

MINUTES  
FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 165

August 10, 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 10<sup>th</sup> day of August, 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
Gregory Henry	Assistant Secretary

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

Also attending the meeting in person were Sergeant Abraham Garcia of Fort Bend County Precinct 4 ("Precinct 4"); Rose Montalbano of Municipal Accounts & Consulting, L.P.; Shammarie Leon of Bob Leared Interests, Inc.; Greg Lentz of Masterson Advisors, LLC ("Masterson"); Garrett Robertson of Storm Water Solutions, LLC ("SWS"); Austin Muse of Municipal District Services ("MDS"); 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 July 13, 2023, regular meeting. Following review and discussion, Director Oliver made a motion to approve the minutes as revised. 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. There being no members of the public wishing to make public comment, Director Bidmead moved to the next agenda item.

ENGINEERING MATTERS

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

Mr. Netardus stated that Quiddity submitted the plans for the corrosion control treatment system for the regional Water Plant Nos. 1 and 2 for agency review.

Mr. Netardus stated that GMM1 is finalizing the draft report and financial analysis for the water reuse study and that Quiddity will review the draft report with the Board at the September meeting.

Mr. Netardus stated that the Texas Commission on Environmental Quality approved the Application for Use of Surplus Funds and Change in Project Scope for the corrosion control treatment system at Water Plants Nos. 1 and 2.

Mr. Netardus presented and reviewed a draft land ownership map. Discussion ensued.

#### DEEDS, EASEMENTS, AND PLATS

There was no discussion regarding this agenda matter.

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

#### GARBAGE AND RECYCLING COLLECTION

There was no discussion regarding this agenda matter.

#### SECURITY MATTERS AND FIRE PROTECTION SERVICES, FIRE PROTECTION FEES, AND AMEND RATE ORDER

Sergeant Garcia presented and reviewed a security report from Precinct 4 and two security statistics reports, copies of which are attached. Discussion ensued regarding communication between Precinct 4 and the security committee. Sergeant Garcia stated that he will discuss Director Bidmead's requests with Lieutenant Cory Hansen of Precinct 4.

Ms. Higgins reviewed a letter from the City of Richmond (the "City"), a copy of which is attached, stating the City will increase the District's fire protection service fee from \$13.96 to \$14.37 per household effective October 1, 2023, based upon the Consumer Price Index for all Urban Consumers ("CPI-U").

Following review and discussion, the Director McKinnie moved to (1) accept the City's CPI-U Fire Protection Fee increase; and (2) authorize the amendment of the District's Rate Order to reflect the 2023 fire protection service fee. Director Escobar seconded the motion. The motion passed unanimously with all Directors voting in favor of the motion.

## FINANCIAL AND BOOKKEEPING MATTERS

Ms. Montalbano 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. 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.

## 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 99.632% of the District's 2022 taxes were collected as of the meeting date. Ms. Leon stated that the District's certified value as of the meeting was \$506,960,395.00. Following review and discussion, Director Oliver 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 passed unanimously.

## DISCUSS 2023 TAX RATE, SET PUBLIC HEARING DATE, AND AUTHORIZE NOTICE OF PUBLIC HEARING REGARDING ADOPTION OF TAX RATE

The Board considered the District's 2023 tax rate. Mr. Lentz distributed and reviewed a debt service tax rate analysis reflecting the recommendation for the District to levy a 2023 water, sewer, and drainage debt service tax rate of \$0.470 per \$100 of assessed valuation, based on the District's initial 2023 certified value of \$506,960,395. A copy of the debt service tax rate analysis is attached. The Board then discussed the District's operation and maintenance tax rate. Mr. Lentz discussed the two-step process for setting the District's tax rate.

Following review and discussion, Director McKinnie moved to: (1) set the public hearing date for September 14, 2023; and (2) authorize the tax assessor/collector to publish notice in the Fort Bend Herald of the District's meeting on September 14, 2023, to set the proposed 2023 total tax rate of \$0.960 per \$100 of assessed valuation, with \$0.470 allocated for debt service on water, sewer, and drainage bonds and \$0.490 allocated for operations and maintenance. 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 stated that he had not yet received bids for construction

materials specified in a SWS proposal to repair slope paving at the District's drainage channel and that he will continue to locate a supplier. Ms. Higgins asked Ms. Montalbano to investigate the status of a backcharge in the amount of \$500.00 to a resident for an area of the drainage channel that was disturbed by a pool contractor.

After review and discussion, Director McKinnie moved to approve the drainage facilities report. 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 July.

Mr. Muse requested the Board's authorization to send four accounts to collections in the amount of \$429.59.

#### 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) authorize the operator to send four accounts to collections in the amount of \$429.59; 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 McKinnie seconded the motion, which passed unanimously.

#### WEBSITE MATTERS

The Board generally discussed website matters.

#### NORTH FORT BEND REGIONAL WATER AUTHORITY ("NFBWA") MATTERS

There was no discussion regarding this agenda matter.

#### PARK AND RECREATIONAL MATTERS

The Board received a report regarding landscaping projects in the District, a copy of which is attached.

Ms. Higgins updated the Board regarding construction of the Amenity Improvements project and reviewed and recommended approval of Pay Estimate No. 1 in the amount of \$74,623.95, payable to D.L. Meacham, LP (“Meacham”). Following review and discussion, Director Escobar moved, based on the landscape architect’s recommendation, to approve Pay Estimate No. 1 in the amount of \$74,623.95 to Meacham. Director Oliver seconded the motion, which passed unanimously.

PARK AND LANDSCAPE MATTERS, INCLUDING PROPOSALS FOR ADDITIONAL WORK AND COST SHARING AGREEMENTS REGARDING LANDSCAPE MAINTENANCE

Director Bidmead discussed maintenance of HOA-owned areas and District-owned areas.

Ms. Higgins reviewed correspondence from a District resident regarding the Amenity Improvements project.

ATTORNEY’S REPORT

There was no discussion regarding this agenda matter.

REPORTS FROM DIRECTORS AND DISTRICT CONSULTANTS REGARDING CORRESPONDENCE AND/OR REPORTS RECEIVED AND EVENTS AND/OR ACTIVITIES ATTENDED DURING THE MONTH

There was no discussion regarding this agenda matter.

MEETING SCHEDULE

The Board concurred to hold its next meeting on September 14, 2023, at 9:00 a.m. at the offices of ABHR.

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



Secretary, Board of Directors

LIST OF ATTACHMENTS

Engineering Report.....	1
Precinct 4 Security Report.....	2
Security Statistics Reports.....	2
Fire Protection Service Fee.....	2
Bookkeeper’s Report.....	3
Tax Report.....	3
Drainage Facilities Report.....	3
Operator’s Report and the Storm Water Management Report .....	4
Landscaping Report.....	4