

October 16, 2023
San Benito, Texas

The regular meeting of the Board of Directors of Cameron County Drainage District No. 3 convened on October 16, 2023, at 2:00 p.m. at the office of the District, pursuant to notice duly given as required by law. Present were Ronaldo Garcia and Matthew McCarthy, Directors; Sonia Lambert, Manager; Craig Harmon, Assistant Manager; Freddie Ortega, Drain Supervisor; Jack Brown, Engineer; and B. R. Dossett, Attorney. President Garcia called the meeting to order and presided.

1. Minutes. The Minutes of the September 11, 2023 regular meeting were presented and reviewed. The motion was made and seconded that the Minutes of the September 11, 2023 regular meeting be approved. Following a discussion, the motion unanimously carried.
2. Public Comment Period. No one appeared. No written comments were received.
3. Subdivisions.
 - 3.1 C&M Estates Subdivision, being 1.135 acres out of Block 172, San Benito Land & Water Company Subdivision. There are no District drains in the subdivision. The drainage plan shows the subdivision draining into a roadside drain. The final plat was not presented. The motion was made and seconded that this plat receive preliminary approval. Following a discussion, the motion carried.
 - 3.2 El Monte Cristo Subdivision, being 5 acres out of Block 110, San Benito Land & Water Company Subdivision. Plat not presented. No action taken.
 - 3.3 AGM Ranch Subdivision Phase 1, being 1.82 acres out of Block 9, San Benito Irrigation Company Subdivision (Iowa Gardens). There are no District drains in the subdivision. The drainage plan shows the subdivision draining into a roadside drain. The final plat was not presented. The District's Engineer noted that a few changes need to be made on the plat. The motion was made and seconded that this plat receive preliminary approval subject to the changes noted by the District's Engineer. Following a discussion, the motion carried.
 - 3.4 B-77 Subdivision, being 5.29 acres out of Lots 8 and 9, Block 129, and Lots 5 and 12, Block 129, San Benito Land & Water Company Subdivision. This subdivision fronts Business 77. An unnamed drain, constructed in 2010, generally runs parallel to Business 77 along the rear (northerly side) of the subdivision. The drainage plan shows the unnamed drain will be widened to satisfy the City of San Benito's drainage requirements. The final plat was not presented. The motion was made and seconded that this plat receive preliminary approval. Following a discussion, the motion carried.
4. Audit of Fiscal Year Ended September 30, 2022. Robert Lopez, CPA has commenced the audit.

5. Audit of Fiscal Year ended on September 30, 2023. Audit not yet commenced. Robert Lopez, CPA will commence this audit when the audit of the fiscal year ended September 30, 2022 has been completed.
6. Equipment.
 - 6.1 Brushcutters–Purchase of Two New Brushcutters and Disposal of Old Brushcutters. Manager Lambert reported that two brushcutters need to be replaced, and the District needs to dispose of a third machine, and recommended the District purchase two new MowerMax Model MMB brushcutters through a Buy Board contract with ATMAX Equipment Co., one machine with a front mower at a cost of \$280,979.65, and one without a front mower at a cost of \$268,212.65. ATMAX will take trade-ins, but has not yet determined the trade-in amount. Manager Lambert recommended that the District independently determine the value of the machines and sell, rather than trade-in the machines if it can get more by sale than the trade-in offer. The motion was made and seconded that the District purchase two new MowerMax Model MMB brushcutters through a Buy Board contract with ATMAX Equipment Co., one machine with a front mower at a cost of \$280,979.65, and one without a front mower at a cost of \$268,212.65. Following a discussion, the motion carried. The motion was made and seconded that the District obtain an appraised value to determine whether to accept the ATMAX Equipment Co. trade-in offer or to reject the offer and sell the machines. Following a discussion, the motion carried.
 - 6.2 Dozer–Purchase of New Dozer and Disposal of 2012 D6K Dozer. Manager Lambert recommended that the District’s Caterpillar 2012 D6K dozer be replaced, and the District purchase a Caterpillar D4 dozer through a Buy Board contract with Holt at a cost of \$224,051.27 with trade-in of the 2012 D6K dozer and a 60-month/7500 hour extended warranty. Manager Lambert reported that Caterpillar has changed its model designations, and a new model D4 is the same machine as a 2012 D6K. The motion was made and seconded that the District purchase one new Caterpillar Model D4 dozer through a Buy Board contract with Holt at a cost of \$224,051.27 with a 60-month/7500 hour extended warranty and trade-in of the District’s Caterpillar 2012 D6k dozer. Following a discussion, the motion carried.
 - 6.3 Excavator–Purchase of New Long Reach Excavator and Disposal of Long Reach Excavator. Manager Lambert recommended that the District’s 2017 Caterpillar Model 326 long reach excavator, Serial Number WGL 10146, be replaced and the District purchase a new Caterpillar Model 326 long reach excavator through a Buy Board contract with Holt at a cost of \$301,295.33 with a 60-month/7500 hour extended warranty and trade-in of the District’s 2017 Model 326 long reach excavator. The motion was made and seconded that the District purchase one new Caterpillar Model 326 long reach excavator through a Buy Board contract with Holt at a cost of \$301,295.33 with a 60-month/7500 hour extended warranty and trade-

in of the District's 2017 Model 326 long reach excavator. Following a discussion, the motion carried.

- 6.4 Vehicle–Purchase of One 1-Ton Pick-Up Truck with Four Wheel Drive. Manager Lambert reported that the District solicited four bids for one 1-ton pick-up truck for Assistant Manager Harmon. Gillman submitted a bid of \$57,041.23 for a new 2023 Chevrolet Silverado 1500, with diesel engine, available for immediate delivery. Boswell Eliff submitted a bid of \$59,698.75. Weslaco Motors submitted a bid of \$60,000.00. Boggus Ford submitted a bid of \$54,428.75, with delivery sometime in 2024. The District accepted the bid of Gillman. The 2023 Chevrolet Silverado 1500, VIN 1GCUUDE86PZ246116, was delivered and is in service. The motion was made and seconded that the purchase of one 2023 Chevrolet Silverado 1500 pickup from Gillman at a cost of \$57,041.23 be approved and ratified. Following a discussion, the motion carried.
7. Rancho Grande Diversion Project/Drain A Bypass Extension to River–Installation of Structure at Outfall. No action. Jack Brown advised at the September 11, 2023 meeting that recommendations will be presented to the Board at its November 2023 meeting.
8. Drain–Cameron County Irrigation District No. 2 Conveyance of Seep Ditch (Part of Which is Piped) in Blocks 209 and 215, San Benito Land & Water Company to Drainage District [Resaca Vista Condominiums Homeowner's Association]. The City of San Benito owns a low area lying between the Resaca Vista Condominiums and North Sam Houston Boulevard which can be converted to a detention basin. There being no reason, presently, for the Drainage District to accept a conveyance of the seep ditch, the Board directed that this item be removed from the Agenda.
9. Projects.
 - 9.1 East Line Drain Relief Project 2012. No change in status since the last meeting. Letters to the landowners are still not ready to mail.
 - 9.2 TWDB #40023 Flood Protection/Infrastructure Study–Hydrologic and Hydraulic Model Update. No change in status since the last meeting.
 - 9.3 Drain B-2: Upgrade of Pennsylvania Boulevard Road Crossing.
 - (a) Status Report. Scheibe Consulting, LLC is not ready to present its study and recommendations.
 - (b) Decisions Necessary. No decisions needed to be made.
 - 9.4 Drain B-2: Upgrade of Road Crossings Downstream from Pennsylvania Boulevard. Discussed under Agenda Item 9.3.
10. Agreements/Rights-of-Way/Permits/Interlocal Cooperation Contracts.

- 10.1 Drain 382 in North 10 Acres of Block 382, SBIC: Request of Luis S. Lopez and Denise C. Lopez Revocable Living Trust for License Agreement to Install Livestock Crossing and Waterline Crossing. License agreement finalized and recorded in the deed records.
- 10.2 Drain 382 in South 15 Acres of North 25 Acres of Block 382, SBIC: Request of Adrian and Cathy Coronado for Road and Utility Crossings. No change in status since the last meeting—still not finalized.
- 10.3 Drain E in Block 22, San Benito Land & Water Company Subdivision—License Agreement to San Benito CISD for Four Down Drains (for Bus Barn). No change in status since the last meeting—still not finalized.
- 10.4 Liberty Estates Phase II, being 10.64 Acres Out of Blocks 5, 6, 12, Cunningham’s Subdivision of Block 35, San Benito Land & Water Company Subdivision. No change in status since the last meeting.
- 10.5 Drain D in Block 128, San Benito Land & Water Company Subdivision—Request for Down Drain License for Proposed 3C Subdivision. The owner has decided not to subdivide the subject property at this time. This item will be removed from the Agenda.
- 10.6 Drain E Notice of Drain Right-of-Way. Notice of the location of the pipeline between La Palma Street and Stenger Street not completed.
- 10.7 Drain F-Right/F Left—Request of Randall Crane for Road Crossing. Randall Crane owns land in Blocks 213 and 214, San Benito Land & Water Company. The Lateral Q is generally centered on the line common to Blocks 213 and 214. The District’s F-Left Drain is on the east side of, adjacent and parallel to Lateral Q. The District’s F Right Drain is on the west side of, adjacent and parallel to Lateral Q. Mr. Crane wants to construct a private road that will cross the F-Left Drain, Lateral Q, and the F-Right Drain. The motion was made and seconded that a License Agreement be issued for the road to cross the District’s F-Left Drain and F-Right Drain, subject to a determination of the size of the pipe to be installed in each drain and on the condition that all owners of the property sign the License Agreement. Following a discussion, the motion carried.
11. Donation: Drains in Territory North of Arroyo Gardens (Shares 12 and 22, Espiritu Santo Grant). Last Friday, Rios Surveying completed the metes and bounds descriptions of the drains to be conveyed to the District.
12. Rules.
 - 12.1 Rules Revision. Not ready for Board action.

- 12.2 Personal Policy Manual. Assistant Manger Harmon presented a revised Personnel Policy Manual. The motion was made and seconded that the revised Personnel Policy Manual be adopted. Following a discussion, the motion carried.
13. Manager–Transition.
 - 13.1 Amendment of Interlocal Cooperation Contract dated July 1, 2000 with Cameron County Irrigation District No. 2. Not ready for Board action.
 - 13.2 Investment Officer. It was noted that the District is required to appoint an Investment Officer, which is presently Manager Sonia Lambert. The motion was made and seconded that Sonia Lambert be removed as, and Craig Harmon be appointed as the District’s Investment Officer. Assistant Manager Harmon reported that he has completed the required training. Following a discussion, the motion carried.
 - 13.3 Person Responsible to Calculate No-New Revenue Tax Rates and Voter Approval Rates, and to Certify Tax Rate Calculation Worksheets for District. It was noted that the Texas Tax Code requires the appointment of a person to calculate the No-New Revenue Tax Rates and Voter Approval Rates, and to certify the Tax Rate Calculation Worksheets for the District, which is presently Sonia Lambert. The motion was made and seconded that Sonia Lambert be removed as, and Craig Harmon be appointed as the person to calculate the No-New Revenue Tax Rates and Voter Approval Rates, and to certify the Tax Rate Calculation Worksheets for the District for as long as he is employed by the District. Following a discussion, the motion carried.
 - 13.4 Authorized Signers on District Bank and Financial Accounts. It was noted that the District requires checks to be signed by no less than two Directors and Sonia Lambert. It was also noted that Sonia Lambert is also authorized to move funds between District accounts and certificates of deposit. The motion was made and seconded that Sonia Lambert be removed as, and Craig Harmon be appointed as a person authorized to sign District checks and move funds between District accounts and certificates of deposit. Following a discussion, the motion carried.
 - 13.5 Signing of Documents. It was noted that Water Code § 49.054(c) provides that the District President is the chief executive officer of the District and shall execute all documents on behalf of the District, unless the Board by resolution authorizes the General Manager or other employees of the District to execute a document or documents. It was further noted that Cameron County Irrigation District No. 2 has authorized the General Manager to sign all documents the President can sign. Whether to authorize Craig Harmon to sign documents will be considered at the next Board meeting.
14. Reports.

14.1 Financial.

- (a) Financial Report for Month of September 2023. Presented and reviewed.
- (b) Financial Report for Fiscal Year Ended September 30, 2023. Presented and reviewed.
- (c) Investment Report for 3rd Quarter 2023. Presented and reviewed.

14.2 Manager.

- (a) Health Insurance. It was noted that the District's health insurance plan covers only one year, ending November 30, 2023. Proposals were presented and reviewed. The motion was made and seconded that the proposal of United Health Care for the period of December 1, 2023 to November 30, 2024 be accepted. Following a discussion, the motion carried.
- (b) Abandonment of Dedication on Plat of San Jose Resaca View Subdivision. The owner of the resaca in Share 14 of the Espiritu Santo Grant has requested that the District abandon a drainage right-of-way dedicated on the plat of San Jose Resaca View Subdivision. This will be considered at the next Board meeting.

14.3 Attorney.

- (a) Cyber Security Awareness Training. It was noted that the law only requires employees who have access to the internet for more than 25% of the time must complete the required annual training, but it is the policy of the District that all District employees who have access to the internet must complete the required annual training, without exception. The attorney recommended no change to the District policy.
- (b) Impact Fees. The Attorney previously advised that the District cannot impose an impact fee. Research into whether the District can now impose an impact fee has not been completed.
- (c) May 4, 2024 Election. The required Notice of Deadline to File for a Place on the Ballot has been timely posted at a place at the office accessible to the public and on the District's website—the deadline for posting the notice is December 18, 2023. The District's Candidate Information Packet has also been posted on the District's website and is available at the District's office.

14.4 Engineer. All matters discussed under other Agenda items.

14.5 Drain Supervisor. Written report of work accomplished in the month of September 2023 presented.

14.6 Report by Representative of City of San Benito. No one appeared regarding this Agenda item.

15. *Cameron County Drainage District No. 3 and Cameron County Irrigation District No. 2, et al. vs. City of San Benito.*

15.1 Status Report. Discussed under Item 15.2.

15.2 Settlement of Suit. The City has hired a new City Manager. Assistant Manager Harmon has met with the new City Manager and discussed the suit and other matters. The City Manager is of the opinion that the District should review plats, and has no objection to the District's sign-off paragraph being on the plats. A settlement agreement will be prepared and submitted to the City for its consideration.

16. Payment of Accounts, Wages, and Directors' Services.

16.1 The motion was made and seconded that issuance of the following checks issued between the September 11, 2023 meeting and this meeting be ratified:

14603 : Texas Child Support SDU		
Employee Wage Withholding-Child Support		\$820.16
14604 : Gillman Chevrolet		
Unit 71 Asst. GM Truck	\$57,041.23	
14605 : AFLAC	Insurance	\$249.84
14606 : Fast Signs		Unit 71 Door Sign
\$29.44		
14607 : H & V Equipment		
Machine Repair	\$36.06	
14608 : Rios Surveying		Block 209 Survey
\$3,500.00		
14609 : Rey's Tire Service		
Flat Repairs	\$215.00	
14610 : TWCA Risk Management		
Liability Insurance	\$1,416.00	
14611 : Elliff Motors	Grill Guard Unit 71	
\$1,128.49		
14612 : TWCA	Fall Conference	
\$900.00		
14613 : Texas Child Support SDU	Employee Wage Withholding-Child Support	
\$820.16		
14614 : Nelda Solorio	iPad AC Filters	
\$911.99		
14615 : Sonia Lambert	Meeting Luncheon	
\$85.45		
14616 : H & S Joint Venture		Sprayer
\$7,500.00		
14617 : Craig M. Harmon	Fuel	
<u>\$100.00</u>		
TOTAL	\$74,753.82	

Following a discussion, the motion unanimously carried.

16.2 The motion was made and seconded that the following checks be issued:

14618 : A4 Auto Supply		Machine Repairs
\$148.19		
14619 : Allstate Insurance Co.		
Insurance \$74.57		
14620 : AT&T Mobility		Wireless Phone
\$229.45		
14621 : Blue Cross & Blue Shield		
Health Insurance \$17,047.53		
14622 : Boggus Ford		Auto Repairs
\$1,725.43		
14623 : Carson Map Company		
Engineering \$590.00		
14624 : City of Brownsville		
Tire Disposal \$513.00		
14625 : Dainamik		GPS Monitoring
\$910.00		
14626 : Daniel Diaz		Phone Allowance
\$45.00		
14627 : Direct Energy		Warehouse: Electric Bill
\$749.08		
14628 : East Rio Hondo Water Supply Corp.		Office/Shop/Warehouse: Water Bill
\$80.50		
14629 : Grajale's Tire Shop		
Flat Repairs \$18.00		
14630 : Harlingen Irrigation District No. 1		
Drain Pipe \$2,243.19		
14631 : Hollon Oil Company		
Hydraulic Oil \$1,586.90		
14632 : Iafsa USA		Machine Repairs
\$7,893.87		
14633 : J & M Hydraulics		Machine Repairs
\$432.67		
14634 : John Deere Financial		
Machine Repairs \$4,875.18		
14635 : Sonia Lambert		Phone Allowance
\$125.00		
14636 : Nueces Power Equipment		
Machine Repairs \$496.40		
14637 : Oil Patch Fuel		O/R Diesel/Gas
\$31,752.61		
14638 :	Ortega, Federico	Phone Allowance \$45.00
14639 : Rio Grande Concrete		
Machine Repairs \$83.03		
14640 : Rio Hondo Lumber & Supply		
Drain Repairs \$3.29		
14641 : Rey's Tire Service		
Flat Repairs \$385.00		
14642 : San Benito News		Publication Tax Rate
\$330.00		
14643 : Nelda Solorio		Janitorial
\$317.02		

14644 : Triple S Steel		Safety Supplies
\$295.74		
14645 : Lucinda Trevino		Janitorial
\$275.66		
14646 : TOPS Power Store		
Tool Repair	\$41.90	
14647 : TWCA Risk Management		
Insurance Expense	\$1,416.00	
14648 : UniFirst		Uniforms
		\$479.24
14649 : Wilcac Life Insurance		
Insurance	\$21.67	
14650 : Wylie Case		Machine Repairs
\$3,599.09		
14651 : David Ybarra		Janitorial
<u>\$68.90</u>		
TOTAL		\$78,898.11

Following a discussion, the motion unanimously carried.

17. Board of Directors: Fill Vacancy on Board of Directors. Following a discussion, the Board announced that it is inclined to allow the vacancy to be filled at the May 4, 2024 election.
18. Adjournment. There being no further business, the meeting was adjourned.

Approved and signed 11/ 30/23 _____
Ronaldo Garcia, President

Approved and signed 11/30/23 _____
Matthew McCarthy, Vice President