

**Hidalgo County Water Improvement District Number Three  
Board of Directors' Special Meeting  
July 26, 2022**

**Call to Order:**

President Othal Brand, Jr. called a special meeting to order at the District Office located at 1325 Pecan Blvd, McAllen, Texas 78504. The meeting began by reciting the pledge of allegiance. Secretary Mark Freeland gave the prayer invocation.

**Board Members Present:**

Othal Brand, Jr.	President
Chris Burns	Vice President
Mark Freeland	Secretary
Lance Neuhaus	Director
W.D. Moschel	Director

**Absent:**

none

**Others Attending:**

Randy Whittington	Attorney
Jim Hall	Ewing & Lara
Raquel Espinoza	
Tomas De Leon	
Joe R. De Leon	

**Consideration and possible action to discuss Budget FY 2022-23 and to discuss deliberation.**

A Motion was made by Mark Freeland and seconded by W.D. Moschel to table this item.

Item tabled.

**Consideration and possible action regarding the adoption of a Water Allocation Program.**

The Board reviewed and discussed the proposed Water Allocation Program prepared and recommended by the District Engineer, Frank Ferris joined the meeting by telephone and explained the program and answered questions regarding its implementation. Members of the Board and Randy Whittington suggested several modifications to the draft program description. Following a thorough discussion, on a Motion by Chris Burns, seconded by Lance Neuhaus, and unanimously approved, the Board adopted the modified Water Allocation Program, a copy of which is attached to these minutes. (*See Attachment A - Water Allocation Program*).

*Tuesday, July 26, 2022 at 12:00 p.m.*

Motion Carried.

**Consideration and possible action regarding the activation of the Water Allocation Program.**

Frank Ferris, the District Engineer, reviewed the most recent report from the TCEQ Watermaster relating to the District's storage balance in its irrigation account. As of July 16, 2022, that storage balance was 3,381 acre-feet. The most recent report from Danny Reyna, the District's water accounting software consultant, shows that, other than lawn water tracts, there are currently 1,225 actively irrigated acres in the District eligible for allocation of irrigation water under the adopted Water Allocation Program. Mr. Frank Ferris explained that a full allocation of three (3) irrigations for all 1,225 acres at 2.0 acre-feet per acre would result in a total allocation of 2,450 acre-feet leaving a balance of 931 acre-feet for lawn water and operations. Based on the information presented and the recommendation of the District Engineer, upon a Motion by W.D. Moschel, seconded by Mark Freeland, and unanimously adopted, the Board activated the Water Allocation Program effective immediately.

Motion Carried.

**Consideration and possible adoption of adjustments, effective as of September 1, 2022, to in-district and floodway irrigation charges, in-district and out-of-district water delivery charges including charges to City of McAllen through McAllen Public Utilities Board pursuant to Permanent Water Supply and Delivery Contract, as amend, and flat rate assessments.**

No Action Taken.

**Executive Session pursuant to Sections 551.071 and 551.072, Texas Government Code, to consult with Attorney and to deliberate regarding (i) 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" or the acquisition of an easement interest in real property from Hidalgo County Irrigation District No. 1. (ii) petition for review in Supreme Court of Texas relating to order granting plea to jurisdiction in Cause No. CCDO517-D (iii) 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) McAllen Public Utility petition filed with the Public Utility Commission of Texas appealing wholesale water rates of Hidalgo County Water Improvement District No. 3 and (v) Cause No. 1601-221 styled "McAllen Public Utility vs Hidalgo County Water Improvement District No. 3".**

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

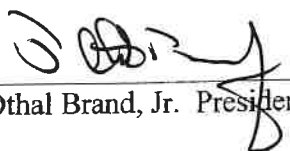
The Board went into closed session from 12:35 p.m. to 1:45 p.m.


**Adjourn**

*Tuesday, July 26, 2022 at 12:00 p.m.*

A Motion was made by Mark Freeland and seconded by W.D. Moschel to adjourn the Board Meeting at 3:55 p.m.

Motion Carried.

  
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Othal Brand, Jr. President

  
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Mark Freeland, Secretary