

May 14, 2020  
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. by teleconference.

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

There was no public comment.

A motion was made by William Goad, seconded by Buck Rhyner, and upon unanimous vote, passed to approve the minutes of the regular meeting of April 9, 2020.

The water report was made by Sonia Lambert, who reported that Falcon Reservoir contains 458,808 acre-feet of water, of the normal conservation 2,646,817 acre-feet. The Amistad Reservoir contains 1,200,662 acre-feet of water, of the normal conservation 3,275,532 acre-feet which 47.13% is U.S. total conservation capacity compared to 64.06% this time last year. District's usable water balance as of May 11, 2020 is 71,408.3490 acre-feet, and the storage balance is 72,057.1036. This time last year, usable water balance was 116,033.8426 and storage balance was 136,471.7781.

Ms. Ester Rodriguez requested the District's assistance for the installation of 15 feet of 12" pvc pipe on Block 39, Rio Hondo Park Subdivision, a project partially funded by NRCS. A motion was made by William Goad, seconded by Lupe Argullin, and upon unanimous vote, passed to authorize the District's assistance in the installation of 15 feet of 12" pvc pipe in Block 39 of the Rio Hondo Park Subdivision as set forth in the executed agreement between Ms. Ester Rodriguez and the District. Motion carried.

Ms. Rachel Zuniga requested the Board consider waiving interest to flat rate account #23413. The District verified the address to be the correct address in which the statements have been sent. A motion was made by William Goad, seconded by Buck Rhyner, and upon unanimous vote, passed to deny Ms. Rachel Zuniga's request to waive interest to the delinquent flat rate on account #23413. Motion carried.

The Manager provided a letter from Janie & Leonel Rodriguez requesting the Board consider not filing water theft charges, as decided by the Board at the April 9<sup>th</sup> Board meeting. The flat rate account was delinquent since 2013 and the lawn water account was opened for 2020 and also delinquent. Several notices were mailed, and no reply or payment was received. The irrigation line was disconnected by the District and notice was sent. The irrigation line was reconnected by the owner without payment and without authorization. The District once again disconnected and left a note at the disconnection site that theft charges would be filed. The irrigation line was again reconnected. Janie Rodriguez called the office and asked about their water account, claiming to have never received any notices. They have since paid all the flat rate and lawn water charges due and are asking the Board to consider not filing theft charges. After discussion, a motion was made by William Goad, seconded by Lupe Argullin, and upon unanimous vote, passed to approve Mrs. Janie Rodriguez's request to not file charges. The District will bill for the disconnection fees and the 2 fines for unauthorized use of water. Motion carried.

The Manager advised the Board that a 5% pay increase was included in the adopted 2020 Maintenance and Operation Budget and asked for authorization to distribute a pay increase of up to 5%. After discussion, a motion was made by William Goad, seconded by Brady Taubert, and upon unanimous vote, passed to authorize pay increases to employees of up to 5%, based on merit and employee reviews. Motion carried.

On March 12, 2020, the Board authorized the purchase of one 2020 Ford F-150 truck from Boggus Ford for \$20,407.28. Since the COVID-19 threat has closed the manufacturing plants, the estimated time for manufacturing this truck is July 2020 but is subject to change. The Manager informed the Board that the District needs a truck now for a canal rider due to the busy irrigation season. Boggus Ford had one in stock for \$21,118.86, (\$711.58 more than the one ordered). Boswell Ford's bid was lower than the cost of the one in stock at Boggus but the wait time to manufacture would be the same. A motion was made by William Goad, seconded by Buck Rhyner and upon unanimous vote, passed to ratify the action taken to purchase the in-stock 2020 Ford F-150 from Boggus Ford for \$21,118.76 and cancel the original one ordered on March 12, 2020 for \$20,407.28. Motion carried.

On January 23, 2020, the Board authorized the Manager to sign a Right of Entry For Survey and Site Assessment for U.S. Customs and Border Protection, Department of Homeland Security, after the District Attorney threatened to file suit against the District because the Manager refused to sign the right of entry due to the proposed location being in front (north) of the District's pumping plant and crossing the lowline and the highline. It was noted that IBWC is working on plans to construct the levee gap on the south side of the pumping plant which would be the suitable location to construct the border wall, as is for the rest of the border wall throughout this District. A contractor has also been in contact with the Manager asking for flow information and stating that boxes equivalent to the size of the ones going under US 281 are being designed. In addition, an appraiser is conducting an appraisal of the pumping plant, pumping plant office, shop, home and all other assets in the area. The Manager has sent several emails to the Assistant District Attorney for information regarding what other areas were or are being explored but has not received a reply as to other areas being considered. The Assistant District Attorney did, just yesterday (May 13, 2020), reply by email and provided a map indicating the proposed location for the border wall to be on the north side of the pumping plant crossing the lowline and highline. After discussion, a motion was made by William Goad, seconded by Brady Taubert, and upon unanimous vote, passed to authorize Attorney Buddy Dossett send an objection letter to U.S. Army Corp of Engineers as to the location of the proposed site on the north side of the pumping plant crossing the highline and lowline canals, and recommend the border fence be placed on the levee being proposed on the south side of the pumping plant. Motion carried.

The Manager reported that AEP was installing power poles along the eastern boundary of the District's lowline right of way and was stopped by the District. AEP was installing power poles to provide electricity to the border gate on the levee and southeast side of the lowline for the U.S. Army Corp of Engineers acting on behalf of the US Department of Homeland Security. Manager Sonia Lambert met telephonically with AEP and Army Corp of Engineers, who stated that they were informed by their attorneys that Weber Rd. is a county road. The Manager informed AEP and Army Corp of Engineers that she had provided a letter to Army Corp of Engineers on January 2, 2020 from Cameron County verifying that Weber Road is a county road only on the north side of US 281 and not on the south side, which is claimed by the District as fee

simple ownership. U.S. Army Corp of Engineers is requesting a license agreement for ingress/regress to the border gate from US 281 and for AEP power line installation and continued maintenance. AEP is also willing to be the entity in which the license agreement would be issued. It was noted to the Army Corp of Engineers and AEP that if the license agreement is approved, that a requirement would be to have dust control because of the exposure to the District's pumps. After discussion, a motion was made by William Goad, seconded by Buck Rhyner, and upon unanimous vote, passed approve license agreements to both AEP for their pole installation and future maintenance access along the east side of the lowline from US 281 south to the IBWC levee, and also to U. S. Army Corp of Engineers for Border Patrol access in the same area, provided dust control is provided and all costs for the preparation of the license agreements, filing fees, use of easement fees and all other associated fees are paid by the grantee. Motion carried.

Due to COVID-19 health threat, the District closed its office doors to the public and is only conducting transactions by phone and/or email and is not charging the 3% credit card fee for those that choose to pay by credit card. A motion was made by William Goad, seconded by Buck Rhyner, and upon unanimous vote, passed to ratify the action taken to waive the 3% credit card fee until further notice. Motion carried.

The Texas Legislative passed HB 3834 which requires state and local government employees who use any device that can connect to the internet and elected officials (Board members) to complete cyber security awareness training by June 14, 2020 and every year thereafter. The Board will be provided with a link for the training. There will be a short test after the training. Once that is completed, a copy of that test must be returned to the District so a certificate of completion can be printed, and a report made to the Texas Department of Information Resources. No action was taken.

The Manager reported that unless the Board had an objection, she planned on working on applications for WaterSMART grant funding from the U.S. Bureau of Reclamation for water conservation projects. Deadline to submit the applications is September 2020. Although the funding announcement was made and a deadline issued, it is not yet known how much is being made available for the entire program. Funding levels are at 50% cost share up to \$300,000 for \$600,000 projects, and 50% cost share up to \$1,000,000 for a \$2,000,000 project. A motion was made by William Goad, seconded by Brady Taubert, and upon unanimous vote, passed to authorize the Manager to submit applications to the U.S. Bureau of Reclamation for grant funding under the WaterSMART Grant program. Motion carried.

At the April 9, 2020 Board meeting, the Board was of the consensus that the Manager should apply for SBA Payroll Protection Plan loan which was being made available by the State of Texas due to the COVID-19 pandemic. Under the terms of the loan, 75% would be forgiven and the remaining 25% could be financed at a 1% interest rate for 2 years. The amount of the loan would be the equivalent of the amount equal to 2 months of payroll and being offered in an effort to keep businesses running and avoid laying off employees. The Manager has since applied for the loan but was informed by First Community Bank who was notified by the SBA that the District is ineligible due to it being a political subdivision of the State of Texas. Although the District was ineligible, the Manager did apply for the loan. Therefore, a motion was made by William Goad, seconded by Brady Taubert, and upon unanimous vote, passed to authorize the Manager to apply for the SBA Payroll Protection Plan loan. Motion carried.

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

<u>Ck#</u>	<u>Vendor</u>	<u>Amount</u>
19281	AT&T	\$1,428.84
19282	AT&T Mobility	\$63.45
19283	Dainamik Business	\$595.00
19284	Direct Energy	\$31,096.81
19285	Oil Patch Fuel & Supply	\$3,301.05
19286	Sprint PCS	\$955.75
19287	Texas Gas Service	\$672.38
19288	Texas Child Support	\$313.85
19289	Mary & Rolando Flores	\$31.50
19290	Aflac	\$117.54
19291	AT&T	\$88.51
19292	Amigo Bolt & Supply	\$17.68
19293	AT&T U-Verse	\$138.52
19294	Affordable Glass & Mirror	\$75.00
19295	AT&T	\$91.53
19296	3 Star Muffler Shop	\$120.00
19297	Boswell Elliff Ford	\$1,560.25
19298	City of San Benito	\$296.47
19299	Constellation New Energy	\$178.73
19300	Diamond Plastics Corp	\$12,303.70
19301	Direct Energy	\$2,653.51
19302	First Community Bank	\$316.87
19303	Manuel Gonzalez, Jr.	\$293.00
19304	Hollon Oil Co.	\$1,536.74
19305	John Deere Financial	\$869.00
19306	Johnny's True Value	\$27.02
19307	Mata's Welding	\$160.00
19308	Oil Patch Fuel & Supply	\$6,027.35
19309	San Benito Medical Associates	\$191.00
19310	Texas Child Support	\$313.85
19311	United Rentals, Inc.	\$1,952.25
19312	Boggus Ford Co.	\$21,118.86
19313	Aflac	\$117.54
19314	AT&T Mobility	\$66.44
19315	American Heritage Life	\$380.66
19316	BC/BS of Texas	\$13,544.00
19317	Cameron County Drainage District #3	\$25,000.00
19318	Central Ready Mix	\$376.00
19319	Dropped Dead Pest Control	\$225.00
19320	Dearborn National Life	\$213.90
19321	Dainamik Energy	\$595.00
19322	Direct Energy	\$37,314.74
19323	Dossett Law Office	\$400.00
19324	Fast Signs	\$69.84
19325	Firestone/Bridgestone	\$581.28
19326	Leslie C. Fisher	\$87.55
19327	Gigabit Communications LLC	\$250.00
19328	Hardware Software Service	\$280.00

19329	Holt CAT	\$1,529.54
19330	Home Depot Credit Service	\$172.87
19331	Lambert, Sonia	\$45.00
19332	Magic Valley Electric	\$2,525.69
19333	Matt's Building Materials	\$17.98
19334	McCoy's	\$350.24
19335	Moncivaiz, Jesus	\$49.99
19336	Office Depot	\$805.69
19337	Oil Patch Fuel & Supply	\$6157.65
19338	O'Reilly Automotive, Inc.	\$5,102.16
19339	Orkin	\$195.00
19340	Praxair Distribution, Inc.	\$301.08
19341	Pitney Bowes	\$1,020.99
19342	Pro Billing & Funding Services	\$283.19
19343	Romco Equipment	\$1,301.00
19344	Rio Grande Steel, LTD	\$324.75
19345	Rainbow Sprinkler Systems	\$280.07
19346	Superior Alarms	\$5.00
19347	Sprint	\$1,911.50
19348	South Texas Truck Centers	\$297.32
19349	Tarpon Fire & Safety	\$216.50
19350	TXDMV	\$2.00
19351	Texas Child Support	\$313.85
19352	TXDMV	\$2.00
19353	Unifirst	\$900.08
19354	United Rentals, Inc.	\$1,952.25
19355	Valley Radio Center	\$158.00
19356	Waste Management of Texas	\$122.62

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

- a) April Maintenance Report – Includes 97 jobs performed by the crews for the month and \$271.77 billed for private work performed. This is in addition to the completion of WaterSMART project piping of Lateral C. The only thing pending and currently being worked on is the leveling of the remaining soil.
- b) April Machine Locations/Accomplishments – A report indicating work performed by the excavators, dozers, and mowers for the month was presented to the Board.
- c) April Pumping Plant Report – 1) Running standard operations; 2) General maintenance of grounds and plant; 3) Pumping for the month: 3/29 – 10 a.m. rate at 300 CFS, 4/3 – 10a.m. rate reduced to 250 CFS, 4/4 – 3 p.m. rate increased to 300 CFS, 4/6 – 10 a.m. increased rate to 350 CFS, 4/10 – 10 a.m. rate reduced to 300 CFS, 4/11 – 10 a.m. rate reduced to 250 CFS, 4/13 – 10 a.m. rate reduced to 150 CFS, 4/14 – 10 a.m. rate increased to 250 CFS, 4/17 – 10 a.m. rate increased to 300 CFS through rest of pumping period; 4) Rainfall: 0"; 5) Acre feet diverted: 14,877.230; 6) Total No Charge Pumping: 363.6359; 7) Average TDS readings: 755 p.p.m.
- d) April 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 .96 acre-feet per acre for the month of April 2020 and .75 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) Energy Contract – Current energy contract is with Direct Energy, brokered by Amerex, at a rate of \$0.03795, ending June 2023. Amerex has offered \$0.03779 until 2032, after the June 2023 expiration. The Manager asked for preliminary authorization to sign a contract at this rate through 2031. The Board, by consensus was of the opinion that the Manager should sign an energy contract extending the contract through June 2032 at a rate of \$0.03878/kwh. This item will be placed on the June Agenda for approval.
- h) TCEQ Conference Call – Liaison between TCEQ and Mexico for the 1944 Treaty held a conference call with the TCEQ Water Advisory Committee on May 01,2020. Commissioner Lindley reported that in October 2019, Mexico had agreed to start making deliveries from October 2019 through February 2020 to be in compliance. That obviously didn't happen and Mexico now has a deficit of 285,724 acre-feet. A follow up meeting was scheduled for April 16, 2020 but that was not held due to the COVID-19 pandemic. Mexico has not updated the U.S. with any proposed repayment schedule. This current cycle will end October 16, 2020.  
El Morillo Drain was also discussed. Salinity levels have been increasing due to Mexican communities' runoff into the drain and the channel not carrying the 3 cms it was designed to carry due to trash and lack of maintenance. The water is being diluted at this point by releases from Falcon.  
Amistad Reservoir continues to have issues with sink holes in the reservoir. IBWC Commissioner Jane Harkins discussed 3 options for repairs. The option determined to be best needed to resolve the issue is to build a cut-off wall which is the most expensive option at \$208 million for construction only and would take about 2 years to complete. It was noted that there is a 1 in 5,000 chance of dam failure and that if Amistad Reservoir would fail, Falcon Reservoir would also fail due to the rush of uncontrolled water. The cost to repair or rebuild both reservoirs is estimated at \$1.75 billion. It is also estimated that there would be a trade economic impact of \$15 billion should both reservoirs fail. IBWC and TCEQ are in discussions as to how to obtain the funds.
- i) Old Office Building at 216 S. Sam Houston – The Manager has an interested buyer for the District's old office building. The water and electricity will be reconnected and an inspection paid for by the District before the buyer makes an offer.

The Attorney reported on:

- a) The Oath of Office for the 3 Directors who were re-elected to the Board;
- b) The required notice of the re-elected Directors to the Secretary of State;
- c) The Transparency (Debt) Report to the State Comptroller has been submitted;
- d) The Special Purpose Report to the State Comptroller; and
- e) For consideration of guidelines when the District re-opens its doors to the public during the COVID-19 pandemic.

A motion was made by William Goad, seconded by Buck Rhyner, and upon unanimous vote, passed to adjourn the meeting at 10:40 a.m. Next regular meeting is scheduled for Thursday, June 11, 2020 at 9:00 a.m.

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Sam Simmons, President

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William Goad, Secretary