item.

APPOINTMENT OF NEW DIRECTOR

APPOINT NEW DIRECTOR, APPROVE SWORN STATEMENT, OFFICIAL BOND, AND OATH OF OFFICE OF NEW DIRECTOR

The Board accepted Director Moake's resignation.

The Board then considered appointing Gregory J. Henry to the Board.

Ms. Higgins reviewed the Sworn Statement, Oath of Office, and Official Bond for Director Henry.

After review and discussion, Director McKinnie moved to (1) appoint Director Henry to the Board of Directors; and (2) approve the Sworn Statement, Oath of Office, and Official Bond executed by Director Henry and direct that the documents be filed in the official records of the District, and that the Oath of Office be filed with the Secretary of State, as required by law. Director Oliver seconded the motion, which passed unanimously.

REORGANIZE THE BOARD

The Board then considered reorganizing the Board of Directors. Following discussion, Director McKinnie moved to reorganize the Board as follows:

Avery Bidmead	President
Christine Oliver	Vice President
Ed Escobar	Secretary
William "Mac" McKinnie	Assistant Vice President
Gregory J. Henry	Assistant Secretary

Director Oliver seconded the motion, which passed unanimously.

DISTRICT REGISTRATION FORM

The Board then considered authorizing filing of an updated District Registration Form with the Texas Commission on Environmental Quality ("TCEQ"), reflecting the term of office of the newly appointed directors and the reorganization of the Board. Following review and discussion, Director McKinnie made a motion to authorize filing of the updated District Registration Form with the TCEQ and direct that the District Registration Form be filed appropriately and retained in the District's official records. Director Oliver seconded the motion, which passed unanimously.

CONFLICT OF INTEREST DISCLOSURE REQUIRED UNDER CHAPTER 176 OF THE TEXAS LOCAL GOVERNMENT CODE, INCLUDING REVIEW OF DISCLOSURE FORMS ADOPTED BY THE TEXAS ETHICS COMMISSION AND LIST OF LOCAL GOVERNMENT OFFICERS

Ms. Higgins reviewed the memorandum regarding the Texas Open Meetings Act and the Texas Public Information Act prepared by ABHR, a copy of which is attached. Ms. Higgins advised Director Henry that as a newly appointed director, he must complete the training required by the Texas Open Meetings Act within ninety (90) days of taking his oath of office.

Ms. Higgins next reviewed provisions of Chapter 176 of the Texas Local Government Code, which requires directors and consultants to disclose certain conflicts of interest. She reviewed the forms adopted by the Texas Ethics Commission for making disclosures under Chapter 176 and noted that the forms are required to be filed with the records administrator for the District within seven (7) days of a disclosable conflict arising. Ms. Higgins reviewed the updated List of Local Government Officers for the District. After review and discussion, Director McKinnie moved to approve and authorize execution of the List of Local Government Officers and direct that the List be filed appropriately and retained in the District's official records. Director Oliver seconded the motion, which passed unanimously.

SECURITY MATTERS AND FIRE PROTECTION SERVICES

Deputy Taynan presented and reviewed a security report from Precinct 4 and two security statistics reports, copies of which are attached. Director Bidmead discussed security matters in the District.

TRAVEL REIMBURSEMENT GUIDELINES AND ASSOCIATION OF WATER BOARD DIRECTORS ("AWBD") SUMMER CONFERENCE

Ms. Higgins discussed the District's Travel Reimbursement Guidelines (the "Guidelines") in connection with the upcoming AWBD summer conference, and discussion ensued regarding specific expenses eligible and ineligible for the conference. Following discussion, Director McKinnie made a motion to authorize up to four per diems, three hotel nights, and six meals for each director attending the AWBD summer conference, all to be submitted in accordance with the District's Guidelines. Director Oliver seconded the motion, which carried unanimously.

FINANCIAL AND BOOKKEEPING MATTERS

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

Ms. Abad then presented and reviewed the proposed budget for the fiscal year ending June 30, 2024. She requested the Board and consultants review the proposed budget and report any changes to her prior to the next meeting. A copy of the proposed budget is attached to the bookkeeper's report.

Following review and discussion, Director McKinnie 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

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 updated the Board regarding the Amenity Improvements Project.

PARK AND LANDSCAPE MATTERS, INCLUDING PROPOSALS FOR ADDITIONAL WORK

Director Bidmead updated the Board regarding park and landscaping matters in the District. Discussion ensued regarding maintenance, repairs, and replacements to recreational improvements. After review and discussion, Director Escobar authorized ABHR to draft and submit a letter to the Fieldstone Community Association, Inc. (the "HOA") regarding repair or replacement of damaged bollard lighting under the terms of the Donation Agreement Regarding Recreational Facilities Maintenance by and Between the District and the HOA. 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 to desilt the drainage channel in the amount of \$16,800.00.

Mr. Robertson discussed options to remediate the erosion beneath the slope paving at the drainage channel.

Following review and discussion, Director Oliver made a motion to approve the proposal for desilting the drainage channel in the amount of \$16,800.00. Director Escobar 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 98.924% of the District's 2022 taxes were collected as of the meeting date. Ms. Leon stated that the District's preliminary assessed valuation is \$510,669,149. 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 April.

Mr. Muse requested the Board's approval of a bill insert for the month of May, 2023.

Mr. Muse requested the Board's authorization to write off one account in the amount of \$105.52.

CONSUMER CONFIDENCE REPORT

Mr. Muse reviewed the Consumer Confidence Report ("CCR"), a copy of which is attached, regarding the quality of the District's water and stated that it will be filed with the TCEQ and distributed to District residents by July 1, 2023.

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) approve the May, 2023 bill insert; (3) authorize the operator to write off one account in the amount of \$105.52; (4) approve the CCR and authorize it to be distributed to the District's residents; 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.

NORTH FORT BEND REGIONAL WATER AUTHORITY MATTERS

There was no discussion regarding this agenda matter.

ENGINEERING MATTERS

Ms. Evans introduced Mr. Netardus to the Board.

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. 24549 in the amount of \$4,747.25, of which the District's share is \$1,009.46.

Ms. Evans stated that the 90% design phase for the Corrosion Control Treatment System project is under review with the operator for GMM1. Ms. Evans stated that GMM1 expects to submit the plans for agency review in June, 2023.

Ms. Evans stated that the GMM1 operator was authorized to proceed with repair of well no. 2 after brass shavings and irregular noises were identified in the well. She stated that GMM1 submitted a letter to the TCEQ requesting emergency approval to waive the competitive bidding requirements to make the repairs and that the new equipment has been ordered. A copy of the letter is attached to the engineer's report.

Ms. Evans stated that GMM1 began the creation of the water model for potential reclaimed water routes, the sizing of equipment, and began updating the wastewater treatment plant site layout for the water reuse study.

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 No. 24549 in the amount of \$4,747.25, of which the District's share is \$1,009.46. Director Escobar seconded the motion, which passed unanimously.

GARBAGE AND RECYCLING COLLECTION

There was no discussion regarding this agenda matter.

DISTRICT WEBSITE

The Board received a monthly analytics report for April, 2023, a copy of which is attached. Ms. Higgins stated that Off Cinco will provide an annual analytics report for \$100.00 per hour, based upon 30 to 60 minutes per report. The Board deferred action on the matter.

ATTORNEY’S REPORT

Ms. Higgins discussed real estate-related matters in the District.

MEETING SCHEDULE

The Board concurred to hold its next meeting on June 8, 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.



Secretary, Board of Directors

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