

**Hidalgo County Water Improvement District Number Three
Board of Directors' Meeting
October 19, 2022**

Call to Order:

President Othal Brand, Jr. called regular meeting to order at the District 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.

Board Members Present:

Othal Brand, Jr.	President
Mark Freeland	Secretary
WD Moschel	Director
Lance Neuhaus	Director

Absent:

Chris Burns	Vice-President
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Others Attending:

Randy Whittington	Attorney
Macarena Ortiz	Attorney
Jim Hall	Ewing & Lara
Frank Ferris	Ferris & Flinn & Medina
Raquel Espinoza	
Tomas De Leon	
Jose R. De Leon	
Truett King	Valley Baptist

Consideration and possible action regarding the approval of the Minutes for the Regular Board Meeting on September 21, 2022

A Motion was made by Mark Freeland and seconded by Lance Neuhaus regarding the approval of the Minutes for the regular Board Meeting on September 21, 2022 subject to a correction on the dollar amount on the extension of the letter of credit was renewed by Texas Regional Bank in the amount of \$800,000.00 in connection with the construction on Bicentennial Boulevard pipeline in the City of McAllen, Hidalgo County, Texas.

Motion Carried.

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

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

Motion Carried

General Report by President

President Othal Brand, Jr. informed the Board that a Legislative hearing will be held in McAllen on November 14, 2022 regarding the Senate Bill No. 2185.

Engineering Report

Engineer Frank Ferris reported the usable balance at the beginning of October was 4,281 acre feet, or fifty percent (50 %) of the annual water rights, and thirty-five (35 %) of the Storage Balance, after a fourteen percent (14 %) allocation of 1,215 acre-feet. Additional rain in the watershed will likely result in an additional allocation by mid-November.

The US share has risen to thirty point seven percent (30.7 %) as of October 8, 2022. The City has not taken any municipal water since June, 2022 but 4,039 acre-feet remain on their take or pay contract this calendar year.

Roselawn Cemetery

A correspondence letter request from Mark Vega from the City of McAllen requested assistance from the District to transfer and deliver 12 acre-feet of raw water from Certificate of Adjudication No. 23-848C at the delivery rate of \$39.45 per acre-foot for the Roselawn Cemetery located at 1201 South Main Street, McAllen, Texas 78501.

Airport Bypass

Engineer Frank Ferris showed the board pictures of the work being done at the airport bypass.

Consideration and possible action to allocate water to active accounts.

A Motion was made by Lance Neuhaus and seconded by Mark Freeland to approve another allocation by filling all the accounts to (3) three irrigations and to deplete the account until the District has another allocation to refill.

Motion Carried.

Consideration and possible action regarding the approval of a license to the McAllen Public Utility for a 12" waterline crossing of the Main Canal at Kendlewood Avenue, City of McAllen, Hidalgo County, Texas.

A Motion was made by Lance Neuhaus and seconded by Mark Freeland to approve a license to the McAllen Public Utility for a 12" waterline crossing of the Main Canal at Kendlewood Avenue, and authorize legal counsel, Macarena Ortiz to finalize the license with attached exhibits for signatures.

Motion Carried.

Consideration and possible action regarding the approval of a license to the McAllen Public

Wednesday, October 19, 2022 at 12:00 p.m.

Utility for a 12" waterline crossing of the Main Canal at Hackberry Avenue, City of McAllen, Hidalgo County, Texas.

A Motion was made by Lance Neuhaus and seconded by Mark Freeland to approve the license to the McAllen Public Utility for a 12" waterline crossing of the Main Canal at Hackberry Avenue, and authorize legal counsel, Macarena Ortiz to finalize the license with attached exhibits for signatures.

Motion Carried

Consideration and possible action regarding District interest in Lot 8, Floyd Bennett Subdivision, City of McAllen, Hidalgo County, Texas.

Engineer Frank Ferris will write a letter to the property owner to confirm the District's interest in Lot 8, Floyd Bennett Subdivision but to convey that the District cannot ensure that the ROW will never be closed or continue to remain open. However at this time, the District has no intention of restricting access that would prevent trash service and utility access at the rear of the referenced lot.

No Action Taken.

Consideration and possible action on District Canal along the west boundary of Block 3 and 6, Section 13, Hidalgo Canal Company Subdivision, City of McAllen, Hidalgo County, Texas.

The Board suggested for the District Employee, Jose R. De Leon to talk to the Property Owner Carla Pedraza to inform her that the District will not clean the section of the canal adjacent to Villa Norte Subdivision but for her to talk to the Property Owner Joe Ramon to clean the canal.

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. CCD-0517-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. C-1601-22-1 styled "McAllen Public Utility vs Othal Brand, Jr., in his official capacity, et al".

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

The Board went into closed session from 1:30 p.m. through 3:10 p.m.

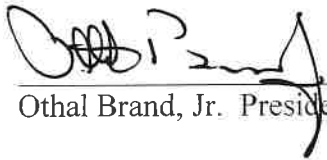
Wednesday, October 19, 2022 at 12:00 p.m.

No action taken.

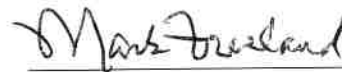
Adjourn

A Motion was made by Mark Freeland and seconded by W.D. Moschel to adjourn the Board Meeting at 3:10 p.m.

Motion Carried.



Othal Brand, Jr. President



Mark Freeland, Secretary