

**MINUTES OF A REGULAR MEETING OF THE BOARD OF NAVIGATION AND  
CANAL COMMISSIONERS OF THE BROWNSVILLE NAVIGATION DISTRICT OF  
CAMERON COUNTY, TEXAS HELD NOVEMBER 1, 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, November 1, 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 (beginning with agenda item 5)

**ABSENT:** None

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

**STAFF MEMBERS:** Bea Rosenbaum  
Ariel Chavez  
Steve Fitzgibbons  
Jaime Martinez  
Chief Carlos Garcia  
Michael Davis  
Patty Gonzales  
Tony Rodriguez  
Cristina Valdez  
Lieutenant Mario Esquivel  
Debby Duke  
Memo Rico  
Margie Recio

**OTHERS PRESENT:** Rev. Andreas Lewis  
Dan Garza  
Roberto Ruiz  
Eduardo Duran  
Luis Bazan  
KBSD

**1. Meeting Called to Order**

The Chairman called the meeting to order at 6:15 p.m. Mr. Chavez 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.

The Chairman then introduced Eddie Duran, the new community representative for Rio Grande LNG.

The Chairman then asked that item 9 be taken out of order.

## **9. Consideration and Action on Memorandum of Understanding between Brownsville Navigation District and the Pharr International Bridge.**

Mr. Rodriguez addressed the Board requesting approval of the Memorandum of Understanding between Brownsville Navigation District and the Pharr International Bridge. In its ongoing effort to be recognized as the “Valley’s” port, in cooperation with the City of Pharr and the International Bridge, the Memorandum of Understanding between the parties provides various information sharing and reciprocal marketing provisions linking the organizations for the common good on mutually beneficial regional and international trade initiative. Commissioner Lopez moved to approve the proposed Memorandum of Understanding, Commissioner Cowen seconded, and the motion passed unanimously.

## **3. Receive Director’s Report**

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

The report was in the agenda packet.

### **b. Quarterly Marketing Update**

Mr. Campirano informed the Board that Mr. Tyndal was unable to attend the meeting. The Chairman requested that the report be moved to the next meeting.

## **CONSENT AGENDA**

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

- a. Approval of the Minutes of the Regular Board Meeting of October 18, 2017.
- b. Approval to authorize payments over \$25,000.00:
  1. American Surveillance, the amount of \$25,600.49, for Port of Brownsville Security Cameras;
  2. HDR, the amount of \$52,918.98, for services to support the DMPA 5B Dike Relocation Project for the period of September 3, 2017 through September 30, 2017;
  3. Vulcan Materials Company, the amount of \$110,947.78, for crushed limestone for Patio 22; and
  4. Triton Marine Construction, the amount of \$516,818.66, for Contractor’s Invoice No. 8 Construction, Oil Dock 6 Construction, Oil Dock 3 Fender System Replacement and Facility Enhancements and Maintenance Dredging.
- c. Approval of the following leases:
  1. Sharyland Distribution and Transmission Services, LLC (New Lease-Substation)
  2. Sharyland Distribution and Transmission Services, LLC (Transmission Easement)

3. Sharyland Distribution and Transmission Services, LLC (Access Easement)
4. TransMontaigne Operating Company, L.P. (New Lease)
5. TransMontaigne Operating Company, L.P (Sublease)

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

Commissioner Masso then took his seat at the table, and participated in the balance of the meeting.

**5. Presentation of Award of Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers Association of the United States and Canada.**

Mr. Fitzgibbons addressed the Board regarding the Certificate of Achievement for Excellence in Financial Reporting for the District's 2016 Comprehensive Annual Financial Report which was awarded to the District by the Government Finance Officers Association of the United States and Canada. This award was received by the District for the sixth year in a row. Ms. Valdez also addressed the Board regarding the award.

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

Mrs. Rosenbaum addressed the Board regarding the following items:

**1. Marine Railway, Inc (Authority to negotiate)**

Marine Railway, Inc. lease (BND Contract 3659) expires on January 31, 2018. The tenant is requesting a new lease. The purpose of the lease is for shrimp trawler docking and maintenance. Commissioner Reed moved to authorize the Staff to negotiate a new lease with Marine Railway, Inc., Commissioner Lopez seconded, and the motion passed unanimously.

**7. Consideration and Action on Amendment of Memorandum of Understanding between Brownsville Navigation District and Rio Grande LNG for the Bahia Grande Restoration Project.**

Mr. Campirano addressed the Board asking for approval on the Amendment of Memorandum of Understanding between Brownsville Navigation District and Rio Grande LNG for the Bahia Grande Restoration Project. On June 7, 2017, the Brownsville Navigation District entered into a Memorandum of Understanding (MOU) with Rio Grande LNG, LLC, for the Bahia Grande Restoration Project. Funding has now become available through the National Resource Damage Assessment Trustees (NRDA Trustees) to proceed with the project on a schedule that would complete it more quickly than is contemplated under the original Bahia Grande MOU. This amendment will allow Texas General Land Office in accordance with NRDA Trustees to proceed with the Project. Commissioner Cowen moved to approve the Amendment of Memorandum of Understanding regarding the Bahia Grande Restoration Project, Commissioner Masso seconded, and the motion passed unanimously.

**8. Consideration and Action on seeking authorization to change the District's positioning statement from "Worldclass" to "the port that works".**

Ms. Gonzales addressed the Board requesting authorization to change the District's market positioning statement from "Worldclass" to "the port that *works*". Since late-2015, port staff has informally introduced a secondary positioning statement to accompany the port's

existing logo, which currently features the tagline “Worldclass.” Port staff seeks the Commission’s authorization to adopt the recommended new positioning statement “the port that *works*.” After discussion, Commissioner Cowen moved to adopt the new positioning statement and phased-in implementation strategy, Commissioner Masso seconded, and the motion passed unanimously.

**10. Consideration and Action to adopt a “Resolution to Authorize a Joint and Contracted Election” in regard to the May 8, 2018 General Election.**

Mrs. Duke addressed the Board requesting the adoption of a “Resolution to Authorize a Joint and Contracted Election” in regard to the May 8, 2018 General Election. This resolution states the Board's intention to participate jointly in the election with other entities also having a May 8th election, thereby giving staff the authority to negotiate the election parameters with them. This Resolution also gives staff the authority to negotiate a contract for the election with the County Elections Administrator. Port Staff has already met with Remi Garza, the Cameron County Elections Administrator. He is planning to hold the District's election and will put together an election contract. Port staff is expecting to begin holding planning meetings with TSC in early November, and are looking at consolidations that will cut both the District's and TSC's costs. Commissioner Cowen moved to adopt this Resolution, Commissioner Masso seconded, and the motion passed unanimously.

**11. Consideration and Action on Amending Leasing Policy C305 (Local) Lease Pricing – Notes to the Table of Lease Rental Rates.**

Mrs. Duke addressed the Board requesting authorization to amend Leasing Policy C305 (Local) Lease Pricing-Notes to the Table of Lease Rental Rates. When the Leasing Policies were revised in 2010, and the Table of Lease Rental Rates was incorporated into Policy 305 (Local) Lease Pricing, notes were incorporated in the Policy at the end of the Table to refer readers to the Grandfather Provisions and to explain the application of the minimum rate at the Fishing Harbor. The Grandfather Provisions no longer apply as all the leases that they applied to have now come up to regular rates, so the staff is recommending that this note be removed as no longer being necessary. This change to the policy has been submitted to the Policy Committee and this amendment serves to clarify the policy. Commissioner Cowen moved to authorize the amendment of Policy C305 (Local) – Leasing Policy Lease Pricing Notes to the Table of Lease Rental Rates to be effective November 1, 2017, Commissioner Masso seconded, and the motion passed unanimously.

**12. Consideration and Action on Amending Leasing Policy C306 (Local) Lease Guidelines - Terminations.**

Mrs. Duke addressed the Board requesting authorization to amend Leasing Policy C306 (Local) Lease Guidelines - Terminations. The staff is recommending a clarification to the “Leasing Policies C306 (Local) Lease Guidelines – Terminations”, to clearly specify who the Board has given authority to terminate leases. This change has been submitted to the Policy Committee, and this amendment serves to codify current practice. Commissioner Masso moved to authorize the

amendment of Policy C306 (Local) – Lease Guidelines – Terminations to be effective November 1, 2017, Commissioner Cowen seconded, and the motion passed unanimously.

**13. Consideration and Action to adopt Resolution regarding Safe Deposit Box, Secretary’s Certificate and Signature Cards for a Safe Deposit Box at Lone Star National Bank.**

Mrs. Duke addressed the Board requesting the approval to adopt Resolution regarding Safe Deposit Box, Secretary’s Certificate and Signature Cards for a Safe Deposit Box at Lone Star National Bank. The Staff is requesting that the Board authorize the documents required for the opening of a safe deposit box at the District's depository bank, Lone Star National Bank, at the Sunrise Branch. The bank is asking for a Resolution of the Board giving them instructions on access to the box, and the Secretary's Certificate and Signature Cards that are typically seen for a bank account will be prepared based on the Resolution. As a governmental customer of the bank, the cost of a safe deposit box is \$25.00 per year, with a one-time setup fee of \$15.00. Commissioner Lopez moved to approve the Resolution Regarding Safe Deposit Box, Secretary’s Certificate and Signature Cards for the rental of a safe deposit box at Lone Star National Bank, Commissioner Masso seconded, and the motion passed unanimously.

**14. Consideration and Action to authorize the staff to advertise for bids for Geogrid material.**

Mrs. Duke addressed the Board requesting the authorization for staff to advertise for bids for the annual purchases of 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 2018, therefore, 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 Lopez moved to authorize staff to advertise for bids for geogrid material, Commissioner Masso seconded, and the motion passed unanimously.

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

Mrs. Duke addressed the Board requesting authorization for the staff to advertise for bids for the annual purchases of 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 2018, 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 staff to advertise for bids for crushed limestone, Commissioner Lopez seconded, and the motion passed unanimously.

**16. Consideration and Action to authorize the staff to advertise for bids for treated lumber.**

Mrs. Duke addressed the Board requesting authorization for the staff to advertise for bids for the annual purchases of treated lumber. The District uses treated lumber for repairs to waterfront facilities. The annual usage is estimated to be more than \$50,000. Due to the increase in the level of maintenance to the docks, the staff felt it advisable to put the purchase of this materials into an

annual purchase agreement. Commissioner Lopez moved to authorize the staff to advertise for bids for treated lumber, Commissioner Cowen seconded, and the motion passed unanimously.

**17. Consideration and Action to authorize the staff to advertise for bids for hauling services.**

Mrs. Duke addressed the Board requesting the authorization for staff to advertise for bids for annual purchases of hauling services. The District uses local contractors for hauling service needs that are more than the District's four dump trucks can handle. With the increase in hauling of limestone for patio construction and dunnage from the cleanup of lease sites, the level of purchasing of these services is expected to exceed \$100,000 in 2018, requiring the staff to bid out these services. Commissioner Masso moved to authorize the staff to advertise for bids for hauling services, Commissioner Reed seconded, and the motion passed unanimously.

**18. Consideration and Action on bid received for the purchase of a used truck and lowboy trailer.**

Mrs. Duke addressed the Board requesting the acceptance or rejection of bid received for the purchase of a used truck and lowboy trailer. The District requested quotes for the purchase of a used truck and lowboy trailer. Requests for bid were sent to four vendors. One bid was received from Texas Borders Oilfield Transport, Inc. from Mission Texas in the amount of \$35,000. The staff went to inspect the unit, and has determined that the vehicle does not meet the specifications that were set for this purchase. Commissioner Lopez moved to reject the bid received from Texas Borders Oilfield Transport, Inc. for the purchase of a used truck and lowboy trailer, Commissioner Cowen seconded, and the motion passed unanimously.

**19. Consideration and Action on Change Order No. 4 to the Oil Dock No. 6 Construction, Oil Dock No. 3 Fender System Replacement & Facility Enhancements, & Maintenance Dredging Project, for the purpose of enhancing the storm drainage system, realign the road around an existing fence, and extending the water line and force main east to Anchor Road.**

Mr. Chavez addressed the Board requesting the acceptance or rejection of Change Order No. 4 to the Oil Dock No. 6 Construction, Oil Dock No. 3 Fender System Replacement & Facility Enhancements, & Maintenance Dredging Project, for the purpose of enhancing the storm drainage system, realign the road around an existing fence, and extending the water line and force main east to Anchor Road. Consultant HDR is recommending that the storm drainage system be modified by extending the 24" RCP drain pipe westward, changing the post inlets to grate inlets, changing a segment of 24" RCP to 15" RCP to clear a conflict with a fuel pipe, changing the west inlet and adding a 12" RCP pipe and headwall to drain the proposed road, adding an inlet and 24" RCP to capture an existing 12" pipe flow, and extending the 30" RCP drain pipe on the East; and that the 8" water line be extended to Anchor Road to create a loop; that the 4" sanitary sewer force main be extended to Anchor Road for future preparation, and that the roadway alignment be adjusted around an existing fence, for a total increase in the contract price of \$195,429.72. This will require a 5-day increase in contract time changing the contract completion date from December 25, 2018 to December 30, 2018. Commissioner Reed moved to approve Change Order No. 4 to the contract with Triton Marine Construction Corp. on the Oil Dock No. 6 Construction, Oil Dock No. 3 Fender System Replacement & Facility Enhancements, and Maintenance Dredging project, increasing the current contract price by \$195,429.72, for a new contract price of \$24,187,267.98, and a 5-day increase in the overall contract time changing the completion date from December 25, 2018 to

December 30, 2018, Commissioner Cowen seconded, and the motion passed unanimously.

**20. 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 6:52 p.m., and that the Board would adjourn into executive session.

The Chairman then announced that the time was 7:22 p.m., and that the Board had reconvened in open session.

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

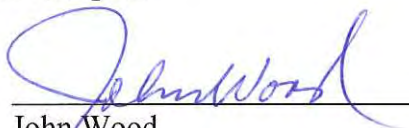
There was none.

**22. Adjournment.**

The meeting was adjourned by unanimous consent at 7:22 p.m.

ATTEST

  
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Secretary

  
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John Wood  
Chairman of the Board