MINUTES
HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 165

August 6, 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 6th day of August, 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 John Rocha, District resident; Sergeant Irving Gonzalez of Harris County Constable's Office Precinct 5 ("Precinct 5"); Maurice Mullaly of DAC Services, Inc. ("DAC"); Patty Rodriguez of Bob Leared Interests, Inc. ("BLI"); Chris Hoffman and Wes Alvey of H2O Consulting, Inc. ("H2O"); David Beyer, Patrick Elliott and Drew Anderson of Storm Water Solutions, LLC ("SWS"); Robert Oliver of SWA Group ("SWA"); Kelly Gard of KGA/DeForest Design, LLC ("KGA"); Josh Wailes of Guideline Management Services ("Guideline"); Kevin Berry of EEPB Company; and Jessica Holoubek 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.

Mr. Rocha lives introduced himself to the Board.

There being no other 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 July 2, 2026, regular meeting minutes. Following review and discussion, Director Molina moved to approve the minutes. Director Barr seconded the motion, which passed unanimously.

GARBAGE/RECYCLING COLLECTION

There was no discussion about this agenda item.

SECURITY

Sergeant Gonzalez discussed patrol calls and security 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.

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.

Ms. Rodriguez reviewed taxpayer appeals requesting waiver of penalty and interest and an extended tax payment plan.

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 and authorize payment of the bills; (2) deny all appeals for waiver of penalty and interest presented; and (3) authorize a 36-month tax payment plan. Director Barr seconded the motion, which passed unanimously.

OPERATION OF DISTRICT FACILITIES

Mr. Alvey reported that 47 new residential taps and 1 commercial tap were installed during the month of July 2026.

Mr. Hoffman discussed an effluent violation on July 8, 2026, at Wastewater Treatment Plant No. 1.

Mr. Alvey discussed maintenance of the following facilities and reviewed quotes and made the following recommendations for repairs and replacements:

1. Repair a coolant leak in the generator at Wastewater Treatment Plant No. 1 for the amount of $7,006.83;
2. Repair digester blower no. 2 at Wastewater Treatment Plant No. 2 for the amount of $25,360;
3. Repair the volume frequency drive in booster pump no. 3 at Water Plant No. 5 for the amount of $17,000;
4. Replace check valves on booster pump no. 2 at Water Plant No. 6 for the amount of $20,210;
5. Replace the HVAC unit air compressor at Water Plant No. 4 for the amount of $4,950; and
6. Replace the surge logic arrestor at Lift Station No. 16 for the amount of $6,725.

Mr. Alvey said that the Texas State Comptroller requires proof of registration in order to continue receiving dyed diesel at District facilities for bulk storage of diesel for on-site power generation. He requested that the Board execute the required registration form.

Mr. Alvey next reviewed customer appeals.

Mr. Alvey 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 maintenance work recommended above; (3) approve the customer appeals, as presented, in accordance with the District's Rate Order and policies; (4) authorize execution of the Texas Dyed Diesel Fuel End User Registration form; and (5) 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 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, and provided an update regarding the District's asset management plan and permitting of District facilities.

Mr. Elliott reviewed a proposal in the amount of $13,000 for permitting the District's storm water pollution prevention plan for the 2026-2031 permit term.

Following review and discussion, Director Molina moved to (1) approve the Storm Water Management Program report; and (2) approve the proposal 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. Following review and discussion, Director Molina moved to approve the park and landscape management report and refreshment of the fall surface material in all parks, as discussed. Director Barr seconded the motion, which passed unanimously.

KGA/DEFOREST DESIGN, LLC REPORT

The Board reviewed a report from KGA, a copy of which is attached to these minutes, and considered approval of Pay Estimate No. 7 in the amount of $11,854.66, Pay Estimate No. 8 in the amount of $6,439.66 and Pay Estimate No. 9 and Final in the amount of $107,997.14, all payable to StrickScapes.

After review and discussion, Director Molina moved to (1) accept the landscape architect report from KGA; and (2) upon the recommendation of KGA, approval the pay estimates listed 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.

Mr. Oliver reported the status of construction of the Avalon at Cypress West – Recreation Center and recommended that the Board approve Pay Estimate No. 9 in the amount of $82,339.65, payable to D.L. Meacham.

Mr. Oliver reported the status of construction of landscaping improvements to serve Avalon at Cypress West, Section 4 Landscape and recommended that the Board approve Pay Estimate No. 5 in the amount of $106,056.70, payable to Triple E. Landscapes.

Mr. Oliver reported the status of construction of landscaping improvements to serve Avalon at Cypress West, Section 3 Landscape and recommended that the Board approve Pay Estimate No. 3 in the amount of $14,982.43, payable to Earthcare Management.

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 Bridge Creek Village, Section 2 water, sewer and drainage.

Ms. Holoubek discussed a proposal from BGE in the amount of $20,000 to prepare a Series 2026 Road Bond application.

Mr. Mullaly reviewed bids for construction of Avalon at Cypress West Lift Station No. 20 and recommended that the Board award the contract to the lowest and most qualified bidder, Principal Plant Services, in the amount of $1,267,897.54. The Board concurred that, in its judgment, Principal Plant Services is a responsible bidder 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 reviewed bids for construction of Avalon at Cypress West Avalon Highlands Drive Street Dedication Paving and recommended that the Board award the contract to the lowest and most qualified bidder, Durwood Green Construction, in the amount of $758,231. The Board concurred that, in its judgment, Durwood Green Construction is a responsible bidder 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 reviewed bids for construction of Water Plant No. 7 and recommended that the Board award the contract to the lowest and most qualified bidder, Long & Sons, Inc., in the amount of $9,671,275. Discussion ensued regarding funding for construction proposed. Following discussion, the Board concurred to defer action.

Mr. Mulally next requested authorization to install a temporary auto flusher at the end of the proposed 8" waterline along the northern side of Longhaul Harvest Way and Newham Peak Lane.

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, Section 14 paving; Pay Estimate No. 1 in the amount of $120,554, payable to Hurtado Construction;
2. Bridge Creek, Section 11 paving; Pay Estimate No. 2 and Final in the amount of $98,877, payable to Hurtado Construction Company; Change Order No. 2 adding $15,000 to the contract total for final quantity adjustments; Certificate of Substantial Completion;
3. Bridge Creek Village, Section 1 water, sewer, drainage and paving; Pay Estimate No. 6 in the amount of $455,804 and Pay Estimate No. 7 in the amount of $63,957, both payable to Texas KB Utilities;
4. Marvida Street Acceptance – Westgreen Blvd. Section 6; Pay Estimate No. 3 in the amount of $9,566, payable to Allgood Construction Co., Inc.;
5. Lift Station No. 18; Pay Estimate No. 6 in the amount of $60,840, payable to M7 Land Development;
6. Lift Station No. 19; Pay Estimate No. 12 in the amount of $11,025, payable to Gael, Inc.;
7. Wastewater Treatment Plant No. 2, Phase II; Pay Estimate No. 7 in the amount of $399,518.33, payable to RP Constructors;
8. Water Treatment Plant No. 2 Additional Ground Storage Tank and Hydro-tank; Pay Estimate No. 4 in the amount of $41,850 and Pay Estimate No. 5 in the amount of $102,971, both payable to Long & Son;
9. Grand Mason, Section 11 paving; Pay Estimate No. 2 in the amount of $563,144, payable to Subterra Services;
10. Grand Mason, Section 12 paving; Pay Estimate No. 1 in the amount of $141,014, payable to Bay Paving;
11. Grand Mason, Mason Road Street Dedication, Section 5 water, sewer, drainage and paving; Change Order No. 1 adding $196,207 to the District's contract with Unitas Construction to add a dual left turn lane at West Road and hooded left into future development at the request of Harris County;
12. Grand Mason West Road Street Dedication., Section 1 drainage and paving; Pay Estimate No. 2 in the amount of $16,253, payable to MH2 Construction Services;
13. Traffic Signal Mason Road at West Road; Pay Estimate No. 1 in the amount of $92,601 and Pay Estimate No. 2 in the amount of $5,443, both payable to Third Coast Services; and
14. Avalon at Cypress Meadows Crossing paving; Pay Estimate No. 2 in the amount of $388,312, payable to Beyer Construction.

Following review and discussion, Director Molina moved to (1) approve the engineering report; (2) authorize advertisement for bids for construction of Bridge Creek Village, Section 2 water, sewer and drainage; (3) approve a proposal from BGE in the amount of $20,000 to prepare a Series 2026 Road Bond application; (4) award contracts as recommended above, based upon the recommendation of Quiddity, BGE and DAC, with the exception of Water Plant No. 7; (5) authorize installation of a temporary auto flusher at the end of the proposed 8" waterline along the northern side of Longhaul Harvest Way and Newham Peak Lane; (6) based upon the recommendation of Quiddity, BGE and DAC, approve pay estimates listed above; and (7) 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 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

The Board considered approving a Special Warranty Deed for multiple recreational reserves in Avalon at Cypress West.

The Board next considered updating Exhibit A to the District's Maintenance Agreement with the Avalon at Cypress Community Association adding Avalon at Cypress Reserves East and West.

Following review and discussion, Director Molina moved to (1) accept the deed listed above; and (2) amend Exhibit A to the District's Maintenance Agreement with the Avalon at Cypress Community Association adding Avalon at Cypress Reserves East and West. Director Barr seconded the motion, which passed unanimously.

Ms. Holoubek discussed a request from the developer of the Costco tract to make the District's storm sewer easement subordinate to Costco's water line easements. Following discussion, the Board concurred that the District will not subordinate, as requested, and will require a consent to encroachment to require Costco to fix the District's storm sewer if Costco needs to repair the waterlines.

DEVELOPER'S REPORT

There was no discussion for this agenda item.

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, September 3, 2026.

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

Secretary, Board of Directors

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 165
HARRIS COUNTY, TEXAS

LIST OF ATTACHMENTS TO MINUTES