MINUTES

Of the Board Meeting conducted on November 15, 2021

Take notice that a Board Meeting of the Board of Directors of Hidalgo County Irrigation District Number Six was held at 1:00 p.m. on November 15, 2021, at the Hidalgo County Irrigation District Number Six office located at 3735 N. FM 492, Mission, Texas 78574.

1) The meeting was called to order by Mr. Santana Gutierrez at 1:07 p.m., November 15, 2021, at which time Mr. Santana Gutierrez acknowledged the presence of the Elected Members of the Board of Hidalgo County Irrigation District No. Six.

Members present included:

Mr. Santana Gutierrez, Vice-President

Mr. Oscar Arturo Garza, Director

Mr. Brandon Thompson, Secretary

Member not present

Ms. Diana Izaguirre, President

Dr. Roberto Zamora, Director

Also, present included:

Dr. Antonio Uresti, General Manager, HCID No.6

Ms. Deborah Cordova, Attorney at Law, HCID No.6

Ms. Minnie Mueller, Administrative Assistant, HCID No.6

Mr. Michael Kent, Bookkeeper, HCID No.6

Mr. Ruben James De Jesus, Melden & Hunt, Engineer, HCID No.6 (arrived at 1:50 p.m.)

Mr. Isauro Trevino, South Texas Grant Writing Services

Mr. Arturo Chapa, Landowner

Mr. Iden Trevino, Trevino Engineering

Ms. Karime Farachala, Trevino Engineering

Mr. Roel Barrera, Jr., HLG Engineering & Surveying

Mr. Homero Gutierrez, HLG Engineering & Surveying

Mr. Marc Miller, KW RGV Reality

A quorum of the members of the Hidalgo County Irrigation District No. Six being present, the meeting was duly convened. The Pledge of Allegiance followed by Invocation was presented by Mr. Brandon Thompson, HCID No.6 Secretary.

- 2) Recognition of visitors and public comments.
- 3) Certification of Posting for the Board Meeting.

General Manager confirmed that the Certification of the Board Meeting was posted at the Hidalgo County Court House, HCID No.6 lobby and the place convenient to the public in the bulletin board at HCID No.6, 3735 N FM 492, Mission, Texas 78572 at 11:45 a.m., November 10, 2021.

- 4) Manager's Items:
 - a) Thanksgiving Luncheon Reminder

General Manager reminded Board Members of HCID No.6 Thanksgiving Luncheon.

b) Internal Bank Transfers / Expenditures

General Manager presented the Board Members the Texas Regional Bank – Maintenance and Operations account history for the month of October 2021. The report depicts all bank transfers from (M&O to PR, and/or from M&M to M&O), also illustrates all deposits and expenditures for that month.

5) Minutes

a) Approval of Minutes for the Regular Board Meeting of May 17, 2021.

Mr. Brandon Thompson made a motion and seconded by Mr. Oscar Arturo Garza to approve minutes for the Regular Board Meeting of May 17, 2021, contingent on legal counsel requested revisions.

Motion carried unanimously.

b) Approval of Minutes for the Regular Board Meeting of June 21, 2021.

Mr. Brandon Thompson made a motion and seconded by Mr. Oscar Arturo Garza to approve minutes for the Regular Board Meeting of June 21, 2021, contingent on legal counsel requested revisions.

Motion carried unanimously.

 Approval of Minutes for the Regular Board Meeting of September 20, 2021.

Mr. Brandon Thompson made a motion and seconded by Mr. Oscar Arturo Garza to approve minutes for the Regular Board Meeting of September 20, 2021, contingent on legal counsel requested revisions.

Motion carried unanimously.

d) Approval of Minutes for the Regular Board Meeting of October 18, 2021,

Mr. Brandon Thompson made a motion and seconded by Mr. Oscar Arturo Garza to approve minutes for the Regular Board Meeting of October 18, 2021, contingent on legal counsel requested revisions.

Motion carried unanimously.

6) Discuss and consider the approval of HCID No.6's Third Quarter Financial

General Manager presented to Board Members the Profit and Loss Budget versus Actual Report from Quick Books for revenues and expense. Mr. Brandon Thompson made a motion and seconded by Mr. Oscar Arturo Garza to approve HCID No.6's *Third Quarter Financial Report*.

Motion carried unanimously.

7) Discussion regarding an update on HCID No.6 Solvency Plan.

General Manager presented to Board Members and emphasized that upon completion of most strategies embedded in our Solvency Plan, HCID No. 6 would reach solvency.

Motion carried unanimously.

8) Discuss and consider the approval of *2022 Employees' salaries* for the 2022 budget.

General Manager proposed increased salaries for employees effective January 01, 2022. He informed Board Members that he utilized research from the Federal Wage Poverty Level Rate to determine his proposal. When compared to current employee wage levels, it was discovered that 43% of HCID No.6 employees were within these poverty levels. As a way to improve the lives of District employees a wage increase was introduced. Mr. Oscar Arturo Garza made a motion and

seconded by Mr. Brandon Thompson to approve *2022 Employees' salaries* for the 2022 budget.

Motion carried unanimously.

9) Discuss and consider the approval of updating *TML (Texas Municipal League)* coverages and deductibles for HCID No.6.

General Manager presented a proposal to increase on deductibles and decrease coverages for some Declaration of Coverages insured by *TML (Texas Municipal League)* for a substantial yearly premium savings. Mr. Brandon Thompson made a motion and seconded by Mr. Oscar Arturo Garza to approve the updating of *TML (Texas Municipal League)* coverages and deductibles for HCID No.6, excluding General Liability which was recommended to stay at \$2M (two million) coverage limit, instead of the recommended reduction to \$1M (one million).

Motion carried unanimously.

10) Discuss and consider the approval of Health Insurance Premium to be covered by HCID No.6 at 100% for employees and 50% of employee dependents.

Mr. Oscar Arturo Garza made a motion and seconded by Mr. Brandon Thompson to approve Health Insurance Premium to be covered by HCID No.6 at 100% for employees and 50% of employee dependents.

Motion carried unanimously.

11) Discuss and consider a request made by CSJ Group regarding *Hidalgo County Drainage District No. 1, 2018 Bond Project No. 3.*

HCID No.6 Engineer, Ruben James, informed Board Members that he provided CSJ Group District's (Hidalgo County Irrigation District No.6 Utility License Guidelines and Fee Schedule) permit and license agreement and wait for response from CSJ Group. Mr. Brandon Thompson made a motion and seconded by Mr. Oscar Arturo Garza to take no action on the request made by CSJ Group regarding *Hidalgo County Drainage District No. 1, 2018 Bond Project No. 3.*

Motion carried unanimously.

12) Discuss and consider a request made by *Trevino Engineering* on behalf of Iden Trevino, regarding the review and exclusion of *Coastal King Ltd Subdivision*, being a 1.002 acres tract of land out of Lot 10 and Lot 11, block 2, Mission Groves Estates Subdivision, map or plat thereof recorded in Volume 5, Page 21, Map Records in the Office of the County Clerk of Hidalgo County, Texas.

Mr. Oscar Arturo Garza made a motion and seconded by Mr. Brandon Thompson to table this item for the request made by *Trevino Engineering* on behalf of Iden Trevino, regarding the review and exclusion of *Coastal King Ltd Subdivision*, being a 1.002 acres tract of land out of Lot 10 and Lot 11, block 2, Mission Groves Estates Subdivision, map or plat thereof recorded in Volume 5, Page 21, Map Records in the Office of the County Clerk of Hidalgo County, Texas, and requested a revised plat indicating a 45' foot HCID No.6 easement with supporting metes and bounds.

Motion carried unanimously.

13) Discuss and possible action for HCID No.6 surplus property in relation to *Coastal King Ltd Subdivision*, being a 1.002 acres tract of land out of Lot 10 and Lot 11, block 2, Mission Groves Estates Subdivision, map or plat thereof recorded in Volume 5, Page 21, Map Records in the Office of the County Clerk of Hidalgo County, Texas.

Mr. Oscar Arturo Garza made a motion and seconded by Mr. Brandon Thompson to table the HCID No.6 surplus property in relation to *Coastal King Ltd Subdivision*, being a 1.002 acres tract of land out of Lot 10 and Lot 11, block 2, Mission Groves Estates Subdivision, map or plat thereof recorded in Volume 5, Page 21, Map Records in the Office of the County Clerk of Hidalgo County, Texas

Motion carried unanimously.

The Board of Directors moved this item into executive session.

14) Discuss and consider a request made by *South Texas Infrastructure Group* on behalf of Ricardo Barrera, regarding the review and exclusion of *Barrera Land Subdivision*, being a 2.47-acre tract of land, being all of the East 571.64 feet of the North ½ of Lot 12, Block 2, the Goodwin Tract Subdivision 1 & 2, Hidalgo County, Texas.

Mr. Oscar Arturo Garza made a motion and seconded by Mr. Brandon Thompson to approve the request made by *South Texas Infrastructure Group* on behalf of Ricardo Barrera, regarding the review and exclusion of *Barrera Land Subdivision*, being a 2.47-acre tract of land, being all of the East 571.64 feet of the North ½ of Lot 12, Block 2, the Goodwin Tract Subdivision 1 & 2, Hidalgo County, Texas.

Motion carried unanimously.

15) Discuss and consider the approval of the *Out of District Water Rate Resolution* established for 2022.

Mr. Oscar Arturo Garza made a motion and seconded by Mr. Brandon Thompson to approve the *Out of District Water Rate Resolution* established for 2022.

Motion carried unanimously.

16) Discuss and consider the approval of authorizing the submittal of grant application for the Water Smart Grants: Water and Energy Efficiency Grants for fiscal year 2022 to the Department of Interior, Bureau of Reclamation, Water Resources and Planning office.

Mr. Brandon Thompson made a motion and seconded by Mr. Oscar Arturo Garza to approve the submittal of grant application for the Water Smart Grants: *Water and Energy Efficiency Grants* for fiscal year 2022 to the Department of Interior, Bureau of Reclamation, Water Resources and Planning office.

Motion carried unanimously.

17) Discuss and consider the approval of authorization on submitting a Letter of Commitment for the Fiscal Year 2022 *Water Smart Grants: Water and Energy Efficiency Grants* to the Department of Interior: Bureau of Reclamation.

Mr. Oscar Arturo Garza made a motion and seconded by Mr. Brandon Thompson to approve the submittal of Letter of Commitment for the Fiscal Year 2022 Water Smart Grants: *Water and Energy Efficiency Grants* to the Department of Interior: Bureau of Reclamation.

Motion carried unanimously.

18) Discuss and consider the approval of authorizing the submittal of grant application for the *Water Smart Environmental Water Resources Projects* for fiscal year 2022 to the Department of the Interior, Bureau of Reclamation, Water Resources and Planning office.

Mr. Oscar Arturo Garza made a motion and seconded by Mr. Brandon Thompson to approve the submittal of grant application for the *Water Smart Environmental*

Water Resources Projects for fiscal year 2022 to the Department of the Interior, Bureau of Reclamation, Water Resources and Planning office.

Motion carried unanimously.

19) Discuss and consider the approval of authorization of submitting a Letter of Commitment for the for Fiscal Year 2022 Water Smart Environmental Water Resources Projects to the Department of Interior: Bureau of Reclamation.

Mr. Oscar Arturo Garza made a motion and seconded by Mr. Brandon Thompson to approve the submittal of Letter of Commitment for the for Fiscal Year 2022 *Water Smart Environmental Water Resources Projects* to the Department of Interior: Bureau of Reclamation.

Motion carried unanimously.

20) EXECUTIVE SESSION:

Mr. Oscar Arturo Garza made a motion and seconded by Mr. Brandon Thompson to enter to closed session at 2:53 p.m. to discuss item numbers 13, 12a, 12b, 12c, 12d, 12e, 12f, 12g, 12h, 12i, and 12j.

Motion carried unanimously.

- a) Discussion regarding *IOC* contract renewal proposals.
- b) Discussion regarding USDA/Moorefield contract renewal proposals.
- c) Discussion regarding HCID No.6 employee incident.
- d) Discussion regarding Gracie Sturdivant's request on access and driveway infrastructure on La Homa Road and Mile 3 ½ Road.
- e) Discussion regarding active *Parcels* and special projects pertaining to HCID No.6.
- f) Discussion regarding HCID No.6 Contract Water Sales.
- g) Discussion regarding Joe Louis Aguilar, Sr. vs HCID No.6, Cause C-1216-20-D in the 206th Judicial District Court, Hidalgo County, Texas.
- h) Discussion regarding Martha Salinas.
- *i)* Discussion regarding *Hidalgo County, et. al vs. Garth Heitshusen,* CCD-0548-B in the County Court at Law No.2, Hidalgo County, Texas.
- *j)* Discussion regarding *Hidalgo County, Texas vs. Conrado Saenz, et al,* CCD-0547-E in the County Court at Law#5, Hidalgo County, Texas.
 - *Item 13.* Discuss and possible action for HCID No.6 surplus property in relation to *Coastal King Ltd Subdivision*, being a 1.002 acres tract of land out of Lot 10 and Lot 11, block 2, Mission Groves Estates Subdivision, map or plat thereof recorded in Volume 5, Page 21, Map Records in the Office of the County Clerk of Hidalgo County, Texas.

Mr. Oscar Arturo Garza made a motion for the Board of Directors to reconvene to open session at 3:35 p.m. and seconded by Mr. Brandon Thompson.

Motion carried unanimously.

21) Discussion and possible action regarding items discussed in Executive Session.

Item 13. Mr. Oscar Arturo Garza made a motion and seconded by Mr. Brandon Thompson to allow General Manager to work with property owner and HCID No. Engineer to determine owner interest of the subject 45' foot Parcel for HCID No.6

surplus property in relation to *Coastal King Ltd Subdivision*, being a 1.002 acres tract of land out of Lot 10 and Lot 11, block 2, Mission Groves Estates Subdivision, map or plat thereof recorded in Volume 5, Page 21, Map Records in the Office of the County Clerk of Hidalgo County, Texas.

Motion carried unanimously...

20a. Discussion regarding IOC contract renewal proposals.

20b. Discussion regarding USDA/Moorefield contract renewal proposals.

20c. Discussion regarding HCID No.6 employee incident.

Mr. Oscar Arturo Garza made a motion and seconded by Mr. Brandon Thompson to take no action on item numbers 20a, 20b, and 20c.

Motion carried unanimously.

20d. Discussion regarding Gracie Sturdivant's request on access and driveway infrastructure on La Homa Road and Mile 3 ½ Road.

20e. Discussion regarding active **Parcels** and special projects pertaining to HCID No.6.

Mr. Oscar Arturo Garza made a motion and seconded by Mr. Brandon Thompson to take no action on item numbers 20d, and 20e.

Motion carried unanimously.

Item 20f. Mr. Oscar Arturo made a motion and seconded by Mr. Brandon Thompson to allow General Manager to subcontract water out of adjudication #0828-001 and to retain a minimum of 70% (seventy percent) storage capacity, regarding HCID No.6 *Contract Water Sales*.

Motion carried unanimously.

20g. Discussion regarding *Joe Louis Aguilar, Sr. vs HCID No.6*, Cause C-1216-20-D in the 206th Judicial District Court, Hidalgo County, Texas.

20h. Discussion regarding Martha Salinas.

Mr. Oscar Arturo Garza made a motion and seconded by Mr. Brandon Thompson to take no action for item numbers 20g, and 20h.

Motion carried unanimously.

20i. Discussion regarding *Hidalgo County, et. al vs. Garth Heitshusen*, CCD-0548-B in the County Court at Law No.2, Hidalgo County, Texas.

20j. Discussion regarding *Hidalgo County, Texas vs. Conrado Saenz, et al,* CCD-0547-E in the County Court at Law#5, Hidalgo County, Texas.

Mr. Oscar Arturo Garza made a motion and seconded by Mr. Brandon Thompson to allow General Manger to continue to work with legal counsel to determine value of easement on said parcels for item numbers 20i, and 20j.

Motion carried unanimously.

22) Adjournment

Mr. Oscar Arturo Garza made a motion and seconded by Mr. Brandon Thompson to adjourn the meeting of November 15, 2021, at 3:38 p.m.

Motion carried unanimously.

Diana Izaguirre, President, HCID No.6

Brandon Thompson, Secretary, HCID No.6

RESOLUTION REGARDING AUTHORIZATION OF THE SUBMITTAL OF GRANT APPLICATION FOR THE FOR WATERSMART GRANTS: WATER AND ENERGY EFFICIENCY GRANTS FOR FISCAL YEAR 20022 TO THE DEPARTMENT OF THE INTERIOR, BUREAU OF RECLAMATION, WATER RESOURCES AND PLANNING OFFICE

WHEREAS, the Hidalgo County Irrigation District #6 (the "District") finds it in the best interest of the District to submit a grant application the Water Smart Grants: Water and Energy Efficiency Grants for Fiscal Year 2022 to the Department of Interior: Bureau of Reclamation;

WHEREAS, the District agrees and understands that there is a minimum of a 50% match on applicable matching funds, and the District has the capability to provide the amount of funding and/or in-kind contributions specified in the funding plan of grant application; and

WHEREAS, the District designates Dr. Antonio Uresti, General Manager as the applicant's authorized representative. The authorized representative has the authority to perform all reasonable and necessary action in support of the application, and if approved by the Bureau of Reclamation, to perform the terms and conditions of the award of grant funds via the agreement from the Department of Interior;

WHEREAS, the District's Board of Directors will work with Reclamation to meet established deadlines for entering into a grant or cooperative agreement;

WHEREAS, during the Regular Board Meeting on November 15, 2021, duly posted, and Motion pursuant to the Texas Open Meetings Act, the District discussed and considered Agenda Item No. 16 regarding the approval to submit the grant application for the Water Smart Grants: Water and Energy Efficiency Grants for fiscal year 2022 to the Department of Interior, Bureau of Reclamation, Water Resources and Planning Office; and

WHEREAS, after due consideration of Agenda Item No. 16 of the Regular Board Meeting held on November 15, 2021.

NOW THEREFORE, BE IT RESOLVED that the District approves the submission of the grant application for the Water Smart Grants: Water and Energy Efficiency Grants for the fiscal year 2022 to the Department of Interior: Bureau of Reclamation.

READ, CONSIDERED, APPROVED, SIGNED AND EFFECTIVE on this 15th day of November, 2021 at a Regular Called Meeting of the Board of Directors of HCID No. 6 at which a quorum was present and in accordance with the Texas Government Code and pursuant to the Texas Open Meetings Act.

Diana Izaguirre, President

Brandon Thompson, Secretary

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RESOLUTION AUTHORIZING THE SUBMITTAL OF GRANT APPLICATION FOR THE FOR WATERSMART ENVIRONMENTAL WATER RESOURCES PROJECTS FOR FISCAL YEAR 20022 TO THE DEPARTMENT OF THE INTERIOR, BUREAU OF RECLAMATION, WATER RESOURCES AND PLANNING OFFICE

WHEREAS, the Hidalgo County Irrigation District #6 (the "District") finds it in the best interest of the District to submit a grant application for the Water Smart Environmental Water Resources Projects for Fiscal Year 2022 to the Department of Interior: Bureau of Reclamation;

WHEREAS, the District agrees and understands that there is a minimum of a 25% match on applicable matching funds, and the District has the capability to provide the amount of funding and/or in-kind contributions specified in the funding plan of grant application;

WHEREAS, the District designates Dr. Antonio Uresti, General Manager as the applicant's authorized representative. The authorized representative has the authority to perform all reasonable and necessary action in support of the application, and if approved by the Bureau of Reclamation, to perform the terms and conditions of the award of grant funds via agreement from the Department of Interior;

WHEREAS, the District's Board of Directors will work with Reclamation to meet established deadlines for entering into a grant or cooperative agreement;

WHEREAS, during the Regular Board Meeting on November 15, 2021, duly posted, and Motion pursuant to the Texas Open Meetings Act, the District discussed and considered Agenda Item No. 18 regarding the approval to submit the grant application for the Water Smart Environmental Water Resources Projects for fiscal year 2022 to the Department of Interior: Bureau of Reclamation, Water Resources and Planning Office; and

WHEREAS, after due consideration of Agenda Item No. 18 of the Regular Board Meeting held on November 15, 2021.

NOW THEREFORE, BE IT RESOLVED that the District approves the submission of the grant application for the Water Smart Grants: Water and Energy Efficiency Grants for the fiscal year 2022 to the Department of Interior: Bureau of Reclamation.

READ, CONSIDERED, APPROVED, SIGNED AND EFFECTIVE on this 15th day of November, 2021 at a Regular Called Meeting of the Board of Directors of HCID No. 6 at which a quorum was present and in accordance with the Texas Government Code and pursuant to the Texas Open Meetings Act.

Diana Izaguirre, President

Brandon Thompson, Secretary

Authorization of submitting a Letter of Commitment for the for Fiscal Year 2022 Water Smart Environmental Water Resources Projects to the Department of Interior: Bureau of Reclamation

- The Hidalgo County Irrigation District No. 6 (the "District") finds it in the best interest of the District to submit a required letter of commitment to the for Fiscal Year 2022 Water Smart Environmental Water Resources Projects Department of Interior: Bureau of Reclamation;
- The District agrees and understands that there is a minimum of a 25% match on applicable matching funds, and the District has the capability to provide the amount of funding commitment and/or inkind contributions specified in the funding plan of grant application;
- The District confirms and understands that there are no time constraints pending on the availability of funds or any other contingencies associated with the funding commitment if grant is awarded; therefore, the District has the capability to provide the amount of funding commitment and/or inkind contributions specified in the funding plan of grant application in a timely manner;
- The District's Board of Directors will work with Reclamation to meet established deadlines for entering into a grant or cooperative agreement; and the District will demonstrate sufficient evidence and likelihood that non-Federal funds will be available to the application subsequent to executing the agreement;
- The District identifies the sources of the non-Federal share for the project will include any monetary contributions by the applicant towards the 25% cost-share and sources of funding (ex. Reserve account, Certificate of Deposits, Money Market Account, General Fund), all costs will be contributed 25% cost-share by the applicant, third-party in-kind services may be taken into consideration, if in-kind cost is approved by your agency, and no other cash requested or received from other non-Federal entities;
- The District understands that no other pending grants or loans are pending in relation to this project, and if this grant is denied, the proposed project will be affected since such funding is required to bring the project into fruition; and
- The District's budget application does not include any project costs that have been incurred prior to award, since all costs will commence if grant is only awarded.

I hereby submit this Letter of Commitment to the best of my knowledge on behalf of the District's Board of Directors that was approved on Monday, November 15, 2021 at the District Regular Board Meeting.

Diana Izaguirre, President

Brandon Thompson, Secretary

Authorization of submitting a Letter of Commitment for the for Fiscal Year 2022 Water Smart Grants: Water and Energy Efficiency Grants to the Department of Interior: Bureau of Reclamation

- The Hidalgo County Irrigation District No. 6 (the "District") finds it in the best interest of the District to submit a required letter of commitment for Fiscal Year 2022 Water Smart Grants: Water and Energy Efficiency Grants to the Department of Interior: Bureau of Reclamation;
- The District agrees and understands that there is a minimum of a 50% match on applicable matching funds, and the District has the capability to provide the amount of funding commitment and/or inkind contributions specified in the funding plan of grant application;
- The District confirms and understands that there are no time constraints pending on the availability of funds or any other contingencies associated with the funding commitment if grant is awarded; therefore, the District has the capability to provide the amount of funding commitment and/or inkind contributions specified in the funding plan of grant application in a timely manner;
- The District's Board of Directors will work with Reclamation to meet established deadlines for entering into a grant or cooperative agreement; and the District will demonstrate sufficient evidence and likelihood that non-Federal funds will be available to the application subsequent to executing the agreement;
- The District identifies the sources of the non-Federal share for the project will include any monetary contributions by the applicant towards the 50% cost-share and sources of funding (ex. Reserve account, Certificate of Deposits, Money Market Account, General Fund), all costs will be contributed 50% cost-share by the applicant, third-party in-kind services will be provided by Texas Gas, if in-kind cost is approved by your agency, and no other cash requested or received from other non-Federal entities;
- The District understands that no other pending grants or loans are pending in relation to this project, and if this grant is denied, the proposed project will be affected since such funding is required to bring the project into fruition; and
- The District budget application does not include any project costs that have been incurred prior to award, since all costs will commence only if grant is awarded.

I hereby submit this Letter of Commitment to the best of my knowledge on behalf of the District Board of Directors that was approved on Monday, November 15, 2021 at the District Regular Board Meeting.

Diana Izaguirre, President

Brandon Thompson, Secretary