

**Hidalgo County Water Improvement District Number Three  
Board of Directors' Meeting  
November 15, 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. Vice -President Chris Burns gave the prayer invocation.

**Board Members Present:**

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

**Absent:**

None

**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
Chris Villarreal	

**Visitors:**

Edgar Trios	G. Trigos Construction
Lisa Helle	Realtor

**Consideration and possible action to approve a 20 foot x 80.6 easement out of that part of reserved Development Area between Lots 82 and 97, at Retiree Haven No. 2 Subdivision, Hidalgo County, Texas.**

A Motion was made by Lance Neuhaus and seconded by Chris Burns to approve a 20 foot x 80.6 Easement out of that part of reserved Development Area between Lots 82 and 97, Retiree Haven No. 2 Subdivision. Attorney Macarena Ortiz will draft an exclusive, irrevocable and perpetual Easement Agreement incorporating the property legal description by Engineer Frank Ferris with the changes made.

Motion Carried.

**Consideration and possible action to approve the Minutes for the Regular Board Meeting on October 18, 2023.**

A Motion was made by Chris Burns and seconded by Lance Neuhaus to approve the Minutes for the Regular Board Meeting on October 18, 2023.

Motion Carried.

*Wednesday, November 15, 2023 at 12:00 p.m.*

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

A Motion was made by Chris Burns and seconded by Lance Neuhaus to approve the Financial Reports and the Accounts payable checks.

Motion Carried.

**Consideration and possible action to review the District's Subdivision Plat requirements.**

A Motion was made by Lance Neuhaus and seconded by Chris Burns to approve the District's Subdivision Plat Requirements with the following provisions:

- Deadline for plat submission is four (4) weeks prior to a regularly scheduled Board Meeting.
- No approval shall be granted until all conditions and/or recommendations outlined by said consulting engineer are incorporated.
- All District assessments must be current for the property being submitted prior to review.
- A non-refundable Plat Review fee of \$1,250.00 shall be charged per subdivision with three (3) or less lots. A non-refundable Plat Review fee of \$3,500.00 shall be charged for subdivisions with four (4) or more lots. All fees must be paid upon submission of a plat to the District.
- An Exclusion fee of \$1,500.00 must be paid prior to plat approval for plats requiring Petition for Exclusion.
- If a plat is revised in any way from the previously submitted and approved plat, and it becomes necessary for the board to review and sign again, then it must be re-submitted for District approval for an additional fee of \$1,250.00.
- The Developer is responsible for relocation of District irrigation lines, which must be completed, prior to plat approval. If work is to be performed by the District, the developer must pay all costs of work to be performed by the District prior to approval and signature of the plat.
- Any modification to District Facilities requires payment of an engineering review fee of \$1,000.00.
- District easement document recording number, signature language and notes are to be placed on the plat to be recorded.
- The Developer must pay all other miscellaneous cost related to plat approval prior to review by the board, including attorney's fees and any recording fees, if applicable  
(See Attachment A-Requirements for Subdivision Plat Approval)

Motion Carried.

**Engineering Report**

**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 3,097 acre feet, amounting to 36% of the annual water right, and 26% of the storage balance. The US share is down to 20.9% as of November 4. There is little chance for an allocation for the October period. The District currently has 4,243 acres of irrigation in account balance, which equates to 2,829 acre feet of usable balance, so not enough in storage for an allocation with 1,000 acre feet operating reserve. USIBW Storage Conditions shows this drought is worse than the last critical drought in 1998.

**Las Milpas Road** – No ongoing movement at all.

**Consideration and possible action to approve the appraisal of a 1.608 acre tract of land, Lateral “G” being out of a part or portion out of Lot 10 and 15, Section 5, Hidalgo Canal Company Subdivision, Hidalgo County, Texas.**

A Motion was made by Chris Burns and seconded by Lance Neuhaus to approve the appraisal of 1.608 acre tract of land Lateral “G” being out of a part or portion out of Lot 10 and 15, Section 5, Hidalgo Canal Company Subdivision, Hidalgo County, Texas. *(See Attachment B- Appraisal Report-page 1.*

Motion Carried.

**Consideration and possible action to approve the appraisal of a 0.588 of one acre tract of land, Lateral “F” being out of part or portion out of Lot 10 and 15, Section 5, Hidalgo Canal Company Subdivision, Hidalgo County, Texas.**

A Motion was made by Chris Burns and seconded by Lance Neuhaus to approve the appraisal of a 0.588 of one acre tract of land, Lateral “F” being out of part or portion out of Lot 10 and 15, Section 5, Hidalgo Canal Company Subdivision, Hidalgo County, Texas.

Motion Carried.

**Consideration and possible action to approve revised construction plans for the HCRMA Toll Road Crossing at the Main Canal, Hidalgo County, Texas.**

A Motion was made by Lance Neuhaus and second by Mark Freeland to approve revised construction plans for the HCRMA Toll Road Crossing at the Main Canal, Hidalgo County, Texas.

Motion Carried.

**Consideration and possible action to approve a Surplus Property application and fee Schedule for the District.**

A Motion was made by Chris Burns and seconded by Mark Freeland to table this item to allow further changes to the template application form.

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 2:15 p.m. to 3:32 p.m.

No Action Taken.

**Consideration and possible approval of updated 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 Lance Neuhaus to approve the updated district map and legal description of territory including within the District's boundaries, as of November 15, 2023, for filing with Hidalgo County Clerk and TCEQ as required by S.B. 1056.

Motion Carried.

**Consideration and possible action to approve Retiree Haven No. 2 Lot 82A and 79A Subdivision, Hidalgo County, Texas.**

A Motion was made by Mark Freeland and seconded by Lance Neuhaus to approve Retiree Haven No. 2 Lots 82A and 79A Subdivision, Hidalgo County, Texas, once changes have been made to the plat by adding a signature line and amending the language of the District's signature paragraph, and by adding the exclusive easement recording information.

Motion Carried.

**Consideration and possible action to declare water rights surplus.**

A Motion was made by Chris Burns and seconded by Lance Neuhaus to table this item.

Item Tabled.

**Consideration and possible action to increase irrigation rates.**

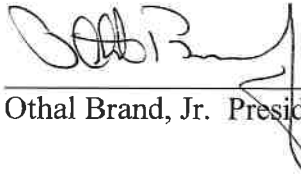
A Motion was made by Chris Burns and seconded by Lance Neuhaus to table this item.

Item Tabled.

**Adjourn**

A Motion was made by Chris Burns and seconded by Lance Neuhaus to adjourn the Board Meeting at 3:50 p.m.

Motion Carried.

  
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Othal Brand, Jr. President

  
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Mark Freeland, Secretary