

**MINUTES OF A REGULAR MEETING OF THE BOARD OF NAVIGATION AND
CANAL COMMISSIONERS OF THE BROWNSVILLE NAVIGATION DISTRICT OF
CAMERON COUNTY, TEXAS HELD OCTOBER 23, 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, October 23, 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
Ariel Chavez
Steve Tyndal
Jose Herrera
Lorena Hernandez
Karina Franco
Blanca Melguizo
Brenda McKendrick
Jaime Martinez
Oscar Garcia
Santos Barbosa
Chief Carlos Garcia
Sergeant Julio Romo
Michael Davis
Tony Rodriguez
Debby Duke
Memo Rico
Jorge Montero

OTHERS PRESENT: Rev. Andreas Lewis
Nancy Gaytan
Family of Sergeant Julio Romo

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

No person registered to address the Board.

3. Receive Director's Report

a. Personnel Update

Mr. Tyndal introduced Brenda McKendrick, the Port's new leasing director. Ms. McKendrick addressed the Board and thanked the BND for the opportunity.

Mr. Tyndal then introduced Mr. Montero, who presented the Board with the recent award received by the BND for excellence in governmental websites.

Chief Garcia then introduced Julio Romo, recently promoted to Sergeant on the Port of Brownsville police department. Sergeant Romo briefly addressed the Board.

Ms. Hernandez then introduced Blanca Melguizo, who recently joined the finance department as an accounting supervisor. Ms. Melguizo briefly addressed the Board and thanked the BND for the opportunity.

b. Receive Port Monthly Operations Summary Report

Ms. Hernandez made the report 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 October 2, 2019.
- b. Approval to authorize payments over \$25,000.00:
 1. Action Supply, the amount of \$82,200.54, for 30% down payment for the fixed boom crane;
 2. HDR, the amount of \$101,766.61, for BIH Project Task Order No. 1, No. 2, No. 3 and Dike 5B Relocation Project;
 3. Texas Economic Development, the amount of \$25,000, for membership renewal for Go Big in Texas; and
 4. Vulcan Materials Company, the amount of \$65,095.91, for crushed limestone for Ostos Road staging facility.

Mr. Campirano noted that the sums in Item 4b2 are reimbursable to the BND.

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

5. Presentation of District Funds Investment Report for the period July 1, 2019 through September 30, 2019.

Ms. Hernandez presented the District Funds Investment Report for the period of July 1, 2019 through September 30, 2019. Discussion followed.

6. Discussion of proposed amendments to the District's Fiscal 2019 Operating and Capital Budgets.

Ms. Hernandez addressed the Board regarding the proposed amendments to the District's Fiscal 2019 Operating and Capital Budgets. Discussion followed.

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

Mr. Tyndal addressed the Board regarding the following items:

1. TransMontaigne Operating Co., L.P. (Authority to negotiate)

The lease to TransMontaigne Operating Co., L.P. under BND Contract 2823, was amended on September 4, 2019, to add a pipeline easement from the NuStar Logistics, L.P. lease to the lease site. At that time staff reviewed BND Contract 2823 that was effective on October 15, 1993, and determined that a new lease should be prepared to comply with all the new standard lease provisions and changes in the lessee's operations. One of the main revisions needed is to change the purpose clause for the lease. The original lease was for the construction and operation of an LPG terminal. The revised purpose clause will be for the operation of a gasoline and diesel terminal. This lease has gone through four assignments, starting as Rio Vista Operating Partnership, L.P., then assigned to Penn Octane Corp.; then assigned to Rio Vista from Penn Octane, then assigned to TransMontaigne Product Services, Inc. followed by a transfer of obligations from TransMontaigne Product Services, Inc. to present lessee TransMontaigne Operating Co, L.P. Commissioner Wood moved to authorize the Staff to negotiate a new lease with TransMontaigne Operating Co., L.P. to replace BND Contract 2823, Commissioner Lopez seconded, and the motion passed unanimously.

2. Lighthouse Docks, Inc. (Authority to negotiate)

The lease to Lighthouse Docks, Inc. at the Fishing Harbor expired on June 30, 2019 with no additional renewal options and the lessee has requested a new lease. The purpose of the lease is for an unloading facility for shrimp boats. Commissioner Cowen moved to authorize the Staff to negotiate a new lease with Lighthouse Docks, Inc, Commissioner Guerra seconded, and the motion passed unanimously.

8. Consideration of and Action ratifying the execution of an agreement between the Port of Brownsville and JLL Valuation & Advisory Services, LLC for appraisal services for mitigation land.

Mr. Campirano addressed the Board requesting the ratification of the execution of an agreement between the Port of Brownsville and JLL Valuation & Advisory Services, LLC for appraisal services for mitigation land. The Port Director & CEO entered into an agreement with JLL Valuation & Advisory Services, LLC for the purpose of appraising Port of Brownsville Land for mitigation purposes associated with proposed projects at the Port. Commissioner Wood moved to ratify the execution of the agreement between the Port of Brownsville and JLL Valuation & Advisory Services, LLC, Commissioner Cowen seconded, and the motion passed unanimously.

9. Consideration of and Action to authorize staff to advertise for bids for the purchase of five pickups and to offer two pickups as a trade-in for the purchase.

Mrs. Duke addressed the Board requesting authorization for staff to advertise for bids for the purchase of five pickups and to offer two pickups as a trade-in for the purchase. This bid request

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will be distributed to the local dealerships and will be subject to the Local Preference Option. The request will be for 2019 vehicles, with a first option for 2018 vehicles and a second option for 2020 vehicles with the anticipation that there will be some vehicles on the lot that will be proposed for delivery in 2019. After discussion, Commissioner Guerra moved to authorize Staff to advertise for bids for the purchase of five pickups and to authorize the staff to offer two pickups, Units 681 and 685, as a trade-in for the purchase, Commissioner Lopez seconded, and the motion passed unanimously.

10. Consideration of and Action to ratify the emergency purchase of the new electrical panel for the Fishing Harbor Sewer Plant and to authorize payment of the invoice when received.

Mr. Garcia addressed the Board requesting ratification of the emergency purchase of the new electrical panel for the Fishing Harbor Sewer Plant and to authorize payment of the invoice when received. The District requested sealed quotes for the purchase of a new electrical panel for the Fishing Harbor Sewer Plant on October 3, 2019 with an opening date of October 7, 2019. Sealed quotes were received from two companies, Precision Pump Systems and JP's Ace Electric. Gallegos Electric and Platinum Electric were contacted as well but did not submit a quote. Lowest bidder was JP's Ace Electric at \$38,350.00 and Precision Pump Systems submitted a bid priced at \$57,340.00. All parties that came out to inspect the electrical panel stated and agreed that this repair is necessary because it poses a safety hazard for District employees. This situation was discussed with the Port Director & CEO who concurred that it posed a danger to District personnel. In consultation with the Port Director and Director of Finance, it was deemed an emergency purchase and the Port Director authorized Staff to proceed with the lowest qualified bidder. Commissioner Lopez moved to ratify the emergency purchase of the new electrical panel for the Fishing Harbor Sewer Plant to JP's Ace Electric and authorize payment of the invoice in the of \$38,350.00 when received, Commissioner Guerra 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).

The Chairman then announced that the time was 6:14 p.m. Commissioner Guerra moved to adjourn into executive session, Commissioner Wood seconded, and the motion carried unanimously, and the Board adjourned into executive session.

The Chairman then announced that the time was 7:10 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.


Commissioner Cowen moved to adjourn the meeting, Commissioner Wood seconded, and the

meeting was adjourned by unanimous consent at 7:11 p.m.

ATTEST



Secretary



John Reed
Chairman of the Board