

EXHIBIT 2

TEXAS WATER CODE SECTION 15.005 MEMORANDUM OF UNDERSTANDING

This is a Memorandum of Understanding (“MOU”) between the Board of Hidalgo County Drainage District No. 1 (the “HCDD1”), the Commissioners’ Court of Hidalgo County, Texas (the “Hidalgo County”), and the City Council of City of Weslaco (the “City of Weslaco”).

WHEREAS, pursuant to Texas Water Code § 15.005 and 31 Texas Administrative Code § 363.408, if the Executive Administrator determines that an application has flood control as one of its purposes and that the watershed in which the project is located is partially located outside the political subdivision making the application, the applicant must submit a written memorandum of understanding relating to the management of the watershed in which the project is to be located, signed by all governing bodies of eligible political subdivisions located in the project watershed; and

WHEREAS, HCDD1 has filed an application with the Texas Water Development Board for funding the Hidalgo County Drainage District No. 1 Phase 1 Flood Control Project that has flood control as one of its purposes; and

WHEREAS, HCDD1 has determined that the watershed in which the project is located is partially located within the jurisdiction of Hidalgo County and City of Weslaco;

NOW THEREFORE, in consideration of the benefits to the Nueces-Rio Grande Watershed and the State of Texas, HCDD1, Hidalgo County, and City of Weslaco agree to the following:

HCDD1 will provide QUARTERLY progress updates to Hidalgo County and City of Weslaco as the project develops and changes.

HCDD1 will notify Hidalgo County and City of Weslaco of any potential change in impacts to Hidalgo County and City of Weslaco within 1 MONTH of the identified change.

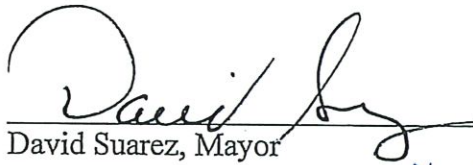
Hidalgo County and City of Weslaco will provide constructive input to HCDD1 as the project develops and changes.

HCDD1 and Hidalgo County and City of Weslaco will work cooperatively for the management of the Nueces-Rio Grande Watershed.



Richard Cortez, Chairman of Board
Hidalgo County Drainage District No. 1

Richard Cortez, County Judge
Hidalgo County, Texas



David Suarez, Mayor
City of Weslaco

*WCC
7/07/2020*

APPROVED BY HIDALGO
COUNTY DRAINAGE DISTRICT
NO. 1 BOARD OF DIRECTORS
ON: 7-7-20MM

EXHIBIT 1

Hidalgo County Drainage District No. 1 Phase 1 Flood Control Project

Project Description and Map

The project will provide enhancements to the Mercedes Lateral and existing drainage systems around Mile 10 North, Mile 11 North, FM 1015, Mile 1 West, and Texas Boulevard.

Regional retention ponds will be built to safely store and manage stormwater. Drainage systems will be created along residential areas, including but not limited to residential areas along Beto Garcia, Tahiti, and Samoa Drive. Additionally, the project will include culvert improvements and 105,600 linear feet of ditch improvements.

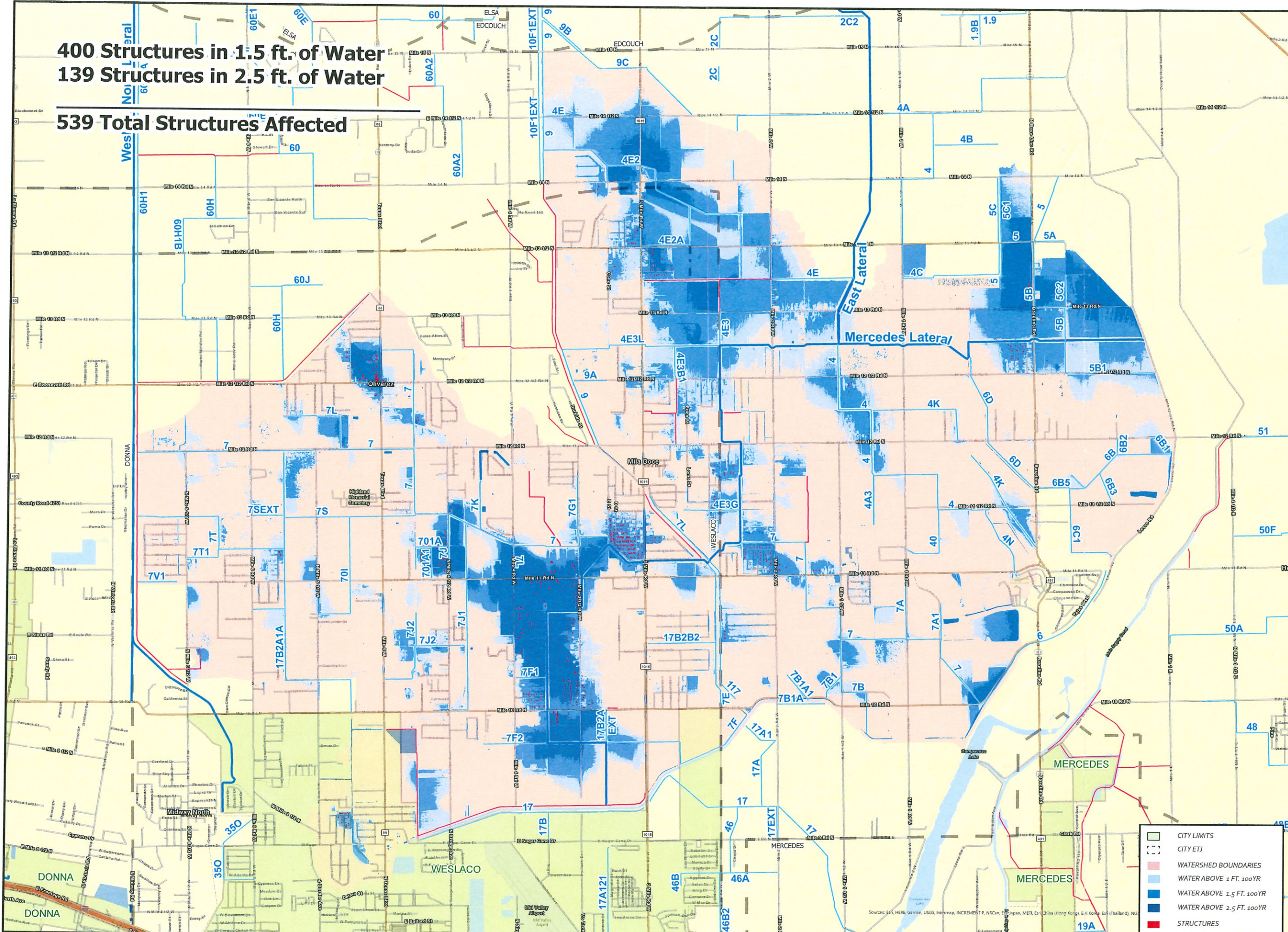
A pump station will also be installed along the North Floodway.

Over 500 structures will directly benefit from these improvements. Most importantly, these improvements will help to manage the immense floodwaters and storm water runoff from the major urbanized areas of Hidalgo County such as McAllen, Mission, Pharr, and Edinburg.

The total project cost is \$31,263,369.65. Funding is being sought from the Texas Water Development Board's Flood Infrastructure Fund Program for right-of-way acquisition and construction costs.

Please see the attached map for additional project information.

400 Structures in 1.5 ft. of Water
139 Structures in 2.5 ft. of Water
539 Total Structures Affected



- CITY LIMITS
- CITY ETJ
- WATERSHED BOUNDARIES
- WATER ABOVE 1.5 FT. 100YR
- WATER ABOVE 2.5 FT. 100YR
- STRUCTURES



1 inch equals 1,592 feet



Raul E. Sesin P.E., C.F.M.
 General Manager
 Floodplain Administrator

HIDALGO COUNTY
 DRAINAGE DISTRICT No. 1

902 DOOLITTLE RD.
 EDINBURG, TX. 78542
 TEL: (956) 292-7080
 www.hcdd1.org

Exhibit 1
Watershed P1A
Hidalgo County Drainage District 1
Phase 1 Flood Control Project

Return

SPECIAL MEETING - July 7, 2020

BE IT REMEMBERED, that on this 7th day of July A.D., 2020, there was begun and held a SPECIAL MEETING of the Honorable Commissioners' Court of Hidalgo County, Texas, wherein the following members thereof were present, to-wit:

HONORABLE RICHARD F. CORTEZ	HIDALGO COUNTY JUDGE
HONORABLE DAVID FUENTES	COMMISSIONER, PRECINCT NO. 1
HONORABLE EDUARDO "EDDIE" CANTU	COMMISSIONER, PRECINCT NO. 2
HONORABLE JOE M. FLORES	COMMISSIONER, PRECINCT NO. 3
HONORABLE ELLIE TORRES	COMMISSIONER, PRECINCT NO. 4

and ARTURO GUAJARDO, JR., COUNTY CLERK & EX-OFFICIO CLERK OF THE COMMISSIONERS' COURT of Hidalgo County, Texas, wherein the following proceedings were had, to-wit:



AGENDA
DRAINAGE DISTRICT
BOARD OF DIRECTORS
July 7, 2020
9:45 A.M.

NOTICE is hereby given in accordance with Chapter 551, Texas Government Code, that a SPECIAL MEETING of the Commissioners Court will be held in the Commissioners Courtroom of the Administration Building, 100 E. Cano, 1st floor, Edinburg, Hidalgo County, Texas. Discussion and possible action relating to the following business will be transacted:

1. **Roll Call** (Audio Reference 01m:44s)
 Judge Cortez called the meeting to order at 9:47 A.M.
 All members of the court were present during the roll call.
2. **Prayer** (Audio Reference 02m:12s)
 Jaime Salazar offered the prayer.
3. **Open Forum** (Audio Reference 02m:48s)
 There were no Open Forum participants.
4. **Approval of Consent Agenda** (Audio Reference 03m:00s)
 The court proceeded to the approval of the Consent Agenda. No items were pulled for further discussion.
 On motion by COMMISSIONER PCT. 2, EDUARDO "EDDIE" CANTU, seconded by COMMISSIONER PCT. 3, JOE FLORES, the Court made a UNANIMOUS vote of

approval on the Consent Agenda.

Vote: 5 - 0 -Unanimously

5. General Operations:

- A. **AI -76299** Requesting approval of Memorandum of Understanding between the Hidalgo County Drainage District No.1 and the City of Weslaco as it relates to the HCDD1 Phase I Flood Control Project; application submitted to the Texas Water Development Board on June 14, 2020. (Pending final legal review) (Audio Reference 03m:25s)

On motion by COMMISSIONER PCT. 2, EDUARDO "EDDIE" CANTU, seconded by COMMISSIONER PCT. 3, JOE FLORES, the Court made a UNANIMOUS vote of approval on item 5.A.

Vote: 5 - 0 -Unanimously

Attachments:

Draft MOU

- B. **AI -76302** Requesting approval of final negotiated Professional Services Agreement No. C-HCDD1-20-031-07-07, with L&G Consulting Engineers, Inc., dba L&G Engineering, as it relates to Professional Construction Materials Testing (CMT) Services On-Call (on an as needed basis) for Hidalgo County Drainage District No.1 Projects. Approved for negotiations by the HCDD1 Board of Directors on AI# 75746 (06-02-20). Subject to Legal Review. Compliance to HB1295 has been met. (Audio Reference 04m:09s)

On motion by COMMISSIONER PCT. 3, JOE M. FLORES, seconded by COMMISSIONER PCT. 4, ELLIE TORRES, the Court made a UNANIMOUS vote of approval on item 5.B.

Vote: 5 - 0 - Unanimously

Attachments:

Contract

6. 2018 Bond Referendum Projects:

- A. **AI -76285** 1. Requesting approval to accept bid and award a Construction Contract to lowest and best bidder meeting all specified requirements for RFB No. HCDD1-20-009-06-24, "South Lateral Drain Improvements Phase I (McColl Road to San Juan Road) -2018 Bond Referendum Project #34" in the total amount \$2,993,040.78, to Castle Enterprises, LLC, as recommended by project engineer L&G Engineering, Inc. (subject to Legal Approval and Compliance with HB1295). (Audio Reference 04m:43s)

On motion by COMMISSIONER PCT. 3, JOE M. FLORES, seconded by COMMISSIONER PCT. 2, EDUARDO "EDDIE" CANTU, the Court made a UNANIMOUS vote of approval on item 6.A.1.

Vote: 5 - 0 - Unanimously

- 2. Pursuant to TXLGC 262.031 and in the interest of expediting a project's progress,