October 19, 2026
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 9:16 a.m.

The following Directors were present: Brady Taubert, Buck Rhyner, Lupe Argullin, and Zac McLemore (in person), and M.R. Garcia (via video conference). Also attending were Ben Escobar, General Manager, and Buddy Dossett, Attorney.

There was no public comment.

The Board reconsidered Mr. Jaime Rodriguez's petition for exclusion, previously tabled following the October 8, 2026, Exclusion Hearing. The General Manager determined that irrigation access could not be restored without an excessive expense to the District and recommended approval because incurring that expense would not be in the District's best interest. A motion was made by Buck Rhyner, seconded by Lupe Argullin, and unanimously carried to approve the exclusion of Mr. Jaime Rodriguez's property, identified as PID No. 30660-1 / Account No. 30660, being a 5.64-acre tract in Lot 43 of the 1577 Subdivision.

Ms. Erika Aguirre Vasquez from the Texas County & District Retirement System (TCDRS) presented the District's current retirement plan alongside budget-friendly options for future consideration. The Board tabled the discussion for the next meeting to allow time to review the information provided.

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

5.1) <u>Stripes Subdivision</u> – Being 6.932 acres out of Blocks 15, SBL&WCO Subdivision, City of San Benito, Cameron County, Texas as shown by plat of record in Volume 1, Page 6, of the map records of Cameron County, Texas and being a portion of a 10.367-acre tract of land described in the deed of record in document number 2020-39883 of the official records of Cameron County, Texas. This property is located on the east side Scaief Road north of Expressway 83 adjacent to the south side of the railroad. An irrigation pipeline, identified at Lateral B-3, is located on the west side of the property parallel to Scaief Road to which the District retains a 10 ft. right-of-way. The Board requested an updated exhibit that indicates the exact location of Lateral B-3. After a brief review of the exhibit, a motion was made by Zac McLemore, seconded by Lupe Argullin, and upon unanimous vote, passed to approve the plat as presented.

The General Manager discussed the District's budget requirements and the need to generate sufficient revenue to maintain operations, infrastructure, and reliable water delivery services. He further explained that limited water availability and reduced irrigation activity have constrained total conveyance revenue, while the District continues to incur ongoing operating and maintenance costs regardless of the volume of water delivered. Accordingly, increases to the flat rate assessment and irrigation rates were recommended to ensure sufficient revenue to meet the District's budget needs. The General Manager also presented a comparative list of rates charged by other irrigation districts across the Rio Grande Valley to assist the Board in evaluating appropriate adjustments.

After discussion, a motion was made by Buck Rhyner, seconded by Zac McLemore, and unanimously carried to approve a Flat Rate increase for the 2027 Flat Rate year to $34.00 for the first acre and $18.50 for each additional acre under the same ownership. After further discussion, a motion was made by Buck Rhyner, seconded by Zac McLemore, and unanimously carried to approve the following irrigation rate increases for 2027: $15.00 per acre-foot for gravity irrigation, $38.00 per acre-foot for metered irrigation, $12.00 per acre-foot for pumped irrigation, and $30.50 per acre-foot for property outside the District with water rights.

The Board discussed the reinstatement of lawn water accounts. After discussion, a motion was made by Buck Rhyner, seconded by Lupe Argullin, and upon unanimous vote, passed to approve the reinstatement of lawn water accounts beginning January 2027 at the rate of $42.50 per month for in District property, and $45.00 per month for out of District property to be prepaid annually. The Board asked the General Manager to send out notices to all property owners, establish new lawn water contracts, and lawn water accounts for all that qualify. Motion carried.

The Board discussed the proposed 2027 Maintenance and Operations Fiscal Year Budget and deferred adoption pending an updated budget presentation by the General Manager reflecting the approved rate increases. The revised budget will be presented for further consideration at the next regular Board meeting.

The Board discussed a resolution authorizing the establishment of an escrow account for financial assistance to be received through the Texas Water Development Board's WSIG Program for Project No. 21954, Commitment No. 1002526. The General Manager recommended Rio Bank as the Escrow Agent, noting that the bank appeared on the Texas Water Development Board's list of eligible banks for escrow accounts and had been responsive in providing information needed to establish the account. A motion was made by Zac McLemore, seconded by Buck Rhyner, and carried out by unanimous vote to adopt the resolution designating Rio Bank as the Escrow Agent and authorizing the General Manager to execute the escrow agreement and related documents necessary to establish and administer the account.

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

A motion was made by Buck Rhyner, seconded by Lupe Argullin, and upon unanimous vote, passed to adjourn the meeting at 11:22 a.m. Next regular meeting is scheduled for Thursday, November 12, 2026, at 9:00 a.m.

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Brady Taubert, President M.R. Garcia II, Secretary