

**MINUTES OF A REGULAR MEETING OF THE BOARD OF NAVIGATION AND
CANAL COMMISSIONERS OF THE BROWNSVILLE NAVIGATION DISTRICT OF
CAMERON COUNTY, TEXAS HELD APRIL 17, 2024 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, April 17, 2024 at 5:30 p.m.**

The following individuals were present and absent:

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

ABSENT: None

ALSO PRESENT: William Dietrich, Interim Port Director and CEO
Daniel Rentfro, Jr. District Counsel
William Irwin, District Counsel

STAFF MEMBERS: Miguel Barajas
Ariel Chavez
Michael Davis
Arturo Gomez
Jose Herrera
Jorge Montero
Margie Recio
Memo Rico
Tony Rodriguez
Julio Romo
Janie Velasquez
Zeus Yanez

OTHERS PRESENT: Rev. Andreas Lewis
Juan Velez
Ernesto Guitierrez
Kevin Garcia
Bill Berg
Thomas Berkvens
Shariff Gonnella
Jorge de la Colina

REGULAR MEETING

1. Meeting Called To Order

The Chairman called the meeting to order at 5:33 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

Bill Berg addressed the board regarding Item 8(8).

3. Monthly Operations Summary Report

Mr. Yanez made the report to the Board. Chairman Guerra asked for additional information regarding the recent reduction in pipeline revenues. Mr. Dietrich and Mr. Rodriguez addressed the Board. Discussion followed.

CONSENT AGENDA

4. Consideration and ACTION on the Following Consent Agenda Items:

- a. Approval of the Minutes of the Regular Board Meeting of April 3, 2024.
- b. Approval to authorize payments over \$25,000.00:
 1. Chemical Response & Remediation Contractors, Inc., the amount of \$80,921.66, for Phase I of the tanker fire, spill, and remediation response; and,
 2. R.R.P. Consulting Engineers, L.L.C., the amount of \$55,687.50, for Fishing Harbor Wastewater Treatment Plant.

Commissioner Lopez moved to approve Consent Agenda Item 4, Commissioner Reed seconded, and the motion passed unanimously.

5. Consideration and ACTION on Steamship Agent License renewal applications for:

- a. General Steamship Agencies, Inc. d/b/a General Steamship Corp, LTD
- b. Admiral Steamship Agency/Biehl & Company
- c. Host Agency, LLC
- d. ISS Marine Services Inc. d/b/a Inchcape Shipping Services
- e. Christian Bay Shipping Co. d/b/a Fillette Green Shipping Services (USA) Corp.

Commissioner Lopez asked that efforts be made to get all steamship agents' license renewals on the same schedule. Commissioner Reed moved to approve the license renewal applications as presented, Commissioner Wood seconded, and the motion passed unanimously.

INFORMATION

6. Presentation of District's Investment Report for the quarter ended March 31, 2024.

Mr. Yanez made the presentation of District's Investment Report for the quarter ended March 31, 2024. Discussion followed.

ACTION ITEMS

7. Consideration and ACTION to adopt a Resolution granting certain tax exemptions to eligible historic sites listed in the 2024 Historic Preservation Plan.

Mrs. Recio addressed the Board on the City of Brownsville's annual Historic Preservation Plan ("Plan"), which identifies historically significant buildings in the Brownsville area that are included in the Plan for the Year. The Plan is submitted to the local taxing entities for their consideration in granting the properties listed in the Plan A tax exemption. Some properties are proposed for full exemptions, and some for 50% exemptions. The owners of the properties must submit an annual application for inclusion in the Plan for the year. The valuation of the properties included in the Plan is reduced from the appraised valuation for the entities who grant the tax relief. The tax rate calculations are performed after the properties values are reduced from the total valuation, so the District does not give up tax dollars in granting these tax exemptions. The total revenues that the District intends to collect through property taxes are spread over the remaining non-exempt properties. Commissioner Lopez moved to adopt the Resolution, Commissioner Cowen seconded, and the motion passed unanimously.

8. Consideration and ACTION on Leases, Assignments, Negotiations, Easements, Subleases, and Contracts in general.

Mr. Dietrich addressed the Board regarding the following Items:

1. Guadalupe Ochoa (2345 Cajun Court) (Authority to Negotiate)

Guadalupe Ochoa, a current lessee, seeks a new lease for an additional site of 0.055 acres located in the Fishing Harbor at 2345 Cajun Court. Former Port Director and CEO authorized Mr. Ochoa to remain on a month-to-month tenancy while Policy Committee and staff conducted the insurance level requirements review. The recommended term is one year with four renewal options of one year each. The purpose of the New Lease is for shrimp operations, specifically unloading and boat tie up of shrimp and seafood vessels. Commissioner Reed moved to authorize negotiation of a new lease, Commissioner Lopez seconded, and the motion passed unanimously.

2. American Cement Advisors, Inc. (Amendment of Lease)

American Cement Advisors, Inc., a current lessee under BND Contract #4229, is seeking a Lease Amendment to reflect a name change to Texan Cement, Inc., effective November 29, 2023. Commissioner Reed moved to approve the Lease Amendment, Commissioner Cowen seconded, and the motion passed unanimously.

3. 905/BMW, Inc. (Amendment of Lease)

905/BMW, Inc., a current lessee under BND Contract #3992, is requesting an amendment to add 0.031-acre to the leased premises located at 2200 Boxcar Road, increasing the total acreage to 17.366-acres. The purpose of this amendment is for the processing of minerals. Commissioner Lopez moved to approve the Amendment to Lease, Commissioner Wood seconded, and the motion passed unanimously.

4. Aguilar Brothers, Inc. (New Lease)

This new lease to Aguilar Brothers, Inc. will replace BND Contract #3988, which expired on February 19, 2024. The lessee seeks a New Lease for a term of one year with four renewal options

of one year each. The 0.76-acre site is located in the Fishing Harbor at 2330 Cajun Court. The purpose of the new lease is for shrimp operations, specifically the unloading and boat tie up of shrimp and seafood vessels, and the repair and maintenance of personal boats. Commissioner Cowen moved to approve the New Lease, Commissioner Lopez seconded, and the motion passed unanimously.

5. **Brownsville Gulfside Warehouse Inc. (New Lease)**

Brownsville Gulfside Warehouse Inc., a current lessee, seeks a new lease for an additional site of 2.08 acres located at 16100 R.L. Ostos Road. The term of this lease will be for five years with five renewal options of five years each. The purpose of this new lease is for a patio that will handle bulk and bulk-break material and perform associated warehousing and material handling activities. Commissioner Lopez moved to approve the New Lease, Commissioner Reed seconded, and the motion passed unanimously.

6. **C.R. Trucking, LLC. (New Lease)**

This new lease to C.R. Trucking, LLC will replace BND Contract #3914, which expired on December 31, 2023. The lessee seeks a new lease for a term of five years with two renewal terms of five years each. The 3.50-acre site is located at 9275 Old SH 48. The purpose of this new lease is for a transportation yard for lessee's own trucks. Commissioner Reed moved to approve the New Lease, Commissioner Lopez seconded, and the motion passed unanimously.

7. **Guadalupe Ochoa (1695 Cajun Court) (New Lease)**

This new lease to Guadalupe Ochoa will replace BND Contract #3886, which expired on September 3, 2022, and remained on a month-to-month tenancy. The 0.275-acre site is in the fishing Harbor at 1695 Bayou Court. The term of this new lease is one year with four renewal options of one year each. The purpose of this new lease is for shrimp operations, specifically the unloading and boat tie-up of shrimp and seafood vessels, and repairs and maintenance of personal boats. Commissioner Lopez moved to approve the new lease, Commissioner Reed seconded, and the motion passed unanimously.

8. **Ten08 Energy LLC (Option to Lease)**

Ten08 Energy, LLC seeks an Option to Lease for 300 acres for a term of one year with one renewal option of one year. The purpose of this option to lease is due diligence, specifically developing, building, and operating a blue and green ammonia production facility. Commissioner Reed moved to approve the Option to Lease, Commissioner Wood seconded, and the motion passed unanimously.

9. Consideration of and possible ACTION on quotes received for repair of District Bulldozer Unit #732.

Mr. Dietrich addressed the Board on BND Staff's request for the Board of Commissioners to authorize repair services for the District's Bulldozer (Unit #732). BND Staff completed their due diligence in procuring repair services by reaching out to potential vendors to inspect the bulldozer and to provide a quote for the necessary repairs. Staff contacted B&L Freight Services LLC, Doggett Heavy Machinery Services, and Mobile Transportation Group. Doggett Heavy Machinery Services was unable to identify the source of the Bulldozer's Issue and no quote was provided for necessary repairs. B&L Freight Services submitted an estimate of \$33,848.77 for repairs, but a detailed report of the results of the inspection was not provided. Mobile Transportation Group provided a detailed report of the necessary repairs based on their inspection of the bulldozer and submitted an estimate of \$24,135.51 for repairs (plus core changes if core is not in returnable condition). Commissioner Lopez moved to authorize the repair by Mobile Transportation Group, Commissioner Wood seconded, and the motion passed unanimously.

10. Consideration and ACTION on License Agreement between Brownsville Navigation District and US Customs and Border Protection ("CBP").

Mr. Dietrich addressed the Board that CBP is seeking approval to access a site to deploy, operate, maintain, repair, and remove surveillance systems. BND can revoke the License Agreement at any time and for any reason. BND would provide written notice of revocation to CBP at least sixty days of revocation. Commissioner Reed moved to approve the License Agreement, Commissioner Lopez seconded, and the motion passed unanimously.

11. Consideration and ACTION to award contract for the removal and replacement of the flooring at the BND Police Department building.

Mr. Romo addressed the Board that on February 7, 2024, BND Board authorized BND Staff to advertise to solicit proposals for the removal and replacement of the flooring at the BND Police Department building. BND Staff posted the RFP on the Port website and Bidnet. On February 15, 2024, a pre-proposal conference was held and one vendor was in attendance. There was one addendum issued during the process to respond to vendor questions. A total of two proposals were received from Calidad Construction LLC and Fidis Solutions Group LLC. Commissioner Lopez moved to award the contract to Fidis Solutions Group LLC, Commissioner Reed seconded, and the motion passed unanimously.

12. Consideration and ACTION on Proposal by Earth Co, L.L.C. for construction material engineering testing services for the Cargo Docks 15 & 16 Concrete Pavement Project.

Mr. Chavez addressed the Board that on February 7, 2024, BND Commissioners authorized BND Staff to issue a Notice to Award to the lowest bidder on the Cargo Docks 15 & 16 Concrete Pavement project. Earth Co., L.L.C. submitted a proposal for construction materials engineering testing for \$28,627.00. The material testing includes cylinders to determine resistance to compression strength and slump to determine proper amount of water on concrete pavement and on earthwork densities to verify proper compaction. Commissioner Reed moved to accept the testing, Commissioner Wood seconded, and the motion passed unanimously.

13. Consideration and ACTION on Change Order No. 2 to the BND Dock 11 Concrete Pad Project, adjusting the contract volumes to delete unused items.

Mr. Chavez addressed the Board that R.M. Walsdorf, Inc. is working under Contract #4663 on the BND Dock 11 Concrete Pad project in the amount of \$2,182,411.30 and has submitted Change Order proposal number 2 in the amount of (\$94,939.73). This change order includes credit for unused labor and base material. The new contract amount will be \$2,087,471.57. Commissioner Lopez moved to approve Change Order No. 2, Commissioner Wood seconded, and the motion passed unanimously.

14. Consideration and ACTION on Project Acceptance and Release of Retainage to the BND Cargo Dock 11 Concrete Pad.

Mr. Chavez addressed the Board that R.M. Walsdorf Inc., is working under Contract #4663 on the BND Dock 11 Concrete Pad project and is requesting the acceptance of their work and release of final payment and retainage. Substantial completion was achieved on April 2, 2023, within the contract time. Commissioner Reed moved to accept the work performed by contractor and release final payment including 10% retainage amount, Commissioner Wood seconded, and the motion passed unanimously.

15. 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 deliberate the purchase, exchange, lease, or value of real property; 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).

At 6:19 p.m. the Chairman announced the Board would adjourn into executive session. Commissioner Lopez moved to adjourn into executive session, Commissioner Wood seconded, and the motion passed unanimously.

The Chairman then announced that the time was 7:25 p.m. and that the Board had reconvened in open session.

16. Possible ACTION on matters or items discussed in Executive Session.


There was none.

17. Adjournment.

Commissioner Lopez moved to adjourn the meeting, Commissioner Reed seconded, and the meeting was adjourned by unanimous consent at 7:25 p.m.

ATTEST


John Wood, Secretary



Esteban Guerra
Chairman of the Board