

STATE OF TEXAS                    }  
COUNTY OF WILLACY            }

THE BOARD OF NAVIGATION AND CANAL COMMISSIONERS OF THE WILLACY COUNTY NAVIGATION DISTRICT met in Regular Wednesday, June 17, 2026 at 9:00 A.M., 400 W. Hidalgo, Ste 200, Raymondville, TX with the following members present:

|                        |                 |           |
|------------------------|-----------------|-----------|
| COMMISSIONERS PRESENT: | ERIC KENNEDY    | CHAIRMAN  |
|                        | STACEY REYES    | SECRETARY |
|                        | STEVEN KENDRICK | MEMBER    |
|                        | ERNESTO CAVAZOS | MEMBER    |

|               |                 |                                          |
|---------------|-----------------|------------------------------------------|
| ALSO PRESENT: | REBECCA HAYWARD | ATTORNEY                                 |
|               | LETTY MARTINEZ  | ADMINISTRATIVE AND<br>LEASE SPECIALIST   |
|               | VIRGINIA LOMAS  | DIRECTOR OF FINANCE<br>& HUMAN RESOURCES |

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|---------|-----------------|--------|
| ABSENT: | ALBERTO TREVINO | MEMBER |
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Eric Kennedy, Chairman called the meeting to order at 9:00 a.m.; upon conclusion of roll call, it was ascertained that a quorum was present.

Item No. 1: REVIEW & CONSIDERATION OF PREVIOUS BOARD MEETING MINUTES: Upon review of the May 13, 2026 regular meeting minutes, May 27, 2026 special meeting minutes (no quorum/postponed), Commissioner Kendrick made the motion to approve all the previous board meeting minutes as presented. The motion was seconded by Commissioner Cavazos and vote carried.

Item No. 2: PUBLIC COMMENT(S): None.

Item No. 3: BORDER AFFAIRS MONTHLY UPDATE: Emmit Wells, with Border Affairs was not present. However, Port Director Montoya presented a report to the board.

Item No. 4: CONSIDERATION AND POSSIBLE ACTION TO AUTHORIZE OSCAR MONTOYA, EXECUTIVE PORT DIRECTOR, TO ISSUE A REQUEST FOR QUALIFICATIONS FOR LEGAL SERVICES TO SERVE AS BOARD ATTORNEY FOR THE WCND: After board review and discussion Commissioner Cavazos made the motion to authorize Oscar Montoya, Executive Port Director to issue a request for qualifications (RFQ) for legal services to serve as board attorney for Willacy County Navigation District. The motion was seconded by Secretary Reyes and motion carried by vote.

Item No. 5: DISCUSSION AND APPROVAL OF THE ELECTION NOTICE OF POSTING FOR PRECINCTS 2, 3 AND 4 FOR THE NOVEMBER, 2026 ELECTION: After discussion Commissioner Cavazos made the motion to approve the Election Notice of Posting for Precincts 2, 3 and 4 for the November, 2026 election. The motion was seconded by Secretary Reyes and motion carried by vote.

Item No. 6: DISCUSSION AND POSSIBLE ACTION TO ADOPT THE 2026-2027 FISCAL YEAR BUDGET: Secretary Reyes made the motion to adopt the 2026-2027 Fiscal Year Budget as presented. The budget will be reviewed quarterly, with a working budget including a percentage of expenditures up to date. The motion was seconded by Commissioner Cavazos and motion carried by vote.

Item No. 7: DISCUSSION AND POSSIBLE ACTION TO AUTHORIZE THE REINVESTMENT OF CERTIFICATION OF DEPOSIT (CD) FUNDS: After discussion, Commissioner Cavazos made the motion to authorize the reinvestment funds into TexPool, which offers higher interest rates (3.64% daily) and greater flexibility compared to traditional CDs. The motion was seconded by Secretary Reyes and motion carried by vote.

Item No. 8: DISCUSSION AND POSSIBLE ACTION TO ADOPT AND IMPLEMENT THE PROPOSED EMPLOYEE PAY SCALE: Secretary Reyes made the motion to implement the proposed employee pay scale. A subcommittee of Commissioners approved to work with staff (Virginia Lomas and Oscar Montoya) to develop and implement a fair and sustainable employee pay scale system. The motion was seconded by Commissioner Cavazos and motion carried by vote.

Item No. 9: REVIEW AND POSSIBLE ACTION TO ADOPT THE PROPERTY RESTRICTIONS FOR WEST HARBOR SUBDIVISION, ORIGINAL TOWN AND THE PLAT: Commissioner Cavazos made the motion to adopt the property restrictions for the West Harbor Subdivision, Port Mansfield Original Townsite and the plat. The motion was seconded by Secretary Reyes and motion carried by vote.

Item No. 10: DISCUSSION AND POSSIBLE ACTION TO AUTHORIZE A VARIANCE TO INSTALL A 10 X 20, 4,000 GALLON SELF CONTAINED DIESEL TANK FOR PERSONAL USE ONLY BY PICO PROPANE COMPANY: After discussion, Commissioner Cavazos made the motion to Table this item. The motion was seconded by Secretary Reyes and motion carried by vote.

Item No. 11: CONSIDERATION AND POSSIBLE ACTION TO DESIGNATE EXECUTIVE PORT DIRECTOR OSCAR MONTOYA AS AUTHORIZED SIGNATORY ON ALL WCND BANK ACCOUNTS PAST, PRESENT AND FUTURE CONTRACTS: Secretary Reyes made the motion to designate Executive Port Director Oscar Montoya as authorized signatory on all WCND bank accounts past, present and future contracts. The motion was seconded by Commissioner Cavazos and motion carried by vote.

Item No. 12: PORT DIRECTOR'S REPORT:

- Update on Sea Wall Project: sea wall project is scheduled for substantial completion by July 06, 2026 with potential minor weather delays, and concrete pouring is ready to commence.

- Update on Community Outreach: attended a beach cleanup and engaged with the Port Mansfield and Raymondville Chamber of Commerce, securing commitments for active participation in port affairs. Montoya introduced the WCND's role and strategic plan to the LaSara school district, City of Raymondville, and County meetings, receiving positive feedback and increasing Port's presence.

Item No. 13: REVIEW AND CONSIDERATION OF RESIDENTIAL AND COMMERCIAL TRANSFER OF LEASES, BOAT STALL LEASE TRANSFERS AND COLLATERAL TRANSFER OF LEASES: Upon review and discussion of each described and itemized leases, Secretary Reyes made the motion to accept and approve the leases as presented. The motion was seconded by Commissioner Cavazos and motion carried by vote.

Item No. 14: REVIEW AND CONSIDERATION OF CHECKS AND VOUCHERS: After review of checks and vouchers, Commissioner Kendrick made the motion to accept the issued checks and approve the transactions for payment of the Willacy County Navigation District and to accept the transactions May 14, 2026 through June 17, 2026. The motion was seconded by Commissioner Cavazos and motion carried by vote.

Item No. 15: DISCUSSION AND REVIEW OF MONTHLY BUDGET REPORT: After review and discussion the monthly budget report will be combined into item (checks and vouchers) for a more streamlined approval process.

Item No. 16: CLOSED SESSION PURSUANT TO SEC. 551.074, TEX. GOV'T CODE TO DELIBERATE PERSONAL MATTERS: Commissioner Cavazos made the motion to Table this item. The motion was seconded by Commissioner Kendrick and motion carried by vote.

Item No. 17: ADJOURN: at 10:09 a.m.