

MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 165

February 5, 2026

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 February, 2026, 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 David Keel and Maurice Mullaly of DAC Services, Inc. ("DAC"); Patty Rodriguez of Bob Leared Interests, Inc. ("BLI"); Blake Dalton of Taylor Morrison of Texas, Inc. ("Taylor Morrison"); Chris Hoffman, Donrice Hoffman, and Wes Alvey of H2O Consulting, Inc. ("H2O"); David Beyer and Drew Anderson of Storm Water Solutions, LLC ("SWS"); Robert Oliver of SWA Group ("SWA"); Josh Wailes of Guideline Management Services ("Guideline"); Kelly Gard of KGA/DeForest Design, LLC ("KGA"); Kevin Berry of EEPB Company; Daniel Gillham of Tri Pointe Homes Texas Inc.; Stephen Eustis of Robert W. Baird & Co. Incorporated ("Baird"); Justin Jenkins of McCall Gibson Swedlund Barfoot Ellis PLL ("McCall"); and 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 January 6, 2026, regular meeting minutes. Following review and discussion, Director Green moved to approve the minutes. Director Molina seconded the motion, which passed unanimously.

AUDIT FOR FISCAL YEAR END SEPTEMBER 30, 2025

Mr. Jenkins reviewed a draft audit of the District's financial information for the fiscal year end September 30, 2025, a copy of which is attached to these minutes. Upon a motion made by Director Molina, seconded by Director Barr, the Board voted unanimously to (1) approve the audit and management letter subject to final review and comments; and (2) authorize McCall to file the audit and filing affidavit with the TCEQ.

DEVELOPER REIMBURSEMENT REPORT AND DISBURSEMENT OF SURPLUS FUNDS FROM SERIES 2023 AND 2024 BOND FUNDS

Mr. Jenkins reviewed a draft reimbursement report related to a proposed disbursement of surplus funds from the District's Series 2023 Unlimited Tax Bonds and Series 2024 Unlimited Tax Bonds. Following review and discussion, Director Molina moved to (1) approve the reimbursement report and authorize McCall to finalize the reimbursement report; and (2) authorize distribution of funds to developers included in the reimbursement report, subject to execution of a receipt for funds received. Director Barr seconded the motion, which passed unanimously.

2026 DIRECTORS ELECTION

Ms. Milbauer then reviewed an Order Calling Directors Election.

Ms. Milbauer discussed that Notice of Election may be required to be posted or published and provided to the County Clerk and Voter Registrar of Harris County.

Following review and discussion, Director Molina moved to (1) adopt the Order Calling Directors Election; and (2) authorize the Secretary's agent to post or publish and provide to the County Clerk and Voter Registrar Notice of Election, if required. Director Barr seconded the motion, which passed unanimously.

GARBAGE/RECYCLING COLLECTION

There was no discussion for this agenda item.

SECURITY REPORT

Director Bentson discussed security matters in the District.

FINANCIAL AND BOOKKEEPING MATTERS

Mr. Berry reviewed the bookkeeper's report and a budget to actual comparison of revenues and expenses and variances and the reconciliation of budget comparisons from previous bond anticipation notes 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.

SERIES 2026 UNLIMITED TAX REFUNDING BONDS

Mr. Eustis reviewed the draft Preliminary Official Statement for the District's proposed Series 2026 Refunding Bonds (the "Refunding Bonds").

Ms. Milbauer reviewed a Resolution Authorizing the Issuance of the District's Refunding Bonds.

Ms. Milbauer reviewed the Paying Agent/Registrar Agreement with the Board.

The Board next considered authorizing the Board of Directors to sign all the documents relating to the bond sale and to authorize the attorney and the financial advisor to take all necessary steps to deliver the bonds to the purchaser.

The Board next reviewed a Certificate Regarding Provision of Financial Advice confirming that the Board has relied solely upon the advice of Robert W. Baird & Co. concerning the issuance of the Refunding Bonds and investments of proceeds of the Refunding Bonds.

Mr. Eustis reviewed an underwriter selection sheet and recommended that the Board designate Samco Capital Markets ("Samco") as the underwriter for the proposed refunding bond issue.

Mr. Eustis reviewed an underwriter selection sheet and recommended that the Board designate Samco Capital Markets ("Samco") as the underwriter for the proposed refunding bond issue.

Following review and discussion, Director Molina moved to (1) to approve the Preliminary Official Statement, subject to final revisions; (2) adopt the Resolution Authorizing the Issuance of the District's Series 2026 Refunding Bonds for a maximum par amount not to exceed \$8,500,000; (3) appoint Zions Bancorporation, National Association as the Paying Agent/Registrar Agreement; (4) authorize Director Bentson to act as the District's authorized representative to approve the sale of the refunding bonds, subject to a minimum net present value savings of 5%, and to select the

maturities or series of the District's outstanding bonds to be refunded and to perform any actions needed to effect the sale of the Refunding Bonds, including the execution of the Bond Purchase Agreement and any other necessary documents; (5) approve the Certificate Regarding Provision of Financial Advice; and (6) designate Samco as the underwriter for the proposed bond issue. Director Barr seconded the motion, which passed unanimously.

SERIES 2026 UNLIMITED TAX BONDS

Mr. Eustis distributed and reviewed a draft of the Preliminary Official Statement and the Notice of Sale for the Series 2026 Unlimited Tax Bonds (the "Bonds").

Ms. Milbauer discussed the duties of the paying agent/registrars for the Bonds and noted the financial advisor recommends that the Board appoint Zions Bancorporation, National Association, Houston, Texas ("Zions") as the District's paying agent/registrars for the Bonds.

The Board considered authorizing the District's financial advisor to advertise the sale of the Bonds and concurred to hold the bond sale on March 5, 2026.

Mr. Jenkins requested the Board authorize McCall to prepare the developer reimbursement report for amounts to be reimbursed to the developers from the proceeds of the Bonds.

Following review and discussion, Director Molina made the following motion: (1) to approve the Preliminary Official Statement and Notice of Sale; (2) to appoint Zions as the paying agent/registrars for the Bonds; (3) to authorize the District's financial advisor to advertise the sale of the Bonds; and (4) to authorize the auditor to begin preparation of the developer reimbursement report. 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.

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.

RESOLUTION CONCERNING EXEMPTIONS FROM TAXATION

The Board reviewed a tax rate analysis with the Board, copy of which is attached. Ms. Milbauer then presented and reviewed a Resolution Concerning Exemptions from Taxation reflecting that the Board grants a general residential homestead exemption of 10% (but not less than \$5,000) and grants an exemption of \$20,000 of the appraised value of residence homesteads of individuals who are disabled or are sixty-five years of age or older and resolutions rejecting exemptions within Defined Areas Nos. 1, 2 and 3. Director Molina moved to adopt the Resolution Concerning Exemptions from Taxation and Resolutions Rejecting Exemptions and direct that the resolutions be filed appropriately and retained in the District's official records. Director Barr seconded the motion, which passed unanimously.

RESOLUTION REGARDING DEVELOPMENT STATUS

Ms. Milbauer 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 2026 tax year.

Following review and discussion, Director Molina moved to adopt a Resolution Regarding Development Status for 2026 Tax Year establishing the District as a Developing district for the 2026 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.

OPERATION OF DISTRICT FACILITIES

Mr. Alvey reported that 22 new residential taps were installed during the month of January 2026 and recommended and requested authorization to make the following repair and replacement:

1. Repair of lift pump no. 2 at Lift Station No. 2 for an estimated amount of \$18,868;
2. Repair the mid rail bracket on lift pump no. 2 at Lift Station No. 2 for an estimated amount of \$3,039;
3. Supply and install a new 4" lever and weight check valve with nut/bolt/gasket kit for lift pump no. 1 at Lift Station No. 9 for an estimated

- amount of \$4,300; and
4. Installation of PO4 chemical feed systems at Water Plant Nos. 5 and 6 for an estimated amount of \$42,190.12.

Mr. Alvey next reviewed customer appeals.

Mr. Alvey reviewed delinquent builder backcharges and recommended that the Board authorize H2O to hold all taps for builders on the delinquent list until backcharges are paid in full.

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 the repairs, as recommend and presented; (3) authorize the District operator to withhold builder taps until backcharges billed are paid in full; and (4) approve the customer appeals, as presented, in accordance with the District's Rate Order and policies. Director Nilsson seconded the motion, which passed unanimously.

MAINTENANCE AGREEMENT WITH HOMEOWNER'S ASSOCIATION FOR GRAND MASON DETENTION

Ms. Milbauer reviewed a proposed Maintenance Agreement with Mason Woods Homeowner's Association, Inc. for multiple landscaping reserves in Grand Mason. Following review and discussion, Director Molina moved to approve the agreement. Director Barr seconded the motion, which passed unanimously.

REPORT FROM STORM WATER SOLUTIONS

Mr. Anderson reviewed a Storm Water Management Program report, a copy of which is attached, provided an update regarding the District's asset management plan and permitting of District facilities and reviewed the following proposals:

1. Amended maintenance schedule adding Grand Mason Phase 3 Basin F, Grand Mason Phase 3 Basin E, Marvida Section 11 Reserve D, and Marvida Section 30 Reserve A to the District's routine maintenance schedule;
2. Proposal in the amount of \$1,500 to dye test a sinkhole in Water Plant No. 3;
3. Proposal for north portion of Longenbaugh Channel rehabilitation work for an estimated amount of \$40,124; and

4. Proposal for southern portion of Longenbaugh Channel rehabilitation for an estimated amount of \$73,982.98.

Following review and discussion, Director Molina moved to (1) approve the Storm Water Management Program report; and (2) approve the proposals plus additional maintenance work as discussed and presented. 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 improvements:

1. Replacement of a broken light fixture in Amhurst Park for an estimated amount of \$4,830; and
2. Proposal for drainage improvements in Remington Grove for an estimated amount of \$19,489.20.

Following review and discussion, Director Molina moved to approve the park and landscape management report and approve the proposal for drainage improvements in Remington Grove for an estimated amount of \$19,489.20. 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 reported the status of construction of Bridge Creek Section 12 Landscape Improvements and recommended that the Board approve Pay Application No. 2 in the amount of \$3,481.20, payable to Triple E and Change Order No. 1 adding 7 days to the contract with no net change to the contract total. The Board determined that the change order is beneficial to the District.

Mr. Gard reported the status of construction of Bridge Creek Section 13 Landscape Improvements and recommended that the Board approve Pay Application No. 2 in the amount of \$131,261.93, payable to Triple E and Change Order No. 1 adding 6 days to the contract with no net change to the contract total. The Board determined that the change order is beneficial to the District.

After review and discussion, Director Molina moved to (1) accept the landscape architect report from KGA; (2) upon the recommendation of KGA, approve the pay estimates above; and (3) upon finding that the proposed change orders are beneficial to

the District, approve the change orders 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, and requested authorization to advertise for bids for construction of Avalon at Cypress West, Section 3 Landscape Improvements.

Mr. Oliver reported the status of construction of landscaping improvements to serve Avalon at Cypress, Sections 10 and 12 and recommended that the Board approve Pay Estimate No. 3 in the amount of \$158,311.47, payable to Houston Landscapes Unlimited.

Following review and discussion, Director Molina moved to (1) approve SWA's report; and (2) approve the pay estimate 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.

Mr. Mullaly requested authorization to conduct an overall traffic study for the corner of West Road and Mason Road.

Mr. Mullaly next requested authorization to advertise for construction of the public storm sewer in Grand Mason and water, sewer, and drainage to serve Bridge Creek Village Section 2.

Mr. Mullaly reviewed bids for the following projects and made the following recommendations for award:

1. water, sewer, drainage and paving to serve Grand Mason, Section 11: award to the lowest and most qualified bidder, Subterra Services Enterprises, in the amount of \$1,155,000;
2. water, sewer, drainage and paving to serve Grand Mason, Section 12: award to the lowest and most qualified bidder, Bay Paving, in the amount of \$905,881.60; and
3. drainage and paving to serve Grand Mason West Road Street Dedication: award to the lowest and most qualified bidder, MH2 Construction, in the amount of \$738,000;

The Board concurred that, in its judgment, that the contractors listed above are responsible bidders who would be most advantageous to the District and would result in the best and most economical completion of the projects discussed above.

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

1. Avalon at Cypress West Section 3 paving: Pay Estimate No. 5 and Final in the amount of \$70,657 payable to Beyer Construction;
2. Avalon at Cypress West Section 3 water, sewer, and drainage: Pay Estimate No. 3 and Final in the amount of \$79,704, payable to Texasite, LLC;
3. Avalon at Cypress Meadows Crossing Paving; Pay Estimate No. 1 in the amount of \$183,730.32, payable to Beyer Construction;
4. Bridge Creek Village Section 1, water, sewer, drainage, and paving: Pay Estimate No. 3 in the amount of \$299,155.05, payable to Texas KB Utilities;
5. Grand Mason Detention Phase 4; Pay Estimate No. 7 in the amount of \$1,517,119.41, payable to Lonnie Lischka Company;
6. Grand Mason Section 10, water, sewer, drainage, and paving: Pay Estimate No. 3 in the amount of \$802,776.19, payable to Allgood Construction Company;
7. Lift Station No. 19: Pay Estimate No. 9 in the amount of \$113,646.53 payable to Gael, Inc.;
8. Sanitary & Waterlines along Mason Road: Pay Estimate No. 3 in the amount of \$92,735.57, payable to Blazey Construction;
9. Amhurst Water Line Replacement: Pay Estimate No. 13 in the amount of \$104,625, payable to Underground Construction Solutions;
10. Wastewater Treatment Plant 2, Phase II: Pay Estimate No. 1 in the amount of \$330,749.35, payable to RP Constructors; and
11. Stream and Wetlands Restoration Langham Creek Channel - Plantings: Pay Estimate No. 3 in the amount of \$145,901.31, payable to RES.

Following review and discussion, Director Molina moved to (1) approve the engineering report; (2) authorize advertisement for construction of the public storm sewer in Grand Mason and water, sewer and drainage to serve Bridge Creek Village Section 2; (3) award contracts as recommended above, based upon the recommendation of Quiddity, BGE and DAC; (4) based upon the recommendation of Quiddity, BGE and DAC, approve pay estimates listed above; and (5) authorize an overall traffic study for the corner of West Road and Mason Road. Director Barr seconded the motion, which passed unanimously.

UPDATE ON BOND APPLICATION AND USE OF SURPLUS FUNDS

There was no discussion for this agenda item.

CAPITAL IMPROVEMENT PLAN

There was no discussion for this agenda item.

DEEDS, EASEMENTS, ENCROACHMENTS AND OTHER RIGHT OF WAY CROSSINGS

There was no discussion for this agenda item.

DEVELOPER'S REPORT

Mr. Dalton and Mr. Gillham regarding development in the District.

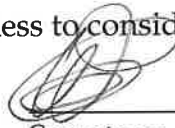
WEST HARRIS COUNTY REGIONAL WATER AUTHORITY

There was no discussion for this agenda item.

NEXT MEETING DATE AND AGENDA ITEMS

The Board concurred to meet next on Thursday, March 5, 2026.

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



Secretary, Board of Directors



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