

**MINUTES OF A REGULAR MEETING OF THE BOARD OF NAVIGATION AND
CANAL COMMISSIONERS OF THE BROWNSVILLE NAVIGATION DISTRICT OF
CAMERON COUNTY, TEXAS HELD JULY 19, 2017 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, July 19, 2017 at 5:30 p.m.** The following individuals were present and absent:

PRESENT: John Wood, Chairman
John Reed
Ralph Cowen
Carlos R. Masso

ABSENT: Sergio Tito Lopez

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

STAFF MEMBERS: Bea Rosenbaum
Lieutenant Mario Esquivel
Ariel Chavez
Steve Fitzgibbons
Jaime Martinez
Chief Carlos Garcia
Michael Davis
Tony Rodriguez
Debby Duke
Margie Recio
Oscar Garcia
Memo Rico
Steve Tyndal
Rosie Hinojosa

OTHERS PRESENT: Rev. Andreas Lewis
Joe Linck
Jon Sawicki
Nancy Gaytan
KBSD

1. Meeting Called To Order

The Chairman called the meeting to order at 5:40 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

Joe Linck registered to address the Board, but decided not to do so.

3. Receive Director's Report

a. Receive Port Monthly Operations Summary Report

The Board received the reports. Mr. Fitzgibbons made a monthly operations summary report. Discussion followed. Mr. Campirano noted that the marketing report would be presented at the next board meeting.

CONSENT AGENDA

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

- a. Approval of the Minutes of the Regular Board Meeting of July 5, 2017.
- b. Approval to authorize payments over \$25,000.00:
 1. ZIWA Corporation, the amount of \$616,521.60, for BND Administration Complex Rehab & Building addition;
 2. Vulcan Construction Materials, the amount of \$77,715.50, for crushed limestone for Patio 22 and various areas through the Port;
 3. Carr Riggs & Ingram, the amount of \$31,000.00, for 2016 Audit;
 4. HDR, the amount of \$369,022.51, for professional services for the BIH Project; and
 5. McGriff, Siebels & Williams, the amount of \$369,022.51, for renewal for property and liability insurance.

5. Consideration and Action on applications for renewal of Solid Waste Collection and Disposal License for:

1. Brownsville GMS, LTD
2. Alamo Environmental, Inc. d/b/a ACI Recycling & Disposal
3. Republic Services

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

6. Presentation of District Funds Investment Report for the Period April 1, 2017 through June 30, 2017.

Mr. Fitzgibbons and Mr. Campirano presented the District Funds Investment Report for the Period of April 1, 2017 through June 30, 2017. Discussion followed. Commissioner Cowen moved to accept the presentation, Commissioner Reed seconded, and the motion passed unanimously.

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

Mrs. Rosenbaum addressed the Board regarding the following items:

1. Gulmar, Inc. / Hi-Tech Welding Institute, LLC (Authority to negotiate)

At the Board Meeting of June 21, 2017, the staff requested authority to negotiate with Luis J. Oseguera, d/b/a GDO Trucking for a new lease. Mr. Oseguera was unable to secure funds to purchase Gulmar, Inc.'s improvements so Mr. Oseguera's negotiations with Gulmar, Inc. ended. Gulmar, Inc. has been approached by a new buyer, Hi-Tech Welding Institute, LLC, and is asking to be released of their lease subject to the District approving of a new lease to Hi-Tech Welding Institute, LLC. The purpose of the lease will be for a welding school. Commissioner Cowen moved to authorize the Staff to negotiate with Hi-Tech Welding Institute, LLC for a new lease and authority to prepare a release of lease with Gulmar, Inc., Commissioner Reed seconded, and the motion passed unanimously.

8. Consideration and Action on Employing Outside Legal Counsel for Labor Law Services.

Chairman Wood asked that this Item be discussed in Executive Session. Commissioner Reed moved to table this Item, Commissioner Masso seconded, and the motion passed unanimously.

9. Consideration and Action to enter into an agreement with Burson-Marsteller for communications services.

Mr. Tyndal addressed the Board requesting authorization to enter into an agreement with Burson-Marsteller (B-M) for communications services. On August 22, 2016, Port staff circulated an RFQ for communications services. Eight firms submitted qualifications and three were subsequently interviewed. Those firms made presentations to the board and staff at a public workshop on April 21, 2017. On May 4, 2017, the Board approved entering into negotiations with Burson-Marsteller for communications services. Port staff has concluded negotiations. At the June 21, 2017 BND Commission meeting, this item was presented for action and subsequently tabled. Since then, staff and Port legal counsel have collaborated with B-M and now offers a revised agreement for the Commission's consideration. Discussion followed regarding the agreement and the Commission's request that regular updates be provided on Burson-Marsteller's progress. Commissioner Masso moved to approve the agreement with Burson-Marsteller, commencing August 1, 2017, for communications services, as stated in the agreement, Commissioner Cowen seconded, and the motion passed unanimously.

10. Consideration and Action to accept proposal from consultant HDR, Inc. for Task Order #23, consisting of Environmental Services on Tracts No. 1 and No. 2 of the Brazos Island Harbor Easements Releases in WRDA 2016.

Mr. Chavez addressed the Board requesting authorization for the Port Director & C.E.O to accept the proposal from consultant HDR, Inc. for Task Order #23, consisting of Environmental Services on Tracts No. 1 and No. 2 of the Brazos Island Harbor Easements Releases in WRDA 2016. On May 3, 2017, BND Commissioners approved a Memorandum of Agreement (MOA) with the U.S. Army Corps of Engineers (USACE) pursuant to preparation of the Disposal Report and related matters concerning the release of Tract No. 2 as provided in Section 1318 of the Water Resources Development Act of 2016. There are several requirements in the MOA related to environmental

issues, cultural resources, and other information to populate the said Disposal Report. BND Staff has requested a proposal from consultant HDR, Inc. (HDR) to perform the required environmental clearance and related services. HDR has submitted a proposal to perform the work on Tracts No. 1 and No. 2 on a time and materials basis for an estimated fee of \$22,809.00. Commissioner Reed moved to authorize the Port Director & C.E.O to accept the proposal for Task Order #23, consisting of Environmental Services on Tracts No. 1 and No. 2 of the Brazos Island Harbor Easements Releases in WRDA 2016, for a not-to-exceed fee of \$22,809.00, and to execute the Task Order Agreement with HDR for those services, Commissioner Cowen seconded, and the motion passed unanimously.

11. Consideration and Action to accept work performed by contractor Russell Marine, LLC on the Liquid Cargo Dock Repairs project, and authorize release of the \$67,941.50 retainage.

Mr. Chavez addressed the Board requesting the acceptance of work performed by contractor Russell Marine, LLC on the Liquid Cargo Dock Repairs project, and to authorize release of the \$67,941.50 retainage. On September 7, 2016, BND Commissioners awarded the contract on the Liquid Cargo Dock Repairs project to lowest responsive bidder Russell Marine, LLC. (Russell) in the amount of \$679,415.00. On March 10, 2017, BND Engineering Services and Harbormaster staff inspected the work and found it to be satisfactory, and vessels were received on the dock immediately thereafter. The completion date as per the contract is April 7, 2017. There was a pending issue with the removal and restoration of the Cathodic Protection System, which the staff has achieved resolution with a consensus from all involved parties. Commissioner Reed moved to accept the work performed by Russell Marine, LLC on the Liquid Cargo Dock Repairs contract, and to authorize issuance of final payment of the retainage in the amount of \$67,941.50, Commissioner Masso seconded, and the motion passed unanimously.

12. Consideration and Action to authorize Port Director & CEO to enter into a Professional Services Agreement with consultant Witt O'Brien's, LLC for regulatory compliance and related services for the Brownsville Navigation District.

Mr. Campirano and Mr. Chavez addressed the Board requesting authorization for the Port Director & CEO to enter into a Professional Services Agreement with consultant Witt O'Brien's, LLC for regulatory compliance and related services for the Brownsville Navigation District. BND Staff has requested consultant Witt O'Brien's, LLC (WOB) to inspect the Ballast Pits and submit a proposal to perform a Phase II analysis on them to ensure that they are in compliance with regulatory requirements. WOB has submitted a proposal for the work to be considered separately by BND Commissioners. In order to engage the services of WOB for this endeavor, WOB and BND staff are proposing to enter into a Professional Services Agreement (PSA) with Witt O'Brien's, LLC., which will govern the performance of these and other similar or related services that may arise in the future. The PSA has been reviewed by BND Legal Counsel Rentfro Law Firm, and all issues have been cleared. BND Staff has also provided WOB with our current insurance requirements, which include Professional Liability coverage. Approval of this PSA will allow BND staff to engage WOB for the desired services, upon individual and separate approval of each Task Order by BND Commissioners. The period covered by this PSA is one year from the date of BND Commissioners' action. Commissioner Reed moved to authorize the Port Director and Port Staff to enter into a Professional Services Agreement with consultant Witt O'Brien's, LLC for a period of one (1) year, ending on July 18, 2018, subject to final review and confirmation by BND Staff and concurrence by BND Legal Counsel, Commissioner Cowen seconded, and the

BROWNSVILLE NAVIGATION DISTRICT MINUTES

July 19, 2017

Page 4 of 6

motion passed unanimously.

13. Consideration and Action to accept proposal from consultant Witt O'Brien's, LLC for Task Order #1, and Task Order #2 consisting of Phase II Environmental Site Assessment on Ballast Pits No. 1 and No. 2 respectively.

Mr. Chavez addressed the Board requesting the acceptance of the proposal from consultant Witt O'Brien's, LLC for Task Order #1, and Task Order #2 consisting of Phase II Environmental Site Assessment on Ballast Pits No. 1 and No. 2 respectively. BND Staff has received a proposal from Witt O'Brien's, LLC (WOB) for Task #1 and Task #2, consisting of performing a Phase II Environmental Site Assessment of the BND Ballast Pits No.1 and No. 2, respectively, in order to capture information to evaluate site conditions and regulatory compliance of the said Ballast Pits and perimeter area. The proposal includes work on Ballast Pit No.1 for a fee of \$29,619.00, and work on Ballast Pit No. 2 for \$39,762.60, for a total fee of \$69,381.60. In addition to the proposed fee, WOB proposes to charge BND for non-personnel services related third-party expenses such as travel, base maps, express mail or postage at cost plus 15%, as well as other reproduction, expendables and other administrative expenses in accordance with WOB's standard billable supplies rate sheet. These additional expenses are estimated at \$3,300.00. Timeline for completion of the work is 90 days from notice to proceed. Commissioner Cowen moved to accept the proposal from consultant Witt O'Brien's, LLC for Task #1 and Task #2, consisting of Phase II Environmental Site Assessment on Ballast No. 1 and No. 2, respectively, for a total fee of \$69,381.60, plus \$3,300.00 in estimated expenses, Commissioner Reed seconded, and the motion passed unanimously.

14. 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 6:03 p.m., and that the Board would adjourn into executive session.

The Chairman then announced that the time was 6:54 p.m., and that the Board had reconvened in open session.

Commissioner Cowen did not return to the Board room.

15. Possible action on matters or items discussed in Executive Session.

There were none.

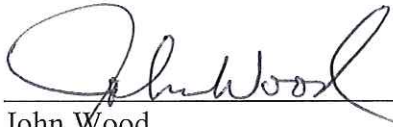
16. Adjournment.

Commissioner Reed moved to adjourn the meeting, Commissioner Masso seconded, and the meeting was adjourned by unanimous consent at 6:55 p.m.

ATTEST



Secretary



John Wood
Chairman of the Board