

**MINUTES OF A REGULAR MEETING OF THE BOARD OF NAVIGATION AND
CANAL COMMISSIONERS OF THE BROWNSVILLE NAVIGATION DISTRICT OF
CAMERON COUNTY, TEXAS HELD APRIL 15, 2026 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 of the board on **Wednesday, April 15, 2026 at 5:30 p.m.**

The following individuals were present and absent:

PRESENT: Sergio Tito Lopez, Vice Chairman
John Reed
John Wood

ABSENT: Esteban Guerra
Ernesto Gutierrez

ALSO PRESENT: William Dietrich, Port Director and CEO
William Irwin, District Counsel

STAFF MEMBERS: Arturo Gomez
Janie Velasquez
Estela Rangel
Manuel Martinez
Zeus Yanez
Jorge Montero
Santos Barbosa
Julio Romo
Carlos Garza
Ervey Gonzalez
Margie Recio
Tony Rodriguez
Michael Davis
Yessenia Gonzalez
Maria Elena Sanchez
Juan Resendez
Michael Davis
Guillermo Rico

OTHERS PRESENT: Rev. Andreas Lewis
Clint Harp
Kris Wood
Nico Schaefer
Tom Ramsey
Buddy Garcia
Kevin Garcia

INFORMATION

4. Presentation of District's Investment Report for the quarter ended March 31, 2026.

Mr. Yanez presented the Report to the Board.

CONSENT AGENDA ITEMS

5. Consideration and ACTION on the Following Consent Agenda Item:

- a. Approval of the Minutes of the Regular Board Meeting of April 1, 2026.
- b. Approval to authorize payments over \$25,000.
 1. HDR Engineering, Inc., the amount of \$238,804.66, for five invoices submitted, totaling \$238,804.66, for the BND Cargo Dock 3 – Phase 1 project, the BND Placement Area 8 – Study and Design project, and for the Cargo Dock 15 and 16 Deepening Evaluation project.

Commissioner Reed moved to approve the Consent Agenda Items, Commissioner Wood seconded, and the motion passed unanimously.

ACTION ITEMS

6. Consideration and Possible ACTION on rescheduling the Regular Board meeting of May 6, 2026.

Mr. Dietrich addressed the Board that the Regular Board meetings for May are currently scheduled for May 6, 2026, and May 20, 2026. Due to the Brownsville Navigation District's election scheduled for May 2, 2026, the District has been informed by the Cameron County Elections Department that the canvassing report will not be finalized before May 6, 2026. Therefore, Staff recommends rescheduling the May 6, 2026 Regular Board meeting to May 13, 2026. This adjustment will provide sufficient time to receive and properly canvass the election results in accordance with all applicable requirements. Commissioner Wood moved to reschedule the Regular Board meeting of May 6, 2026 to May 13, 2026, Commissioner Reed seconded, and the motion passed unanimously.

7. Consideration and ACTION on Assignments, Negotiations, Easements, Subleases, and Contracts in general:

Mr. Dietrich addressed the Board regarding the following Items:

1. Brownsville Gulfside Warehouse, Inc. (Amendment to Lease)

Brownsville Gulfside Warehouse, Inc., a current lessee under BND Contract #4644, is seeking the Board's approval to amend its lease agreement to modify the purpose clause and adjust the rent and security deposit. The revised purpose provides that the premises shall be used for the storage, warehousing, handling, and transloading of dry cargo, including, without limitation, bulk, breakbulk, project cargo, minerals, and general cargo, together with all customary and incidental material handling and logistics activities directly related thereto. Permitted activities include, without limitation, open-yard and dry warehouse storage, bulk handling, cargo consolidation and segregation, light manufacturing, re-handling, truck staging, and transloading of non-hazardous

materials between truck and rail, railcar storage, as well as value-added services incidental to warehousing operations. The truck staging activities by third party motor carriers and logistics providers shall only be permitted to the extent they are in direct support of on-site operations and will not be permitted as a stand-alone truck parking or staging area. Staged trucks and trailers shall not carry or store hazardous materials. Commissioner Reed moved to approve the Amendment to Lease for Brownsville Gulfside Warehouse, Inc., Commissioner Wood seconded, and the motion passed unanimously.

2. Blue Energy Global, Inc., **(Authority to Negotiate – Option to Lease)**

Blue Energy Global, Inc. is seeking an Option to Lease for approximately 110-acres. The term of the Option to Lease would be for an initial period of one year with an option to renew for an additional year, upon demonstrated substantial compliance with the timeline for due diligence and permitting work. The purpose shall be for due diligence of the construction and operation of Power Generation Facility. Mr. Dietrich requested that this item be tabled. Commissioner Reed moved to table this item, Commissioner Wood seconded, and the motion passed unanimously.

3. Gulf Facilities, Inc. **(Authority to Negotiate)**

Gulf Facilities, Inc., a current lessee, is seeking Authority to Negotiate a new lease for an additional 5-acre site located at 9050 OLD S.H. 48. The company also seeks the board's consideration and approval for a first right of refusal for the adjacent 1.86-acre parcel, which is currently being used as a laydown area for the POB Dock 3 improvements. The purpose of the lease is to provide a laydown and terminal operations area for aluminum, steel, and project cargo, including transloading and yard storage of non-hazardous materials. The recommended lease term would be five (5) years, with one (1) renewal option of an additional five (5) years. The lease will also include a provision allowing for early termination with 90 days' notice if the District requires the site for BND rail improvement projects. After discussion, Commissioner Wood moved to authorize negotiations for a new lease with Gulf Facilities, Inc., Commissioner Reed seconded, and the motion passed unanimously.

4. Karpower Valley, Inc. **(Authority to Negotiate)**

Karpower Valley Inc. a current lessee is seeking a new lease covering approximately 713-acres, identified as parcels D, E, F, G, H-I and IV. The proposed lease would support phased development of these parcels to meet operational needs. Preliminary estimates for Capex and job creation are as follows: Phase 1: Existing Lease Site and Parcel G: Capex: \$1.5 billion (vessels and deployment); Job Creation: 200-300 construction jobs; 75-100 permanent positions; Purpose: Power ship operations. Phase 2: Existing Lease Site and Parcels D, E, F, and IV: Capex: TBD; Job Creation: 600-900 construction jobs; 300-400 permanent positions; Purpose: Manufacturing, pre-assembly, and shipbuilding facilities. Phase 3: Parcels F (North side), IV, and H-1: Capex: \$3 billion; Job Creation: 600-900 construction jobs; 100-200 permanent positions; Purpose: Development of a 1 GW land-based power plant and associated operations, with capacity for future expansion. Commissioner Reed asked about the timeline. Clint Harp, of Karpower Valley addressed the Board and stated they want to deliver the power-ship in 2027. Commissioner Reed moved to authorize

negotiations of a new lease with Karpower Valley Inc., Commissioner Wood seconded, and the motion passed unanimously.

5. M&M Mooring Company (Authority to Negotiate)

M&M Mooring Company, a current lessee, is seeking a new lease for an additional site located at 2675 Angler's Place Road. The recommended lease term would be for an initial period of one year with four additional one-year renewal options. A Special Conditions provision will be added to the lease agreement stating that if lessee submits a written request to renew the term of the lease agreement and is not in default under any part of the agreement, the request will be presented to the District's Board of Commissioners for approval. The Board may approve or reject the renewal request at its discretion. If the request is denied, the lease will expire on the current expiration date. The purpose shall be to support shrimping operations, including the repair and maintenance of commercial vessels. Commissioner Reed moved to authorize negotiations of a lease with M&M Mooring Company, Commissioner Wood seconded, and the motion passed unanimously.

BIDS/AGREEMENTS/PURCHASES

8. Consideration and ACTION to authorize Staff to execute the U.S. Army Corps of Engineers' licenses for the operation and maintenance of Bulk Cargo Dock and Oil Dock 6.

Mr. Martinez addressed the Board that the U.S. Army Corps of Engineers (USACE) issued licenses No. DACW64-3-26-0023 and DACW64-3-26-0024 for the operation and maintenance of Bulk Cargo Dock and Oil Dock 6. These licenses are granted for a term of five (5) years beginning on the date they are fully executed. Staff is requesting that BND Commissioners authorize the Port's Director of Engineering and Legal Counsel to execute Licenses DACW64-3-26-0023 and DACW64-3-26-0024 on behalf of the Brownsville Navigation District. Commissioner Wood moved to authorize the Port's Director of Engineering and Legal Counsel to execute the U.S. Army Corps of Engineers' licenses for the operation and maintenance of Bulk Cargo Dock and Oil Dock 6, Commissioner Reed seconded, and the motion passed unanimously.

9. Consideration and ACTION on award of proposals received for the Maintenance Dredging of Cargo Docks 15 & 16 project, and to authorize staff to issue the Notice of Award to the successful contractor.

Mr. Dietrich addressed the Board that, on March 18, 2026, BND Commissioners authorized BND Staff to advertise for bids on the Maintenance Dredging of Cargo Docks 15 & 16 to the design depth of -45ft. BND Staff received and opened bids on April 7, 2026, from two interested contractors. Staff reviewed and tabulated these proposals. Callan Marine, the lowest bidder, submitted their Bid proposal in the amount of \$2,275,000.00. Commissioner Wood moved to award the contract for the Maintenance Dredging for Cargo Docks 15 & 16 project to the lowest responsive and responsible bidder, Callan Marine, in the amount of \$2,275,000.00, and authorized Staff to issue the Notice of Award to the successful contractor, Commissioner Reed seconded, and the motion passed unanimously.

EXECUTIVE SESSION

10. 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 deliberate the purchase, exchange, lease, or value of 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.

11. Possible ACTION on matters or items discussed in Executive Session.

There was none.

12. Adjournment.

Commissioner Wood moved to adjourn the meeting, Commissioner Reed seconded, and the meeting was adjourned by unanimous consent at 5:58 p.m.



Esteban Guerra
Chairman of the Board

ATTEST



John Reed, Secretary