

**Minutes of the Port Isabel-San Benito Navigation District
January 17, 2024
Regular Meeting**

A regular meeting of the Port Isabel-San Benito Navigation and Canal Commission was held on Wednesday January 17, 2024, 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,

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 and Certified Meeting conducted on November 16, 2023, were presented, and discussed the following motion was made:

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

The tabled item from the November 2023 meeting was then removed from the table and the following information was presented.

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". There being no additional discussion the following action was taken:

A motion was made by Mr. Martinez and seconded by Mr. Morales to "adopt" the 2024 Investment Policy as presented. Motion carried unanimously.

Mr. Bearden then informed the Commissioners that 6 local companies took the plans and there were no bids by 2:00PM closing date of the bid period. The Commissioners decided not to continue to pursue the designed concept due to the lack of bids. Therefore, they will consider building repairs in the future or possible building of a new building. During the next two months, Mr. Bearden is to get bids for the cost of paint and hiring a painter to paint the exterior of the building using a paint designed to help seal the building from moisture leaks. After additional discussion the Commissioners then took the following action:

A motion was made by Mr. Martinez and seconded by Mr. Morales to reject all bids and to consider building repairs at a later date or the possibility of building a new office. It was also moved for the Port Director/General Manager to get bids for paint and painting of the building with a sealing type paint from weather issues. Motion carried unanimously.

Mr. Martinez abstained from voting on or deliberating about the following three (3) agenda 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 informed the Commissioners that the shrimp tenants have continued to see difficult times during the past year due to high cost of operating expenses, labor shortages and low shrimp sales prices. There were several of the shrimp dock tenants requesting some rent abatement due to all the problems as many of the tenants are all shut down. Mr. Barrera echoed the same comments, and the Commissioner took the following action:

A motion was made by Mr. Morales and seconded by Mr. Barrera to approve the rent abatement for the following tenants for the months of January, February, March 2024, for Delgado, Martinez, and Ochoa. Motion carried unanimously.

The next agenda item was discussion of Trash Dumpsters for shrimp dock tenants. The original thought was to not require the shrimp docks to have trash dumpsters and place one free dumpster on the lot in front of the main office for shrimp dock use. Mr. Morales requested that the staff look into the cost paid by the other tenants for dumpsters and bring that back to the next meeting for additional discussion and moved to table this item until the February meeting.

A motion was made by Mr. Morales and seconded by Mr. Barrera to table this issue until additional information could be brought back to the February meeting. Motion carried unanimously.

A discussion on the need for shrimp dock tenant's requirement to obtain insurance is required and was brought up and the final decision was to increase the abated rent period for two (2) additional months (April and May) to allow for cost of the year's insurance. After additional discussion the Commissioners then took the following action:

A motion was made by Mr. Morales and seconded by Mr. Barrera to continue to require insurance from all tenants and to increase agenda item #8 an additional two (2) months (April and May). Motion carried unanimously.

Mr. Martinez returned to participate fully in the meeting.

Ana Lopez reviewed the 4th Quarter Investment Report, for 2023 (copy attached) the report was presented by Ana V. Lopez and reviewed by Mr. Juan Rivera, CPA. After a discussion on the subject, the following action was taken:

A motion was made by Mr. Morales and seconded by Mr. Martinez to acknowledge the 4th Quarter Investment Report, for 2023, as reviewed by Juan E. Rivera, CPA. Motion carried unanimously.

Mr. Bearden informed the Commissioners that the IBC Bank Depository agreement is a five (5) year agreement with three (3) option years and the final option year is from April 2024 through April 2025. Therefore, the Commissioners must request an extension of the Depository Agreement annual renewal, and this is the final one (1) year option from April 2, 2024, through April 1, 2025. After a discussion on the request, the following action was taken:

A motion was made by Mr. Morales and seconded by Mr. Martinez to approve the final one (1) year extension of the IBC Bank Depository Agreement. Motion carried unanimously.

The San Benito Chamber of Commerce has requested the PISBND be a sponsor of the 7th Annual Bike Tour. A discussion on the matter lead to the following motion:

A motion was made by Mr. Martinez and seconded by Mr. Morales to approve a \$1,500 level sponsorship of the San Benito Chamber 7th Annual Bike Tour. Motion carried unanimously.

Next Item #14 was discussed, about scholarships for Point Isabel High School 2024 Seniors in the amount of \$2,000.00 each for 10 students. After some discussion of amounts and number of scholarships to issue. A recommendation to also provide 10 students graduating from San Bentic High School as well.

A motion was made by Mr. Morales and seconded by Mr. Martinez to approve 10 scholarships for \$2,000.00 each to Port Isabel High School Seniors and 10 scholarships for \$2,000.00 each to San Bentic High School Seniors.

The Commissioners took up the matter of all Boards served on by PISBND Commissioners when representing the PISBND. After discussion it was decided that Mr. Morales would serve on the MPO Board in both positions held by PISBND Commissioners and that Mr. Bearden was to contact the MPO and notify them that Mr. Morales would be serving. With no further discussion the following motion was made.

A motion was made by Mr. Martinez and seconded by Mr. Barrera to appoint Mr. Morales to the MPO Board in both positions held by the PISBND. Motion carried unanimously.

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

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.

The Commissioner took item #16 on the agenda to discuss the shrimp dock lease agreement of Mr. Ochoa.

The Commissioner went into Executive Session at 7:20 P.M with the following action:

A motion was made by Mr. Morales and seconded by Mr. Barrera to enter Executive Session at 7:20 P.M., to consult with PISBND's (corporate) counsel, to obtain his advice about various legal issues in regard to a Tenants Lease Agreement Default Issues, which is a matter in which the duty to PISBND's Navigation and Canal Commission, under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas, clearly conflicts with the Texas Open Meetings Act, pursuant to Tex. Gov't Code Ann. § 551.071 (Vernon 2012) (Consultation With Attorney; Closed Meeting). Motion carried unanimously.

The Commissioners returned to open session at 7:52 P.M., in accordance with the following motion:

A motion was made by Mr. Morales and seconded by Mr. Barrera to return to the open session at 7:52PM and discuss only one item and there being no action taken in Executive Session. Motion carried unanimously.

The Commissioners, after returning to open session, took the following action. It was said that Mr. Bearden was to contact Mr. Ochoa and invite him to the next Commissioners meeting in February. The Port Attorney was to draft a document with blanks to be filled in at the time of the meeting which will outline a plan of action and timeline Mr. Ochoa plans to come into compliance with the Lease Agreement maintenance section of the leased property. This document will be executed by Mr. Ochoa and Chairman Barrera.

A motion was made by Mr. Morales and seconded by Mr. Barrera to invite Mr. Ochoa to the next Commissioners' meeting in February so Mr. Ochoa may outline a plan of action and timeline Mr. Ochoa plans to come into compliance with the Lease Agreement maintenance section of the leased property. Motion carried unanimously.

Mr. Martinez returned to participate fully in the meeting.

Mr. Bearden informed the Commissioners of progress on the Port Road project. The contractor is sustainably complete with the project. There are a few concrete issues to deal with, re-rocking the parking area at Isabel's Café to get the proper slope and drainage to the new drain system, dealing with some cracks in the asphalt and signage and stripping.

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

Mr. Adrian Ramos has notified the PISBND that he is exercising his first one (1) year option to renew his lease of warehouse space for storage and use of woodworking equipment for one (1) year in the LAMEC building south warehouse area. There being no discussion on the matter the following action was taken:

A motion was made by Mr. Martinez and seconded by Mr. Morales to approve the one (1) year Lease Agreement option to renew as outlined above. Motion carried unanimously.

Mr. Bearden informed the Commissioners of a possible company coming in to raise the Placement Area #3 levies and use part of the new capacity for Next Decade LNG project and leave enough capacity for the borrowed use from the Port of Brownsville and additional dredge cycles for PISBND over the next 10 years.

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

Mr. Bearden informed the Commissioners about a property that may be available in the near future and will keep the Commissioners updated on this possible purchase opportunity.

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 reported that BIS wanted to build a parking lot on the Northeast side of the building which is the front entrance to the building. He explained that the swell assisted in water drainage but that a drainpipe was added with a drain opening on that side of the building and should handle most if not all water issues. BIS would be responsible if the drain line is needing to be repaired in the future, for replacing the parking area/driveway if the line where to ever be dug up to repair the drain line. He also asked if this item needed to be put on the agenda for February and that answer was no that can proceed with the work. Next, he informed the Commissioners of a health issue with one of the employees and discussion was about how to assist the employee with insurance issues while he is on leave without pay, Mr. Bearden would bring additional information to the February meeting.

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

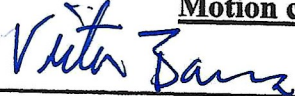
The previous month's bills were reviewed by the Commissioners. After questions and comments about some items, the following motion was made:

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

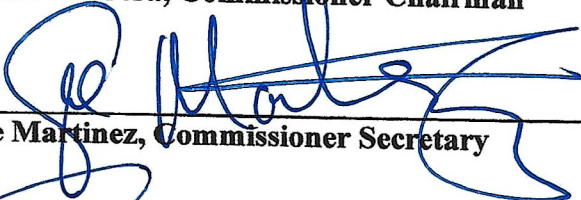
There being no further business to come before the Commissioners, the following motion was made:

A motion was made by Mr. Martinez and seconded by
Mr. Morales to adjourn the meeting at 8:43 P.M.

Motion carried unanimously.



Victor Barrera, Commissioner Chairman



Joe Martinez, Commissioner Secretary



Jose L. Morales, Commissioner