

**MINUTES OF A REGULAR MEETING OF THE BOARD OF NAVIGATION AND
CANAL COMMISSIONERS OF THE BROWNSVILLE NAVIGATION DISTRICT OF
CAMERON COUNTY, TEXAS HELD MAY 15, 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, May 15, 2024 at 5:30 p.m.**

The following individuals were present and absent:

PRESENT: Esteban Guerra, Chairman
Sergio Tito Lopez
John Reed
John Wood
Ralph Cowen (prior to Item 6)
Ernesto Gutierrez (beginning Item 6)

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
Judge Arturo Nelson
Judge Ricardo Adobbati
Family of Ernesto Gutierrez
Family of John Reed
Family of Sergio Tito Lopez
Bryant Touchy
Susan Golla
Shariff Gonnella

REGULAR MEETING

1. Meeting Called To Order

The Chairman called the meeting to order at 5:34 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 person registered to address the Board.

3. Monthly Operations Summary Report

Mr. Yanez made the report to the Board. The Board received the report.

CONSENT AGENDA

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

- a. Approval of the Minutes of the Regular Board Meeting of May 01, 2024 and Special Board Meeting of May 07, 2024.
- b. Approval to authorize payments over \$25,000.00:
 1. R.R.P. Consulting Engineers, LLC, the amount of \$79,437.00, for Fishing Harbor Wastewater Treatment Plant;
 2. HDR Engineering, Inc., the amount of \$71,720.11, Channel Improvement – Phase 2 Design Repackaging Project; Channel Deepening Project – Construction Phase Support.

Commissioner Reed moved to approve all consent agenda items, Commissioner Lopez seconded, and the motion passed unanimously.

5. Consideration and ACTION on Steamship Agent License renewal application for Gulf Harbor Shipping, LLC.

Commissioner Reed moved to approve the renewal application as presented, Commissioner Wood seconded, and the motion passed unanimously.

ACTION ITEMS

6. Canvass the returns of the May 4, 2024 General Election. *Hacer el escrutinio de los resultados de la eleccion general del dia 4 de mayo del 2024.*

Mrs. Recio addressed the Board that the canvass cannot occur until the voting ballot board has (1) qualified and counted all provisional ballots, if a provisional ballot has been cast in the election (2) counted all timely received late-arriving ballots, including next business day, military, and overseas ballots; and (3) counted all ballots contained in previously defective carrier envelopes which were corrected by voters by the requires deadline. The District has received the unofficial canvass report, which was presented to the Commission for their acceptance as the official results of the Brownsville Navigation District 2024 General Election for electing three Navigation and

Canal Commissioners. Commissioner Reed moved to accept the canvass report as the official results of the election, Commissioner Wood seconded, and the motion passed unanimously.

7. Receive the bonds of the winners of the May 4, 2024 General Election.

Mrs. Recio addressed the Board that the District’s Board members are required to submit a bond prior to taking office. The bond for newly elected Place One Commissioner, Ernesto Gutierrez, has been received. The bond renewals for Place Three Commissioner, John Reed, and Place Five Commissioner, Sergio Tito Lopez, have also been received by the District. Commissioner Wood moved to acknowledge receipt of the bonds, Commissioner Lopez seconded, and the motion passed unanimously.

8. Issue Certificates of Election to the winners of the May 4, 2024 General Election.

Mrs. Recio addressed the Board that the May 5, 2024 general election has concluded and the winners have been determined. According to the regulations set forth by the State of Texas Election Code, it’s necessary to formally notify the winners of their election to the Board of Commissioners of the District. This notification is done through the issuance of certificates of election, signed by the Chairman of the Board. The certificates of election were then issued to Ernesto Gutierrez, Sergio Tito Lopez, and John Reed.

9. Administration of the Oath of Office to the winners of the May 4, 2024 General Election.

Mrs. Recio addressed the Board that this Item requires no Board action; however, it is an integral part of the election process. The Oath of Office may be administered under Texas law by a number of public officials, from Federal Judges to Notary Publics.

Judge Adobatti then administered the oath of office to Commissioner Gutierrez. Commissioner Gutierrez then addressed the Board and those present.

Judge Nelson then administered the oath of office to Commissioner Reed. Commissioner Reed then addressed the Board and those present.

Judge Nelson then administered the oath of office to Commissioner Lopez. Commissioner Lopez then addressed the Board and those present.

10. Election of officers of the Board of Navigation and Canal Commissioners of the Brownsville Navigation District of Cameron County, Texas.

Mrs. Recio addressed the Board that Board Policy B501 (Local) provides for the Board to elect from among its members the officers of Chairman, Vice Chairman, and Secretary. The two Commissioners who are not elected to one of these three positions will hold the position of Assistant Secretary. Election to office shall be by a majority vote of the members of the Board

who are present and voting. This election is generally held at the meeting where the election is canvassed.

Commissioner Reed then moved to elect Commissioner Guerra as Chairman of the Board, Commissioner Gutierrez seconded, and the motion passed unanimously. Chairman Guerra then addressed the Board and those present.

Commissioner Gutierrez then moved to elect Commissioner Lopez as Vice Chairman of the Board, Commissioner Reed seconded, and the motion passed unanimously.

Commissioner Lopez then moved to elect Commissioner Reed as Secretary of the Board, Commissioner Wood seconded, and the motion passed unanimously.

11. Discussion and possible action on the District’s insurance policies for Port property and excess Port property, liability and excess liability, crime liability, fiduciary liability, cyber liability, automobile liability, and worker’s compensation, including authority to bind coverages and to authorize the payment of invoices once received.

Mrs. Recio addressed the Board that BND Staff posted the RFP on Bidnet and the District’s website. In addition, Susan Golla of McGriff, Siebel & Williams, Inc., the Districts insurance consultant, contacted insurance companies in the market directly inquiring for the best prices and coverages for the District. The submittals were opened on May 8 and have been reviewed and a recommendation by the District’s insurance consultant is ready to be presented to the Board for their consideration and approval and to authorize the payment of the invoices once received. A detailed comparison of coverages along with a letter of recommendation from McGriff, Siebel & Williams, Inc., insurance consultant was provided for a total premium of \$1,474,807.00, plus the required taxes and stamping fees. Commissioner Reed moved to authorize the binding of coverages for the total premium of \$1,474,807.00 plus the required taxes and stamping fees, and to authorize payment of the invoices once received, Commissioner Wood seconded, and the motion passed unanimously.

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

Mr. Dietrich addressed the Board regarding the following Items:

1. Space Exploration Technologies Corp. (“SpaceX”) (Authority to Negotiate)

SpaceX is interested in leasing approximately 1.65 acres located on the Southwest corner of South Port Connector and Ostos Road. SpaceX seeks Authority to Negotiate a new lease for a term of one year with four renewal options of one year each. The purpose of the lease is for staging hardware: pressure vessels, vaporizers, starship launch tower components, and other similar equipment. Commissioner Lopez moved to approve the Authority to Negotiate, but noted that the lease should only be for a term of one year with two renewal options of one year each, Commissioner Reed seconded, and the motion passed unanimously.

2. Bechtel Energy Inc. (New Lease)

Bechtel Energy Inc. seeks a new lease for 26.807 acres located at 11950 S.H. 48 for a term of three years with four renewal options of one year each. The insurance required under this lease deviates slightly from District's standard Level 4 insurance requirements in that District will accept contractor's pollution insurance instead of the environmental site liability insurance. District's insurance consultant has reviewed and approved the modification of the Level 4 insurance requirement for this lease. The purpose of this lease is for a laydown yard for storage of project materials and equipment, employee parking, a temporary office trailer, and other related uses. Commissioner Lopez moved to table this item for discussion in executive session, Commissioner Reed seconded, and the motion passed unanimously.

13. Consideration and ACTION to authorize Extension of Services Agreement with Jet Web Communications (dba Barcom Technologies Solutions) as a managed service provider ("MSP")

Mr. Dietrich addressed the Board that on May 24, 2023, the Board of Commissioners approved a service agreement with Jet Web Communications (dba Barcom Technologies Solutions) to act as the Managed IT service provider by assisting the District with IT related services. Barcom Technologies Solutions successfully assisted District Staff with day-to-day IT operations, as well as other IT related projects. The current service agreement is set to expire on May 31, 2024. The approved service agreement contains options to renew the contract on an annual basis upon the same terms and conditions. Barcom Technologies Solutions has agreed to extend the agreement upon the same terms and with no increase in unit price. This extension would be the first of three annual extension options. Commissioner Lopez moved to authorize the extension of the service agreement, Commissioner Wood seconded, and the motion passed unanimously.

14. Consideration and ACTION on bids received on the Cargo Dock #10 Maintenance Dredging project and to authorize staff to issue the notice of award to the successful bidder.

Mr. Chavez addressed the Board that BND staff have been working with the U.S. Army Corps of Engineers (USCE) on authorization and permitting to perform Maintenance Dredging on the BND's Cargo Dock 10, which will consist of dredging approximately 32,400 cubic yards of shoaled sediment material in front of said dock. Bids were opened on March 5, 2024, with Inland Dredging Company, L.L.C. submitting the lowest responsible and responsive bid in the amount of \$407,000.00. BND Staff has submitted all required documents by USACE; District anticipates issuance of the permit in mid-to-late May 2024. Commissioner Reed moved to award the contract to Inland Dredging Company, L.L.C. and authorize BND Staff to issue the Notice of Award, Commissioner Wood seconded, and the motion passed unanimously.

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 6:17 p.m. the Chairman announced the Board would adjourn into executive session. Commissioner Lopez moved to adjourn into executive session, Commissioner Reed seconded, and the motion passed unanimously.

At 6:56 p.m. the Board reconvened in open session.

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

There was none.

17. Adjournment.

Commissioner Wood moved to adjourn the meeting, Commissioner Lopez seconded, and the meeting was adjourned by unanimous consent at 6:57 p.m.

ATTEST



John Reed, Secretary



Esteban Guerra
Chairman of the Board