**MINUTES OF A REGULAR MEETING OF THE BOARD OF NAVIGATION AND CANAL COMMISSIONERS OF THE BROWNSVILLE NAVIGATION DISTRICT OF CAMERON COUNTY, TEXAS HELD JUNE 17, 2026 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 17, 2026 at 5:30 p.m.**

The following individuals were present and absent:

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| **PRESENT:** | Sergio Tito Lopez, Chairman<br>Ernesto Gutierrez<br>John Reed<br>Luis Villarreal<br>David Garcia |
| **ABSENT:** | None |
| **ALSO PRESENT:** | William Dietrich, Port Director and CEO<br>William Irwin, District Counsel |
| **STAFF MEMBERS:** | Arturo Gomez<br>Janie Velasquez<br>Estela Rangel<br>Manuel Martinez<br>Zeus Yanez<br>Santos Barbosa<br>Julio Romo<br>Ervey Gonzalez<br>Tony Rodriguez<br>Michael Davis<br>Yessenia Gonzalez<br>Maria Elena Sanchez<br>Juan Resendez<br>Michael Davis<br>Miguel Barajas<br>Marie Serna |
| **OTHERS PRESENT:** | Rev. Andreas Lewis<br>Jorge de la Colina<br>Mark Hodgson<br>Kris Wood<br>Xavier Valverde<br>Buddy Garcia<br>Tom Ramsey<br>Brent Moore |

Anthony Allen
Matthew Montemayor
Michael Aspland
Leonel Cantu
Leonel Cantu Sr.
Jorge Sanchez
Nico Schaefer
Everard McDowell
Herberto Villarreal
Cindy Martinez
Juan Velez
Ricardo Pedraza
Keil Propst
Nick Joyce
Alec Pagan
Irma Sierra
Alfonso Larrasquitu
Pablo Morales
Andrea Meneses
John Roller
Eloy Lopez
Timothy Tilghman
Ron Walton
John Clint

## REGULAR MEETING

### 1. Meeting Called To Order

At 5:35 p.m. Chairman Lopez called to order the regular meeting. 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.

Commissioner Reed then arrived at the meeting.

### 3. Director's Report

The Board received the reports.

**CONSENT AGENDA ITEMS**

**4. Consideration and ACTION on the Following Consent Agenda Item:**

a. Approval of the Minutes of the Regular Board Meeting of May 13, 2026.

b. Approval of the Minutes of the Regular Board Meeting of May 20, 2026.

c. Approval to authorize payments over $25,000.

1. Carr, Riggs, & Ingram, the amount of $25,550.00, for progress billing related to audit services rendered for the FY 2025 BND Pension Plan Financial audits.
2. HDRR Engineering, Inc., the amount of $118,560.00, for engineering services for the Cargo Dock 3 – Phase 1 project.
3. Konecranes, the amount of $27,093.88, for the purchase of (1) three-phase asynchronous motor.
4. Russell Marine, LLC, the amount of $950,118.75, for Cargo Dock 3 – Phase I & III Demolition and Construction project; new fenders to Oil Dock 5 and Cargo Dock 10; and repairs on Oil Dock 6.
5. American Association of Port Authorities, the amount of $32,209.00, for renewal of US Port Membership dues.
6. Roberto J. Ruiz, the amount of $42,083.47, for architectural services related to the Permit building and Woodfin building office space renovations.

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

**PRESENTATION**

**5. Presentation of Rio Grande Valley Waterways Advisory Committee (RGVWAC)**

Xavier Valverde, Vice Chairman of the newly created RGVWAC made a presentation to the Board regarding the establishment of the RGVWAC which is designed to gather stakeholders in the region to meet and discuss issues relating to safety and navigation of waterways of the Rio Grande Valley. Discussion followed regarding the role of the committee and its participants.

**6. Presentation by HDR Engineering Inc. on status report of the BND Cargo Dock 3: Demolition and Construction project.**

Anthony Allen of HDR Engineering made a presentation to the Board on the status of the BND Cargo Dock 3 demolition and construction project. Discussion followed regarding the project generally. HDR Engineering reported no new issues and stated that it is anticipated that the project will be completed on schedule or ahead of schedule.

**ACTION ITEMS**

**7. Ratification of Port Director and CEO's Execution of United States Army Corps of Engineers Consent to Construction in Easement Area (USACE Tract 123E) and Memorandum of Understanding with Saronic Technologies, Inc.**

Mr. Dietrich presented to the Board that the District and Saronic Technologies, Inc. entered into an option to lease dated February 5, 2026, which provides Saronic an option to lease certain BND property. The District and Saronic remain engaged in discussions regarding a long-term lease for the purposes of developing an advanced shipbuilding project at the Port of Brownsville. In the event of consummation of a lease, Saronic wishes to commence construction on certain District property (known as DMPA 5A) that is currently used as a dredge material placement area and is subject to an easement in favor of the United States Army Corps of Engineers. In order for Saronic to develop its project on DMPA 5A, the USACE easement will need to be released in accordance with applicable USACE requirements. The USACE easement release process can take between 6-12 months to complete. Saronic and BND have requested that the USACE issue a written consent for Saronic to use the District's DMPA for purposes of development of its project while the easement release process unfolds. The USACE has indicated that it is prepared to execute the written consent requested by the District and Saronic in consideration of the nation's and the District's interest in Saronic's proposed project. The USACE requires that District and Saronic first execute the written consent. District staff, in coordination with legal counsel and HDR, Inc., Saronic, its counsel, and USACE, and its counsel, have agreed upon the form of the written consent and intend to execute and submit the same to the USACE for full execution. In connection with the USACE written consent, District and Saronic have negotiated a memorandum of understanding that will require Saronic to pay all costs associated with the USACE's "408" Application process necessary for final release of DMPA 5A from the USACE easement. As the consent requires the District to replace DMPA capacity associated with the release of DMPA 5A from the USACE easement, the memorandum of understanding further provides that in the event District and Saronic agree to a lease on District property, the lease will include further provisions requiring Saronic to reimburse District for 18% of costs incurred by District under the USACE Consent as necessary to avoid interruption to the maintenance dredging cycle of the Brownsville Ship Channel, in a not-to-exceed amount of $13,500,000.00. The memorandum of understanding further provides that the lease will include provisions requiring Saronic to pay "tipping fees" for any use of District's other DMPAs as required under District's Tariff. Commissioner Reed moved to ratify the Port Director and CEO's Execution of United States Army Corps of Engineers Consent to Construction in Easement Area (USACE Tract 123E) and Memorandum of Understanding with Saronic Technologies, Inc., Commissioner Gutierrez seconded, and the motion passed unanimously.

8. **Consideration and possible ACTION to terminate authority for formal and informal discussions, negotiations, and communications between Brownsville Navigation District officials and OmniTRAX, Inc. and Brownsville & Rio Grande International Railway, LLC officials regarding amendments, extensions, modifications, or other revisions to the Master Franchise Agreement.**

Mr. Dietrich addressed the Board that there have been previous discussions between the Brownsville Navigation District (BND) and OmniTRAX, Inc. (OmniTRAX) and OmniTRAX's affiliate, Brownsville & Rio Grande International Railway, LLC (BRG), regarding an amendment to the Master Franchise Agreement, but no amendment to the MFA has been executed or agreed upon. BND Staff seeks direction from the Board on whether formal and informal discussions, negotiations, and communications with OmniTRAX and BRG regarding any amendments, extensions, modifications, or other changes to the MFA should continue. Chairman Lopez asked that this item be tabled for discussion with District legal counsel in executive session. Commissioner Garcia so moved, Commissioner Gutierrez seconded, and the motion passed unanimously.

**9. 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, 2025.**

Mr. Yanez addressed the Board and introduced Matthew Montemayor of Carr Riggs & Ingram. The Texas Water Code 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. The Texas Government Code requires The Retirement Plan for Employees of the Brownsville Navigation District (the "Plan") to have its financial accounts and records audited annually. Accordingly, staff have prepared stand-alone financial statements for the Plan to satisfy this requirement. The District engaged Carr, Riggs, and Ingram 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, 2025. 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, 2025. Mr. Montemayor made a report on the audit and the financial statements, noting that the audit is clean. Mr. Montemayor and the Commission complimented District staff on their excellent work. Commissioner Gutierrez moved to acknowledge receipt the independent audits as presented by staff and Carr, Riggs & Ingram, LLC, Commissioner Villarreal seconded, and the motion passed unanimously.

**10. Consideration and ACTION to Ratify Grant Application Submission under Fiscal Year 2026 Port Infrastructure Development Program (PIDP).**

Mr. Yanez addressed the Board that, on February 18, 2026, the Board authorized staff to submit a grant application for the Placement Area 8 - Dike Relocation and Patio 22 Phase I Expansion Project under the United States Department of Transportation Maritime Administration (MARAD) Fiscal Year 2026 Port Infrastructure Development program. Subsequently, District became aware that TxDOT is considering this project for funding under one of its grant programs. To avoid duplicative funding and maximize grant opportunities, District shifted its approach and applied for the Port-Wide Master Plan project. The final acceptance of the grant will be brought to the Board for consideration at a future time, if the project is selected for award by MARAD. Commissioner Reed moved to ratify the submission of the FY 2026 Port Infrastructure Development Program application for the Port-Wide Master Plan project, Commissioner Gutierrez seconded, and the motion passed unanimously.

**11. Consideration and ACTION to adopt a Resolution granting certain tax exemptions to eligible historic sites listed in the 2026 Historic Preservation Plan.**

Mrs. Recio addressed the Board that, each year, the City of Brownsville prepares a Historic Preservation Plan (Plan) identifying buildings of historical significance in the Brownsville area. The properties included in the Plan are proposed for ad valorem property tax relief, either in the form of full or 50% exemptions, depending on their designation. Property owners must submit an annual application to be considered for inclusion in the Plan. Following preparation, the Plan is distributed to local taxing entities for consideration. Properties approved will have their appraised valuations reduced accordingly. The tax rate calculations are performed after the properties values are reduced from the total valuation. The total revenue that the District intends to collect through property taxes is spread over the remaining, non-exempt properties. Commissioner Garcia moved to adopt the Resolution granting the ad valorem property tax relief to the eligible properties listed on Schedule A of the 2026 Historic Preservation Plan, and approve the removal of the properties listed on Schedule B, Commissioner Villarreal seconded, and the motion passed unanimously.

**12. Consideration and Action on Assignments, Negotiations, Easements, Subleases, and Contracts, in general:**

Mr. Dietrich asked that Item 12(4) be tabled. Commissioner Reed moved to table the Item, Commissioner Villarreal seconded, and the motion passed unanimously.

Mr. Dietrich then addressed the Board regarding the following Items:

1. SGV Injection Plastic Molding LLC **(Authority to Negotiate)**

SGV Injection Plastic Molding LLC (SGV) is in the process of acquiring the assets of Francisco Pena d/b/a Port Machine Shop. The assets include an approximately 2,400 square foot structure and related machine shop equipment situated on approximately 0.321 acres currently leased by Port Machine Shop under contract #4539. SGV Injection Plastic Molding LLC is seeking a new lease for the purpose of operating a welding and fabrication machine shop to support the needs of the fishing industry, as well as other industrial operations. The recommended term of the lease would be for an initial period of one year with four additional one-year renewal options. If approved, the existing lease with Port Machine Shop would terminate and a new lease agreement for the site will be issued to SGV. A special conditions provision will be added to the lease agreement stating that if lessee submits a written request to renew the term of the lease agreement and is not in default under any part of the agreement, the request will be presented to the District's Board of Commissioners for approval. The Board may approve or reject the renewal request at its discretion. If the request is denied, the lease will expire on the current expiration date. Commissioner Reed moved to authorize negotiation of a new lease for SGV Injection Plastic Molding LLC, Commissioner Gutierrez seconded, and the motion passed unanimously.

2. Blue Energy Global, Inc. **(Authority to Negotiate – Option to Lease)**

Blue Energy Global, Inc. is seeking an Option to Lease for approximately 110-acres located off Chemical Road. The proposed term consists of an initial period of one year with an option to renew for an additional one-year term. The renewal would be contingent upon the company demonstrating substantial progress and compliance with established milestones related to due diligence, permitting and project development activities. The purpose shall be to conduct due diligence activities associated with the development, construction and operation of a power generation facility. Blue Energy has indicated that the project would include the development and management of a natural gas fired power production facility. The project is anticipated to initially generate approximately 800 Megawatts from gas turbines in simple cycle plant configuration with future expansion to approximately 1.1 Gigawatts through a combined cycle configuration utilizing an additional steam turbine. As part of the proposed project, the company has indicated that the District would be granted right of first refusal to purchase power generated by the facility under a long-term power purchase agreement. The company estimates a capital investment of approximately $380 million and projects the creation of up to 100 direct jobs upon completion and operation of the facility. Commissioner Villarreal moved to authorize negotiations for an option to lease to Blue Energy Global, Inc., Commissioner Gutierrez seconded, and the motion passed unanimously.

3. CVC Construction, Inc. d/b/a Welding Works International **(Consent to Sublease)**

CVC Construction, Inc. d/b/a Welding Works International, a current lessee under BND Contract #4686 located at 3210 Dry Dock Ct., is seeking the Board's Consent to Sublease its approximately 4.138-acre site to Space Exploration Technologies Corporation (SpaceX). The proposed sublease is for welding fabrication operations for a one-year term commencing on June 1, 2026. As per the leasing policy, sublease rental rates must separately identify the rental amount for District-owned land and improvements and the rental amount for lessee-owned improvements. Additionally, rental rates charged for District-owned land and improvements may not exceed the rates charged under the primary lease. CVC Construction, Inc. d/b/a Welding Works International currently pays $3,756.62 per month for the leased premises. SpaceX (sublessee) will pay the lessee $2,833.35 per month. Commissioner Gutierrez moved to approve the Consent to Sublease, Commissioner Villarreal seconded, and the motion passed unanimously.

4. Gulf Facilities Inc., and Schaefer Stevedoring Inc. **(New Lease)**

Gulf Facilities, Inc. and Schaefer Stevedoring, Inc., a current lessee, seeks a new lease for an additional 5-acre site located at 9600 Old State Highway 46. The proposed lease term includes an initial five-year period with one additional five-year renewal option. The purpose of the lease is to provide a laydown and terminal operations area for aluminum, steel, and project cargo, and for transloading, and a storage yard. For the avoidance of doubt, no storage or transloading of hazardous materials will be permitted on the premises. This item was tabled.

5. Fel Glo, Inc. d/b/a International Machine Shop **(Renewal of Lease)**

Fel Glo, Inc. d/b/a International Machine Shop entered into a lease agreement (Contract # 4783) with the District on June 1, 2025 for an initial term of one year. The lease provides that the lessee and District may agree to extend the agreement for up to four additional one-year terms, provided the lessee is not in default and obtains board approval. The current term expires on May 31, 2026, and lessee is seeking the Board's approval to exercise their first one-year renewal option for the period of June 1, 2026, through May 31, 2027. Staff confirmed that the lease is not in default under any provision of the agreement. The purpose of the lease is for a 4' x 12' sign to advertise Lessee's business information. Commissioner Gutierrez moved to approve the Renewal of Lease for Fel Glo, Inc. d/b/a International Machine Shop (Contract# 4783), Commissioner Villarreal seconded, and the motion passed unanimously.

**BIDS / AGREEMENTS / PURCHASES**

13. **Consideration and ACTION to authorize Port Staff to purchase and upgrade Microsoft 365 licensing from commercial cloud E3 licensing to government community cloud (GCC) G3 licensing, pursuant to TIPS contract #230105.**

Mr. Montero addressed the Board that Port Staff is seeking authorization to upgrade the Microsoft 365 licensing from the current commercial cloud E3 platform to Microsoft Government Community Cloud (GCC) G3 licensing. Following an internal review conducted by IT staff and the Port's managed IT provider, Barcom Technology Solutions, staff determined that the proposed GCC G3 upgrade will enhance cybersecurity, strengthen regulatory compliance, reduce exposure to cyber risks, and support Port's long-term operational resilience and growth. The quote includes a one-time data migration fee and one year of per-user licensing costs. Services will be procured through the TIPS purchasing cooperative contract number 230105. The total cost for this purchase will be $56,766.71. Commissioner Villarreal moved to authorize the purchase and upgrade of the Microsoft 365 licensing from commercial cloud E3 to government community cloud G3 licensing, Commissioner Reed seconded, and the motion passed unanimously.

14. **Consideration and ACTION to authorize Port Staff to purchase technology equipment to upgrade aging assets at the Fishing Harbor, pursuant to TIPS contract #230105.**

Mr. Montero addressed the Board that Port Staff is seeking authorization to purchase equipment to upgrade aging technology assets located at the Fishing Harbor. The proposed investment will support ongoing operational needs and improve the reliability and performance of existing infrastructure serving port facilities. IT staff is collaborating with the Port's managed IT provider, Barcom Technology Solutions, to procure the equipment through the TIPS purchasing cooperative. The total investment for hardware, software licensing, and associated components is $35,452.71. This purchase will be made through TIPS contract number 230105. The total cost for this purchase will be $35,452.71. Commissioner Villarreal moved to authorize the purchase of technology equipment to upgrade aging assets at the Fishing Harbor, Commissioner Gutierrez seconded, and the motion passed unanimously.

15. **Consideration and ACTION to authorize Port Staff to solicit proposals for on-call services for the disposal of water and wastewater treatment residuals and related services.**

Mrs. Barbosa addressed the Board that BND Staff is requesting authorization from the Board of Commissioners to solicit proposals for on-call services for the disposal of water and wastewater treatment residuals and related services to aid in the maintenance of the Ports wastewater treatment facilities. All Port wastewater treatment plants require regular removal of sludge (including oily water) and other residuals. This contract would allow the wastewater crew to maintain the facilities at a safe level while complying with TCEQ regulations. Upon Board authorization, BND staff will advertise an RFP in the local newspaper and will make the solicitation documents available on the Port of Brownsville website and through the BidNet electronic procurement platform (www.bidnet.com). Commissioner Villarreal moved to authorize Staff to prepare and solicit proposals for on-call services for the disposal of water and wastewater treatment residuals and related services, Commissioner Gutierrez seconded, and the motion passed unanimously.

16. **Consideration and ACTION to authorize the Port Director and CEO to execute Receipt and Release Affidavit on damages caused by Kirby Inland Marine, LP to Oil Dock #6.**

Mrs. Recio addressed the Board that, on March 19, 2025, a barge movement resulted in damage to a fender on Oil Dock # 6. After claims were filed, Earl Hatfield Surveyors developed a scope of work that was subsequently reviewed by Staff and HDR. Kirby Inland Marine, L.P., the barge owner, engaged Russel Marine to perform the repairs, which were successfully completed and inspected by the District's Engineering Department. Kirby has requested that the BND execute the attached Receipt and Release Affidavit which has been reviewed by BND Legal Counsel. Commissioner Villarreal moved to authorize Port Director and CEO to execute the Receipt and Release Affidavit for payment by Kirby Inland Marine, LP to Russell Marine for the Oil Dock #6 Damage Repairs, Commissioner Gutierrez seconded, and the motion passed unanimously.

**17. Consideration and ACTION on authorization to advertise for Bids on the North Highway 48 Force Main Reroute project, and to open bids thereof.**

Mr. Martinez addressed the Board that BND Staff is requesting authorization from BND Commissioners to publish an invitation to Bid on the North Highway 48 Force Main Reroute project. This project will consist of rerouting the existing force main from the Northside wastewater treatment plant to the Fishing Harbor wastewater treatment plant. BND Staff will publish the invitation to Bid in the local newspaper and will make the Bid Documents available on the Port website, and through www.bidnet.com. Qualified contractors will be invited by email and by phone. Commissioner Villarreal moved to authorize staff to prepare and advertise in the local newspaper and media an Invitation to Bid on the North Highway 48 Force Main Reroute project and to open bids once they are received, Commissioner Gutierrez seconded, and the motion passed unanimously.

**18. Consideration and ACTION on Project Scope Change Proposal by HDR Engineering, Inc. on the Cargo Docks 15 & 16 Evaluation project to include permit renewal, and to authorize the Port Director and CEO to execute the proposal.**

Mr. Martinez addressed the Board that, on September 3, 2025, BND Commissioners authorized the proposal from HDR Engineering, Inc. for the Cargo Docks 15 and 16 Upgrade Evaluation. This evaluation was completed and based on the OOPC from District's consultant, it was determined to not move forward with these upgrades and limit this project to maintenance dredging. The Port of Brownsville holds current permit SWG-1991-1835 with the USACE for maintenance dredging of all Port docks, except Cargo Dock 16 and Oil Dock 6, as they were under construction at the last renewal date. This permit will expire in December 2026. Port Staff have requested from HDR a proposal for the Renewal and Amendment of Permit SWG-1991-1835 to include Cargo Dock 16 and Oil Dock 6. Project Scope Change No. 1 includes Task 007: Maintenance Dredging Regulatory Services, reallocating the unused funds from the original contract amount to perform this task. Commissioner Reed moved to accept the proposed Project Scope Change No. 1 from HDR Engineering, Inc. to include Task 007: Maintenance and Dredging Regulatory Services for Renewal and Amendment of USACE Permit SWG-1991-1835 and authorize Port Director & CEO to execute Agreement for Professional Engineering Services for this additional task, Commissioner Gutierrez seconded, and the Motion passed unanimously.

**19. Consideration of and ACTION on Project Acceptance and Release of Final Payment for the Maintenance Dredging of Cargo Docks 15 & 16 project.**

Mr. Martinez addressed the Board that, on April 15, 2026, Board of Commissioners approved the award of the Cargo Docks 15 & 16 Maintenance Dredging project to Callan Marine LLC under contract #4825. Successful completion of this project was achieved on May 8, 2026. Callan Marine LLC is requesting that the District accept the work as completed, that the District release payment, and requests the closeout of the contract. Commissioner Villarreal moved to accept the work performed by contractor and release final payment in the contracted amount of $2,275,000.00, Commissioner Gutierrez seconded, and the motion passed unanimously.

**20. Consideration of and ACTION on evaluations to Statements of Qualifications (SOQs) for on-call professional engineering services for Port Infrastructure projects and**

**selection of firms.**

Mr. Martinez addressed the Board that BND Staff is requesting consideration and approval from the Board of Commissioners for the evaluation of Statements of Qualifications submitted by engineering firms to provide professional engineering services for multiple projects included in the Port Infrastructure Plan. BND Staff received 30 proposals and assigned an evaluation committee to review and evaluate each submission. The Port identified 11 service categories for which firms could submit qualifications: Maritime Engineering, Construction Phase Engineering, Environmental Services, Traffic Engineering, Stormwater Systems, Water Distribution, Wastewater Collection and Treatment, Development Services, Third-Party Facility Inspection, Construction Material Testing, and Surveying Services. Firms were evaluated based on their qualifications, relevant experience, references, availability, and statements of interest. The Port of Brownsville will execute a Master Service Agreement with the selected firms, who will form a pool of service providers and will be utilized on an on-call basis as project needs arise. Detailed task orders and associated costs will be presented to the Board of Commissioners for authorization on a project-by-project basis, as needed. Commissioner Gutierrez moved to accept Staff's evaluation of the Statements of Qualifications submitted by engineering firms to provide professional services and to negotiate Master Service Agreements with the selected firms, Commissioner Garcia seconded, and the motion passed unanimously

21. **Consideration and ACTION on Resolution to enter into an Advance Funding Agreement with the Texas Department of Transportation for East Ostos Road Pavement Improvements project.**

Mr. Martinez addressed the Board that BND Staff have been working with the Texas Department of Transportation (TxDOT) on the East Ostos Road Pavement Improvements project. This project will include the improvement of approximately 3 miles, from the entrance of Cargo Dock 16 to the eastern end of Ostos Road. The improvements include road widening, utility relocation, such as sewer lines and streetlights and regrading roadside ditches for proper drainage. BND must adopt this Resolution which will become part of the Advanced Funding Agreement for this project. Discussion followed regarding plans to improve the road and discussions with tenants regarding infrastructure needs. Commissioner Villarreal moved to adopt the resolution with the Texas Department of Transportation for the East Ostos Road Pavement Improvements project, Commissioner Reed seconded, and the motion passed unanimously.

**EXECUTIVE SESSION**

22. **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 (§ 551.071); 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 Garcia moved to adjourn into executive session for purposes of discussion of Item

8 with District legal counsel, Commissioner Villarreal seconded, and the motion passed unanimously at 6:33 p.m.

The Chairman reconvened the meeting in open session at 7:08 p.m.

**23. Possible ACTION on matters or items discussed in Executive Session.**

The Chairman recalled Item 8.

Commissioner Villarreal moved to take staff and legal recommendation to cease all further negotiations relating to the Master Franchise Agreement until further developments occur, Commissioner Garcia seconded, and the motion passed unanimously.

**24. Adjournment.**

Commissioner Reed moved to adjourn the meeting, Commissioner Villarreal seconded, and the meeting was adjourned by unanimous consent at 7:11 p.m.

Sergio Tito Lopez
Chairman of the Board

**ATTEST**

John Reed, Secretary