

**MINUTES OF A REGULAR MEETING OF THE BOARD OF NAVIGATION AND
CANAL COMMISSIONERS OF THE BROWNSVILLE NAVIGATION DISTRICT OF
CAMERON COUNTY, TEXAS HELD DECEMBER 07, 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, December 07, 2022 at 5:30 p.m.** The following individuals were present and absent:

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

ABSENT: Ralph Cowen

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
Karina Franco
Chief William Dietrich
Arturo Gomez
Jose Herrera
Rosie Hinojosa
Jaime Martinez
Jorge Montero
Margie Recio
Memo Rico
Tony Rodriguez
Melinda Rodriguez
Janie Velasquez
Zeus Yanez
Juan Blanco

OTHERS PRESENT: Rev. Andreas Lewis
Randy Delay
Robert Walsdorf
Al Perez
Virginia Wood
Landon Overby

1. Meeting Called To Order

The Chairman called the meeting to order at 5:31 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.

The Chairman then announced that Items 12 and 13 would be taken out of order, and that the Board would adjourn into executive session. Commissioner Wood so moved, Commissioner Reed seconded, and the motion passed unanimously at 5:32 p.m.

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 then announced that the time was 5:50, and that the Board had reconvened in open session. No action was taken coming out of Executive Session.

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

There was none.

3. Receive Director's Report

a. Receive Directors Reports

The reports were in the Board's agenda book. Discussion followed.

Commissioner Reed asked Mr. Chavez for status on the timeline for the water line replacement project. Commissioner Reed asked that Mr. Chavez provide the timeline as soon as possible.

Chairman Guerra asked Mr. Gomez for a report on his economic development visit to Brazil. Mr. Gomez and Mr. Campirano addressed the Board.

Commissioner Reed asked Mr. Rodriguez for an update on Forza Steel's plans at the Port. 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 November 16, 2022.
- b. Approval to authorize payments over \$25,000.00:
 1. HDR Engineering Inc., the amount of \$61,471.00, for Cargo Dock 3 Phase 1 Design;
 2. HDR Engineering Inc., the amount of \$253,912.44, for Channel Improvement project – Phase 2 Design;

3. Rio Valley Pipe, LLC, the amount of \$46,080.00, for Patio #22 West Loading pad project; and
4. Tyler Technologies, the amount of \$42,711.74, for 2023 Annual user/subscription Fees.

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

5. Consideration and Action to approve payment of the District's .66214 pro-rata portion of the 2023 Cameron Appraisal District (CAD) budget for an annual total of \$44,913.

Commissioner Reed moved to approve, Chairman Guerra seconded and the motion passed by a vote of 3-1. Commissioner Wood voted Nay.

6. Discussion of proposed Fiscal Year 2023 Operating and Capital Budgets.

Mr. Yanez made the report to the Board. Discussion followed. No action was taken.

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

Mrs. Rodriguez addressed the Board regarding the following items:

1. Marine Railways, Inc. (Authority to Negotiate)

The lease with Marine Railways, Inc. under BND contract #2490 expires on December 28, 2022, with no renewal options. Staff requests Authority to Negotiate a new lease. The site is located at 3455 Gator Court. The purpose of the lease would be for boat service and a dry dock facility for a shrimp trawler fleet. Commissioner Reed moved to approve the Authority to Negotiate for Marine Railway, Inc., Commissioner Wood seconded, and the motion passed unanimously.

2. JTM II, LTD (Consent to Assignment)

JTM II, LTD lessee under BND contract #3517 distributed their general partnership interest to Cowen Group, LTD. They are requesting the Board's consent to assign their lease to Cowen Group, LTD with an effective date of January 1, 2023. This property is located at 2380 N. Indiana. Legal Counsel has reviewed the agreement and concurs that it is ready for consideration by the BND Commission. This is an internal reorganization. The general partner/manager of Cowen Group, LTD is the same as JTM II, LTD. Commissioner Reed moved to approve the Consent to Assignment of Lease for JTM II, LTD., Commissioner Wood seconded, and the motion passed unanimously.

Commissioner Reed asked legal counsel and staff to review rents charged on subleases prior to a request for the Board to consent to subleases.

3. Texas LNG Brownsville, LLC (Lease Amendment)

Texas LNG Brownsville LLC a current lessee under BND contract #4499 seeks to amend the lease and the Memorandum of Lease Agreement to extend the Effective Date by one year to January 1, 2024 and add four additional Pre-Effective Date Quarterly payments in the amount of \$250,000 to be due on January 1, 2023, April 1, 2023, July 1, 2023, and October 1, 2023. Commissioner Wood moved to approve the Lease Amendment to Texas LNG Brownsville LLC, Commissioner Reed seconded, and the motion passed unanimously.

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4. Landro, Inc dba S T Marine (**Release of Lease**)

Landro, Inc dba S T Marine (BND Contract #3477) located at 3210 Dry Dock sold their assets to Keppel AmFELS, LLC. This request is to acknowledge a lease termination/release of lease of Landro, Inc dba S T Marine. Commissioner Reed moved to approve the Release of Lease to Landro, Inc dba S T Marine, Commissioner Wood seconded, and the motion passed unanimously.

5. Keppel AmFELS, L.L.C. (**New Lease**)

Keppel AmFELS, L.L.C. a current lessee (BND Contract #3668) is seeking a new lease of 6.853 acres located at the corner of Angler's Place Rd. and Dry Dock at the Fishing Harbor. The term of this lease is for one year with four renewal options of one year each. The purpose of the new lease is for steel fabrication and to support its other operations at the Port of Brownsville. Commissioner Wood moved to approve the new lease for Keppel AmFELS, L.L.C, Commissioner Reed seconded, and the motion passed unanimously.

8. Consideration and Action to approve selection and payment for the services provided by recommended medical, dental, vision and life insurance for all BND employees.

Mr. Martinez addressed the Board requesting approval of selection and payment for the services provided by recommended medical, dental, vision and life insurance for all BND employees. The District's insurance benefits renewal date for medical, dental vision, life, short-term and long-term disability insurance is January 1, 2023. Mr. Landon Overby from Bowen Miclette, and Britt, the insurance consultant has reviewed a proposal for medical insurance and reviewed renewal options for coverage for the dental, vision, life, short-term and long-term disability insurance providers for 2023. Commissioner Lopez moved to approve the recommendations and payment for continued insurance coverage for all BND employees for year 2023, provided with the advisement of Mr. Overby, and further to reject the proposed renewal price by Sunlife Insurance for short and long-term disability insurance for all BND employees, Commissioner Wood seconded, and the motion passed unanimously.

9. Consideration and Action to ratify authorization for Port Staff to solicit Request for Proposals for short & long-term disability insurance for all BND employees.

Mr. Martinez addressed the Board requesting ratification of authorization for Port Staff to solicit Request for Proposals for short & long-term disability insurance for all BND employees. The District's insurance benefits renewal date for short and long-term disability insurance for all BND employees is January 1, 2023. The insurance consultant, Mr. Landon Overby from Bowen Miclette, and Britt reviewed a proposal from Sunlife insurance for the mentioned coverages. The proposed renewal rate for short-term disability would increase by seventy percent and by nineteen percent for long-term disability. Mr. Overby recommended, and Port Staff agreed, that the District should go to the market and request proposals for a more competitive rate. Due to time constraints in selecting a competitive proposal and having these insurance coverages in place by January 1, 2023, the human resources requested authorization from the Port Director & CEO to advertise for short and long-term disability Insurance. The District's procurement policy allows for the Port Director & CEO to authorize staff to proceed with the advertising requirements pending Board approval; however, the proposals may not be opened until the Board has approved the solicitation of proposals. The RFP document was published on the Port's website and in the local newspaper on November 18th and November 25th. Proposals are due by December 8th. They will be reviewed by Mr. Overby, and he will make a recommendation which Staff will bring to the Commission at

the meeting of December 21, 2022. Commissioner Lopez moved to ratify the solicitation of proposals for short and long term disability insurance as presented, Commissioner Reed seconded, and the motion passed unanimously.

10. Consideration and Action to authorize final payment for the South Towers Fiber Line Replacement Project.

Mr. Martinez and Mr. Blanco addressed the Board requesting authorization for final payment for the South Towers Fiber Line Replacement Project. On May 4, 2022, the IT department received authorization to get bids for the South Towers Fiber Line Replacement Project, and on July 6, 2022, the IT department received authorization to award the project to the lowest responsive bidder, which was Juniper Global Technologies in the amount of \$960,806.40. This project required the complete replacement of a section of three and a half miles of fiber, which enables internet access and transmission of security camera access data from different points around the port including every camera tower, the Harbor Master's Office, the Command Center, and the Main Administration Office. This section of fiber had exposure and severe damage that continued to grow due to elements like water and dirt that were seeping into the fiber line. The Port has temporarily continued communication of data by using wireless access points, but the considerable amounts of data that were transmitted could have overloaded and damaged other data transmission equipment like switches and transceivers that can be very costly to replace. The project has been completed and the fiber line has been replaced with updated fiber that is better suited to support the port's growing IT infrastructure needs. This project includes a one-year warranty that begins on December 1, 2022. Commissioner Lopez moved to accept the project as completed and authorize BND Staff to issue final payment for the South Towers Fiber Line Replacement Project to Juniper Global Technologies in the amount of \$695,538.96, Commissioner Reed seconded, and the motion passed unanimously.

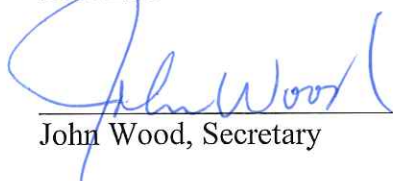
11. Consideration and Action on bids received for the 2022 Placement Areas 5B, 7 & 8 Improvements project, as required for the Brazos Island Harbor Channel Deepening project, and to issue the Notice of Award to the successful bidder.

Commissioner Reed moved to table this item, Commissioner Wood seconded, and the motion passed unanimously.


14. Adjournment.

Commissioner Reed moved to adjourn the meeting, Commissioner Lopez seconded, and the meeting was adjourned by unanimous consent at 6:41 p.m.

ATTEST



John Wood, Secretary



Esteban Guerra
Chairman of the Board