

**MINUTES OF A REGULAR MEETING OF THE BOARD OF NAVIGATION AND  
CANAL COMMISSIONERS OF THE BROWNSVILLE NAVIGATION DISTRICT OF  
CAMERON COUNTY, TEXAS HELD MAY 20, 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, May 20, 2026 at 5:30 p.m.**

The following individuals were present and absent:

**PRESENT:** Sergio Tito Lopez, Chairman  
Ernesto Gutierrez  
John Reed  
Luis Villarreal  
David Garcia (following Item 7)  
John Wood (through Item 7)

**ABSENT:** None

**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  
Margie Recio  
Tony Rodriguez  
Michael Davis  
Yessenia Gonzalez  
Maria Elena Sanchez  
Juan Resendez  
Michael Davis  
Miguel Barajas  
Estephany Bravo  
Brittney Campos

**OTHERS PRESENT:** Rev. Andreas Lewis  
Jorge de la Colina  
Family of David Garcia  
Judge Leonel Alejandro

Assistant Secretary. Election to office shall be by a majority vote of the members of the Board who are present and voting. Commissioner Villarreal moved to elect Sergio Tito Lopez as Chairman and Ernesto Gutierrez as Vice Chairman, Commissioner Gutierrez seconded, and the motion passed by a vote of 3-2, with Commissioners Villarreal, Gutierrez, and Lopez voting “Aye” and Commissioners Reed and Garcia voting “Nay”. Chairman Lopez then asked for a motion to elect John Reed as Secretary of the Board. Commissioner Villarreal moved to elect John Reed as Secretary of the Board, Commissioner Gutierrez seconded, and the motion passed unanimously.

**9. Discussion and possible ACTION on the District’s Insurance Policies for Port Property and Excess Port Property, Liability and Excess Liability, Crime Liability, Fiduciary Liability, and Cyber Liability, Automobile Liability/Physical Damage, and Workers Compensation, including authority to bind coverages and to authorize the payment of the invoices once received.**

Mrs. Recio addressed the Board that District staff posted the RFP on Bidnet and on the District's website. Additionally, Acrisure, the District's insurance consultant, contacted insurance companies directly within the market and released market placements for the requested coverages. Submittals were opened on April 30, 2026, reviewed, and a recommendation by the District's insurance consultant is ready to be presented to the Board for its consideration and possible approval. Phillip Green and Rudy Laris of Acrisure made a presentation to the Board. Discussion followed. Commissioner Villarreal asked that staff and the District’s consultant look into the feasibility of using risk pools during the next cycle. Chairman Lopez noted he had a legal question relating to the proposals that he wished to discuss in executive session. Commissioner Gutierrez moved to table the item for discussion in executive session, Commissioner Villarreal seconded, and the motion passed unanimously.

**10. Consideration and ACTION on application received by of Steamship License Agent to M&M Mooring Company d/b/a M&M Mooring Co. & Marine Services.**

Mr. Rodriguez addressed the Board noting that M&M Mooring Company d/b/a M&M Mooring Co. & Marine Services currently holds an active Steamship Agent License authorizing operations within the Port of Brownsville. The license is set to expire on May 20, 2026. The company has submitted a complete renewal application, and all required documentation and attachments have been provided in accordance with the established license renewal guidelines. Commissioner Villarreal moved to approve the Steamship Agent License to M&M Mooring Company d/b/a M&M Mooring Co. & Marine Services to be effective May 20, 2026, for term of three years, Commissioner Gutierrez seconded, and the motion passed unanimously.

**11. Consideration and ACTION on an application for a renewal of the Stevedore and Freight Handler’s License submitted by Schaefer Stevedoring, Inc.**

Mr. Rodriguez addressed the Board that Schaefer Stevedoring, Inc. currently holds a Stevedore and Freight Handler's License to operate in the Port of Brownsville, which is set to expire August 31, 2026. Their renewal of Stevedore and Freight Handler's application along with all the required supporting documentation have been received and reviewed. The license will be effective for three years beginning September 1, 2026. Commissioner Gutierrez moved to authorize the renewal of the Stevedore and Freight Handler's License for Schaefer Stevedoring, Inc., for a new three-year term commencing on September 1, 2026, through August 31, 2029, Commissioner Villarreal

seconded, and the motion passed unanimously.

**12. Consideration and ACTION on Assignments, Negotiations, Easements, Subleases, and Contracts, in General:**

Mrs. Velasquez addressed the Board regarding the following items:

**1. Space Exploration Technologies Corp. – SpaceX (Authority to Negotiate – Easement & Right of Way Agreement)**

SpaceX is seeking a 30-foot-wide Easement & Right of Way (ROW) Agreement for the purpose of constructing, operating, and maintaining one 16-inch underground pipeline. The pipeline will extend approximately 30,334-linear feet and will transport LNG to the SpaceX site. The Easement & ROW agreement will also include a temporary workspace of approximately 71.77-acres, and a surface site of approximately 1.9-acres. The temporary workspace is anticipated to be utilized for an estimated period of 12 months. SpaceX will work closely with POB Engineering staff to finalize the proposed construction plans, including the pipeline alignment and designated site areas. Additionally, as the proposed easement will be located within areas currently in the process of being leased to a prospective tenant, POB has discussed the matter with the prospective tenant and received confirmation of their consent to proceed with the easement for SpaceX across the proposed leased site. Commissioner Gutierrez moved to authorize staff to negotiate an easement and right of way agreement for Space Exploration Technologies Corp. (SpaceX), Commissioner Villarreal seconded, and the motion passed unanimously.

**2. Ultracem Cement, LLC (Authority to Negotiate)**

Ultracem Cement, LLC is in the process of purchasing assets from Biourja Brownsville Terminal, LLC and is seeking Authority to Negotiate a Lease for approximately 3.62-acres currently leased by Biourja Brownsville Terminal, LLC, located at 9155 R.L. Ostos Road. The proposed lease will be utilized for operations involving the importation, storage, and distribution of cement, cement-based materials, aggregates, and related products. Chairman Lopez asked that items 12(2)-(3), which involve deliberations regarding the leasing of real property, be tabled for discussion in executive session. Commissioner Gutierrez so moved, Commissioner Villarreal seconded, and the motion passed unanimously.

**3. Weskan Grain, LLC (Authority to Negotiate)**

Weskan Grain, LLC is in the process of purchasing assets from Biourja Brownsville Terminal, LLC and is seeking Authority to Negotiate a Lease for approximately 14.42-acres currently leased by Biourja Brownsville Terminal, LLC. The proposed lease would be to operate the grain elevator and operate a grain export terminal. This item was tabled for discussion in executive session.

**4. Guadalupe Ochoa (Renewal of Lease)**

Guadalupe Ochoa entered into a lease agreement (Contract #4776) with the District on June 1, 2025, for an initial term of one year. The lease provides that the lessee and District may agree to extend the agreement for up to four additional one-year terms, provided the lessee is not in default and obtains board approval. The current term expires on May 31, 2026, and lessee is seeking the Board's approval to exercise their first one-year renewal option for the period of June 1, 2026, through May 31, 2027. Staff confirmed that the lease is not in default under any provision of the agreement. The purpose of the lease is for shrimp operations; specifically, seafood unloading, boat

tie up, and boat repairs and maintenance of Lessee's boats. Commissioner Gutierrez moved to approve the Renewal of Lease for Guadalupe Ochoa (Contract #4776), Commissioner Villarreal seconded, and the motion passed unanimously.

**5. Jose Antonio Ortega d/b/a Pollo's Diesel Service (Renewal of Lease)**

Jose Antonio Ortega dba Pollo's Diesel Service entered into a lease agreement (Contract #4777) with the District on June 1, 2025, for an initial term of one year. The lease provides that the lessee and District may agree to extend the agreement for up to four additional one-year terms, provided the lessee is not in default and obtains board approval. The current term expires on May 31, 2026, and lessee is seeking the Board's approval to exercise their first one-year renewal option for the period of June 1, 2026, through May 31, 2027. Staff confirmed that the lease is not in default under any provision of the agreement. The purpose of the lease is for shrimp operations; specifically, seafood unloading and boat tie up of shrimp/seafood vessels. Commissioner Gutierrez moved to approve the Renewal of Lease for Jose Antonio Ortega d/b/a Polio's Diesel Service (Contract #4777), Commissioner Villarreal seconded, and the motion passed unanimously.

**13. Consideration and ACTION to authorize Port Director and CEO's execution of Estoppel Certificates to the Huntington National Bank (successor by merger to Cadence Bank) regarding leases for Motus T1 and Motus T2 LLC.**

Mrs. Velazquez addressed the Board that, in early 2025, the board approved lessor agreements with Cadence Bank for Victory Hill Midstream, LLC (parent company of Motus T1 & T2) to provide financing for operations associated with Lease Agreements Contract #3964 and Contract #4026, as well as FTZ Grantee/Operator Agreements Contract #4547 and Contract #4548. Motus T1 and Motus T2 now propose to enter into an Amended and Restated Credit Agreement to refinance the existing credit facility related to these operations. Additionally, the Board approved the execution of Estoppel Certificates in connection with Motus' refinancing efforts, confirming that the leases were in full force and effect, that the leases were current on rent payments, and were not otherwise in default under the leases. Since the Board's approval, Cadence Bank has merged with The Huntington National Bank. As a result, updated Estoppel Certificates are being requested to reflect the new banking entity information. In addition, the amended credit agreement proposes to increase the credit facility amount from \$30 million to \$40 million and extend the maturity date of the facility. BND staff has confirmed that Motus T1 and Motus T2 are in compliance with the terms of their lease agreements, including verification of the insurance requirements for the leased sites. BND Legal Counsel, in collaboration with Motus' legal counsel, has reviewed the documents and concurs that they are ready for consideration and action by the BND Commission. Commissioner Garcia asked Mr. Irwin for additional information on the item. Mr. Irwin addressed the Board and provided an explanation of the purpose of the Estoppel Certificates. Commissioner Gutierrez moved to authorize the Port Director and CEO's signature on the Estoppel Certificates for Matus T1 LLC and Matus T2 LLC, Commissioner Garcia seconded, and the motion passed unanimously.

**BIDS / AGREEMENTS / PURCHASES**

**14. Consideration and ACTION to approve Letter of Agreement between Port of Brownsville and BISD Adult Continuing Education for participation as a collaborating partner.**

Mr. Dietrich addressed the Board that BISD, as a participating member of the BISD Adult Continuing Education Consortium for Cameron County, has developed programs for delivery of basic education skills to educationally disadvantaged adults in Cameron County. Since 2021, The Port of Brownsville has been participating as a collaborating partner. The District would support the efforts by providing presentations and tours of the Port and collaborate on workforce and job skills development. Commissioner Garcia moved to approve the Letter of Agreement between the Port of Brownsville and BISD Adult Continuing Education for participation as a collaborating partner, Commissioner Gutierrez seconded, and the motion passed unanimously.

**15. Consideration and ACTION on the Grantee/Operators Agreement between the Brownsville Navigation District-Foreign Trade Zone No. 62 and Brazos Trailers Manufacturing LLC.**

Mr. Rodriguez addressed the Board that Brazos Trailers Manufacturing LLC has submitted a request for Foreign-Trade Zone (FTZ) activation of their site located at 1309 Industrial Way, Harlingen, TX 78550. The requested FTZ activation will support general-purpose warehousing and laydown area operations. The scope of activity will include the storage and handling of steel products, trailer parts and thereof. In addition, some assembly and steel reshaping will be processed. All necessary documentation has been provided, and the request has been reviewed for compliance with the applicable FTZ requirements and regulations. After discussion, Commissioner Gutierrez moved to approve the grantee/operator agreement with Brazos Trailer Manufacturing LLC under the (Harlingen Industrial Magnet Site) as an Operator of FTZ No. 62, Commissioner Villarreal seconded, and the motion passed unanimously.

**16. Consideration and ACTION to authorize Extension of Service Agreement with Jet Web Communications (d/b/a Barcom Technologies Solutions) as a Managed Service Provider.**

Mr. Montero addressed the Board that, on May 24, 2023, the Board of Commissioners approved a service agreement with Jet Web Communications (d/b/a Barcom Technologies Solutions) to serve as Managed IT service provider to assist the Port with IT related services. Barcom Technologies Solutions has successfully assisted Port staff with the day-to-day IT operations as well as other IT-related projects. The current service agreement is set to expire on May 31, 2026. The approved service agreement contains options to renew the contract on an annual basis upon the same terms and conditions. Barcom Technologies Solutions has agreed to extend the agreement upon the same terms and with no increase in unit price. This extension would be the 3rd of 3 annual extension options. Commissioner Gutierrez moved to authorize the extension of the service agreement with Jet Web Communications. The agreement extension will cover the period beginning June 1, 2026, through May 31, 2027, Commissioner Villarreal seconded, and the motion passed unanimously.

**17. Consideration and ACTION on Bids received for the Purchase of Timber Material.**

Mr. Barbosa addressed the Board that, on March 18, 2026, the Board of Commissioners authorized BND staff to solicit bids for the purchase of timber materials to be utilized for ongoing dock maintenance and repair projects to ensure the continued safety, functionality, and structural integrity of port infrastructure. Advertisements for this solicitation were published in the Brownsville Herald and the solicitation documents were made available on the Port website and on BidNet. A total of three (3) bids were received from vendors: J&R Services, Nassau Trading,

Inc., and Toca LLC. Lopez asked where lumber is coming from. Gutierrez asked where lumber is going – most of it is going to the fishing harbor. After discussion, Commissioner Gutierrez moved to award the bid for the purchase of timber material to J&R Services at a cost of \$62,552.00, plus estimated freight of \$7,800.00, and to authorize payment of invoice(s) upon delivery and acceptance of the material ordered, Commissioner Garcia seconded, and the motion passed unanimously.

**18. Consideration and ACTION to execute the Deed Without Warranty and Release of Easement for the USACE Easement Tract 9.**

Mr. Martinez addressed the Board that over the last years, BND Staff has been working with consultants from HDR Engineering, Inc. and with the Galveston District (SWG) of the U.S. Army Corps of Engineers (USACE) on the documents required for the Release of USACE Easement Tract No. 9 in the Brownsville Ship Channel. The Port of Brownsville recently received the Deed Without Warranty and Release of Easement for Tract 9. Staff hereby request the Board approve the execution of this document, which releases the portions of the easements located outside the federal channel. After discussion, Commissioner Gutierrez moved to authorize the Chairman of the Board to execute the Deed Without Warranty and Release of Easement and accept the released lands by the United States Army Corps of Engineers (USACE) of portions of USACE Easement Tract No. 9, Commissioner Villarreal seconded, and the motion passed unanimously.

Chairman Lopez asked that Items 19-20 be considered together.

**19. Consideration and ACTION to rescind Change Order 1 to the BND Cargo Dock 3: Demolition and Construction project in the amount of \$176,348.34.**

Mr. Martinez addressed the Board that, on January 7, 2026, BND Commissioners approved Change Order No. 1 for the BND Cargo Dock 3: Demolition and Construction project in the amount of \$176,348.34 as recommended by Port Staff. After thorough conversations between BND, Russell Marine, and HOR, the contractor decided to cease negotiation and waive these costs, agreeing to rescind change order 1 in the amount of \$176,348.34.

**20. Consideration and ACTION on Change Order No. 1 to the BND Cargo Dock 3: Demolition and Construction project, adjusting backfill volumes and adding pile jackets.**

Mr. Martinez addressed the Board that on April 24, 2026, Port Staff received a Work Change Directive No. 1 from HDR. The original construction documents required the existing material under the landside concrete slab to be excavated and replaced with select fill. Upon the removal of the existing dock structure, and after HDR's review, it was determined that the existing soil was found to be in condition to allow for the construction of the new landside platform, thus eliminating the need for placing the specified backfill material. The installation of 46 additional 10-ft pile jackets is required to achieve cost savings by keeping the existing material. This work change directive will reduce the construction cost without affecting the original design. Commissioner Gutierrez moved to approve Items 19-20 as presented, including approval of new Change Order No. 1 to the BND Cargo Dock 3: Demolition and Construction project decreasing the contract amount by \$704,190.00 to \$30,026,999.00, Commissioner Villarreal seconded, and the motion passed unanimously.

## EXECUTIVE SESSION

21. **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).**

Commissioner Gutierrez moved to adjourn into executive session, Commissioner Villarreal seconded and the motion passed unanimously at 6:31 p.m.

At 7:21 p.m. the Board reconvened in open session. Commissioner Reed was not present.

22. **Possible ACTION on matters or items discussed in Executive Session.**

Chairman Lopez recalled Items 9, 12(2), and 12(3).

9. **Discussion and possible ACTION on the District's Insurance Policies for Port Property and Excess Port Property, Liability and Excess Liability, Crime Liability, Fiduciary Liability, and Cyber Liability, Automobile Liability/Physical Damage, and Workers Compensation, including authority to bind coverages and to authorize the payment of the invoices once received.**

Commissioner Gutierrez moved to approve Item 9 as presented and recommended by the Port's consultant, including authority to bind coverages and pay invoices once received, Commissioner Garcia seconded, and the motion passed unanimously.


12. **Consideration and ACTION on Assignments, Negotiations, Easements, Subleases, and Contracts, in General:**

2. Ultracem Cement, LLC (Authority to Negotiate)
3. Weskan Grain, LLC (Authority to Negotiate)

Commissioner Gutierrez moved to authorize staff to negotiate new leases with Ultracem Cement, LLC and Weskan Grain, LLC, Commissioner Villarreal seconded, and the motion passed unanimously.

23. **Adjournment.**

Commissioner Garcia moved to adjourn the meeting, Commissioner Villarreal seconded, and the meeting was adjourned by unanimous consent at 7:23 p.m.



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Sergio Tito Lopez  
Chairman of the Board

**ATTEST**



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John Reed, Secretary