

**Minutes of the Port Isabel-San Benito Navigation District
November 16, 2023
Regular Meeting**

A regular meeting of the Port Isabel-San Benito Navigation and Canal Commission was held on Thursday November 16, 2023, at 6:00 P.M., at the Port Isabel-San Benito Navigation District (PISBND) Office, located at 250 Industrial Drive, Port Isabel, Texas 78578.

Commissioners Present were:

Victor Barrera - Commissioner Chairman,
Joe Martinez - Commissioner/Secretary,
Jose L Morales - Commissioner,

Others in Attendance were:

Steve Bearden, Port Director/General Manager,
Ana V. Lopez, Office Manager,
Norton Colvin, Port Attorney,
Deborah Morales,
Carlos Galvan, Manager Laguna Madre Water District,
Charles Ortiz, Laguna Madre Water District,
Noe Cantu Jr, Laguna Madre Water District,
Santiago Ochoa, Laguna Madre Water District,
Roel Camps, Norris Leal Engineering Water,
Robert Gomez, Laguna Madre Water District

The meeting was called to order by Chairman Victor Barrera at 6:00 P.M.

Item #3 on the Agenda Public Comments had no one from the public desiring to speak.

The Minutes for the Regular Meeting conducted on October 18, 2023, were presented, and discussed. Mr. Morles requested the titles and positions of the Commissioners include "Commissioner" rather than "Member", and correct the misspelling of his wife's first name, The following motion was made:

A motion was made by Mr. Martinez and seconded by Mr. Morales to approve the above meeting minutes and the above requested changes. Motion carried unanimously.

The Laguna Madre Water District presented to the Commissioners a plan for a future desalinization plant with an intake of water from the turning basin on the northwest corner for the intake plant. The intake plant is just a concept at this time, but the Commissioners were interested in a pass thru fee for the water removed in the tuning basin and use of the Port property. This will be discussed further in the coming years as the design is completed.

A motion was made by Mr. Morales and seconded by Mr. Martinez to acknowledge the Laguna Madre Water District presented. Motion carried unanimously.

Mr. Bearden then discussed the Dock Face dredging and a change order for increased material removal. The increase was due to the US Army Corps of Engineers (USACE) increase of material available space. He also stated the increase would be approximately \$24,795 but the final survey will determine the exact amount. The USACE also waived the tipping fee this cycle due to other issues involved in the dredging, which saved an estimated \$366,025. After additional discussion the Commissioners then took the following action:

A motion was made by Mr. Morales and seconded by Mr. Martinez to accept the change order as stated above and acknowledge the USACE waiving the tipping fees for this cycle of dredging the dock faces. Motion carried unanimously.

Mr. Bearden reviewed with the Commissioners the new updated budget for the exterior building repairs which included short windows. Mr. Morales and Martinez discussed the possible need to build a whole new building on the present foundation. Mr. Morales stated that he believes the PISBND should get several bids from contractors and let them present a set of plans they bid on drawn up by their architect/engineer. Mr. Barrera disagreed and stated that PISBND should move forward with the exterior bids and once they have them, they can accept or reject any and all bids then start to possibly look at a complete re-build.

A motion was made by Mr. Martinez and seconded by Mr. Morales to proceed with the bidding process for the exterior repairs as presented. Motion carried unanimously.

Mr. Martinez abstained from voting on or deliberating about the following matter(s), in accordance with Chapter 171 of the Texas Local Government Code (as to Conflicts of Interest). Mr. Martinez did not leave the room.

Mr. Bearden reviewed the possible changes to the fishing dock lease agreement and after discussion the Commissioners took no action on changing the Lease Agreement. Then Mr. Bearden reviewed each of the five (5) Lease Agreement tenants' operations and stated all vessels had operated during the year for the purpose of fishing except for Orlando Ochoa Bay Bait vessels. Mr. Ochoa also has many items parked on Leased property that does not support a fishing operation as well as three (3) building in very bad repair requiring maintenance. The Commissioner approved renewal of all fishing dock Leases except for Orlando Ochoa. The Commissioners requested an executive session for the January meeting to further discuss the Ochoa lease with the Port Attorney. For the present time Mr. Ochoa is on a month-to-month lease. Mr. Bearden also informed the Commissioners that MerLion had exercised their option to renew for an additional year and have three (3) options remaining. After questions and comments about some items, the following motion was made:

A motion was made by Mr. Morales and seconded by Mr. Barrera to approve Lease renewals for Delgado, Martinez, Ramirez, and Barrera. The Ochoa lease is not renewed at this time and is on a month-to-month lease until all lease issues are resolved. And to acknowledge the MerLion option to renew. Motion carried unanimously.

Mr. Martinez returned to participate fully in the meeting.

Mr. Bearden presented amendments to the 2023 Budget (copy attached) that had been approved by the Commissioners during the year. After a discussion of the additional changes and variances, the following action was taken:

A motion was made by Mr. Morales and seconded by Mr. Martinez to approve the amendments to the 2023 Budget, as attached. Motion carried unanimously.

The Draft 2024 Budget (copy attached) was presented by Mr. Bearden, and a discussion about the draft budget concentrated on changes to income, expenses and the logic used to derive the outcome of the Draft 2024 Budget.

A motion was made by Mr. Morales and seconded by Mr. Martinez to approve the Draft 2024 Budget as presented. Motion carried unanimously.

Mr. Bearden presented the Commissioners with the 2024 Public Investment Policy that had been reviewed and certified by UNT reviewers without any changes from last year and there were no changes to the law and the 2024 Public Investment Policy has no changes other than the dates to reflect "2024". Mr. Morales requested to table the review of the Public Investment Policy so he would have time to go through it prior to the next meeting. After questions and comments, the following action was taken:

A motion was made by Mr. Morales and seconded by Mr. Martinez to "adopt" the 2023 Investment Policy until the conclusion of the January 2024 meeting and table action on the 2024 Investment Policy until that time. Motion carried unanimously.

Mr. Morales requested a short break of 5 minutes and was granted by the Chair.

As set forth in greater detail in the Certified Agenda of the Executive Session of the Navigation and Canal Commission of the Port Isabel-San Benito Navigation District, the Commission entered into Executive Session at 8:25 P.M., in accordance with the following motion:

A motion was made by Mr. Morales and seconded by Mr. Martinez to discuss one item, "to obtain advice about various legal issues; in regard to deliberating the employment and duties of a public officer, specifically the "Port Director" (in regard to compensation and contract renewal), pursuant to Tex. Gov't Code Ann. § 551.074 (Vernon 2004) (Personnel Matters; Closed Meeting) and other Port Employee(s) Compensation", in Executive Session. Motion carried unanimously.

The Commissioners returned to open session at 9:00 P.M., in accordance with the following motion:

A motion was made by Mr. Martinez and seconded by Mr. Morales to return to open session, there being no action taken in Executive Session. Motion carried unanimously.

The Commissioners, after returning to open session at 9:01 PM, indicated that having discussed the “employment and duties of a public officer, specifically the “Port Director” (in regard to compensation and contract renewal), pursuant to Tex. Gov’t Code Ann. § 551.074 (Vernon 2004) (Personnel Matters; Closed Meeting) and other Port Employee(s) Compensation,” no action was taken in Executive Session”.

In open session Mr. Morales made the following motion:

A motion was made by Mr. Morales and seconded by Mr. Martinez to approve the following January 1, 2024, pay increases; 3.5% cost of living pay increase for Ana Lopez, Omar Montoya, and Jesus Rodriguez and annual bonus of two (2) weeks for each employee. It was further moved that Mr. Bearden’s employment contract is not renewed and there is no pay increase but he did receive an annual bonus of \$2,000. Motion carried unanimously.

Mr. Bearden reviewed work on Port Road that was completed and other small change orders for curbing near some of the drain boxes and reflective post. The final work is about three weeks from complete barring unforeseen events or issues.

A motion was made by Mr. Morales and seconded by Mr. Martinez to acknowledge the report. Motion carried unanimously.

In the Monthly Director’s report Mr. Bearden reviewed the LAMEC building electrical bids and as per the Commissioners previous vote he informed Commissioner he will be taking the lowest bid from Julio Mendoza in the amount of \$8,750.00. He then informed the Commissioners of the need to have a certified Texas Department of Insurance (TDI) Inspector to inspect the roof on the LAMEC building to be able to renew the TWIA Windstorm Insurance on that building. Mr. Morales stated it is a free service and all we must do is call TDI and have them send someone out for this inspection. Mr. Bearden will pursue this avenue first. PILOT is working on Next Decade LNG with the Port to determine if the laydown areas in the Port will meet the FEMA 500-year flood plan designation to bring in equipment for the new facility. He also requested PISBND assist in paying half day fees of \$2,000 for dive company to remove as much cement as possible on High Dock (6). All Commissioner agreed this is in PISBND best interest. The Christmas dinner is scheduled for Wednesday December 6, 2023, 6:30 PM at Pelican Station. Ana will be out the week after Thanksgiving for SOS election training in Austin. Bearden then reviewed dates for January 2024, Meeting: Thursday January 18 at 5:00PM for the regular meeting.

A motion was made by Mr. Martinez and seconded by Mr. Morales to acknowledge the Director’s Report. Motion carried unanimously.

The previous month's bills were reviewed by the Commissioners. After questions and comments about some items, the following motion was made:


A motion was made by Mr. Martinez and seconded by Mr. Morales to approve the payment of the bills, as presented. Motion carried unanimously.

There being no further business to come before the Commissioners, the following motion was made:

A motion was made by Mr. Morales and seconded by Mr. Martinez to adjourn the meeting at 9:40 P.M. Motion carried unanimously.



Victor Barrera - Commissioner Chairman



Joe Martinez - Commissioner Secretary



Jose L. Morales - Commissioner