

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

November 12, 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 12th day of November 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

and all were present except, Director Court, thus constituting a quorum.

Also present were Owen Matherne, Sandra Castro, and Amanda Boyd, employees of the District; Drew Crow and Kyle Kaspar of Quiddity Engineering, LLC ("Quiddity"); Leslie Cook of RBC Capital Markets; Katie Carner and Carli Trojcak of Allen Boone Humphries Robinson LLP ("ABHR"), and Patricia O'Neil with CPS-HR Consulting ("CPS-HR").

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 October 22, 2025, regular meeting. After review and discussion, Director Koudelka moved to approve the minutes of the October 22, 2025, regular meeting, regular meeting. Director Burks seconded the motion which passed 3-0.

HISTORICAL BOND AND TAX REPORT TO COMPTROLLER

Ms. Carner presented a memorandum regarding requirements for taxing units to submit certain information about proposed and issued bonds and tax rate elections to the Comptroller for incorporation into a public database, a copy of which is attached. She stated that ABHR will work with the District's consultants to prepare and submit the required information by the reporting deadline.

INTERLOCAL AGREEMENT FOR SOLID WASTE AND RECYCLABLE MATERIAL BILLING AND COLLECTION SERVICES WITH THE CITY OF MISSOURI CITY

Ms. Carner reviewed the Interlocal Agreement for Solid Waste and Recyclable Material Billing and Collection Services between the City of Missouri City and the District (the "Agreement"). She noted the term of the Agreement will begin on January 1, 2026, and will terminate on December 31, 2030.

Following review and discussion, Director Koudelka moved to approve the Agreement and direct that it be filed appropriately and retained in the District's official records. Director Burks seconded the motion, which passed unanimously.

DISTRICT RATE ORDER

Mr. Matherne presented the proposed District's Rate Order changes with the Board. The Board reviewed staff recommendations, which included adjustments to tap fees, inspection fees, deposits, water and sewer rates, and updates to exhibits and forms per Texas Commission on Environmental Quality ("TCEQ") guidance.

After review and discussion, Director Rose moved to approve the following revisions to the District's rate order effective January 1, 2026; (1) increase the single-family residential water tap fee in non-developer subdivisions from \$725.00 to \$1,000.00; (2) increase the sewer tap fee for short connections from \$712.00 to \$2,000.00, with long connections calculated per foot; (3) increase the temporary water service deposit from \$2,000.00 to \$3,000.00 and update the usage rate from \$2.10 to \$3.30 per 1,000 gallons; (4) revise the cooling tower sewer credit eligibility to require a minimum daily usage of 2,500 gallons per day of water; (5) increase the inspection fees to \$100.00 per inspection; (6) increase the water flow test fee from \$150.00 to \$400.00; (7) update the cleaning fee from \$100.00 to \$400.00, televising fee to \$500.00, and combine cleaning/televising fee to \$900.00; (8) add a new section for meter re-reads to include first re-read free per billing cycle, and \$50.00 for each additional requested re-read; (8) increase the expedited service initiation fee (within eight hours) from \$10.00 to \$150.00; (9) increase the non-sufficient funds fee from \$25.00 to \$35.00; (10) increase the reconnection fee to \$100.00 and remove obsolete meter removal language; (11) update Exhibits B, C, D, and E to reflect current TCEQ forms and revise permitting fee schedules; (12) increase the garbage processing fee from \$1.30 to \$3.00; (13) increase the water and sewer rates five percent (5%) across all user categories; and (14) authorize staff to review the wholesale water agreement with

Harris County Municipal Utility District No. 122 for potential rate adjustments. Director Koudelka seconded the motion, which passed unanimously.

ENGINEERING MATTERS

Mr. Crow 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. Crow updated the Board regarding construction of the Surface Water Treatment Plant Expansion to 7.8 MGD Phase II. He noted LEM Construction Company, Inc. ("LEM") made progress with construction activities on various areas across the site, including interior elements of Process Building No. 2, chemical tank and piping installation, low lift pump station pump can installation, yard piping, and dirt work. Mr. Crow reviewed and recommended approval of Pay Estimate No. 20 in the amount of \$ 2,438,014.59 payable to LEM for work completed. Following review and discussion, Director Rose moved to approve Pay Estimate No. 20, as presented. Director Burks seconded the motion, which carried unanimously.

WASTEWATER TREATMENT PLANT NO. 1 REHABILITATION

Mr. Crow updated the Board regarding construction of the Wastewater Treatment Plant No. 1 Rehabilitation. He stated LEM is progressing with demolition and basin cleaning activities, setup of temporary power, and mobilization and field office set-ups. Mr. Crow reviewed and recommended approval of Progress Payment Request No. 1 submitted by LEM in the amount of \$ 1,268,392.50. Following review and discussion, Director Rose moved to approve Pay Estimate No. 1, as presented. Director Burks seconded the motion, which carried unanimously.

STAFFORDSHIRE ROAD WATERLINE EXTENSION

Mr. Crow updated the Board regarding construction of the Staffordshire Road Waterline Extension. He noted ISJ Underground Utilities ("ISJ") completed installation of wet connections to the waterlines. Mr. Crow reviewed and recommended approval of Pay Estimate No. 4 in the amount of \$ 8,797.50 payable to ISJ for work completed. Following review and discussion, Director Rose moved to approve Pay Estimate No. 4, as presented. Director Koudelka seconded the motion, which carried unanimously.

MW INDUSTRIAL MURPHY ROAD WATERLINE EXTENSION

Mr. Crow updated the Board regarding construction for the MW Industrial Murphy Road Waterline Extension (the "Waterline Extension"). He noted that four (4) bids were solicited and two (2) bids were received for the Waterline Extension. He reviewed the bid tabulation and stated that Quiddity recommends the Board award the contract to Android Construction Services, LLC ("Android") for their base bid of \$ 79,810.00. Mr. Crow stated that Quiddity has worked with Android in the past and finds them to be an acceptable contractor. Following review and discussion, and based on the engineer's recommendation, Director Rose moved to award the contract for the Waterline Extension project to Android in the amount of \$ 79,810.00, subject to approval of the payment and performance bonds and review of the certificates of insurance and endorsements, if any, provided by the contractor. Director Koudelka seconded the motion, which passed unanimously.

MISCELLANEOUS DEVELOPMENT REPAIR AND IMPROVEMENT PROJECTS

There was no discussion on this agenda item.

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

Mr. Kaspar presented the Utility Construction and Conveyance Agreement ("UCCA") and for the construction of a sanitary sewer line, manhole, fire hydrant with lead, water line lead and ten-foot (10') water and sanitary sewer easement along Ellis Road for the proposed development by CPIOF/AI Stafford Distribution Center Owner, LLC ("CPIOF/AI Stafford"). After review and discussion, Director Rose made a motion to approve the UCCA with CPIOF/AI Stafford and the easements as presented. Director Koudelka seconded the motion. The motion carried unanimously.

Mr. Kasper presented a fifteen-foot (15') water line lead and ten-foot water and sanitary sewer easement along Farm to Market Road 1092. After review and discussion, Director Rose made a motion to approve the easement as presented. The motion was seconded by Director Koudelka. Director Burks voted in favor and the motion passed

HUMAN RESOURCES ANNUAL REPORT

Ms. O'Neil presented the annual report, which included compensation guidelines and salary schedules, the District's organizational chart, recruiting efforts, evaluation trainings, and other District related tasks. Director Rose inquired about merit increases and department placement on the salary schedule. Director Koudelka inquired about the evaluations. Ms. O'Neil discussed the cost-of-living increases and suggested adjusting

the Assistant General Manager's salary level. The Board approved adjusting the Assistant General Manager's salary level to Class II Exempt Level 7.

FINANCIAL STATEMENT FOR OCTOBER 2025

Mr. Matherne presented the financial statement for the month of October 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 Koudelka moved to approve the presented expenditures and payment of bills. Director Burks seconded the motion, which passed unanimously.

GENERAL MANAGER'S REPORT

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

DISTRICT OPERATIONS

Mr. Matherne updated the Board regarding the Ground Water Reduction Plan Rate Increase.

Mr. Matherne updated the Board regarding the SETH program. He noted District staff has been in contact with Jeffery Williams, Assistant Principal at Stafford High School as a point of contact regarding the program.

Mr. Matherne informed the Board that the District is waiting to receive a request from Fort Bend County regarding additional capacity needs and a new agreement with the Fifth Street Water Supply Corporation.

Mr. Matherne discussed an online driver's education training course for employees that drive District vehicles. Director Rose suggested that all employees take the training. Mr. Matherne stated that the District was looking to implement the Smith 5 Keys program in first quarter of next year.

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

The Board convened in Executive Session at 7:43 p.m. pursuant to Chapter 551.071 of the Texas Government Code to discuss matters relating to real property. Mr. Matherne, Ms. Carner, Ms. Trojcek, Mr. Crow, and Mr. Kaspar were also present to obtain the necessary legal advice from its General Manager, attorney, and engineer.

RECONVENE IN OPEN SESSION AND AUTHORIZE APPROPRIATE ACTION

The Board reconvened in open session at 7:54 p.m. Director Rose moved to (1) authorize PAS to proceed with services related to real property purchases, including counteroffers; and (2) take all other necessary actions in connection therewith pursuant to the Board's direction and discussion in Executive Session. Director Burks seconded the motion. Upon hearing no objections or abstentions from the Directors, the motion passed unanimously.

FUTURE AGENDA ITEMS

The Board concurred to hold their next meeting on December 10, 2025, at 6:30 p.m.

There being no further business to discuss, the meeting was adjourned.





President, Board of Directors



Secretary, Board of Directors

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