

MINUTES  
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 165

July 3, 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 3<sup>rd</sup> day of July 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 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"); Jeffery Knapick of SentiForce; Blake Dalton and David Colunga of Taylor Morrison of Texas, Inc. ("Taylor Morrison"); Sergeant Mike Flores of Harris County Constable's Office Precinct 5 ("Precinct 5"); Wes Alvey and Rudy Lopez of H2O Consulting, Inc. ("H2O"); David Beyer of Storm Water Solutions, LLC ("SWS"); Robert Oliver of SWA Group ("SWA"); Josh Wailes of Mike Stone Associates, Inc. ("MSA"); Christie Leighton of Best Trash, LLC; Jessica Holoubek and Patrick Coleman 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 June 5, 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 pricing information for a proposed 3-year contract extension. Following review and discussion, Director Molina moved to approve the contract extension and authorize execution of the contract extension agreement. Director Barr seconded the motion, which passed unanimously.

## SECURITY REPORT

Sergeant Flores discussed security matters in the District.

Mr. Knapick presented a proposal for surveillance equipment and recommended installation locations. The Board concurred to defer action until the next Board of Directors meeting.

## UNLIMITED TAX ROAD BONDS FOR DEFINED AREA NO. 1

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 notes and bond issues. Discussion ensued regarding surplus bond funds. 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.

## BOOKKEEPING SERVICES AGREEMENT

There was no discussion on this agenda item.

## ASSOCIATION OF WATER BOARD DIRECTORS ("AWBD") SUMMER CONFERENCE, REIMBURSEMENT OF ELIGIBLE EXPENSES, AND ATTENDANCE AT WINTER CONFERENCE

The Board discussed the AWBD summer conference and considered authorizing attendance at the winter conference. After discussion, Director Molina moved to approve reimbursement of all eligible expenses for Directors who attended the summer conference, which the District's bookkeeper confirmed are in compliance with the District's Travel Reimbursement Guidelines, and to authorize attendance of any

interested Directors at the winter conference. Director Barr seconded the motion, which carried 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.

Ms. Holoubek discussed the "truth-in-taxation" property tax calculations and tax levy process for water districts and stated that Chapter 49 of the Texas Water Code establishes three main categories for water districts, based on a district's development status and/or tax rate. She reviewed the definitions for each of the three categories and said the Board must annually determine the District's category for that tax year and follow the associated notice and levy provisions in the Texas Water Code.

Discussion ensued regarding the District's development status. After fully considering relevant data, information, and statutory definitions, the Board determined that the District is a Developing District for the 2025 tax year.

Following review and discussion, Director Molina moved to adopt a Resolution Regarding Development Status for 2025 Tax Year establishing the District as a Developing district for the 2025 tax year, pursuant to Section 49.23603, Texas Water Code, and direct that the Resolution be filed appropriately and retained in the District's official records. Director Barr seconded the motion, which passed unanimously.

The Board considered nominating a candidate for the Harris Central Appraisal District Board of Directors election. Following discussion, the District took no action on nominating a candidate.

#### OPERATION OF DISTRICT FACILITIES

Mr. Alvey reported that 106 new residential taps were installed during the month of June, 2025, and recommended that the Board authorize repair of the lift pump at Lift Station No. 8 for an estimated cost of \$11,749. Discussion ensued regarding repair

of the lift pump at Lift Station No. 2.

Mr. Hoffman reviewed customer appeals.

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 repair of the lift pump at Lift Station No. 8, as recommended by H2O; (3) authorize repair of the lift pump at Lift Station No. 2 for an amount not to exceed \$14,000; (4) approve the customer appeals presented; 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. Following review and discussion, Director Nilsson moved to approve the Storm Water Management Program report. 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 requested Board approval to fabricate and install detention rules signs for an estimated cost of \$16,469.70.

Following review and discussion, Director Nilsson moved to approve the park and landscape management report, including the improvements proposed. Director Green 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 also discussed the construction of Bridge Creek, Section 11, Landscape Improvements and recommended that the Board approve Pay Application No. 3 in the amount of \$42,803.21, payable to Stricksapes.

Mr. Gard also discussed the construction of Bridge Creek, Section 12, Landscape Improvements and recommended that the Board approve Change Order No. 5 deducting \$2,000 from the District's contract with Triple E.

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; and (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. 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. 12 in the amount of \$41,112.73, payable to Earth First Landscape; and
2. Avalon at Cypress, Sections 7 and 8 Landscape Improvements; Pay Estimate No. 9 in the amount of \$5,130, payable to Earthcare Management, Inc.

Mr. Oliver reviewed bids received for construction of the Avalon at Cypress West Recreation Center and recommended that the Board award a contract to DL Meacham in the amount of \$2,086,640.

Following review and discussion, Director Molina moved to (1) approve SWA's report; (2) approve the pay estimates presented, based upon the recommendation of SWA; and (3) award the contract for construction of the Avalon at Cypress West Recreation Center to DL Meacham in the amount of \$2,086,640, based upon the SWA'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 Nilsson seconded the motion, which passed unanimously.

#### ENGINEERING MATTERS

Mr. Mullaly reviewed an engineering report, a copy of which is attached, and bids for the District's sanitary sewer overflow initiative ("SSOI") for 2025 and

recommended awarding a contract to AIMS Companies in the amount of \$50,304 for cleaning and televising in various sections in the District.

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. 3 in the amount of \$35,155.46, payable to Harris Construction;
2. Grand Mason Detention Phase 3; Pay Estimate No. 9 in the amount of \$199,987.54 and Pay Estimate No. 10 in the amount of \$247,428, both payable to DNT Construction;
3. Lift Station No. 19; Pay Estimate No. 2 in the amount of \$69,795, payable to Gael, Inc.;
4. Grand Mason, Section 8 water, sewer, and drainage; Pay Estimate No. 6 in the amount of \$8,703.57 and Pay Estimate No. 7 and Final in the amount of \$189,668.42, payable to Gonzalez Construction;
5. Grand Mason, Section 8 paving; Pay Estimate No. 5 in the amount of \$106,367.44, payable to Gonzalez Construction;
6. Northwest Corner of West and Mason Road; Pay Estimate No. 3 in the amount of \$188,702.31, payable to Precise Services; Change Order No. 2 adding \$33,410 to the contract total for sanitary and storm sewer tie ins at Mason Road and storm adjustments at West road; and Change Order No. 3 adding \$22,050 to the contract total for required alternate items;
7. Water Treatment Plant No. 6 Second Waterline Connection; Pay Estimate No. 3 and Final in the amount of \$31,622.50, payable to GM Vera Construction;
8. Amhurst Water Line Replacement; Pay Estimate No. 6 in the amount of \$269,460, payable to Underground Construction Solutions;
9. Westgreen Boulevard Pedestrian Crossing; Pay Estimate No. 2 in the amount of \$5,400 and Pay Estimate No. 3 in the amount of \$22,839.30, both payable to A Group Construction;
10. Bridge Creek, Section 10 water, sewer, and drainage; Pay Estimate no. 3 in the amount of \$34,043.67, payable to Gonzalez Construction; Change Order No. 2 adding \$1,925 to the contract total for removing and converting the inlet top to the manhole top;
11. Bridge Creek Section 10 paving; Pay Estimate No. 1 in the amount of \$390,840.52, payable to Harris Construction;
12. Avalon at Cypress West Mason Road North Paving; Pay Estimate No. 5 in the amount of \$15,521.50, payable to Unitas Construction;
13. Avalon at Cypress, Section 10 paving; Pay Estimate No. 4 in the amount of \$5,890, payable to Unitas Construction;
14. Avalon at Cypress West Avalon Landing Land Dedication paving; Pay Estimate No. 1 in the amount of \$237,526.70, payable to Unitas Construction;

15. Avalon at Cypress West Section 4 water, sewer, and drainage; Pay Estimate No. 1 in the amount of \$613,822.50, payable to Texasite, LLC; and
16. Avalon at Cypress West, Section 4 paving; Pay Estimate No. 1 in the amount of \$124,182.40, payable to Harris Construction. .

Following review and discussion, Director Molina moved to (1) approve the engineering report; (2) award a contract to AIMS Companies in the amount of \$50,304 for cleaning and televising in various sections in the District; (3) based upon the recommendation of Quiddity, BGE and DAC, approve pay estimates listed above; and (4) 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. 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

There was no discussion on this agenda item.

#### DEVELOPER'S REPORT

There was no discussion on this agenda item.

#### WEST HARRIS COUNTY REGIONAL WATER AUTHORITY

There was no discussion for this agenda item.

#### EXECUTIVE SESSION

At 8:30 p.m., the Board convened in Executive Session pursuant to Section 551.071, Texas Government Code, to conduct a private consultation with the District's attorney to discuss contemplated litigation, or a potential settlement offer.

#### OPEN SESSION AND AUTHORIZE APPROPRIATE ACTION

At 8:45 p.m., the Board reconvened in Open Session.

#### LEGISLATIVE UPDATE

Ms. Holoubek provided an update to the Board on legislative matters.

NEXT MEETING DATE AND AGENDA ITEMS

The Board concurred to meet next on Thursday, August 7, 2025.

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



A handwritten signature in black ink, consisting of several loops and a final horizontal stroke.

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Secretary, Board of Directors



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