

HIDALGO COUNTY WATER IMP. DISTRICT NO. 3

**1325 Pecan Blvd
McAllen, Texas 78501
(956) 686-8303
Fax (956) 686-1022**

Othal Brand Jr.-President
Chris Burns-Vice President
Mark Freeland, Secretary

W.D. Moschel-Member
Lance Neuhaus-Member

BOARD OF DIRECTORS' MEETING

***** AGENDA *****

TAKE NOTICE THAT A REGULAR BOARD MEETING OF THE BOARD OF DIRECTORS OF HIDALGO COUNTY WATER IMPROVEMENT DISTRICT NO. 3 WILL BE HELD AT THE DISTRICT OFFICE AT 1325 PECAN BLVD, MCALLEN, TEXAS 78501, AT 12:00 P.M. on WEDNESDAY, MAY 17, 2023. The agenda is posted in accordance with the accessibility requirements of Section 551.043 of the Texas Government Code. IF DURING THE COURSE OF THE MEETING, THE BOARD OF DIRECTORS SHOULD DETERMINE THAT A CLOSED SESSION OR MEETING IS AUTHORIZED BY SECTIONS 551.071, AND 551.072 OF THE GOVERNMENT CODE, VERNON'S TEXAS CODE, ANNOTATED, NOTICE OF CLOSED OR EXECUTIVE SESSION WILL BE GIVEN AFTER THE COMMENCEMENT OF THE MEETING COVERED BY THE NOTICE PURSUANT TO SECTION 551.101 OF THE TEXAS GOVERNMENT CODE.

Call to Order:

- Pledge of Allegiance
- Prayer

- 1) Consideration and possible action regarding the approval of the Minutes for the Regular Board Meeting on April 19, 2023.
- 2) Consideration and possible action regarding the financial reports and the approval of accounts payable checks.
- 3) General Report by President.
- 4) Engineering Report
- 5) Consideration and possible action to approve the sale of 0.35 acres of Lateral J out of Lot 7, Section 2, Hidalgo Canal Company Subdivision, City of McAllen, Hidalgo County, Texas.
- 6) Consideration and possible action to approve the Uvalde Villas Subdivision, a re-subdivision of the W1/2 of Lots 8, 10, and Lots, 14, 16, Hollenbeck Subdivision, and a tract out of Lot 15, SE1/4 of Section 7, Hidalgo Canal Company Subdivision, City of McAllen, Hidalgo County, Texas.
- 7) Consideration and possible action regarding District interest in 75.81 acres out of Lots 11 and 12 and South 10th Street of Lot 10, Section 5, Hidalgo Canal Company Subdivision, City of McAllen, Hidalgo County, Texas.
- 8) Consideration and possible action to allocate water to active accounts.
- 9) Consideration and possible action to amend the McAllen Public Utility Crossing Permit-Hackberry construction plans.
- 10) Executive Session pursuant to Sections 551.071(1) and 551.072 (2), Texas Government Code, to consult with attorney for Hidalgo County Water Improvement District No. 3 regarding matters, including each of those matters described below, in which the duty of the attorney for the District under the Texas disciplinary Rules of Professional Conduct of the state Bar of Texas clearly conflicts with Chapter 551 of the Texas Government Code and to seek the the advice of the attorney for the District regarding (i) a pending eminent domain proceeding in Cause No. CCD-0517-D styled "Hidalgo County Water Improvement District No. 3 vs. Hidalgo County Irrigation District No. 1", (ii) a pending petition for review in Supreme Court of Texas relating to order granting plea to Jurisdiction in Cause No. CCD-0517-D, (iii) a pending lawsuit in Cause No. C-0937-20-A styled "Hidalgo County Irrigation District No. 1 vs. City of McAllen vs. Hidalgo County Water Improvement District No. 3" (iv) a pending McAllen Public Utility petition filed with the Public Utility Commission of Texas appealing wholesale water rates of Hidalgo County Water Improvement District No. 3, (v) a pending lawsuit in Cause No. C-1601-22-1 styled "McAllen Public Utility vs. Othal Brand, Jr., in his official capacity, *et al*", (vi) contemplated litigation relating to compliance with City of McAllen payment obligations pursuant to *Permanent Water Supply and Delivery Contract*, as amended, between Hidalgo County Water Improvement District No. 3 and City of McAllen, (vii) contemplated litigation relating to the enforcement of proposed senate Bill 1056 and other bills relating to the dissolution of the District and transfer of its assets introduced and pending in 88th Texas Legislature.
- 11) Adjourn

**Hidalgo County Water Improvement District Number Three
Board of Directors' Meeting
May 17, 2023**

Call to Order:

President Othal Brand, Jr. called the regular meeting to order at the District's Office located at 1325 Pecan Blvd, McAllen, Texas 78501. The meeting began by reciting the pledge of allegiance. President Othal Brand, Jr. gave the prayer invocation. Director W.D. Moschel was appointed Secretary due to Mark Freeland being absent.

Board Members Present:

Othal Brand, Jr.	President
W.D. Moschel	Director
Lance Neuhaus	Director

Absent:

Chris Burns	Vice-President
Mark Freeland	Secretary

Others Attending:

Jim Hall	Ewing & Lara
Frank Ferris	Ferris & Flinn & Medina
Macarena Ortiz	Attorney
Raquel Espinoza	
Jose R. De Leon	General Manager, HCWID3
Mario Cruz	McAllen Drainage Engineer
Carlos Gonzalez	McAllen Utility Engineer

Consideration and possible action regarding the approval of the Minutes for the Regular Board Meeting on April 19, 2023.

A Motion was made by Lance Neuhaus and seconded by W.D. Moschel to approve the Minutes for the regular Board Meeting on April 19, 2023.

Motion Carried.

Consideration and possible action regarding the approval of the financial reports and account payable checks.

A Motion was made by Lance Neuhaus and seconded by W.D. Moschel to approve the financial reports and the account payable checks.

Motion Carried.

General Report by President

No General Report by President was presented.

Wednesday, May 17, 2023 at 12:00 p.m.

Engineering Report

Engineer Frank Ferris reported that the District began the month with a usable balance of 4,108 acre-feet, amounting to 48% of the annual water right, and 34% of the storage balance. There were no allocation for February or March. The US share is up to at 29.0% as of May 6. The District has diverted 1,700 acre feet so far this year.

Consideration and possible action to approve the sale of 0.35 acre N of Lateral J out of Lot 7, Section 2, Hidalgo Canal Company Subdivision, City of McAllen, Hidalgo County, Texas.

No Action Taken

Consideration and possible action to approve the Uvalde Villa Subdivision, a re-subdivision of the W1/2 of Lots 8, 10, and Lots 14, 16, Hollenbeck Subdivision, and a tract out of Lot 15, SE1/4 of Section 7, Hidalgo Canal Company Subdivision, City of McAllen, Hidalgo County, Texas.

No Action Taken

Consideration and possible action regarding District interest in 75.81 acres out of Lot 11 and Lot 12, and South 10th Street of Lot 10, Section 5, Hidalgo Canal Company Subdivision, City of McAllen, Hidalgo County, Texas.

A Motion was made by W.D. Moschel and seconded by Lance Neuhaus for approval for Engineer Frank Ferris to transmit a letter to the responsible engineer, the Developer and the City Engineer regarding District interest in 75.81 acres out of Lot 11 and Lot 12 and South 10th Street of Lot 10, Section 5, Hidalgo Canal Company Subdivision.

Motion Carried.

Consideration and possible action to allocate water to active accounts.

A Motion was made by Lance Neuhaus and seconded by W.D. Moschel the approval to allocate water and to fill all active accounts.

Motion Carried.

Consideration and possible action to amend the McAllen Public Utility Crossing Permit-Hackberry construction plans.

No Action Taken.

Executive Session pursuant to Sections 551.071(1) and 551.072(2), Texas Government Code to consult with Attorney for Hidalgo County Water Improvement District No. 3 regarding matters, including each of those matters described below, in which the duty of the attorney for the District under the Texas disciplinary Rules of Professional Conduct of the state Bar of Texas clearly conflicts with Chapter 551 of the Texas Government Code and to seek the advice of the attorney for the District regarding (i) a pending eminent domain proceeding in

Wednesday, May 17, 2023 at 12:00 p.m.

Cause No. CCD-0517-D styled "Hidalgo County Water Improvement District No. 3 vs Hidalgo County Irrigation District No. 1". (ii) a pending petition for review in Supreme Court of Texas relating to order granting plea to jurisdiction in Cause No. CCD-0517-D, (iii) a pending lawsuit in Cause No. C-0937-20-A styled "Hidalgo County Irrigation District No. 1 vs. City of McAllen vs. Hidalgo County Water Improvement District No. 3" (iv) a Pending McAllen Public Utility petition filed with the Public Utility Commission of Texas Appealing wholesale water rates of Hidalgo County Water Improvement District No. 3 (v) a pending lawsuit in Cause No. C-1601-22-1 styled "McAllen Public Utility vs. Othal Brand, Jr. in his official capacity, et al", (vi) contemplated litigation relating to Compliance with City of McAllen payment obligations pursuant to *Permanent Water Supply and Delivery Contract*, as amended between Hidalgo County Water Improvement District No. 3 and City of McAllen, (vii) contemplated litigation relating to the enforcement of Proposed senate Bill 1056 and other bills relating to the dissolution of the District and transfer of its assets introduced and pending in 88th Texas legislature.

CLOSED SESSION: PURSUANT TO ARTICLE 551.071 AND 551.072, TEXAS GOVERNMENT CODE.

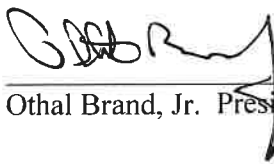
The Board went into closed session from 12:48 p.m. to 1:50 p.m.

No Action Taken.

Adjourn

A Motion was made by W.D. Moschel and seconded by Lance Neuhaus to adjourn the Board Meeting at 1:51 p.m.

Motion Carried.



Othal Brand, Jr. President



W.D. Moschel, Acting Secretary