

MINUTES
FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 165

September 14, 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 14th day of September, 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 except Director Henry, thus constituting a quorum.

Also attending the meeting in person were Josh Wailes of Mike Stone Associates, Inc.; Constable Alfred Pena of Fort Bend County Precinct 4 ("Precinct 4"); Brenda Garcia of Municipal Accounts & Consulting, L.P.; Shammari Leon of Bob Leared Interests, Inc.; Garrett Robertson of Storm Water Solutions, LLC; Austin Muse of Municipal District Services ("MDS"); Lyndsay Evans and Josh Netardus of Quiddity Engineering, LLC ("Quiddity"); Stephanie Lee of KGA/DeForest Design, LLC; and Whitney Higgins and Caroline Jones of Allen Boone Humphries Robinson LLP ("ABHR").

MINUTES

The Board considered approving the minutes of the August 10, 2023, regular meeting. 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. Wailes introduced himself to the Board.

Director Bidmead then moved to the next agenda item.

GARBAGE AND RECYCLING COLLECTION

There was no discussion regarding this agenda matter.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Garcia 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 Oliver seconded the motion, which passed unanimously.

SECURITY MATTERS AND FIRE PROTECTION SERVICES, INCLUDING APPROVE INTERLOCAL AGREEMENT FB ADDITIONAL LAW ENFORCEMENT SERVICES

Constable Pena introduced himself to the Board and presented and reviewed a security report from Precinct 4 and two security statistics reports, copies of which are attached.

Ms. Higgins presented and reviewed the Interlocal Agreement for Additional Law Enforcement Services Between Fort Bend County and the District ("Interlocal Agreement"), estimated at \$229,220.00 annually, which would be \$19,100.00 monthly, with Fort Bend County Precinct 4 for the term October 1, 2023 through September 30, 2024. Following review and discussion, Director McKinnie moved to approve the Interlocal Agreement between the District and Fort Bend County for security services with two deputies for October 1, 2023 through September 30, 2024. 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 99.817% of the District's 2022 taxes were collected as of the meeting date. 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 3 - 0 with Director Bidmead being absent from the vote.

CONDUCT PUBLIC HEARING REGARDING DISTRICT'S TAX RATE, ADOPT ORDER LEVYING TAXES, AND AUTHORIZE EXECUTION OF AMENDMENT TO INFORMATION FORM

Ms. Higgins stated that notice was published of the public hearing to be held at today's meeting regarding adoption of the District's proposed 2023 total tax rate of \$0.960.

Ms. Higgins opened the public hearing. There being no comments from the public, Ms. Higgins closed the public hearing.

Ms. Higgins presented an Order Levying Taxes reflecting the proposed 2023 tax rate. She then presented an Amendment to Information Form reflecting the tax rate and stated that the Amendment will be filed with the Texas Commission on Environmental Quality ("TCEQ") and recorded in the Official Public Records of Fort Bend County.

After review and discussion, Director Escobar moved to: (1) adopt the Order Levying Taxes reflecting a total 2023 tax rate of \$0.960 per \$100 of assessed valuation, comprised of \$0.470 to pay debt service on water, sewer, and drainage bonds and \$0.490 for operations and maintenance; (2) authorize execution of the Amendment to Information Form; and (3) direct that the Order and Amendment be filed appropriately and retained in the District's official records. Director Oliver seconded the motion, which passed 3 - 0 with Director Bidmead being absent from the vote.

DRAINAGE FACILITIES REPORT

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

Mr. Robertson stated that the slope paving project at the drainage channel, approved by Director Henry as authorized at the July 13, 2023 meeting, was underway.

Mr. Robertson stated that the cross bars on the culverts at the drainage channel needed repair and stated that he is researching a solution to make the repairs.

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 August.

Mr. Muse requested the Board's authorization to perform a District-wide sidewalk survey in the amount of \$4,000.00. He stated that he will report on the survey at the November meeting.

Mr. Muse reported that the smart meters have been received by MDS. Discussion ensued regarding replacing residents' existing meters beginning the week of September 18, 2023 via door tags, bill messages, and posting the information on the District's website.

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 sidewalk survey in the amount of \$4,000.00; 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 Escobar seconded the motion, which passed unanimously.

WEBSITE MATTERS

The Board generally discussed website matters.

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

The Board generally discussed the NFBWA's Notice of Stage 1 Drought Conditions and the District's Drought Contingency Plan ("DCP"). Mr. Muse stated that Grand Mission Municipal Utility District No. 1 ("GMM1") is considering amending its DCP. Discussion ensued, and the Board concurred to consider an amendment to the DCP if GMM1 amends its DCP.

ENGINEERING MATTERS

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

Ms. Evans noted Grand Mission Municipal Utility District No. 1 ("GMM1") approved two invoices in the total amount of \$5,289.25, of which the District's share is \$1,009.46.

Ms. Evans stated that Quiddity is addressing comments from the Fort Bend County Engineering Department and the Fort Bend County Drainage District for the corrosion control treatment system for the regional Water Plant Nos. 1 and 2. Ms. Evans stated that comments from the City of Houston are pending.

Mr. Netardus stated that Quiddity received formal responses from the TCEQ and the NFBWA regarding an alleged violation at the regional water plant for failure to provide adequate production capacity to meet GMM1's contractual obligations. Mr.

Netardus summarized the TCEQ's investigation of findings regarding outstanding and withdrawn violations, a copy of which is attached to the engineer's report. Mr. Netardus then summarized a letter from the NFBWA denying a request to amend a water supply agreement, a copy of which is attached to the engineer's report.

Ms. Evans stated that GMM1 completed the water reuse study report (the "Report"), a copy of which is attached to the engineer's report. Ms. Evans asked the Board to review the Report. Discussion ensued regarding a possible timeline and the estimated cost to construct a water reuse system.

Ms. Evans presented a request from Grand Mission Municipal Utility District No. 2 ("GMM2") to ask if the District would maintain two reserves owned by GMM2 that the District's force main runs through.

DEEDS, EASEMENTS, AND PLATS

There was no discussion regarding this agenda matter.

After review and discussion, Director Oliver moved to (1) approve the engineer's report; (2) based on the engineer's recommendation, concur with GMM1's approval of the invoices for the maintenance of the regional detention facilities; and (3) deny GMM2's request to maintain two reserves owned by GMM2. Director Escobar seconded the motion, which passed 3 - 0 with Director McKinnie being absent from the vote.

PARK AND RECREATIONAL MATTERS

Ms. Lee distributed and reviewed a report regarding landscaping projects in the District, a copy of which is attached. Ms. Lee updated the Board regarding construction of the Amenity Improvements project and estimated that the project will be complete in January, 2024. Director Bidmead asked Ms. Lee to review the specifications for the ground fasteners of the bollard lighting to ensure that the bollard lighting remains stable.

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. The Board concurred to meet with Mr. Wailes to tour the District's facilities.

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

Director Bidmead updated the Board regarding the Fort Bend Clean initiative.

MEETING SCHEDULE

The Board concurred to hold its next meeting on October 4, 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

(SEAL)



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