

**MINUTES OF A REGULAR MEETING OF THE BOARD OF NAVIGATION AND
CANAL COMMISSIONERS OF THE BROWNSVILLE NAVIGATION DISTRICT OF
CAMERON COUNTY, TEXAS HELD OCTOBER 05, 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, October 05, 2022 at 5:30 p.m.** The following individuals were present and absent:

PRESENT: Esteban Guerra, Chairman
Ralph Cowen
John Reed
John Wood

ABSENT: Sergio Tito Lopez

ALSO PRESENT: Eduardo A. Campirano, Port Director and CEO
Daniel Rentfro Jr., District Counsel
William J. Irwin, Associate District Counsel

STAFF MEMBERS: Ariel Chavez
Michael Davis
Chief William Dietrich
Arturo Gomez
Jose Herrera
Jaime Martinez
Jorge Montero
Margie Recio
Memo Rico
Tony Rodriguez
Melinda Rodriguez
Janie Velasquez
Zeus Yanez

OTHERS PRESENT: Rev. Andreas Lewis
Mark Hodgson
Brian Carleton

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 Directors Reports

The Board received the reports. Discussion followed regarding Forza Steel's plans at the Port of Brownsville. Mr. Rodriguez addressed the Board.

CONSENT AGENDA

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

- a. Approval of the Minutes of the Regular Board Meeting of September 20, 2022.
- b. Approval to authorize payments over \$25,000.00:
 1. Southmost Regional Water Authority, the amount of \$169,908.00, for 2023 Assessment Fees; and
 2. Vulcan Materials Company, the amount of \$253,079.87. for Patio 22 Expansion Project.

5. Consideration and Action on the Steamship Agent License Renewal Application Submitted by Gulf-MC dba Gulf Marine Contractors.

Chairman Guerra asked a question regarding the amount of limestone needed to complete the Patio 22 Expansion Project. Mr. Herrera addressed the Board.

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

6. Presentation on Port Infrastructure Development Program Grant (PIDP) for the Grain & Bulk Handling Facility Development, Expansion and Upgrade project.

Mr. Campirano introduced Brian Carleton of West Plains, who made a presentation and provided an update on the PIDP Grant for the Grain & Bulk Handling Facility to be built at the Port of Brownsville. Discussion regarding the project followed.

7. Consideration and Action to reschedule the Regular Board meeting of October 19, 2022.

Mr. Campirano addressed the Board requesting authorization to reschedule the Regular Board meeting of October 19, 2022. The second Regular Board meeting in October is scheduled for October 19, 2022. Members of the Commission and Mr. Campirano will be out of town on Port Business. Commissioner Reed moved to reschedule the second regular meeting of October 2022 to take place on October 25, 2022 at 5:30 p.m., Commissioner Wood seconded, and the motion passed unanimously.

8. Consideration and Action authorizing Port Director and CEO to sign Consent to Leasehold Deed of Trust with Stonebriar Commercial Finance, LLC, lender for Signet Maritime Corporation.

Mr. Campirano addressed the Board requesting authorization for Port Director and CEO to sign Consent to Leasehold Deed of Trust with Stonebriar Commercial Finance, LLC, lender for Signet Maritime Corporation. Signet Maritime Corporation has secured a new master credit facility to replace its existing credit facility from Stonebriar Commercial Finance, LLC. The new master credit facility allows for term loans to support its operations up to the aggregate amount of

\$134,100,000. The new credit facility has a final maturity date of May 1, 2034. The refinancing of the credit facility has closed and the Consent to Leasehold Deed of Trust is a post-closing requirement of the lender. Legal Counsel has reviewed the agreement and concurs that it is ready for consideration by the BND Commission. Commissioner Reed moved to approve the Consent to Leasehold Deed of Trust, subject to execution of documents by Signet Maritime Corporation and Stonebriar Commercial Finance, LLC, Commissioner Wood seconded, and the motion passed unanimously.

9. Consideration and Action approving continuation of lease to Steelcoast LLC under new ownership.

Mr. Campirano addressed the Board requesting approval on continuation of lease to Steelcoast LLC under new ownership. Steelcoast LLC is a sublessee of Brownsville Acquisition, Inc. c/o Callidus Capital Corporation. Steelcoast is being acquired by SA Recycling, LLC. SA Recycling, LLC, operates over 125 recycling centers in 15 states including Texas. In assuming the operations of Steelcoast, SA Recycling, LLC will be retaining existing management and personnel. SA Recycling, LLC is recognized as a leader in the scrap metal industry and its headquarters are in Orange, CA. Mr. Hodgson addressed the Board on behalf of Steelcoast. Commissioner Wood moved to approve the continuation of lease to Steelcoast, LLC under new ownership, Commissioner Cowen seconded, and the motion passed unanimously.

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

Mrs. Rodriguez addressed the Board regarding the following items:

1. West Plains, LLC (Lease – Bulk Cargo Dock)

West Plains, LLC is a current lessee (BND Contract #4088) at the Port of Brownsville. On November 1, 2016, West Plains, LLC leased the site of the grain elevator facility. Since that time, the Port has collaborated with West Plains, LLC on improvements on the leased site; improvements to the grain elevator facility; and improvements to the Bulk Cargo Dock. Most recently, the Port received a grant award for improvements to grain elevator facilities including grain handling equipment for the Bulk Cargo Dock. The lease of the Bulk Cargo Dock has been an integral part of the project development. The lease terms of the dock would be consistent with the current lease of a primary term of ten (10) years and two (2) 15-year renewal options. The lease would provide West Plains, LLC preferential use of the dock and does not restrict the use of the dock by other Port customers when it is not in active use by West Plains, LLC. Commissioner Wood moved to approve the lease to West Plains, LLC – Bulk Cargo Dock, Commissioner Cowen seconded, and the motion passed unanimously.

2. Keppel AmFELS, L.L.C. (Authority to Negotiate)

Keppel AmFELS, L.L.C. a current lessee (BND Contract #3668) is requesting Authority to Negotiate a lease for two additional sites with a total of 6.666 acres located at the corners of Angler's Place Rd. and Dry Dock Court at the Fishing Harbor. Keppel AmFELS, L.L.C. needs additional space to complete its ongoing contract obligations and the additional sites will be used for fabrication, laydown and/or storage of equipment and materials. Commissioner Reed moved to approve the Authority to Negotiate a new lease for Keppel AmFELS, L.L.C., Commissioner Wood seconded, and the motion passed unanimously.

11. Consideration and Action on change order #1 to PO #79461 for the removal of sludge material from oil separator located at the Fishing Harbor Wastewater Treatment Plant.

Mr. Herrera addressed the Board requesting authorization on change order #1 to PO #79461 for the removal of sludge material from oil separator located at the Fishing Harbor Wastewater Treatment Plant. On August 17, 2022 the BND Board of Commissioners awarded the bid to Environmental Evolutions dba J.W. Rentals for the services of removal of sludge from oil separator located at the Fishing Harbor Wastewater Treatment Plant for \$52,778.67. While performing the work, the vendor notified the Facilities Maintenance staff that the amount of oily solids that needed to be removed were greater than originally quoted. Due to the extra amount of oily solids being removed, a change order #1 to original quotation in the amount of \$3,247.10 for the additional work and removal of oily solids has been submitted. Commissioner Reed moved to authorize payment of change order #1 in the amount of \$3,247.10 to Environmental Evolutions dba J.W. Rentals for the services provided, Commissioner Cowen seconded, and the motion passed unanimously.

12. Consideration and Action on possible purchase of Retrofit industrial computer and PLC equipment for crane model number HMK300E.

Mr. Davis addressed the Board requesting authorization for purchase of Retrofit industrial computer and PLC equipment for crane model number HMK300E. Since January 2022, the crane's (model #HMK300E) computer system has been inoperable. BND Staff requested a quote from Konecranes Inc. for the equipment needed to repair the crane. Konecranes Inc. provided a quote that includes the Retrofit industrial computer notion - 8200, new CoDeSys Soft-PLC and the required software which incorporates Konecranes Gottwald visualization system Visumatic in the amount of \$72,000. Commissioner Wood asked about the terms of the quote relating to the exchange rate between the US Dollar and the Euro. Discussion followed. Commissioner Reed moved to authorize BND Staff to purchase the Retrofit Industrial computer and PLC from Konecranes, Inc. and authorize payment of invoice when received in the amount of \$72,000, subject to clarification regarding the purchase price as it relates to changes in exchange rates since the date of the quote, Commissioner Wood seconded, and the motion passed unanimously.

13. Consideration and Action to authorize Staff to Advertise for Bids on the Placement Areas 5B, 7 & 8 Improvements Projects, and to open bids thereof.

Mr. Chavez addressed the Board requesting authorization for Staff to Advertise for Bids on the Placement Areas 5B, 7 & 8 Improvements Projects, and to open bids thereof. BND Staff has been working with U.S. Army Corps of Engineers and with consultant HDR Engineering, Inc. (HDR) on the BIH Channel Improvement project, which was allocated \$68 Million on March of this year under the Bipartisan Infrastructure Law to partially fund Phase 2 of the BIH project. On July 6, 2022 BND Commissioners approved a proposal from HDR for repackaging the plans and specifications to separate Phase 2 from the total project plans and specs. The second of three project repackaging components is the preparation of plans and specifications for the improvements required to Dredged Material Placement Areas (DMPAs) 5B, 7 and 8. HDR has submitted the 95% plans and specifications package and anticipates having the 100% package ready by the week of October 3, 2022. BND Staff is asking for authorization to advertise to solicit bids, and to open bids on this project once received. Upon authorization, Staff will publish an Invitation to Bid in the local newspaper, and invite known contractors by email and/or by phone.

Bid documents will also be uploaded to the Port website. Commissioner Reed moved to authorize BND Staff to prepare an Invitation to Bid on the Placement Areas 5B, 7 & 8 Improvements project, to publish same in the local newspaper as required by BND Purchasing procedures, and to open bids once they are received, Commissioner Wood seconded, and the motion passed unanimously.

14. Consideration and Action to authorize Staff to Advertise for Bids on the 2022 Ostos Road Paving Rehabilitation project, and to open bids thereof.

Mr. Chavez addressed the Board requesting authorization for Staff to Advertise for Bids on the 2022 Ostos Road Paving Rehabilitation project, and to open bids thereof. BND Staff has been working on the in-house design of the 2022 Ostos Road Paving Rehabilitation project, which will consist of 10,582 SY of full asphalt pavement reconstruction, 3,748 SY of concrete driveways and railroad approaches, 797 LF of concrete box culvert for storm drainage enhancements, and 47,080 SY of 1.5" asphalt overlay from Milo Road to Cargo Dock 16 Road. To that end, BND Staff is asking for authorization to advertise to solicit bids, and to open bids on this project once received. Upon authorization, Staff will publish an Invitation to Bid in the local newspaper, as well as invite known contractors by email and/or by phone. Bid documents will also be uploaded to the Port website. Commissioner Reed moved to authorize BND Staff to prepare an Invitation to Bid on the 2022 Ostos Road Paving Rehabilitation project, to publish same in the local newspaper as required by the Water Code and by BND Purchasing procedures, and to open bids once they are received, Commissioner Wood seconded, and the motion passed unanimously.

15. 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).

There was none.

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

There was none.


17. Adjournment.

Commissioner Cowen moved to adjourn the meeting, Commissioner Wood seconded, and the meeting was adjourned by unanimous consent at 6:34 p.m.

ATTEST



John Wood, Secretary



Esteban Guerra
Chairman of the Board