

**MINUTES OF A REGULAR MEETING OF THE BOARD OF NAVIGATION AND  
CANAL COMMISSIONERS OF THE BROWNSVILLE NAVIGATION DISTRICT OF  
CAMERON COUNTY, TEXAS HELD JUNE 15, 2022 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, June 15, 2022 at 5:30 p.m.** The following individuals were present and absent:

**PRESENT:** Esteban Guerra, Chairman  
Ralph Cowen  
John Wood  
Sergio Tito Lopez  
John Reed

**ABSENT:** None

**ALSO PRESENT:** William J. Irwin, Associate District Counsel

**STAFF MEMBERS:** Ariel Chavez  
Arturo Gomez  
Michael Davis  
Karina Franco  
Chief Carlos Garcia  
Arturo Gomez  
Jose Herrera  
Rosie Hinojosa  
Jorge Montero  
Margie Recio  
Tony Rodriguez  
Melinda Rodriguez  
Julio Romo  
Janie Velasquez  
Zeus Yanez

**OTHERS PRESENT:** Rev. Andreas Lewis  
Quin Anderson  
Jon Pederson

**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. Port Monthly Operations Summary Report**

Mr. Yanez 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 June 01, 2022.
- b. Approval to authorize payments over \$25,000.00:
  1. HDR Engineering, Inc., the amount of \$207,583.20, for Cargo Dock #3 Reconstruction Project – Task 2; and
  2. Vulcan Materials Company, the amount of \$63,229.69, for Materials – Pesqueria Project.

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

**5. Consideration and Action to acknowledge receipt of the independent audits of the financial statements of the District and the "Retirement Plan for Employees of the Brownsville Navigation District" for Fiscal Year Ended December 31, 2021.**

Mr. Yanez addressed the Board requesting acknowledgement of receipt of the independent audits of the financial statements of the District and the "Retirement Plan for Employees of the Brownsville Navigation District" for Fiscal Year Ended December 31, 2021. Texas Water Code, Chapter 60, requires the District to have its financial accounts and records audited annually. Texas Government Code, Chapter 802, requires The Retirement Plan for Employees of the Brownsville Navigation District (the "Plan") to have its financial accounts and records audited annually. The District engaged Carr, Riggs, and Ingram, LLC to conduct audits of the District's financial statements and the standalone financial statements of the Plan for the Fiscal Year Ended December 31, 2021. The external audit firm has completed the audits of the District's financial statements and the Plan's financial statements for the Fiscal Year Ended December 31, 2021. Quin Anderson, of CRI, also addressed the Board regarding the audits. Discussion followed regarding timely completion of future audits. Commissioner Reed moved to accept the independent audits as presented by Carr, Riggs & Ingram, LLC for the District to comply with statutory, bond continuing disclosures and Federal/State Single Audit requirements, Commissioner Cowen seconded, and the motion passed unanimously.

**6. Consideration and Action on Amending the Port of Brownsville Tariff No. 6 to amend the cover page to reflect the new Board positions.**

Mr. Gomez addressed the Board requesting approval on amending the Port of Brownsville Tariff No. 6 to amend the cover page to reflect the new Board positions. The cover page of the Port of Brownsville Tariff No.6 includes a listing of the Commission with their respective positions on the Board. As a result of the Board's election of officers at the Board meeting of May 18, 2022, the cover page needs to reflect the new positions. Commissioner Lopez moved to approve the amended Tariff Cover Page as presented, Commissioner Reed seconded, and the motion passed unanimously.

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

Mrs. Rodriguez addressed the Board regarding the following items:

**1. CVC Construction, Inc. dba Welding Works International, Inc. (New Lease & Bill of Sale)**

This new lease to CVC Construction, Inc. dba Welding Works International, Inc. will replace BND contract # 3965, which expired on April 18, 2022. The lessee seeks a new lease for a term of five years with one renewal option of 5 years. The site is located at 2800 Everglades. The purpose clause of the new lease would be Welding/Construction (carbon steel plates & piping material). Also, Staff will be transferring title of a one-story masonry building, approximately 657 square feet located on the lease site, pursuant to District's leasing policies. Commissioner Lopez moved to approve the New Lease and Bill of Sale for CVC Construction, Inc. dba Welding Works International, Inc., Commissioner Wood seconded, and the motion passed unanimously.

Commissioner Lopez noted that he would be abstaining from Items 7(2)-(3).

**2. Jonick-Lopez International Transport, LLC (Amendment of Lease)**

Jonick-Lopez International Transport, LLC, a current lessee located at 6201 Foust Road under BND Contract #4123, has requested an amendment to its lease to increase the size of leased premises by 1.855 acres. This amendment shall be effective as of June 1, 2022. The total acreage under the amended lease is 3.625 acres. Commissioner Reed moved to approve the amendment for Jonick-Lopez, International Transport, LLC., Commissioner Wood seconded, and the motion passed by a vote of 4-0. Commissioner Lopez abstained.

**3. Jonick-Lopez International Transport, LLC (New Lease)**

Jonick-Lopez International Transport, LLC has requested a new lease for 2.34 acres located at 5801 Foust Road for a term of five years with two renewal options of five years each. The purpose clause of the new lease will be Office Dispatch, Truck Staging. Commissioner Reed moved to approve the new lease for Jonick-Lopez International Transport, LLC, Commissioner Wood seconded, and the motion passed by a vote of 4-0. Commissioner Lopez abstained.

**8. Consideration and Action to authorize Port staff to advertise for proposals for Crushed Limestone and Alternative Base Materials.**

Mr. Herrera addressed the Board requesting authorization for Port staff to advertise for proposals for Crushed Limestone and Alternative Base Materials. On March 16, 2022, BND Board of Commissioners authorized staff to award Vulcan Construction Materials, LLC with a purchase agreement for the purchase of crushed limestone. Vulcan Construction Materials, LLC has not been able to consistently provide the amount of crushed limestone that is required. The lack of available crushed limestone causes inefficiencies and delays with projects. Staff is requesting authorization to advertise to solicit proposals for crushed limestone and alternative base material to supplement product that cannot be provided by Vulcan Construction Materials, LLC. Discussion followed regarding the shortage of limestone material and the use of alternative base materials. Commissioner Lopez moved to authorize staff to advertise for proposals for crushed limestone and alternative base materials, and to open the received proposals thereof, finding that the proposal method will yield the best value to the District, Commissioner Reed seconded, and the motion passed unanimously.

**9. Consideration and Action on Change Order #3 to contract with R.M. Walsdorf, Inc. on the Oil Dock #6 Bulkhead Repairs project adding elastomeric paint and deleting stand-by time bid items, to accept work performed by contractor on this project, authorizing Final Payment of \$263,807.90, which includes retainage and all completed work.**

Mr. Chavez addressed the Board requesting approval on Change Order #3 to contract with R.M. Walsdorf, Inc. on the Oil Dock #6 Bulkhead Repairs project adding elastomeric paint and deleting stand-by time bid items, to accept work performed by contractor on this project, authorizing Final Payment of \$263,807.90, which includes retainage and all completed work. On August 4, 2021 BND Commissioners awarded the contract on the Oil Dock #6 Bulkhead Repairs project to R.M. Walsdorf, Inc. in the amount of \$1,490,228.00. On September 15, 2021 and December 1, 2021 BND Commissioners approved Change Orders #1 and #2, respectively increasing the original contract price by \$1,115,451.00 for a new contract price of \$2,605,679.00 and added 120 days to the original contract time of 120 calendar days for a new total of 240 calendar days. Change Order #3 proposes to add elastomeric paint to the inside of the bulkhead wall and to remove the Water Work Stand-by time and Land Work Stand-by time resulting in a net deduction of \$11,160.00, for a new contract price of \$2,594,519.00. No additional contract time is being requested. Moreover, the project has been completed on schedule and has been inspected by BND consultant EDG Engineers, Inc. and by BND Staff and has been deemed complete as per bid plans and specifications. Commissioner Reed moved to approve Change Order #3 to the contract with R.M. Walsdorf, Inc. on the Oil Dock #6 Bulkhead Repairs project, decreasing the current contract price of \$2,605,679.00 by \$11,160.00 to \$2,594,519.00, with no impact to the current contract time of 240 calendar days and accept the work performed by contractor R.M. Walsdorf, Inc. on the Oil Dock #6 Bulkhead Repairs project and authorize BND Staff to issue final payment in the amount of \$263,807.90, which include retainage and all completed work, Commissioner Cowen seconded, and the motion passed unanimously.

**10. Consideration and Action on Change Order No. 2 to contract with Pederson Construction Company, Inc. on the 2020 BND Water Lines Replacement project, accept work performed by contractor, and authorize Final Payment of \$172,897.60, which includes retainage and all completed work.**

Mr. Chavez addressed the Board requesting approval on Change Order No. 2 to contract with Pederson Construction Company, Inc. on the 2020 BND Water Lines Replacement project, accept work performed by contractor, and authorize Final Payment of \$172,897.60, which includes retainage and all completed work. On August 12, 2020, BND Commissioners awarded the contract on the BND Water Lines Replacement project to Pederson Construction Company Inc. in the amount of \$1,255,690.00. On March 3, 2021 BND Commissioners approved Change Order #1 in the amount of \$29,141.80 bringing the new contract amount to \$1,284,831.80. After review of all work and identifying all over-runs and under-runs on bid items, BND Staff has prepared Change Order #2 which if approved will reduce the contract amount by \$38,721.10 to \$1,246,110.70. Further, after inspection of the work by BND Engineering Staff, the project has been deemed complete and staff is prepared to recommend Final Payment in the amount of \$172,897.60 which includes release of retained funds and payment of all completed work. Commissioner Reed moved to approve Change Order #2 to the contract with Pederson Construction Company, Inc. on the 2020 BND Water Lines Replacement project decreasing the contract amount of \$1,284,831.80 by \$38,721.10 to \$1,246,110.70, which accounts for all over-runs and under-runs on bid items. Commissioners further moved to accept the work by contractor Pederson Construction Company, Inc. on the 2020 BND Water Lines Replacement project and authorize final payment of \$172,897.60 which includes release of retained amounts and payment for all completed work, Commissioner Cowen 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 6:23 p.m., and that the Board would adjourn into executive session. Commissioner Lopez moved to adjourn into executive session, Commissioner Cowen seconded, and the motion passed unanimously.

The Chairman then announced that the time was 7:19 p.m., and that the Board had reconvened in open session.

Commissioner Reed left the meeting prior to the end of executive session.

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

1. Possible action on extension of Jupiter Brownsville, LLC lease.

Commissioner Wood moved to approve a 30-day extension of the Jupiter Brownsville, LLC lease, as presented in executive session, Commissioner Lopez seconded, and the motion passed unanimously.


2. Possible action concerning tax lien on the Port of Brownsville grain elevator.


Commissioner Cowen moved to approve the payment of the sum of \$147,539.94, representing the taxes, penalties, interest, and fees accruing prior to the District's ownership of the grain elevator facility, which is necessary to release the tax lien on the grain elevator, Commissioner Wood seconded, and the motion passed unanimously.

**3. Adjournment.**

Commissioner Lopez moved to adjourn the meeting, Commissioner Cowen seconded, and the meeting was adjourned by unanimous consent at 7:22 p.m.

ATTEST

  
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John Wood, Secretary

  
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Esteban Guerra  
Chairman of the Board