

**MINUTES OF REGULAR MEETING  
FORT BEND COUNTY W.C. & I.D. NO. 2  
FORT BEND AND HARRIS COUNTIES, TEXAS**

**August 23, 2023**

The Board of Directors of Fort Bend County Water Control & Improvement District No. 2 of Fort Bend and Harris Counties, Texas, met in regular session, open to the public, on the 23<sup>rd</sup> day of August 2023, at 6:30 pm, at the District Office, 2331 South Main, Stafford, Texas, within the boundaries of the District, and the roll was called of the duly constituted members of the Board, to-wit:

John K. Rose	President
Jody Court	Vice President
Linda Walker	Secretary
Harvey Koudelka	Assistant Secretary
Linda Burks	Assistant Secretary

And all of said persons were present; thus, constituting a quorum.

Also, present Mr. Harry Thompson and Ms. Kim Cannon with Allen, Boone, Humphries and Robinson, LLP, Mr. Drew Crow with Quiddity, Mr. Loren Morales with RBC Capital Markets, Jason Kirby, Ray Casal, Phillip Medina, Nick Gwin, Esmeralda Garza, Kimberly Vauter, Veronica Padilla, Diana Young and Robbie Ginsel and Owen Matherne.

**1. Call meeting to order;**

**President Rose:** Called the meeting to order at 6:30pm.

**2. Pledge of Allegiance to the Flag of our Country and State.**

**All:** Cited the Pledge of Allegiance to the Flag of our Country and State.

**3. Audience comments. Comments from the audience (for matters not on the agenda). This provides an opportunity to comment on non-agenda items in advance of the regular business of the Board of Directors. Comments shall be limited to three (3) minutes per person. By state law, comments by the President or Board members on any item not on the agenda shall be limited to;**

- a. Statement of specific factual information given in response to any inquiry;
- b. A recitation of existing policy in response to any inquiry;
- c. A proposal to place the subject on the agenda for a future meeting;

**President Rose:** Stated no audience comments.

**4. Approve Board meeting minutes of July 26, 2023;**

**Vice President Court made a motion to approve the Board meeting minutes of July 26, 2023; Seconded by; Assistant Secretary Burks; Favor: 4 to 0. Secretary Walker was absent when the motion was made.**

**5. Renewal of District's general liability insurance policies and authorize any necessary action;**

**General Manager:** Reviewed the renewal of the District's general liability insurance with Arthur J. Gallagher. The renewal rate has increased by 2% from the previous year. **President Rose:** Discussed the trailer the District purchased for \$70,000.00 will be added to the policy when received. Also discussed were the property replacement values. **General Manager:** Informed the Board staff increases the values incrementally each year if needed. This year the values were increased by \$672,000.00. **Vice President Court made a motion to approve the renewal of the District's general liability insurance with Arthur J. Gallagher; Seconded by; Assistant Secretary Koudelka; Favor: 4 to 0.** Secretary Walker was absent when the motion was made.

**6. Renewal of District's medical insurance policy and authorize any necessary action;**

**General Manager:** Reviewed the medical plan benefit and cost comparison summary with the Board. The District received quotes from Blue Cross Blue Shield and United Health Care of Texas, Inc. After review of quotes, staff recommends the Board approve the quote from United Health Care for the District's health insurance. United Health Care will be effective October 1, 2023. **Mr. Jerry Bridgen with Benefit Concepts, Inc.:** United Health Care is a level funded health plan meaning if claims are under \$44,992.04, which is the monthly premium for the insurance the District will receive a refund. If the claims are over \$44,992.04 the District would be capped at the monthly premium. And not owe the difference. **Mr. Bridgen:** Stated the District will not have a penalty by ending our contract early with Humana. Vice President Court made a motion to approve the quote from United Health Care for the District's health insurance plan; Seconded by; Assistant Secretary Burks; Favor: 4 to 0. Secretary Walker was absent when the motion was made.

**7. Engineer's Report, including status of the following District projects and authorize any necessary action;**

**a. Surface Water Treatment Plant expansion;**

**District Engineer:** Stated the project has been advertised and the Pre-Bid Conference is scheduled for August 24, 2023, at 2:00 p.m. with the planned date for submission of bids is September 26, 2023, at 2:00 p.m.

**b. Stafford Run water Plant Recoating;**

**District Engineer:** D&L Quality Painting, Inc., the Contractor, has submitted Progress Payment Request No. 2 and Final for \$32,126.90 for work from October 15, 2022, to December 1, 2022. Also included are the Contractor's Affidavits of Guarantee and Bills Paid, and the certificates of Substantial Completion payment along with acceptance of the work. **President Rose made a motion to approve Progress Payment Request No. 2 and Final for \$32,126.90 payable to D&L Quality Painting, Inc.; Seconded by; Vice President Court; Favor: 4 to 0.** Secretary Walker was absent when the motion was made.

**c. Bond Application Report No. 24;**

**District Engineer:** The Bond Application Report No. 24 was submitted to the Texas Commission on Environmental Quality (TCEQ) for review on August 10, 2023. The TCEQ declared the submittal administratively complete the same day.

- d. Wastewater Treatment Plant No. 1 Blower Replacement/Rehabilitation;  
**District Engineer:** On November 16, 2023, the Board authorized commencing on the WWTP No. 1 Blower Replacement project. This project included determining the most advantageous system and scope to replace the aging single stage blower system at the 6.0 MGD plant. In the course of this work the District determined that there were substantially more items and systems that need replacement and refurbishment to maintain the operational readiness for the plant. This work has been included as a single Rehabilitation Project that was submitted within BAR No. 24. We recommend authorizing commencing on this project so the proposed rehabilitation plans and specifications can be prepared and approved. **Vice President Court made a motion to approve consulting engineer, Quiddity to begin the engineering design for the WWTP No. 1 Rehabilitation project; Seconded by; Assistant Secretary Koudelka; Favor: 4 to 0. Secretary Walker abstained.**
- e. **Miscellaneous development repair and improvement projects;**  
**District Engineer:** No action needed.
- f. **General Engineering, development plats, consent to encroach agreements, easements, facilities, annexations, and development issues.**  
**District Engineer:** No action needed.

**8. Consider and approve Surface Water Treatment Plant membrane replacement and authorize any necessary action;**

**General Manager:** Discussed the third rack module replacement and expansion with the Board for the Surface Water Treatment Plant. Staff are recommending the purchase of the third rack module replacement including material only and the overseeing of the installation for a total not to exceed \$250,000.00. **Mr. Harry Thompson with ABHR:** Stated the agreement would need to be updated with the proper legal language so the motion would need to include subject to final review. **Vice President Court made a motion to approve the third rack module replacement and expansion for the Surface Water Treatment Plant not to exceed \$250,000.00 and subject to final review; Seconded by; Assistant Secretary Koudelka; Favor: 5 to 0.**

**9. General Manager's Report including; Water and Wastewater System Operations and the Industrial Pretreatment Program;**

**General Manager:** Reviewed the General Manager's Report with the Board, information only no action needed.

**General Manager:** Updated the Board on the following items:

- Discussion of a notice of violation from the TCEQ dated September 30, 2022, this alleged violation has been resolved and no further action is required.
- Discussed the Discolored Water Report.
- Informed the Board there was a major water leak on Staffordshire, the leak ran for approximately six to eight hours staff made the repair.

**10. Review and discuss Financial Statement for July 2023 and authorize any necessary action;**

**General Manager:** Reviewed the financial statement for July 2023 with the Board. Information only no action needed.

**General Manager:** Informed the Board the first draft of the budget will be presented at the first Board meeting in September.

**11. Discuss 2023 tax rate, set public hearing date, and authorize notice of public hearing regarding adoption of tax rate and authorize any necessary action;**

**Mr. Harry Thompson with ABHR:** Stated the Harris County certified values have not been received as of the meeting, no action at this time. This agenda item will be placed on the next Board meeting for discussion. **President Rose:** Informed the attorney and tax advisor he would like to see several different tax rate worksheets for the next meeting.

**12. Approve District expenditures;**

**Vice President Court made a motion to approve the District expenditures; Seconded by Assistant Secretary Burks; Favor: 5 to 0.**

**13. District operations, including but not limited to; Administrative, Field Service, Wastewater and Surface Water Treatment facilities and authorize any necessary action;**

**General Manager:** Informed the Board the business owner is required to update and install a new grease trap has been working to accomplish this and within the next couple of weeks it should be completed.

**General Manager:** Informed the new header has been installed at the Surface Water Treatment Plant.

**General Manager:** The District received quotes from EI2 for the bull gear drive which needs to be replaced. The quote for the new drive is \$57,814.11 and the crane that is needed to pull the drive will be \$31,250.00 which equals approximately \$90,000.00. The expense will most likely be charged to this year's budget however the funds have already been earmarked for next year's budget and staff recommends the purchasing of the bull gear drive. Vice President Court made a motion to move forward with the purchase of the new bull gear drive as presented by the General Manager; Seconded by; Assistant Secretary Burks; Favor: 5 to 0.

**General Manager:** Discussed the Stafford Run Water Well Re-work with the Board. A presentation was presented to the Board showing acreage around the Stafford Run Water Well Re-work area to drill another well in that area. A request was made by staff for Board approval to research property/land and have appraisals completed for future water facilities. The properties will be brought back to the Board for further review and approval. **Vice President Court made a motion that staff proceed in researching and acquiring land and appraisals for future water plants; Seconded by; Assistant Secretary Koudelka; Favor: 5 to 0.**

**General Manager:** Discussion of water main breaks, as to date the breaks have been at a rate of two to three breaks a day. Information only, no action needed.

**General Manager:** Discussion of Drought Contingency Plan. The implementation of this plan is not necessary at this time.

**General Manager:** Informed the Board the District newsletter was mailed out on August 23, 2023.

**General Manager:** Discussed the water main break at the Staffordshire Montessori School on Dulles.


**14. Future agenda items;**

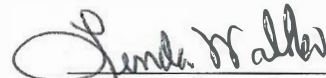
**President Rose:** If any future agenda items are needed to contact Owen Matherne or Robbie Ginsel.

**15. Adjourn.**

**Vice President Court made a motion to adjourn; Seconded by; Assistant Secretary Koudelka; Favor: 5 to 0.** The meeting adjourned at 7:32 p.m.



  
John K. Rose – President

  
Linda Walker - Secretary

## Attachments

Call meeting to order	1
Pledge of Allegiance to the Flag of our Country and State	1
Audience comments	1
Approve Board meeting minutes of July 26, 2023,	1
Renewal of District's general liability insurance policies	2
Renewal of District's medical insurance policy	2
Engineer's Report	2-3
Consider and approve Surface Water Treatment Plant membrane replacement	3
General Manager's Report	3
Financial statement for July 2023	4
Discuss 2023 tax rate, set public hearing date, and authorize notice of public hearing regarding adoption of tax rate	4
Approve District expenditures	4
District operations	4-5
Future agenda items	5
Adjourn	5