

**MINUTES OF A REGULAR MEETING OF THE BOARD OF NAVIGATION AND
CANAL COMMISSIONERS OF THE BROWNSVILLE NAVIGATION DISTRICT OF
CAMERON COUNTY, TEXAS HELD SEPTEMBER 18, 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 of the board on **Wednesday, September 18, 2024 at 5:30 p.m.**

The following individuals were present and absent:

PRESENT: Esteban Guerra, Chairman
Sergio Tito Lopez
John Reed
Ernesto Gutierrez

ABSENT: John Wood

ALSO PRESENT: William Dietrich, Port Director and CEO
William Irwin, District Counsel

STAFF MEMBERS: Arturo Gomez
Carlos Martinez
Julio Romo
Miguel Barajas
Jose Herrera
Manuel Martinez
Margie Recio
Janie Velasquez
Zeus Yanez
Yessenia Gonzalez
Tony Rodriguez

OTHERS PRESENT: Rev. Andreas Lewis
Jorge de la Colina
Shariff Gonnella
Indira Soto
Beto Torres

REGULAR MEETING

1. Meeting Called To Order

The Chairman called the meeting to order at 5:34 p.m. Reverand 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

No person registered to address the Board.

Mr. Dietrich then suggested that Items 9 and 10 be considered together as they are related items. Chairman Guerra announced that Items 9 and 10 would be considered together.

3. Port Monthly Operations Summary Report

Mr. Yanez presented the report to the Board. Commissioner Lopez then addressed Mr. Gomez, Mrs. Velasquez, and Mr. Rodriguez regarding B&L Trucking, LLC's request for the BND's consent to a sublease. Mr. Gomez addressed the Board. Commissioner Lopez indicated his wish that the request be processed soon. Chairman Guerra noted that the request would be considered at the leasing committee level and then asked Mr. Irwin if the discussion was appropriate given that the consent to sublease was not on the agenda. Mr. Irwin noted that the consent to sublease was not on the agenda and as such the Board could not take any action on the consent to sublease at this meeting.

CONSENT AGENDA

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

- a. Approval of the Minutes of the Regular Board Meeting of September 4, 2024;
- b. Approval to authorize payments over \$25,000.00:
 1. Konecranes, Inc., the amount of \$25,937.98, for parts and freight charges to BND crane; and
 2. Southmost Regional Water Authority, the amount of \$163,815.00, for fiscal year 2025 assessment fees; and
 3. RM Walsdorf, Inc., the amount of \$576,642.15, for concrete pavement project to Docks 15 and 16.

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

5. Consideration and Action to approve additional payment of \$2,624.00 for the District's 0.65602% pro-rate share of the 2024 Cameron Appraisal District ("CAD") amended budget.

Mr. Yanez addressed the Board that the CAD provides appraisal services to the District for the purpose of assessing the District's annual property taxes. The District, and other taxing jurisdictions of Cameron County, are assessed a pro-rata portion of the CAD's annual budget based on the relationship of each jurisdiction's individual tax levy to the total tax levy for all taxing jurisdictions. On November 15, 2023, the Board approved payment of \$48,834.00, which represented the Port's 0.65602% share of the 2024 CAD budget of \$7,443,974. The Board of Directors of the CAD approved an amendment increasing the 2024 CAD's adopted budget of \$7,443,974 by \$400,000 to \$7,843,974. The District's 0.65602% pro-rata share of the \$400,000 budget increase requires an additional payment to the CAD of \$2,624. The total assessment by the CAD for the 2024 appraisal services, including the \$48,834 approved in November 2023, is \$51,458. Commissioner Reed moved to authorize payment of the District's additional pro-rata

contribution of the 2024 Cameron Appraisal District Amended Budget in the amount of \$2,624.00, Commissioner Lopez seconded, and the motion passed unanimously.

ACTION ITEMS

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

Mr. Dietrich addressed the Board regarding the following Items:

1. White Tipped Dove, LLC (Lease Amendment)

White Tipped Dove, LLC, a current lessee bearing BND Contract #4670, seeks approval to extend the term of their lease by one year, which commenced on September 1, 2023 and expired on August 31, 2024, and to increase their annual rental effective as of September 1, 2024. The purpose clause, or permitted use of the lease, is solely for the production and agriculture of yellow corn, grain sorghum and sunflowers. Commissioner Lopez moved to approve the lease amendment for White Tipped Dove, LLC, Commissioner Gutierrez seconded, and the motion passed unanimously.

BIDS/AGREEMENTS/PURCHASES

7. Consideration and ACTION on Receipt and Release Affidavit on damages caused by M/V Chang Hang Hui Hai to Port property on January 5, 2024.

Mrs. Recio addressed the Board that on January 5, 2024, while the M/V Chang Hang Hui Hai was berthed at Cargo Dock 12 and 13, the vessel's mooring lines parted, causing the vessel to break away from its berth resulting in damage to Port Property; The total damages from the incident has been assessed at \$434,594.28. Following negotiations, the vessel's owner, Shanghai Wah Shipping Co., Ltd, made a settlement offer to District for 100% of the actual costs incurred by the Brownsville Navigation District to repair and restore the property, conditioned upon execution of a Receipt and Release Affidavit. This document has been reviewed by BND Legal Counsel. Upon submission of the executed Receipt and Release Affidavit to the vessel's legal representation, Royston Razor, payment will be made to the District within 14 days of execution. The release provides that if payment is not received within 14 days, the release will be null and void. Commissioner Reed moved to authorize the execution of the Receipt and Release Affidavit conditioned upon receipt of the settlement funds within 14 days, Commissioner Gutierrez seconded, and the motion passed unanimously.

8. Consideration and ACTION to authorize Port Staff to request proposals for medical,

dental, vision, short-term, and long-term disability insurance benefits for all BND employees.

Mrs. Gonzalez addressed the Board that the current agreements with medical, dental, vision, short-term, and long-term disability insurance carriers are set to expire December 31, 2024. The District is assisted by Mr. Landon Overby from Bowen, Miclette, and Britt, the District's independent insurance consultant, to procure these services. This proposal would be for insurance benefits to commence January 1, 2024. Commissioner Lopez moved to authorize staff to request proposals for medical, dental, vision, short-term, and long-term disability insurances for District employees, Commissioner Reed seconded, and the motion passed unanimously.

Items 9 and 10 were considered together.

9. Consideration and ACTION to authorize Port Staff to award Bid for the removal and disposal of sludge from the North Side Wastewater Treatment Plant.

Mr. Herrera and Mr. Dietrich addressed the Board that on June 6, 2024, BND Board authorized Staff to solicit bids for the removal and disposal of Sludge from the North Side Wastewater Treatment Plant. Staff advertised on Bidnet, the Brownsville Herald, held a Pre-Bid meeting, and a job site visit. Two bids were received, one from C&C Waste Management DBA CB3, LLC in the amount of \$100,000, and the second from Environmental Evolution National (DBA JW Rental) in the amount of \$884,774.50. Members of CB3, LLC addressed the Board regarding their bid.

10. Consideration and ACTION to authorize Port Staff to purchase supplies that could be required to complete repairs of the Northside Wastewater Treatment Plant.

Mr. Herrera and Mr. Dietrich addressed the Board that on June 6, 2024, BND Board authorized Staff to solicit bids for the removal and disposal of Sludge from the North Side Wastewater Treatment Plant. Staff is seeking authorization to purchase materials and supplies in an amount not to exceed \$50,000. Should any repairs be necessary, staff will only have 3-5 days to complete the work at the Northside Treatment plant. Staff is in the process of making a list of what can possibly be required and identifying which vendor has the parts readily available along with pricing. No materials and/or supplies will be purchased unless they are deemed necessary upon the removal of sludge from the plant. Since no work has been done on this plant for years, it might require some repairs. The timing of performing any necessary repairs will be the biggest factor. Due to operations, this plant cannot be non-operational for longer than 3-5 days. The extent and total cost of repairs cannot be determined until the plant is emptied and staff evaluates the condition.

Commissioner Reed moved to authorize BND Staff to award the contract for the removal and disposal of Sludge from the North Side Wastewater Treatment Plant to C&C Waste Management DBA CB3, LLC in the amount of \$100,000, and to authorize BND Staff to purchase materials and supplies in an amount not to exceed \$50,000 for repairs that may be necessary to the plant, which will be determined once the plant is empty, Commissioner Lopez seconded, and the motion passed unanimously.

11. Consideration and ACTION on proposal by TRC Environmental Corporation for the

renewal of the Texas Pollutant Discharge Elimination System (TPDES) permit for the Brownsville Navigation District Ballast Pits 1 & 2.

Mr. Martinez addressed the Board that TRC Environmental Corporation has submitted a proposal to assist the Port of Brownsville on the renewal of the Texas Pollutant Discharge Elimination System (TPDES) permit for the Brownsville Navigation District Ballast Pits 1 & 2 for estimated amount of \$24,947.00. This estimate may change if additional work or any other services not specifically included in the scope of services are requested or required by TCEQ. TRC will provide an estimate of the additional cost for authorization from the Board of Commissioners and will only perform the additional services upon Brownsville Navigation District's written notice to proceed. Ballast Pits permits expire at midnight on July 1, 2025. According to the Texas Commission on Environmental Quality (TCEQ) regarding TPDES permits applications, renewal must be submitted at least 180 days before the expiration date of the current permit. Commissioner Lopez moved to accept the proposal from TRC Environmental Corporation in the amount of \$24,947.00, 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 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, specifically the Interim Port Director and CEO (§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 Reed moved to adjourn the meeting, Commissioner Gutierrez seconded, and the meeting was adjourned by unanimous consent at 6:08 p.m.

ATTEST



John Reed, Secretary



Esteban Guerra
Chairman of the Board