

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

March 22, 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 22nd day of March 2023 at 6:30 p.m., 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 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, attending Mr. Michael Turco, Mr. Robert Thompson with Fort Bend Subsidence District, Mr. Harry Thompson with Allen, Boone, Humphries, Robinson, LLP, Mr. Drew Crow with Quiddity, Mr. Loren Morales with RBC Capital Markets, District staff, Ray Casal, Robbie Ginsel, Jason Kirby, and Owen Matherne.

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

1. Call meeting to order;

President Rose: Called the meeting to order.

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

All: Recited the pledge of allegiance to the Flag of our Country and State.

3. Audience comments;

President Rose: Stated no audience comments.

4. Approve Board meeting minutes of March 8, 2023;

Vice President Court made a motion to approve the Board meeting minutes of March 8, 2023; Seconded by; Assistant Secretary Koudelka; Favor: 5 to 0.

5. Engineer's Report

- a. Wastewater Plant No. 2 Phase I:

District Engineer: PLW Waterworks, LLC, the Contractor, has submitted Progress payment Request No. 35 & Final for \$814,330.55 for work from February 1, 2023. The estimate is in order and recommended for approval by the District for payment. Also included are the Consent of Surety for release of retainage, the Certificate of Substantial Completion, Certificate of Acceptance and the Contractor's Affidavits of Bills Paid and Guarantee. **President Rose made a motion to approve Progress Payment Request No. 35 & Final for \$814,330.55 payable to PLW Waterworks, LLC to include acceptance of work; Seconded by; Vice President Court; Favor: 5 to 0.**

- b. Miscellaneous development repair and improvement projects;

District Engineer: Stated no action required.

- c. General Engineering, development plats, consent to encroach agreements, easements, facilities, annexations, and development issues.

District Engineer:

6. Discussion concerning the outlook and regulations pertaining to the Fort Bend Subsidence District and update from Fort Bend Subsidence District management staff;

Fort Bend Subsidence District management staff: Addressed the Board regarding the outlook and regulations pertaining to the Fort Bend Subsidence The Fort Bend Subsidence District (District) has been monitoring water use, groundwater levels, and subsidence in Fort Bend, and adjacent counties since 1989. Subsidence, the lowering of land-surface elevation, is caused by the depressurization of our aquifers due to wide-spread use of groundwater as a primary water source. The mission of the District is to cease on-going subsidence and prevent the occurrence of future subsidence. As part of this effort, it is important for the District to provide consistent, high-quality information to the public regarding groundwater use, aquifer water-levels, and subsidence District. Since 1989, water users in the District have been working to change their source water from primarily groundwater to alternative sources of water that will not contribute to subsidence, primarily treated surface water. The percent of total water demand sourced from groundwater has dropped from about 60 percent in 1990 to about 48 percent in 2021. The three primary water uses in the District are public supply, industrial, and irrigation. Public supply groundwater use remains the largest single use category at 54.9 million gallons per day (MGD), a ten percent decrease from 2020, and accounts for 83 percent of groundwater used in the District. Since the last regulatory conversion milestone in 2014, public supply and industrial uses are generally unchanged, whereas irrigation uses have decreased by about 50 percent. The District's Regulatory Plan requires permittees to convert to alternative water supplies in order to reduce their reliance on groundwater sources. The primary alternative water supply used in our region is surface water sourced from three river basins, the Brazos River Basin, the San Jacinto River Basin, and the Trinity River Basin. The current regulatory plan deadline is 60% surface water conversion by the year 2027. **President Rose:** Stated currently the District is having difficulties in obtaining chemicals for the treatment of the surface water plant, once the expansion takes place this may be even harder. **Mr. Turco:** Replied if chemicals are difficult to obtain for all entities this would be discussed by Fort Bend Subsidence District management. Information only no action required.

7. Discuss future capital project and possible funding;

President Rose: Discussed the timeline of the District and the Fort Bend Subsidence District, reflected from last meeting's handout from the District Engineer. **District Engineer;** Stated the Fort Bend Subsidence District (FBSD) was created in 1989, the initial regulatory plan for surface water conversion was 2003; the plan was amended for 30% surface water conversion to 2013, the District completed the 3.0 MGD SWTP in 2011. The current regulatory deadline for 60% surface water conversion is the year 2027. **District Engineer:** Reviewed and discussed the Summary of Cost for a \$37M Bond Application report No. 24 (Series 2023) and the \$39M Summary of Cost for a \$39M Bond Application Report No. 24 (Series 2023) with the Board, also discussed the District fund balances. **President Rose:** Presented and discussed the District's prior years taxable value. After discussion by the Board **Vice President Court made a motion to approve the summary of costs for the \$39M Series 2023 Bond as presented; Seconded by; Assistant Secretary Koudelka; Favor: 5 to 0.**

8. Review and discuss Financial Statement for February 2023 and authorize any necessary action;

General Manager: Reviewed the Financial Statement for February 2023 with the Board, information only no action required.

9. Approve District expenditures;

Vice President Court made a motion to approve the District expenditures; Seconded by; Secretary Walker; Favor; 5 to 0.

10. District operations, including but not limited to; Administrative, Field Service, Wastewater, Groundwater and Surface Water Treatment Plants, Rate Order; general operational tasks and authorize any necessary action;

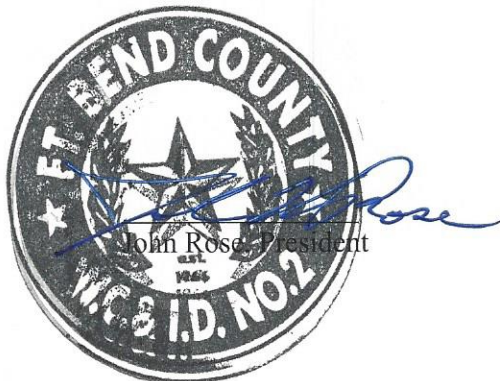
District Engineer: Discussed GCWA surface water increase over the next two years and the District's cash option funding with the Board. Information only no action required.

11. Future agenda items;

President Rose: Stated any future agenda items to contact the General Manager or Robbie Ginsel.

12. Adjourn;

Vice President Court made a motion to adjourn; Seconded by Assistant Secretary Burks; Favor: 5 to 0. Meeting adjourned at 8:02 p.m.



John 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 March 8, 2023	1
Engineer's Report	2
Discussion concerning the outlook and regulations pertaining to the Fort Bend Subsidence District and update from Fort Bend Subsidence District management staff	2
Discuss future capital projects and possible funding	3
Financial Statement for February 2023	3
Approve District expenditures	3
District operations	3
Future agenda items	3
Adjourn	3