

MINUTES
FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 165

July 22, 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 22nd day of July, 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:

Christine Oliver	President
Ed Escobar	Vice President
Gregory Henry	Secretary
Ryan Andrasek	Assistant Vice President
Rick Bolanos	Assistant Secretary

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

Also attending the meeting were Dale Anzalone of Flock Safety ("Flock"); Lieutenant Cory Hansen of Fort Bend County Precinct 4 ("Precinct 4"); John Hill of Brown & Brown Lone Star Insurance Services ("Brown & Brown"); 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 ("Touchstone"); Lyndsay Evans of Quiddity Engineering, LLC ("Quiddity"); Stephanie Lee of KGA/DeForest Design, LLC ("KGA"); Josh Wailes of Mike Stone Associates, Inc. ("MSA"); and Whitney Higgins and Caroline Jones of Allen Boone Humphries Robinson LLP ("ABHR").

PUBLIC COMMENTS

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

The Board reviewed correspondence from a District resident regarding fence damage on their property. The Board asked Mr. Wailes to investigate if the fence is on District property and to follow up with the resident regarding the matter.

The Board reviewed correspondence from the Fieldstone Community Association, Inc. ("HOA") regarding the HOA meeting to be held on August 6, 2024.

Director Bolanos stated that he was contacted by a District resident inquiring about certain District property.

Mr. Anzalone introduced himself to the Board and provided an overview of Flock Safety services. The Board thanked Mr. Anzalone for the information and for coming to the meeting.

There being no further public comments, Director Oliver moved to the next agenda item.

MINUTES

The Board considered approving the minutes of the May 30, 2024, regular meeting. Following review and discussion, Director Escobar made a motion to approve the minutes of the May 30, 2024, regular meeting, as written. Director Bolanos seconded the motion, which passed unanimously.

SECURITY MATTERS AND FIRE PROTECTION SERVICES

The Board reviewed the security report from Precinct 4 and three security statistics reports, copies of which are attached. Discussion ensued.

RENEWAL OF DISTRICT'S INSURANCE POLICIES

Mr. Hill presented and reviewed a renewal proposal for the District's insurance policies from Brown & Brown with a proposed annual premium of \$11,162.00. Following review and discussion, Director Escobar made a motion to accept the renewal proposal from Brown and Brown. Director Andrasek seconded the motion, which passed unanimously.

GARBAGE AND RECYCLING COLLECTION

The Board received a proposal from Best Trash, LLC to replace recycling bins with recycling carts in the amount of \$2,581.20 per month for a five-year term/\$1.80 per home or \$2,868.00 per month for three-year term/\$2.00 per home. Following review and discussion, Director Andrasek moved to approve the proposal in the amount of \$2,581.20 for a five-year term. Director Henry seconded the motion, which passed unanimously.

FINANCIAL AND BOOKKEEPING MATTERS

Director Henry left the meeting.

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 Andrasek seconded the motion, and it was approved unanimously, with Director Henry being absent from the vote.

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 Escobar moved to (1) 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 (2) to authorize attendance of any interested Directors at the winter conference in Austin, Texas from January 24 through January 25, 2025, authorize up to two nights of lodging at the Conference rate, up to three days of per diem, and up to six meals, if submitted in accordance with the District's Guidelines. Director Andrasek seconded the motion, and it was approved unanimously, with Director Henry being absent from the vote.

TAX ASSESSMENT AND COLLECTIONS MATTERS

Director Henry re-entered the meeting.

Ms. Leon distributed and reviewed the tax report, including a list of delinquent accounts, a copy of which is attached. She stated 99.450% of the District's 2023 taxes were collected as of the meeting date. Following review and discussion, Director Andrasek 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 Bolanos seconded the motion, which passed unanimously.

ADOPT RESOLUTION REGARDING DEVELOPMENT STATUS FOR 2024 TAX YEAR

Ms. Higgins 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 Developed District for the 2024 tax year.

Following review and discussion, Director Andrasek moved to adopt a Resolution Regarding Development Status for 2024 Tax Year establishing the District as a Developed district for the 2024 tax year, pursuant to Section 49.23602, Texas Water Code, and direct that the Resolution be filed appropriately and retained in the District's official records. Director Bolanos 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 stated that SWS is coordinating three projects at the drainage channel, but Hurricane Beryl impacted the construction schedule. Mr. Hopper said he anticipates that the projects will be complete in August, 2024. Following review and discussion, Director Bolanos 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 June and July.

Mr. Muse requested the Board's approval of a proposal in the amount of \$13,400.00 to replace a fence at the lift station.

The Board discussed the District's request to Precinct 4 for a contribution for an anticipated sidewalk improvement project. The Board concurred to designate Directors Oliver and Henry to follow up with Precinct 4 regarding a possible Interlocal Agreement between the District and Precinct 4, and delegate authority to Directors Oliver and Henry to execute the Interlocal Agreement.

MDS CONTRACT AMENDMENT

This matter was deferred.

HEARING ON TERMINATION OF WATER SERVICE

The Board concurred to defer terminations of delinquent accounts due to Hurricane Beryl.

After review and discussion, Director Andrasek moved to (1) approve the operator's report; and (2) approve the proposal to replace the fence at the lift station in the amount of \$13,400.00. Director Bolanos 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 Bolanos moved to approve the Communications Report. Director Andrasek seconded the motion, which passed unanimously.

NORTH FORT BEND REGIONAL WATER AUTHORITY ("NFBWA") MATTERS

Mr. Muse had no updates regarding the Water Provider Conservation Program.

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") approved CDC Unlimited, LLC's ("CDC") Invoice Nos. 26824, 26871, and 26883 in the total amount of \$8,122.25, of which the District's share is \$4,316.00.

Ms. Evans updated the Board regarding the Texas Commission on Environmental Quality's Supply Capacity Violation and stated that GMM1 received approval from the Texas Commission on Environmental Quality of the Alternative Capacity Request ("ACR"). She reported that GMM1 requested that Fort Bend County Municipal Utility District No. 118 return a deposit in the amount of \$100,000.00. Ms. Evans stated that the regional water system will be required to limit irrigation under Stage 1 of the Drought Contingency Plan to comply with the ACR.

Ms. Evans stated that Water Well 3 is under design and that GMM1 submitted plans to governmental agencies. Ms. Evans stated that construction of Water Well 3 is expected to be complete in February, 2026.

Ms. Evans stated that the District received a request from Fort Bend Municipal Utility District No. 146 ("FB 146") regarding a potential site in the District for FB 146 to construct a water well. Discussion ensued. The Board requested that Ms. Evans provide more information from FB 146 regarding the request.

DEEDS, EASEMENTS, AND PLATS

The Board considered approving a Special Warranty Deed for the conveyance of Director's Lot 2 to the District.

MS4 STORM WATER MANAGEMENT PLAN

Ms. Evans updated the Board regarding this matter.

Following review and discussion, Director Escobar moved to (1) approve the engineer's report; (2) upon the engineer's recommendation, approve CDC's Invoice Nos. 26824, 26871, and 26883 in the total amount of \$8,122.25, of which the District's share is \$4,316.00; (3) approve the Special Warranty Deed for the conveyance of Director's Lot 2. Director Henry 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. 9 in the amount of \$10,085.71, payable to DL Meacham ("Meacham").

Ms. Lee then reviewed and recommended approval of Pay Estimate No. 10 and Final in the amount of \$58,421.97, payable to Meacham. Ms. Lee also presented a Certificate of Completion and Acceptance and recommended the Board accept the facilities.

Following review and discussion, Director Escobar moved, based on the landscape architect's recommendation, to approve Pay Estimate No. 9 in the amount of \$10,085.71; and (2) based on the landscape architect's recommendation, to approve Pay Estimate No. 10 and Final in the amount of \$58,421.97, and to accept the facilities. Director Andrasek seconded the motion, which carried unanimously.

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

Mr. Wailes presented and reviewed the MSA Report as more fully described in the report, a copy of which is attached. He reviewed general maintenance, common area landscaping, irrigation, inspections, and splash pad maintenance.

Mr. Wailes stated that MSA is coordinating with Fort Bend County Road and Bridge (the "County") to seal a portion of Mason Road above the tunnels. Mr. Wailes stated that the contractor informed MSA that their quote to restore and repair the tunnels would be valid until the County seals the road.

The Board concurred to have MSA purchase and install a missing rocker toy at a pocket park.

Director Bolanos stated that he would retrieve damaged bollard lighting for repair and installation by MSA.

Mr. Wailes discussed the need to retain an arborist to trim tree limbs that are blocking CenterPoint streetlights. Director Andrasek stated that he was contacted by the HOA regarding a resident's request to remove a tree near the resident's roof. Director Andrasek requested that MSA investigate tree limbs that are impacting flagpoles. General discussion ensued regarding tree maintenance in the District. Mr. Wailes stated that MSA can perform light pruning of trees, and he emphasized that an arborist would need to be retained to remove large limbs and trees.

Mr. Wailes stated that mowing at the playground area adjacent to the Atmos Energy easement continues to be inconsistent. Discussion ensued regarding the cost for MSA to perform fine mowing at the playground area. The Board asked for proposals to add a shade structure for benches at the playground area. Ms. Lee stated that she will provide a proposal for a twenty-foot by twenty-foot shade structure.

Mr. Wailes stated that MSA turned off the splash pad on July 16, 2024, due to a mainline leak. Mr. Wailes requested the Board's authorization to repair a pipe in the amount of \$726.00. Mr. Wailes then requested the Board's approval of a budget to maintain, inspect, and service the splashpad annually in the amount of \$2,000.00, and he estimated that annual splashpad repairs were not expected to exceed \$2,000.00 annually. Discussion ensued regarding water usage at the splashpad, and the Board requested that MDS discontinue billing the HOA for water usage at the splashpad. Further discussion ensued regarding the County's regulations for splashpads.

After review and discussion, Director Andrasek moved to (1) approve the MSA report; (2) authorize MSA to perform fine mowing at the playground area in an amount not to exceed \$2,500.00; (3) authorize MSA to power wash and buff playground equipment; (4) repair a pipe at the splashpad in the amount of \$726.00; and (5) approve MSA's annual budget to maintain, inspect, service, and repair the splashpad in the amount of \$4,000.00. Director Bolanos seconded the motion, which passed unanimously.

ATTORNEY'S REPORT

There was no discussion regarding this agenda matter.

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

There was no discussion regarding this agenda matter.

MEETING SCHEDULE

The Board concurred to hold the next regular meeting on August 8, 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

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