

MINUTES
FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 165

May 30, 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 30th 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:

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| Christine Oliver | President |
| Ed Escobar | Vice President |
| Gregory Henry | Secretary |
| Ryan Andrasek | Assistant Vice President |
| Rick Bolanos | Assistant Secretary |

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

Also attending the meeting were Deputy Alfred Pena of Fort Bend County Precinct 4; Dane Turner of Best Trash, LLC ("Best Trash"); Brenda Garcia of Municipal Accounts & Consulting, L.P.; Shammarie Leon of Bob Leared Interests, Inc.; Joseph Hopper of Storm Water Solutions, LLC; Lee Crenshaw of Municipal District Services ("MDS"); Justin Waggoner of Touchstone District Services, LLC ("Touchstone"); Lyndsay Evans of Quiddity Engineering, LLC ("Quiddity"); Josh Wailes of Mike Stone Associates, Inc. ("MSA"); and Whitney Higgins and Caroline Jones of Allen Boone Humphries Robinson LLP.

PUBLIC COMMENTS

Director Oliver 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 Oliver moved to the next agenda item.

MINUTES

The Board considered approving the minutes of the May 9, 2024, regular meeting and the May 13, 2024, special meeting. Following review and discussion, Director Escobar made a motion to approve the minutes of the May 9, 2024, regular meeting and the May 13, 2024, special meeting, as written. Director Bolanos seconded the motion, which passed unanimously.

AUTHORIZE AUDITOR TO PREPARE AUDIT

The Board reviewed and considered the District's evergreen contract with McCall Gibson Swedlund Barfoot, PLLC to prepare the District's annual financial reports, developer reimbursement reports, and audit related services. The Board considered authorizing the auditor to prepare the audit for the fiscal year ending June 30, 2024, in the estimated amount of \$18,000.00 to \$20,000.00. Following review and discussion, Director Escobar moved to authorize the auditor to begin preparation of the audit. Director Andrasek seconded the motion, which passed unanimously.

SECURITY MATTERS AND FIRE PROTECTION SERVICES

Deputy Pena discussed security matters in the District. The Board concurred to appoint Directors Escobar and Andrasek to the security committee.

RENEWAL OF DISTRICT'S INSURANCE POLICIES

Ms. Higgins stated the District's insurance policies with Brown & Brown Lone Star Insurance Services will expire on August 4, 2024. The Board requested that a consultant from Brown and Brown attend the July 11, 2024, meeting to review the insurance renewal proposal.

GARBAGE AND RECYCLING COLLECTION

Mr. Turner reviewed an annual adjustment letter from Best Trash, which reflects an increase of 5.3% in the collection rate, effective June 1, 2024, from \$21.71 to \$22.86 per month per residence. A copy of the annual adjustment letter is attached. The Board requested a proposal to provide recycling carts for consideration at the July 11, 2024, meeting. After review and discussion, Director Escobar moved to (1) accept the annual adjustment letter; and (2) appoint Directors Oliver and Bolanos to the garbage and recycling committee. Director Andrasek seconded the motion, which carried 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. Following review and discussion, Director Escobar made a motion to (1) approve the bookkeeper's report and investment report; and (2) pay the District's bills as submitted. Director Andrasek seconded the motion, which passed unanimously.

Ms. Garcia presented and reviewed the proposed budget for the fiscal year ending June 30, 2025, which is included in the bookkeeper's report. Following review and

discussion, Director Escobar made a motion to adopt the budget as written. Director Andrasek seconded the motion, which passed unanimously.

Ms. Garcia then presented and reviewed the Master District/Regional Facilities' budgets (the "Budgets") as approved by Grand Mission Municipal Utility District No. 1 ("GMM1") for the fiscal year end June 30, 2025. Following review and discussion, Director Escobar made a motion to concur in the adoption of the Budgets. Director Andrasek 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 98.385% of the District's 2023 taxes were collected as of the meeting date.

Ms. Higgins stated the Board can authorize the delinquent tax attorney to proceed with the collection of delinquent real property taxes that are delinquent as of July 1, 2024.

Following review and discussion, Director Escobar made a motion to (1) approve the tax assessor/collector's report; (2) pay the bills presented for payment from the tax account; and (3) authorize the delinquent tax attorney to begin collection of delinquent property taxes. Director Andrasek 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 stated that SWS is coordinating three projects at the drainage channel that should be complete by July, 2024. Following review and discussion, Director Escobar made a motion to approve the drainage facilities report. Director Andrasek seconded the motion, which passed unanimously.

OPERATION OF DISTRICT FACILITIES

Mr. Crenshaw 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 May.

Mr. Crenshaw requested the Board's authorization to write off three accounts in the amount of \$1,191.79.

MDS CONTRACT AMENDMENT

This matter was deferred.

HEARING ON TERMINATION OF WATER SERVICE

Mr. Crenshaw 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) authorize MDS to write off three accounts in the amount of \$1,191.79; 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 Andrasek seconded the motion, which passed unanimously.

WEBSITE MATTERS

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

The Board received a Memorandum detailing information regarding Directors' responsibility in relation to the Texas Public Information Act, a copy of which is attached.

Following review and discussion, Director Escobar moved to (1) approve the Communications Report; and (2) appoint Directors Oliver and Bolanos to the website committee. Director Bolanos seconded the motion, which passed unanimously.

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

Mr. Crenshaw 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 GMM1 approved CDC Unlimited, LLC's ("CDC") Invoice Nos. 26678 and 26655 in the total amount of \$9,494.50, of which the District's share is \$2,018.92.

Ms. Evans updated the Board regarding the Corrosion Control Treatment System project and stated that the contractor is providing submittals to Quiddity for review.

Ms. Evans updated the Board regarding the Texas Commission on Environmental Quality'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 would track expenses and would 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 have been received from the consultants. Ms. Evans stated that construction of Water Well 3 is expected to be complete in February, 2026.

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 Bolanos moved to (1) approve the engineer's report; and (2) upon the engineer's recommendation, approve CDC's Invoice Nos. 26678 and 26655 in the total amount of \$9,494.50, of which the District's share is \$2,018.92. Director Andrasek seconded the motion, which passed unanimously.

PARK AND RECREATIONAL MATTERS

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

The Board reviewed Change Order No. 9 to the contract with Meacham for the Amenity Improvements project to decrease the contract in the amount of \$2,000.00 for an unused permit. The Board determined that Change Order No. 9 is beneficial to the District.

The Board reviewed correspondence from Fieldstone Community Association, Inc. (the "HOA") requesting that the District repair damaged bollard lighting adjacent to the amenity lake trails. The Board then concurred to combine the HOA committee and the park and landscaping committee into one committee, the HOA/parks committee and appoint Directors Henry and Andrasek to the same.

After review and discussion, Director Henry moved to (1) approve the landscaping report; (2) approve Change Order No. 9 in the amount of \$2,000.00 as a

decrease 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; (3) approve the bollard repairs in an amount not to exceed \$3,000.00; and (4) authorize KGA and MSA to coordinate the bollard repairs. Director Andrasek 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 stated that the inspection of the tunnels under Mason Road was final and that Quiddity confirmed with Fort Bend County (the "County") that the County would not maintain the tunnels. Mr. Wailes presented and reviewed a proposal to repair the tunnels in the amount of \$30,072.00. Discussion ensued regarding coordinating the District's tunnel repairs with the County's inspection of, and potential repair to, the portion of Mason Road above the tunnels. Mr. Wailes stated that he will coordinate the repairs with MSA's road and bridge consultant.

Mr. Wailes updated the Board regarding a timeline regarding CenterPoint's inspection of streetlights to identify tree limbs that are blocking streetlights. Mr. Wailes stated that pending the results, MSA will obtain a bid from an arborist to remove the tree limbs.

Mr. Wailes stated that he located cast iron, ADA-compliant drain grates for the Stone Roses pocket park. Mr. Wailes stated that the cost for three drain grates was \$1,050.00. Discussion ensued. Director Bolanos stated that he will provide contact information to Mr. Wailes for a fabricator that might be able to manufacture the drain grates for a lower cost.

Mr. Wailes presented and reviewed a proposal to pressure wash two pocket parks and the splashpad in the amount of \$1,535.00. Discussion ensued regarding the status of splash pad permit application and the Board concurred to have the HOA/Parks committee acquire the splash pad permit from the HOA for the District's records. Discussion generally ensued regarding splash pad maintenance and operations.

After review and discussion, Director Bolanos moved to (1) approve the MSA report; (2) approve the proposal to repair the tunnels in the amount of \$30,072.00; (3) approve the drain covers in an amount not to exceed \$1,050.00; and (4) approve the

pressure washing proposal in the amount of \$1,535.00. Director Andrasek seconded the motion, which passed unanimously.

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 the next regular meeting on July 11, 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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| Best Trash CPI Letter | 2 |
| Bookkeeper’s Report..... | 2 |
| Tax Report..... | 3 |
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| Operator’s Report and the Storm Water Management Report | 3 |
| Communications Report..... | 4 |
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