

**MINUTES OF A REGULAR MEETING OF THE BOARD OF NAVIGATION AND
CANAL COMMISSIONERS OF THE BROWNSVILLE NAVIGATION DISTRICT OF
CAMERON COUNTY, TEXAS HELD JUNE 04, 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, June 04, 2025 at 5:30 p.m.**

The following individuals were present and absent:

PRESENT: John Reed
Ernesto Gutierrez
John Wood

ABSENT: Esteban Guerra
Sergio Tito Lopez

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
Yessenia Gonzalez

Estela Rangel
Tony Rodriguez
Manuel Martinez
Julio Romo

Juan Resendez
Carlos Martinez
Guillermo Rico
Ervey Gonzalez

OTHERS PRESENT: Rev. Andreas Lewis
Shariff Gonnella
Matthew Montemayor
Indira Soto
Andrea Meneses
Leonel Cantu
Kevin Cantu

REGULAR MEETING

1. Meeting Called To Order

Commissioner John Reed chaired the meeting. 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

There was none.

3. Director's Report made

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 May 21, 2025.
- b. Approval to authorize Payments over \$25,000.00.
 1. American Association of Port Authorities, the amount of \$30,822.00, for US Port Membership Dues (07/01/2025 – 06/30/2026).

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

ACTION ITEMS

5. Consideration and ACTION to acknowledge receipt of the independent audits of the financial statements of the Brownsville Navigation District and the "Retirement Plan for Employees of the Brownsville Navigation District" for Fiscal Year ended December 31, 2024.

Mr. Yanez and Mr. Montemayor, of Carr, Riggs, and Ingram, LLC addressed the Board. Texas Water Code, Chapter 60, requires the District to have its financial accounts and records audited annually. Accordingly, staff has prepared its Annual Comprehensive Financial Report to satisfy this requirement. Texas Government Code, Chapter 802, requires The Retirement Plan for Employees of the Brownsville Navigation District (the "Plan") to have its financial accounts and records audited annually. Accordingly, staff has prepared stand-alone financial statements for the Plan to satisfy this requirement. The District engaged Carr, Riggs, and Ingram, LLC to conduct audits of the District's financial statements and the stand-alone financial statements of the Plan for the Fiscal Year Ended December 31, 2024. The external audit firm has completed the audits of the District's financial statements and the Plan's financial statements for the Fiscal Year Ended December 31, 2024. Mr. Montemayor and the Commission complimented BND staff for their

of the leases subject to the approval of their lenders. There will be no change in management nor the purpose of the leased site, to be used for the development, maintenance, and operation of a facility for storing, merchandising, and exporting grain, animal feed ingredients, and related agricultural commodities, as well as an ethanol facility. Commissioner Wood moved to table this item for discussion in executive session, Commissioner Gutierrez seconded, and the motion passed unanimously.

5. Ternium USA, Inc. (First Amendment to Lease)

The lease agreement with Ternium USA, Inc. (BND Contract #4756) stipulates that the District is responsible for relocating its water treatment plant. In examining the relocation of the water treatment plant, the District has determined that it is not necessary to relocate the water treatment plant. This lease amendment says Ternium USA, Inc. acknowledges that the relocation of the water treatment plant is not required for their development project or the construction of their facilities on the leased premises and says that District will no longer be obligated to proceed with the relocation. Additionally, the lease allows the lessee to terminate the lease at their sole discretion within three months from the Commencement Date if the development and construction of their facility is found to be unfeasible for any reason. The lessee can do so by providing written notice of early termination to the District and paying the associated early termination fee. The lease had a Commencement Date of January 8, 2025. Due to current market conditions, Ternium USA, Inc. has requested an extension of the termination deadline from three months to ten months from the Commencement Date. Finally, the lease was approved contingent upon the review and approval of preliminary dock construction plans submitted by the lessee. Ternium has provided these preliminary plans, and both parties wish to acknowledge the District's approval of the general design as outlined in the submitted plans understanding that final plans will need to be brought to the District for its approval as provided in the lease. Those final plans should conform generally to the preliminary design plans provided by Ternium. Discussion followed regarding the timeline for construction and completion of the dock. Commissioner Wood moved to approve the First Amendment to Lease for Ternium USA, Inc. subject to inclusion in the lease amendment of terms requiring Ternium USA, Inc. to construct and complete the proposed dock within a specified timeline, Commissioner Gutierrez seconded, and the motion passed unanimously.

BIDS/AGREEMENTS/PURCHASES

7. Consideration and ACTION to Authorize Port Staff to purchase Tensar Triaxial HX5.5 Geo Grid from vendor Ferguson Waterworks through Buyboard Co-Op Contract #706-23.

Mr. Herrera addressed the Board that BND Staff is seeking authorization to purchase Tensar Triaxial HX5.5 Geo Grid from Ferguson Waterworks through Buyboard Co-Op contract 706-23. The purchase will be made for 50 rolls at a cost of \$1674.22 per roll . The total cost for this purchase would be \$83,711.00. This material will be used on several projects throughout the Port which includes continued expansion of Patio, maintenance of Patios and replenishment of stock. Discussion followed regarding the need to purchase an increased amount of material from through Buyboard. Commissioner Wood moved to authorize staff to purchase 75 rolls of Tensar Triaxial Geo Grid HX5.5 from Ferguson Waterworks through Buyboard Co-Op contract 706-23 for a total cost of \$125,566.50 and issue payments of invoice(s) once materials are received, Commissioner Gutierrez seconded, and the motion passed unanimously.

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EXECUTIVE SSESSEION

8. **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 (§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).**

Commissioner Gutierrez moved to adjourn into executive session for purposes of discussing leasing and legal matters with District counsel regarding Item 6(4), Commissioner Wood seconded, and the motion passed unanimously. The Board adjourned into executive session at 6:04 p.m.

The Board reconvened in open session at 7:03 p.m.

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

The Chairman recalled Item 6(4). Commissioner Wood moved to table Item 6(4) Commissioner Gutierrez seconded, and the motion passed unanimously.

10. Adjournment.

Commissioner Wood moved to adjourn the meeting, Commissioner Gutierrez seconded, and the meeting was adjourned by unanimous consent at 7:03 p.m.



Esteban Guerra
Chairman of the Board

ATTEST



John Reed, Secretary