



Daisy Zamora, Committee Chair

Notice of a Facilities/Program Committee Meeting of the
Brownsville Public Utilities Board

MEETING DATE: **October 22, 2026**
MEETING TIME: **12:00 PM**
MEETING LOCATION: **BPUB Annex Building
Board Room
1425 Robinhood Drive
Brownsville, Texas 78521**

Dial In: 1-408-418-9388
Access Code: 2495 746 3976 # #

Notice is hereby given that some members of the board and/or administration may participate in the Committee Meeting via videoconference.

Members of the public may listen to the meeting as it is being held by dialing one of the numbers listed below (same access code above). Because of technology limitations, only a limited number of callers will be allowed to call in, however, a recording of the meeting will be made available to the public after the meeting on [BPUB's website](#).

DISCUSSION AND POSSIBLE ACTION ON THE FOLLOWING MATTERS:

MEETING AGENDA

Call Open Meeting to Order at 12:00 p.m.

PUBLIC COMMENT

Please note the following:

PUBLIC COMMENTS WILL ONLY BE ACCEPTED IN WRITING NO LATER THAN ONE (1) HOUR IN ADVANCE OF THE MEETING BY SENDING THEM TO PublicComments@brownsville-pub.com. In the body of the email please include date, your name, your address, phone number, agenda item number, if applicable, or subject of discussion, and your comments.

- THERE IS A THREE (3)-MINUTE TIME LIMIT PER SPEAKER. THE PRESIDING

OFFICER MAY, BUT IS NOT REQUIRED TO, ALLOW ADDITIONAL TIME TO A SPEAKER.

- THE SPEAKER MUST IDENTIFY BY NAME, ADDRESS, AND ORGANIZATIONAL AFFILIATION (IF ANY) BEFORE SPEAKING.
- QUESTIONS AND COMMENTS SHOULD BE ADDRESSED TO THE BOARD AS A WHOLE, NOT TO INDIVIDUAL BOARD MEMBERS, THE CEO, OR MEMBERS OF THE AUDIENCE.
- IF AN ISSUE ADDRESSED IS NOT INCLUDED ON THE AGENDA, NO FORMAL ACTION WILL BE TAKEN.

ITEMS FOR PRESENTATION AND DISCUSSION

1. Presentation and Discussion of Ocelot Substation Project Updates - Cesar A. Cortinas
2. Presentation and Discussion for Property Insurance Renewal and Broker Option - Adolfo Vasquez
3. Presentation and Discussion of the Security Guard Contract and Renewal Options - Eduardo Martinez
4. Discussion and/or Requests for Future Agenda Items -

ADJOURNMENT

Daisy Zamora

Daisy Zamora (Oct 16, 2026 15:38:47 CDT)

Daisy Zamora, Committee Chair

The Brownsville Public Utilities Board (BPUB) Facilities/Program Committee reserves the right to adjourn into executive session at any time to discuss any of the matters listed above, as authorized by Texas Government Code § 551.071 (Consultation with Attorney), § 551.072 (Deliberations about Real Property), § 551.074 (Personnel Matters), § 551.076 (Deliberations about Security Devices), § 551.086 (Public Utility Competitive Matters), § 551.087 (Economic Development), and § 551.089 (Department of Information Resources).

BPUB reserves the right to change the Meeting Room within the BPUB Facilities. If the specified room in the BPUB Facilities is changed before the Meeting after posting Notice, the Security Guard on the 1st Floor will direct attendees to the room in which the Meeting will be held.

I certify that a copy of the foregoing agenda of items to be considered by the BPUB was posted on October 16, 2026.

ATTEST:


Yolanda Galarza, Recording Secretary

Dial by your location: 1-408-418-9388 (US Toll)	
1-617-315-0704 (Boston)	1-312-535-8110 (Chicago)
1-469-210-7159 (Dallas)	1-720-650-7664 (Denver)
1-904-900-2303 (Jacksonville)	1-213-306-3065 (Los Angeles)
1-646-992-2010 (New York City)	1-602-666-0783 (Phoenix)
1-206-207-1700 (Seattle)	1-202-860-2110 (Washington, DC)

**Meeting Date**

October 22, 2026

Posting Language

1 - Presentation and Discussion of Ocelot Substation Project Updates

Open/Closed Session

ITEMS FOR PRESENTATION AND DISCUSSION

Action

Presentation

Executive Sponsor

Lead Department: 2420-Electrical System Planning

Assigned Staff (Presenter): Cesar A. Cortinas

Summary

The new Ocelot Substation project was identified to add capacity and improve the reliability of BPUB's electric system. As presented at the August 8th, 2026, Finance Committee meeting, the project was behind the baseline expenses for the fiscal year with a \$2.58 M variance. Staff will present information about the delays caused by equipment delivery and construction issues that led to this variance. Despite the delays, staff were able to fast-track the project and end the fiscal year with a \$1.31 M variance, or 82.55% spent.

Strategic Initiatives

Strategic Focus Area 8 – Resiliency & Reliability. SSD-19: BPUB will strengthen its ability to import power from ERCOT while improving regional transmission planning and development. **Initiative 41:** BPUB will expand electric Transmission & Distribution (T&D) infrastructure by developing new lines and substations.

Referring Committee

Name of Committees Finance Committee

Date of Meeting August 8, 2026

Recommendation(s) Present an update on the Ocelot Project addressing delays

Vote(s) N/A

Fiscal Impact

Budgeted

Bid Award

Reallocation

No Fiscal Impact

Source of Funding:	N/A
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Recommended Motion

Not Applicable.



BROWNSVILLE
PUBLIC UTILITIES BOARD

Ocelot Substation

PROJECT UPDATES

● ● ● FACILITIES / PROGRAM COMMITTEE | OCTOBER 22, 2026

Cesar A. Cortinas

Dir. Of Electrical Engineering & System Operations

Electrical Engineering & System Operations Department

WHY IS THE PROJECT DELAYED?

The two main contributors to the delays are:

- Equipment Delivery
- Construction Issues



EQUIPMENT DELIVERY DELAYS

TODAY

	FY2025									FY2026													FY2027							
15kv Switchgears [\$1.49 M]	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
Board Approval																														
Contract Execution																														
Contract Time																														
Contract Amendment No. 1																														
Payment Milestones			447k		298k																	671k	74k							
Delivery																														

	FY2025									FY2026													FY2027							
Capacitor Banks [\$262k]	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
Board Approval																														
Contract Execution																														
Contract Time																														
Payment Milestones																														
Delivery																														

➤ CONSTRUCTION DELAYS

TODAY

	FY2025										FY2026													FY2027											
Construction Contractor [\$2.5 M]	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN					
Board Approval																																			
Contract Negotiations due to Equipment Delays																																			
Contract Execution																																			
Contract Time																																			
Change Order No. 1 - Extend Contract Time Reduce Scope [\$2.50 M]																																			
Construction Work																																			
Payment Milestones																																			

	FY2025										FY2026													FY2027																				
Foundation Contractor [\$241k]	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN														
Contract Execution																																												
Contract Time																																												
Control House Foundation Work																																												
Transformer Foundations Work																																												
Payment Milestones														46.2k		58.3k	30.3k	74.3k	31.9k																									



AEP TRANSMISSION WORK DELAYED

TODAY

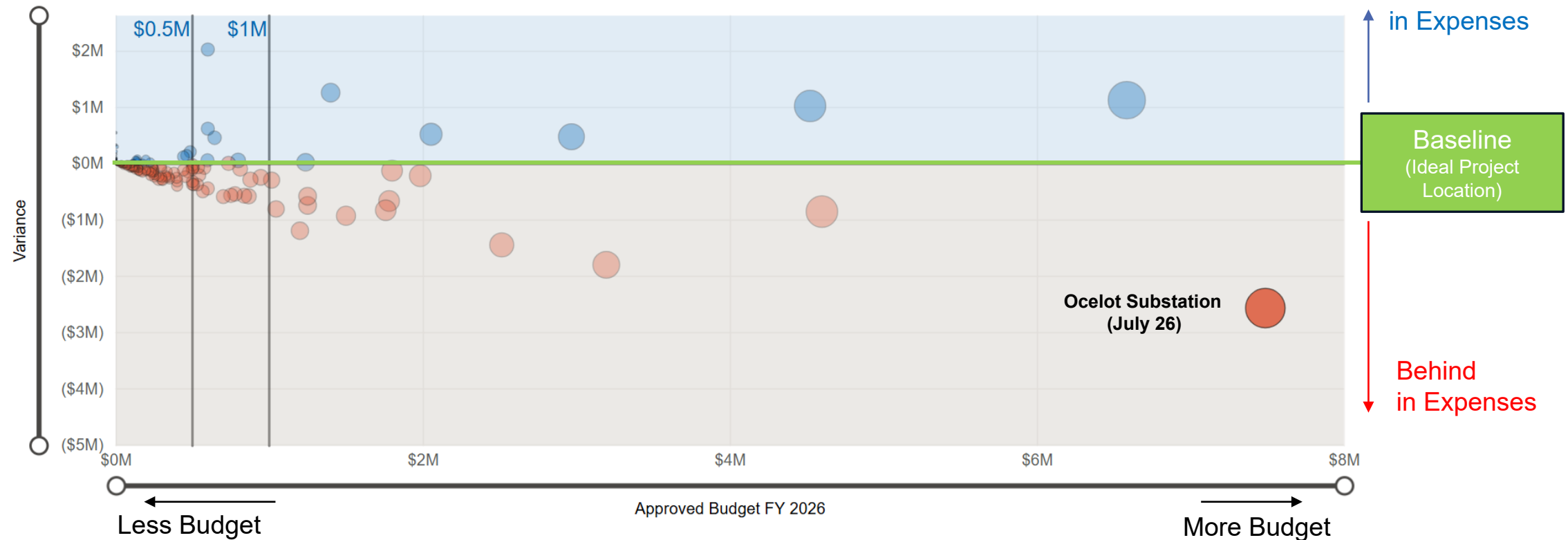
	FY2025									FY2026									FY2027											
AEP Contrction	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
Transmission Work																			(8) Months											
Testing & Commissioning																														

	FY2025									FY2026									FY2027											
Testing & Commissioning	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
Distribution Work Testing																			(5) Months											
Transmission Work Testing																			(14) Months											
Commissioning																			(14) Months											

FY 2026 – July 26 Expenditure Status

Budget Approved (\$)	YTD Actuals (\$)	Cost Variance (\$)	As Planned (%)	Complete Total (%)
\$7.49M	\$4.91M	(\$2.58M)	65.61%	65.61%

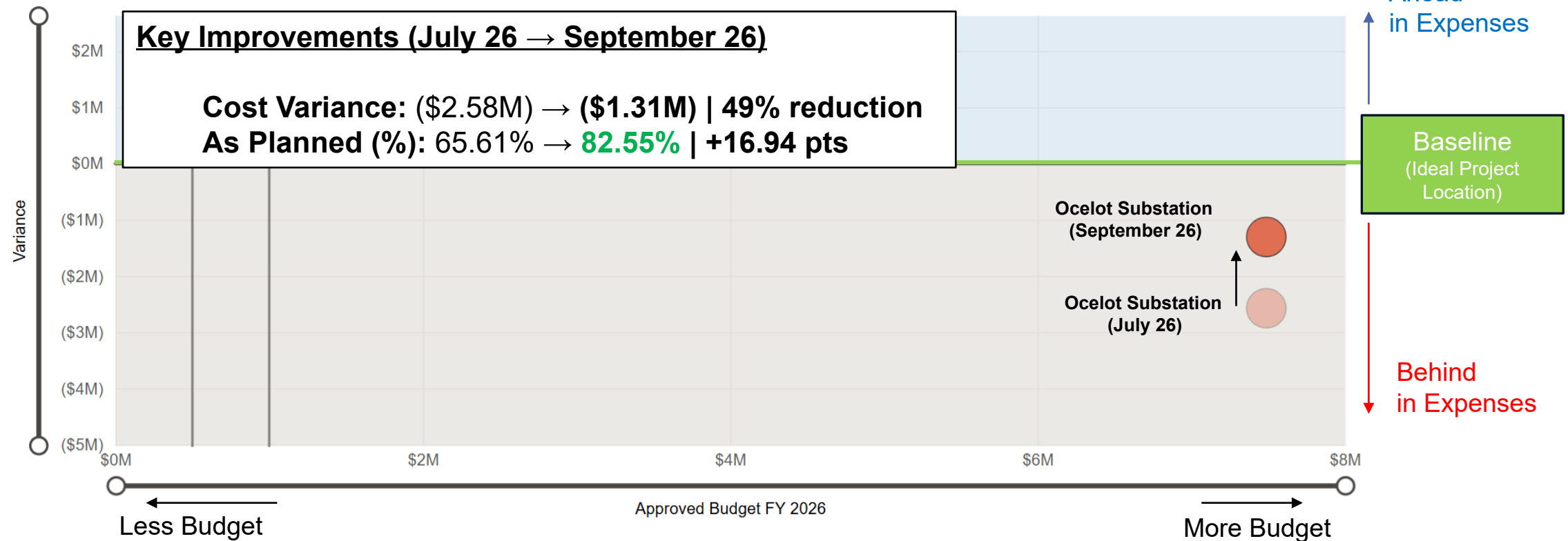
Expending Status



FY 2026 – September 26 Expenditure Status

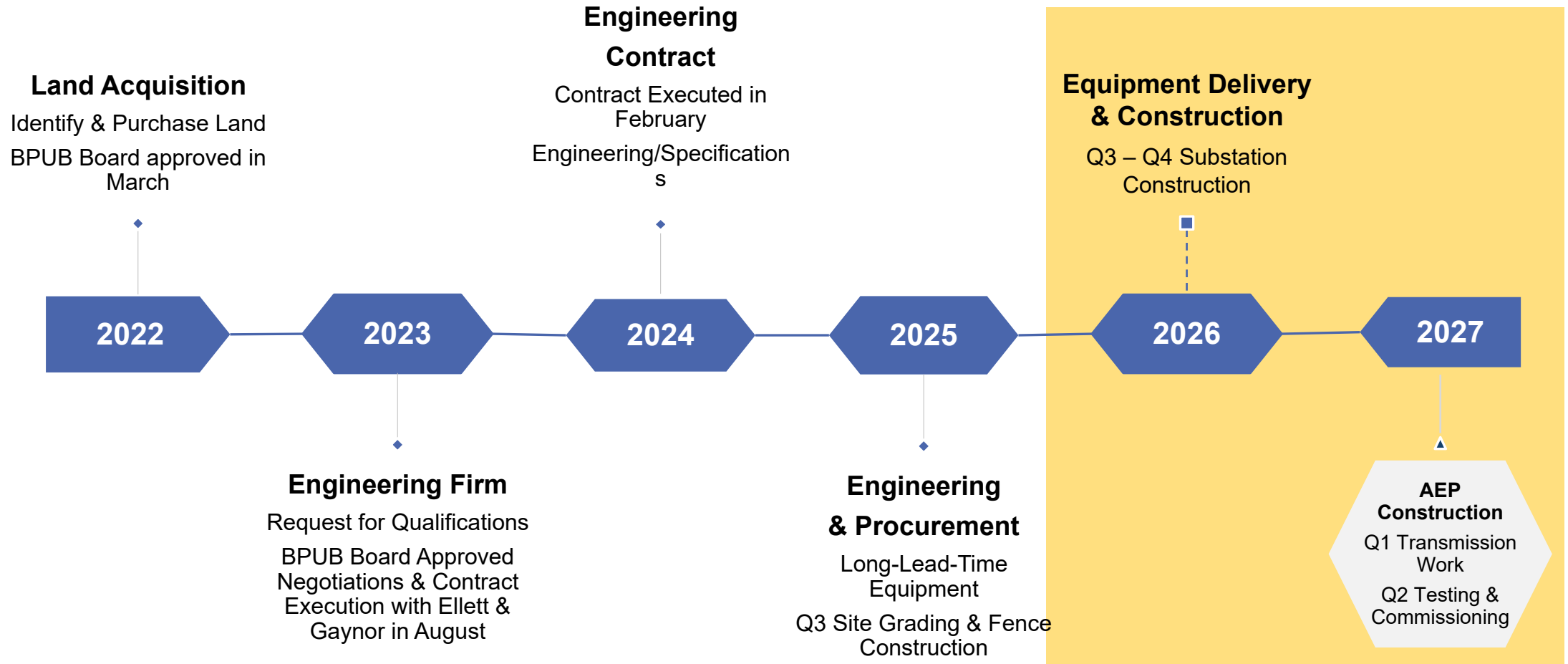
Budget Approved (\$)	YTD Actuals (\$)	Cost Variance (\$)	As Planned (%)	Complete Total (%)
\$7.49M	\$6.18M	(\$1.31M)	82.55%	82.55%

Expending Status





NEW TIMELINE & MILESTONES

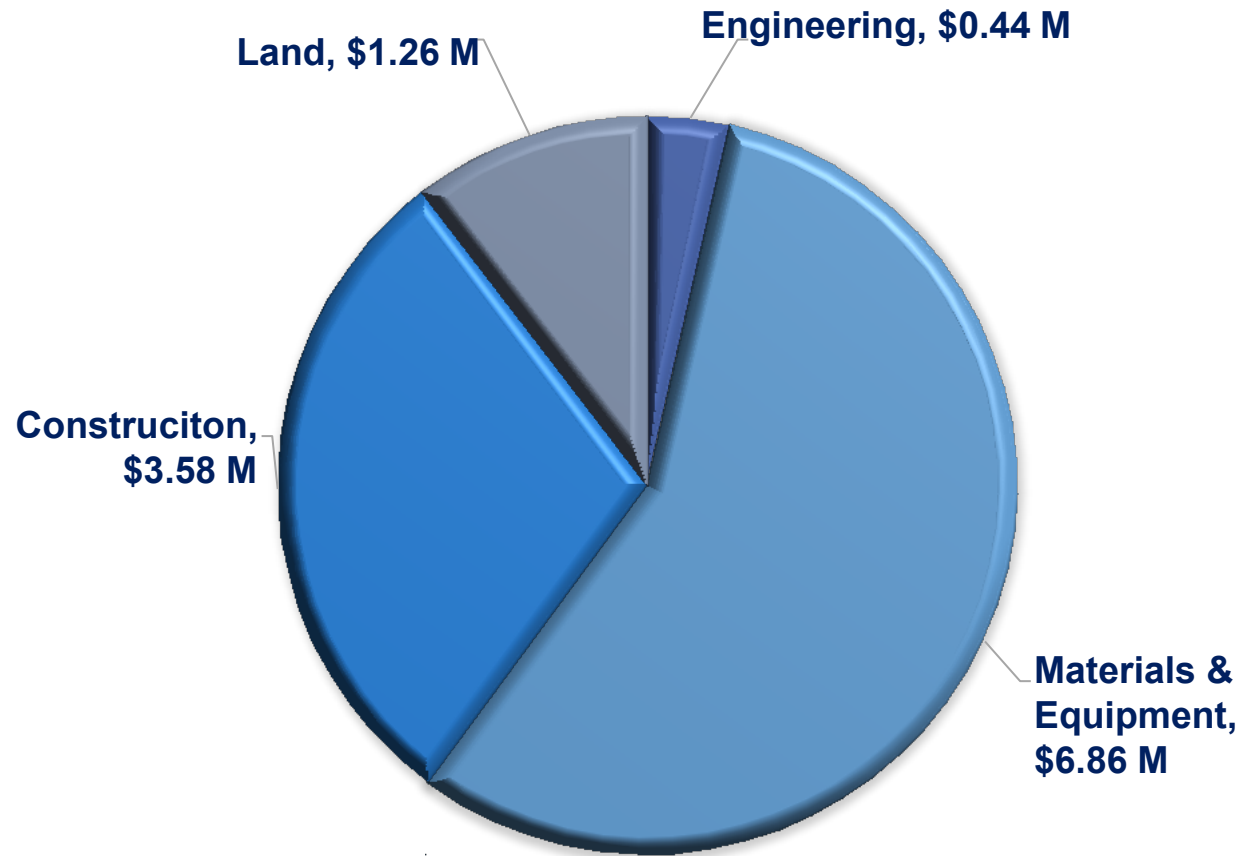


QUESTIONS



Thank you!

➤ PROJECT COST ESTIMATES



Estimated Total	\$12.14 M
As of October 30, 2026	\$10.88 M
FY27 Budget	\$1.26 M

**Meeting Date**

October 22, 2026

Posting Language

2 - Presentation and Discussion for Property Insurance Renewal and Broker Option

Open/Closed Session

ITEMS FOR PRESENTATION AND DISCUSSION

Action

Presentation

Executive Sponsor

Lead Department: 7120-Risk/Insurance Management

Assigned Staff (Presenter): Adolfo Vasquez

Summary

BPUB's existing property insurance coverage is scheduled to expire on March 31, 2027. For more than 10 years, BPUB has utilized Marsh, formerly Wortham Insurance until its merger with Marsh in 2018, as its property insurance broker. During this period, BPUB has followed an established renewal process for securing its property insurance coverage. With the upcoming renewal, BPUB is evaluating whether to continue with its historical approach or pursue an alternative procurement strategy by engaging a broker/consultant to market the property insurance program to the open market and evaluate available coverage and pricing options.

Option 1 – Continue the Historical Renewal Process:

Continue securing BPUB's property insurance coverage through the established renewal process used in prior years. This option maintains continuity with BPUB's current approach, including the existing method for obtaining and evaluating renewal coverage based on BPUB's property exposures, Schedule of Values, coverage requirements, limits, deductibles, terms, conditions, and premium. This approach would allow BPUB to proceed with a familiar renewal structure while evaluating the terms offered for the upcoming policy period.

Option 2 – Engage an Insurance Broker/Open Market Approach:

Engage a qualified insurance broker to serve as BPUB's broker/consultant and market BPUB's property insurance program to the open insurance market. The objective would be to introduce broader market competition and evaluate whether alternative carriers can provide more favorable pricing, coverage terms, deductibles, limits, or overall value.

The presentation is intended to provide the Committee with an overview of both approaches and obtain direction regarding the preferred method for securing BPUB's upcoming property insurance coverage.

Strategic Initiatives

Strategic Focus Area 6 — Enterprise Risk Management

SSD-11: BPUB will integrate risk management into business planning and operational decision-making.

Referring Committee

Name of Committees _____
Date of Meeting _____
Recommendation(s) _____
Vote(s) _____

Fiscal Impact

Budgeted X Bid Award Reallocation No Fiscal Impact

Source of 100-7120-7381-A73030
Funding: _____

Recommended Motion

Any Committee recommendation can be presented to the Board for discussion and potential action.



Presentation and Discussion for Property Insurance Renewal Option

● ● ● FACILITIES / PROGRAM COMMITTEE | October 22, 2026

Adolfo Vasquez

Risk/Insurance Manager

Risk /Insurance Management Department

How BPUB Has Obtained Property Insurance

1. Define Need

Coverage, limits, and deductibles

2. Develop RFP

Scope, criteria, and approvals

3. Solicit Market

BPUB issues formal solicitation

4. Evaluate & Award

Compare terms, pricing, and responsiveness

Current State

BPUB currently develops and issues the solicitation, receives proposals, and evaluates coverage and pricing through its formal procurement and approval process with the help of a consultant.

This established approach gives BPUB direct control of the solicitation, but it does not provide the ongoing advisory, market coordination, and placement services available through a dedicated consultant/broker.

Option 1 | Continue the Current Procurement Method

Renew through the existing BPUB-led insurance procurement process.

What It Means

- BPUB defines coverage requirements and controls the solicitation.
- The proposal goes out as a program listing our requested coverages.
- BPUB develops the scope and evaluates proposals through the formal procurement process.
- The award is based on the formal evaluation and approval process.

Primary Advantage

Familiar governance, established controls, and a proven fallback path.

Associated Risks

- Market access: separate bidders may approach overlapping markets, complicating control of submissions.
- Transparency: broker fees may remain bundled, and carrier rating methods may not be fully visible.
- Continuity: the process may preserve the same limitations BPUB is seeking to improve.

Option 2 | Appoint a Consultant/Broker

Select a consultant/broker to advise BPUB, manage market relationships, and acquire the coverage needed.

What It Means

- A competitive RFP selects a consultant/broker to provide advisory and placement services.
- The consultant/broker approaches carriers and underwriters on BPUB’s behalf.
- BPUB gains ongoing advisory support and a coordinated market strategy through the consultant/broker.

Primary Advantage

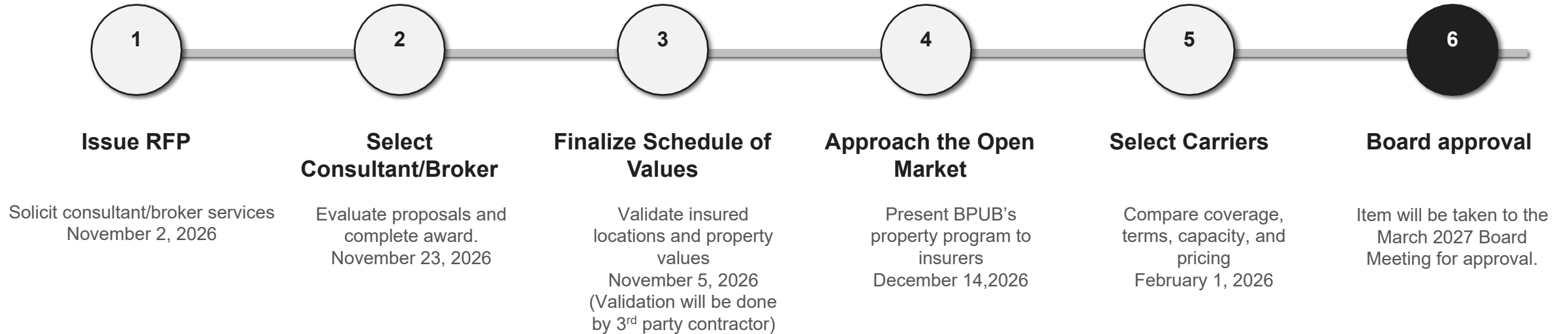
Greater involvement in carrier relationships, underwriting dialogue, and long-term coverage strategy.

Associated Risks

- Selection outcome: the RFP may not produce a broker that meets BPUB’s service, transparency, or market-access expectations.
- Transition: a new structure requires clear scope, market assignments, responsibilities, and performance standards.
- Dependence: results depend on broker execution and the quality of the selected service team.

Consultant/Broker Option Timeline

Sequenced activities required to complete the property insurance placement by April 1, 2027.



Target: property insurance renewal completed no later than March 31, 2027.

Side-by-Side Risk and Value Comparison

Both options can preserve coverage; the difference is how BPUB accesses and manages the market.

Decision Factor	Option 1 Current Method	Option 2 Consultant/Broker
Governance & familiarity	Established and familiar	Requires new scope and oversight
Market strategy	Transaction-focused solicitation	Consultant/broker coordinates carrier approach
Transparency	May retain bundled fee / rating limitations	Can require fee, market, and underwriting transparency
Direct carrier access	More limited under current structure	Greater opportunity for direct dialogue
Execution risk	Lower process-change risk	Higher selection and transition risk
Fallback value	Available and proven	Can revert to Option 1 if results are not acceptable

Key control: do not abandon Option 1 until broker selection and terms are acceptable.

Recommendation

Staff recommends we proceed with a competitive consultant/broker services RFP while retaining Option 1 as the fallback.

- | | | |
|----------|-----------------------------------|--|
| 1 | Improves Strategic Access | A selected consultant/broker can provide ongoing advice, coordinate market relationships, and facilitate direct underwriting dialogue. |
| 2 | Creates Greater Visibility | The RFP can require clear compensation, market strategy, service standards, and reporting. |
| 3 | Limits Downside | If the broker solicitation does not produce an acceptable result, BPUB can return to the current procurement method. |

**Meeting Date**

October 22, 2026

Posting Language

3 - Presentation and Discussion of the Security Guard Contract and Renewal Options

Open/Closed Session

ITEMS FOR PRESENTATION AND DISCUSSION

Action

Contract
Briefing
Presentation

Executive Sponsor

Lead Department: 1440-Safety & Security Operations

Assigned Staff (Presenter): Eduardo Martinez

Summary

BPUB utilizes a competitive Request for Proposals (RFP) process to procure security guard services that support the protection of employees, customers, visitors, facilities, and critical utility infrastructure. Security services include commissioned static guards, roving patrols, access control, alarm monitoring, incident response, reporting, and special-event support. Six proposals were received under RFP P073-24 and evaluated using weighted technical, operational, experience, and financial criteria, including direct pay, overhead, profit, and total cost analysis. The Board selected Vets Securing America on December 9, 2024. Staff recommends exercising the final Year 3 renewal option, subject to contract review, satisfactory performance, pricing, and Board approval.

Strategic Initiatives

Strategic Focus Area 6 — Enterprise Risk Management

SSD-11: BPUB will integrate risk management into business planning and operational decision-making.

Referring Committee

Name of Committees Facilities/Programs Committee

Date of Meeting October 22, 2026 @ 12:00 pm

Recommendation(s) _____

Vote(s) _____

Fiscal Impact

Budgeted X Bid Award Reallocation No Fiscal Impact

Source of 100-1440-7650-76030
Funding: _____

Recommended Motion

Any Committee recommendation can be presented to the Board for discussion and potential action.



Security Guard Services Contract Overview and Third-Year Renewal

SAFETY AND SECURITY OPERATIONS DEPARTMENT
FACILITIES AND PROGRAMS COMMITTEE
2027-2028

● ● ● F A C I L I T I E S & P R O G R A M S C O M M I T E E

Security Guard Services Scope and Objectives

- **Contract purpose:** Provide a professional security presence and response for BPUB employees, customers, visitors, facilities, and utility assets.
- **Facilities protected:** Water and wastewater facilities, the power plant, electric substations, wastewater lift stations, offices, service facilities, and other BPUB locations.
- **Guard force:** Commissioned armed static guards, roving patrol guards, onsite supervision, and Security Operations Center coverage.
- **Core duties:** Access control, patrols, surveillance, dispatch, inspections, alarm monitoring, traffic control, escorts, emergency response, reporting, and special assignments.
- **Contractor resources:** Licensed personnel, pre-assignment training, post-specific orientation, uniforms, protective clothing, duty gear, communications equipment, patrol vehicles, and guard-tour technology.
- **Management support:** Responsive local management, staffing continuity, employee screening, payroll records, accurate invoicing, quality control, and updated post orders.
- **BPUB oversight:** Staffing reviews, daily activity and incident reports, patrol-tour records, inspections, performance measures, training, equipment, vehicles, and invoices.

Competitive Procurement History and Board Approval

- **2015, RFP P026-15:** Nine proposals were opened. Four firms were invited to interviews, and American Surveillance Company was selected.
- **2016, RFP P051-16:** Nine firms were evaluated using work-plan, qualifications, key personnel, experience, and price criteria.
- **2018, RFP P022-18:** Seven firms were evaluated. Vets Securing America received the highest overall score and began service in 2019.
- **2021, RFP P073-21:** Four proposals were evaluated. Vets Securing America received the highest score, 87 points. The Board approved the contract on November 8, 2021.
- **2024, RFP P073-24:** Six proposals were evaluated. Vets Securing America received the highest score, 96 points. American Investigators was disqualified for not signing the proposal cost sheet.
- **Board approval:** The Board selected Vets Securing America on December 9, 2024. The executed contract covers February 1, 2025 through January 31, 2026, with two optional one-year renewals.
- **Original amount:** The executed contract identifies an original amount of \$2,156,529.54 for the initial term.

Security Guard Services Contractor History

Contract Period	Contractor	Procurement / Renewal History
08/2015 – 08/2016	American Surveillance Company	Selected after competitive review.
08/2016 – 01/2017	American Surveillance Company	Contract extended during the next procurement.
02/2017 – 01/2018	American Surveillance Company	New Contract
02/2018 - 01/2019	American Surveillance Company	Second-year renewal.
02/2019 - 01/2020	Vets Securing America	New Contract RFP P022-18; highest overall score. (Previous Vendor Not Selected)
02/2020 - 01/2021	Vets Securing America	Second-year renewal.
02/2021 - 01/2022	Vets Securing America	Third and final renewal; Board approved Jan. 11, 2021.
02/2022 - 01/2023	Vets Securing America	New Contract RFP P073-21; Board approved Nov. 8, 2021.
02/2023 - 01/2024	Vets Securing America	Second-year renewal; Board approved Dec. 12, 2022.
02/2024 - 01/2025	Vets Securing America	Third-year renewal under P073-21.
02/2025 - 01/2026	Vets Securing America	New Contract RFP P073-24; Board selected vendor Dec. 9, 2024.
02/2026 - 01/2027	Vets Securing America	Second-year renewal
02/2027 - 01/2028	Vets Securing America	Proposed Third Year Renewal

Selection Process and Financial Assessment

TECHNICAL AND OPERATIONAL REVIEW

- **Responsiveness:** Insurance, non-debarment certification, ethics statement, and complete proposal documents.
- **Work Plan - Weight 5:** Transition, staffing, recruiting, retention, supervision, methods, and quality control.
- **Qualifications - Weight 5:** Licensing, certifications, relevant capability, and organizational resources.
- **Key Personnel - Weight 4:** Project management, supervisors, guards, experience, and proposed organization.
- **Experience - Weight 4:** References, comparable work, past performance, and responsiveness.
- **Price - Weight 2:** Base services, optional services, cellular costs, and total price.

COST, PRICE, AND COMPANY CAPACITY

- **Direct pay:** Wages allocated to static guards, roving guards, and onsite supervisors.
- **Overhead:** Payroll burden, insurance, vehicles, fuel, uniforms, equipment, training, supervision, communications, administration, and support.
- **Profit or fee:** Amount retained after direct labor and overhead.
- **Total hourly rate:** Direct pay plus overhead and profit for each labor category.
- **Total contract price:** Base services, optional meeting guards, optional static and roving coverage, telephones, and annual cost.
- **Assessment purpose:** Determine price reasonableness and whether the cost structure can sustainably provide qualified personnel, vehicles, tools, supplies, training, and management support.
- **Decision principle:** Technical capability and qualifications carry greater weight than price alone.

Next Steps and Staff Recommendation

- **Contract status:** The initial P073-24 term runs from February 1, 2025 through January 31, 2026 and includes two optional one-year renewals.
- **Renewal action:** The BPUB Staff proposes approval of the final Year 3 option.
- **Performance review:** Confirm staffing, post coverage, supervision, training, guard-tour compliance, incident reporting, equipment, vehicle readiness, insurance, invoicing, and corrective actions.
- **Financial review:** Evaluate proposed direct pay, overhead, profit or fee, optional-service rates, and total contract amount for reasonableness and sustainability.
- **Contract review:** Confirm scope, posts, service hours, performance standards, insurance, indemnification, pricing, and required amendments.
- **Governance:** Complete Purchasing, Legal, management, committee, funding, and Board review required for the option period.
- **Staff recommendation:** Exercise the second-year renewal option with Vets Securing America, subject to satisfactory performance, acceptable pricing, available funding, final contract review, and Board approval.
- **Continuity:** Maintain uninterrupted security coverage while preserving the remaining final one-year renewal option and planning the next competitive procurement.

RECOMMENDATION: APPROVE THE THIRD -YEAR OPTION WITH VETS SECURING AMERICA.

Q&A

Questions?