STATE OF TEXAS }
COUNTY OF WILLACY }

THE BOARD OF NAVIGATION AND CANAL COMMISSIONERS OF THE WILLACY COUNTY NAVIGATION DISTRICT met in Special Session, Tuesday, September 22, 2026 at 9:00 A.M., 400 W. Hidalgo, Ste 200, Raymondville, TX with the following members present:

COMMISSIONERS PRESENT:	ERIC KENNEDY	CHAIRMAN
	STEVEN KENDRICK	MEMBER
	ALBERTO TREVINO	MEMBER
	ERNESTO CAVAZOS	MEMBER
ALSO PRESENT:	OSCAR MONTOYA	PORT DIRECTOR
	MARK SOSSI	ATTORNEY
	LETTY MARTINEZ	LEASE SPECIALIST
	DAVID MAYES	PORT POLICE CHIEF
ABSENT:	STACEY REYES	SECRETARY

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: *PUBLIC COMMENT*: None

Item No. 2: *PUBLIC HEARING ON THE PROPOSED 2026 TAX RATE OF $0.0830 PER $100 OF TAXABLE VALUE, WHICH EXCEEDS THE NO-NEW-REVENUE TAX RATE:* After board discussion on the proposed 2026 tax rate the board approved the tax rate of 0.0830 per $100 of taxable value for the 2026 fiscal year.

- Tax rate will remain unchanged from the previous year, property valuations have increased, resulting in a gross revenue growth of approximately 2% (an estimated $30,000 increase in revenue).

Item No. 3: *CONSIDERATION AND POSSIBLE ACTION, BY RECORD VOTE, ON ORDER NO. 2026-011 ADOPTING THE 2026 TAX RATE OF $0.0830 PER $100 OF TAXABLE VALUE, WHICH EXCEEDS THE NO-NEW-REVENUE TAX RATE AND WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE:* After board discussion on Order No. 2026-01, adopting the 2026 rate of $0.0830 per $100 of taxable value, which exceeds the no-new-revenue tax rate and will raise more taxes for maintenance and operations than least year's tax rate, the approval process required three separate motions and votes which follow:

First Motion: Commissioner Cavazos made the motion to approve the maintenance and operations (M & O) component of the District 2026 ad valorem tax rate at 0.083 per $100 of taxable value. The motion was seconded by Commissioner Kendrick and motion carried.

Second Motion: Commissioner Kendrick made the motion to approve the debt service component of the District 2026 ad valorem tax rate at 0.0000 per $100 of taxable value. The motion was seconded by Commissioner Trevino and motion carried.

Third Motion: Commissioner Trevino made the motion to approve increasing the property tax rate by adopting the 0.0830 rate per $100 taxable valuation (representing an effective 2.85% at rate increase) and officially adopting Order Number 2026-011.

•*Roll Call Vote*: Commissioner Kendrick (yes), Commissioner Cavazos (yes) and Chairman Kennedy (yes) and motion carried.

Item No. 4: *DISCUSSION AND POSSIBLE ACTION TO APPROVE AND AUTHORIZE THE AVIATION LIABILITY INSURANCE WITH GALLAGHER*: After discussion, Commissioner Cavazos made the motion to authorize a one-year renewal of the district's aviation insurance policy with Gallagher Insurance. The motion was seconded by Commissioner Kendrick and motion carried.

Item No. 5: *DISCUSSION AND POSSIBLE ACTION ON FUNDING OPTIONS FOR THE BULKHEAD REPAIR PROJECT GRANT MATCH, INCLUDING UNASSIGNED FUNDS AND/OR LOANS*: After discussion on funding options for the bulkhead repair project grant match, including unassigned funds and/or loans, Commissioner Kendrick made the motion to approve the utilization of undistributed funds from New Port lot sales and the idle CD funds, excluding the pending October sales to pay down the loan balance. The motion was seconded by Commissioner Cavazos and motion carried.

Item No. 6: *DISCUSSION AND POSSIBLE ACTION TO AUTHORIZE THE HEAD OF HUMAN RESOURCES TO RESEARCH AND EVALUATE NEW LIFE INSURANCE POLICY OPTIONS*: Commissioner Cavazos made the motion to authorize the Head of Human Resources to research and evaluate the new life insurance policy options. The motion was seconded by Commissioner Kendrick and motion carried.

Item No. 7: *DISCUSSION AND POSSIBLE ACTION TO APPROVE THE USE OF SEIZED ASSET FUNDS (CHAPTER 59) AS FOLLOWED*:

- REFERBISH SHALLOW SPORT PATROL VESSEL $2,500
- REPLACE 2 DESK TOPS, UP TO $4,000
- REQUEST TO CONTINUE QOTATIONS FOR CJIS/CYBER SECUTIRY UPGRADES MAINTAINED BY THE STATE, AND TAKE APPROPRIATE ACTION AS NEEDED WITHIN THE PROCUREMENT POLICY. (CHAPTER 59 OR 287 FUNDS UPON RECEIPT)
- HIRE SELECTED COMPANY TO ADD CJIS (REQUIRES PHYSICAL BARRIERS AND DOORS INSIDE OFFICE. QUOTES WERE REQUESTED AND IVR CONSTRUCTION WAS THE LOWEST BIDER WITH $5,760)

After board review, Commissioner Trevino made the motion to approve the specific allocations from the Chapter 59 Seized Assets Fund. Chapter 59 funds are sourced from law enforcement seizures processed via the District Attorney's office. While spending decisions are legally at the discretion of law enforcement, expenditures must be presented to the board and public. The motion was seconded by Commissioner Cavazos and motion carried.

Item No. 8: *REVIEW AND CONSIDERATION OF RESIDENTIAL AND COMMERCIAL TRANSFERS OF LEASES, BOAT STALL LEASE TRANSFERS, AND COLLATERAL TRANSFER OF LEASES*: Upon review and discussion of each described and itemized leases, Commissioner Trevino made the motion to accept and approve the leases as presented. The motion was seconded by Commissioner Kendrick and motion carried by vote.

Item No. 9: ADJOURN at approximately 9:34 a.m.