MEETING OF THE BOARD OF DIRECTORS
OF
DELTA LAKE IRRIGATION DISTRICT

BE IT REMEMBERED that a Regular Meeting of the Board of Directors was held on September 16, 2026, with the following present:

Present were:	President, David Esau Vice President, Matthew Klostermann Secretary, Joe Pennington Director, Paul Heller Attorney, Alan Ozuna General Manager, Troy Allen Tax Assessor-Collector, Andrea Perez
Directors absent were:	Director, Chuck McDonald

Also present were:

A quorum being present, Board President, David Esau called a Hearing on the 2027 Budget, on the proposed 2027 Flat Rate and 2026 Ad Valorem tax rate, and discounts for early payment at 8:30 a.m.

Item #1: Hearing on 2027 Budget

General Manager Allen explained the proposed 2027 Budget.

Item #2: Hearing on proposed 2027 Flat Rate

Proposed 2027 Flat Rate is $18 per acre.

Item #3: Hearing on proposed 2026 Ad Valorem Tax Rate

Proposed 2026 Ad Valorem Tax Rate is $0.575/$100 in taxable value.

Item #4: Hearing on Discounts for early payments.

Proposed Discount for early payment is 3% if paid in October 2026, 2% if paid in November 2026 and 1% if paid in December 2026.

Item #5: Public Forum: **None**

Hearing adjourned.

A quorum being present, Board President, David Esau called the meeting to order at 8:45 a.m., and the Board of Directors of Delta Lake Irrigation District considered the following items:

Item #1: Approval of the minutes of the Regular Meeting held on August 19, 2026.

A MOTION WAS MADE by Director Klostermann and second by Director Pennington to approve the August 19, 2026, minutes.

Motion carried unanimous

Item #2: Public Forum Comments: None.

Item #3: Monthly report from Tax Assessor/Collector.

Tax Assessor-Collector Andrea Perez made the monthly tax report.

Item #3.1: Consideration and possible action on Approval of the 2027 M&O and 2026 Ad Valorem Budget.

A MOTION WAS MADE by Director Heller and second by Director Klostermann to approve the 2027 M&O and 2026 Ad Valorem Budget, as presented.

Motion carried unanimous

Item #3.2: Consideration and possible action on Approval of Resolution on Ad Valorem Tax Rate and Flat Rate Assessment

A MOTION WAS MADE by Director Klostermann and second by Director Heller to approve the Flat Rate Tax Resolution, to be a part of these minutes, setting the flat rate for 2027 at $18.00 per irrigable acre and the Ad Valorem Tax Rate Resolution, to be a part of these minutes, setting the ad valorem rate for 2026 at $0.575 per $100 in taxable value.

Motion carried unanimous

Item #3.3: Consideration and possible action on Approval of Discounts for early payment

A MOTION WAS MADE by Director Heller and second by Director Klostermann to approve the discount resolution for taxes at 3% in October, 2% in November and 1% in December, to be a part of these minutes.

Motion carried unanimous

Item #4: Presentations: None.

Item #5.1: Consideration and possible action on hearing for exclusion of the following properties:

5.1.1: Consideration and possible action on calling a hearing for exclusion of W ½ Lot 61 Delta Orchards Company Unit #1 Subdivision, Hidalgo County, Texas, acres 5.00 (owner: Angelica Saavedra)
5.1.2: Consideration and possible action on calling a hearing for exclusion of E ½ Lot 61 Delta Orchards Company Unit #1 Subdivision, Hidalgo County, Texas, acres 1.58 (owner: Graciela & Andrea Alonzo)
5.1.3: Consideration and possible action on calling a hearing for exclusion of W348.55'-E511' Lot 163; Lot 164 exc N165'-W660'; N87.33' Lot 165; N87.33' Lot 169 & Lot 171 Delta Orchards Company Unit #2 Subdivision, Hidalgo County, Texas, acres 25.40 (owner: Margaret Marie Garza, Jorge & Rosalinda Garza)
5.1.4: Consideration and possible action on calling a hearing for exclusion of Lot 167 & S242.67' Lot 169 Delta Orchards Company Unit #2 Subdivision, Hidalgo County, Texas, acres 17.35 (owner: Benjamin David Garza custodian)
5.1.5: Consideration and possible action on calling a hearing for exclusion of W0.80ac Lot 218 Delta Orchards Company Unit #7 Subdivision, Hidalgo County, Texas, acres 0.80 (owner: Ignacio Salinas & Dora Alicia Salinas)
5.1.6: Consideration and possible action on calling a hearing for exclusion of Lot 19 Evergreen Development Company Subdivision, Hidalgo County, Texas, acres 5.00 (owner: Jose Gualberto & Hector Fernando & Enrique Jorge Guzman)
5.1.7: Consideration and possible action on calling a hearing for exclusion of Lot 67 Evergreen Development Company Subdivision, Hidalgo County, Texas, acres 5.06 (owner: Graciela Terrazas Curiel & David Curiel Mendez)
5.1.8: Consideration and possible action on calling a hearing for exclusion of Lot 101 Evergreen Development Company Subdivision, Hidalgo County, Texas, acres 5.00 (owner: Imelda Vasquez)
5.1.9: Consideration and possible action on calling a hearing for exclusion of Block 129 Hargill Townsite Subdivision, Hidalgo County, Texas, acres 5.49 (owner: Robert Roel Sr. & Gloria De Leon)
5.1.10: Consideration and possible action on calling a hearing for exclusion of E1.00ac-3.62ac ABDN R/R A/K/A Mo-Tex part of Lot 13 Block 29 Hargill Townsite Subdivision, Hidalgo County, Texas, acres 1.00 (owner: Roberto De Leon)
5.1.11: Consideration and possible action on calling a hearing for exclusion of 1.0ac - Imps – N7.50ac S22.425ac Lot 9 Block 91 Missouri Texas Land & Irrigation Co. Subdivision, Hidalgo County, Texas, acres 1.00 (owner: Ramiro Leal)
5.1.12: Consideration and possible action on calling a hearing for exclusion of N7.5ac-S22.425ac exc 1.0ac-Imps Lot 9 Block 91 Missouri Texas Land & Irrigation Co. Subdivision, Hidalgo County, Texas, acres 1.00 (owner: Ramiro Leal)
5.1.13: Consideration and possible action on calling a hearing for exclusion of N3ac/W1/2/S24.38ac Lot 16 Block 91 Missouri Texas Land & Irrigation Co. Subdivision, Hidalgo County, Texas, acres 3.06 (owner: Juan G. & Carolina Garcia)
5.1.14: Consideration and possible action on calling a hearing for exclusion of Lot 1 Block 67 El Chapote Subdivision, Willacy County, Texas, acres 0.50 (owner: Ranulfo Mendoza)

5.1.15: Consideration and possible action on calling a hearing for exclusion of Lot 1 (pt) Tract 6 Block 67 El Chapote Subdivision, Willacy County, Texas, acres 2.50 (owner: Ranulfo Mendoza)

5.1.16: Consideration and possible action on calling a hearing for exclusion of Lot 12A Block 60 Gulf Coast Irrigation Company Subdivision, Willacy County, Texas, acres 2.9697 (owner: Victor Galvan)

5.1.17: Consideration and possible action on calling a hearing for exclusion of [Tract 2-B] Lot 2 Block 18 Missouri Texas Land & Irrigation Co. Subdivision, Willacy County, Texas, acres 1.00 (owner: Benito & Armandina Alvarado)

5.1.18: Consideration and possible action on calling a hearing for exclusion of (N 157.97' (114.03'x191.00') Lot 3 Block 18 Missouri Texas Land & Irrigation Co. Subdivision, Willacy County, Texas, acres 0.50 (owner: Enoc Cruz, Imelda Salazar)

5.1.19: Consideration and possible action on calling a hearing for exclusion of (North pt) Lot 2 Block 23 Missouri Texas Land & Irrigation Co. Subdivision, Willacy County, Texas, acres 13.855 (owner: Gabriel Garza Jr.)

5.1.20: Consideration and possible action on calling a hearing for exclusion of Lot 8A Block 2 Raymondville Tract #1 Subdivision, Willacy County, Texas, acres 4.565 (owner: Gene A. & Noemi S. Chestnutt)

5.1.21: Consideration and possible action on calling a hearing for exclusion of Lot 1C-1 Block 4 Raymondville Tract #1 Subdivision, Willacy County, Texas, acres 1.21 (owner: Daniel Mata & Bernardo Lopez)

5.1.22: Consideration and possible action on calling a hearing for exclusion of Lot 1F Block 10 Raymondville Tract #1 Subdivision, Willacy County, Texas, acres 28.682 (owner: Beatrice Jane Tomlinson)

A MOTION WAS MADE by Director Klostermann and second by Director Heller to approve the exclusion of Item #5.1.1-5.1.22.

Motion carried unanimous.

Item #6.1: Consideration and possible action on approval of the revised offer from the North American Development Bank.

No action taken.

Item #7.1: Consideration and possible action on approval of the offer from U.S. Customs and Border Protection (CBP) to use District property for the installation of a border barrier.

General Manager Allen informed that CBP would like to install a chain link fence & pay to use the easement. A MOTION WAS MADE by Director Klostermann and second by Director Pennington to approve the offer from U.S. Customs and Border Protection (CBP) to use District property for the installation of a border barrier.

Motion carried unanimous.

Item #7.2: Consideration and possible action on approving the border wall plans and related land conveyance, provided necessary changes are made and approved.

No action taken.

Item #7.3: Consideration and possible action regarding the proposed donation of a tract of land by Linda Massey to the District, being the S 165' of Lot 10, Texas Citrus Groves Unit No. 1, containing approximately 5.0 net acres.

A MOTION WAS MADE by Director Klostermann and second by Director Heller to accept the donation of a tract of land owned by Linda Massey to the District, being the S 165' of Lot 10, Texas Citrus Groves Unit No. 1, containing approximately 5.0 net acres, authorize attorney Alan Ozuna to draft necessary document and authorize General Manager Troy Allen to sign necessary paperwork.

Motion carried unanimous.

Item #7.4: Consideration and possible action on the construction of an interior reservoir within Delta Lake Unit No. 1.

A MOTION WAS MADE by Director Heller and second by Director Pennington to approve the construction of an interior reservoir within Delta Lake Unit No. 1 and authorize General Manager Allen to negotiate terms and draft agreement with Rio Farms and present at next regular meeting.

Motion carried.
Director Klostermann abstained.

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 water report from TCEQ has not been released.

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 Klostermann and second by Director Heller to approve the vouchers for the month of mid-August 2026 to mid-September 2026.

Motion carried unanimous.

THERE BEING NO FURTHER BUSINESS, Board President, David Esau declared the meeting adjourned at 9:26 a.m.

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President, Board of Directors

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Secretary, Board of Directors