

**MINUTES OF A REGULAR MEETING OF THE BOARD OF NAVIGATION AND
CANAL COMMISSIONERS OF THE BROWNSVILLE NAVIGATION DISTRICT OF
CAMERON COUNTY, TEXAS HELD JULY 10, 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, July 10, 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
William J. Irwin, Associate District Counsel

STAFF MEMBERS: Donna Eymard
Steve Tyndal
Ariel Chavez
Lorena Hernandez
Jaime Martinez
Karina Franco
Carlos Martinez
Tony Rodriguez
Oscar Garcia
Debby Duke
Margie Recio
Memo Rico
Jose Herrera
Jorge Montero

OTHERS PRESENT: Rev. Andreas Lewis
Jorge de la Colina
Scott Donnaho
Carlos Barrera
Representatives of Signet Marine
Carlos Guerrero

1. Meeting Called To Order

The Chairman called the meeting to order at 5:34 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 Report

a. Receive Port Monthly Operations Summary Report

The Board received the reports.

CONSENT AGENDA

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

- a. Approval of the Minutes of the Regular Board Meeting of June 26, 2019.
- b. Approval to authorize payments over \$25,000.00:
 1. Triton Marine Construction, the amount of \$710,316.88, for Oil Dock 6 and Maintenance Dredging;
 2. Vulcan Materials Company, the amount of \$59,208.69, for crushed limestone for Patio 22;
 3. HDR, Inc., the amount of \$212,363.38, for BIH Project, Task Order 2 Geotechnical, Survey, and Economics, Task Order 3 Bend Easing, and Dike 5B Relocation Project; and
 4. G&T Paving, the amount of \$142,791.18, for BND Port Road Improvements Phase II.

Chairman Reed noted that a correction needed to be made to the June 26, 2019 minutes to show that he abstained on the item for the new lease with Lamar Company.

Commissioner Guerra moved to approve all consent agenda items, with the correction to the minutes as noted by Chairman Reed, Commissioner Lopez seconded, and the motion passed unanimously.

5. Consideration of and Action on acknowledging receipt of the revised Tariff for Signet Maritime Corporation for the Ports of Brownsville and Port Isabel.

Mr. Campirano addressed the Board requesting acknowledgment of receipt of the revised Tariff for Signet Maritime Corporation for the Ports of Brownsville and Port Isabel. Signet Maritime Corporation has submitted a revised Tariff for their services in the Ports of Brownsville and Port Isabel. This Tariff has not been amended since 2011, and this revision is an across-the-board increase of 12.5%. Signet has provided a copy of their revised Tariff. They have also provided a worksheet showing a comparison of rates in other Gulf Ports. The revised Tariff has been distributed to the Port of Brownsville stakeholders. Under the terms of the Port of Brownsville Tariff, revisions to a Harbor Tug Licensee's Tariff must be filed with the Board of Commissioners 30 days prior to its effective date. The revised Tariff has an effective date of August 10, 2019. Various representatives of Signet Marine addressed the Board. Commissioner Wood asked questions regarding fire suppression measures taken by Signet Marine, including

the installation of a water cannon on each tugboat. Signet Marine's representatives noted that the issue would be addressed to the Port in thirty days. Commissioner Cowen moved to acknowledge receipt of the revised Tariff for Signet Maritime Corporation for the Port of Brownsville and Port Isabel with an effective date of August 10, 2019, Commissioner Guerra seconded, and the motion passed unanimously.

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

Mr. Tyndal addressed the Board regarding the following items:

1. Triple E. Coating & Services, LLC, d/b/a Industrial Performance (**Authority to negotiate**)

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

2. The Port Occupational & Medical Clinic, LLC (**Authority to negotiate**)

The Port Occupational & Medical Clinic, LLC is requesting to lease the site formerly used as A & T Port Mart for the purpose of a medical facility. After discussion regarding the proposed project, Commissioner Cowen moved to authorize the Staff to negotiate a new lease with The Port Occupational & Medical Clinic, LLC, Commissioner Lopez seconded, and the motion passed unanimously.

7. Consideration of and Action to acknowledge receipt of the independent audit of the financial statements of the Retirement Plan for Employees of the Brownsville Navigation District for Fiscal Years Ended December 31, 2018 and 2017.

Ms. Hernandez and Mr. Barrera addressed the Board requesting acknowledgement of receipt of the independent audit of the financial statements of the Retirement Plan for Employees of the Brownsville Navigation District for Fiscal Years Ended December 31, 2018 and 2017. The District's external audit firm, Carr, Riggs and Ingram, LLC, have completed the audit of the Retirement Plan for Employees of the Brownsville Navigation District's (the "Plan") financial statements for the Fiscal Years Ended December 31, 2018 and December 31, 2017. The Plan is sponsored and administered by the District. The Plan's audit was reviewed with the Audit Committee on June 21, 2019. The Pension audited financial statements will be filed with the Pension Review Board of the State of Texas, as these are due no later than July 30th for Pension plans with a December 31st fiscal year end. Commissioner Wood moved to accept the independent audits as presented by Carr, Riggs & Ingram, Commissioner Lopez seconded, and the motion passed unanimously.

8. Consideration of and Action on authorizing the Port Director and CEO to execute an Agreement Between the Department of the Army and the Brownsville Navigation District for Federal Assumption of Operation and Maintenance of Improvements to the Brazos Island Harbor Channel Improvements Project.

Mr. Campirano addressed the Board requesting authorization for the Port Director and CEO to execute an Agreement Between the Department of the Army and the Brownsville Navigation District for Federal Assumption of Operations and Maintenance of Improvements to the Brazos Island Harbor Channel Improvements Project. The Brownsville Navigation District has been working with the COE, Department of the Army on permitting towards construction of the

Brazos Island Harbor Deepening project. In preparation to submit the engineering plans, the District is required to submit the agreement for federal assumption of operation and maintenance before the District can receive final approval to begin construction. Commissioner Cowen moved to authorize the Port Director & CEO to execute an Agreement between the Brownsville Navigation District and the Department of the Army for Federal Assumption of Operation and Maintenance of Improvements to the Brazos Island Harbor Channel Improvements Project, Commissioner Lopez seconded, and the motion passed unanimously.

9. Consideration of and Action to extend revised Master Services Agreement with Burson Cohn & Wolfe LLC (formerly Burson-Martseller, LLC) and revised Engagement Letter.

Mr. Tyndal addressed the Board requesting authorization to extend the revised Master Services Agreement with Burson Cohn & Wolfe LLC (formerly Burson-Martseller, LLC) and revised Engagement Letter. On August 22, 2018, the BND Commission accepted a revised scope of work authorizing Burson-Marsteller LLC to engage in public opinion research on behalf of the BND and the Port of Brownsville in addition to previously agreed to terms for communications services. The current agreement expires July 31, 2019. Port staff is recommending renewal of said agreement to commence on August 1, 2019 with an expiration date of July 31, 2021. Either party may cancel said agreement with 30-days written notice to the other party. A revised Master Services Agreement and Engagement Letter were offered for execution. Commissioner Wood moved to authorize the Staff to extend the revised Master Services Agreement and revised Engagement Letter, Commissioner Lopez seconded, and the motion passed by a vote of 4-1. Commissioner Guerra voted nay.

10. Consideration of and Action on request to authorize Staff to advertise for bids on the Oil Docks 2 and 5 Bulkhead Repair project and to open bids thereof.

Mr. Chavez addressed the Board requesting the authorization for Staff to advertise for bids on the Oil Docks 2 and 5 Bulkhead Repair project, and to open bids thereof. On February 6, 2019 BND Commissioners selected consultant CH2M HILL Engineers Inc. (CH2M) to perform Engineering Design Services for the Oil Docks #2 and #5 Bulkhead Repair project, which will consist of repairs to the leaning bulkhead at Oil Dock #5. Further, on April 17, 2019, BND Commissioners authorized the Port Director to enter into a Master Professional Services Agreement with CH2M and accepted CH2M's Proposal for engineering design services on this project. CH2M is finalizing the plans and specifications package, and Staff anticipates publishing the Advertisement for Bids in the next two or three weeks. In preparation, BND Staff is asking for authorization to advertise to solicit bids and to open bids on this project once received. BND Engineering Staff will publish an Invitation to Bid in the local newspaper, as well as invite known contractors by email and/or by phone. BND Staff will also post the invitation to bid and the bid documents on the District's website. Discussion followed regarding a review of the specifications for the project to protect against change orders should the project go forward. Commissioner Cowen moved to authorize BND Staff to prepare an Invitation to Bid on the Oil Docks #2 and #5 Bulkhead Repair 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.

- 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, including but not limited to (i) Trinity Scrap Processors, Inc. and Intercoastal Salvage, Inc. v. Brownsville Navigation District of Cameron County, Texas, and (ii) Marine Metal, Inc. and Bro-Tex International Metals, LLC vs. Brownsville Navigation District of Cameron County, Texas (§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).**

Commissioner Guerra moved to adjourn into executive session, Commissioner Wood seconded, and the motion passed unanimously. The Chairman then announced that the time was 6:20 p.m. and that the Board would adjourn into executive session.

The Chairman then announced that the time was 6:45 p.m. and that the Board had reconvened in open session.

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


Commissioner Wood moved to approve the Settlement and Mutual Release Agreement with Marine Metal, Inc. and Bro-Tex International Metals, LLC as discussed in executive session, Commissioner Lopez seconded, and the motion passed unanimously.

13. Adjournment.

Commissioner Lopez moved to adjourn the meeting, Commissioner Guerra seconded, and the meeting was adjourned by unanimous consent at 6:47 p.m.

ATTEST

Secretary


John Reed
Chairman of the Board