

**MINUTES OF A REGULAR MEETING OF THE BOARD OF NAVIGATION AND
CANAL COMMISSIONERS OF THE BROWNSVILLE NAVIGATION DISTRICT OF
CAMERON COUNTY, TEXAS HELD DECEMBER 18, 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 **Tuesday, December 18, 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: Donna Eymard
Bea Rosenbaum
Debby Duke
Steve Tyndal
Lorena Hernandez
Jorge Montero
Memo Rico
Joe Herrera
Karina Franco
Oscar Garcia
Lieutenant Mario Esquivel
Manuel Martinez
Ariel Chavez
Jaime Martinez
Chief Carlos Garcia
Michael Davis
Tony Rodriguez
Maggie Doxsee
Margie Recio

OTHERS PRESENT: Rev. Andreas Lewis
Norma Torres
Michael Krieber
Dan Garza
Jorge de la Colina

1. Workshop

The Chairman called the workshop regarding the 2019 BND Budget to order at 2:04 p.m. Ms. Hernandez addressed the Board regarding the Budget and made a presentation regarding various key points in the proposed budget. The Board reviewed the proposed budget section by section and discussion with staff followed.

2. Meeting Called To Order

The Chairman called the regular meeting to order at 3:10 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.

3. Public Audience

No person registered to address the Board.

4. Receive Director's Report

a. Receive Port Monthly Operations Summary Report

Ms. Hernandez made the report to the Board. Brief discussion followed.

Mr. Campirano asked Mr. Tyndal to address the Board regarding the hiring of Jorge Montero as Director of Communications. Mr. Tyndal introduced Mr. Montero who addressed the Board and thanked the BND for the opportunity.

CONSENT AGENDA

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

- a. Approval of the Minutes of the Regular Board Meeting of December 5, 2018.
- b. Approval to authorize payments over \$25,000.00:
 1. LT Resources, Inc., the amount of \$38,729.25, for materials for railroad crossings on Old SH 48;
 2. HDR, the amount of \$492,219.98, for Construction Admin & Observation services for Oil Docks 3&6; BIH Project, BIH Task Order #2; Construction Observation Services for VCP project;
 3. Russell Marine, LLC, the amount of \$350,416.80, for Bulk Cargo Dock improvements;
 4. CCRMA, the amount of \$98,756.55, for South Port Connector Road Project; and
 5. Ziwa Corporation; the amount of \$57,984.05, for BND Administrative Complex Rehab & Building addition.
- c. Approval of the following leases:
 1. Keppel Amfels, Inc (Amendment)
 2. Bluewing One, LLC (Amendment)
 3. Paul Shane, d/b/a TLO Logistics (Release of Lease)
 4. Jesus Molina, d/b/a Molina Trucking (New Lease)
 5. Robert Soto, d/b/a R. Soto Transport Truck (Release of Lease)

6. Consideration and Action on an application for a renewal of the Line Handling Permit submitted by:

1. Brownsville Mooring, LLC
2. M & M Mooring Company

Commissioner Lopez noted that he would be abstaining from consideration of Item 5c3.

Mr. Rentfro noted a typo in the minutes: Dan Garza was incorrectly named as Dan de la Garza.

Commissioner Cowen moved to approve Items 5a and 5b with the correction to the minutes as noted by Mr. Rentfro, Commissioner Wood seconded, and the motion passed unanimously.

Commissioner Cowen moved to approve Items 5c1, 5c2, 5c4, and 5c5, Commissioner Lopez seconded, and the motion passed unanimously.

Commissioner Wood moved to approve Item 5c3, Commissioner Guerra seconded, and the motion passed 4-0. Commissioner Lopez abstained.

Commissioner Lopez moved to approve Item 6, Commissioner Cowen seconded, and the motion passed unanimously.

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

Mrs. Rosenbaum addressed the Board regarding the following items:

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

The lease with Marine Railway, LLC under BND Contract 3704 is due to expire on January 28, 2018 and the Marine Railway, LLC has requested a new lease. The purpose of the lease is for a service facility for a shrimp trawler fleet. Commissioner Lopez moved to authorize the Staff to negotiate a new lease with Marine Railway, LLC, Commissioner Cowen seconded, and the motion passed unanimously.

2. Cumberworth Investments, Inc. / ATS Operations, LLC (**Authority to negotiate**)

Cumberworth Investments, Inc. is negotiating the sale of their leasehold improvements to ATS Operation, LLC and has requested to be released of their lease subject to the BND approving of a new lease with ATS Operations, LLC. The purpose of the proposed lease is for a trucking company patio and offices. Commissioner Wood moved to authorize the Staff to prepare a Release of Lease to Cumberworth Investments, Inc. and authority to negotiate a new lease with ATS Operations, LLC, Commissioner Lopez seconded, and the motion passed unanimously.

3. Interlube Corporation, Inc. (**Authority to negotiate**)

Interlube Corporation, Inc. has requested a lease on approximately 3.338 acres for the purpose constructing a tank farm for base lube oil storage. Commissioner Lopez moved to authorize the Staff to negotiate with Interlube Corporation, Inc. for a new lease, Commissioner Guerra seconded, and the motion passed unanimously.

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

Mrs. Duke addressed the Board requesting the adoption of the District's Operating and Capital Budget for Fiscal Year 2018. BND staff has completed its work on the Operating and Capital Budgets for Fiscal Year 2019. The proposed operating budget includes projected FY 2019 operating revenues and operating expenditures including consulting services, comprehensive environmental insurance and patio repairs. The operating budget also includes the addition of an Assistant Director of Facilities Maintenance and funding for employee performance evaluation adjustments. Discussion followed regarding the proposed addition to the proposed budget for water line replacement. Commissioner Lopez moved to adopt the proposed FY 2019 Operating and Capital Budget with the addition of \$1 million for purposes of water line replacement, Commissioner Guerra seconded, and the motion passed unanimously.

9. Consideration and Action to amend contract for insurance consultant services with McGriff, Seibels & Williams to add language required by the Texas Department of Insurance regarding complaints procedures.

Mrs. Duke addressed the Board requesting approval on the amendment of contract for insurance consultant services with McGriff, Seibels & Williams to add language required by the Texas Department of Insurance regarding complaints procedures. The BND has amended Contract 4067 to add a three-year extension effective September 1, 2018. McGriff has requested that this extension be amended to add this language: "To obtain information on how to file a complaint regarding fees, contact the Texas Department of Insurance at 1-800-252-3439." McGriff has provided an amendment to the Contract that adds the required language and Staff had it reviewed by the BND's attorneys. Commissioner Guerra moved to approve the amendment to the contract for insurance consultant services with McGriff, Seibels & Williams to add the requested statement, Commissioner Cowen seconded, and the motion passed unanimously.

10. Consideration and Action on Change Order No. 1 to the 2018 BND Spot Repairs and Asphalt Surfacing project, for the purpose of adding area to be re-surfaced.

Mr. Garcia and Mr. Chavez addressed the Board requesting approval on Change Order No. 1 to the 2018 BND Spot Repairs and Asphalt Surfacing project, for the purpose of adding area to be re-surfaced. On September 5, 2018 BND Commissioners awarded the contract on the 2018 BND Spot Repairs and Asphalt Surfacing project to G&T Paving, L.L.C., in the amount of \$178,644.37 to perform repairs and rehabilitation on several roads in the Port. The contract made provision for placing 3" Hot Mix Asphaltic Concrete surfacing on 3,411 square yards of areas to be spot-repaired by our Maintenance staff. Since the original measurements, the repairs required on some areas increased and it was determined that one other area on Foust Road needed repairs as well. This Change Order #1 will increase the area the 589 square yards to cover those additional areas. In addition, the contract time is being extended to allow for the Maintenance Department to complete base repairs to some of the original areas plus the new additional area. Mr. Chavez noted a typo in the agenda item: the correct amount of the change order is \$21,716.43. After discussion regarding the proposed change order, Commissioner Wood moved to approve Change Order #1 to the contract with G&T Paving L.L.C. on the 2018 BND Spot Repairs and Asphalt Surfacing project increasing the current contract price by \$21,716.43, and extending the contract time by 30 calendar days, Commissioner Cowen 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 Lopez moved to adjourn into executive session, Commissioner Guerra seconded, and the motion passed unanimously. The Chairman then announced that the time was 3:45 p.m., and that the Board would adjourn into executive session.

The Chairman then announced that the time was 6:20 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.

The meeting was adjourned by unanimous consent at 6:20 p.m.

ATTEST

Secretary

John Reed
Chairman of the Board