

October 14, 2021
San Benito, Texas 78586

The Board of Directors of Cameron County Irrigation District #2 met in regular session in the office of the District upon the above date at 9:00 a.m.

The following Directors were present: Brady Taubert, William Goad, Buck Rhyner, and Lupe Argullin. Also present were Sonia Lambert, General Manager, and Buddy Dossett, Attorney.

There was no public comment.

A motion was made by Buck Rhyner, seconded by William Goad, and upon unanimous vote, passed to approve the minutes of the regular meeting of September 9, 2021.

The water report was made by Buck Rhyner, who reported that Falcon Reservoir contains 416,705 acre-feet of water of the normal conservation 2,646,817 acre-feet. The Amistad Reservoir contains 1,155,262 acre-feet of water of the normal conservation 3,275,532 acre-feet which 37.62% is U.S. total conservation capacity compared to 46.23% this time last year. As of October 4, 2021, District's usable water balance is 47,027.6673 and storage water balance is 47,353.4176 acre-feet. This time last year, usable water balance was 57,856.3146 and storage water balance was 59,053.4320.

The Board reviewed the following subdivision plat and took the following action:

5.1) Rancho Monteagua Subdivision – Being a 19.53 acre tract of land (called 20.33 ac.) out of Block 215, San Benito Land and Water Company Subdivision, as recorded in Volume 51744, Page 18 (Tract 1) and Volume 22339, Page 265 (Tract 2) Official Records of Cameron County, Texas. – Guzman & Munoz Engineering and Surveying, Inc. This subdivision is located east of FM 345, east of the resaca, and west of Kornegay Road. The Manager recommended this subdivision plat be referred to and reviewed by the District's attorney to verify this subdivision is not encroaching on District's property since it is in the same general area of another subdivision researched by the attorney. In order to not delay the approval request, a motion was made by Buck Rhyner, seconded by William Goad, and upon unanimous vote, passed to authorize the Manager to sign the approval on the mylar copy of the plat, provided the attorney recommends approval after his research. Motion carried.

Mr. Daniel Cavazos requested to purchase the property adjacent to 637 Resaca Shores San Benito, Texas, along the resaca, for \$3,500. After discussion, a motion was made by Buck Rhyner, seconded by William Goad, and upon unanimous vote, passed to deny the offer to purchase the property adjacent to 637 Resaca Shores, along the resaca for \$3,500 but to offer to sell this property under the following terms and conditions:

- A survey must be prepared and available to the District at the purchaser's expense;
- The 30' of land adjacent to the water's edge will not be sold;
- The cost of the property to be sold will be the same value to the land, per square foot, to the adjacent property owned by the purchaser, shown on the Appraisal District's records;
- Attorney's fees accrued in the sale of the property will be the sole responsibility of the purchaser.

Motion carried.

The Manager presented a request from Javier Caballero Garza and Jacqueline Corona Medina to purchase property along Lot 6 of Las Retamas Subdivision. The District's property along the resaca intersects Lot 6 and the adjacent lot, which belongs to a different owner. There is an existing unauthorized brick wall on district property. Because the District's property is the back of both of these properties, the Manager recommended that it not be sold so that neither of these 2 owners own the property along the resaca, behind each other's property. A motion was made by Buck Rhyner, seconded by William Goad, and upon unanimous vote, passed to deny the request from Javier Caballero Garza and Jacqueline Corona Medina to purchase the property along the resaca, adjacent to Lot 6, Las Retamas Subdivision. Motion carried.

The Manager presented the following options for the employee health insurance, including the renewal with the same plan: Blue Cross Blue Shield with a \$1,000.00 deductible; \$4,000.00 annual coinsurance; \$30 copay office visit; 80% after deductible; prescription drug benefit of \$0/\$10/\$50/\$100/\$150/\$250 for a monthly premium of \$414.62 per employee per month; another quote received from Blue Cross Blue Shield with a \$1,250.00 deductible; \$5,000.00 annual coinsurance; \$40 copay office visit; 80% after deductible; prescription drug benefit of \$0/\$10/\$50/\$100/\$150/\$250 for a monthly premium of \$704.35 per employee per month; another quote received from Blue Cross Blue Shield with a \$1,500.00 deductible; \$6,000.00 annual coinsurance; \$30 copay office visit; 80% after deductible; prescription drug benefit of \$0/\$10/\$50/\$150/\$250 for a monthly premium of \$699.55 per employee per month; another quote received from Blue Cross Blue Shield with a \$1,500.00 deductible; \$4,500.00 annual coinsurance; \$35 copay office visit; 80% after deductible; prescription drug benefit of \$0/\$10/\$50/\$100/\$150/\$250 for a monthly premium of \$386.39 per employee per month; another quote received from Blue Cross Blue Shield with a \$2,000.00 deductible; \$6,000.00 annual coinsurance; \$35 copay office visit; 100% after deductible; prescription drug benefit of \$0/\$10/\$50/\$100/\$150/\$250 for a monthly premium of \$391.10 per employee per month; another quote received from United HealthCare with a \$1,000.00 deductible; \$5,000.00 annual coinsurance; \$35 copay office visit; 50% after deductible; prescription drug benefit of \$10/\$40/\$125/\$300 for a monthly premium of \$734.89 per employee per month; another quote received from United HealthCare with a \$2,000.00 deductible; \$5,000.00 annual coinsurance; \$25 copay office visit; 70% after deductible; prescription drug benefit of \$10/\$65/\$125/\$250 for a monthly premium of \$712.53 per employee per month; another quote received from UHC-Level Funded with a \$1,000.00 deductible; \$4,000.00 annual coinsurance; \$10 copay office visit; 80% after deductible; prescription drug benefit of \$5/\$30/\$65/\$150 for a monthly premium of \$456.16 per employee per month; another quote received from UHC-Level Funded with a \$1,000.00 deductible; \$4,500.00 annual coinsurance; \$25 copay office visit; 80% after deductible; prescription drug benefit of \$10/\$35/\$75/\$250 for a monthly premium of \$413.76 per employee per month; another quote received from UHC-Level Funded with a \$1,000.00 deductible; \$4,000.00 annual coinsurance; \$10 copay office visit; 80% after deductible; prescription drug benefit of \$5/\$30/\$65/\$150 for a monthly premium of \$436.46 per employee per month; another quote received from UHC-Level Funded with a \$1,000.00 deductible; \$8,150.00 annual coinsurance; \$10 copay office visit; 60% after deductible; prescription drug benefit of \$5/\$30/\$65/\$150 for a monthly premium of \$373.83 per employee per month. A motion was made by William Goad, seconded by Buck Rhyner, and upon unanimous vote, passed to approve the renewal of employees' health insurance with the same plan as is existing. Motion carried.

The District's 3rd Quarter Investment report was reviewed by the Board of Directors. The report showed the rate for the account with First Community Bank, interest yielded for each month of the quarter and the ending value as of September 30, 2021. A motion

was made by Buck Rhyner, seconded by William Goad, and upon unanimous vote, passed to approve the District's 3rd Quarter Investment report as presented. Motion carried.

Attorney Buddy Dossett discussed adopting a policy regarding the publishing of meeting notices/agendas and minutes on the District's website. A motion was made by William Goad, seconded by Buck Rhyner, and upon unanimous vote, passed to adopt the policy requiring the District to post meeting notices/agendas and minutes for the current and prior year only, on the District's website. Motion carried.

The Board discussed the District's current rate of \$20.00 per linear foot for utility crossings. After discussion, a motion was made by Buck Rhyner, seconded by Lupe Argullin, and upon unanimous vote, passed to increase the utility crossing fee from \$20.00 per linear foot to \$30.00 per linear foot. Motion carried.

The Manager presented and discussed with the Board the proposed Maintenance and Operation Budget for fiscal year 2022. After Discussion, a motion was made by Buck Rhyner, seconded by William Goad, and upon unanimous vote, passed adopt the following budget for fiscal year 2022:

ESTIMATED OPERATING REVENUE

56,494.13 acres of irrigable land assessed as follows:

1st acre or fraction thereof, a minimum of \$30.00, all additional acres after the first acre in any ownership \$14.50 per acre (including delinquent collections and interest)	\$872,000.00
Estimated sale of water for gravity irrigation at \$11.50 per acre, and/or \$27.60 per acre-foot, \$9.25 For pumped water, and \$22.95 per acre for outside the District (with water rights)	\$950,000.00
Miscellaneous Water (Lawn)	\$0.00
Municipalities	\$617,000.00
Charges for Work & Miscellaneous Revenue	\$250,000.00
Leases	\$27,985.00
Property Sales	\$40,000.00
CD & Checking Account Interest	\$750.00
Total Projected Revenue	\$2,757,735.00

Respectfully Submitted,

Sonia Lambert
General Manager

THEREUPON, the foregoing recommendation by the General Manager having been carefully considered by the Board of Directors, a motion was made by William Goad, seconded by Buck Rhyner, and upon vote, passed that the budget be adopted, and that the following resolution be adopted:

RESOLUTION

1.

BE IT RESOLVED, that the Board of Directors of Cameron County Irrigation District #2 considers that there are 56,494.13 acres in the District, and to which the District is in a condition to furnish water by its present system of laterals and canals through extensions thereof of existing laterals;

2.

That said acreage at a flat rate fixed charge of \$30.00 for the first acre or fraction thereof, and all additional acres, after the 1st acre in any ownership at \$14.50 per acre will yield \$872,000.00, (including delinquent flat rate collections and interest on delinquent flat rate collections);

3.

IT IS THEREFORE ordered by the Board of Directors that the aforesaid sum of \$872,000.00 shall be paid by assessments against all irrigable lands within the District, prorated per acre, and they are hereby levied and assessed the sum of \$30.00 for the first acre, and all additional acres after the first acre in any ownership at \$14.50 per acre against all irrigable lands within the District. (Amount includes proposed collection of delinquent flat rate). For all land in which the District is in condition to furnish water by its present system of canals, laterals, or through extensions thereof of existing laterals, but without reference to whether such land is to be actually irrigated or not, then such assessments shall become due and payable as follows:

For all 2022 assessments due 1/01/2022, a minimum charge of \$30.00 per acre for the 1st acre and all additional acres after the 1st acre, \$14.50 per acre with the flat rate becoming delinquent on March 1, 2022 if not paid;

4.

And the Board, in prorating the share of said estimated amount of water used for irrigation purposes, took into consideration the water available. It is therefore ordered that \$965,000.00 be equitably prorated among the applicants for water, at a rate and charge \$11.50 per acre for each watering, to be paid in advance when the application for the water is filed in the office of the District, which in all cases, shall be paid before water is furnished, provided that in the case of lands for which water will not be

irrigated by gravity and must be pumped by the owners thereof, the rate and price for each watering will be \$9.25 per acre payable as herein provided. In cases of land where the owners impound water where it is impossible or impractical to determine the acres irrigated, a meter must be provided by owners thereof, to accurately measure the water used. The charge for water sold by the acre-foot and measured with meters will be at \$27.60 per acre-foot. Irrigation on out-of-District lands, with their own water rights, will be at \$22.95 per acre irrigated;

5.

The Board in calculating the District's cost for furnishing water to miscellaneous water (lawn) users finds and determines the charges to be the following:

For lawn irrigation on in-District property: \$262.00 per year

For lawn irrigation on out-of-District property: \$293.00 per year, of which will yield \$96,000.00.

6.

The Directors reviewing the charges for water used for municipal purposes taking into consideration, the constant demand, evaporation loss, and the additional cost incurred by the District to supply the water, found and determined the charge of \$0.255 per thousand gallons used. The Directors estimated the above to yield \$600,000.00;

7.

The District estimated the revenue from leases, charges for work done, miscellaneous revenue, property sales, certificate of deposit and checking interest to be \$350,000.00;

8.

All assessments provided for herein shall bear interest from the time it became delinquent and shall be payable at the following rates:

15% per annum (1.25% per month) from the date the assessment becomes due. If suit should be filed thereof, or same should be collected by any legal proceedings, an additional amount equal to the sum of attorney's fees, court costs and any other legal fees shall be added to the same as collection fee to principle and interest. Such assessments shall stand secured by the liens provided by law. The Office Manager shall collect such interest on all delinquent flat rate assessments not paid on or before sixty (60) days after due date;

9.

All landowners shall be personally liable for all assessments herein provided for and if they shall fail or refuse to pay same when due, all water supply should be cut off and no water shall be furnished to the land until all back dues including interest and penalty are fully paid. This provision with respect to cutting off water shall bind all parties, persons and corporations owing or thereafter acquiring any interest in the said lands.

GENTLEMEN: In compliance with Section 58.302 through 58.331 Vernon's Texas Session Law Service, Law 1979, 67th Legislature State of Texas and with the "Rules and Regulations" adopted by your Honorable Board, I respectfully, submit herewith for

your consideration and approval, an estimate of the cost to be paid from the maintenance and operation fund for the 2022 fiscal year and recommendation for assessments and water charges for 2022:

EXPENSES:

4010	Office Salaries	\$156,000.00
4020	Directors Fees	\$9,500.00
4030	Manager Salary	\$110,000.00
4040	Pumping Plant Labor	\$57,360.00
4060	Canal Riders & Supervisor	\$265,000.00
4070	Other Salaries (Maintenance)	\$600,000.00
4080	Social Security Expense	\$74,300.00
4081	Medicare Expenses	\$17,400.00
4090	Unemployment Tax	\$12,000.00
4100	Retirement System	\$83,200.00
4105	Manager Expense	\$1,500.00
4110	Workers' Comp	\$33,000.00
4112	Uniforms	\$5,450.00
4115	Insurance	\$30,400.00
4125	Health Insurance	\$154,200.00
4130	Janitor Service	\$5,075.00
4140	Audit Fee	\$12,000.00
4150	Legal Fee	\$22,500.00
4160	TCEQ	\$53,250.00
4161	GPS Service	\$6,200.00
4162	Safety Equipment	\$2,675.00
4163	Managers Association; RGRWA	\$9,025.00
4168	Auto Miscellaneous (inspections)	\$350.00
4170	Drafting/Engineering Supplies	\$350.00
4175	Survey/Engineering	\$1,000.00
4180	Office Expense	\$26,500.00
4182	Physicals	\$600.00
4185	Office Building Expenses	\$5,250.00
4190	Pumping Plant Lubricants	\$1,150.00
4195	Operating Expenses (Chemicals)	\$1,575.00
4200	Pumping Plant Repairs	\$10,325.00
4205	Tools Pumping Plant	\$625.00
4210	Miscellaneous Repairs Pumping Plant	\$800.00
4220	Gas/Oil for Autos	\$60,100.00
4230	Gas/Oil for Machinery	\$46,100.00
4240	Repairs to Pipeline & Structures	\$250,800.00
4250	Auto Repairs	\$28,900.00
4255	Mowing Contract	\$180,000.00
4260	Machinery Repairs	\$70,150.00
4265	Tools	\$5,475.00
4270	Other Repairs	\$1,775.00
4275	Repairs to various pumps	\$9,325.00
4280	Electricity River Pumps	\$148,000.00
4290	Utilities	\$42,000.00
4300	Electricity – Various Pumps	\$30,050.00
4310	Natural Gas River Pumps	\$34,400.00

4330 Miscellaneous Expense \$1,950.00
 4340 Assets Purchased \$57,000.00

Motion Carried.

The Board reviewed the proposed 2022 Rehabilitation Capital Improvements Budget. After discussion, a motion was made by Buck Rhyner, seconded by William Goad, and upon unanimous vote, passed to adopt the following 2022 Rehabilitation Capital Improvements Budget:

CAMERON COUNTY IRRIGATION DISTRICT #2				
2022 CAPITAL IMPROVEMENTS BUDGET				
	BEGINNING BAL	INCOME	EXPENSES	PROJECTED ENDING BAL
REHAB CHECKING ACCT:				
Estimated Beginning Balance	\$4,615.00			
No projects (Acct for Reclamation reimbursements)			\$0.00	
Checking Interest		\$10.00		
Ending Balance	\$4,615.00	\$10.00	\$0.00	\$4,625.00
	BEGINNING BAL	INCOME	EXPENSES	PROJECTED ENDING BAL
CANAL REHAB ACCT:				
Estimated Beginning Balance	\$758,800.00			
Checking Interest		\$100.00		
Bureau of Reclamation Reimbursements		\$600,000.00		
Ending Balance	\$758,800.00	\$600,100.00	\$0.00	\$1,358,900.00
	BEGINNING BAL	INCOME	EXPENSES	PROJECTED ENDING BAL
WATERSMART:				
Beginning Balance	\$176,800.00			
Automated Gates			\$145,366.00	
Construction of Lateral E/G2			\$958,461.00	
Bureau of Reclamation Reimbursements		\$536,557.00		
Checking Interest		\$200.00		
Ending Balance	\$176,800.00	\$536,757.00	\$1,103,827.00	-\$390,270.00
	BEGINNING BAL	INCOME	EXPENSES	PROJECTED ENDING BAL
Certificates of Deposit				
Beginning Balance	\$2,462,954.00			
Interest Earned		\$7,400.00		
Ending Balance	\$2,462,954.00	\$7,400.00	\$0.00	\$2,470,354.00
ENDING BALANCE COMBINED REHAB	\$3,403,169.00	\$1,144,267.00	\$1,103,827.00	\$3,443,609.00

Motion carried.

The Board reviewed and discussed the current water balance and projections for the remainder of 2021. No action was taken.

There was nothing to discuss in Executive Session. Accordingly, no executive session was held.

A motion was made by Brady Taubert, seconded by Buck Rhyner, and upon unanimous vote, passed to approve the following bills:

Ck#	Vendor	Amount
20414	Autozone	\$32.08
20415	AT&T	\$678.07

20416	Cameron County Drainage District #3	\$15,000.00
20417	Central Ready Mix	\$776.00
20418	City of San Benito	\$128.34
20419	Ervin, David & Elvira	\$162.91
20420	Hollon Oil Co.	\$1,005.89
20421	H&V Equipment	\$939.57
20422	Johnny's True Value	\$24.60
20423	Romco Equipment	\$172.58
20424	Sprint	\$106.25
20425	Smarcom Telephone, LLC	\$349.00
20426	South Texas Bolts & Supply	\$122.40
20427	Texas Child Support	\$135.69
20428	Your Auto Repair Shop	\$150.00
20429	Dainamik Business Solutions	\$660.00
20430	AT&T U-Verse	\$43.01
20431	Alamo Iron Works	\$393.27
20432	AT&T Mobility	\$64.05
20433	City of San Benito	\$278.41
20434	Direct Energy	\$9,262.45
20435	Fresno Valve & Casting	\$17,164.04
20436	John Deere Finanacial	\$218.93
20437	Oil Patch Fuel & Supply	\$23,305.90
20438	Romco Equipment	\$1,570.84
20439	R & A Truck Repair	\$80.00
20440	Texas Gas Service	\$429.23
20441	Texas Department of Agriculture	\$75.00
20442	Texas Child Support	\$135.69
20443	United Rentals, Inc.	\$1,952.00
20444	Aflac	\$352.29
20445	AT&T Mobility	\$65.19
20446	Autozone	\$49.01
20447	American Heritage Life	\$350.99
20448	Alamo Iron Works	\$407.52
20449	AT&T	\$578.49
20450	BC/BS of Texas	\$10,406.39
20451	Boswell Elliff Ford	\$87.50
20452	Core & Main	\$1,273.50
20453	Dossett Law Office	\$400.00
20454	Dropped Dead Pest Control	\$285.00
20455	Dearborn Life Insurance	\$171.90
20456	Dainamik Business Solutions	\$525.00
20457	Direct Energy	\$475.02
20458	McMurray, Randall S.	\$2,829.00
20459	Hollon Oil Co.	\$2,343.35
20460	Johnny's True Value	\$212.57
20461	Sonia Lambert	\$45.00
20462	Matt's Building Materials	\$13.47
20463	McCoy's	\$811.44
20464	Jesus Moncivaiz	\$49.99
20465	Office Depot	\$103.25
20466	Oil Patch Fuel & Supply	\$9,016.25
20467	O'Reilly Automotive, Inc.	\$3,815.22

20468	Orkin	\$197.00
20469	Pitney Bowes/Reserve Account	\$1,000.00
20470	San Benito News	\$187.00
20471	Sprint	\$195.91
20472	South Texas Bolts& Supply	\$8.90
20473	Tops the Outdoor Store	\$360.29
20474	TWCA Risk Management Fund	\$2,527.00
20475	TWCA	\$1,630.00
20476	Texas Child Support	\$135.69
20477	Unifirst	\$819.85
20478	Waste Management of Texas	\$147.37

The Manager reported on the following items to the Board of Directors:

- a) September Maintenance Report – Includes 31 jobs performed by the crews for the month. The District has begun the continuation of the piping of Lateral 8.
- b) September Machine Locations/Accomplishments – A report indicating work performed by the excavators and dozers for the month was presented to the Board.
- c) September Pumping Plants Reports – 1) Running standard operations; 2) General maintenance of plant and grounds; 3) Pumping for the month: Pump Station #1 – 8/29 – 10 a.m. Cert at 50 CFS, 8/30 – 10 a.m. Cert at 100 CFS, 9/3 – 10 a.m. rate reduced to 50 CFS, 9/3 – 4 p.m. rate increased to 100 CFS, 9/13 – 10 a.m. Cert at 150 CFS, 9/14 – 6 p.m. rate reduced to 100 CFS, 9/15 – 6 p.m. rate reduced to 50 CFS through rest of pumping period; Pump Station #2 – No Pumping; 4) Rainfall: 2.00”; 5) Acre feet diverted: 4,166.0000; 6) Total No Charge Pumping: 99.1734.34; 7) Average TDS readings: 873 p.p.m.
- d) September Financial Reports:
 - 1) M&O Account – The financial report was presented.
 - 2) Rehab Account – The financial report was presented.
 - 3) Canal Rehab Account – The financial report was presented.
 - 4) WaterSMART Account – The financial report was presented.
- e) Water Duty – was 2.05 acre-feet per acre for the month of August 2021 and 1.13 acre-feet per acre year to date.
- f) Sign/Land Leases – A report with a listing of all contracts and amounts due was presented to the Board.
- g) Legislation – No update.

Attorney’s report – Scanning of documents.

A motion was made by Buck Rhyner, seconded by William Goad, and upon unanimous vote, passed to adjourn the meeting at 9:54 a.m. Next regular meeting is scheduled for Thursday, November 11, 2021 at 9:00 a.m.

Sam Simmons, President

Brady Taubert, Vice-President