

**MINUTES OF A REGULAR MEETING OF THE BOARD OF NAVIGATION AND  
CANAL COMMISSIONERS OF THE BROWNSVILLE NAVIGATION DISTRICT OF  
CAMERON COUNTY, TEXAS HELD SEPTEMBER 20, 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 **Tuesday, September 20, 2022, at 5:30 p.m.** The following individuals were present and absent:

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

**ABSENT:** John Wood

**ALSO PRESENT:** Eduardo A. Campirano, Port Director and CEO  
Daniel Rentfro Jr., District Counsel

**STAFF MEMBERS:** Ariel Chavez  
Michael Davis  
Karina Franco  
Chief William Dietrich  
Arturo Gomez  
Jose Herrera  
Jaime Martinez  
Margie Recio  
Melinda Rodriguez  
Janie Velasquez  
Zeus Yanez

**OTHERS PRESENT:** Jorge de la Colina

**1. Meeting Called To Order**

The Chairman called the meeting to order at 5:40 p.m. Mr. Chavez 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**

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 Pilot and Regular Board Meeting of September 7, 2022.
- b. Approval to authorize payments over \$25,000.00:
  1. Aguaworks, the amount of \$57,720.00, for BND Water Distribution Lines Replacement Project.
  2. McGriff Insurance Services, the amount of \$39,000.00, for Second year installment insurance fee for Service Policy No. 202 Renewal – Consulting Fee; and
  3. TML, the amount of \$172,051.00, for Workers Compensation renewal and Auto Policies coverage 2022-2023.

### **5. Consideration and Action on the Steamship Agent License Renewal Application Submitted by GAC Shipping (USA), Inc.**

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

### **6. Consideration and Action to approve amendments to the District's Fiscal Year 2022 Operating and Capital Budgets.**

Mr. Yanez addressed the Board requesting approval of amendments to the District's Fiscal Year 2022 Operating and Capital Budgets. On August 17, 2022, Staff submitted a preliminary draft of proposed budget amendments to the District's Fiscal Year 2022 Operating and Capital Budgets for discussion only. The FY 2022 amended budget binders have been updated to include the effect of payroll matrix changes and an increase to capital funds for patio expansion projects. Staff is recommending approval of the FY 2022 budget amendments which are based on the current year actual revenues and expenditures to date and projected operational needs for the remainder of the fiscal year. Proposed operating revenues are expected to increase by a net \$7,557,693 from original budget projections, mostly due to renewal of leases as well as increases in mobile harbor crane revenues, wharfage revenues, and storage agreement revenues. Proposed operating expenditures will increase by a net \$ \$210,779, mainly from increases in fuel and utilities . This budget also reflects personnel requests for two crane operators needed by the District to sustain increased crane usage. The 2022 Capital Budget amendments are necessary to allocate funds for ongoing capital projects such as the BIH Channel Deepening, road reconstruction projects, patio expansion projects, dock improvement/reconstruction projects, fishing harbor sewer plant replacement project and other necessary increases for new capital projects such as the replacement/installation of bollards on docks and to replace stainless steel equipment enclosures that house components of the IT infrastructure. Commissioner Reed moved to authorize the proposed FY 2022 Operating and Capital Budget Amendments by increasing operating revenues by \$7,557,693 to \$34,748,485

and operating expenditures by \$210,779 to \$19,869,299 and decreasing Capital Expenditures by \$9,118,527, Commissioner Cowen 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 item:

**1. Transportation Solutions Red Global Inc (Authority to Negotiate)**

Transportation Solutions Red Global Inc is interested in leasing 1.87 acres located at 9675 Joe G. Garza Sr. Rd. and seeks Authority to Negotiate a New Lease for a term of one year with four renewal options of one year each. Operations and purpose of the lease will be for staging of equipment, warehouse, and distribution. Hi-Tech Welding Institute, LLC (Contract #4177) is negotiating the sale of assets to Transportation Solutions Red Global Inc. Commissioner Reed moved to approve the Authority to Negotiate for Transportation Solutions Red Global Inc., Commissioner Cowen seconded, and the motion passed unanimously.

**8. Consideration and Action to authorize Staff to solicit Statements of Qualifications for a Design-Build contract on the Materials Storage and Handling portion of the Grain & Bulk Handling Facility Development, Expansion and Upgrade project, as per Water Code.**

Mr. Chavez addressed the Board requesting authorization for Staff to solicit Statements of Qualifications for a Design-Build contract on the Materials Storage and Handling portion of the Grain & Bulk Handling Facility Development, Expansion and Upgrade project, as per Water Code. BND Staff worked with the U.S. Department of Transportation Maritime Administration (MARAD) and BND lessee WestPlains, LLC on a Grant Agreement for the Grain & Bulk Handling Facility Development, Expansion and Upgrade project. BND Staff and WestPlains consultant HDR Engineering, Inc. (HDR) completed the Bid Document and the Plans and Specifications, and on July 20, 2022, BND Commissioners authorized BND Staff to publish an Invitation to Bid on the three project components: (1) rail and related improvements, (2) materials storage and handling facilities, and (3) structural repairs to the dock. During the process, the consultant indicated that component #2 should be processed as a design-build project. BND Staff is asking for authorization to publish an invitation to submit Statements of Qualifications for this project component as a Design-Build contract, in compliance with Water Code requirements. Upon authorization, BND Staff will publish an invitation to submit said Statement of Qualifications in the local newspaper for the Materials Storage and Handling component of this project and continue with the process in conformance with Water Code requirements and provisions. BND Staff, lessee WestPlains and their consultant HDR will also invite contractors familiar with this type of work by email and/or by phone. Commissioner Reed moved to authorize BND Staff to prepare a Solicitation for Statements of Qualifications on the Materials Storage and Handling component of the Grain & Bulk Handling Facility Development, Expansion and Upgrade project, to publish same in the local newspaper as required by BND Purchasing procedures and Water Code requirements, and to follow the required process in consultation with counsel, and further to issue an addendum to previously issued Request for Bids to delete the Material Handling and road components, Commissioner Cowen seconded, and the motion passed, Commissioner Lopez voting “nay.”

**9. Consideration and Action to accept work performed by contractor R.M. Walsdorf, Inc. on the Oil Dock No. 6 East Side Pipe Bridge project and authorizing Final Payment of \$40,694.32, which includes retainage and all completed work.**

Mrs. Chavez addressed the Board requesting acceptance of work performed by contractor R.M. Walsdorf, Inc. on the Oil Dock No. 6 East Side Pipe Bridge project and authorization of Final Payment of \$40,694.32. On February 16, 2022, BND Commissioners awarded the contract for the Oil Dock #6 East Side Pipe Bridge project to R.M. Walsdorf, Inc., in the amount of \$376,591.30. On June 1st, 2022, BND Commissioners approved Change Order #1 in the amount of \$31,350.00 to install a 10 ft. extension on each of the two piles supporting the bridge landside structure. A walk-thru inspection of the project was performed with consultant Lanier & Associates, Inc. and BND Staff, yielding a short punch-list, the item of which were addressed by the contractor. A Final inspection performed by BND Engineering staff was conducted to verify that all items were satisfactorily addressed, and the project was deemed complete. Commissioner Cowen moved to accept the work performed by contractor R.M. Walsdorf, Inc. on the Oil Dock No. 6 East Side Pipe Bridge project and authorize BND Staff to issue final payment in the amount of \$40,694.32, which includes payment for all completed work and retained amounts, Commissioner Reed seconded, and the motion passed unanimously.

**10. Consideration and Action on Change Order #1 to contract with G&T Paving, LLC on the South Yard Expansion – Ostos Road Pavement project adding concrete pavement on Dock 11 Road and deleting shoulder asphalt pavement on South side of Ostos Road.**

Mr. Chavez addressed the Board requesting the approval on Change Order #1 to contract with G&T Paving, LLC on the South Yard Expansion – Ostos Road Pavement project adding concrete pavement on Dock 11 Road and deleting shoulder asphalt pavement on South side of Ostos Road. BND Staff has been working with OmniTRAX/Brownsville-Rio Grande Railway (OmniTRAX) and their team and with BND tenant Gulf Stream Marine on the South Yard Track Expansion project, which includes extension of rail lines SY1, SY2 and SY3, with a new railroad crossing on Ostos Road, comprised of rail elements and road elements. On March 2<sup>nd</sup>, 2022, BND Commissioners awarded the contract on the South Yard Track Expansion - Ostos Road Pavement project, being the road elements, to G&T Paving, LLC in the amount of \$1,698,085.09. During construction, two field changes became necessary and were approved by BND Staff: (1) reduce the width of the asphalt shoulder on the South side and (2) add concrete pavement over a storm sewer culvert on Dock 11 Road. Change Order #1 proposes to adjust contract quantities to actual on concrete pavement and asphalt shoulder paving bid items due to these field changed, resulting in a net increase of \$1,702.39, or 0.10%, for a new contract price of \$1,699,787.48, with no impact to the contract time. Commissioner Lopez moved to approve Change Order #1 to the contract with G&T Paving, LLC on the South Yard Expansion-Ostos Road Pavement project, increasing the current contract price of \$1,698,085.09 by \$1,702.39 to \$1,699,787.48, with no impact to the contract time, Commissioner Cowen seconded, and the motion passed unanimously.

**11. Consideration and Action to accept work performed by contractor G&T Paving, LLC on the South Yard Expansion – Ostos Road Pavement project and authorizing Final Payment of \$276,201.15, which includes retainage and all completed work.**

Mr. Chavez addressed the Board requesting acceptance of work performed by contractor G&T Paving, LLC on the South Yard Expansion – Ostos Road Pavement project and authorizing Final

Payment of \$276,201.15, which includes retainage and all completed work. On March 2<sup>nd</sup>, 2022, BND Commissioners awarded the contract on the South Yard Expansion-Ostos Road Pavement project to G&T Paving, LLC in the amount of \$1,698,085.09. BND Commissioners were also presented with Change Order #1, proposing a \$1,702.39 contract price increase to adjust contract quantities to conform to actual due to minor over-runs and under-runs on concrete pavement and asphalt shoulder paving bid items, for a new contract price of \$1,699,787.48. The project was inspected by BND Staff from beginning to end and has been deemed complete as per plans and specifications prepared by BND Engineering Staff. Commissioner Reed moved to accept the work performed by contractor G&T Paving, LLC on the South Yard Expansion – Ostos Road Pavement project and authorize BND Staff to issue final payment in the amount of \$276,201.15, which includes retainage and all completed work, Commissioner Lopez seconded, and the motion passed unanimously.

- 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, including the annual evaluation of the Port Director / Chief Executive Officer (§551.074); and to conduct deliberations regarding economic development negotiations (§551.087).**

Commissioner Cowen then moved to adjourn into executive session, Commissioner Lopez seconded, and the motion passed unanimously. The Chairman then announced that the time was 6:34 p.m., and that the Board would adjourn into executive session.

The Chairman then announced that the time was 7:05 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 Reed moved to adjourn the meeting, Commissioner Lopez seconded, and the motion passed unanimously. The meeting was adjourned at 7:05 p.m.

ATTEST

  
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John Wood, Secretary

  
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Esteban Guerra  
Chairman of the Board