

January 13, 2025
San Benito, Texas

A meeting of the Board of Directors of Cameron County Drainage District No. 3 convened on January 13, 2025, at 2:00 p.m. at the office of the District, pursuant to notice duly given as required by law. Present were Ronaldo Garcia, Matthew McCarthy, and Jason Shafer, Directors; Craig M. Harmon, General Manager; Jack Brown, Engineer; Freddie Ortega, Maintenance Superintendent; and B. R. Dossett, Attorney. President Garcia called the meeting to order and presided.

1. Minutes. The minutes for December 09, 2024, meeting were presented and reviewed. A motion was made and seconded that the Minutes of December 09, 2024, meeting be approved. Following a discussion, the motion unanimously carried.

2. Public Comment Period. No one appeared. No written comments were received.

3. Subdivision Approvals.

3.1. Preliminary Approval.

3.1.1. Villa Dolce Subdivision, being a 12.08-acre tract out of Block 37, San Benito Land & Water Co. Subdivision. Owner Stone Spring Investments, plat preparer Urban Infrastructure Group. The preliminary plat was presented and reviewed. The motion was made and seconded that the plat of Villa Dolce Subdivision receive preliminary approval, the motion unanimously carried.

3.2. Final Approval.

3.2.1. De Marca Estates Subdivision, being a 12-acre tract out of Lot 10, Heywood Loop Subdivision. Owner Martin and Fabiana Cantu, plat preparer AGH Engineering. The plat was presented and reviewed. A license agreement is required to drain into the District drain. The motion was made and seconded that the plat of De Marca Estates Subdivision receive preliminary and final approval, the motion unanimously carried.

3.2.2. Jabonero Trail Subdivision, being a 3.03-acre tract out of Block 85, San Benito Land & Water Co. Subdivision. Owner Noe and Emma Teresa Galvan, plat preparer Rios Surveying. The plat was presented and reviewed. The motion was made and seconded that the plat of Jabonero Trail Subdivision receive preliminary and final approval, the motion unanimously carried.

3.2.3. AGM Ranch Phase I Subdivision, being an 8-acre tract out of Block 9, San Benito Irrigated Co. Subdivision. Owner Guillermo and Denise Cruz, plat preparer AGH Engineering. The plat was presented and reviewed. The motion was made and seconded that the plat of AGM Ranch Phase I Subdivision receive preliminary and final approval, the motion unanimously carried. The Mylar was presented and signed.

3.2.4. San Sebastian Subdivision, being a 47.35-acre tract out of Block 129, San Benito Land & Water Co. Subdivision. Owner Masa Bega Development, plat preparer HLG Plan Review Services. The plat was presented and reviewed. The motion was made and seconded that the plat of San Sebastian Subdivision receive preliminary and final approval, the motion unanimously carried.

4. Annexation and Donation of Drains.

- 4.1. Annexation.
 - 4.1.1. Request of Yountville Holdings, LLC, Owner, that District Annex 3,060.089 out of Share 22, Espiritu Santo Grant. The Petition for Annexation is with the petitioner for legal review (as of January 2024). No change in status.
- 4.2. Donations.
 - 4.2.1. Drain C-Right/Drain C-Left/Lateral V, Block 148, San Benito Land & Water Company Subdivision–Donation of Lateral North of Haine Drive and fix boundary of drain. The agreement is with the Attorney still pending.
5. Equipment.
 - 5.1. New equipment.
 - 5.1.1 2025 Ford F350 – The vehicle is on order.
 - 5.1.2 2023 Ford F550 – The vehicle is on order.
 - 5.2. Purchase of mower crew truck. The Board authorized General Manager Harmon to purchase an additional crew truck for the newly formed fourth mowing crew. Following a discussion, the motion unanimously carried.
6. Projects.
 - 6.1. Drains C Left and C Right. No change in status.
 - 6.2. East Line Relief Drain Project. Attorney Dossett is finalizing the Right of Way acquisition with subject landowners. Grant funding was applied for through Cameron County for FEMA funding utilizing the Disaster Recovery Reallocation Program.
 - 6.3. Drain B-1 and Drain B-2 Interconnect. Engineer Brown is finalizing the plans and Attorney Dossett is working on the Right of Way acquisition. There have been no updates on the acceptance status of the FEMA FMA grant request.
 - 6.4. Drain B-2–Upgrade of Pennsylvania Boulevard Road Crossing. FEMA is moving forward with grant approval, check status with TWDB contact, Kathy Hopkins, for updates on funds.
 - 6.5. Rancho Grande Diversion Project/Drain A Bypass Extension to River – Installation of Structure at Outfall. No change in status, pending subcontractor for project cost quote.
 - 6.6. Drain E-Notice of drain ROW in old CPL power plant property. No change in status.
7. Discuss and take possible action over an increase in Service Request #1 regarding FIF study. Eric Scheibe presented additional survey needs that were not included in the original survey scope. Inclusion of these additional survey locations will further enhance the accuracy of the FIF study hydraulic models. A detailed scope of work and fee proposal was presented by Mr. Scheibe increasing the total task cost by \$226,535. Following a discussion, the motion unanimously carried to increase the Service Request in accordance with Mr. Scheibe’s request.
8. Budget. Consider and approve a revision of the adopted budget for fiscal year beginning October 1, 2024 and ending September 30, 2025. General Manager Harmon recommended that the budget be amended and adopted.

REVENUE:

3050	Current tax revenue	\$4,395,250.00
3051	Delinquent tax revenue	\$135,000
3052	Supplemental tax revenue	\$15,000
3060	Penalties and interest	\$100,000
3065	Less: NSF Chargeback	(4,400)
3080	Discounts	(83,000)
3081	Errors & Adjustments	(24,500)
3082	Refunds	(15,500)
3085	Tax Collection Expense	(60,000)

TOTAL TAX REVENUE \$4,457,850

3090	Miscellaneous revenue	\$3,000
3093	Mowing contract services	\$180,000
3098	Interest on certificates of deposit	\$100,000
4820	Interest income	\$35,000
4860	Sale of Assets	\$5,000

TOTAL REVENUE \$4,780,850

Estimated Fund Balance October 01, 2024 \$7,400,000

AMOUNT AVAILABLE FOR APPROPRIATION \$12,180,850

EXPENSES:

Operating Expenses:	\$2,817,400
Capital Outlay:	\$1,680,000
Infrastructure Projects:	\$7,533,500

TOTAL EXPENSES \$12,030,900

Estimated Fund Balance September 30, 2024 (3 mos operating exp) \$704,350

OPERATING EXPENSES

		<u>2024 Budget</u>
4010	Office Salaries	\$ 252,000.00
4020	Director's fees	\$ 21,600.00
4030	General Manager service	\$ 75,000.00
4070	Other Salaries	\$ 930,000.00
4080	Social Security Taxes	\$ 80,000.00
4081	Medicare Expenses	\$ 20,000.00

4090	Unemployment Taxes	\$	5,000.00
4100	Retirement System Expense	\$	89,000.00
4110	Workman's Compensation	\$	17,000.00
4115	Insurance Expense	\$	50,000.00
4125	Health Insurance Expense	\$	266,000.00
4130	Janitorial Service	\$	9,000.00
4140	Audit Expense	\$	13,000.00
4150	Legal	\$	32,000.00
4165	Appraisal District Fees	\$	69,000.00
4175	Survey and Engineering	\$	10,000.00
4180	Office Expense	\$	16,000.00
4182	Physicals	\$	1,000.00
4192	Chemicals/Operating Expense	\$	3,500.00
4195	Safety Supplies	\$	9,000.00
4200	Seminars and Training	\$	9,000.00
4201	Member Dues	\$	2,000.00
4220	Fuel - Autos	\$	62,000.00
4230	Fuel - Equipment	\$	285,000.00
4240	Repairs - Pipelines and Structures	\$	43,000.00
4245	Uniforms	\$	8,000.00
4250	Repairs - Autos	\$	17,000.00
4260	Repairs - Equipment	\$	250,000.00
4261	Tire Collection/Disposal	\$	52,000.00
4262	GPS	\$	15,000.00
4263	Machine Moves	\$	50,000.00
4265	Tools - Warehouse	\$	8,000.00
4270	Other Repairs	\$	7,500.00
4290	Utilities	\$	30,000.00
4330	Miscellaneous Expense	\$	10,000.00
4370	ACH Direct Deposit Fees	\$	800.00
		\$	2,817,400.00

CAPITAL OUTLAY:

4345	Office equipment	\$35,000
4344	Autos and Trucks	\$255,000
4343	Heavy Equipment	\$1,390,000
Total Capital Outlay		<u>\$1,680,000</u>

INFRASTRUCTURE PROJECTS:

4342	Sites (office/warehouse site)	\$35,000
4346	City SB/DMP/FMA Project	\$50,000
4347	Easements & ROW	\$110,000
4349	Storm Water Modeling	\$65,000
4350	Green Valley Farms Project	\$55,000
4356	Drain E -piping & lining	\$828,000
4357	Storm Permitting	\$4,000
4360	East Line Relief	\$4,886,500
4364	Drain B1/ B2/ Pennsylvania	\$1,100,000
4365	FIF Project	\$400,000
Total Infrastructure Projects		<u>\$7,533,500</u>

Following a discussion, the motion unanimously carried.

9. License Agreements/Rights-of-Way/Permits/Interlocal Corporation Agreements.

9.1. Drain F Right/F Left in Block 214, SBL&W Co. for Randall Crane road crossing. Pending landowner direction on the locations of the crossings.

9.2. Rio Delta Subdivision. License agreement pending, with District's attorney to draft as of 5/14/2024.

9.3. Cielo Grande Subdivision. License agreement pending, with District's attorney to draft as of 4/2/2024.

9.4. El Monte Cristo Subdivision. License agreement pending, with District's attorney to draft as of 5/14/2024.

10. Reports.

10.1. Financial.

10.1.1. Financial Report for Month of December 2024. Presented and reviewed.

10.1.2. Financial Report for Fiscal Year through December 31, 2024. Presented and reviewed.

10.1.3. Quarterly Investment Report. Presented and reviewed.

10.2. Manager. General Manager Harmon in response to direction from the Board of Directors informed the Board he engaged with two Cameron County Commissioners to set up trash task force. All other matters discussed under other Agenda items.

10.3. Attorney. All matters discussed under other Agenda items.

10.4. Engineer. All matters discussed under other Agenda items.

10.5. Drain Supervisor. All matters discussed for work done in the month of August.

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

11.1. A motion was made and seconded to ratify the issuance of the following checks issued between the December 9, 2024, meeting and this meeting, the motion was unanimously

carried.

15349	Allstate	insurance	\$ 74.67
15350	ERHWS	water bill	\$ 221.20
15351	John Deere Financial	machine repairs	\$ 5,495.86
15352	Lincoln National Life	insurance	\$ 216.48
15353	New Horizon Publishers	publishing	\$ 330.00
15354	Oil Patch	fuel	\$12,519.56
15355	O'Reilly's Auto Parts	machine repairs	\$ 1,148.18
15356	TCEQ	stormwater permit	\$ 100.00
15357	TX Child Support SDU	child support	\$ 397.39
15358	Tellus Equipment	mower deck	\$10,349.99
15359	Tellus Equipment	mower deck	\$ 4,409.99
15360	Dossett Trust Account	parcels	\$250,216.00

Following a discussion, the motion was unanimously carried.

11.2. A motion was made and seconded to issue the following checks:

15361	Anderson Equipment	machine repairs	\$321.58
15362	AFLAC	insurance	\$249.84
15363	Allegra Printing	business cards for GM	\$49.95
15364	Allstate	insurance	\$74.67
15365	AT&T Mobility	mobility	\$231.51
15366	Carson Map Company	mapping subscription	\$595.00
15367	Dainamik	GPSA monitoring	\$910.00
15368	Diaz, Daniel	phone allowance	\$45.00
15369	ESRI, Inc.	ArcGIS subscription	\$3,201.83
15370	Gateway Printing	office supplies	\$190.36
15371	Grajale's Tire Shop	flat repairs	\$11.00
15372	Harmon, Craig M.	curative premium	\$683.98
15373	Hollon Oil Company	DEF Hydraulic oil	\$1,474.72
15374	John Deere Financial	machine repairs	\$1,531.02
15375	J & J Tire & Auto	flat repairs	\$1,030.96
15376	Lincoln National Life	insurance	\$432.96
15377	Linde Gas & Equipment	welding materials	\$80.71
15378	Matheson Tri*Gas	hazardous materials	\$380.69
15379	McCoy's	drain repairs	\$274.93
15380	Nueces Power Equipment	machine repairs	\$1,685.02
15381	Ortega, Federico	phone allowance	\$45.00
15382	Rio Grande Concrete	machine repairs	\$49.38
15383	Rio Grande Steel	machine repairs	\$127.71
15384	Rey's Tire Service	flat repairs	\$140.00
15385	Solorio, Nelda	janitorial	\$414.28
15386	Scheibe Consulting, LLC	FMA Pennsylvania	\$2,929.00
15387	T & W Tire	machine repairs	\$256.95
15388	Triple S Steel	tools	\$92.09
15389	Trevino, Lucinda	janitorial	\$369.28

15390	Tractor Supply	machine repairs	\$15.96
15391	Texas State Alarm	monitoring	\$69.98
15392	TX Child Support SDU	child support	\$397.39
15393	U.S. OccMed Texas, PLLC	employment physical	\$37.94
15394	UniFirst	uniforms	\$527.35
15395	Utility Trailer Sales	machine repairs	\$11.75
15396	Wilcac Life Insurance	insurance	\$21.67
15397	Wylie Case	machine repairs	\$46.96
15398	Commercial Billing	machine repairs	\$147.23
15399	Dossett Law Office	East Line project	\$3,411.00
15400	ERHWS Corp	water bill	\$71.75
15401	O'Reilly Auto Parts	machine repairs	\$1,291.76
15402	Sames Ford	new fuel truck	\$71,050.50
15403	Scheibe Consulting, LLC	FMA Pennsylvania	\$11,838.75
15404	Sames Ford	new crew truck	\$53,500.00
15405	Scheibe Consulting, LLC	on call invoice	\$1,061.25

Following a discussion, the motion was unanimously carried.

Adjournment. There being no further business, the meeting was adjourned.

Ronaldo Garcia, President

Jason Shafer, Secretary