

**Hidalgo County Water Improvement District Number Three  
Board of Directors' Meeting  
July 21, 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.

**Board Members Present:**

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

**Absent:**

Chris Burns	Vice-President
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**Others Attending:**

Rene Perez	Ewing & Lara
Frank Ferris	Ferris & Flinn & Medina
Raquel Espinoza	
Jose R. De Leon	General Manager, HCWID3
Randy Whittington	Attorney

**Visitors:**

Walter Keller	Roselawn Cemetery
David Cramer	Roselawn Cemetery
Morris Nelson	Roselawn Cemetery
Bruno Saldana	Roselawn Cemetery
Diana Evans	Roselawn Cemetery
Marcus Suarez	Roselawn Cemetery
Javier Hinojosa	Engineer
Leo Montalvo	Attorney
Elio Botello	Megaware
Saul Munoz	B2Z Engineering
Armando Pompa	B2Z Engineering
Armando Garza	Hidalgo County Precinct #2
Steve Spoor	Engineer

**Consideration and possible action regarding the approval of the Minutes for the Regular Board Meeting on June 21, 2023.**

A Motion was made by Mark Freeland and seconded by W.D. Moschel to approve the Minutes for the regular Board Meeting on June 21, 2023.

Motion Carried.

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

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

Motion Carried.

**Consideration and possible action concerning water delivery to Roselawn Cemetery at 1201 S. Main Street, McAllen, Texas.**

No Action Taken.

**Engineering Report**

**(a) Report on District account balances with the Rio Grande Water Master, status of Amistad and Falcon Reservoirs and District diversions year to date.**

Engineer Frank Ferris reported that the District began the month with a usable balance of 3,963 acre feet, amounting to 46 percent of the annual water right, and 33% of the storage balance. The U.S. share is down to 27.7 percent as of July 8. There was no allocation for the June period. District has diverted 2,475 acre feet so far this year, including 23 acre feet of no charge.

**(b) Discussion of pending subdivision and right-of-way project.**

Engineer Frank Ferris informed the Board that the Developer paid for the appraisal of the 35 acre-tract project, which includes the relocation of Lateral G, and he is waiting on the legal description to start appraising the property.

**Consideration and possible action to approve McAllen Palms Business Park Subdivision including alternatives for Lateral G within the Plat Boundary.**

A Motion was made by Mark Freeland and seconded by W.D. Moschel to authorize the appraisal negotiations related to the District's surplus property at Lateral "G" on McAllen Palms Business Park Subdivision.

Motion Carried.

**Consideration and possible action regarding District interest in Lot 10 Block 1, C.E. Hammond Subdivision, McAllen, Texas, Hidalgo County.**

No Action Taken.

**Consideration and possible action regarding District interest in 5.20 acres out of Lot 3, Section 4, Hidalgo Canal Company Subdivision, the future site of 6400 Industrial Center Subdivision, McAllen, Texas, Hidalgo County.**

A Motion was made by Mark Freeland and seconded by W.D. Moschel to authorize District's Engineer Frank Ferris to write a letter to the property's Developer and the Engineer addressing the reduction of a proposed 30 feet easement to a 20 feet right-of-way on the District's Lateral F Canal that lies within the subdivision boundary.

Motion Carried.

**Consideration and possible action regarding approval of OO10th & Jay Subdivision, McAllen, Texas, Hidalgo County remedies to mitigate the impacts.**

A Motion was made by Mark Freeland and seconded by W.D. Moschel to recommend approval of QQ10th & Jay Subdivision, a re-subdivision of Lot 11 Section 12 Hidalgo Canal Company Subdivision, Hidalgo County, Texas.

Motion Carried.

**Consideration and possible action on the impact of the Las Milpas Road project on District Property and facilities and remedies to mitigate the impacts.**

A Motion was made by Mark Freeland and seconded by W.D. Moschel to approve the plans subject to recommendations outlined in the letter from the District Engineer, Frank Ferris and the reservation of (2) 10x10 easements at the well locations south of the road.

Motion Carried.

**Consideration and possible action to approve a contract with landowner to relocate lateral "F" across Lot 5, Section 4 Hidalgo Canal Company Subdivision, including approval of construction plans.**

A Motion was made by Mark Freeland and seconded by W.D. Moschel to allow the developer to proceed with the installation of the pipeline subject to the property exchange and the construction drawings to be reviewed by the District Engineer Frank Ferris. Mr. Ferris will send a letter to the developer and the City of McAllen regarding the same. District Counsel, Macarena Ortiz will prepare the legal document for the Board's review and approval, at a later time.

Motion Carr

**Consideration and possible approval of letter of Intent to lease between Hidalgo County Water Improvement Dist No. 3 and Mainsail Renewables LLC relating to development of Battery energy storage system and facility on a one-acre portion of District's surplus property on East Produce Road in Hidalgo, Texas.**

A Motion was made by Mark Freeland and seconded by W.D. Moschel to reflect approval of the letter of Intent to Lease subject to changes by Counsel Randy Whittington between Hidalgo County Water Improvement District No. 3 and Mainsail for the land to be used for the installation of a battery energy storage system and facility in exchange for \$46,000.00 per year. The District's property is located on a one-acre tract at East Produce Road in the City of Hidalgo, Hidalgo County, Texas.

Motion Carried.

**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 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 88<sup>th</sup> Texas legislature**

CLOSED SESSION: PURSUANT TO SECTION 551.071 AND SECTION 551.072 OF THE TEXAS GOVERNMENT CODE FOR CONSULTATION WITH THE ATTORNEY.

The Board went into closed session from 12:49 p.m. to 1:22 p.m.

OPEN SESSION:

No Action Taken.

CLOSED SESSION: PURSUANT TO SECTION 551.071 AND SECTION 551.072 OF THE TEXAS GOVERNMENT CODE FOR CONSULTATION WITH THE ATTORNEY.

The Board went into closed session from 3:00 p.m. to 3:53 p.m.

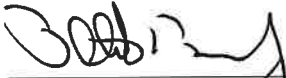
OPEN SESSION:

No Action Taken.

**Adjourn**

A Motion was made by Mark Freeland and seconded by W.D. Moschel to adjourn the Board Meeting at 4.00 p.m.

Motion Carried.

  
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Othal Brand, Jr. President

  
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Mark Freeland, Secretary

**Hidalgo County Water Improvement District Number Three  
Board of Directors' Meeting  
August 16, 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.

**Board Members Present:**

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

**Absent:**

Chris Burns	Vice-President
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**Others Attending:**

Jim Hall	Ewing & Lara
Frank Ferris	Ferris & Flinn & Medina
Macarena Ortiz	Attorney
Raquel Espinoza	
Jose R. De Leon	General Manager, HCWID3

**Visitors:**

Rick Flores	South Texas Real Estate
Elio Botello	MegaWare
Elio Botello, Jr.	MegaWare

**Consideration and possible action regarding the approval of the Minutes for the Regular Board Meeting on July 21, 2023**

A Motion was made by Lance Neuhaus and seconded by Mark Freeland to approve the Minutes subject to the corrections made on items related to the Las Milpas Road Project, Lateral F and the letter of intent to lease changes made for the regular Board Meeting on July 21, 2023.

Motion Carried.

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

*Wednesday, August 16, 2023 at 12:00 p.m.*

A Motion was made by Mark Freeland and seconded by Lance Neuhaus to approve the financial reports and the account payable checks.

Motion Carried.

**Consideration and possible action regarding the renewal of the District's contract with Ron Lewis & Associates.**

A Motion was made by Mark Freeland and seconded by Lance Neuhaus to table this item.

Item Tabled.

**Consideration and possible action to ratify Carr, Riggs & Ingram engagement letter.**

A Motion was made by Mark Freeland and seconded by Lance Neuhaus to ratify Carr, Riggs & Ingram engagement letter subject to the changes made on the letter's applicable governing law and venue that should be corrected to Coffee County, State of Alabama.

Motion Carried.

**Engineering Report**

**(a) Report on District allocation in the Falcon & Amistad Reservoir System.**

Engineer Frank Ferris reported that the District began the month with a usable balance of 3,662 acre feet, amounting to 43 percent of the annual water right, and 30 percent of the storage balance. The U.S. share is down to 24.9 percent as of August 5. There was no allocation for the month of July down to 1,800 acre feet. District has diverted 2,800 acre feet so far this year, including 23 acre feet of no charge.

**(b) Report on McAllen South Industrial Park relocation of Lateral "F".**

Engineer Frank Ferris discussed with the Board the letter to Engineer Steve Spoor with the redline construction plans for the relocation of Lateral F through the future site of McAllen South Industrial Park.

**(c) Report on Las Milpas Roadway Project.**

No revised plans on Las Milpas Roadway Project by Engineer Frank Ferris.

**Consideration and possible action to declare as surplus property a 8.16 acre-tract of land out of the District's canal right-of-way located on Lot 39, CE Hammond Subdivision, Hidalgo Canal Subdivision, Hidalgo County, Texas.**

A Motion was made by Lance Neuhaus and seconded by Mark Freeland to declare as surplus property and no longer needed by the District a 8.16 acre tract of land out of District's canal right-of-way located on Lot 39, CE, Hammond Subdivision, Hidalgo Canal Subdivision, in Hidalgo County, Texas, subject to a 60-foot exclusive easement to be dedicated to the District.

*Wednesday, August 16, 2023 at 12:00 p.m.*

Motion Carried.

**Consideration and possible action regarding a request by the City of Hidalgo for the approval of a License for retail public water or sewer crossing(s) across Lateral "A" on Lot 7, Section 2, Hidalgo Canal Company Subdivision.**

No Action Taken.

**Consideration and possible action to declare as surplus property a 0.165 acre-tract of land out of 1.60 acre-tract of the District's Lateral "O", across Lot 13, Section 10, Hidalgo Canal Company Subdivision, Hidalgo County, Texas.**

A Motion was made by Lance Neuhaus and seconded by Mark Freeland to declare as surplus property and no longer needed by the District a 0.165 acre-tract of land out of 1.60 acre-tract of the District's Lateral "O", across Lot 13, Section 10, Hidalgo Canal Company Subdivision, Hidalgo County, Texas, and for the property to be sold by private sale, in exchange for payment to be the highest price between an appraisal valuation of the land and the property value as per the Hidalgo County Appraisal District.

W.D. Moschel abstained from all discussion and voting.

Motion Carried.

**Consideration and possible action for the board to approve and execute a Deed Without Warranty related to the District's interest in a 7.93 acre-tract of land out of Lot 15, Section 7, Hidalgo Canal Company Subdivision, Hidalgo County, Texas.**

A Motion was made by Lance Neuhaus and seconded by Mark Freeland to approve the execution of a Deed Without Warranty prepared by District Counsel, Macarena Ortiz to release any interest in the property in exchange for \$63,000.00 plus additional legal fees.

Motion Carried.

**Consideration and possible action to approve Uvalde Villas Subdivision being a 7.93 acre-tract of land out of Lot 15 Section 7, Hidalgo Canal Company Subdivision, Hidalgo County, Texas.**

A Motion was made by Mark Freeland and seconded by Lance Neuhaus to approve the Uvalde Villas Plat subject to the signing and execution of the Deed Without Warranty prepared by District's Counsel, Macarena Ortiz, and the receipt by the District of consideration in the amount of \$63,000 plus additional legal fees.

Motion Carried.

*Wednesday, August 16, 2023 at 12:00 p.m.*



**Consideration and possible action to declare as surplus property a .65 acre-tract of land out of the District's Lateral "G" across Lots 11 and 12, Section 5, Hidalgo Canal Company Subdivision, Hidalgo County, Texas.**

A Motion was made by Mark Freeland and seconded by Lance Neuhaus to declare as surplus property and no longer needed by the District a 0.65 acre-tract of land out of the District's Lateral "G" across Lots 11 and 12, Section 5, Hidalgo Canal Company Subdivision, Hidalgo County, Texas, and for the property to be sold by private sale, in exchange for payment to be the highest price between an independent appraisal valuation and the value as per the Hidalgo County Appraisal District. The property owner will pay the cost of the appraisal.

Motion Carried.

**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 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 88<sup>th</sup> Texas legislature**

CLOSED SESSION: PURSUANT TO SECTION 551.071 AND SECTION 551.072 OF THE TEXAS GOVERNMENT CODE FOR CONSULTATION WITH THE ATTORNEY.

The Board went into closed session from 2:56 p.m. to 3:34 p.m.

OPEN SESSION:

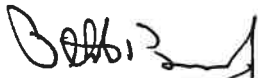
No Action Taken.

**Adjourn**

*Wednesday, August 16, 2023 at 12:00 p.m.*

A Motion was made by Lance Neuhaus and seconded by Mark Freeland to adjourn the Board Meeting at 3:35 p.m.

Motion Carried.

  
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Othal Brand, Jr. President

  
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Mark Freeland, Secretary

*Wednesday, August 16, 2023 at 12:00 p.m.*

**Hidalgo County Water Improvement District Number Three  
Board of Directors' Special Meeting  
September 5, 2023**

**Call to Order:**

President Othal Brand, Jr. called a special 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. Director W.D. Moschel was appointed Secretary due to Mark Freeland being absent.

**Board Members Present:**

Othal Brand, Jr.	President
WD Moschel	Director
Lance Neuhaus	Director

**Absent:**

Chris Burns	Vice-President
Mark Freeland	Secretary

**Others Attending:**

Jim Hall	Ewing & Lara Accountant
Joe R. De Leon	HCWID#3 General Manager
Raquel Espinoza	

**Consideration and possible action regarding the approval of the Budget FY 2023-24.**

A Motion was made by Lance Neuhaus and seconded by W.D. Moschel to approve the Budget for the Year 2023-2024 subject to the removal of the sale of surplus equipment in an amount of \$125,000 and the increase rates for the Health Insurance.

A \$2.00 per acre increase on the Water Rate Irrigation & the Flat Rate Assessment was also approved. The rates to the City of McAllen and the Yard Water stays the same.

Effective October 1, 2023 the Water Delivery Rates Increase is as follows:

In-District Irrigation -----	\$15.40/ per acre
Floodway Irrigation -----	\$18.60/per acre
Out of District -----	\$20.29/per acre
Flat Rate Assessment-----	\$16.50/per acre
Yard Water( <i>less than 1.00 acre</i> ) -----	\$29.10
City of McAllen -----	\$113.96 ac. ft.
City of McAllen ( <i>only 550 ac. ft.</i> ) -----	\$ 39.43/ac. ft.

Tuesday, September 5, 2023 at 12:00 p.m.

City of McAllen (*transferred water*) ----- \$ 35.84/ac. ft.

Motion Carried.

**Consideration and possible action regarding the approval of the accounts payable checks.**

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

Motion Carried.

**Adjourn**

A Motion was made by W.D. Moschel and seconded by Lance Neuhaus to adjourn the Board Meeting at 12:45 p.m.

Motion Carried.

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Othal Brand, Jr. President

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W.D. Moschel, Acting Secretary

**Hidalgo County Water Improvement District Number Three  
Board of Directors' Meeting  
September 20, 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. Secretary Mark Freeland gave the prayer invocation.

**Board Members Present:**

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

**Absent:**

Lance Neuhaus	Director
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**Others Attending:**

Jim Hall	Ewing & Lara
Frank Ferris	Ferris & Flinn & Medina
Macarena Ortiz	Attorney
Randy Whittington	Attorney
Raquel Espinoza	
Jose R. De Leon	General Manager, HCWID3

**Visitors:**

Thomas Rodriguez	Pulice Construction
Dan Paredes	HDR Engineering
Roman Navarro	HCRMA

**Consideration and possible action regarding the approval of the Minutes for the Regular Board Meeting on August 16, 2023.**

A Motion was made by Chris Burns and seconded by Mark Freeland to approve the Minutes for the regular Board Meeting on August 16, 2023.

Motion Carried.

**Consideration and possible action regarding the approval of the Minutes for the Special Board Meeting on September 5, 2023.**

A Motion was made by Chris Burns and seconded by Mark Freeland to approve the Minutes for the Special Board Meeting on September 5, 2023.

Motion Carried.

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

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

Motion Carried.

### **Engineering Report**

(a) **Report on District allocation in the Falcon & Amistad Reservoir System.**

Engineer Frank Ferris reported that the District began the month with a usable balance of 3,440 acre feet, amounting to 40 % of the annual water right, and 29% of the storage balance. The US share is down to 23% as of September 9. There was no allocation for the August period. Unallocated water for the August period was up to 12,000 acre feet. District has diverted 3,080 acre feet so far this year, including 23 acre feet of no charge. The District currently has 4,388 acres of irrigation in the account balances, which equates to 2,925 acre feet of usable balance, so not enough in storage for an allocation with 1,000 acre feet of operating reserve.

A request for reinstatement from Francisco Guerra on behalf of property owner Gloria Brady for irrigation for 16.00 acres of pasture for in-District allocation would not be on the agenda for consideration and approval until posted for a future meeting.

(b) **Report on McAllen South Industrial Park relocation of Lateral "F".**

The revised construction plans have been received that comply with the District's request for the McAllen South Industrial Park Lateral "F" Relocation.

### **Consideration and possible action to sell a 7.00 acre tract out of Lot 39, C.E. Hammond Subdivision, Hidalgo County, Texas and authorize the President of the Board to execute the conveyance deed.**

A Motion was made by Mark Freeland and seconded by Chris Burns approve the sale surplus property no longer needed a 7.00 acre tract out of Lot 39, Block 3 C.E. Hammond Subdivision and authorize the President to execute the conveyance deed. Attorney Macarena Ortiz to prepare the draft contract subject to the reservation of a 60 ft. easement for any purpose the District considers necessary, in addition to the installation, maintenance, repair, etc., of a 60" water line. The easement will be 2.55 acres and 60' wide. The District will require an escrow account for any improvements to be done to 4th street with either pavement or concrete pad.

Motion Carried.

### **Consideration and possible action to sell a 4.27 acre tract of land out of that portion of canal recorded in Volume "R" Page 642-644, Deed Records Hidalgo County, Texas and authorize the President of Board to execute the conveyance deed.**

A Motion was made by Mark Freeland and seconded by Chris Burns to approve the sale a 4.27 acre tract of land out of that portion of canal recorded in Volume "R" Page 642-644, Deed Records in Hidalgo County, Texas subject to the requirement that the property owner addresses issues brought up by the board and District's Engineer Frank Ferris revise existing survey and plans for Attorney Macarena Ortiz to draft Deed Without Warranty. The board authorized the President of the Board to execute the conveyance deed.

Motion Carried.

**Consideration and possible action to approve revised construction plans for the construction of the SH 365 Project and approve an amendment to the Easement agreement for the project.**

A Motion was made by Mark Freeland and seconded by Chris Burns to approve the revised Construction plans and the amendment to the Easement Agreement for the Construction of the SH 365 Project. Engineer Frank Ferris will issue a letter with his recommendations and revisions to the plans and notes on the HCRMA project. A shut down on the irrigation to change the gate is on the downstream end and the box is square with the downstream end (60" outlet). The shutdown will be coordinated by Joe R. De Leon and will last approximately 4 days.

Motion Carried.

**Consideration and possible action to approve Limas Subdivision, a re-subdivision of Lot 14 Ebony Heights Citrus Groves Unit No. One Subdivision, Hidalgo County, Texas.**

A Motion was made by Mark Freeland and seconded by Chris Burns to approved Limas Subdivision subject to revisions of the approval language and showing of the District's 40' Right-Of-Way.

Motion Carried.

**Consideration and possible action to approve construction plans for Las Milpas roadway project.**

A Motion was made by Mark Freeland and seconded by Chris Burns to table this item pending further required changes to the plans.

Item Tabled.

**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 Cause No. CCD-0517-D styled "Hidalgo County Water Improvement District No. 3 vs Hidalgo County Irrigation District No. 1". (ii) legal issues relating to proposed letter of intent between Hidalgo County Water Improvement District No. 3 and Santa Cruz Irrigation District No. 15, (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 Imp. 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" and pending interlocutory appeal in Case No. 13-23-00020-CV in the 13<sup>th</sup> Court of appeals, and (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 Imp. District No. 3 and City of McAllen.**

CLOSED SESSION PURSUANT TO SECTION 551.071 AND SECTION 551.072 OF THE TEXAS GOVERNMENT CODE FOR CONSULTATION WITH THE ATTORNEY.

The Board went into closed session from 1:37 p.m. to 2:51 p.m.

No Action Taken.

**Consideration and possible approval of district map and legal description for filing with Hidalgo County Clerk and TCEQ as required by S.B. 1056.**

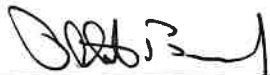
A Motion was made by Chris Burns and seconded by Mark Freeland to table this item for the next board meeting to allow the District's staff to finalize the map and legal description.


Item Tabled.

**Adjourn**

A Motion was made by Chris Burns and seconded by Mark Freeland to adjourn the Board Meeting at 2:52 p.m.

Motion Carried.

  
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Othal Brand, Jr. President

  
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Mark Freeland, Secretary