

**MINUTES OF A REGULAR MEETING OF THE BOARD OF NAVIGATION AND
CANAL COMMISSIONERS OF THE BROWNSVILLE NAVIGATION DISTRICT OF
CAMERON COUNTY, TEXAS HELD SEPTEMBER 6, 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, September 6, 2017 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
Lt. Mario Esquivel
Oscar Garcia
Patty Gonzales
Lorena Flores

OTHERS PRESENT: Rev. Andreas Lewis
Teresa Henderson
Joe Linck
Ruben Lopez
Dan Garza
KBSD

1. Meeting Called To Order

The Chairman called the meeting to order at 5:32 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

Ruben Lopez addressed the Board regarding parking issues at the Port.

3. Receive Director's Report

a. Receive Port Monthly Operations Summary Report

The Board received the reports.

Mr. Fitzgibbons introduced Lorena Hernandez, a new Port employee.

CONSENT AGENDA

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

- a. Approval of the Minutes of the Regular Board Meeting of August 16, 2017 and Special Board Meeting of August 23, 2017.
- b. Approval to authorize payments over \$25,000.00:
 1. HDR, the amount of \$162,199.31, for professional services for the following projects – Dredged Material Placement Area 5A Dike Relocation, Oil Dicks 3 & 6 and Maintenance Dredging, BIH Project, Valley Crossing Pipeline; and
 2. Triton Marine Construction Corp., the amount of \$616,154.75, for Oil Dock 6, Oil Dock 3 Fender System Replacement, Oil Dock 3 Facility Enhancements, and Maintenance Dredging.
- c. Approval of the following leases:
 1. Hi-Tech Welding Institute, LLC (New lease)
 2. Texas KLM, LLC (Amendment)
 3. Monita, Inc. (New lease)
 4. Gulmar, Inc. (Release of Lease)

Mr. Campirano addressed the Board briefly regarding Consent Agenda Item 4b1.

Chairman Wood asked where the Hi-Tech Welding Institute, LLC lease site will be located. Mrs. Rosenbaum briefly addressed the Board and noted that the lease site would be where Gulmar, Inc. is located.

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

5. Presentation and discussion by Burson-Marsteller detailing Third Quarter Communication Action Outline.

Mr. Tyndal introduced Teresa Henderson from Burson-Marsteller who spoke about the Third Quarter Communication Action Outline, which serves as a guideline supporting the Port's primary marketing initiatives.

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

Mrs. Rosenbaum addressed the Board regarding the following items:

1. M&M Mooring Company (**Authority to negotiate**)

M & M Mooring Company under BND Contract 3962 has requested to add a renewal term of seven years to their lease. M & M Mooring Company is planning to build an office and warehouse for storage for their Line Handling operation. Commissioner Lopez moved to authorize the Staff to amend the lease to M & M Mooring Company to add a renewal term of seven years, Commissioner Masso seconded, and the motion passed unanimously.

2. General Pipe & Industrial Constructor-LA, LLC (**Authority to negotiate**)

General Pipe & Industrial Constructors-LA has requested to lease the site located at 2930 Anglers Place Road for the purposes of equipment storage. Commissioner Lopez moved to authorize the Staff to negotiate a new lease with General Pipe & Industrial Constructors-LA, LLC, Commissioner Masso seconded, and the motion passed unanimously.

3. Firebird Bulk Carriers, Inc. (**Sublease**)

Mrs. Rosenbaum requested that this item be tabled. Commissioner Masso moved to table this item, Commissioner Lopez seconded, and the motion passed unanimously.

4. Strike, LLC (**Authority to negotiate**)

Strike, LLC under BND Contract 4119 has requested to reduce their lease term effective November 16, 2017, from one year to six months with one renewal option of six months. Discussion followed regarding Strike's request. Commissioner Cowen moved to table this Item, Commissioner Masso seconded, and the motion passed unanimously

5. Luis Javier Oseguera, d/b/a GDO Trucking (**Authority to negotiate**)

Luis Javier Oseguera, d/b/a GDO Trucking has requested to lease the former Southern Metal site located at 2605 N. Indiana Avenue for the purposes of a transportation yard. Commissioner Masso moved to authorize the Staff to negotiate with Luis Javier Oseguera, d/b/a GDO Trucking for a new lease, Commissioner Lopez seconded, and the motion passed unanimously.

7. Consideration and Action on the Steamship Agent License Renewal Application submitted by Host Agency, LLC.

Mrs. Duke addressed the Board requesting approval of the Steamship Agent License Renewal Application submitted by Host Agency, LLC. T. Parker Host, Inc. has had a license to operate in the Port of Brownsville since 2013. Their current license runs through April 30, 2018. This corporation has gone through some re-branding, and has moved their steamship agency work to a new division, Host Agency, LLC. They have submitted their application for renewal for the period May 1, 2018 through April 30, 2021. This application is complete. Commissioner Masso moved to authorize the amendment of the 2015/2018 T. Parker Host, Inc. Steamship Agent License to reflect the company's new name for the duration of the current term of their License, Commissioner Cowen seconded, and the motion passed unanimously.

8. Consideration and Action to set the 2017 ad-valorem tax rate for the Brownsville Navigation District at \$.035920 per \$100 valuation. This rate is comprised of a debt portion of \$.011035 per \$100 valuation and a maintenance and operations portion of \$.024885 per \$100 valuation. This rate is projected to increase tax revenues by \$72,125 and is higher than both the rollback tax rate and effective tax rate. This rate is the same rate that was adopted in 2016.

Mrs. Duke addressed the Board requesting authorization to set the 2017 ad-valorem tax rate for the Brownsville Navigation District at \$.035920 per \$100 valuation. The rate is comprised of a debt portion of \$.011035 per \$100 valuation and a maintenance and operations portion of \$.024885 per \$100 valuation. The effective and rollback rate calculations were advertised in the Brownsville Herald on July 26, 2017, and have been posted on the District's web site, as is required. The Recommended Property Tax Rate for 2017 is equal to the 2016 Adopted Tax Rate. This rate is higher than both the Rollback Tax Rate and the Effective Tax Rate. Setting this rate required that the District run two ¼ page advertisements, which were published on August 8, 2017 and on August 29, 2017, and hold two public hearings. The public hearings were held on August 16, 2017 and August 23, 2017. The Board may take action to adopt the Recommended Property Tax Rate of \$.035920 per \$100 valuation under this agenda item. Commissioner Reed moved that the property tax rate be increased by the adoption of a tax rate of \$.035920 per \$100 valuation, which is effectively a .82% increase in the tax rate. This rate contains a debt rate of \$.011035 per \$100 of valuation and a maintenance and operations rate of \$.024885 per \$100 of valuation. Commissioner Cowen seconded the motion and the motion passed unanimously.

9. Consideration and Action to accept proposal from SAM Engineering and Surveying on Land Surveying Services of the SH 48 Utility Corridor created by the Brownsville Navigation District on May 5, 2017.

Mr. Chavez addressed the Board requesting the acceptance of a proposal from SAM Engineering and Surveying on Land Surveying Services of the SH 48 Utility Corridor created by the Brownsville Navigation District on May 5, 2017. As authorized by BND Commissioners on May 17, 2017, BND Engineering Services staff prepared a Request for Statements of Qualifications (SOQs) from Land Surveying firms to perform boundary surveys of the Brazos Island Harbor (BIH) easements releases in the Water Resources Development Act (WRDA) of 2016, and other land surveying work. On July 5, 2017, BND commissioners authorized Port Staff to negotiate with a fifth (5th) responding firm, which Staff proposes to use for "other land surveying work". BND Staff has requested and received a proposal from SAM Engineering and Surveying (SAMES), to perform the boundary surveys on the SH 48 Utility Corridor as created by BND Commissioners action on May 3, 2017. SAMES proposes to perform the necessary boundary surveys for a lump sum fee of \$27,700.00. Commissioner Cowen moved to accept the proposal from SAM Engineering and Surveying to perform the boundary surveys on the SH 48 Utility Corridor as created by BND Commissioners, for a lump sum fee of \$27,700.00, Commissioner Lopez seconded, and the motion passed unanimously.

10. Consideration and Action to solicit proposals from Consulting Engineering Firms for professional Engineering Services for the Foust Road Truck Parking Improvements project.

Mr. Chavez addressed the Board requesting the authorization to solicit proposals from Consulting Engineering Firms for professional Engineering Services for the Foust Road Truck Parking Improvements project. The 85th Legislature appropriated \$40,000,000.00 for the biennium as a budget rider for the Texas Mobility fund for Port Capital Improvements projects. The funds must be used on “outside the gate” projects that include and/or connect to public road ways. The construction of a Truck Parking Area adjacent to the new permit office on Foust Road is a potentially eligible project. Staff believes project funding through TxDOT can provide 50% or more of the construction funding necessary for this project. Staff is requesting authorization to solicit proposals from construction engineering firms to prepare construction drawings and specifications and related improvements. Commissioner Reed moved to authorize Staff to solicit proposals for professional Engineering Services for the Foust Road Truck Parking Improvements project, Commissioner Lopez seconded, and the motion passed unanimously.

11. 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).

Commissioner Reed moved to adjourn into Executive Session, Commissioner Masso seconded, and the motion passed unanimously. The Chairman then announced that the time was 6:18 p.m., and that the Board would adjourn into Executive Session.

The Chairman then announced that the time was 7:18 p.m., and that the Board had reconvened in open session.

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

There was none.

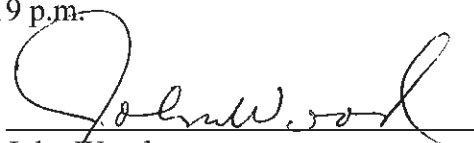
13. Adjournment.

Commissioner Cowen moved to adjourn the meeting, Commissioner Lopez seconded, and the meeting was adjourned by unanimous consent at 7:19 p.m.

ATTEST



Secretary



John Wood
Chairman of the Board