

**MINUTES OF A REGULAR MEETING OF THE BOARD OF NAVIGATION AND CANAL COMMISSIONERS OF THE BROWNSVILLE NAVIGATION DISTRICT OF CAMERON COUNTY, TEXAS HELD OCTOBER 21, 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, via videoconference due to the COVID-19 health emergency, on **Wednesday October 21, 2020 at 5:30 p.m.** The following individuals were present:

**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

**STAFF MEMBERS:** Donna Eymard  
Blanca Melguizo  
Ariel Chavez  
Steve Tyndal  
Lorena Hernandez  
Karina Franco

Margie Recio  
Janie Velasquez  
Guillermo Rico  
Jorge Montero  
Rosie Hinojosa  
Jose Herrera  
Oscar Garcia  
Juan Blanco

**OTHERS PRESENT:** Rev. Andreas Lewis  
Mitchell Griffon  
Judyth Almasi  
Adalberto Fernandez  
Jorge De La Colina  
Alejandro Farias

**1. Meeting Called To Order**

The Chairman called the meeting to order at 5:35 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.

## **CONSENT AGENDA**

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

- a. Approval of the Minutes of the Regular Board Meeting of October 7, 2020.
- b. Approval to authorize payments over \$25,000.00:
  1. Southmost Regional Water Authority, the amount of \$124,787.30, for 2021 Assessment Fees; and
  2. Texas Economic Development Corporation, the amount of \$25,000.00, for Membership Dues for the Go Big In Texas formally known as Texas One.

### **5. Presentation of District Funds Investment Report for the Period July 1, 2020 through September 30, 2020.**

### **6. Consideration and Action on name change for Steamship Agent Transcoma Shipping USA.**

Ms. Hernandez presented the quarterly Investments Report. Commissioner Lopez then moved to approve all consent agenda items, Commissioner Wood seconded, and the motion passed unanimously.

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

Mr. Tyndal addressed the Board regarding the following items:

#### **1. Brownsville Acquisition, Inc. c/o Callidus Capital Corporation (Amendment to Lease)**

Brownsville Acquisition, Inc. c/o Callidus Capital Corporation has a lease, BND Contract # 4138, which currently encompasses 85.367 acres. The Port and ESCO Marine, the original tenant, started discussion about a property exchange before ESCO went into bankruptcy. That discussion has continued with Brownsville Acquisition, Inc., which acquired the lease in the bankruptcy proceedings. Brownsville Acquisition, Inc. will be giving back 17.97 acres that it does not have access to in exchange for 7.35 acres of additional property, including a rail line that was replaced by the new North Yard that BRG built. Commissioner Cowen moved to approve the amendment to BND Contract # 4138, Commissioner Wood seconded, and the motion passed unanimously.

#### **2. Gus Martin (New Lease)**

This new lease to Gus Martin would replace expired lease BND Contract 3796 to the same lessee. It is to be effective as of November 1, 2020 for one year and nine renewal options of one year each. The purpose is grazing. Commissioner Cowen moved to approve the new lease to Gus Martin, Commissioner Wood seconded, and the motion passed unanimously.

#### **3. Online Transport International, Inc. (New Lease)**

Online Transport International, Inc. is the owner of the Port's old Gottwald mobile harbor crane. The crane is essential to Work Cat, the container on barge service operating on Dock 10. OTI is requesting authority to negotiate a lease for the purpose of storing the crane when not in use in proximity to Dock 10. Commissioner Guerra moved to approve the new lease to Online Transport International, Inc., Commissioner Wood seconded, and the motion passed unanimously.

4. NFS Leasing (**Tri-Party Landlord Agreement**)

Mr. Tyndal asked that this item be tabled. Commissioner Wood so moved, Commissioner Guerra seconded, and the motion passed unanimously.

5. Texlube Trading, LLC. (**Option to Lease**)

Texlube Trading, LLC. is requesting an option to lease approximately 57 acres for the purpose of transloading liquid products. Company representatives have met with the BRG about requirements to spur off the main line. Texlube Trading has requested an option to lease for six months to do surveying of land and do the due diligence of the preconstruction of terminal. Commissioner Wood moved to approve the option to lease with Texlube Trading, LLC., Commissioner Guerra seconded, and the motion passed unanimously.

6. Palo Alto Brownsville, LLC. / Zions Bancorporation, N.A. dba Amegy Bank (**Recognition Agreement**)

Palo Alto Brownsville, LLC. desires to obtain a loan from Zions Bancorporation, N.A. dba Amegy Bank and to encumber its leasehold interest under Palo Alto Brownsville, LLC. as security for the loan. Zions Bancorporation, N.A. dba Amegy Bank is willing to make the Loan to Palo Alto Brownsville, LLC. secured by Palo Alto's leasehold interest under the Lease provided that the BND consents thereto and agrees to the provisions of this Agreement. Commissioner Cowen moved to approve the Recognition Agreement with Palo Alto Brownsville, LLC and Zions Bancorporation, N.A. dba Amegy Bank, Commissioner Wood seconded, and the motion passed unanimously.

**8. Consideration and Action to authorize staff to negotiate a contract for a Lease Management Information System.**

Ms. Hernandez addressed the Board requesting authorization for staff to negotiate a contract for a Lease Management Information System. The Board of Commissioners authorized a Request for Proposals for a Lease Management Information System to support the District in managing its 200 plus leases. Currently, lease agreements are manually maintained and billed. The RFP specifications included system requirements for maintaining electronic workflow approvals for new lease applications, automating the billing of leases, and providing electronic tickler systems of upcoming lease renewals and deadlines, an external web page for tenants, and automated, event-driven, information communications such as email notifications to tenants for invoices, lease renewals, and property insurance notices. The District communicated with 6 companies that showed interest in the project; two (2) submitted proposals by the September 30, 2020 RFP deadline. The proposals received from Yardi Voyager and Saab Technologies (formerly Klein Systems) were reviewed by a Selection Committee composed of seven Port staff members from Finance, IT, Deputy Port Director, and Marketing & Business Development. Also, each company presented a 2-3-hour demonstration of their software to the Selection Committee. A summary of the total points awarded by the Selection Committee that recommends selecting Saab Technologies for its software best meeting the District's needs and RFP evaluation criteria was provided to the Board. After discussion, Commissioner Cowen moved to authorize staff to negotiate a contract with Saab Technologies for the purchase of a Lease Management Information System for subsequent Board consideration and action, Commissioner Wood seconded, and the motion passed unanimously.

**9. Consideration and Action to authorize to amend Task Order #30 with consultant HDR, Inc., consisting of a Phase I Environmental Site Assessment, Cultural Resources Report, Categorical Exclusion Report with supporting documents and coordination with U.S. Army Corps of Engineers for the Release of BIH Easement Tracts Nos. 10, A100E and 122E adding Tract No. 3, all as provided in WRDA 2016.**

Mr. Campirano addressed the Board requesting authorization to amend Task Order #30 with consultant HDR, Inc., consisting of a Phase I Environmental Site Assessment, Cultural Resources Report, Categorical Exclusion Report with supporting documents and coordination with U.S. Army Corps of Engineers for the Release of BIH Easement Tracts Nos. 10, A100E and 122E adding Tract No. 3. On August 12, 2020 the Board accepted a proposal for the work described in Task Order 30 for an estimated fee of \$37,500.00. Upon pursuing the matter with USACE Galveston District (SWG) personnel, it was brought to the staff's attention that Easement Tract No.3 also needed to be included in this Phase I ESA, CRR and CE Report. At the request of BND Staff, HDR revised their proposed fee to \$47,700.00 to include Tract No. 3. Commissioner Wood moved to authorize the Port Director & C.E.O. to accept the proposal for the Amended Task Order #30, Commissioner Cowen seconded, and the motion passed unanimously.

**10. Consideration and Action on Change Order No. 1 to contract with G&T Paving, LLC for the 2020 BND Road Improvements project deleting unused items, adding required items, adding pavement repair on Ostos Road, and extending the contract time.**

Mr. Chavez addressed the Board requesting approval on Change Order No. 1 to the contract with G&T Paving, LLC for the 2020 BND Road Improvements project; the Change Order would delete unused items, add required items, add pavement repairs on Ostos Road, and extend the contract time. On May 6, 2020 the Board awarded the contract for the 2020 BND Road Improvements project to G& T Paving in the amount of \$1,938,957.25. The project is comprised of rehabilitation and/or reconstruction of Chemical Road, West Oil Dock Road, East Oil Dock Road, Anchor Road, Liquid Cargo Dock Road, and a portion of Dock 15 Road, and concrete and asphalt paving at the BND Shop Yard and the BND Shop Office Parking Lot. During construction, some items were determined to be unnecessary, and issues were discovered which required modifications. Change Order No.1 removes the unused items and adds the required items. The balance of the deleted and added Items is \$17,018.62, or 0.88% of the original contract price. Additionally, due to continuing deterioration at Ostos Road, BND Staff proposes to add an estimated 3,000 square yards in pavement repairs to the current contract to address some of the urgent areas. The extra work on Ostos would increase the contract price an additional \$252,380.00, for a total increase of \$269,398.62 to \$2,208,355.87. In addition, staff recently discovered a manhole in the road apron that needs replacing, at an additional cost of \$15,000. In all, the change order would increase the contract price by \$284,398.62. As part of the change order, the contractor is requesting an additional 30 calendar days for the extra work on Ostos Road, making the completion date December 28, 2020. Commissioner Cowen moved to approve Change Order No. 1 as described, Commissioner Lopez seconded, and the motion passed unanimously.

**11. Consideration and Action on Change Order No. 1 to the contract with Russell Marine, LLC for the Oil Dock #3 Crane Supports project, modifying the crane platform structure.**

Mr. Chavez addressed the Board requesting the approval of Change Order No. 1 to the contract with Russell Marine, LLC for the Oil Dock #3 Crane Supports project, modifying the crane platform structure. On May 6, 2020 BND Commissioners awarded the contract for the project to Russell Marine, LLC in the amount of \$320,000.00. The work consists of removing and replacing the supports for the dock's hydraulic crane and adding pilings to stabilize the dock. After driving the steel pipe piles that will support the new crane, in coordination with crane supplier TechCrane, concerns were raised

about the size of the beam structure for the crane support platform. Upon verification with consulting engineer CASA Engineering (Casa), errors were discovered in the construction drawings, and a review resulted in a support structure with larger beams. The larger beams also required modification of the plan to install the drip pan and the walkway to access the crane. Russell has submitted a Change Order proposal including \$41,400.00 for the larger beams support structure plus \$10,140.00 for the Serrated Steel Grating, Staircase to be integrated to the structure, as well as the Drip Pan. If approved, this Change Order No.1 will increase the contract price by \$51,540.00, or 16.11% of the original contract price. The work will require no additional contract time. A lengthy discussion followed regarding possible responsibility of the design engineer. Commissioner Cowen moved to approve Change Order No. 1 to the contract for the Oil Dock #3 Crane Supports project with Russell Marine, LLC increasing the contract price from the original amount of \$320,000.00 by \$51,540.00 to \$371,540.00, with the stipulation that the District retains all rights against CASA Engineering, Commissioner Wood seconded, and the motion passed, Commissioner Lopez voting "nay."

- 12. 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 announced that the time was 6:45 p.m., and that the Board would adjourn into executive session.

The Chairman then announced that the time was 7:15 p.m., and that the Board had reconvened in open session.

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


There was none.

- 14. Adjournment.**

Commissioner Guerra moved to adjourn the meeting, Commissioner Cowen seconded, and the meeting was adjourned at 7:15 p.m.

ATTEST

  
Secretary

  
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John Reed  
Chairman of the Board