

**MINUTES OF A REGULAR MEETING OF THE BOARD OF NAVIGATION AND  
CANAL COMMISSIONERS OF THE BROWNSVILLE NAVIGATION DISTRICT OF  
CAMERON COUNTY, TEXAS HELD DECEMBER 5, 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, December 5, 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

**ABSENT:** None

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

**STAFF MEMBERS:** Steve Tyndal  
Joe Herrera  
Memo Rico  
Bea Rosenbaum  
Ariel Chavez  
Lorena Hernandez  
Karina Franco  
Jaime Martinez  
Chief Carlos Garcia  
Lieutenant Mario Esquivel  
Michael Davis  
Tony Rodriguez  
Debby Duke  
Margie Recio  
Maggie Doxsee

**OTHERS PRESENT:** Rev. Andreas Lewis  
Albert Perez  
Joseph Linck  
Dan de la Garza  
Mike Kriebler  
Scott Donnaho  
Jorge de la Colina  
Landon Overby

### **1. Call to Order**

The Chairman called the meeting to order at 5:33 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. Reports**

#### **a. Receive Director's Reports.**

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

Ms. Hernandez made the reports 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 November 06, 2018.
- b. Approval to authorize payments over \$25,000.00:
  1. HDR, the amount of \$354,381.18, for Construction Admin & Observation services for Oil Docks 3 & 6; BIH Task Order #2; Construction Observation Services of VCP project;
  2. Triton Marine Construction, the amount of \$302,628.50, for Oil Dock 6, Oil Dock 3 Fender System Replacement; Oil Dock 3 Facility Enhancements and Maintenance Dredging; and
  3. G&T Paving, the amount of \$47,601.00, for BND Road Spot Repairs and Asphalt Surfacing.
- c. Approval of the following leases:
  1. Keppel Amfels, Inc. (Amendment)
  2. Annova LNG, LLC, Annova LNG Brownsville A, LLC, Annova LNG Brownsville B, LLC, Annova LNG Brownsville C, LLC and Annova LNG Common Infrastructure, LLC (New lease)

Mrs. Duke noted that the minutes failed to reflect that Mr. Tyndal was present at the November 6 meeting.

Mr. Campirano asked that Items 4a and 4b1-3 be considered separately.

Commissioner Wood moved to approve consent agenda items 4a and 4b1-3, including the revision to the minutes as noted by Mrs. Duke, Commissioner Guerra seconded, and the motion passed unanimously.

Mr. Campirano then asked that items 4c1 and 4c2 be tabled. Commissioner Lopez so moved, Commissioner Guerra seconded, and the motion carried unanimously.

**5. Consideration and Action on rescheduling the second regularly scheduled Board meeting of December.**

Mr. Campirano addressed the Board requesting rescheduling of the second regularly scheduled Board meeting of December. He asked that the meeting be rescheduled for Tuesday, December 18, at 2 p.m. Commissioner Lopez moved to reschedule the second Board meeting in December for December 18 at 2 p.m., Commissioner Guerra seconded, and the motion passed unanimously.

**6. Consideration and Action on adoption of the District's Operating and Capital Budget for Fiscal Year 2019.**

Mr. Campirano stated that the budget was ready for discussion, but that he proposed that the Board not vote on the budget until the December 18 meeting. Ms. Hernandez then addressed the Board regarding the District's Operating and Capital Budget for Fiscal Year 2019. Discussion followed but no action was taken.

**7. Consideration and Action on the inter-local agreement between the Rio Grande Valley Communications Group and the Port of Brownsville for public safety radio communications.**

Chief Garcia addressed the Board requesting approval of the inter-local agreement between the Rio Grande Valley Communications Group and the Port of Brownsville for public safety radio communications. The Port of Brownsville Police Department has had an inter-local agreement with the Brownsville Police Department dating back to 2012 for the lease of radio service on their public safety radio communications system. On September 30, 2018 that inter-local agreement expired. The Brownsville Police Department is no longer offering this service as part of their agreement with the Rio Grande Valley Communications Group of McAllen, Texas. The new radio service agreement will be with Rio Grande Valley Communications Group for 52 radios (43 portables, 6 mobile and 3 base stations). Commissioner Lopez moved to approve the inter-local agreement with the Rio Grande Valley Communications Group for public safety radio communications, Commissioner Guerra seconded, and the motion passed unanimously.

**8. Consideration and Action to approve selection and payment for the services provided by recommended medical and dental insurance provider for 2019 for all BND employees.**

Mr. Martinez addressed the Board requesting the approval of the selection and payment for the services provided by recommended medical and dental insurance provider for 2019 for all BND employees. The RFP that was issued last year for medical insurance for BND employees, allowed for a three-year option for Staff to be able to negotiate a price with the current medical insurance carrier (Blue Cross Blue Shield) without issuing an RFP every year during that three-year period. Mr. Landon Overby, the insurance consultant, from Bowen, Miclette & Britt Insurance Agency and Mr. Albert Perez, the insurance agent, have completed negotiations on a proposed cost for insurance by Blue Cross Blue Shield for year 2019. Mr. Overby negotiated two options, a 4% price increase from an initial proposal of a 9% increase or a 0% increase if BND combines the medical with the dental insurance. If BND chose to bundle the medical and dental insurance, all medical benefits will remain the same and dental will have minor changes. Mr. Overby recommended that the BND accept the 0% proposal by Blue Cross Blue Shield which will save the District over \$35,000. Commissioner Cowen moved to accept the proposal from Blue Cross Blue Shield as recommended by Mr. Overby, Commissioner Wood seconded, and the motion

passed unanimously.

**9. Consideration and Action to approve payment for the continued services for life, short-term and long-term disability insurance provided by Dearborn and vision insurance provided by Superior Vision for 2019 for all BND employees.**

Mr. Martinez addressed the Board requesting approval for payment for the continued services for life, short-term and long-term disability insurance provided by Dearborn and vision insurance provided by Superior Vision for 2019 for all BND employees. The District currently has a two-year lock on rates (2019 will be 2nd year), for our life, short-term, and long-term disability insurance (Dearborn) and a four-year lock on rates (2019 will be 4th year), for vision insurance (Superior Vision). Consultant Mr. Landon Overby has taken the time to review the current experience with all insurances and he recommends that the District continue services with Dearborn Insurance and Superior Vision. Commissioner Guerra moved to accept Mr. Overby's recommendation to continue services with Dearborn insurance and Superior Vision along with approving payment for those services for 2019, Commissioner Wood seconded, and the motion passed unanimously.

**10. Consideration and Action on Grantee's/Operator's Agreement between the Brownsville Navigation District-Foreign Trade Zone No. 62 and Panasonic Automotive Systems Company of America (a Division of Panasonic Corporation of North America).**

Mr. Rodriguez addressed the Board requesting approval on Grantee's/Operator's Agreement between the Brownsville Navigation District-Foreign Trade Zone No. 62 and Panasonic Automotive Systems Company of America. Panasonic Automotive Systems Company of America is requesting to activate 5,000 square feet out of their 165,000 square feet warehouse located in the FTZ No. 62 Magnet Site No. 4, FINSA Industrial Park at Los Indios, Texas. Their scope of operations will include but not be limited to receiving, general inspection, storing, repacking into returnable totes, warehousing and shipping automotive components. A preliminary security survey was done and all improvements on their fencing will be completed in three weeks to comply with US Customs and Border Protection security standards. Panasonic Automotive personnel will maintain all zone transactions and maintain their security plan up to date in accordance with the FTZ Board and USCBP Regulations. Commissioner Lopez moved to approve the agreement with Panasonic Automotive Systems Company of America to be Operators of FTZ No. 62, Commissioner Cowen seconded, and the motion passed unanimously.

**11. Consideration and Action on the Grantee's/Operator's Agreement between the Brownsville Navigation District-Foreign Trade Zone No. 62 and Keppel AmFELS LLC.**

Mr. Rodriguez addressed the Board requesting authorization on the Grantee's/Operator's Agreement between the Brownsville Navigation District-Foreign Trade Zone No. 62 and Keppel AmFELS LLC. In January of 1998 original Grantee/Operator's was approved by the Brownsville Navigation District Board under AMFELS INC. On May 27, 2010 AMFELS, INC. changed their name to Keppel AmFELS, LLC. This agreement will address the new compliance requirements for the FTZ Annual Report and the new regulations adopted by the FTZ Board and US Customs and Border Protection in 2014. Commissioner Lopez moved to approve the agreement with Keppel AMFELS, LLC to Operators of FTZ No. 62, Commissioner Guerra seconded, and the motion passed unanimously.

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**12. Consideration and Action to authorize the Staff to advertise for bids for Geogrid material.**

Mr. Campirano and Ms. Duke addressed the Board. The District purchases geogrid materials for the construction of patio storage areas and the maintenance of existing facilities. The purchase of the material is expected to exceed \$100,000 in 2019, therefore, requiring Staff to bid out this purchase. The material is purchased as needed and the District does not guarantee any level of purchasing in the bid process. Commissioner Lopez moved to authorize the Staff to advertise for bids for geogrid material, Commissioner Guerra seconded, and the motion passed unanimously.

**13. Consideration and Action to authorize Staff to advertise for bids for crushed limestone.**

Mr. Campirano and Ms. Duke addressed the Board. 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 2019, requiring staff to bid out the purchase. The material is purchases as needed, and the District does not guarantee any level of purchasing. Commissioner Cowen moved to authorize the Staff to advertise for bids for crushed limestone, Commissioner Lopez seconded, and the motion passed unanimously.

**14. Consideration and Action to authorize the Staff to advertise for bids for treated lumber.**

Mr. Campirano and Ms. Duke addressed the Board. The District uses treated wood for repair to waterfront facilities. The annual usage is estimated to more than \$50,000. Due to the increase in the level of maintenance to the docks, Staff felt it advisable to put the purchase of the materials into an annual purchase agreement. Commissioner Wood moved to authorize the Staff to advertise for bids for treated lumber, Commissioner Lopez seconded, and the motion passed unanimously.

**15. Consideration and Action to authorize Staff to advertise for bids for hauling services.**

Mr. Campirano and Ms. Duke addressed the Board. The District uses local contractors for hauling services that are more that the Districts four dump trucks can handle. With the increase in hauling of limestone for patio construction and material from cleanup of lease sites, the level of purchasing of the services is expected to exceed \$100,000 in 2019, requiring Staff to bid out the services. Commissioner Lopez moved to authorize the Staff to advertise for bids for hauling services, Commissioner Guerra seconded, and the motion passed unanimously.

**16. Consideration and possible Action on bids received for the Public Vessel Assembly and Erection Pad Project.**

Mr. Chavez addressed the Board requesting the acceptance or rejection of bids received for the Public Vessel Assembly and Erection Pad Project. Two bids were received, with L&G Construction being the apparent low bidder at \$4,526,000.00 which, due to an arithmetic error, was corrected to \$4,486,850.00. Commissioner Cowen moved to award the contract for the Public Vessel Assembly and Erection Pad project to lowest responsive bidder L&G Construction for the corrected bid amount of \$4,486,850.00 and authorize BND Staff to issue the Notice of Award, Commissioner Guerra seconded, and the motion passed unanimously.

**17. 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 Lopez moved to adjourn into executive session, Commissioner Guerra seconded, and the motion passed unanimously. The Chairman then announced that the time was 6:16 p.m., and that the Board would adjourn into executive session.

The Chairman then announced that the time was 7:45 p.m. and that the Board had reconvened in open session.

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

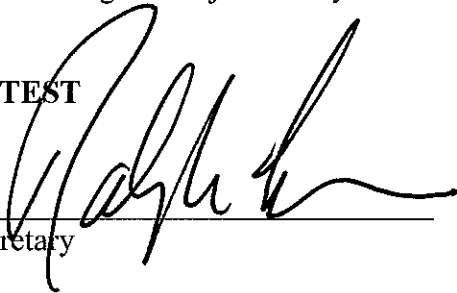
There was none.

**19. Adjournment.**

The meeting was adjourned by unanimous consent at 7:45 p.m.

ATTEST

Secretary



John Reed  
Chairman of the Board