

**MINUTES OF A REGULAR MEETING OF THE BOARD OF NAVIGATION AND  
CANAL COMMISSIONERS OF THE BROWNSVILLE NAVIGATION DISTRICT OF  
CAMERON COUNTY, TEXAS HELD DECEMBER 7, 2016 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, December 7, 2016 at 5:30 p.m.** The following individuals were present and absent:

**PRESENT:** John Wood, Chairman  
John Reed  
Sergio Tito Lopez  
Ralph Cowen  
Carlos R. Masso

**ABSENT:** None

**ALSO PRESENT:** Eduardo A. Campirano, Port Director and CEO  
Daniel Rentfro Jr., District Counsel  
William J. Irwin, Associate District Counsel

**STAFF MEMBERS:** Donna Eymard  
Bea Rosenbaum  
Steve Tyndal  
Ariel Chavez  
Steve Fitzgibbons  
Jaime Martinez  
Chief Carlos Garcia  
Michael Davis  
Tony Rodriguez  
Cristina Valdez  
Debby Duke  
Margie Recio  
Patty Gonzales  
Lt. Mario Esquivel

**OTHERS PRESENT:** Rev. Andreas Lewis  
Cecilia Montalvo  
Mary Elizabeth Hollmann  
Robert Walsdorf  
Dave Weston  
Alan Simon  
Joseph Linck  
Bill Ralph  
Kevin Garcia  
Norma Torres  
KBSD

## **WORKSHOP MEETING**

### **1. Port of Brownsville Marketing Efforts Update**

The Chairman called the Workshop Meeting to Order at 5:36 p.m. Steve Tyndal addressed the Board and introduced Bill Ralph of R.K. Johns and Associates and Steve Garifalos . Mr. Tyndal, Mr. Ralph, and Mr. Garifalos made presentations on the Port's marketing and business development efforts. Discussion followed. The Chairman thanked Mr. Tyndal, Mr. Ralph, and Mr. Garifalos for their presentations and asked that Mr. Rodriguez's presentation be made at the next meeting.

### **2. Discussion of the 2017 Port of Brownsville Operating and Capital Budget**

The Chairman asked that the discussion of the Operating and Capital Budget be suspended until the next Board meeting.

## **REGULAR MEETING**

### **1. Meeting Called To Order**

The Chairman called the meeting to order at 7:03 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**

Mary Elizabeth Hollmann addressed the Board and spoke in opposition of Agenda Item 7(4).

Cecilia Montalvo addressed the Board and spoke in opposition of Agenda Item 7(4).

Joseph Linck addressed the Board regarding the marketing and business development presentations and spoke in favor of Agenda Item 7(4).

### **3. Receive Director's Report**

#### **a. Receive Port Monthly Operations Summary Report**

The Board received the reports.

## **CONSENT AGENDA**

### **4. Consideration and Action on the Following Consent Agenda Items:**

- a. Approval of the Minutes of the Regular Board Meeting of November 16, 2016.
- b. Approval to authorize payments over \$25,000.00:
  1. Russell Marine, LLC, the amount of \$99,585.00, for Liquid Cargo Dock repair;
  2. PMI, the amount of \$32,181.80, for rental of temporary fenders;
  3. 360factors, the amount of \$25,179.44, for collecting and analyzing sediment samples for the Oil Dock 6 Project.
- c. Approval of the following leases:
  1. Reyes Marine Industries, Inc. (New lease)
  2. Strike, LLC (New lease)

5. **Consideration and Action to approve payment of the District's pro-rata portion of the Cameron Appraisal District (CAD) budget for fiscal 2017, the District's pro-rata portion is .8631 per cent of the total budget or \$34,529.**
6. **Consideration and Action on an application for a renewal of the Line Handing Permit to:**
  1. Brownsville Mooring
  2. M&M Mooring

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

Commissioner Lopez left the Board Room.

**7. Consideration and Action on Assignments, Negotiations, Easements, Subleases, and Contracts in General.**

Mrs. Rosenbaum addressed the Board regarding the following items:

1. **Cumberworth Investments, Inc. (Authority to negotiate)**  
The lease to Cumberworth Investments, Inc. expired on October 31, 2016 and they are requesting a new lease. The purpose of the lease is for a truck yard, office, warehousing and repackaging operation, small manufacturing usage and welding school. Commissioner Reed moved to authorize the Staff to negotiate with Cumberworth Investments, Inc. for a new lease and to negotiate a Consent to Sublease with Juan Carlos Rubio d/b/a Hi-Tech Welding Institute, LLC, Commissioner Masso seconded, and the motion passed unanimously.

2. **Maverick Terminals Brownsville, LLC (Authority to negotiate)**  
Maverick Terminals Brownsville, LLC is requesting to lease approximately 35 acres out of an 66 acre tract west of Ballast Pit #1 for the construction of liquid storage tanks and truck loading rack to connect to Liquid Cargo Docks 5 and 6. Commissioner Reed moved to authorize the Staff to negotiate a new lease with Maverick Terminals Brownsville, LLC, Commissioner Cowen seconded, and the motion passed unanimously.

3. **U.S. Army Corps of Engineers (USACE) U.S. Customs Border Protection (CBP) (Authority to negotiate)**  
The U.S. Army Corps of Engineers (USACE) on behalf of U.S. Customs and Border Protection (CBP) is requesting a Right-of-Entry for Construction (ROE-C). The (CBP) has identified a boat ramp adjacent to the District's property and are requesting to access the boat ramp through an existing road to investigate the need for repairs under the Boat Ramp Maintenance and Repair Program in the Rio Grande Valley. Commissioner Cowen moved to authorize the Staff to negotiate with the (USACE) on behalf of (CBP) for a Right-of-Entry for Construction for access to the above mentioned real estate, Commissioner Masso seconded, and the motion passed unanimously.

4. **Next Decade, LLC (Authority to negotiate)**  
Next Decade, LLC is requesting to lease approximately 10 acres to be used for the purpose of providing one or more facilities in support of the construction and operation of a natural gas liquefaction export facility in Cameron County, Texas. Commissioner Reed moved to authorize the Staff to negotiate with Next Decade, LLC for a new lease, Commissioner Masso seconded, and the motion passed unanimously.

**8. Consideration and Action authorizing the Port Director & CEO to submit an application to the U.S. Department of Transportation under the Fastlane Grant Program for a Multi-modal Dock Project.**

Mr. Campirano addressed the Board requesting authorization for the Port Director & CEO to submit an application to the U.S. Department of Transportation under the Fastlane Grant Program for a Multi-Modal Dock Project. The District has been collaborating with OmniTrax/BRG for the development of a multi-modal dock project to be located East of the Shrimp Basin. The Project would provide an area on the Northside of the Ship Channel for Bulk Cargo Operations with access to rail and the overweight corridor. The proposed Project would include 1,000' – 1,200' of dock improvements in addition to rail improvements. The Project estimate is approximately \$32.5 million and the grant request will be for 50% of the project costs. Commissioner Cowen moved to authorize the Port Director & CEO to submit an application to the U.S. Department of Transportation under the Fastlane Grant Program for a Multi-Modal Dock Project, Commissioner Reed seconded, and the motion passed unanimously.

**9. Consideration and Action authorizing on an agreement between the Brownsville Navigation District and Next Decade, LLC for the Planning, Engineering and Design costs associated with the Brazos Island Harbor Channel Improvement Project.**

Mr. Campirano addressed the Board requesting authorization on an agreement between the Brownsville Navigation District and Next Decade, LLC for the Planning, Engineering and Design costs associated with the Brazos Island Harbor Channel Improvement Project. The Brownsville Navigation District has been working to secure a permit from the U.S. Army Corp of Engineers for deepening the Brownsville Ship Channel. Staff is currently in the process of completing the planning, engineering and design (PED) Phase of the project. The agreement between the BND and Next Decade will provide for Next Decade to contribute funding towards the PED costs. Commissioner Masso moved to approve the agreement between Next Decade, LLC and the BND for the PED costs associated with the Brazos Island Harbor Improvement Project, Commissioner Reed seconded, and the motion passed unanimously.

**10. Consideration and Action approving an agreement with HDR Engineering for work associated with the relocation of Western Levee of Dredged Material Placement Area (DMPA) 5B.**

Mr. Campirano addressed the Board requesting approval on an agreement with HDR Engineering for work associated with the relocation of Western Levee of Dredged Material Placement Area (DMPA) 5B. Annova LNG has been working to secure a permit for the construction and operation of a liquid natural gas export facility at the Port of Brownsville. This effort includes determining the route for water, electric and gas services to the site, which will require the relocation of the Western boundary of the Levee on Placement Area 5B. HDR will provide the permitting and engineering services for this work. The agreement is between the Port and HDR. Annova will pay for the permitting and engineering services associated with this work. Commissioner Reed moved to approve the agreement with HDR Engineering for permitting and design of the utilities associated with the Annova LNG Project, Commissioner Cowen seconded, and the motion passed unanimously.

**11. Consideration and possible Action on rescheduling the second Board Meeting of December.**

Mr. Campirano addressed the Board regarding the scheduling of the second Board Meeting in December. After discussion, the Board determined that the second Board Meeting in December did not need to be rescheduled. Commissioner Reed asked that Mr. Rodriguez's presentation be made at that meeting. No action was taken.

**12. Consideration and Action to authorize the purchase of one Chevrolet Tahoe under a Buy Board quote in the amount of \$36,982.00.**

Mrs. Duke addressed the Board requesting authorization for the purchase of one Chevrolet Tahoe under Buy Board in the amount of \$36,982.00. The District advertised for the purchase of a full size SUV and received two bids, neither of which fully met the specifications. A Buy Board quote for a full size SUV from a Buy Board vendor, Caldwell Country, resulted in two quotes, one for a Ford Expedition and one for a Chevrolet Tahoe. Both of the vehicles have similar features and the Chevrolet Tahoe was priced lower than the Ford Expedition. Commissioner Reed moved to authorize the purchase of a 2017 Chevrolet Tahoe at a purchase price of \$36,982.00, Commissioner Cowen seconded, and the motion passed unanimously.

**13. Consideration and Action to authorize the staff to advertise for bids for geogrid material.**

Mr. Campirano addressed the Board requesting authorization for the staff to advertise for bids for geogrid material. The District purchases geogrid materials for the construction of patio storage areas and the maintenance of existing facilities. The purchase of this material is expected to exceed \$100,000 in 2017, requiring the staff to bid out this purchase. This material is purchased as needed and the District does not guarantee any level of purchasing in the RFP process. Commissioner Cowen moved to authorize the staff to advertise for bids for geogrid material, Commissioner Masso seconded, and the motion passed unanimously.

**14. Consideration and Action to authorize the staff to advertise for bids for crushed limestone.**

Mr. Campirano addressed the Board requesting authorization for the staff to advertise for bids for crushed limestone. The District purchases crushed limestone for construction of patio storage areas and the maintenance of existing facilities. The purchase of this material is expected to exceed \$100,000 in 2017, requiring the staff to bid out this purchase. This material is purchased as needed, and the District does not guarantee any level of purchasing in the RFP process. Commissioner Masso moved to authorize the staff to advertise for bids for crushed limestone, Commissioner Cowen seconded, and the motion passed unanimously.

**15. Consideration and Action to extend contract #4075 with Ruben Rubio, Jr. for the purchase of hauling services for a period of one year.**

Mr. Campirano addressed the Board requesting approval to extend contract #4075 with Ruben Rubio, Jr. for the purchase of hauling services for a period of one year. The District awarded a contract to Ruben Rubio, Jr. for hauling services for the period 02/04/2016 – 12/31/2016. That contract is expiring at the end of the year, however the agreement contains a provision for year-to-year extensions with the consent of both parties, if there is no increase in the unit price. Ruben Rubio, Jr. has submitted an offer to extend the agreement for 2017 with no increase in the unit

price of \$50.00 per hour. Commissioner Cowen moved to approve the extension of Contract #4075 with Ruben Rubio, Jr. for the purchase of hauling services for one year, January 1, 2017 through December 31, 2017, Commissioner Masso seconded, and the motion passed unanimously.

**16. Consideration and Action on the Grantee/Operators agreement between the Brownsville Navigation District Foreign Trade Zone No. 62 and Bluewing One, LLC.**

Mr. Rodriguez addressed the Board requesting approval of the Grantee/Operators agreement between the Brownsville Navigation District Foreign Trade Zone No. 62 and Bluewing One, LLC. Bluewing Midstream has signed a joint venture agreement with One Cypress LLC and the new terminal will be managed and operated under a new name: Bluewing One LLC. Bluewing One LLC is requesting to become an Operator of FTZ No. 62. This will allow them to take over the active storage tanks from One Cypress LLC's terminal. The purpose of their operation is to store and transfer liquid bulk products. Commissioner Cowen moved to approve Bluewing One LLC to be an Operator of FTZ No. 62, Commissioner Masso seconded, and the motion passed unanimously.

**17. 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; to conduct deliberations regarding 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).**

The Chairman then announced that the time was 7:32 p.m., and that the Board would adjourn into executive session. Commissioner Masso moved to adjourn into executive session, Commissioner Cowen seconded, and the motion passed unanimously.

The Chairman then announced that the time was 8:40 p.m., and that the Board had reconvened in open session.

**18. Possible action on matters or items discussed in Executive Session.**

There was none.

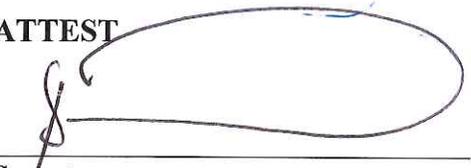
**19. Public Comment Period.**

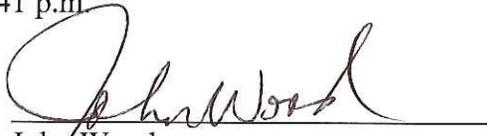
No person wished to address the Board.

**20. Adjournment.**

Commissioner Masso moved to adjourn the meeting, Commissioner Cowen seconded, and the meeting was adjourned by unanimous consent at 8:41 p.m.

ATTEST

  
Secretary

  
John Wood  
Chairman of the Board