

Item #6: Old Business: None

Item #7.1: Discussion and possible action on declaring a 19.451-acre tract of land, more or less, being out of a calculated 21.182 acres in Lots 3, 4, 5, and 6 of Block 33 of the Capisallo District Subdivision in Hidalgo County, Texas, as surplus property.

A MOTION WAS MADE by Director McDonald and second by Director Klostermann to declare the 19.451-acre tract of land, more or less, being out of a calculated 21.182 acres in Lots 3, 4, 5 and 6 of Block 33 of the Capisallo District Subdivision in Hidalgo County, Texas, as surplus property.

Motion carried unanimous.

Item #7.2: Discussion and possible action on selling surplus property consisting of a 19.451-acre tract of land, more or less, being out of a calculated 21.182 acres in Lots 3, 4, 5, and 6 of Block 33 of the Capisallo District Subdivision in Hidalgo County, Texas.

U.S. Customs and Border Protection (CPB) has offered to purchase the property for \$123,809. A MOTION WAS MADE by Director McDonald and second by Director Klostermann to accept the proposal from U.S. Customs and Border Protection for \$123,809 for the 19.451-acre tract of land, more or less, being out of a calculated 21.182 acres in Lots 3, 4, 5, and 6 of Block 33 of the Capisallo District Subdivision in Hidalgo County, Texas. It will also grant General Manager Troy Allen authorization to sign and execute the necessary documents for this transaction.

Motion carried unanimous.

Item #7.3: Discussion and possible action on allowing CPB to install temporary barriers along the main canal near the District's river plant.

A MOTION WAS MADE by Director Klostermann and second by Director McDonald to allow CPB to install temporary barriers along the main canal near the District's river plant. It will also grant General Manager Troy Allen authorization to sign and execute the necessary documents for this transaction.

Motion carried unanimous.

Item #7.4: Discussion and possible action on adjusting the loss rate on contract water being transferred into the District.

A MOTION WAS MADE by Director Klostermann and second by Director McDonald to approve the loss rate of 50%, up from 40%, on contract water being transferred into the District, to be revisited at a future date.

Motion carried unanimous.

Item #7.5: Discussion and possible action on entering into a contract agreement with 811 for District infrastructure locates.

A MOTION WAS MADE by Director Klostermann and second by Director McDonald to authorize General Manager Allen to enter into a contract agreement with 811 for District infrastructure locates for a short term.

Motion carried unanimous.

Item #7.6: Discussion and possible action on approving the 2026 1st Quarter Investment Report.

A MOTION WAS MADE by Director Klostermann and second by Director McDonald to approve the 2026 1st Quarter Investment Report.

Motion carried unanimous.

Item #8. Report of Manager & Professionals with discussion and possible action on District's property, finances, personnel, future events, legal matters and agenda items, Including but not limited to, the below specified items, if any.

Item #8.1: Water Update

General Manager Allen informed the Board the TCEQ report is not available yet. Amistad Reservoir is up ½ a foot. The District's water sales have been high and the Profit and Loss statement is in the positive.

Item #9: Report of Directors on property, finances, personnel, future events, legal matters and agenda items, including but not limited to particular items specified below, if any.: None

Item #10: Approval of Vouchers.

A MOTION WAS MADE by Director McDonald and second by Director Klostermann to approve the vouchers for the month of mid-March 2026 to mid-April 2026.

Motion carried unanimous.

THERE BEING NO FURTHER BUSINESS, Board President, David Esau declared the meeting adjourned at 8:59 a.m.

President, Board of Directors

Secretary, Board of Directors