

MINUTES OF WILLACY COUNTY DRAINAGE DISTRICT NO. 1

A meeting of the Board of Directors of Willacy County Drainage District No. 1 convened on September 9, 2026, at the District's office in Lyford, Texas, pursuant to notice duly given as required by law. Present were:

Terry Galle, President
Melvin Gay, Secretary
Charles Chappell
Dan Klostermann
Thomas Zdansky, Director

Casey McNutt, General Manager
B.R. Dossett, Attorney
Fernanda Segundo, Office Administrator

Directors Absent: Velma N. Garcia and Glenn Wilde

President Galle called the meeting to order at 10:30 a.m. and presided.

1. Minutes.
 - 1.1 The minutes of the August 12, 2026 meeting were presented. The motion was made Thomas Zdansky, and seconded by Dan Klostermann, to approve the minutes of the August 12, 2026 meeting. Following a discussion, the motion unanimously carried.
 - 1.2 The minutes of the August 26, 2026 meeting were presented. The motion was made by Thomas Zdansky and seconded by Dan Klostermann, to approve the minutes of the August 26, 2026 meeting. Following a discussion, the motion unanimously carried.
2. Public Comment Period. No one appeared. No comments were submitted by email or fax.
3. Audit of Fiscal Year ended December 31, 2025. The Auditor, Mr. Roberto Lopez, CPA, presented the audit of the fiscal year beginning January 1, 2025 and ending December 31, 2025. The motion was made by Charles Chappell and seconded by Melvin Gay to accept the audit. Following a discussion, the motion unanimously carried
4. Health Insurance--Interlocal Agreement with Willacy County for continued participation in the County's employee health plan. The County still has not finalized the agreement. No action.
5. Projects: Hidalgo-Willacy Joint Venture Drain--Amendment of Panchita Control Structure Operation Protocols and Procedures
 - 5.1 Hydraulic study and recommendations. The final study and recommendations will be presented to the Board at the October Board meeting. The final study and recommendations will be submitted to the El Sauz Ranch for its consideration and comment before it being submitted to Hidalgo County Drainage District No. 1.
 - 5.2 Make decisions requiring Board action. No action.
6. Willacy Main Drain--Union Pacific Railroad declaration of emergency and demand that District replace the crossing pursuant to 1986 agreement.
 - 6.1 Status Report. The 60% plans will be ready for submittal to Union Pacific by the end of

this week.

- 6.2 Make decisions requiring Board action. No action.
7. Projects: Repair of Willamar Control Structure (at outfall of Willacy Main Drain).
 - 7.1 Status Report. No change in status—repairs postponed until cooler weather. It was noted that the repairs will likely cost less than \$25,000.00. Although Water Code § 49.272(d) provides that no advertising or other solicitation of bids is required for contracts / purchases of \$25,000 or less, the District will solicit bids.
 - 7.2 Make decisions requiring Board action. No action.
8. Gin Yard Drain—segment along south side of Lot 4, Block 10, Gulf Coast Irrigation Co. Subdivision (Jose, Lyford & Sebastian Tracts), being on north side of, adjacent and parallel to County Road 1800 /Olive Road a/ka Parker Road: acquisition of right-of-way.
 - 8.1 Status Report. By document filed of record dated February 23, 1990, the District owns a drainage right-of-way in the west and south 100 feet of the property, the south 20 feet being subject to the right-of-way for County Road 1800. The owner of the property, Alberto Guajardo Jr., constructed a fence along the boundary the right-of-way. The District needs at least 20 feet along the side of a drain channel for its purposes. The distance between the fence parallel to the drain channel along the west side of the property is adequate for the District's purposes. However, there is only 10 feet, approximately, between the fence and the segment of the drain channel along the south side of the property, which means that since 1990 the District has been using 10 feet outside of the recorded right-of-way. That is, the segment of the fence parallel to County Road 1800 needs to be moved 10 feet north, to 110 feet north of the south line of the property. Manager McNutt has confirmed by measurement that the segment of the fence parallel to County Road 1800 is 100 feet north of the centerline of the Road. Although the District can claim to have acquired a right-of-way in the additional 10 feet by acquiescence and/or adverse possession, to avoid the cost and expense of litigation, Manager McNutt has met with the owner, Albert Guajardo, Jr., and proposed that the District (1) acquire a right-of-way in the additional 10 feet (north 10 feet of south 110 feet of the property), bounded on the east by the east line of the property, and on the west by said 100 foot right-of-way along the west side of the property (10 feet x 999.35 feet, being 0.229 acre), and (2) pay to move the fence. Mr. Guajardo, who provided the survey of the property provided to him when he purchased the property, advised that he will discuss the matter with his attorney and submit a proposal for the sale of the 10 foot right-of-way to the District and relocation of the fence.
 - 8.2 Make decisions requiring Board action. No action.
9. Projects: Lateral G Widening and Improvements between Hidalgo Willacy Joint Venture Drain and Business 77
 - 9.1 Improvements funded by Joint Flood Control Project TWDB application No. 40069.
 - (a) Report on what improvements are funded by this grant: No work between U.S. 77 / I-69 and the point where work stopped in March 2021, that is, Agenda items 9.2 and 9.3, is funded by this grant. This grant funds:
 1. The acquisition of, and construction of a detention basin in, the south 10

acres of Lot 5, Block 29, Gulf Coast Irrigation Co.'s Raymondville Tract (adjoining Los Mesquites Subdivision to the west).

2. The widening of Lateral G between F.M. 1018 and the Hidalgo-Willacy Joint Venture Drain.
3. The removal of high points in the drain channel between F.M. 1018 and the point where work stopped in March 2021.
4. The replacement/upgrade of culverts where Los Mesquites Street crosses Lateral G.
5. The installation of additional culverts in the tractor crossing located near the southeast corner of the Los Mesquites Subdivision.
6. Moving the tractor crossing in the southeast corner of Lot 7, Block 30, Gulf Coast Irrigation Co.'s Raymondville Tract, closer to U.S. 77 / I-69 and extending the 72 inch diameter concrete pipe installed where U.S.77 / I-69 crosses Lateral G to the west side of the relocated tractor crossing.

(b) Status report. The TWDB issued the Notice to Proceed on September 2, 2026.

(c) Make decisions requiring Board action. No action.

9.2 1000 feet west of Simo Road [FEMA Grant].

(a) Status report. The grant funds were used by the County for other purposes. This explains why the County never authorized Fulcrum Engineering to put this project out for bid.

(b) Make decisions requiring Board action. Deferred to next board meeting.

9.3 1000 feet east of Simo Road [TWDB Grant].

(a) Status report. The grant funds were used by the County for other purposes. Since this work was to be paid for by a separate grant, TWDB will not allow this work to be included in the project discussed in agenda item 9.1.

(b) Make decisions requiring Board action. No action.

10. Projects: Master Drainage Plan-USDA Grant.

10.1 Status Report. No change in status. Still waiting on funding.

10.2 Make decisions requiring Board action. No action.

11. Reports. Receive reports and make decisions regarding the subject of such reports:

11.1 Manager:

(a) Work accomplished since the last Board meeting. Report presented and discussed.

(b) Vehicles/Equipment—Two pick-ups purchased in August. The Dealer has not changed the delivery schedule.

11.2 Attorney. All matters discussed under other agenda items.

12. Financial

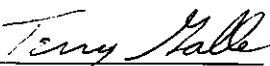
12.1 Financial Report for the month of August 2026. Presented and discussed. The motion was made by Dan Klostermann, and seconded by Thomas Zdansky, that the report be accepted. Following a discussion, the motion unanimously carried.

12.2 Payment of Accounts (M & O Account). The motion was made by Dan Klostermann, and seconded by Thomas Zdansky, that payment of these accounts be approved:

Payroll/Monthly Wages	Transfer to Payroll Acct.	ET	\$40,000.00
Corporate Card, Wells Fargo/Mastercard	Office/Operating/Misc.	ACH	\$1,134.26
AT&T Mobile	Telephones-Cell phones	ACH	\$82.26
Culligan	Water Dispenser Rental	ACH	\$40.00
VTX	Internet & Phone	ACH	\$184.68
Reliant Energy	Electricity-Utilities	ACH	\$425.23
Gerber Life Insurance-Manager	Insurance	ACH	\$158.36
Pitney Bowes Leasing-Postage meter	Postage	ACH	\$20.00
Willacy County Appraisal Dist.	Quarterly Allocation	4080	\$9,147.52
Taylor G. Hasson	Housekeeping	4081	\$280.00
Guardian Insurance-Qtrly Employee Supp.	Insurance	4082	\$1,429.56
Guardian Insurance	Employee Paid Insurance	4083	\$277.84
Willacy County Treasurer's Office	Employee Health Ins.	4084	\$5,500.00
Dossett Law Office-Retainer	Legal-Retainer	4085	\$150.00
Xerox Financial-Copier/Printer Lease	Office Supplies	4086	\$266.25
City of Lyford-Water/Sewer	Utilities	4087	\$101.89
Roberto Lopez CPA-Annual audit	Accounting	4088	\$12,250.00
AIM Media-Notice of Public Hearing	Office Expense	4089	\$205.80
Santcant IT Maintenance-retainer& website	Office Maintenance	4090	\$500.00
Garver Engineering, LLC (Panchita study)	Engineering Services	4091	\$45,965.34
Diego's Tire Service	Equipment Maintenance	4092	\$20.00
Holt-backhoe parts and coolant	Equipment Maintenance	4093	\$532.52
Interstate Billing Service-Service Calls	Equipment Maintenance	4094	\$789.13
John Deere Financial-ac filters & parts	Equipment Maintenance	4095	\$472.89
O'Reilly Auto Parts	Equipment Maintenance	4096	\$129.14
T&W Tire	Equipment Maintenance	4097	\$87.95
Alamo Lumber Supply	Operating Supplies	4098	\$617.26
Thomas Farm & Ranch, LLC	Operating Supplies	4099	\$109.98
Total			\$120,877.86

Following a discussion, the motion unanimously carried.

13. Take up such other matters as may properly be brought before the Board. None.
14. Adjournment. There being no other business, the motion was made by Thomas Zdansky. And seconded by Melvin Gay, that the meeting be adjourned, whereupon the meeting was adjourned at 12:10 p.m.


Terry Gale, President


Melvin Gay, Secretary