

**MINUTES OF A REGULAR MEETING OF THE BOARD OF NAVIGATION AND
CANAL COMMISSIONERS OF THE BROWNSVILLE NAVIGATION DISTRICT OF
CAMERON COUNTY, TEXAS HELD JUNE 5, 2019 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 5, 2019 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
Jose Herrera
Steve Tyndal
Ariel Chavez
Memo Rico
Jaime Martinez
Chief Carlos Garcia
Lorena Hernandez
Tony Rodriguez
Jorge Montero
Debby Duke
Margie Recio
Manuel Martinez
Carlos Martinez

OTHERS PRESENT:

Rev. Andreas Lewis
Jorge De La Colina
Martin Arambula
Rep. Alex Dominguez
John Bruciak
Eddie Duran
Peter Schmar
Roberto Ruiz
Wanda Reyes
Esmerelda Villarreal
Dr. Rita Hernandez

Roxanne Ray
Jim Tipton
Bob Berry
Eddie Duran
Desi Martinez
Roy Hobbs
Jimmy Vela

1. Meeting Called To Order

The Chairman called the meeting to order at 5:31 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

Dr. Rita Hernandez addressed the Board in support of Item 12.

Bob Berry addressed the Board in support of Item 12.

Wanda Reyes addressed the Board in support of Item 12.

Jim Tipton addressed the Board in support of Item 12.

Desi Martinez addressed the Board in support of Item 12.

Jimmy Vela addressed the Board in support of Item 12.

Peter Schmar addressed the Board in support of Item 10(1).

Roxanne Ray addressed the Board in support of Item 12.

Esmerelda Villarreal addressed the Board in support of Item 12.

Eddie Duran addressed the Board in support of Item 7 and Item 12.

State Representative Alex Dominguez addressed the Board in support of Item 12.

Chairman Reed then asked that Item 12 be taken out of order.

12. Consideration of and Action on engaging the firm Robert J. Ruiz Architect Inc. to provide design, cost and timeline for BND Training Center facility at the Port of Brownsville.

Mr. Herrera addressed the Board requesting authorization to engage the firm Robert J. Ruiz Architect Inc. to provide design, cost and timeline for BND Training Center facility at the Port of Brownsville. BND Staff has been discussing and working with Roberto J. Ruiz Architect Inc., on a possible development of a 29.8-acre tract, for the purpose of a Centralized Training Center for the Industry and surrounding communities at the Port. The center would be located on the property off Hwy 511 across from the BND main offices. This tract was identified as the most reasonable option, taking into consideration that fewer infrastructure and utilities would be needed, thus reducing initial investment. The property is also serviced by BPUB. The objective is to provide surrounding Industries a training center to train personnel for present and future employment needs. Commissioner Wood stated that he supported the project and that he felt the first step would be to proceed with a concept design for the project. Discussion followed regarding the concept design and Mr. Ruiz addressed

the Board. Commissioner Lopez moved to approve the task order to proceed with engaging Robert J. Ruiz Architect Inc. for development of a concept design for the project, Commissioner Wood seconded, and the motion passed unanimously.

Mr. Campirano then asked that Item 6 be taken out of order.

6. Consideration of and Action on a Resolution between the Brownsville Navigation District Board of Canal Commissioners and its Executive Staff and the Brownsville Public Utilities Board and its Executive Staff to exchange information and recommendations for coordination and cooperation to achieve mutual objectives for the benefit of the residents of the District and the Brownsville Public Utilities Board.

Mr. Campirano addressed the Board and presented a Resolution between the Brownsville Navigation District Board of Navigation and Canal Commissioners and its Executive Staff and the Brownsville Public Utilities Board and its Executive Staff to exchange information and recommendations for coordination and cooperation to achieve mutual objective for the benefit of the residents of the District and the Brownsville Public Utilities Board. Mr. Arambula and Mr. Bruciak addressed the Board in support of the Resolution. After discussion, Commissioner Guerra moved to approve the Resolution as presented, Commissioner Lopez seconded, and the motion passed unanimously.

Mr. Campirano then asked that Item 7 be taken out of order.

7. Consideration of and Action on a Proclamation in Honor of Kathleen Marie Eisbrenner.

Commissioner Wood suggested that the proclamation be revised to be in memory of Kathleen Marie Eisbrenner. Mr. Campirano noted the revision and read the proclamation of the Board made in memory Kathleen Marie Eisbrenner into the record. Commissioner Wood moved to approve the Proclamation, Commissioner Lopez seconded, and the motion passed unanimously.

3. Receive Director's Report

a. Receive Port Monthly Operations Summary Report

The Board received the reports. Brief 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 May 15, 2019 and the Special Board Meeting of May 24, 2019.
- b. Approval to authorize payments over \$25,000.00:
 1. EDG, Inc., the amount of \$27,137.00, for BND Bulk Cargo Dock Improvements Project;
 2. HDR, Inc., the amount of \$175,800.93, for Oil Dock 6 & Maintenance Dredging project, BIH Project Task Order 2, Dike 5B Relocation Project, BIH Project Task Order 3, and BIH Project Task Order1;
 3. L&G Concrete Construction, Inc, the amount of \$733, 972.50, for Public Vessel Assembly & Erection Pad Project;

4. Russell Marine, LLC, the amount of \$1,522,223.10, for BND Bulk Cargo Dock Improvements Project;
5. Triton Marine Construction, the amount of \$1,527,953.22, for Oil Dock 6 Construction and Maintenance Dredging Project; and
6. G&T Paving, LLC, the amount of \$341,455.79, for BND Port Road Improvements Phase II Project.

5. Consideration of and Action on an application for the renewal of a Steamship Agent's License from Norton Lilly International, Inc.

Mr. Campirano noted that some of the funds under Item 4b2 are reimbursable to the Port.

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

8. Discussion on establishing a Port Employee Awareness Program.

Chairman Reed addressed the Board requesting to discuss the establishment of a Port Employee Awareness Program. This program would train the employees to become more aware of the activities in and around the Port and tenant sites. Discussion followed. Mr. Campirano noted that he would bring back recommendations to the Board in the next 45 days.

9. Discussion to include Lease Checklist with a Level 1 Supervisor signature on all leases presented to the Board.

Chairman Reed addressed the Board requesting to discuss the inclusion of a Lease Checklist with a Level 1 Supervisor signature on all leases presented to the Board. The Leasing Committee was created at the direction of the Port Director several years ago to assist the Director of Industrial Development in the review and vetting of potential leases, easements and license agreements at the Port of Brownsville. To help with the process, an internal checklist was created to be used internally by the Industrial Development department. Discussion followed regarding modification of the form to include a signature section from a Level 1 Supervisor confirming that the applicant has been fully vetted, and all documents required have been executed and received prior to final Board approval.

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

Mrs. Rosenbaum addressed the Board regarding the following items:

1. Buckhead Midstream, LLC (Authority to negotiate)

Buckhead Midstream, LLC, formerly Casa Sumi Petroleum, LLC, is requesting to lease approximately 35 acres to build a gasoline and diesel fuel terminal for export. The plan is to receive finished product (gasoline and diesel) via marine vessel and export the product via rail and truck. They have designed the terminal to handle an average throughput of 1,200,000 barrels per month. The total planned storage will be 500,000 barrels. They are planning on receiving two vessels per month with approximate 300,000 barrels. They plan to export via rail approximately 7 unit-trains per month consisting of 100 cars per train of 490,000 barrels of gasoline and diesel into Mexico and they plan to export via truck 660,000 of barrels per day, which equates to approximately 150 trucks a day. Commissioner Lopez moved to authorize the Staff to negotiate a

new lease with Buckhead Midstream, LLC, Commissioner Wood seconded, and the motion passed unanimously.

11. Consideration of and Action to reschedule the Regular Board meeting of June 19, 2019.

Mr. Campirano addressed the Board requesting to reschedule the Regular Board meeting of June 19, 2019. A few members of the Commission will be out of town traveling to attend the AAPA Commissioners Conference, BTA Conference, and the Steel Conference. Commissioner Guerra moved to reschedule the Regular Board meeting of June 19, 2019 to June 26, 2019, Commissioner Lopez seconded, and the motion passed unanimously.

13. Consideration of and Action on an application for a Steamship Agent's License from Seaport Hub Agencies.

Mrs. Duke addressed the Board requesting approval on an application for a Steamship Agent's License from Seaport Hub Agencies. Seaport Hub Agencies, Inc. has submitted an application for a Steamship Agent's License at the Port of Brownsville. This agency is headquartered in Miami but has been doing business at the Port of Brownsville using Dix and Admiral/Bielh as a sub-agent. They would like to be able to represent their customers themselves at the Port of Brownsville. The staff reviewed the application submitted by Seaport Hub Agencies, Inc. and was ready to recommend them to the Board of Commissioners for approval. Commissioner Lopez moved to authorize the issuance of a Steamship Agent's License to Seaport Hub Agencies, Inc. for a term of three years to be effective once the company's updated insurance certificates have been received and they have had a security briefing with Chief Garcia, Commissioner Guerra seconded, and the motion passed unanimously.

14. Consideration of and Action on the quote from Jet Dock Systems, Inc. to furnish and install 2 floating docks for the District's Port Police and Harbor Master's boats and to pay invoice when received.

Mrs. Eymard addressed the Board requesting approval of the quote from Jet Dock Systems, Inc. to furnish and install 2 floating docks for the District's Port Police and Harbor Master's boats and to pay the invoice when received. Staff has been researching several options for a dock facility for the District's two boats (Port Police and Harbor Master). Staff has looked at several options and believe the one that best suits the needs is from Jet Dock Systems, Inc. The quote includes two 25 ft. floating docks, flex lane to connect the docks, bow lane, platform to get to land, labor, installation and training and an aluminum gangway. This company is a GSA certified contractor, so no additional quotes are required, although staff did look at other options. Upon approval by the Board, the docks will be ordered, shipped and installed within 6-8 weeks. The installation process will take approximately 1 week from time of delivery and that includes training. Commissioner Lopez moved to approve the quote from Jet Dock Systems, Inc., and to pay the invoice when received. Commissioner Guerra seconded, and the motion passed unanimously.

15. Consideration of and Action on the results of the Surplus and Salvage Sale held on May 24, 2019.

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

16. Consideration of and Action on request to adopt the Texas Department of

Transportation's Quality Assurance Program for Construction for the South Port Connector Road project.

Mr. Chavez addressed the Board requesting the adoption of the Texas Department of Transportation's Quality Assurance Program for Construction of the South Port Connector Road project. The CCRMA's consultant S & B Infrastructure, Inc. (S&BI) on the project known as the South Port Connector Road, which will be a connection from R. L. Ostos Road in the Port to Texas State Highway No. 4 (SH 4, or Boca Chica Boulevard), is finalizing the 100% Plans and Specifications package to be submitted to TxDOT. TxDOT requires that the BND adopt their Quality Assurance Program for Construction for this project. Upon approval of adoption by the BND Commissioners, it will be included in the Bid Package for the project. Commissioner Cowen moved to adopt the Texas Department of Transportation's Quality Assurance Program for Construction for the South Port Connector Road project, Commissioner Lopez seconded, and the motion passed unanimously.

17. Consideration of and Action on request to authorize Staff to Advertise for Bids on the South Port Connector Road project, and to open bids thereof.

Mr. Chavez addressed the Board requesting authorization for Staff to Advertise for Bids on the South Port Connector Road project, and to open bids thereof. BND Staff has been working for the last three years with the Texas Department of Transportation (TxDOT), the Cameron County Regional Mobility Authority (CCRMA) and the CCRMA's consultant S & B Infrastructure, Inc. (S&BI) on the project known as the South Port Connector Road, which will be a connection from R. L. Ostos Road in the Port to Texas State Highway No.4 (SH 4, or Boca Chica Boulevard). This connector road will provide an entrance/exit from the South side for vehicular and truck traffic therefrom and will also be used to connect the future East Loop from Veteran's Bridge. BND Staff is asking for authorization to advertise to solicit bids, and to open bids on this project once received. Commissioner Cowen moved to authorize BND Staff to prepare an Invitation to Bid on the South Port Connector Road project, to publish same in the local newspaper as required by BND Purchasing procedures, and to open bids once they are received, Commissioner Wood seconded, and the motion passed unanimously.

18. Consideration of and Action on request to authorize Staff to proceed with the construction of the proposed Ostos Road Truck Staging Area.

Mr. Chavez addressed the Board and asked that this item be tabled. Commissioner Lopez moved to table the item, Commissioner Cowen seconded, and the motion passed unanimously.

19. 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, including but not limited to (i) Trinity Scrap Processors, Inc. and Intercoastal Salvage, Inc. v. Brownsville Navigation District of Cameron County, Texas, and (ii) Brownsville Navigation District of Cameron County, Texas vs. Terex MHPS Corp., Konecranes, Inc., Cummins, Inc. Diepa Drahtseilwerk Dietz GMBH & Co. KG (§ 551.071); 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 7:14 p.m. and that the Board would adjourn into executive session. Commissioner Guerra moved to adjourn into executive session, Commissioner Lopez seconded, and the motion passed unanimously.

Commissioner Lopez moved to reconvene in open session, Commissioner Guerra seconded, and the motion passed unanimously. The Chairman then announced that the time was 7:31 p.m., and that the Board had reconvened in open session.

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


Commissioner Lopez moved to authorize legal counsel to prepare a settlement agreement with Konecranes, Inc. and Terex MHPS Corp. for approval at a later date in accordance with the terms discussed in executive session, Commissioner Guerra seconded, and the motion passed unanimously.

21. Adjournment.

Commissioner Lopez moved to adjourn the meeting, Commissioner Guerra seconded, and the meeting was adjourned by unanimous consent at 7:33 p.m.

ATTEST

Secretary


John Reed
Chairman of the Board