

MINUTES OF WILLACY COUNTY DRAINAGE DISTRICT NO. 1

A meeting of the Board of Directors of Willacy County Drainage District No. 1 convened on January 14, 2026, at the District's office in Lyford, Texas, pursuant to notice duly given as required by law. Present were:

Terry Galle, President
Glenn Wilde, Vice-President
Melvin Gay, Secretary
Dan Klostermann, Director
Daniel Vassberg, Director
Thomas Zdansky, Director

Casey McNutt, General Manager
B. R. Dossett, Attorney

Directors Absent: Charles Chappell

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

1. Minutes. The minutes of the December 10, 2025 meeting were presented. The motion was made by Dan Klostermann and seconded by Thomas Zdansky to approve the minutes of the December 10, 2025 meeting. Following a discussion, the motion unanimously carried.
2. Public Comment Period. No one appeared. No comments were submitted by email or fax.
3. May 2, 2026 Election. The motion was made by Glenn Wilde and seconded by Melvin Gay, that this Election order be adopted:

WHEREAS, in accordance with Acts 1969, 61st Leg., Reg. Sess., ch. 10, pgs. 22-30, as amended by Acts 1971, 62nd Leg., Reg. Sess., ch. 281, pgs. 1179-1180; Acts 1983, 68th Leg., Reg. Sess., ch. 672, pgs. 4226-4227; and Acts 2005, 79th Leg., Reg. Sess., ch. 448, pgs. 1225-1227, the Texas Water Code, and the Texas Election Code, Willacy County Drainage District No. 1 shall hold an election on the first Saturday in May of each year, at which time the required number of Directors shall be elected to fill the vacancies then occurring on the Board of Directors as provided by law;

WHEREAS, such an election is necessary and should be held on May 2, 2026, in order that two (2) Directors may be elected to membership on the Board of Directors of Willacy County Drainage District No. 1 to fill the place of two (2) Directors now serving whose terms of office will expire on May 21, 2026;

WHEREAS, it is hereby determined and found that in accordance with standing order of this Board, written notice of the date, place, and subject of this meeting, including consideration of the setting of said election, was posted at the District's Office at a place convenient to the public, and posted on the District's website, for the period of time and manner as is required by law;

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the Board of Directors of Willacy County Drainage District No. 1 that:

1. A regular election for the election of two (2) Directors to serve for a term of three (3) years, each beginning May 21, 2026,
Place 6
Place 7
be and it is hereby called and ordered to be held in and for this District, in the manner prescribed by law, on the first Saturday of May, 2026, the same being May 2, 2026.
2. Said election be conducted during the hours of seven o'clock (7:00) a.m. to seven o'clock (7:00) p.m. at the office of the District at 8304 Highway 77, Lyford, Texas, a place within the District and a place

which the Board, after considering the requirements of Texas Election Code § 43.031, finds to be a proper place for conducting the election.

3. For the purpose of said election, all the area included within the boundaries of this District shall constitute one (1) election precinct.

4. Said election be held at the aforesaid voting place with the use of paper ballots.

5. Pursuant to Election Code §31.123, Maria Fernanda Segundo, an employee of the District, is appointed Agent to perform the duties of the Secretary as required by Election Code §31.122 and §31.123. The agent shall maintain office hours at the District's office for at least three hours each day, during the District's regular office hours, on regular business days, during the period beginning January 14, 2026 and ending on June 15, 2026.

6. The election shall be conducted by the following hereby designated and qualified officers:

Presiding Judge: Cody Scogin
9950 FM 2099
Raymondville, Texas 78580

Alternate Presiding Judge: Gary Busse
6371 Iris Circle
Lyford, Texas 78569

Such persons are designated only for this election. If the presiding judge is unable to serve at the election, the alternate presiding judge shall serve as the presiding judge for the election.

7. The presiding judge is authorized to appoint two (2) election clerks.

8. The presiding judge designated for said election shall also serve as the early voting ballot judge and the presiding officer of said early voting ballot board, and shall appoint no less than two (2) other duly qualified members as provided by Texas Election Code Chapter 87.

9. Early voting shall be held as provided by law and shall be conducted by the following hereby designated and qualified officers:

Clerk: Maria Fernanda Segundo
8304 Business 77
Lyford, Texas 78569

Deputy Clerk: Jose R. Garcia
8304 Business 77
Lyford, Texas 78569

9.1 The addresses the Voting Clerk may receive delivery by common or contract carrier are:

Mailing address: Early Voting Clerk
P.O. Drawer 20
Lyford, Texas 78569

Physical address: Office of Willacy County Drainage District No. 1
8304 Business 77
Lyford, Texas 78569

9.2 Other contact information of Voting Clerk:

Phone No: (956) 347-5164
Email address: info@willacycdd1.org
Fax: None

Provided, however, if the application is transmitted by e-mail to the early voting clerk, the application must also be mailed so that the clerk receives it no later than the fourth business day after the day the clerk receives the emailed application. That is, an application transmitted by e-mail will be considered complete and timely as long as the original is received by the early voting clerk by the fourth business day after it was submitted by e-mail.

10. Early voting by personal appearance for this said election shall be held at the same location the election is to be conducted as provided above, and said place of early voting shall remain open during the hours of eight o'clock (8:00) a.m. and five o'clock (5:00) p.m., which is at least nine (9) hours on each day of the early voting period, which shall begin on April 20, 2026, and continue through April 28, 2026, on each day that is not a Saturday, Sunday, or official State holiday. Applications for ballots by mail must be received (not postmarked) no later than April 20, 2026.

10.1 The mailing address of the Clerk to which ballot applications and ballots voted by mail may be sent is:

Early Voting Clerk
P.O. Drawer 20
Lyford, Texas 78569

- 10.2 The physical address of the Clerk to which ballot applications and ballots voted by mail may be delivered is:

Office of Willacy County Drainage District No. 1
8304 Business 77
Lyford, Texas 78569

- 10.3 A completed, scanned application for a ballot by mail containing an original signature shall be transmitted to: info@willacycdd1.org

11. Candidates shall file an application with the Secretary of the Board to have his or her name printed on the election ballot. Such application must be signed by the candidate or by at least ten (10) qualified electors of this District. The first day to file an application for place on the ballot is January 14, 2026, and must be filed no later than five o'clock (5:00) p.m. on February 13, 2026, as required by law:

- 11.1 The mailing address: Secretary
P.O. Drawer 20
Lyford, Texas 78569
- 11.2 Physical address: Office of Willacy County Drainage District No. 1
8304 Business 77
Lyford, Texas 78569
- 11.3 Email Address: info@willacycdd1.org
- 11.4 Fax: None

12. Applications for a place on the ballot shall be substantially in the form attached hereto.
13. The Secretary of the Board of Directors shall conduct a drawing for the order in which names of the candidates for the above-mentioned election are to be printed on the ballot, and shall post notice of the time and place of said drawing, and mail notice of the date, hour, and place of the drawing to each candidate at the address stated on the application for a place on the ballot not later than the fourth (4th) day before the drawing in accordance with the terms and provisions of Section 52.094 of the Election Code.
14. A Writ of Election and Notice of Appointment shall be delivered as prescribed by law to the Presiding Judge and Alternate Judge no later than March 4, 2026.
15. Notice be given of this election by a method as prescribed by Section 4.003(1)(B) of the Texas Election Code.
16. Notice of this election be given as prescribed by Section 85.007(c) Texas Election Code, by posting continuously for at least seventy-two (72) hours preceding the first hour that early voting is conducted in the same manner Notices of Meeting of the Board are posted.

Following a discussion, the motion unanimously carried.

4. Personnel/Manager.

- 4.1 Employment Contract. It was noted that Kevin Charles McNutt, commonly known as Casey McNutt became the General Manager of the District effective January 1, 2026. An Employment Contract dated January 1, 2026, between the District and Casey McNutt was presented. Casey McNutt advised that the contract was acceptable to him. Whereupon, the motion was made by Thomas Zdansky and seconded by Dan Klostermann that the Employment Contract dated January 1, 2026, between the District and Casey McNutt be approved. Following a discussion, the motion unanimously carried, whereupon President Galle and Manager McNutt signed the contract.

4.2 Manager's Authority. The motion was made by Thomas Zdansky and seconded by Daniel Vassberg that this Resolution be adopted:

Whereas:

- Pursuant to Texas Water Code § 49.056(a), the Board of Directors of Willacy County Drainage District No. 1 has employed Kevin Charles McNutt, more commonly known as Casey McNutt, as its General Manager, effective January 1, 2026.
- Pursuant to Texas Water Code § 49.056(a), the Board of Directors of Willacy County Drainage District No. 1 may delegate to the General Manager full authority to manage and operate the affairs of Willacy County Drainage District No. 1 subject to orders of the Board of Directors of Willacy County Drainage District No. 1.
- Pursuant to Texas Water Code § 49.054(b) the Board of Directors of Willacy County Drainage District No. 1 may by resolution authorize its General Manager to execute a document or documents on behalf of the District.
- Pursuant to Texas Water Code § 49.054(e) the Board of Directors of Willacy County Drainage District No. 1 may appoint its General Manager as assistant secretary to assist the Secretary of the District's Board of Directors, and to certify as to the authenticity of any record of the District.
- Texas Tax Code § 26.04 requires that the District designate a person to calculate the No-New-Revenue Tax Rates and Voter Approval Rates, and to certify the Tax Rate Calculation Worksheets for the District.
- Texas Government Code Chapter 2256 requires that the District designate an officer or employee of the District as its Investment Officer.
- Texas Government Code 552.012(c) provides that a governmental body may appoint a Public Information Coordinator to administer the responsibilities of the governmental body under Chapter 552 of the Texas Government Code, commonly known as the Open Records Act.

Now, therefore, effective January 1, 2026:

1. Pursuant to Texas Water Code § 49.056(a), the Board of Directors of Willacy County Drainage District No. 1 delegates to Kevin Charles McNutt, more commonly known as Casey McNutt, General Manager, full authority to manage and operate the affairs of Willacy County Drainage District No. 1 subject to orders of the Board of Directors of Willacy County Drainage District No. 1.
2. Pursuant to Texas Water Code § 49.054(b), the Board of Directors of Willacy County Drainage District No. 1 authorizes its General Manager, Kevin Charles McNutt, more commonly known as Casey McNutt, to execute these documents on behalf of the District:
 - 2.1 Grant Applications and all other necessary documents required or needed for securing grants, and for the administration of and close-out of grants.
 - 2.2 Plats subdividing land on which there are no District drains or other District drainage facilities.
 - 2.3 Contracts approved by the Board.
 - 2.4 License Agreements and Permits the issuance of which has been approved by the Board.
 - 2.5 The District Registration Form or such other form required by Texas Water Code § 49.054(f).
 - 2.6 All documents necessary for Board approved conveyances of real property, except the deed, which the Board President shall sign.
 - 2.7 All documents necessary for Board approved acquisitions of real property.
 - 2.8 All documents necessary to accept Board approved donations of real property to the District.
 - 2.9 All documents necessary for Board approved acquisitions of rights-of-way.
 - 2.10 All documents necessary for Board approved releases of rights-of-way.
 - 2.11 All documents necessary for Board approved purchases of equipment and vehicles, and Board approved sales of, and trade-ins of, equipment and vehicles, including but not limited to title transfer documents and bills of sale.

- 2.12 Notices of, and Agendas for, Board of Directors meetings.
3. Pursuant to Texas Water Code § 49.054(e), the Board of Directors of Willacy County Drainage District No. 1 appoints Kevin Charles McNutt, more commonly known as Casey McNutt, General Manager, as assistant secretary to assist the Secretary of the District's Board of Directors, and to certify as to the authenticity of any record of the District.
 4. Pursuant to Texas Tax Code § 26.04, the Board of Directors of Willacy County Drainage District No. 1 designates its General Manager then serving, presently Kevin Charles McNutt, more commonly known as Casey McNutt, as the person to calculate the No-New-Revenue Tax Rates and Voter Approval Rates, and to certify the Tax Rate Calculation Worksheets for the District for tax year 2026 and all years thereafter.
 5. The Board of Directors of Willacy County Drainage District No. 1 designates its General Manager then serving, presently Kevin Charles McNutt, more commonly known as Casey McNutt, as the District's Investment Officer to be responsible for the investment of the District's funds consistent with the District's investment policy.
 6. The Board of Directors of Willacy County Drainage District No. 1 designates its General Manager then serving, presently Kevin Charles McNutt, more commonly known as Casey McNutt, as the District's Public Information Coordinator to administer the responsibilities of the Board and the District under Chapter 552 of the Texas Government Code.

Following a discussion, the motion unanimously carried.

5. District Depository. It was noted that Paul Greenhill needs to be removed from the signature cards for the District's accounts, and Casey McNutt needs to be added. It was noted that all of the Directors are signers on the accounts. The motion was made by Glenn Wilde and seconded by Thomas Zdansky that this resolution be adopted:

Whereas Paul Greenhill retired as the District's General Manager effective December 31, 2025, and is no longer employed by the District, and Kevin Charles McNutt, commonly known as Casey McNutt, was employed as the District's General Manager effective January 1, 2026, the following resolution was duly and legally passed and adopted at said meeting, which has not been altered, amended, rescinded, or repealed, and is now in full force and effect:

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF WILLACY COUNTY DRAINAGE DISTRICT NO. 1 that the authority of Paul Greenhill to sign checks be revoked and he be removed as a signatory on all of the District's bank accounts, and that Kevin Charles McNutt be added as an authorized signatory on all of the District's bank accounts, either as Kevin Charles McNutt or as Casey McNutt.

Following a discussion, the motion unanimously carried.

6. Willacy Main Drain: Union Pacific Railroad declaration of emergency and demand that District replace the crossing pursuant to 1986 agreement. Manager McNutt reported on his discussions with Union Pacific. The Railroad is willing to consider the installation of sleeves as an alternative to replacing the crossing structure. The District's Engineer will study the feasibility of the installation of sleeves.
7. Projects: Lateral G-Willacy County widening and improvements between Hidalgo-Willacy Joint Venture Drain and Business 77 (Grants awarded to Willacy County).
 - 7.1 Segment between Simo Road and I-69/U.S. Hwy 77 east frontage road-1000 feet more or less (FEMA Grant).
 - (a) Status Report. No update has been provided since the last meeting.
 - (b) Matters requiring Board action. None.

- 7.2 Remainder of Project/Joint Flood Control Project TWDB No. 40069 (TWDB Grant).
 - (a) Status Report. No change in status since the last meeting.
 - (b) Matters requiring Board action. None.

8. Projects: Master Drainage Plan-USDA Grant.

- 8.1 Status Report. Engineer Huacuja reported that we are still waiting on Congress to approve the funding of grants.
- 8.2 Matters requiring Board action. None.

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

- 9.1 Manager:
 - (a) Work accomplished since the last Board meeting. Report presented and discussed.
 - (b) Hidalgo-Willacy Joint Venture Drain-Amendment of Panchita Control Structure Operations Protocols and Procedures. Report presented. A survey will be required. The District's Engineer will obtain quotes for the Board's consideration at the next meeting.
- 9.2 Attorney. All matters discussed under other agenda items.

10. Audit of Fiscal Year ended December 31, 2025. The motion was made by Thomas Zdansky and seconded by Melvin Gay that Roberto Lopez, CPA, be engaged to conduct the audit of the fiscal year ended December 31, 2025. Following a discussion, the motion unanimously carried.

11. Financial

- 11.1 Financial Report for the month of December 2025. Presented and discussed.
- 11.2 Payment of Accounts (M & O Account). The motion was made by Thomas Zdansky and seconded by Dan Klostermann 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	\$6,686.41
AT&T Mobile	Telephones-Cell phones	ACH	\$107.40
Culligan	Water Dispenser Rental	ACH	\$40.00
VTX	Internet & Phone	ACH	\$184.42
Reliant Energy	Electricity-Utilities	ACH	\$432.35
Santcant IT Maintainence-Internet	Domain Renewal	ACH	\$580.00
Pitney Bowes Leasing-Postage Meter	Postage	ACH	\$40.00
Core & Main, Supply	Operating Supplies	3946	\$15,156.60
Taylor G. Hasson	Housekeeping	3947	\$280.00
Guardian Insurance-Employee Paid Ins.	Insurance	3948	\$274.87
Willacy County Treasurer's Office-Dec.	Employee Health Ins.	3949	\$6,130.81
Dossett Law Office-Retainer	Legal-Retainer	3950	\$150.00
Dossett Law Office-Retainer	Legal	3951	\$5,165.00
Xerox Financial-Copier/Printer Lease	Office Supplies	3952	\$266.25
City of Lyford-Water/Sewer	Utilities	3953	\$95.10
O'Reilly Auto Parts	Equipment Maintenance	3954	\$166.83
JF Petroleum Group	Equipment Repairs	3955	305.00
Burton Pro-Billing & Funding	Equipment Maintenance	3956	\$126.13

T&W Tire	Equipment Maintenance	3957	\$120.00
Alamo Lumber	Operating Supplies	3958	\$234.20
Reimbursement of ins. premium-E.Anderson	Insurance	3959	\$51.03
US Postal Service	P.O. Box annual rent	3960	<u>\$126.00</u>
Total			\$76,138.40

Following a discussion, the motion unanimously carried.

12. Take up such other matters as may properly be brought before the Board The motion was made by Daniel Vassberg and seconded by Thomas Zdansky that this joint resolution be adopted:

WHEREAS, Paul Lee Greenhill was employed by Willacy County Drainage District No. 1 as Manager on May 15, 2006;

WHEREAS, pursuant to an interlocal cooperation contract between Willacy County Drainage District No. 1 and Willacy County Drainage District No. 2, effective November 13, 2013, Paul Lee Greenhill became the de facto Manager of Willacy County Drainage District No. 2;

WHEREAS, Paul Lee Greenhill continuously served as Manager of Willacy County Drainage District No. 1 until retiring, effective at the close of business on December 31, 2025;

WHEREAS, during his more than nineteen years as Manager of Willacy County Drainage District No. 1, Paul Lee Greenhill has rendered invaluable service to Willacy County Drainage District No. 1, Willacy County Drainage District No. 2, and the Community;

WHEREAS, during his more than nineteen years as Manager of Willacy County Drainage District No. 1, Paul Lee Greenhill efficiently and expertly managed the affairs of each District through periods of great stress and strain, and succeeded in keeping the business of each District moving forward at all times;

WHEREAS, during his more than nineteen years as Manager of Willacy County Drainage District No. 1, Paul Lee Greenhill oversaw the modernization and expansion of the District's fleet of equipment and vehicles, the construction of the South Building, two weld-up sheds, and the fuel farm, and completed many drainage improvement projects to better serve the landowners and taxpayers of each District;

NOW, THEREFORE, BE IT RESOLVED, that we, the Boards of Willacy County Drainage District No. 1 and Willacy County Drainage District No. 2, on behalf of each District and the taxpayers and landowners of each District, acknowledge with deep appreciation Paul Lee Greenhill's unselfish service and leadership, extend our thanks to Paul Lee Greenhill for the invaluable service rendered to each District, and wish him continued success in his future endeavors.

Following a discussion, the motion unanimously carried.

13. Adjournment. There being no other business, the meeting was adjourned at 1:05 p.m.


Terry Galle, President


Melvin Gay, Secretary