

**MINUTES OF A REGULAR MEETING OF THE BOARD OF NAVIGATION AND
CANAL COMMISSIONERS OF THE BROWNSVILLE NAVIGATION DISTRICT OF
CAMERON COUNTY, TEXAS HELD SEPTEMBER 20, 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 20, 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: Donna Eymard
Bea Rosenbaum
Ariel Chavez
Steve Fitzgibbons
Steve Tyndal
Jaime Martinez
Chief Carlos Garcia
Lieutenant Mario Esquivel
Michael Davis
Tony Rodriguez
Cristina Valdez
Debby Duke
Margie Recio
Oscar Garcia
Jaime Martinez
Lorena Flores

OTHERS PRESENT: Rev. Andreas Lewis
Joe Garza
Joe Linck
Randy Delay
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

No person registered to address the Board.

3. Receive Director's Report

a. Receive Port Monthly Operations Summary Report

Mr. Fitzgibbons made the monthly operations summary report to the Board. Discussion followed.

CONSENT AGENDA

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

- a. Approval of the Minutes of the Regular Board Meeting of September 6, 2017.
- b. Approval to authorize payments over \$25,000.00:
 - 1. ZIWA Corporation, the amount of \$417,084.32, for BND Administration Complex Rehab & Building Addition;
 - 2. McGriff, Seibels & Williams, the amount of \$40,000.00, for Consulting Annual Service Fee; and
 - 3. HDR, the amount of \$103,667.21, for professional services for the following projects – Dredged Material Placement Area 5A Dike Relocation and the BIH Project.
- c. Approval of the following leases:
 - 1. Texas LNG Brownsville, LLC (Third Amendment to Option)
 - 2. M&M Mooring Company (Amendment)

Chairman Wood and Commissioner Reed asked questions regarding the terms of the Third Amendment to Option with Texas LNG Brownsville, LLC. Mr. Campirano and Mr. Rentfro addressed the Board.

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

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

Mrs. Rosenbaum addressed the Board regarding the following items:

1. Trareysa, LLC (Authority to negotiate)

Trareysa, LLC has requested a lease for approximately two acres for a transportation yard located along Old S.H. 48. Commissioner Masso moved to authorize the Staff to negotiate with Trareysa, LLC for a new lease, Commissioner Cowen seconded, and the motion passed unanimously.

2. Landro, Inc., d/b/a ST Marine (Authority to negotiate)

Landro, Inc., d/b/a S T Marine has requested a lease on the site formerly leased by Roca Construction for one year. Landro, Inc. intends to sublease the site to Strike, LLC to provide additional storage space for Strike, LLC's operations at the Port. Commissioner Reed moved to authorize the Staff to negotiate with Landro, Inc. d/b/a S T Marine for a new lease, Commissioner Masso seconded, and the motion passed unanimously.

3. Sharyland Distribution and Transmission Services, LLC (Authority to negotiate)

Mr. Campirano addressed the Board regarding Items 5(3),5(4), and 5(5). Sharyland Distribution and Transmission Services, LLC has requested a lease for approximately 5 acres for a 138 KV

Switchyard/Substation. Commissioner Cowen moved to authorize the Staff to negotiate a new lease with Sharyland Distribution and Transmission Services, LLC, Commissioner Masso seconded, and the motion passed unanimously.

4. Sharyland Distribution and Transmission Services, LLC (**Authority to negotiate**)

Sharyland Distribution and Transmission Services, LLC has requested an easement to connect the proposed 138 KV Switchyard/Substation to the Palmito Substation. Commissioner Cowen moved to authorize the Staff to negotiate an easement with Sharyland Distribution and Transmission Services, LLC, Commissioner Masso seconded, and the motion passed unanimously.

5. Sharyland Distribution and Transmission Services, LLC (**Authority to negotiate**)

Sharyland Distribution and Transmission Services, LLC has requested road access to the 138 KV Switchyard/Substation. Commissioner Reed moved to authorize the Staff to negotiate road access to the proposed substation, Commissioner Masso seconded, and the motion passed unanimously.

6. Consideration and Action on rescheduling the Regular Board meeting of October 4, 2017.

Mr. Campirano addressed the Board requesting that the Regular Board meeting of October 4, 2017 be rescheduled. The first Regular Board meeting in October is scheduled for October 4th. A few members of the Commission will be unavailable to attend due to the AAPA Annual Conference. Commissioner Cowen moved to reschedule the Regular Board Meeting to take place on October 11, 2017 at 5:30 p.m., Commissioner Masso seconded, and the motion passed unanimously.

7. Consideration and Action to approve amendment BA2017-003 to the District's Operating and Capital Budget, Fiscal 2017 increasing revenues by \$1,843,500 to \$22,788,582 and increasing expenditures by \$1,344,770 to \$13,861,661.

Mr. Fitzgibbons and Mrs. Valdez addressed the Board requesting approval on amendment BA2017-003 to the District's Operating and Capital Budget, Fiscal 2017 increasing revenues by \$1,843,500 and increasing expenditures by \$1,344,770. The District historically makes necessary budget adjustments in August or September based on actual revenues and expenditures through the mid-year. The proposed amendment increases revenues \$1,843,500 with about \$1,600,000 of this increase resulting from the Valley Crossing Pipeline project. Expenditures are proposed to increase \$1,344,770 with \$872,307 as payment to Keppel AmFELS for dockage charge reimbursements and capital expenditure reimbursements by contract. Most of the remaining increase is for a \$20,000 facilities security plan and \$400,000 for materials, fuel and water. Discussion followed. Commissioner Reed moved to authorize Amendment BA2017-003 to the District's Operating Budget for Fiscal Year 2017 by increasing revenues by \$1,843,500 and increasing expenditures by \$1,344,770, Commissioner Cowen seconded, and the motion passed unanimously.

8. Consideration and Action to approve the purchase order for the 2017 contribution to the Texas Municipal League Intergovernmental Risk Pool as the District's contribution premium and to authorize payment of the premium when invoiced in the amount of \$162,962.00.

Mrs. Duke and Mr. Martinez addressed the Board requesting approval of purchase order for the 2017 contribution to the Texas Municipal League Intergovernmental Risk Pool as the District's contribution premium and to authorize payment of the premium when invoiced in the amount of

\$162,962.00. This renewal is for the Worker's Compensation Insurance, the Business Auto Liability Coverage, the Automobile Comprehensive/Collision Coverage and the Crime Policies (Public Employee Dishonesty, Computer Fraud, Forgery and Alteration and Theft, Disappearance and Destruction). Commissioner Masso moved to approve the purchase order to Texas Municipal League in the amount of \$162,962.00 for the renewal of Worker's Compensation Insurance, the Business Auto Liability Coverage, the Automobile Comprehensive/Collision Coverage and the Crime Policies (Public Employee Dishonesty, Computer Fraud, Forgery and Alteration and Theft, Disappearance and Destruction) and to authorize the payment of the invoice for these policies when received, Commissioner Cowen seconded, and the motion passed unanimously.

9. Consideration and Action to award contract on the Keppel AmFELS Water Line Relocation project to the lowest responsive and qualified bidder, and to issue Notice of Award.

Mr. Campirano asked that this Item be tabled. Commissioner Masso moved to table this Item, Commissioner Cowen seconded, and the motion passed unanimously

10. Consideration and Action on Change Order No. 2 to the Administration Complex Rehabilitation and Building Additions project, modifying phone and data conduits, electrical site and device changes, adjustments for security cameras, installing high-speed data cables, and door hardware modifications.

Mr. Chavez addressed the Board requesting the approval on Change Order No. 2 to the Administration Complex Rehabilitation and Building Additions project. As work has progressed on the building, the project team decided to modify the phone and data conduits and make changes to the electrical site layout and electrical devices (a \$21,186.44 increase), modify door hardware by simplifying the locks (a \$6,523.04 decrease), install high-speed Cat 6a data cables for all buildings (a \$63,562.52 increase), and provide conduit and supports for the installation of security cameras (a \$1,684.18 increase), for a total increase of \$79,910.10 to the current contract amount of \$7,153,151.19, for a new contract amount of \$7,233,061.29. The contractor is asking for an extension to the contract time of twenty (20) calendar days, which would result in a new contract completion date of August 18, 2018. Discussion followed. Commissioner Masso moved to approve an increase in the current contract price of \$7,153,151.19 by \$79,910.10 for a new contract price of \$7,233,061.29, but to reject Ziwa Corporation's request for an extension of the contract time, Commissioner Reed 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 Masso moved to adjourn into executive session, Commissioner Reed seconded, and the motion passed unanimously. The Chairman then announced that the time was 6:38 p.m., and that the Board would adjourn into executive session.

The Chairman then announced that the time was 7:35 p.m., and that the Board had reconvened in open session.

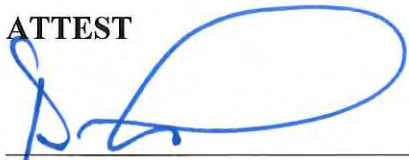
12. Possible action on matters or items discussed in Executive Session.

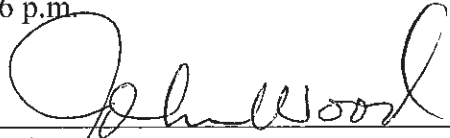
There was none.

13. Adjournment.

Commissioner Reed moved to adjourn the meeting, Commissioner Cowen seconded, and the meeting was adjourned by unanimous consent at 7:36 p.m.

ATTEST



Secretary

John Wood
Chairman of the Board