

MINUTES
FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 165

May 9, 2024

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 May, 2024, at the offices of Municipal District Services, LLC, 406 W. Grand Parkway S., Suite 260, Katy, Texas, 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 McKinnie, thus constituting a quorum.

Also attending the meeting were Richard Bolanos and Rick Garcia, residents of the District; Lieutenant Cory Hansen of Fort Bend County Precinct 4 ("Precinct 4"); Brenda Garcia of Municipal Accounts & Consulting, L.P.; Shammari Leon of Bob Leared Interests, Inc.; Joseph Hopper of Storm Water Solutions, LLC; Austin Muse of Municipal District Services ("MDS"); Justin Waggoner of Touchstone District Services, LLC ("Touchstone"); Lyndsay Evans of Quiddity Engineering, LLC ("Quiddity"); Stephanie Lee of KGA/DeForest Design, LLC; Josh Wailes of Mike Stone Associates, Inc. ("MSA"); and Whitney Higgins and Caroline Jones of Allen Boone Humphries Robinson LLP.

PUBLIC COMMENTS

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

General discussion ensued regarding the 2024 Directors Election ("Election"). The Board reviewed correspondence from members of the public regarding the Election. The Board discussed holding a special meeting to canvass the Election and to swear in the elected candidates on Monday, May 13, 2024, at 12:00 p.m. at MDS. All Directors agreed a quorum was available for that date.

Director Bidmead then moved to the next agenda item.

MINUTES

The Board considered approving the minutes of the April 11, 2024, regular meeting. Following review and discussion, Director Oliver made a motion to approve

the minutes of the April 11, 2024, regular meeting, as written. Director Escobar seconded the motion, which passed unanimously.

SECURITY MATTERS AND FIRE PROTECTION SERVICES

Lieutenant Hansen presented and reviewed a security report from Precinct 4 and three security statistics reports, copies of which are attached.

GARBAGE AND RECYCLING COLLECTION

There was no discussion regarding this agenda item.

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

Ms. Higgins reviewed the District's Travel Reimbursement Guidelines (the "Guidelines") in connection with the upcoming AWBD summer conference, and discussion ensued regarding eligible expenses for the conference. Following discussion, Director Escobar made a motion to (1) 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 Guidelines; and (2) delegate authority to Director Oliver to be the District's voting representative at the AWBD summer conference. Director Oliver seconded the motion, which passed unanimously.

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.

Ms. Garcia then presented and reviewed the proposed budget for the fiscal year ending June 30, 2025. She requested the Board and consultants review the proposed budget and report any comments 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 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.

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 98.480% of the District's 2023 taxes were collected as of the meeting date. Following review and discussion, Director Escobar

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 Oliver seconded the motion, which passed unanimously.

DRAINAGE FACILITIES REPORT

Mr. Hopper presented and reviewed a drainage facilities report, a copy of which is attached. Mr. Hopper updated the Board regarding the replacement of crossbars on four culverts in the drainage channel.

Mr. Hopper presented and reviewed a proposal to repair an eroded area of the drainage channel in the amount of \$13,000.00.

Mr. Hopper presented and reviewed a proposal to de-muck the drainage channel north of Bell Flower Glen Drive in the amount of \$13,800.00.

Following review and discussion, Director Escobar made a motion to (1) approve the drainage facilities report; (2) approve the proposal to repair the eroded area of the drainage channel in the amount of \$13,000.00; and (3) approve the proposal to de-muck the drainage channel in the amount of \$13,800.00. 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, a copy of which is attached, and updated the Board on repairs and maintenance in the District for the month of April.

Mr. Muse stated that the remainder of the smart meters have been received. Mr. Muse stated that when the smart meter installation is complete, he will coordinate communication with Touchstone to advise the District's customers how to download and use the EyeOnWater software.

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 Texas Commission on Environmental Quality ("TCEQ") and distributed to District residents by July 1, 2024.

MDS CONTRACT AMENDMENT

This matter was deferred.

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 Escobar moved to (1) approve the operator's report; (2) approve the CCR and authorize it to be filed with the TCEQ and distributed to the District's residents; 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 Oliver seconded the motion, which passed unanimously.

WEBSITE MATTERS

Mr. Waggoner presented and reviewed the Communications Report, a copy of which is attached.

Mr. Waggoner presented and reviewed a proposal to design, print, and mail postcards to the District's customers with instructions on how to download and use the EyeOnWater software in an amount not to exceed \$3,800.00.

Following review and discussion, Director Escobar moved to (1) approve the Communications Report; and (2) approve the proposal for postcards in an amount not to exceed \$3,800.00. Director Oliver seconded the motion, which passed unanimously.

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

Mr. Muse had no updates regarding the Water Provider Conservation Program.

ENGINEERING MATTERS

Ms. Evans distributed and reviewed the District's engineering report and discussed engineering matters in the District as more fully described in the 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. 26432 in the amount of \$27,000.00, of which the District's share is \$7,085.48. Ms. Evans reported that GMM1 approved a proposal from CDC for the application of aquatic herbicide for the joint drainage channel detention area in the amount of \$1,000.00 per quarter, and the application of herbicide for

the regional detention facility in the amount of \$85.00 per acre/per application bi-annually.

Ms. Evans updated the Board regarding the Corrosion Control Treatment System project and stated that the contractor plans to provide submittals to Quiddity for review within the next month.

Ms. Evans updated the Board regarding the TCEQ's Supply Capacity Violation. She stated that Fort Bend County Municipal Utility District No. 118 ("FB MUD 118") requested an additional deposit in the amount of \$100,000.00 for legal and engineering fees for coordination, reviews, and inspections. Ms. Evans stated that GMM1 paid the full deposit to FB MUD 118 and requested reimbursement from the District to GMM1 in the amount of \$25,000.00. Ms. Evans stated that FB MUD 118 will track expenses and will refund the District for unspent funds.

Ms. Evans stated that Water Well 3 is under design and that comments to the draft Proposed Bond Application Report No. 10 ("BAR 10") have been received from the consultants. Ms. Evans stated that Quiddity anticipates finalizing and submitting BAR 10 to the TCEQ by June 1, 2024. A copy of the Summary of Costs for BAR 10 is included in the engineering report.

DEEDS, EASEMENTS, AND PLATS

There was no discussion regarding this agenda matter.

MS4 STORM WATER MANAGEMENT PLAN

Ms. Evans reminded the Board that the 2024 MS4 Training Presentation has been tentatively scheduled for Tuesday, June 18, 2024, at 10 a.m.

Following review and discussion, Director Oliver moved to (1) approve the engineer's report; (2) upon the engineer's recommendation, approve CDC's Invoice No. 26432 in the amount of \$27,000.00, of which the District's share is \$7,085.48; and (3) reimburse GMM1 in the amount of \$25,000.00 for the District's share of fees for coordination, reviews, and inspections for the TCEQ's Supply Capacity Violation. Director Escobar seconded the motion, which passed unanimously.

PARK AND RECREATIONAL MATTERS

Ms. Lee presented and reviewed a report regarding recreational development projects in the District, a copy of which is attached.

Ms. Lee updated the Board regarding construction of the Amenity Improvements project and reviewed and recommended approval of Pay Estimate No. 8 in the amount of \$12,928.50, payable to D.L. Meacham, LP ("Meacham").

Ms. Lee reviewed and recommended approval of Change Order No. 8 to the contract with Meacham for the Amenity Improvements project to increase the contract in the amount of \$11,206.34 for additional landscaping and trees. The Board determined that Change Order No. 8 is beneficial to the District.

Discussion ensued regarding additional landscaping and mowing of the playground area adjacent to the Atmos Energy easement. Director Bidmead stated that he will ask Precinct 4 if they have live oaks to donate to the District. Mr. Wailes stated that mowing of the playground area will be covered under the MSA report.

Discussion ensued regarding committee appointments. The Board concurred to appoint Directors to committees after the Election.

After review and discussion, Director Escobar moved to (1) approve the landscape architect's report; (2) based on the landscape architect's recommendation, to approve Pay Estimate No. 8 in the amount of \$12,928.50; and (3) approve Change Order No. 8 in the amount of \$11,206.34 as an increase to the contract with Meacham, based upon the Board's finding that the Change Order is beneficial to the District and the landscape engineer's recommendation. Director Oliver seconded the motion, which passed unanimously.

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

Mr. Wailes presented and reviewed the MSA Report, a copy of which is attached. He reviewed general maintenance, common area landscaping, irrigation, inspections, and splash pad maintenance.

Mr. Wailes reported that Quiddity confirmed that the tunnels under Mason Road are not maintained by Fort Bend County (the "County"). Mr. Wailes stated that he will ask MSA's contractor if the bid to repair the tunnels that was presented at the January 11, 2024 Board meeting is still valid.

Mr. Wailes reported that the Park Rules and No Soliciting signs were installed on April 24, 2024. Discussion ensued regarding the placement of the No Soliciting signs.

Mr. Wailes stated that MSA is working to locate and address reported street light outages and limbs blocking street lights. Mr. Wailes added that MSA is scheduling a nighttime inspection to confirm the locations of the outages and that he will report them to CenterPoint for repair. Mr. Wailes said he will ask Fieldstone Community Association, Inc. (the "HOA") if a tree maintenance program is in place to remove tree limbs. Mr. Wailes stated that if the HOA does not have such a program, MSA will obtain a bid from an arborist to remove the tree limbs.

Mr. Wailes stated that he will continue to try to locate a manufacturer to provide drain covers for the Stone Roses pocket park. Discussion ensued regarding cleaning leaves and debris from the pipes. The Board concurred to have MSA grout the pipes.

Mr. Wailes updated the Board regarding tractor mowing at the playground area adjacent to the Atmos Energy easement. Mr. Wailes stated that he asked the HOA to replace tractor mowing with fine mowing at the playground area.

Mr. Wailes stated that the splash pad was tested and programmed on April 5, 2024, and that two leaking solenoid valves were found. Mr. Wailes stated that MSA ordered the parts required to repair the solenoid valves and that MSA will install the parts upon receipt.

Mr. Wailes stated that MSA began the permitting process for the splash pad and discovered that a permit application had already been submitted by the HOA. Mr. Wailes requested that the HOA provide all documentation relating to the splash pad permit for the District's records.

After review and discussion, Director Oliver moved to approve the MSA report. Director Henry seconded the motion, which passed unanimously.

ATTORNEY'S REPORT

There was no discussion regarding this agenda item.

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 District's request to Precinct 4 for a contribution for an anticipated sidewalk improvement project. The Board appointed Director Henry to coordinate with Precinct 4 regarding the anticipated sidewalk improvement project.

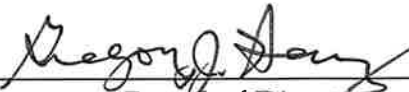
CONVENE IN EXECUTIVE SESSION PURSUANT TO SECTION 551.071, TEXAS GOVERNMENT CODE, TO CONDUCT A PRIVATE CONSULTATION WITH ATTORNEY TO DISCUSS PENDING OR CONTEMPLATED LITIGATION, OR A SETTLEMENT OFFER

The Board did not convene in Executive Session.

MEETING SCHEDULE

The Board concurred to hold a special meeting on May 13, 2024, at 12:00 pm. at the offices of MDS and to hold the next regular meeting on May 30, 2024, at 9:00 a.m. at the offices of MDS.

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 Report2
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Operator’s Report and the Storm Water Management Report3
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Engineering Report.....4
Landscaping Report5
MSA Report6