

**MINUTES OF A REGULAR MEETING OF THE BOARD OF NAVIGATION AND
CANAL COMMISSIONERS OF THE BROWNSVILLE NAVIGATION DISTRICT OF
CAMERON COUNTY, TEXAS HELD JUNE 6, 2018 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, June 6, 2018 at 5:30 p.m.** The following individuals were present and absent:

PRESENT: John Reed, Chairman
Sergio Tito Lopez
Ralph Cowen
John Wood
Esteban Guerra

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

STAFF MEMBERS: Donna Eymard
Steve Tyndal
Bea Rosenbaum
Memo Rico
Ariel Chavez
Oscar Garcia
Steve Fitzgibbons
Jaime Martinez
Michael Davis
Tony Rodriguez
Debby Duke
Margie Recio
Patty Gonzales
Lieutenant Mario Esquivel
Manuel Martinez

OTHERS PRESENT: Rev. Andreas Lewis
Norma Torres
Alan Simon
Robert Berry
Peter Schmar
J.C. Echevarria
Peter Schmar
David Garcia
Paolina Vega
Scott Donnaho
Jorge de la Colina

1. Meeting Called To Order

The Chairman called the meeting to order at 5:35 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 Reports

Chairman Reed asked Mr. Tyndal for a report on his trip to the German American Chamber of Commerce convention in Germany. Mr. Tyndal addressed the Board. Mr. Campirano noted that the German government invited a Port representative to attend the conference and paid for Mr. Tyndal's travel and lodging expenses.

Commissioner Lopez asked Mr. Rodriguez for a report on his trip to the Expo Logistica y Transporte in Monterrey. Mr. Rodriguez addressed the Board.

CONSENT AGENDA

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

- a. Approval of the Minutes of the Regular Board Meeting of May 16, 2017.
- b. Approval to authorize payments over \$25,000.00:
 1. HDR, the amount of \$138,610.11, for Construction, Admin and Observation Services for Oil Dock 3 & 6, Construction Observation for Valley Crossing Pipeline Project;
 2. GeoSolutions, the amount of \$62,975.88, for Geogrid reinforcement for Patio 22;
 3. ZIWA Corporation, the amount of \$266,185.37, for BND Admin Complex Rehab & Bldg. Add;
 4. G&T Paving, the amount of \$259,891.56, for Foust Road Truck Parking Facility;
 5. Vulcan Materials Company, the amount of \$50,914.32, for crushed limestone;
 6. Environmental Evolutions, the amount of \$40,014.00, for disposal of oily waste; and
 7. Triton Marine Construction, the amount of \$2,454,825.63, for Oil Dock 6 Construction, Oil Dock 3 Fender System Replacement & Facility Enhancements and Dredging.

Chairman Reed asked for an update on Triton Marine Construction's progress relating to Consent Agenda Item 4b7. Mr. Chavez addressed the Board.

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

Mrs. Eymard then asked the Board to consider item 11 out of order.

11. Consideration and Action on Memorandum of Understanding between the Brownsville Police Department and the Port of Brownsville Police Department to provide Explosive Ordinance Disposal Services.

Lieutenant Esquivel addressed the Board requesting the approval on Memorandum of Understanding between the Brownsville Police Department and the Port of Brownsville Police Department to provide Explosive Ordinance Disposal Services. The City of Brownsville Police Department Explosive Ordinance Disposal (EOD) Unit has for numerous years been responding to the Port of Brownsville upon request to properly identify and safely remove any object resembling an explosive device. The Port of Brownsville and its tenants have received this type of service at no cost and will continue as such. The Brownsville Police Department EOD Unit intends to apply for funding to purchase Portable X-Ray devices through the 2018 Port Security Grant Program and is requesting support through the adoption of this Memorandum of Understanding. Commissioner Lopez moved to approve the adoption of the MOU between the City of Brownsville Police Department and the Port of Brownsville, Commissioner Guerra seconded, and the motion passed unanimously.

Mrs. Eymard then asked that the Board consider item 16 out of order.

16. Consideration and Action to authorize Port Director and C.E.O. to execute Right of Entry Agreement with Cameron County and the U.S. Army Reserve for use of 11 Acres to temporarily store road building equipment and road building materials.

Mr. Chavez addressed the Board requesting authorization for Port Director and CEO to execute a Right of Entry Agreement with Cameron County and the U.S. Army Reserve for use of 11 Acres to temporarily store road building equipment and road building materials. In a joint effort with the U.S. Army Reserve, the County of Cameron is endeavoring to undertake a training session in road construction on a portion of Old Port Isabel Road, adjacent to land owned by the Brownsville Navigation District. For that purpose, they are requesting a temporary Right of Entry to a 600 ft. X 800 ft. tract (11.01 acres) out of a 925.76 Acre District-owned tract adjacent to Old Port Isabel Road. The proposed temporary use is to store road building material and equipment close to the area of improvement. Their projections have the project scheduled to begin the week of June 11, 2018 and end within 60 days, weather permitting. County Administrator Garcia addressed the Board. Discussion followed. Commissioner Cowen moved to authorize Port Director and C.E.O. Eduardo A. Campirano to execute the Right of Entry Agreement with Cameron County and the U.S. Army Reserve for the temporary use of 11.01 acres to store road building equipment and road building materials subject to receipt of proof of insurance, Commissioner Lopez 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. AmSpec, LLC (Authority to negotiate)

AmSpec, LLC has requested a lease on the site formerly leased to Marine Metal, Inc. as a parking lot for purposes of an inspection and testing facility. Commissioner Lopez moved to authorize the Staff to negotiate with AmSpec, LLC for a new lease, Commissioner Wood seconded, and the motion passed unanimously.

2. Max Alonso Gonzalez Perez, d/b/a Transportes De Carga Tornado (**Authority to negotiate**)

Max Alonso Gonzalez Perez, d/b/a Transportes De Carga Tornado has requested a lease on approximately 1.377 acres for the purposes of a freight transport yard. Commissioner Wood moved to authorize the Staff to negotiate a new lease with Max Alonso Gonzalez, d/b/a Transportes De Carga Tornado, Commissioner Guerra seconded, and the motion passed unanimously.

3. Luma Trading, Inc / American Cement Advisors, Inc. (**Authority to negotiate**)

Luma Trading, Inc. under BND Contract 3883 is selling its improvements to American Cement Advisors, Inc. and has requested a release of lease subject to the Board approving of a new lease to American Cement Advisors, Inc. . The purpose of the new lease is for a cement terminal. Mr. Echevarria addressed the Board. Discussion followed. Commissioner Lopez moved to authorize the Staff to negotiate a new lease with American Cement Advisors, Inc. and a Release of Lease to Luma Trading, Inc., Commissioner Guerra seconded, and the motion passed unanimously.

6. Consideration and Action on appointments of BND Commission to Boards and Committees.

Chairman Reed addressed the Board recommending the appointment of BND Commissioners to Boards and Committees. Every two years the Chairman appoints Commission members to various committees and/or boards. The Chairman read the appointments into the record, as follows:

Metropolitan Planning Organization	John Wood
Southmost Regional Water Authority	Ralph Cowen
Rio Grande Partnership	Ralph Cowen
Border Trade Alliance	Ralph Cowen
Audit Committee (Advisory)	John Reed (Chair), Esteban Guerra
Policy Committee (Advisory)	John Wood (Chair), Esteban Guerra
Security Committee (Advisory)	Sergio Tito Lopez (Chair), Esteban Guerra

Commissioner Guerra moved to appoint the Commission members to the committees as read into the record by the Chairman, Commissioner Wood seconded, and the motion passed unanimously.

7. Consideration and Action to amend the Organization Chart to add a personnel position of Director of Special Projects.

Mr. Martinez addressed the Board requesting authorization to amend the Organization Chart to add a personnel position of Director of Special Projects. The recent announcement of commencing the due diligence to secure the development of Big River Steel, as well as potential for other large-scale projects, staffing to support these activities is critical. The position will include responsibility for managing the scope, costs and schedule of activities associated with special projects such as Big River Steel. This position would be titled Director of Special Projects and report to the Port Director & CEO. Commissioner Lopez moved to amend the Organizational Chart to include the

position of Director of Special Projects, Commissioner Cowen seconded, and the motion passed unanimously.

8. Consideration and Action to declare the office structure at the former MTZ Group/Allied Trading lease site at 2601 N. Indiana Avenue as salvage and to authorize the Salvage Auction Team to have it demolished by District personnel

Mrs. Duke addressed the Board requesting declaration of the office structure at the former MTZ Group/Allied Trading lease site at 2601 N. Indiana Avenue as salvage and to authorize the Salvage Auction Team to have it demolished by District personnel. The building is approximately 1,320 sq. ft. and is in very poor condition. It was determined by the Salvage Auction Team to be unfit for further use and they are recommending that the office building be demolished, and the debris be disposed of. There does not appear to be a significant amount of scrap metal in this building, but any material that is salvaged will be disposed of in the District's normal process. The demolition will be done by District personnel. Commissioner Wood moved to declare the office building on the former MTZ Group/Allied Trading lease site at 2601 N. Indiana Avenue as salvage and to authorize the Salvage Auction Team to have the building demolished, Commissioner Cowen seconded, and the motion passed unanimously.

9. Consideration and Action to declare the 905/BMW Warehouse and 3 Silos at 4501 N. Mineral Loop Road as salvage and to authorize the Salvage Auction Team to advertise for bids for their demolition.

Mrs. Duke addressed the Board requesting the declaration of the 905/BMW Warehouse and 3 Silos at 4501 N. Mineral Loop Road as salvage and to authorize the Salvage Auction Team to advertise for bids their demolition. The site has a warehouse of approximately 61,000 sq. ft and three silos. All of the improvements are in very poor condition. The Salvage Auction Team has examined the buildings and the silos and determined that the best plan for the site is to remove them to make way for a tenant to start fresh on the site. The Salvage Auction Team is recommending that the District advertise for bids for the demolition of the building and the silos. The concrete footers of the silos and the loading docks will not be removed. A bid packet has been prepared. To control the costs, the District will provide trucking of the debris to the landfill and will use the District's landfill credits for its disposal. The demolition contractor will be required to segregate the scrap metal for the District to dispose of in the normal process. Commissioner Guerra moved to declare the warehouse and 3 silos at the 905-/BMW lease site at 4501 N. Mineral Loop Road as salvage and authorized the Salvage Auction Team to advertise for bids for their demolition, Commissioner Lopez seconded, and the motion passed unanimously.

10. Consideration and Action to authorize a contract with D & B General Cleaning Contractor, Inc for janitorial services.

Mrs. Duke addressed the Board requesting authorization for the Staff to enter into a contract with D & B General Cleaning Contractor, Inc. for janitorial services for the Harbormaster's Office, the Command Center and the Permit Office. . A request for sealed, written, quotes was issued. On the first request, two quotes were received by the deadline, and both of the quotes were in excess of \$50,000.00. The staff revised the specifications and the revised request was sent out to the same 10 companies that the original request was sent to, with a cover letter stating that the sealed, written quote process was not authorized for purchases of \$50,000.00 and above. These companies were invited to submit sealed, written quotes on the basis of the revised specifications if their quotes did not exceed this limit. Three sealed, written quotes were received, from the same two original

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vendors who submitted under the original request, and from D & B General Cleaning Contractor, Inc. The lowest quotation was received from the current vendor, D & B General Cleaning Contractor, Inc. in the amount of \$27,234.48 for the first and second years, and for \$27,779.16 for the third year. The contract will begin on July 1, 2018 for the Harbormaster's Office and the Command Center and on approximately August 1, 2018 for the Permit Office. Commissioner Lopez moved to authorize a contract for janitorial services with D & B General Cleaning Contractor, Inc. for an annual amount not to exceed \$27,779.16, Commissioner Guerra seconded, and the motion passed unanimously.

12. Consideration and Action awarding a bid in the amount of \$26,193.00 to SEDCO for the fabrication and installation of an Air Header System at the Fishing Harbor Waste Water Treatment Facility.

Mr. Fitzgibbons addressed the Board requesting the authorization to award a bid in the amount of \$26,193.00 to SEDCO for the fabrication and installation of an Air Header System at the Fishing Harbor Waste Water Treatment Facility. The existing air header system at the Fishing Harbor Waste Water Sewer Treatment Plant is not functioning and needs to be replaced for the proper operation of the digester system. The air header is a component of the plant's aeration process. Bid specifications indicating a turnkey project were sent to three fabrication shops and one bid was received. Commissioner Cowen moved to authorize the award of bid to SEDCO in the amount of \$26,193 for the fabrication and installation of an Air Header System at the Fishing Harbor Waste Water Treatment Facility, Commissioner Wood seconded, and the motion passed unanimously.

13. Consideration and Action to authorize Port Director and CEO to accept proposal from SAM Engineering & Surveying on Boundary Land Surveying Services of Tracts #1 and #2 of the Big River Steel proposed lease property off State Highway No. 48.

Mr. Chavez and Mr. Campirano addressed the Board requesting the consideration of the proposal from SAM Engineering & Surveying on Boundary Land Surveying Services of Tracts #1 and #2 of the Big River Steel proposed lease property off State Highway No. 48. The proposal offers to provide boundary land surveying services for Tracts #1 and #2 to be leased by BRS off State Highway No. 48 in the area East of the Fishing Harbor. Services will include provision for setting of a total of twelve (12) control panel points for drone flights for aerial topography data collection by another consultant. SAMES proposes to provide these services for the lump sum amount of \$42,650.00. Commissioner Lopez moved to accept the proposal from SAM Engineering and Surveying to perform the boundary surveys of and setting twelve (12) control panel points on the proposed Big River Steel lease sites, for a lump sum fee of \$42,650.00, Commissioner Cowen seconded, and the motion passed unanimously.

14. Consideration and Action to authorize Port Director and CEO and Deputy Port Director to execute an Amendment No. 1 to the U.S. Army Corps of Engineers' Consent to Easement for the Docks Maintenance Dredging project on behalf of the Port.

Mr. Chavez addressed the Board requesting the authorization for the Port Director and CEO and the Deputy Port Director to execute Amendment No. 1 to the U.S. Army Corps of Engineers' Consent to Easement for the Docks Maintenance Dredging project on behalf of the Port. Due to project delays primarily resulting from the impact of hurricane Harvey, the Real Estate permit has expired. District Staff issued a request to USACE Galveston District (SWG) to extend the permits and received the Consent Amendment document with the extension to June 30, 2019. As with the

initial document, the extension document requires signatures by the Port Director and C.E.O., Mr. Eduardo A. Campirano, and by Deputy Port Director, Ms. Donna Eymard. Considering the related nature of Item 15, the Chairman asked that the Board consider Items 14 and 15 together. Commissioner Cowen moved to authorize Port Director and C.E.O., Mr. Eduardo Campirano, and Deputy Port Director, Ms. Donna Eymard, to execute the said Consent to Easement Amendments, described in Items 14 and 15, of the U.S. Army Corps of Engineers Outgrant Permit to place dredged material from the Oil Dock #6 project into the BND's Dredged Material Placement Area #8, Commissioner Wood seconded, and the motion passed unanimously.

15. Consideration and Action to authorize Port Director and CEO and Deputy Port Director to execute Amendment No. 1 to the U.S. Army Corps of Engineers' Consent to Easement for dredging on the Oil Dock #6 project on behalf of the Port.

This item was approved in the same motion as was Item 14.

17. Consideration and Action to authorize Port Staff to advertise for bids on the 2018 BND Road Patching and Road Rehabilitation project, and to open bids.

Mr. Chavez addressed the Board requesting the authorization for Port Staff to advertise for bids on the 2018 BND Road Patching and Road Rehabilitation project, and to open bids thereof. The BND Maintenance Department has been working on several areas around Port roads that required pavement repairs, and they have performed spot repairs up to the Limestone Base. To date just over 2,500 square yards of pavement have been prepared and are ready for the 3" Hot Mix Asphaltic Concrete surfacing. The estimated cost of these repairs is in the \$90,000.00 range. In addition, Staff plans to include other road repairs and rehabilitations. Commissioner Cowen moved to authorize BND Staff to prepare an Invitation to Bid on the 2018 BND Road Repairs and Road Rehabilitation project, as per drawings specifications and bid documents, and to open bids once they are received, Commissioner Lopez seconded, and the motion passed unanimously

18. 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 6:36 p.m., and that the Board would adjourn into executive session, on motion by Commissioner Wood, seconded by Commissioner Cowen, and unanimously carried.

Commissioner Cowen did not return to open session.

Commissioner Wood moved to reconvene in open session, Commissioner Lopez seconded, and the motion passed unanimously. The Chairman then announced that the time was 7:50 p.m., and that the Board had reconvened in open session.

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

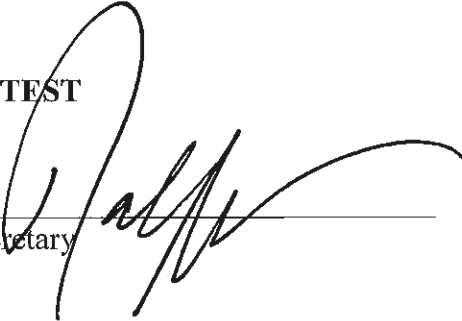
There was none.

20. Adjournment.

Commissioner Wood moved to adjourn the meeting, Commissioner Lopez seconded, and the meeting was adjourned by unanimous consent at 7:51 p.m.

ATTEST

Secretary



John Reed
Chairman of the Board