

**MINUTES OF A REGULAR MEETING OF THE BOARD OF NAVIGATION AND  
CANAL COMMISSIONERS OF THE BROWNSVILLE NAVIGATION DISTRICT OF  
CAMERON COUNTY, TEXAS HELD NOVEMBER 20, 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, November 20, 2019 at 5:30 p.m.** The following individuals were present and absent:

**PRESENT:** John Reed, Chairman  
Ralph Cowen  
John Wood  
Sergio Tito Lopez  
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  
Lorena Hernandez  
Karina Franco  
Brenda Mckendrick  
Jaime Martinez  
Carlos Martinez  
Chief Carlos Garcia  
Debby Duke  
Margie Recio  
Janie Velasquez  
Memo Rico  
Santos Barbosa  
Jorge Montero  
Jose Herrera

**OTHERS PRESENT:** Rev. Andreas Lewis  
Stan Hollowell  
Jorge de la Colina

**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**

Ms. Hernandez made the report to the Board. Discussion followed.

Mr. Campirano introduced Janie Velasquez, the new administrative assistant to the Port Director. Ms. Velasquez addressed the Board.

Mr. Montero introduced Christina Garza, the Port's new communications specialist. Ms. Garza addressed the Board.

## **CONSENT AGENDA**

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

- a. Approval of the Minutes of the Pilot Board Meeting and Regular Board Meeting of November 6, 2019.
- b. Approval to authorize payments over \$25,000.00:
  1. Extreme Security, the amount of \$26,485.00, for Matrix System, New Cloud Access Control and repairs on Gate Access;
  2. Triton Marine Construction, the amount of \$225,059.65, for Oil Dock 6 Construction and Maintenance Dredging; and
  3. Vulcan Materials Company, the amount of \$57,238.78, for crushed limestone for the Ostos Road Truck Staging Facility.

Commissioner Wood asked the staff how much crushed limestone is still needed for the Ostos Road Truck Staging Facility project. Mr. Barbosa addressed the Board and noted that approximately 15 percent of the total project amount is still needed.

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

### **5. Consideration and Action on Assignments, Negotiations, Easements, Subleases, and Contracts in General.**

Ms. McKendrick addressed the Board regarding the following items:

#### **1. American Oxygen Company (Authority to negotiate)**

American Oxygen Company produces and sells gas and welding products. They have been in business for over 25 years with more than 19 branches and 9 filling stations at major cities throughout Northern Mexico. AOC is currently negotiating with Cumberworth Investments, Inc. under BND #4149 to purchase their office/warehouse building situated off of FM 511. AOC is requesting to construct a distribution center to meet the needs of the market on the border that allows them to streamline through land and sea. They will serve the Port of Brownsville with cutting, welding and inserting services. Future plans may include import and exporting liquid gases to include Oxygen, Argon, Helium, Nitrogen, and Acetylene by ISO containers and cylinders to Central and South America. Commissioner Lopez moved to authorize staff to negotiate with

American Oxygen Company for a new lease, Commissioner Wood seconded, and the motion passed unanimously.

2. **Sharyland (Amendment to Easement and Right of Way Agreement)**

This amendment to Sharyland Distribution and Transmission Services, LLC under BND contract 4370 is to be effective on November 6, 2019, and it is to make adjustments to remove some transmission lines from the Loma Alta Substation to the Stillman Substation and the BPUB Substation and to connect new transmission lines. Mr. Hollowell also addressed the Board on behalf of Sharyland. Commissioner Guerra moved to approve the amendment to remove transmission lines and to connect new transmission lines, Commissioner Cowen seconded, and the motion passed unanimously.

6. **Consideration of and Action ratifying Port Director & CEO submission of Letter of Intent to the USACE Galveston District to initiate Section 221 discussions for entering a crediting agreement for the Brazos Island Harbor Channel Improvement Project.**

Mr. Campirano addressed the Board ratification for the Port Director & CEO's submission of the Letter of Intent to the USACE Galveston District to initiate Section 221 discussions for entering a crediting agreement for the Brazos Island Harbor Channel Improvement Project. The Port of Brownsville has been authorized under WRDA 2016 to deepen the ship channel from 42 feet to 52 feet. The Brazos Island Harbor Channel Improvement project has been permitted for construction. Staff has been working with Rio Grande LNG and Annova LNG to construct the project and the two industry partners have agreed to assume the cost of the project from the offshore entrance channel through the jetties to their western lease boundaries; approximately nine miles. The remainder of the project will be implemented by the Port of Brownsville. The BIH project has been selected by the USACE for the P3 Pilot Program. This program provides an opportunity to expedite the construction of the project and the potential for federal funding under Section 221 in-kind contribution program. Commissioner Wood moved to ratify Port Director and CEO submission of the Letter of Intent to initiate Section 221 discussion with USACE for entering into a crediting agreement for the Brazos Island Harbor Channel Improvement project, Commissioner Cowen seconded, and the motion passed unanimously.

7. **Consideration of and Action to approve payment of the District's .76283 pro-rata portion of the 2020 Cameron Appraisal District (CAD) adopted budget for a total of \$42,574.**

Ms. Hernandez addressed the Board requesting approval of payment of the District's .76283 pro-rata portion of the 2020 Cameron Appraisal District (CAD) adopted budget for a total of \$42,574. The District and other taxing entities of the Cameron County must pay a pro-rata portion of the Cameron Appraisal District's annual budget based on the relationship of their individual tax levy to the tax levies by other taxing entities. The 2020 CAD adopted budget is \$5,581,067, an increase of \$405,864 from the 2019 budget. The District's .76283 pro-rata portion of total levies is an annual contribution of \$42,574, an increase of \$3,959 or 10.25% from the District's 2019 contribution of \$38,615. Commissioner Cowen moved to authorize payment of the \$42,574 pro-rata contribution of the 2020 CAD Budget to be paid by the District in four quarterly payments of \$10,643.50 each, Commissioner Guerra seconded, and the motion passed 4-1, with Commissioner Wood voting "nay."

**8. Consideration of and Action on bids for the purchase of pickups received on November 13, 2019, including possible trade-in of two pickups toward the purchase, to authorize the issuance of a purchase order and to authorize payment of the invoices when received.**

Mrs. Duke addressed the Board requesting authorization to award bids for the purchase of pickups received on November 13, 2019, including possible trade-in of two pickups toward the purchase, to authorize the issuance of a purchase order and to authorize payment of the invoices when received. The District advertised for bids for five pickups in the 2019 rolling stock program. The rolling stock fleet of pickups will be adjusted as follows; Police and Security Department - two new pickups. These will be ½ -ton crew cab models with 4WD and one of the current pickups in this department (Unit 673) will be transferred to the Harbormaster's Office. This will result in one additional vehicle in both departments' fleets. Facilities Maintenance Department - This department will receive two new pickups. These will be ¾-ton crew cab models with 4WD and short beds. Two of the current pickups in this department (Units 681 and 685) have been offered as trade-ins for the purchase of the new vehicles. Engineering Services Department - This department will receive one new pickup. This will be a ½ -ton regular cab model with 2WD and a short bed. This will result in one additional vehicle in this department's fleet. The local dealers were provided with a copy of the Request for Bids and the Specifications. Two bids were received, from Brownsville Toyota and Tipton Motors, Inc. Brownsville. Toyota did not include a bid security. Tipton Motors, Inc. submitted the low bids for all three vehicle configurations and included a bid security. The Request for Bids asked for bids for three different vehicle configurations over the model years, 2019, 2018 and 2020. Brownsville Toyota submitted bids on 2 of the vehicle configurations (the ½ -ton models) for 2019 and for 2020 with 1 to 2-day delivery. Tipton Motors, Inc. bid on all 3 of the vehicles for 2020 models only, with a 180-day delivery. Tipton Motors, Inc. was contacted to inquire as to the availability of any vehicles on the lot, and they replied that there were no vehicles on the lot that they could propose for this bid. Brownsville Toyota did not make an offer for the trade-ins. Tipton Motors made offers for both trade-ins. By awarding the bid to Tipton Motors, Inc., even though the delivery date is in 2020, the District will save \$44,160.75 on the three vehicles that Brownsville Toyota did bid on. The staff is recommending that the bid be awarded to Tipton Motors, Inc. for all five vehicles and to accept the offer for the two trade-ins. Commissioner Cowen moved to award the bid to Tipton Motors, Inc. for the purchase of two ½ ton, crew cab, 4WD pickups at a bid price of \$30,229.70 each, two ¾ ton crew cab, 4WD pickups at a bid price of \$31,937.75 each and one ½ ton regular cab, 2WD pickup at a bid price of \$22,087.75; to authorize the issuance of a purchase order for the purchase; and authorize payment of the invoices when received, Commissioner Lopez seconded, and the motion passed unanimously.

**9. Consideration of and Action to authorize Director of Engineering Services Mr. Ariel Chavez II, PE/RPLS and Legal Counsel Mr. Daniel Rentfro to execute on behalf of the District the U.S. Army Corps of Engineers' Consent to Easement and License for Keppel AmFELS' -95ft. Deep Hole project.**

Mr. Chavez addressed the Board requesting authorization for Director of Engineering Services, Mr. Ariel Chavez II, PE/RPLS and Legal Counsel Mr. Daniel Rentfro to execute on behalf of the District the U.S. Army Corps of Engineers' Consent to Easement and License for Keppel AmFELS' -95ft. Deep Hole project. Through their consultant HDR, Inc., BND lessee Keppel AmFELS has been working with the Real Estate (RE) department of the Galveston District (SWG)

of the United States Army Corps of Engineers (USACE) on permits for their proposed -95 ft, deep hole dredging at their quay, including the Real Estate Outgrant permit for the Dredging required for future projects. After satisfying all USACE SWG requirements including Sediment Sampling Analysis, USACE SWG issued the regulatory permit back in August 28, 2019, USACE SWG RE recently issued the Consent to Easement and the License documents which indicates their concurrence to authorize placement by Keppel AmFELS of the material from their deep hole dredging in our Dredged Material Placement Area #5B and/or #7 (DMPA-5B and/or DMPA-7), The document requires signatures by the Port's Director of Engineering Services and Port Legal Counsel. Commissioner Cowen moved to authorize the Director of Engineering Services, Mr. Ariel Chavez II, PE/RPLS and Legal Counsel, Mr. Daniel Rentfro, to execute the said Consent to Easement and License documents on the U.S. Army Corps of Engineers Real Estate Permit to place dredging material from the Keppel AmFELS -95ft. Deep Hole project into the BND's Dredging Material Placement Area #5B and/or #7, Commissioner Guerra seconded, and the motion passed unanimously.

**10. 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 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.

Commissioner Lopez left the meeting.

The Chairman then announced that the time was 7:21 p.m., and that the Board had reconvened in open session.

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

There was none.

**12. Adjournment.**

Commissioner Cowen moved to adjourn the meeting, Commissioner Wood seconded, and the meeting was adjourned by unanimous consent at 7:21 p.m.

ATTEST

Secretary



John Reed  
Chairman of the Board