

**MINUTES OF A REGULAR MEETING OF THE BOARD OF NAVIGATION AND
CANAL COMMISSIONERS OF THE BROWNSVILLE NAVIGATION DISTRICT OF
CAMERON COUNTY, TEXAS HELD MARCH 19, 2025 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, March 19, 2025 at 5:30 p.m.**

The following individuals were present and absent:

PRESENT: Esteban Guerra, Chairman
Ernesto Gutierrez
John Reed

ABSENT: Sergio Tito Lopez
John Wood

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

STAFF MEMBERS: Arturo Gomez
Jose Herrera
Jorge Montero
Margie Recio
Janie Velasquez
Zeus Yanez
Julio Romo
Estela Rangel
Justin Torres
Pablo Esquivel
Carlos Martinez
Tony Rodriguez
Yessenia Gonzalez

OTHERS PRESENT: Rev. Andreas Lewis
Leadership Brownsville
Andrea Meneses
Jorge de la Colina
Teresa Salazar
Chris Urbanovsky

REGULAR MEETING

1. Meeting Called To Order

The Chairman called the meeting to order at 5:35 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

No public audience addressed the Board.

3. Port Monthly Operations Summary Report

The Board received the reports.

CONSENT AGENDA

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

- a. Approval of the Minutes of the Regular Board Meeting of March 05, 2025.
- b. Approval to authorize Payments over \$25,000.00.
 1. IOC Company, LLC, the amount of \$2,583,712.21, for the Business Park Concrete Pavement project; and
 2. Doggett Heavy Machinery Services, the amount of \$27,950.30, for repairs of the Payloader - Unit #652 and repairs of the Wheel Loader - Unit #742.

Chairman Guerra asked staff about delays in the Business Park project and Commissioner Guerra asked staff about possible volume overruns in connection with the project. Mr. Herrera and Mr. Dietrich addressed the Board. Chairman Guerra asked staff to provide information regarding how much work remains on the project.

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

ACTION ITEMS

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

Mr. Dietrich addressed the Board regarding the following Items:

1. Intertek USA, Inc. (Authority to Negotiate)

Intertek USA, Inc. is interested in leasing 3.12 acres located at 500 Yard Road for a term of five years. The purpose will be for a petroleum lab and cargo inspection services. Staff is requesting authority to negotiate a new lease. Commissioner Gutierrez moved to approve the Authority to Negotiate for Intertek USA, Inc., Commissioner Reed seconded, and the motion passed unanimously.

2. U.S. Forwarding & Logistics Agency, LLC (New Lease)

U.S. Forwarding & Logistics Agency LLC seeks a new lease for 6.90 acres located at 2655 N. Indiana. The term of this lease would be for five years with one renewal option of five years. The purpose of this lease is for a dispatch yard, including a facility for the receipt of overweight trailers and tanker trucks that are loaded at the Port of Brownsville with materials such as polyethylene and base lubricants. Truck parking and staging must be done in a safe and responsible manner and

will be permitted as necessary to efficiently confirm vehicle details, collect necessary documentation, and to complete customs requirements for trucks destined for Mexico. For avoidance of doubt, no transloading operations or storage of hazardous materials, except to the extent explicitly authorized above, shall be permitted on the premises. This is not for a pay public parking, only for customers of U.S. Forwarding & Logistics Agency, LLC. Discussion followed regarding development of safety rules and regulations for staging of trucks. Commissioner Gutierrez moved to approve the New Lease for U.S. Forwarding & Logistics Agency, LLC, Commissioner Reed seconded, and the motion passed unanimously.

3. Palo Alto Brownsville, LLC (Memorandum of Lease)

Palo Alto Brownsville, LLC a current lessee under BND Contract #4450 is seeking a Memorandum of Lease confirming that the lease is in full force and effect and that lessee has validly exercised its first renewal option of five years which expires on May 19, 2030, lessee has four (4) remaining renewal options of five years each and confirm that it has no issues with the subordination agreement between Palo Alto Brownsville, LLC (primary tenant) and Camin Cargo (subtenant). Commissioner Reed moved to approve the Memorandum of Lease for Palo Alto Brownsville, LLC, Commissioner Gutierrez seconded, and the motion passed unanimously.

6. Consideration and ACTION on Amending Leasing Policy – Option to Lease.

Mrs. Recio addressed the Board that the District's current leasing policy does not explicitly outline conditions for granting an option to lease. The proposed amendment establishes a structured framework for evaluating requests, ensuring that options to lease are considered only when they align with the District's strategic priorities and financial interests. The proposed amendment summary is as follows: (1) Case-by-Case consideration: Requests for an option to lease will be evaluated based on factors such as project size, revenue potential, and due diligence requirements; (2) Minimum Requirements: Option requests must involve at least 100 acres of land, and the proposed project must have a minimum capital investment of \$250 million; (3) Board Approval for Negotiations: Before any negotiations commence, Staff shall seek Board authorization to proceed. The proposed amendment has been reviewed by the Policy Committee. Commissioner Gutierrez moved to authorize the adoption of the Amended Leasing Policy as presented by the Staff with an effective March 20, 2025, Commissioner Reed seconded, and the motion passed unanimously.

BIDS/AGREEMENTS/PURCHASES

7. Consideration and ACTION to award contract for the purchase and delivery of bulk fuels.

Mr. Yanez addressed the Board that on February 1, 2025, the District issued a Request for Proposals (RFP) for the Purchase and Delivery of Bulk Fuels. A total of three (3) proposals were received. On March 5, 2025, staff recommended awarding contracts to Arguindegui Oil Co. and Oil Patch Fuel and Supply Inc. Staff were instructed to verify with the vendors regarding the vendor's ability to deliver fuel to the loaned temporary tanks. Staff confirmed with Arguindegui Oil Co. and Oil Patch Fuel regarding the delivery of fuel to the temporary tanks. Arguindegui has confirmed that if they are not able to meet the delivery window, it is acceptable for another vendor to deliver fuel to the loaned tanks. Similarly, Oil Patch has also indicated that they will deliver fuel to the temporary tanks if an order is placed. Commissioner Reed asked why Oil Patch had not

included provision of a tank in their proposal and expressed disappointment about this given the length of Oil Patch's relationship with the District. Commissioner Reed moved to award a contract for the purchase and delivery of bulk fuels to Oil Patch Fuel and Supply Inc., Commissioner Gutierrez seconded, and the motion passed unanimously.

8. Consideration and ACTION to authorize Port Staff to purchase Tensar Triaxial HX5.5 Geo Grid (Sole Source Item) from vendor Ferguson Waterworks.

Mrs. Herrera addressed the Board that BND Staff is seeking authorization to purchase Tensar Triaxial HX5.5 Geo Grid (sole source item) from Ferguson Waterworks. The purchase will be made for 40 rolls at a cost of \$1,350.82 per roll. The total cost for this purchase would be \$54,032.80. This material will be used on several projects throughout the Port which includes continued expansion of Patio, maintenance of Patios and replenishment of stock. Commissioner Reed moved to authorize staff to purchase 40 rolls of Tensar Triaxial Geo Grid HX5.5 (sole source item) from Ferguson Waterworks for a total cost of \$54,032.80 and issue payment of invoice(s) once materials are received, Commissioner Gutierrez seconded, and the motion passed unanimously.

9. Consideration and ACTION to authorize Port Staff to publish a Request for Proposals (RFP) for Job Order Contract Services to perform doc repairs, maintenance and upgrades as needed.

Mr. Dietrich asked that this item be tabled. Commissioner Gutierrez moved to table this Item, Commissioner Reed seconded, and the motion passed unanimously.

10. Consideration and ACTION to ratify authorization for Port Staff to publish an Invitation to Bid on the BND Cargo Dock 10 Maintenance Dredging project and to open bids thereof.

Mr. Esquivel addressed the Board that BND Staff is requesting authorization from BND Commissioners to advertise to solicit and open bids for the BND Cargo Dock 10 Maintenance Dredging project. This project will consist of dredging an approximate volume of 22,600 cubic yards of material from the area in front of Cargo Dock 10 with a target draft of 35 ft. Commissioner Reed moved to ratify authorization to prepare an Invitation to Solicit to Bids on the BND Cargo Dock 10 Maintenance Dredging project and to open bids once they are received, Commissioner Gutierrez seconded, and the motion passed unanimously.

11. Consideration and ACTION to authorize Port Staff to publish in the local newspaper an Invitation to Bid on the BND State Highway 48 Lift Stations project, and to open bids thereof.

Mr. Esquivel addressed the Board that BND Staff is requesting authorization from BND Commissioners to publish an Invitation to Bid on the BND State Highway 48 Lift Stations project. This project will consist of the relocation and upgrade of existing lift station No. 4 and the construction of a new Lift Station to serve Texas A&M on the north side of State Highway 48 incorporating it to the Port's existing wastewater collection system. BND Staff will publish the Invitation to Bid in the local newspaper and will make the Bid Documents available. Bid Documents will be uploaded to the Port website, www.portofbrownsville.com and will make them available through www.bidnet.com. District will also invite known qualified contractors by email

and by phone. Discussion followed regarding the design for the lift stations and the timeline for development of the project. Commissioner Gutierrez suggested that two solicitations be issued, one for relocation and upgrade of the existing facility and one for the new lift station. Commissioner Reed moved to authorize Staff to prepare and publish in the local newspaper two Invitations to Bid on the BND State Highway 48 Lift Stations project, as discussed, and to open bids once they are received, Commissioner Gutierrez seconded, and the motion passed unanimously.

12. Consideration and ACTION on Change Order No. 2 to the BND Docks 15 & 16 Concrete Pavement project deleting unused quantities, to accept work performed by R.M. Walsdorf, Inc., and to authorize final payment of \$488,493.15, including all completed work and retainage.

Mr. Dietrich addressed the Board that R. M. Walsdorf, Inc., working under BND contract 4712, has reached final completion of the BND Docks 15 & 16 Concrete Pavement project, including the intersection of Foust Road and Bill Reed Road. Change Order No. 2 adjusts the contract price by deleting unused contract quantities resulting in a decrease of \$235,023.25 from the current contract price of \$2,549,640.70, for a new contract price of \$2,314,617.45. In addition, the contract time is being adjusted by 125 calendar days due to scheduling coordination with BND Staff. R. M. Walsdorf, Inc. is requesting acceptance of the completed work, release of final payment and close-out of the contract. Commissioner Reed moved to approve Change Order No. 2 to the BND Cargo Docks 15 & 16 Concrete Pavement contract with R. M. Walsdorf Inc. decreasing the current \$2,549,640.70 contract amount by \$235,023.25, for a new contract amount of \$2,314,617.45 including an increase in the contract time to 125 calendar days, and accept the project as complete, authorizing release of final payment of \$488,493.15, which includes all completed work and retained amounts, Commissioner Gutierrez seconded, and the motion passed unanimously.

13. 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).

There was none.

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

There was none.

15. Adjournment.

Commissioner Gutierrez moved to adjourn the meeting, Commissioner Reed seconded, and the meeting was adjourned by unanimous consent at 6:15 p.m.



Esteban Guerra
Chairman of the Board

ATTEST



John Reed, Secretary