

**MINUTES OF A REGULAR MEETING OF THE BOARD OF NAVIGATION AND
CANAL COMMISSIONERS OF THE BROWNSVILLE NAVIGATION DISTRICT OF
CAMERON COUNTY, TEXAS HELD JULY 1, 2020 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 1, 2020 at 5:30 p.m.** The following individuals were present and absent:

PRESENT: John Reed, Chairman
Ralph Cowen (via telephone)
John Wood
Esteban Guerra

ABSENT: Sergio Tito Lopez

ALSO PRESENT: Eduardo A. Campirano, Port Director and CEO
Daniel Rentfro, District Legal Counsel (via telephone)
William J. Irwin, Associate District Counsel

STAFF MEMBERS: Chief Carlos Garcia
Lorena Hernandez
Jorge Montero
Steve Tyndal
Janie Velasquez

OTHERS PRESENT: Rev. Andreas Lewis
Jorge De la Colina
Aaron Rios

1. Meeting Called To Order

The Chairman called the meeting to order at 5:30 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

The Chairman acknowledged that the reports were in the agenda books. Chairman Reed asked Mr. Campirano to review the proposed FTZ designation relating to the Port of Port Isabel. Mr. Campirano responded that he and staff would review the same.

Mr. Campirano reported to the Board that he has been pleased with the high level of participation by Port employees in the BND retirement plan.

Mr. Tyndal then addressed the Board and presented the Gold Hermes Creative Award in PR/Communications – Newspaper Placement and the Gold Hermes Creative Award in Print Media – Magazine Ad received by the Port's Communications Department.

CONSENT AGENDA

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

- a. Approval of the Minutes of the Regular Board Meeting of June 17, 2020.
- b. Approval to authorize payments over \$25,000.00:
 1. G & T Paving, LLC, the amount of \$212,854.05, for 2020 BND Port Road Improvements; and
 2. R.M. Walsdorf, Inc., the amount of \$53,885.70, for Oil Dock 5 Bulkhead Repairs.

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.

Mr. Tyndal addressed the Board regarding the following items:

1. Frajara Express, LLC (**Authority to Negotiate**)

This site is currently being leased by Optimum Quality Transfers, LLC, which has the same principals as Frajara Express, LLC. They are requesting to change the lease into the new company name. There are taxes owed under the current tenant, but they have signed a payment agreement with the County and provided staff a copy of the agreement. Frajara Express, LLC has requested a new lease for the purpose of trailer parking. The lease is to take effect May 22, 2020. Staff recommended that the Board grant authority to negotiate a new lease.

2. Transmontaigne Operating Company, L.P. (**Authority to Negotiate**)

TransMontaigne Operating Company, L.P. has requested to amend their existing easement, under BND Contract #3635, to include an additional 15'X30' tract adjacent to the current 20 ft. easement to install a control panel. Discussion followed regarding the costs related to the proposed amendment. The staff recommended that the Board grant authority to negotiate an amendment to the easement.

3. E & J Trawlers, Inc. (**New Lease**)

E & J Trawlers, Inc. is a shrimp boat company. The purpose of their business is to provide shrimp boat loading. The company is interested in leasing site formerly leased by Four Leaf Clover, Inc. d/b/a Shenanigans under BND Contract #4118 located at 1950 Bayou Court at the Fishing Harbor. The staff recommends that the Board approve and sign the new lease to E & J Trawlers, Inc.

Commissioner Guerra moved to approve Items 5(1), 5(2), and 5(3), Commissioner Cowen seconded, and the motion passed unanimously.

6. Consideration and Action to acknowledge receipt of the independent audits of the financial statements of the District and of the Retirement Plan for Employees of the Brownsville Navigation District for Fiscal Year Ended December 31, 2019.

Ms. Hernandez addressed the Board requesting the receipt of the independent audits of the financial statements of the District and of the Retirement Plan for Employees of the Brownsville Navigation District for Fiscal Year Ended December 31, 2019. The District's external audit firm, Carr, Riggs and Ingram, LLC (CRI), have completed the audits of the District's financial statements and the stand-alone financials of the Retirement Plan for Employees of the Brownsville Navigation District's (the "Plan") for the Fiscal Year Ended December 31, 2019. The Plan is sponsored and administered by the District. Aaron Rios of CRI addressed the Board and noted that the District had received a clean audit. Commissioner Cowen moved to accept the independent audits as presented by CRI, Commissioner Wood seconded, and the motion passed unanimously.

7. Consideration and Action to approve a Resolution to Designate Employees for District Tax Duties.

Ms. Hernandez addressed the Board requesting approval on a Resolution to Designate Employees for District Tax Duties. Recent amendments to the Texas Property Tax Code, passed by Senate Bill 2 and to be effective for the upcoming October 2020 tax rate adoption, now require the governing body of each taxing unit to formally designate an officer or employee for its tax duties. Such duties include required tax calculations and certifications as per assessment provision of Chapter 26 of the Tax Code. The Resolution designates District employees, Lorena Hernandez (Director of Finance) and Karina Franco (Assistant Director of Finance) and it is to remain effective unless rescinded or amended by subsequent Resolution. Both Ms. Hernandez and Ms. Franco are registered as "Class I Assessor/Collector" with the Texas Department of Licensing & Regulation (TDLR). The Resolution and the designated employees' contact information will be submitted to the Cameron County Assessor & Collector office. Commissioner Guerra moved to approve the Resolution to Designate Employees (Lorena Hernandez & Karina Franco) for the District's Tax Duties, Commissioner Wood seconded, and the motion passed unanimously.

8. Consideration and Action to authorize the Port Director and CEO Mr. Eduardo A. Campirano and Port Legal Counsel Mr. Daniel Rentfro to execute the U.S. Army Corps of Engineers' Temporary License for the construction of the Brazos Island Harbor Bend Easing project on behalf of the BND.

Mr. Campirano addressed the Board requesting the authorization for the Port Director and CEO Mr. Eduardo A. Campirano and Legal Counsel Mr. Daniel Rentfro to execute the U.S. Army Corps of Engineers' Temporary License for the construction of the Brazos Island Harbor Bend Easing project on behalf of the BND. BND Staff has been working with the U.S. Army Corps of Engineers (USACE) on permitting towards construction of the Brazos Island Harbor (BIH) Deepening project, and with Liquefied Natural Gas (LNG) companies planning to construct terminals at BND. The LNGs and BND Staff recognized the need to ease the bend in the Ship Channel. On June 3, 2020 BND Commissioners authorized Task Order #3A Amendment for the Bend Easing Sampling and Analysis Plan (SAP), a pre-dredge evaluation of the sediment, water, and elutriate of the Bend Easing dredged material. BND Staff had requested that the U.S. Army Corps of Engineers (USACE) issue a License contingent on completion of the Bend Easing SAP. USACE Galveston District (SWG) has issued the document, which indicates USACE concurrence to authorize placement of the Bend Easing material in the designated Dredged Material Placement Area. The

document requires signatures by the Port Director and C.E.O. Mr. Eduardo A. Campirano and by Port Legal Counsel, Mr. Daniel Rentfro. Commissioner Wood moved to authorize Port Director and C.E.O. Mr. Eduardo A. Campirano and Port Legal Counsel Mr. Daniel Rentfro to execute the said License document to the U.S. Army Corps of Engineers Real Estate Permit to place dredged material from the BIH Bend Easing project into the designated Dredged Material Placement Area, Commissioner Guerra seconded, and the motion passed unanimously.

- 9. Adjourn into Executive Session, as authorized by Subchapter D of Chapter 551 of the Government Code to discuss with attorneys pending or contemplated litigation, including The City of Port Isabel, Texas, JJ Zamora, and Martin Cantu vs. Brownsville Navigation District of Cameron County, Texas, and matters in which the duty of the attorneys under the Rules of Professional Conduct clearly conflict with Chapter 551 (§551.071); to deliberate the purchase, exchange, lease, or value of 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).**

There was none.

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

There was none.

11. Adjournment.

Commissioner Guerra moved to adjourn the meeting, Commissioner Wood seconded, and the meeting was adjourned by unanimous consent at 6:15 p.m.

ATTEST

Secretary



John Reed
Chairman of the Board