

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 165

June 5, 2025

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 5th day of June 2025, 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 James Skinner and Rachel Richmond of S-G II Owners Association, Inc.; Maurice Mullaly and David Keel of DAC Services, Inc. ("DAC"); Patty Rodriguez of Bob Leared Interests, Inc. ("BLI"); Erin Garcia of Myrtle Cruz, Inc. ("MCI"); Blake Dalton and David Colunga of Taylor Morrison of Texas, Inc. ("Taylor Morrison"); Chris Hoffman, Wes Alvey and Donnice Hoffman of H2O Consulting, Inc. ("H2O"); Josh Wailes of Mike Stone Associates, Inc. ("MSA"); David Beyer and Drew Anderson of Storm Water Solutions, LLC ("SWS"); Kelly Gard of KGA/DeForest Design, LLC ("KGA"); Robert Oliver of SWA Group ("SWA"); Christie Leighton of Best Trash, LLC; 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 comments, the Board moved to the next agenda item.

MINUTES

The Board considered approving the minutes of May 8, 2025, regular meeting. Following review and discussion, Director Molina moved to approve the minutes. Director Barr seconded the motion, which passed unanimously.

GARBAGE/RECYCLING COLLECTION

Ms. Leighton presented and reviewed a 2025 annual consumer price index ("CPI") adjustment letter from Best Trash for the District, a copy of which is attached, effective on June 1, 2025. The Board requested that Ms. Leighton obtain pricing information for a 3-year contract extension.

SECURITY REPORT

The Board reviewed security reports and discussed security in the District, including options for improving security at District parks. Following review and discussion, Director Molina moved to authorize Director Bentson to request two additional officers to the District's patrol contract for the contract year beginning October 1, 2025. Director Barr seconded the motion, which passed unanimously. The Board also directed Director Molina to obtain pricing for security cameras at the Marvida recreational center.

ARBITRAGE REBATE REPORT FOR SERIES 2015 REFUNDING BONDS

Ms. Holoubek next reviewed OmniCap Group LLC's arbitrage rebate and yield restriction calculation for the District's Series 2015 Refunding Bonds and said no rebate is due to the Internal Revenue Service.

UNLIMITED TAX ROAD BONDS

There was no discussion for this agenda item.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Garcia reviewed the bookkeeper's report. She reviewed a budget to actual revenues and expenses and variances and the reconciliation of budget comparisons from previous bond anticipation note and bond issues. Copies of the bookkeeper's report, investment report, 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.

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

Ms. Holoubek 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.

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 and reviewed taxpayer appeals received. The Board discussed obtaining estimates of value.

Following discussion and review of the information provided by the District tax assessor collector, Director Molina moved to accept the tax assessor/collector's report and authorize payment of the bills. Director Barr seconded the motion, which passed unanimously.

OPERATION OF DISTRICT FACILITIES

Mr. Alvey reported that 60 new residential taps were installed during the month of May 2025, and recommended that the Board approve the following:

1. purchase of a new magnesium hydroxide pump at Wastewater Treatment Plant No. 1 for an estimated cost of \$3,452.12;
2. replacement of a lift station control panel at Wastewater Treatment Plant No. 2 for an amount not to exceed \$15,000;
3. installation of a new gear drive for the digester valve at Wastewater Treatment Plant No. 2 for an estimated cost of \$3,500;
4. repair of lift pump no. 2 at Lift Station No. 8 for an estimated cost of \$11,749; and
5. replacement of the surge arrestor module at Lift Station No. 13 for an estimated cost of \$5,525.

Mr. Hoffman discussed water quality complaints in Marvida and Avalon and efforts to respond to customer calls and address customer complaints.

Mr. Hoffman reviewed customer appeals.

Mr. Hoffman 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 TCEQ and distributed to District residents by July 1, 2025.

Ms. 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.

Following review and discussion, Director Molina moved to (1) approve the District operator's report; (2) approve repairs, replacements and purchases listed above, as recommended by H2O; (3) approve the customer appeals presented; (4) approve the CCR and authorize it to be distributed to the District's residents; and (5) 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.

REPORT FROM STORM WATER SOLUTIONS

Mr. Beyer and Mr. Anderson reviewed a Storm Water Management Program report, a copy of which is attached, and provided an update regarding the District's asset management plan and permitting of District facilities. He also reviewed a proposal in the amount of \$1,250 to install a lid security device for a detention vault and a proposal in the amount of \$4,380 to fix erosion occurring on the bulkhead of a District drainage facility.

Following review and discussion, Director Molina moved to (1) approve the report; and (2) approve the proposals listed above. Director Barr seconded the motion, which passed unanimously.

PARK MAINTENANCE

Mr. Wailes reviewed a park and landscape management report, a copy of which is attached, and recommended the following repairs and improvements:

1. replace iron fence panels at Amhurst Park for an estimated cost of \$13,110;
2. remove the basketball goal and post at Cypress Springs Park;
3. repair and paint the Cypress Springs Park pavilion for an estimated cost of \$4,600;
4. repair trim on the Cypress Springs Park pavilion for an estimated cost of \$250;
5. repair the lighting at Cypress Springs Park for an estimated cost of \$4,790; and
6. replace the electric service C-Channel at Windhaven Park for an estimated cost of \$3,278.

Mr. Wailes reported that the name of MSA has been changed to Guideline Management Services, Inc. ("GMS"). Ms. Milbauer reviewed an Assignment and Assumption of MSA's Service Agreement with the District to GMS.

Following review and discussion, Director Molina moved to (1) approve the park and landscape management report, including the improvements proposed; and (2) approve an Assignment and Assumption of MSA's Service Agreement to Guideline Management Services, Inc. Director Barr seconded the motion, which passed unanimously.

KGA/DEFOREST DESIGN, LLC REPORT

Mr. Gard reviewed a report from KGA, a copy of which is attached to these minutes.

Mr. Gard stated that bids were received for construction of Mason Woods Phase 4 Landscape Improvements and recommended that the Board award the contract to Strickscapes, Inc. ("Strickscapes") in the amount of \$1,016,915.46. The Board concurred that, in its judgment, Strickscapes 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. Gard also discussed the construction of Bridge Creek Westgreen Phase II Landscape Improvements and recommended that the Board approve Pay Application No. 4 in the amount of \$8,892, payable to Triple E.

Mr. Gard also discussed the construction of Bridge Creek, Section 11 Landscape Improvements and recommended that the Board approve Pay Application No. 1 in the amount of \$63,300.95 and Pay Application No. 2 in the amount of \$42,177.20, both payable to Strickscapes. He also presented Change Order No. 1 adding \$16,144.04 to the contract total for an expansion of the swing set and Change Order No. 2 adding \$1,022.83 to replace a settled ramp. The Board determined that the change orders presented are beneficial to the District.

Mr. Gard also discussed the construction of Bridge Creek, Section 12 Landscape Improvements and recommended that the Board approve Pay Application No. 5 in the amount of \$6,228, payable to Triple E and Change Order No. 4 adding \$3,420 to the contract total for plant replacement from a freeze. The Board determined that the change order presented is beneficial to the District.

Mr. Gard also discussed the construction of Bridge Creek, Section 13 Landscape Improvements and recommended that the Board approve Pay Application No. 6 in the amount of \$5,740.20, payable to Triple E and Change Order No. 5 adding \$2,108 to the contract total for plant replacement from a freeze. The Board determined that the change order presented is beneficial to the District.

Mr. Gard requested authorization to advertise for bids for construction of the following:

1. Bridge Creek Landscape Improvements; and
2. Bridge Creek Fencing & Monument Improvements.

After review and discussion, Director Molina moved to (1) accept the landscape architect report from KGA; (2) based upon the recommendation of KGA, approve the pay estimates presented above; (3) based upon the recommendation of KGA and finding that the change orders presented are beneficial to the District, approve the change orders presented above; (4) authorize KGA to advertise for bids for construction for projects requested above; and (5) award the contract for construction of Mason Woods Phase 4 Landscape Improvements to Stricksapes in the amount of \$1,016,915.46, based upon the KGA's recommendation and receipt of the payment and performance bonds and the certificate(s) of insurance and endorsements, if any, provided by the contractor. Director Barr seconded the motion, which was passed by unanimous vote.

SWA GROUP REPORT

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

1. Avalon at Cypress West, Avalon Landing Lane Phase 2 Landscape; Pay Estimate No. 11 in the amount of \$8,313.50, payable to Earth First Landscape; and
2. Avalon at Cypress West, Entry Channel Landscape; Pay Estimate No. 11 in the amount of \$59,501.73, payable to Earth First Landscape.

Following review and discussion, Director Molina moved to (1) approve SWA's report; and (2) approve the pay estimates presented, based upon the recommendation of SWA. Director Barr seconded the motion, which passed unanimously.

ENGINEERING MATTERS

Mr. Mullaly reviewed an engineering report, a copy of which is attached, and requested authorization to advertise for bids for construction of water, sewer, drainage and paving for Grand Mason, Section 9.

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

1. Grand Mason, Section 7 paving; Pay Estimate No. 2 in the amount of \$518,366.88, payable to Harris Construction; and Change Order No. 1 adding \$18,648 to the contract total for additional roadway excavation and fill due to site conditions;
2. Grand Mason, Section 7 water, sewer, and drainage; Pay Estimate No. 3 in the amount of \$29,083.50, payable to Gonzalez Construction;
3. Lift Station No. 19; Pay Estimate No. 1 in the amount of \$136,495.80, payable to Gael, Inc.;
4. Grand Mason, Section 8 water, sewer, and drainage; Pay Estimate No. 5 in the amount of \$3,285, payable to Gonzalez Construction;
5. Grand Mason, Section 8 paving; Pay Estimate No. 4 in the amount of \$44,995.03, payable to Gonzalez Construction;
6. Northwest Corner of West and Mason Road; Pay Estimate No. 2 in the amount of \$338,625.65, payable to Precise Services;
7. Emergency Generator at Lift Station No. 13; Pay Estimate No. 2 in the amount of \$221,145, payable to McDonald Municipal;
8. West Road Deep Sanitary Sewer Lines to serve future Defined Area No. 3; Pay Estimate No. 6 in the amount of \$59,059.15, payable to Blazey Construction;
9. Westgreen Boulevard Pedestrian Crossing; Change Order No. 1 adding \$14,152 to the District's contract with A Group Construction for changes required for American Disabilities Act ("ADA") requirements; and
10. Bridge Creek Section 10 paving; Change Order No. 1 adding \$25,947 to the District's contract with Gonzalez Construction for addition right of way and lot excavation and disposal.

Following review and discussion, Director Molina moved to (1) approve the engineering report; (2) based upon the recommendation of Quiddity, BGE and DAC, approve pay estimates listed above; (3) based upon the recommendation of Quiddity, BGE and DAC, and finding that the change orders are beneficial to the District, approve the change orders listed above; and (4) authorize BGE to advertise for bids for construction of water, sewer and drainage to serve Grand Mason, Section 9. Director Barr seconded the motion, which was passed by unanimous vote.

CAPITAL IMPROVEMENT PLAN

Mr. Keel updated the Board on development of a Capital Improvement Plan.

DEEDS, EASEMENTS, ENCROACHMENTS AND OTHER RIGHT OF WAY CROSSINGS

The Board next considered accepting easements to extend utilities along Mason Road. Following review and discussion, Director Molina moved to accept the easements. Director Barr seconded the motion, which passed unanimously.

DEVELOPER'S REPORT

Mr. Dalton and Mr. Colunga reported regarding development in the District.

WEST HARRIS COUNTY REGIONAL WATER AUTHORITY

There was no discussion for this agenda item.

EXECUTIVE SESSION

The Board determined that it was not necessary to convene in Executive Session.

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



A stylized, handwritten signature in black ink, consisting of several loops and a long horizontal stroke at the end.

Secretary, Board of Directors

LIST OF ATTACHMENTS TO MINUTES

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