

HIDALGO COUNTY CONSOLIDATED WATER CONTROL AND IMPROVEMENT DISTRICT

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MEETING OF THE JOINT BOARD OF DIRECTORS OF THE HIDALGO COUNTY CONSOLIDATED WATER CONTROL AND IMPROVEMENT DISTRICT

*****AGENDA*****

TAKE NOTICE THAT THE JOINT BOARD OF DIRECTORS OF THE HIDALGO COUNTY CONSOLIDATED WATER CONTROL AND IMPROVEMENT DISTRICT HAVING BEEN CONSOLIDATED BASED ON THE RESULTS OF AN ELECTION HELD IN ACCORDANCE WITH SECTION 51.732 *et seq*, TEXAS WATER CODE), SAID BOARDS OF DIRECTORS ACTING AS A JOINT BOARD OF HIDALGO COUNTY CONSOLIDATED WATER CONTROL AND IMPROVEMENT DISTRICT (THE "CONSOLIDATED DISTRICT") PURSUANT TO THE TERMS OF A *CONSOLIDATION AGREEMENT*, DATED JULY 17, 2024, WILL HOLD A MEETING OF SAID JOINT BOARD AT THE MAIN OFFICE OF THE CONSOLIDATED DISTRICT AT 1325 PECAN BLVD, MCALLEN, TEXAS, 78501 AT 12 O'CLOCK NOON ON WEDNESDAY, DECEMBER 4, 2024. THIS AGENDA AND WRITTEN NOTICE IS POSTED IN ACCORDANCE WITH THE APPLICABLE PROVISIONS OF CHAPTER 551, TEXAS GOVERNMENT CODE, INCLUDING THE ACCESSIBILITY REQUIREMENTS OF SECTION 551.043, TEXAS GOVERNMENT CODE. IF, DURING THE COURSE OF THE MEETING, THE JOINT BOARD DETERMINES THAT A CLOSED MEETING SHOULD BE CONVENED REGARDING AN ITEM ON THE AGENDA AND THAT SUCH CLOSED MEETING IS AUTHORIZED BY AN APPLICABLE PROVISION OF CHAPTER 551, TEXAS GOVERNMENT CODE, INCLUDING BUT NOT LIMITED TO EITHER SECTION 551.071 OR SECTION 551.072, TEXAS GOVERNMENT CODE, THE PRESIDENT OR OTHER PRESIDING OFFICER SHALL ANNOUNCE THE CONVENING OF THE CLOSED SESSION, INCLUDING THE TIME AND SUBJECT OF THE CLOSED SESSION AND THE STATUTE UNDER WHICH THE CLOSED SESSION IS PERMITTED, AND, UPON CONCLUSION OF SUCH CLOSED SESSION, THE PRESIDENT OR OTHER PRESIDING OFFICER SHALL ANNOUNCE THE TIME OF RECONVENING IN OPEN SESSION.

Call to Order:

Pledge of Allegiance
Prayer

- (1) Consideration and possible action to approve bid from Fast Signs to place logos on district vehicles.
- (2) Consideration and possible action to review employee health plan and enroll employees previously employed by Hidalgo County Water Improvement District No. 3 (hereinafter HCWID#3) and Santa Cruz Water Control and Improvement District No.15 (hereinafter SCWCID#15 in the Plan currently held by HCWID#3 and to update the Plan to reflect the name of the Consolidated District as the Employer.
- (3) Consideration and possible action to review the current HCWID#3 Retirement Plan and offer to the Consolidated District employees.
- (4) Consideration and possible action to approve bid from gps & track for all Consolidated District vehicles.
- (5) Approval of the minutes for SCWCID#15 November 19, 2024 meeting.
- (6) Approval of the minutes for HCWID#3 November 19, 2024 meeting.
- (7) Approval of the minutes of the November 19, 2024 Special Meeting of the Joint Board of Directors for the Consolidated District.
- (8) Discussion and possible action regarding irrigation water allocation program.
- (9) Consideration and possible action to adopt employee policy for Consolidated District employees.
- (10) Consideration and possible action to (i) approve appointment of Ferris, Flinn & Medina, LLC as district engineer for the Consolidated District and (ii) authorize Othal Brand, Jr. on behalf of the Consolidated

District to execute a contract with the district engineer.

- (11) Consideration and possible action to (i) designate PlainsCapital Bank as the depository for funds of the Consolidated District, (ii) authorize the opening of an operations and maintenance account for the Consolidated District at PlainsCapital Bank with each of the members of the Joint Board as authorized signatories and requiring two (2) of said persons' signatures on checks and withdrawals, (iii) authorize the opening of a Reserve Account at PlainsCapital Bank for the former HCWID#3 as provided in the *Consolidation Agreement* with each of the five (5) individuals who were members of the board of directors of said former HCWID#3 as authorized signatories and requiring two (2) of said persons' signatures on checks and withdrawals, and (iv) authorize the opening of a Reserve Account at PlainsCapital Bank for the former SCWCID#15 as provided in the *Consolidation Agreement* with each of the five (5) individuals who were members of the board of directors of said former SCWCID#15 as authorized signatories and requiring two (2) of said persons' signatures on checks and withdrawals.
- (12) Consideration and possible action to adopt an order authorizing the officers and general managers of former HCWID#3 and SCWCID#15 to take such actions as may be necessary and appropriate to wind up the affairs of the former districts as provided in Section 51.734, *Texas Water Code*, and in that certain *Consolidation Agreement*, dated July 17, 2024, including but not limited to the execution of such documents as may be required to (i) convey to the Consolidated District all real property (including all water rights, easements, and other interests of every description and whatever nature in real property) owned by said former districts, (ii) transfer to the Consolidated District all personal property (including all equipment, vehicles and other rolling stock, furniture and fixtures, irrigation distribution and delivery facilities and infrastructure, and other tangible and intangible personal property) owned by said former districts, and (iii) assign and transfer to the Consolidated District all contracts (including but not limited to contracts for the supply and/or delivery of water by or to said former districts) to which said former districts are a party and pursuant to which said former districts have rights or obligations.
- (13) Executive Session pursuant to Sections 51.07(1) and 551.072(2), *Texas Government Code*, to consult with attorneys for the former HCWID#3 and SCWCID#15 and the Consolidated District 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:
 - (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";
 - (b) legal issues relating to *Interlocal Cooperation Agreement* between District and City of McAllen regarding extension of Bicentennial Boulevard irrigation pipeline and City of McAllen claim for draft on Texas Regional Bank letter of credit;
 - (c) 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";
 - (d) pending McAllen Public Utility petitions filed with the Public Utility Commission of Texas and Texas Commission on Environmental Quality appealing wholesale water rates of Hidalgo County Water Imp. District No. 3;
 - (e) 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 13th Court of Appeals;
 - (f) contemplated litigation relating to default by City of McAllen with respect to payment obligations pursuant to *Permanent Water Supply and Delivery Contract*, as amended, between Hidalgo County Water Improvement District No. 3 and City of McAllen; and
 - (g) pending or potential or contemplated litigation by or against SCWCID#15 or its predecessor, Santa Cruz Irrigation District No. 15.
- (14) Consideration and possible action to authorize actions discussed in executive session with respect to pending judicial or administrative proceedings or other legal matters.
- (15) Adjourn