

MINUTES
FORT BEND COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 2

July 23, 2025

The Board of Directors (the "Board") of Fort Bend County Water Control and Improvement District No. 2 (the "District") met in regular session, open to the public, on the 23rd day of July 2025, at the District Office at 2331 South Main, Stafford, Texas 77477, a meeting place inside the boundaries of the District, and the roll was called of the members of the Board:

John Rose	President
Jody Court	Vice President
Harvey Koudelka	Secretary
Linda Burks	Assistant Secretary
Vacant	Assistant Secretary

Also present were Owen Matherne, Jason Kirby, Sandra Castro, Amanda Boyd, Karyme Vasquez, Veronica Padilla-Estrada and Lena Lopez, employees of the District; Kyle Kasper of Quiddity Engineering, LLC ("Quiddity"); Leslie Cook of RBC Capital Markets; Katie Carner and Carli Trojcak of Allen Boone Humphries Robinson LLP ("ABHR"), Lee Maverick of SAMCO Capital Markets, Inc ("SAMCO"), and members of the public, Nate Kirby, Cooper Kirby, Marcella Pernick, Lucio Vasquez, Anali Vasquez, and Jose Castro.

CALL MEETING TO ORDER

Director Rose called the meeting to order.

PLEDGE OF ALLEGIANCE

The Board and members present at the meeting cited the pledge of allegiance to the flag of our country and state.

PUBLIC COMMENTS

Director Rose offered any members of the public attending the meeting the opportunity to make public comment. There being no members of the public requesting to make a public comment, Director Rose moved to the next agenda item.

MINUTES

The Board considered approving the minutes from the June 25, 2025, regular meeting. After review and discussion, Director Court moved to approve the minutes of the June 25, 2025, regular meeting. Director Koudelka seconded the motion. The motion carried unanimously.

REVIEW AND APPROVE THE 10/20 YEAR WRITE OFF OF PROPERTY TAXES

The Board considered authorizing the 10/20 Year Write Off of property taxes. After discussion, Director Court moved to approve the 10/20 Year Write Off of Property Taxes. Director Koudelka seconded the motion, which carried unanimously.

ADOPT RESOLUTION VOTING FOR WATER DISTRICT NOMINEE FOR THE ELECTION OF THE BOARD OF DIRECTORS OF THE FORT BEND CENTRAL APPRAISAL DISTRICT

The Board considered adopting a resolution to vote for a Water District Nominee for the election of the Board of Directors of the Fort Bend Central Appraisal District. After discussion, no action was taken.

ADOPT RESOLUTION REGARDING DEVELOPMENT STATUS FOR 2025 TAX YEAR

Ms. Carner 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 Developing District for the 2025 tax year.

Following review and discussion, Director Court moved to adopt a Resolution Regarding Development Status for 2025 Tax Year establishing the District as a Developing District for the 2025 tax year, pursuant to Section 49.23603, Texas Water Code, and direct that the Resolution be filed appropriately and retained in the District's official records. Director Koudelka seconded the motion, which passed unanimously.

REPORT REGARDING LEGISLATIVE MATTERS

Ms. Carner reviewed a report prepared by ABHR regarding legislative matters pertaining to the 89th regular session of the Texas legislature.

ENGINEERING MATTERS

Mr. Kirby presented and reviewed the engineer's report, a copy of which is attached.

SURFACE WATER TREATMENT PLANT EXPANSION TO 7.8 MGD PHASE II

Mr. Kirby updated the Board regarding construction of the Surface Water Treatment Plant Expansion to 7.8 MGD Phase II and reviewed and recommended approval of Pay Estimate No. 16 in the amount of \$2,469,299.85 payable to LEM Construction Company, Inc. ("LEM") for work completed. Following review and

discussion, Director Rose moved to approve Pay Estimate No. 16, as presented. Director Court seconded the motion, which carried unanimously.

STAFFORDSHIRE ROAD WATERLINE EXTENSION

Mr. Kirby updated the Board regarding construction of the Staffordshire Road Waterline Extension and reviewed and recommended approval of Pay Estimate No. 3 in the amount of \$48,555.00 payable to ISJ Underground Utilities for work completed. Following review and discussion, Director Rose moved to approve Pay Estimate No. 3, as presented. Director Koudelka seconded the motion, which carried unanimously.

FRANCES GROUNDWATER PLANT AND PROPERTY

Mr. Kirby updated the Board regarding the Frances Groundwater Plant and Property. The Board considered the request for approval of the Frances Ground Water Plant final plat. After reviewing the engineer's recommendation and confirmation of compliance with District standards, Director Rose moved to approve the plat as presented. Director Court seconded the motion, which carried unanimously.

MANHOLE REHABILITATION PROJECT

Mr. Kirby updated the Board regarding the Manhole Rehabilitation project and construction.

SURFACE WATER TRANSMISSION LINES

Mr. Kirby updated the Board regarding the Surface Water Transmission Lines.

CONVENE IN EXECUTIVE SESSION PURSUANT TO CHAPTER 551.071, TEXAS GOVERNMENT CODE

The Board convened in Executive Session at 8:14 p.m. pursuant to Chapter 551.071 of the Texas Government Code to discuss matters relating to real property. Ms. Carner, Ms. Trojcek, and Mr. Kirby were also present to obtain the necessary legal advice from its attorney and engineer.

RECONVENE IN OPEN SESSION AND AUTHORIZE APPROPRIATE ACTION

The Board reconvened in open session at 8:39 p.m. Director Court moved to (1) authorize their agent to proceed with services related to real property purchases; and (2) take all other necessary actions in connection therewith pursuant to the Board's direction and discussion in Executive Session. Director Koudelka seconded the motion. Upon hearing no objections or abstentions from directors, the motion passed unanimously.

MISCELLANEOUS DEVELOPMENT REPAIR AND IMPROVEMENT PROJECTS

There was no discussion on this agenda item.

GENERAL ENGINEERING, DEVELOPMENT PLATS, CONSENTS TO ENCROACH AGREEMENTS, EASEMENTS, FACILITIES AND ANNEXATIONS

There was no discussion on this item.

DISTRICT'S SUMMER ASSOCIATE PROGRAM

Ms. Vasquez presented to the Board regarding her experience with the District's Summer Associate Program.

QUARTERLY INVESTMENT REPORT

Mr. Matherne presented the Quarterly Investment Report, a copy of which is attached. Director Court moved to approve the Quarterly Investment Report, as presented. Director Rose seconded the motion, which passed unanimously.

FINANCIAL STATEMENT FOR JUNE 2025

Mr. Matherne presented the financial statement for the month of June 2025, a copy of which is attached. After review and discussion, the Board took no action.

DISTRICT EXPENDITURES

Mr. Matherne discussed approving District's expenditures, a copy of which is attached. Following review and discussion, Director Court moved to approve the presented expenditures and payment of bills. Director Koudelka seconded the motion, which passed unanimously.

APPROVE DELINQUENT BILLING COLLECTIONS SERVICES

Mr. Matherne discussed approving the delinquent billing collections services proposal from Southwest Collection Services, LLC. (the "Agreement"). Following review and discussion, Director Court moved to approve the Agreement subject to attorney review and finalization. Director Rose seconded the motion, which passed unanimously.

GENERAL MANAGER'S REPORT

Mr. Matherne presented the General Manager's Report for June 2025, a copy of which is attached. After review and discussion, the Board took no action.

CYBER SECURITY MATTERS AND PERFORMANCE OF MONEY MARKET FUND

Mr. Maverick discussed cyber security matters and the performance related to the money market fund. Mr. Maverick updated the Board regarding security protocols that are currently in place that secure the District funds and prevents fraud.. Ms. Carner updated the Board regarding additional trainings required for Directors for cybersecurity

and artificial intelligence. Ms. Castro provided details the District currently has in place for staff who handle money.

DISTRICT OPERATIONS

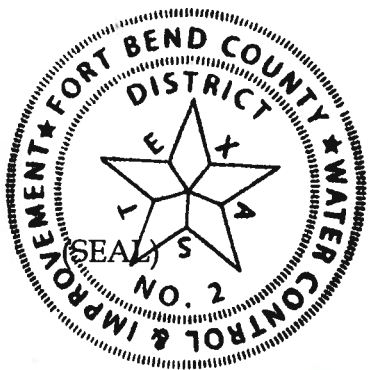
Mr. Matherne updated the Board regarding the Revised Total Coliform Rule (“RTCR”) Level 1 Assessment Report prepared in response to the total coliform-positive samples collected in May 2025. Mr. Matherne summarized findings, including identification of potential sanitary defects and corrective actions taken. The Board acknowledged that the assessment was submitted to the Texas Commission on Environmental Quality within the required 30-day timeframe. The Board requested the staff be prepared for additional sampling and documentation in accordance with RTCR requirements.

Mr. Matherne then reported on the public bidding of surplus District items. He requested direction from the Board regarding items that remain unsold from the initial bidding period. Mr. Matherne recommended that District staff solicit additional bids during the upcoming week and proceed with opening the sealed bids and awarding items. Following review and discussion, the Board authorized District staff to proceed with the disposition of the surplus items as recommended.

FUTURE AGENDA ITEMS


The Board concurred to hold their next meeting on August 20, 2025, at 6:30 p.m.

There being no further business to discuss, the meeting was adjourned at 8:39 p.m.





President, Board of Directors



Secretary, Board of Directors