

MINUTES
FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 165

April 11, 2024

The Board of Directors (the "Board") of Fort Bend County Municipal Utility District No. 165 (the "District") met in regular session, open to the public, on the 11th day of April, 2024, at the offices of Municipal District Services, LLC, 406 W. Grand Parkway S., Suite 260, Katy, Texas, outside the boundaries of the District, and the roll was called of the members of the Board:

Avery Bidmead	President
Christine Oliver	Vice President
Ed Escobar	Secretary
William "Mac" McKinnie	Assistant Vice President
Gregory Henry	Assistant Secretary

and all of the above were present except Director McKinnie, thus constituting a quorum.

Also attending the meeting were Lieutenant Cory Hansen of Fort Bend County Precinct 4 ("Precinct 4"); Brenda Garcia of Municipal Accounts & Consulting, L.P.; Shammarie Leon of Bob Leared Interests, Inc.; Joseph Hopper of Storm Water Solutions, LLC; Austin Muse of Municipal District Services ("MDS"); Justin Waggoner of Touchstone District Services, LLC; Lyndsay Evans of Quiddity Engineering, LLC ("Quiddity"); Stephanie Lee of KGA/DeForest Design, LLC; Josh Wailes of Mike Stone Associates, Inc. ("MSA"); and Whitney Higgins and Caroline Jones of Allen Boone Humphries Robinson LLP.

PUBLIC COMMENT

Director Bidmead offered any members of the public attending the meeting the opportunity to make public comment.

Ms. Jones reviewed correspondence from a member of the public regarding a safety camera. The Board concurred that the District does not own safety cameras.

Director Bidmead then moved to the next agenda item.

MINUTES

The Board considered approving the minutes of the March 14, 2024, regular meeting. Following review and discussion, Director Oliver made a motion to approve the minutes of the March 14, 2024, regular meeting, as written. Director Escobar seconded the motion, which passed unanimously.

GARBAGE AND RECYCLING COLLECTION

There was no discussion regarding this agenda item.

FINANCIAL AND BOOKKEEPING MATTERS

Ms. Garcia distributed and reviewed the bookkeeper's report, budget comparisons, bills presented for payment, and the investment report from the reporting period for approval. A copy of the bookkeeper's report and the investment report are attached to the minutes. Following review and discussion, Director Escobar made a motion to (1) approve the bookkeeper's report and investment report; and (2) pay the District's bills as submitted. Director Oliver seconded the motion, which passed unanimously.

TAX ASSESSMENT AND COLLECTIONS MATTERS

Ms. Leon distributed and reviewed the tax report, including a list of delinquent accounts, a copy of which is attached. She stated 97.819% of the District's 2023 taxes were collected as of the meeting date. Following review and discussion, Director Escobar made a motion to (1) approve the tax assessor/collector's report; and (2) pay the bills presented for payment from the tax account. Director Oliver seconded the motion, which passed unanimously.

DRAINAGE FACILITIES REPORT

Mr. Hopper presented and reviewed a drainage facilities report, a copy of which is attached. Mr. Hopper updated the Board regarding the replacement of crossbars on four culverts in the drainage channel. Mr. Hopper reported on the undermining of a concrete apron at the drainage channel and stated that he will bring a proposal to repair the area to the May Board meeting. Following review and discussion, Director Oliver made a motion to approve the drainage facilities report. Director Escobar seconded the motion, which passed unanimously.

OPERATION OF DISTRICT FACILITIES

Mr. Muse presented and reviewed the operator's report and the storm water management report, a copy of which is attached, and updated the Board on repairs and maintenance in the District for the month of February.

Mr. Muse stated that the installation of smart meters is 90% complete.

Mr. Muse requested the Board's authorization to send five accounts to collections in the amount of \$2,222.87.

CONDUCT ANNUAL REVIEW AND RECEIVE REPORT FROM OPERATOR ON IDENTITY THEFT PREVENTION PROGRAM AND ADOPT IDENTITY THEFT PREVENTION PROGRAM AMENDMENT

Mr. Muse presented and reviewed the annual report on the District's Identity Theft Prevention Program, a copy of which is included in the operator's report. Mr. Muse stated that the annual report indicates no significant incidents of identity theft detection and recommended no changes to the program at this time.

CONSUMER CONFIDENCE REPORT

This matter was deferred until the May Board meeting.

MDS CONTRACT AMENDMENT

This matter was deferred until the May Board meeting.

HEARING ON TERMINATION OF WATER SERVICE

Mr. Muse presented to the Board a list of delinquent customers and reported the residents on the termination list were delinquent in payment of their water and sewer bills 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.

After review and discussion, Director Oliver moved to (1) approve the operator's report; (2) authorize MDS to send five accounts to collections in the amount of \$2,222.87; and (3) 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 Escobar seconded the motion, which passed unanimously.

WEBSITE MATTERS

Mr. Waggoner presented and reviewed the Communications Report, a copy of which is attached. Following review and discussion, Director Escobar moved to approve the Communications Report. Director Oliver seconded the motion, which passed unanimously.

NORTH FORT BEND REGIONAL WATER AUTHORITY (“NFBWA”) MATTERS

WATER PROVIDER CONSERVATION PROGRAM

Mr. Muse had no updates regarding this agenda matter.

WATER CONSERVATION PLAN

Mr. Muse stated that the Texas Commission on Environmental Quality (“TCEQ”) rules require that the District review and adopt an Amended and Restated Water Conservation Plan prior to May 1, 2024. Mr. Muse reviewed an Amended and Restated Water Conservation Plan with the Board. After review and discussion, Director Oliver moved to adopt an Order Adopting Amended and Restated Water Conservation Plan, subject to final review, and direct that the Order be filed appropriately and retained in the District’s official records. Director Escobar seconded the motion, which passed by unanimous vote.

APPROVE WATER CONSERVATION PLAN ANNUAL REPORT AND IMPLEMENTATION REPORT ON THE WATER CONSERVATION PLAN

The District’s operator reviewed the Water Conservation Plan annual report and 5-year implementation report on the Water Conservation Plan with the Board. After review and discussion, Director Oliver moved to approve the annual report and 5-year implementation report on the Water Conservation Plan, direct that the reports be filed appropriately and retained in the District’s official records, and authorize the District Operator to submit the reports to the appropriate government agencies. Director Escobar seconded the motion, which passed by unanimous vote.

ENGINEERING MATTERS

Ms. Evans distributed and reviewed the District’s engineering report and discussed engineering matters in the District as more fully described in the report, a copy of which is attached.

Ms. Evans stated that Grand Mission Municipal Utility District No. 1 (“GMM1”) held a pre-construction meeting with W.W. Payton Corporation (“Payton”), the contractor for the Corrosion Control Treatment System, on April 1, 2024. She added that Payton plans to provide submittals to Quiddity for review within the next month.

Ms. Evans updated the Board regarding the TCEQ’s Supply Capacity Violation and stated that GMM1 submitted a temporary Alternative Capacity Request (“ACR”) to the TCEQ on March 15, 2024. Ms. Evans reported that if the ACR is approved by the TCEQ, the system will have sufficient capacity to meet current water demands. Ms. Evans stated that GMM1 continues to pursue options for additional capacity with

adjacent districts and that GMM1's attorney will begin preparing agreements to lease capacity from those districts.

Ms. Evans stated that GMM1 began the design phase of the proposed Water Well No. 3 at Water Plant No. 3.

Ms. Evans stated that the draft report has been submitted to consultants for review for Proposed Bond Application Report No. 10.

DEEDS, EASEMENTS, AND PLATS

There was no discussion regarding this agenda matter.

MS4 STORM WATER MANAGEMENT PLAN

Ms. Evans stated that the Year 5 Annual Report was submitted to TCEQ on March 27, 2024. She added that the 2024 MS4 Training Presentation has been tentatively scheduled for Tuesday, June 18, 2024, at 10 a.m.

Following review and discussion, Director Escobar moved to approve the engineer's report. Director Oliver seconded the motion, which passed unanimously.

PARK AND RECREATIONAL MATTERS

Ms. Lee presented and reviewed a report regarding recreational development projects in the District, a copy of which is attached.

Ms. Lee updated the Board regarding construction of the Amenity Improvements project and reviewed and recommended approval of Pay Estimate No. 7 in the amount of \$79,821.62, payable to D.L. Meacham, LP ("Meacham").

Ms. Lee reviewed and recommended approval of Change Order No. 6 to the contract with Meacham for the Amenity Improvements to decrease the contract in the amount of \$451.08. The Board determined that Change Order No. 6 is beneficial to the District.

Ms. Lee reviewed and recommended approval of Change Order No. 7 to the contract with Meacham for the Amenity Improvements to increase the contract in the amount of \$14,365.00 for additional electrical work. The Board determined that Change Order No. 7 is beneficial to the District.

Ms. Lee requested the Board's approval of the Certificate of Substantial Completion for the Amenity Improvements project.

Ms. Lee stated that she will present a proposal for additional landscaping and trees at the May meeting.

After review and discussion, Director Escobar moved to (1) approve the landscape architect's report; (2) based on the landscape architect's recommendation, to approve Pay Estimate No. 7 in the amount of \$79,821.62; (3) approve Change Order No. 6 in the amount of \$451.08 as a decrease to the contract with Meacham, based upon the Board's finding that the Change Order is beneficial to the District and the engineer's recommendation; (4) approve Change Order No. 7 in the amount of \$14,365.00 as an increase to the contract with Meacham, based upon the Board's finding that the Change Order is beneficial to the District and the engineer's recommendation; and (5) based upon the landscape architect's recommendation, to approve the Certificate of Substantial Completion. Director Oliver seconded the motion, which passed unanimously.

PARK AND LANDSCAPE MATTERS, INCLUDING PROPOSALS FOR ADDITIONAL WORK AND COST SHARING AGREEMENTS REGARDING LANDSCAPE MAINTENANCE

Mr. Wailes presented and reviewed an MSA Report, a copy of which is attached. He reviewed general maintenance, common area landscaping, irrigation, inspections, and splash pad maintenance.

Mr. Wailes stated that an inspection was completed of the tunnels under Mason Road and that Quiddity is coordinating with Fort Bend County to determine ownership and maintenance obligations of the tunnel.

Mr. Wailes stated that it was determined that the drain boxes at Stoneroses pocket park could not be lowered as configured. Mr. Wailes stated that MSA is coordinating with Westco Grounds Maintenance Co., Inc. to replace the drain boxes and associated piping with sock drains and that the change in project scope can be completed within the original budget.

Director Bidmead asked Mr. Wailes to investigate options to replace existing grates in the Stoneroses pocket park. Mr. Wailes stated that MSA will clear debris from the grates and will find a suitable replacement for the grates.

Discussion ensued regarding the maintenance of the splashpad. Director Bidmead asked the consultants to coordinate a maintenance program for the splashpad.

After review and discussion, Director Oliver moved to approve the MSA report. Director Escobar seconded the motion, which passed unanimously.

ATTORNEY'S REPORT

There was no discussion regarding this agenda item.

REPORTS FROM DIRECTORS AND DISTRICT CONSULTANTS REGARDING
CORRESPONDENCE AND/OR REPORTS RECEIVED AND EVENTS AND/OR
ACTIVITIES ATTENDED DURING THE MONTH

Director Bidmead updated the Board regarding the District's request to Precinct 4 for a contribution for an anticipated sidewalk improvement project.

SECURITY MATTERS AND FIRE PROTECTION SERVICES

Lieutenant Hansen presented and reviewed a security report from Precinct 4 and two security statistics reports, copies of which are attached.

Director Bidmead asked Precinct 4 to monitor activity in a certain area of the District.

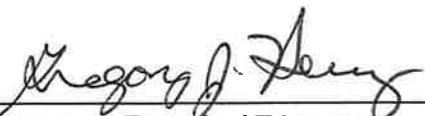
CONVENE IN EXECUTIVE SESSION PURSUANT TO SECTION 551.071, TEXAS
GOVERNMENT CODE, TO CONDUCT A PRIVATE CONSULTATION WITH
ATTORNEY TO DISCUSS PENDING OR CONTEMPLATED LITIGATION, OR A
SETTLEMENT OFFER

The Board did not convene in Executive Session.

MEETING SCHEDULE

The Board concurred to hold its next regular meeting on May 9, 2024, at 9:00 a.m. at the offices of MDS.

There being no further business to come before the Board, the meeting was adjourned.



Secretary, Board of Directors



LIST OF ATTACHMENTS

Bookkeeper’s Report	2
Tax Report.....	2
Drainage Facilities Report	2
Operator’s Report and the Storm Water Management Report	2
Communications Report.....	3
Engineering Report.....	4
Landscaping Report	5
MSA Report	6
Precinct 4 Security Report.....	7
Security Statistics Reports.....	7