

**MINUTES OF A REGULAR MEETING OF THE BOARD OF NAVIGATION AND
CANAL COMMISSIONERS OF THE BROWNSVILLE NAVIGATION DISTRICT OF
CAMERON COUNTY, TEXAS HELD MAY 18, 2022 AT 5:30 P.M.**

The Board of Navigation and Canal Commissioners of the Brownsville Navigation District of Cameron County, Texas, held a regular meeting on **Wednesday, May 18, 2022 at 5:30 p.m.** The following individuals were present and absent:

PRESENT: Sergio Tito Lopez, Chairman
Ralph Cowen
Esteban Guerra
John Reed
John Wood

ABSENT: None

ALSO PRESENT: Eduardo A. Campirano, Port Director and CEO
Daniel Rentfro Jr., District Counsel
William J. Irwin, Associate District Counsel

STAFF MEMBERS: Arturo Gomez
Melinda Rodriguez

Michael Davis
Chief Carlos Garcia
Jose Herrera
Jaime Martinez

Jorge Montero
Margie Recio

Julio Romo
Janie Velasquez
Zeus Yanez

OTHERS PRESENT: Rev. Andreas Lewis
Senator Eddie Lucio Jr.
Judge Gabriela Garcia
Family of Esteban Guerra
Family of John Wood
Frank Wood
Arturo Trevino
Norma Torres
Susan Cowen
Carlos Marin

1. Meeting Called To Order

The Chairman called the meeting to order at 5:30 p.m. Reverend Lewis offered a prayer. The Chairman then led those present in the Pledge of Allegiance to the United States and Texas flags.

2. Public Audience

Senator Eddie Lucio Jr. presented a proclamation from the Texas Senate honoring Chairman Sergio Tito Lopez.

CONSENT AGENDA

3. Consideration and Action on the Following Consent Agenda Items:

a. Approval of the Minutes of the Regular Board Meeting of May 04, 2022.

4. Consideration and Action to ratify acceptance and execution of U.S. Department of Transportation Maritime Administration Port Infrastructure Development Grant Agreement for the Grain & Bulk Handling Facility Development, Expansion and Upgrade Project.

5. Consideration and Action to approve Letter of Agreement between Port of Brownsville and BISD Adult Continuing Education for participation as a collaborating partner.

Commissioner Reed moved to approve all consent agenda items, Commissioner Cowen seconded, and the motion passed unanimously.

6. Consideration and Action on Assignments, Negotiations, Easements, Subleases, and Contracts in General.

Mrs. Rodriguez addressed the Board regarding the following items:

1. Endara Enterprise LLC (Authority to Negotiate)

Endara Enterprises LLC is interested in leasing 1.87 acres located at 9675 Joe G. Garza Sr. Rd. and staff requested Authority to Negotiate a New Lease for a term of one year with four renewal options of one year each. The purpose of the lease will be for warehouse/distribution of industrial supplies. Hi-Tech Welding Institute, LLC (Contract #4177) is negotiating the sale of assets to Endara Enterprises LLC. Commissioner Guerra moved to approve the Authority to Negotiate a new lease with Endara Enterprises LLC, Commissioner Wood seconded, and the motion passed unanimously.

2. Jonick-Lopez International Transport, LLC (Authority to Negotiate)

The lease with Jonick-Lopez International Transport, LLC. (BND contract #3946) will expire on May 31, 2022, with no renewal options. Staff requested Authority to Negotiate a new lease for 2.34 acres located at 5801 Foust Road for a term of five years with two renewal options of five years each. The purpose clause of the new lease is Office Dispatch and Truck Staging. Commissioner Cowen moved to approve the Authority to Negotiate a new lease with Jonick-Lopez International Transport, LLC, Commissioner Wood seconded, and the motion passed by a vote of 4-0. Commissioner Lopez abstained.

3. Plitt Leasing Co., Ltd. **(Authority to Negotiate)**

The lease with Plitt Leasing Co., Ltd. (BND Contract #3949) expired on April 30, 2022, with no renewal options. Staff requested Authority to Negotiate a new lease for a term of one year with four renewal options of one year each. The site is located at 2601 R.L. Ostos Road. The purpose clause of the new lease is Crane operations, rigging, forklift operations, millwright services, and storage of equipment. Commissioner Reed moved to approve the Authority to Negotiate a new lease with Plitt Leasing Co., Ltd., Commissioner Guerra seconded, and the motion passed unanimously.

4. Transporte Internacional Lopez Ochoa, S.A. de C.V. **(New Lease)**

Transporte Internacional Lopez Ochoa, S.A. de C.V. is seeking a New Lease for the property located at 6865 Foust Road for a term of 5 years with two additional terms of 5 years each. Commissioner Guerra moved to approve the New Lease for Transporte Internacional Lopez Ochoa, S.A. de C.V., Commissioner Cowen seconded, and the motion passed by a vote of 4-0. Commissioner Lopez abstained.

5. Construction Delivery Group, LLC **(New Lease)**

Construction Delivery Group, LLC seeks a New Lease for a one-acre tract of land located at 17755 SH 48 for a term of one year with four additional renewals of one year each. Construction Delivery Group, LLC has purchased the assets from Border Financial Services Inc. d/b/a A-MEX. The purpose clause for this site: General Contractors (office space, tool storage and parking). Commissioner Reed moved to approve the New Lease for Construction Delivery Group, LLC, Commissioner Cowen seconded, and the motion passed unanimously.

6. Border Financial Services, Inc. dba A-MEX **(Release of Lease)**

Border Financial Services, Inc. dba A-MEX (BND Contract #3938) located at 17755 SH 48 is requesting a release of lease from the BND Commission as they sold their assets to Construction Delivery Group, LLC. Commissioner Wood moved to approve the Release of Lease to Border Financial Services Inc. dba A-MEX as of April 1, 2022, Commissioner Guerra seconded, and the motion passed unanimously.

7. Discussion and possible Action on the District's Insurance Policy for Port Property and Excess Port Property, Liability and Excess Liability, Crime Liability, Fiduciary Liability, and Cyber Liability including authority to bind coverages and to authorize the payment of the invoices once received.

Mrs. Recio addressed the Board requesting approval on the District's Insurance Policy for Port Property and Excess Port Property, Liability and Excess Liability, Crime Liability, Fiduciary Liability, and Cyber Liability including authority to bind coverages and to authorize the payment of the invoices once received. Staff was granted authority to advertise for bids on the District's Insurance program at the April 6 Board meeting. Susan Golla of McGriff, Siebel & Williams, Inc., the District's insurance consultant, contacted insurance companies in the market directly for the best possible pricing and coverage for the District. The submittals were opened on May 6 and have been reviewed and a recommendation by the District's insurance consultant is ready to be presented to the Board for their consideration of approval. Property and Excess Property Coverage -McGriff recommended to continue Property and Excess Property coverage with Lloyds of London

Underwriters. This coverage also includes Handling Equipment, Business Interruption & Extra Expense and Hull & Machinery. The total renewing premium for the coverage of the total exposure of \$298 million is \$833,206.32 plus the required Texas Surplus Lines taxes and stamping fees. This is a 9.95% increase from the expiring coverages which had a total premium of \$757,788. McGriff's recommendation is to continue Liability and Excess coverage with Lloyds of London Underwriters. This coverage also included Rail Liability within port confines, Protection & Indemnity, Sudden & Accidental Pollution, Maritime Employers' Liability, Employee Benefits Liability, Charterer's Liability, Marina Operators Liability, Law Enforcement Liability, Errors & Omissions Liability, and Public Officials Liability, Excess Auto Liability, and Excess Employers Liability. The total premium for the Liability renewal is \$104,208.57 plus the Texas Surplus Lines taxes and stamping fees. This is an 8.03% decrease from the expiring coverage which had a premium of \$113,312. The District currently carries this coverage with AIG and it is the McGriff's recommendation for the District to renew this coverage. The premium for this coverage is \$2,696, which compares to the expiring premium of \$2,674. The District carries Fiduciary Liability coverage and the District's consultant recommends for the District to renew this coverage with AIG at a premium of \$12,044, which compares to the expiring premium of \$11,200. The District currently carries Cyber Liability with Cowbell and it's McGriff's recommendation to renew this coverage with Cowbell Cyber Through Montalvo Insurance Agency. The total premium for this coverage is \$8,011 plus required Texas Surplus Lines taxes and stamping fees. Commissioner Cowen moved to authorize the binding of coverages by McGriff for the total premium of \$960,165.89 plus the required taxes and stamping fees and to authorize the payment of the invoices once received, Commissioner Wood seconded, and the motion passed unanimously.

8. Receive the bonds of the winners of the May 7, 2022 General Election.

Mrs. Recio addressed the Board requesting acknowledgement of receipt of bonds of the winners of the May 7, 2022 General Election. Board members for the Brownsville Navigation District are required to submit a bond in the amount of \$10,000 prior to their taking office. The bond renewals for Commissioner Guerra and Commissioner Wood have been received by the District. Commissioner Guerra moved to acknowledge receipt of the Bonds received from Commissioner Guerra and Commissioner Wood for a term of 4 years, Commissioner Cowen seconded, and the motion passed unanimously.

9. Issue Certificates of Election to the winners of the May 7, 2022 General Election.

Mrs. Recio issued Certificates of Election to John Wood and Esteban Guerra, the winners of the May 7, 2022 General Election. This item serves as formal notification to the winners of the election of the fact that they have been elected to the Board. The format is prescribed by the State of Texas, and the form was presented for signature by the Chairman of the Board.

10. Administration of the Oath of Office to the winners of the May 7, 2022 General Election.

Frank Wood administered the oath of office to Commissioner Wood. Judge Gabriela Garcia administered the oath of office to Commissioner Guerra.

11. Election of officers of the Board of Navigation and Canal Commissioners of the Brownsville Navigation District of Cameron County, Texas.

Mr. Campirano addressed the Board requesting the Election of officers of the Board of Navigation and Canal Commissioners of the Brownsville Navigation District of Cameron County, Texas.

Board Policy B501 (Local) provides for the Board to elect from among its members the officers of Chairman, Vice Chairman, and Secretary. The two Commissioners who are not elected to one of these two positions will hold the position of Assistant Secretary. Election to office shall be by a majority vote of the members of the Board who are present and voting. This election is generally held at the meeting where the election is canvassed or would have been conducted in the event of a cancelled General Election. Commissioner Wood moved to elect Commissioner Guerra as Chairman, Commissioner Cowen seconded, and the motion passed unanimously. Commissioner Lopez nominated Commissioner Cowen as Vice Chairman, Commissioner Wood seconded, and the motion passed unanimously. Commissioner Cowen nominated Commissioner Wood as Secretary, Commissioner Reed seconded, and the motion passed unanimously.

- 12. Adjourn into Executive Session, as authorized by Subchapter D of Chapter 551 of the Government Code to discuss with attorneys pending or contemplated litigation and matters in which the duty of the attorneys under the Rules of Professional Conduct clearly conflict with Chapter 551; to conduct deliberations regarding real property (§551.072); to deliberate the deployment of security personnel or devices (§551.076); to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee (§551.074); and to conduct deliberations regarding economic development negotiations (§551.087).**

There was none.

- 13. Possible action on matters or items discussed in Executive Session.**

There was none.

- 14. Adjournment.**

Commissioner Cowen moved to adjourn the meeting, Commissioner Wood seconded, and the meeting was adjourned by unanimous consent at 6:17 p.m.

ATTEST



John Wood, Secretary



Esteban Guerra
Chairman of the Board