

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 165

June 6, 2024

The Board of Directors (the "Board") of Harris County Municipal Utility District No. 165 (the "District") met in regular session, open to the public, on the 6th day of June 2024, at the offices of Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2600, Houston, Texas, outside the boundaries of the District, and the roll was called of the members of the Board:

Alan Bentson	President
David Molina	Vice President
Wayne Green	Secretary
Scott Nilsson	Assistant Secretary
Scott Barr	Assistant Vice President

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

Also attending the meeting were Lynn Kurtz of Myrtle Cruz, Inc. ("MCI"); Maurice Mullaly of DAC Services, Inc. ("DAC"); Patty Rodriguez of Bob Leared Interests, Inc. ("BLI"); David Colunga of Taylor Morrison of Texas, Inc. ("Taylor Morrison"); Chris Hoffman, Donnice Hoffman and Wes Alvey of H2O Consulting, Inc. ("H2O"); Josh Wailes of Mike Stone Associates, Inc. ("MSA"); David Beyer of Storm Water Solutions, LLC ("Storm Water"); Rob Oliver with SWA Group; Tyler Lindgren of KGA/DeForest Design, LLC ("KGA"); Cory Dobbie of HydroPro Solutions; Dane Turner of Best Trash LP; and Jessica Holoubek, Brooke Milbauer, and Jane Miller of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENT

Director Bentson offered any members of the public attending the meeting the opportunity to make a public comment. There being no members of the public requesting to make public comment, Director Bentson moved to the next agenda item.

SWA GROUP REPORT

Mr. Oliver reviewed a landscape architect report , a copy of which is attached, and reported the status of the following projects, and recommended approval of the following pay applications and change orders:

1. Avalon at Cypress - West Road and Avalon River Road Landscape; Pay Estimate No. 8 in the amount of \$1,350, payable to Junction Landscape; and Change Order No. 2 adding \$3,686.64 to the contract total; and

2. Avalon at Cypress West – Avalon Landing Lane Phase I Landscape; Pay Estimate No. 9 in the amount of \$900, payable to Junction Landscape.

Mr. Oliver next reported that bids were received for construction of Avalon at Cypress West, Avalon Landing Land Phase 2 Landscape and recommended that the Board award the contract to Earth First Landscape in the amount of \$354,100. The Board concurred that, in its judgment, Earth First Landscape was a responsible bidder who would be most advantageous to the District and would result in the best and most economical completion of the project.

Mr. Oliver next reported that bids were received for construction of Avalon at Cypress West, Entry Channel Landscape and recommended that the Board award the contract to Earth First Landscape in the amount of \$588,281.06. The Board concurred that, in its judgment, Earth First Landscape was a responsible bidder who would be most advantageous to the District and would result in the best and most economical completion of the project.

Following review and discussion, Director Nilsson moved to (1) approve SWA's report; (2) approve the pay estimates presented in the attached report, upon the recommendation of SWA; (3) approve the change orders listed above based upon the Board's finding that the change orders are beneficial to the District and KGA's recommendations; and (4) award the contracts for construction of landscape improvements presented above, based upon SWA's recommendations and receipt of the payment and performance bonds and the certificate(s) of insurance and endorsements, if any, provided by the contractors. Director Green seconded the motion, which passed unanimously.

GARBAGE/RECYCLING COLLECTION

Mr. Turner presented and reviewed a 2024 annual consumer price index ("CPI") adjustment letter from Best Trash for the District, a copy of which is attached, effective June 1, 2024. He also updated the Board on storm debris removal throughout the District.

SECURITY REPORT

The Board reviewed and discussed a patrol report received from Harris County Constable Precinct 5 for the month of April 2024.

MINUTES

The Board considered approving the minutes of May 2, 2024, regular meeting. Following review and discussion, Director Molina moved to approve the minutes. Director Barr seconded the motion, which passed unanimously.

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

Ms. Milbauer 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 Molina 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 Barr seconded the motion, which passed unanimously.

OPEN MEETINGS ACT AND PUBLIC INFORMATION ACT TRAINING REQUIREMENTS

Ms. Milbauer discussed the Texas Public Information Act ("TPIA") and noted that the Texas Legislature has made it explicit that officers and employees of governmental entities are temporary custodians of public information. She distributed a memorandum regarding Texas Open Meetings Act ("TOMA") and TPIA training requirements, noted that all Directors were required to take the TOMA training when they took office, and encouraged the Board of Directors to receive TPIA training as soon as possible and forward their certificate of completion to ABHR for inclusion in the District's permanent records.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Kurtz reviewed the bookkeeper's report. She discussed current public fund investment markets, reviewed the District's investment report, reviewed budget to actual revenues and expenses and variances. Copies of the bookkeeper's report, investment report, budgets, and a list of bills presented for payment are attached.

Following review and discussion, Director Molina moved to accept the bookkeeper's report and payment of the bills. Director Barr seconded the motion, which passed unanimously.

TAX ASSESSMENT AND COLLECTIONS MATTERS AND DELINQUENT TAX COLLECTION

Ms. Rodriguez discussed the tax assessor/collector's report and delinquent tax report, copies of which are attached, reviewed the checks presented for payment from the tax account, reported taxable values for the District and defined areas within the boundaries of the District, reported regarding taxes collected to date and delinquent taxes from previous tax years.

Following discussion and review of the information provided by the District tax assessor collector, Director Molina moved to (1) accept the tax assessor/collector's report; (2) authorize payment of the bills; and (3) authorize the delinquent tax attorney to proceed with delinquent tax collection when appropriate. Director Barr seconded the motion, which passed unanimously.

OPERATION OF DISTRICT FACILITIES

Mr. Dobbie gave a presentation of services and products offered by HydroPro Solutions, a copy of which is attached.

Mr. Hoffman distributed and reviewed a management and operations report, a copy of which is attached.

Mr. Hoffman reported 148 new residential taps installed during the month of May 2024 and requested authorization to make the following purchases, repairs, and replacements:

1. purchase and install an 8-channel dialer at Lift Station No. 11 for an estimated cost of \$5,000 plus installation costs;
2. rehabilitate a force main manhole at the intersection of Longenbaugh Road and Greenhouse Road for an estimated cost of \$6,337.50; and
3. rehabilitate a force main manhole at the intersection of Longenbaugh Road and Red Wing Knoll Drive for an estimated cost of \$6,337.50.

Mr. Hoffman reviewed customer appeals.

Mr. Hoffman next presented a list of delinquent customers and reported the residents on the termination list were delinquent in payment of their water and sewer bills or taxes 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.

The Board next considered amending the District's Rate Order to add to the District sanitary sewer rate to pass the increase in cost for garbage and recycling to District customers.

Following review and discussion, Director Molina moved to (1) approve the District operator's report; (2) authorize the purchase and repairs listed above, as recommended; (3) approve amendment of the Rate Order, as discussed above; and (4) authorize termination of delinquent accounts in accordance with the District's Rate Order, with the exception of those customers who appeared to make arrangements with the Board for payment of delinquent accounts and direct that the delinquent customer list be filed appropriately and retained in the District's official records. Director Barr

seconded the motion, which passed unanimously.

The Board took no action on the customer appeal presented.

REPORT FROM STORM WATER SOLUTIONS

Mr. Beyer reviewed Storm Water Management Program reports, copies of which are attached.

PARK MAINTENANCE

Mr. Wailes reviewed a park and landscape management report, a copy of which is attached. He requested to make the following repairs and replacements:

1. replace the park sign in Amhurst Park for an amount not to exceed \$1,040;
2. replace the park sign in Cypress Springs Park for an amount not to exceed \$1,040; and
3. replace the heads and upgrade irrigation in Tealbrook Park for an amount not to exceed \$5,275.

Mr. Wailes discussed the inspection of Lancaster Park and safety issues noted requiring Board attention.

Following review and discussion, Director Molina moved to (1) approve MSA's report; (2) authorize replacement of park signs, as discussed; authorize replacement and upgrade of irrigation in Tealbrook Park, as discussed; and (3) authorize repairs in Lancaster Park for an amount not to exceed \$5,000 and to request a proposal for fall surfacing replacement. Director Barr seconded the motion, which passed unanimously.

KGA/DEFOREST DESIGN, LLC REPORT

Mr. Lindgren reported the status of the following projects and requested authorization to advertise for bids for construction of Bridge Creek Sections 12 and 13 Landscape Improvements.

Mr. Lindgren next reported that bids were received for construction of Bridge Creek Westgreen Phase II Landscape Improvements and recommended that the Board award the contract to Triple E. Growers, Inc. d/b/a Triple E. Landscapes ("Triple E") in the amount of \$203,416. The Board concurred that, in its judgment, Triple E was a responsible bidder who would be most advantageous to the District and would result in the best and most economical completion of the project.

Mr. Mueller also discussed the status of the following projects and recommended that the Board approve pay estimates and change orders listed below:

1. Bridge Creek Sections 8 & 9 Landscape Improvements; Pay Application No. 13 and Final in the amount of \$42,793.18, payable to Earth First;
2. Marvida Sections 10 & 11 Landscape Improvements; Pay Application No. 11 and Final in the amount of \$43,595.36, payable to Earth First;
3. Marvida Section 16 Landscape Improvements; Pay Application No. 2 in the amount of \$49,270.75 and Pay Application No. 3 in the amount of \$1,215, both payable to Triple E; and Change Order No. 1 adding \$567 to the contract total for a sidewalk manhole adjustment;
4. Marvida Section 21 Landscape Improvements; Pay Application No. 12 in the amount of \$35,294.67, payable to Triple E; and Change order No. 5 adding \$9,151 to the contract total for sidewalk connections, manhole adjustments and crape myrtles; and
5. Marvida, Section 23 and 24 Landscape Improvements; Pay Application No. 9 in the amount of \$1,684.80, both payable to Earth First.

After review and discussion, Director Molina moved to (1) accept the landscape architect report from KGA; (2) authorize KGA to advertise for bids for construction of projects, as discussed above; (3) award the contract for construction of landscape improvements presented above, based upon KGA's recommendations and receipt of the payment and performance bonds and the certificate(s) of insurance and endorsements, if any, provided by the contractors; (4) based upon the recommendation of KGA, approve pay estimates listed above; and (5) approve the change orders listed above based upon the Board's finding that the change orders are beneficial to the District and KGA's recommendations. Director Barr seconded the motion, which was passed by unanimous vote.

ENGINEERING MATTERS

Mr. Mullaly reviewed an engineering report, a copy of which is attached, requested authorization to advertise for bids for a second waterline connection at Water Plant No. 6, and reported the status of the following projects.

Mr. Mullaly next reported that bids were received for construction of Bridge Creek, Section 11 water, sewer, drainage and paving and recommended that the Board award the water, sewer, and drainage contract in the amount of \$718,843.10 and the paving contract in the amount of \$748,946.54 to Hurtado Construction. The Board concurred that, in its judgment, Hurtado Construction was a responsible bidder who would be most advantageous to the District and would result in the best and most economical completion of the projects.

Mr. Mullaly reported that bids were received for the replacement of a waterline in Amhurst and recommended that the Board award the contract to Underground Construction Solutions in the amount of \$2,976,675. The Board concurred that, in its judgment, Underground Construction Solutions was a responsible bidder who would

be most advantageous to the District and would result in the best and most economical completion of the projects.

Mr. Mullaly next reported that bids were received for Stream and Wetland Restoration Langham Creek Channel and recommended that the Board award the pond excavation portion of the contract in the amount of \$1,19,267.49 to Sterling Site Services and the planting portion to RES Environmental in the amount of \$502,369.66. The Board concurred that, in its judgment, both Sterling Site Services and RES Environmental were responsible bidders who would be most advantageous to the District and would result in the best and most economical completion of the projects.

Mr. Mullaly reviewed proposals from Quiddity for (1) coordination of Marvida Drainage Phase II South Overseed and Maintenance; and (2) Marvida Drainage Phase II North Turf Establishment.

Mr. Mullaly reviewed a proposal from Terracon Consultants, Inc. for material testing of Westgreen Boulevard Street Dedication, Section 6 Kinder Morgan Crossing.

Mr. Mullaly then reviewed the status of construction projects in the District and presented the following pay applications and change orders:

1. Marvida, Section 30; Change Order No. 1 deducting \$14,187 from the District's contract with Blazey Construction for final quantity adjustments;
2. Avalon at Cypress West, Section 2 water, sewer, and drainage; Pay Estimate No. 3 and Final in the amount of \$94,271.30, payable to Bay Utilities; and Change Order No. 2 deducting \$652.30 from the contract total for final quantity adjustments;
3. Avalon at Cypress West, Section 2 paving; Pay Estimate No. 2 and Final in the amount of \$68,686.30, payable to D&J Construction;
4. Bridge Creek, Section 12 water, sewer, drainage, and paving; Pay Estimate No. 1 in the amount of \$643,200.94 and Pay Estimate No. 2 in the amount of \$252,997.04, both payable to Gonzalez Construction; and Change Order No. 1 adding \$81,497.66 to the contract total for updated quantities to match the actual plans;
5. Bridge Creek, Section 13 water, sewer, drainage and paving; Pay Estimate No. 2 in the amount of \$35,592.92 for water, sewer and drainage, Pay Estimate No. 3 in the amount of \$2,790, Pay Estimate No. 4 in the amount of \$68,233.03 and Pay Estimate No. 5 in the amount of \$10,247.08, all payable to R Construction Civil; and Change Order No. 1 adding \$2,250 to the contract total for removing E-inlet and replacing with a Type C Manhole Top;
6. West Road, Section 2 paving; Pay Estimate No. 10 and Final in the amount of \$112,008.64, payable to Lindsey Construction; and Change Order No. 2 adding \$21,876.60 to the contract total for final quantity adjustments;

7. Westgreen Boulevard Street Dedication, Section 6 Kinder Morgan Crossing; Pay Estimate No. 2 in the amount of \$87,132.94, payable to _____;
8. Wastewater Treatment Plant No. 1 Fence Replacement; Pay Estimate No. 3 in the amount of \$55,656, payable to Perea Masonry;
9. Wastewater Treatment Plant No. 2; Pay Estimate No. 41 in the amount of \$14,174, payable to Allco Constructors;
10. Water Plant No. 6; Pay Estimate No. 22 in the amount of \$37,235.25, payable to Long & Son;
11. SSOI 2024; Pay Estimate No. 2 in the amount of \$32,047.47, payable to Source Point Solutions;
12. Tealbrook Sections 1, 2 and 3 Phase I, CIPP; Pay Estimate No. 2 in the amount of \$350,587.60, payable to Insituform Technologies; and Pay Estimate No. 1 and Final in the amount of \$49,084.43, payable to SC2 for televising; and
13. Lancaster Water Line Replacement; Pay Estimate No. 15 in the amount of \$26,268.58, payable to Sequeira Civil.

Mr. Mullaly presented a Final Certificate of Substantial Completion for water, sewer, drainage and paving in Bridge Creek, Section 13.

The Board concurred that the change orders listed above are beneficial to the District.

Following review and discussion, Director Nilsson moved to (1) approve the engineering report; (2) based upon the recommendation of Quiddity, BGE and DAC, approve pay estimates listed above; (3) approve the change orders listed above based upon the Board's finding that the change orders are beneficial to the District and BGE's, Quiddity's and DAC's recommendations; (4) accept the project for Certificate of Completion presented for execution above; (5) authorize advertisement for bids for construction of projects listed above, as recommended; (6) approve proposals for construction management and coordination and materials testing, as discussed above; and (7) award the contracts for construction of water, sewer and drainage, paving and other facilities presented above, based upon the BGE's, DAC's and Quiddity's recommendations and receipt of the payment and performance bonds and the certificate(s) of insurance and endorsements, if any, provided by the contractors. Director Barr seconded the motion, which was passed by unanimous vote.

DEEDS AND EASEMENTS

The Board considered accepting a Sanitary Sewer Easement from and granting a related Consent to Encroach Consent to Encroach to RK Miramesa Pad, LLC for the development of 20619 Miramesa Drive. Following review and discussion, Director Molina moved to accept the Sanitary Sewer Easement and grant a related Consent to

Encroach, as discussed. Director Barr seconded the motion, which passed unanimously.

ENGINEERING SERVICES AGREEMENT WITH BGE, INC. FOR PREPARATION OF BOND APPLICATION REPORT FOR PROPOSED ROAD BONDS, SERIES 2024 IN DEFINED AREA NO.1 AND RESOLUTION AUTHORIZING APPLICATION TO THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY FOR APPROVAL OF RECREATIONAL PROJECTS AND BONDS

Ms. Milbauer and Mr. Eustis discussed upcoming bond applications and issues. Ms. Milbauer reviewed a proposal from BGE for preparation of a cost summary for proposed Series 2024 Unlimited Tax Road Bonds in Defined Area No. 1. The Board also considered approving a Resolution Authorizing Application to the Texas Commission on Environmental Quality for Approval of Recreational Projects and Bonds for an amount not to exceed \$6,985,000. Following review and discussion, Director Molina moved to (1) approve a proposal from BGE for preparation of a cost summary for proposed Series 2024 Unlimited Tax Road Bonds in Defined Area No. 1; and (2) approve a Resolution Authorizing Application to the Texas Commission on Environmental Quality for Approval of Recreational Projects and Bonds for an amount not to exceed \$6,985,000. Director Barr seconded the motion, which passed unanimously.

ORDER ADDING LAND

There was no discussion for this agenda item.

DEFINED AREA NO. 3

There was no discussion for this agenda item.

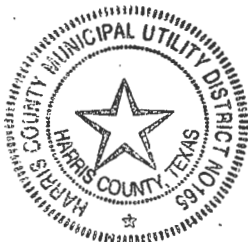
DEVELOPER'S REPORT

Mr. Colunga reported regarding development in the District.

WEST HARRIS COUNTY REGIONAL WATER AUTHORITY

There was no discussion for this agenda item.

There being no additional business to consider, the meeting was adjourned.



Secretary, Board of Directors

LIST OF ATTACHMENTS TO MINUTES

Minutes
Page

landscape architect report.....	1
bookkeeper's report, investment report, budgets, and a list of bills presented for payment.....	3
tax assessor/collector's report and delinquent tax report.....	3
Management and operations report.....	4
park and landscape management report.....	5
landscape architect report.....	6