

**CALHOUN PORT AUTHORITY
REGULAR MEETING
March 11, 2020**

A regular meeting of the Calhoun Port Authority was held on Wednesday, March 11, 2020 at 9:00 a.m. in the Calhoun Port Authority Board Room, Calhoun Port Authority Office, Point Comfort, Texas

Board Members attending were:

Commissioner # 1 – Tony Holladay
Commissioner # 2 – Jay Cuellar
Commissioner # 3 – J.C. Melcher, Jr.
Commissioner # 4 – Luis De La Garza
Commissioner # 5 – Johnny Perez
Commissioner # 6 – H. C. Wehmeyer, Jr.

Staff Members present were:

Charles R. Hausmann – Port Director
Forrest Hawes – Deputy Port Director
David Roberts – Roberts, Odefey, Witte & Wall
Miranda Malek – Administrative Assistant

Others Present were:

David Knuckey – Project Engineer
Jack Wu – Formosa Plastics Corporation, Texas
Mickey Sappington – G&W Engineers, Inc.
Tom Morgan – Simplot
Carl Smith – NGL
Kali Venable – *The Advocate*
D.D. Turner – Port Lavaca Wave

Agenda Item No. 1: Call to Order:

Board Chair J. C Melcher, Jr. called the Regular Meeting to order at approximately 9:00 a.m. He announced that the agenda of the meeting was posted in accordance with the provisions of the Texas Open Meetings Act.

The Pledge of Allegiance was led by Board Member Luis De La Garza.

The Board Chair announced that no more bids would be accepted for the current project.

Agenda Item No. 2: Public Comment.

No action was taken on this agenda item.

Agenda Item No. 3: Review and Consideration of Bids received for the NH3 Tank Roof Repair and Recoating Project and Consider Awarding Contract.

Engineer David Knuckey opened and read aloud a total of four bids that were received for the NH3 Tank Roof Repair and Recoating Project. Project Engineer David Knuckey recommended awarding the project to Blastco in the amount of \$423,433. Pursuant to further review and discussion, a motion was made by Board Secretary Tony Holladay to award the contract for the NH3 Tank Roof Repair and Recoating Project to Blastco for the bid price of \$423,433. The motion was seconded by Board Member Johnny Perez and the motion carried. Board Member H. C. Wehmeyer, Jr. did not vote.

Agenda Item No. 4: Review and Consideration of Bids Received for the North Peninsula Access Road Project and Consider Awarding Contract.

Engineer David Knuckey opened and read aloud a total of three bids that were received for the North Peninsula Access Road Project. Mr. Knuckey asked the Board Chair for time to double check the numbers on the apparent low bidder and come back to award the contract later during the meeting.

Agenda Item No. 5: Approve the minutes of the Wednesday, February 12, 2020 Regular Meeting.

The Board Members reviewed the minutes from the Wednesday, February 12, 2020 Regular Meeting. Pursuant to further review and discussion, a motion was made by Board Member Jay Cuellar to approve the minutes of the Wednesday, February 12, 2020 Regular Meeting as presented. The motion was seconded by Board Secretary Tony Holladay and the motion carried unanimously.

Agenda Item No. 6: Review of Financial Reports: All Funds.

Deputy Director Forrest Hawes presented the following financial information to the Board Members for Review:

Fund Balance Report as of February 29, 2020:

- 1.) Accounts Receivable Report as of February 29, 2020
- 2.) Mr. Hawes reported to the Board Members that the accounts receivable report specified that the accounts receivable were 93% current as of February 29, 2020.

Agenda Item No. 7: Approval of Disbursements and Transfers: All Funds

The Board Members reviewed the March 11, 2020 Port Operations Account disbursements. Pursuant to review, a motion was made by Board Secretary Tony Holladay to approve disbursements and the corresponding transfers for March 11, 2020. The motion was seconded by Board Member H. C. Wehmeyer, Jr. and the motion carried that the disbursements and the corresponding transfers be approved.

<u>TRANSFER NO</u>	<u>FUND ACCOUNT</u>	<u>AMOUNT</u>
<u>GROSS REVENUE FUND</u>		
2019-067	To Port Operations Fund	\$ 70,086.29
2019-069	To Port Operations Fund	63,348.80
2019-071	To Port Operations Fund	178,396.26
	Total	\$ 311,831.35
<u>MAINTENANCE AND OPERATIONS FUND</u>		
2019-071	To Port Operations Fund	0.00
	Total	\$ 0.00
<u>BUSINESS DEVELOPMENT FUND</u>		
2019-071	To Port Operations Fund	\$ 388.63
	Total	\$ 388.63

DEPRECIATION & MAJOR REPAIR FUND

2019-071	To Port Operations Fund	\$ 0.00
	Total	\$ 0.00

AN/NH3 OPERATING FUND

2019-071	To Port Operations Fund	\$ 79,430.39
	Total	\$ 79,430.39

TOTAL TRANSFERS TO PORT OPERATIONS ACCOUNT \$ 391,749.44

INTERFUND TRANSFERS

<u>DATE</u>	<u>FROM</u>	<u>TO</u>	<u>AMOUNT</u>
3/11/20	AN/NH3 Operating	AN/NH3 Dep. M/R	\$7,500.00
	Total		<u>\$7,500.00</u>

Agenda Item No. 8: Port Director’s Report.

Charles R. Hausmann, Port Director, reported the following:

- A. Harbor Traffic Statistics for the month of February:
That a total of 109 vessels had arrived at the public port facilities during the month of February; 28 deep draft arrivals and 81 inland barges and a total of 202 invoices were issued. Further, that 16 deep draft vessels were already on schedule for March arrival.
Total revenue tons for the month of February were 405,116.8 short tons. The total tonnage for the first eight months of fiscal year 2020 are 3,803,772.9 short tons.
- B. NGL loaded out 27 crude oil barges totaling 86,159.1 short tons.
- C. Seadrift Coke lightered 2 barges of needle coke totaling 3,303 short tons to 1 ship for export.
- D. Harvest loaded out 4 crude oil barges totaling 13,252.7 short tons.

Agenda Item No. 9: Review and Consideration of Approval of Board Members Committee/Conference Attendance.

No action was taken on this agenda item.

Agenda Item No. 10: Review and Consideration of Approval of a Resolution Approving Additional Homestead Exemption for Tax Year 2020 as Allowed by Texas Property Tax Code §11.13(n).

The Board Members reviewed a copy of a letter from Chief Appraiser Jesse Hubbell of the Calhoun County Appraisal District stating that the Board may adopt a local option percentage homestead exemption not to exceed 20% nor be less than \$5,000.00. Pursuant to further review and discussion, a motion was made by Board Member Luis De La Garza to adopt the local option percentage homestead exemption not to exceed 20 % nor be less than \$5,000.00 and to raise the cap on the home valuation for citizens aged 65 and older and citizens who were 100% disabled to \$125,000.00. The motion was seconded by Board Member Jay Cuellar and the motion carried unanimously.

Agenda Item No. 11: Review and Consideration of Adopting Guidelines and Criteria for Granting Tax Abatement.

The Board Members reviewed a copy of the Guidelines and Criteria of the Calhoun Port Authority for Granting Tax Abatement that was prepared by Port General Counsel. Pursuant to further review and discussion, a motion was made by Board Secretary Tony Holladay to approve the Guidelines and Criteria for Granting Tax Abatement as prepared by Port General Counsel. The motion was seconded by Board Member Luis De La Garza and the motion carried unanimously.

Agenda Item No. 12: Review and Consideration of Entering into an Agreement with CSRS to Assist the Calhoun Port Authority in the Creation of a Development Master Plan.

The Board Members reviewed a copy of the proposal from CSRS explaining the objections and scope of the master plan that would summarize all of the Port's current facilities and any future planned improvements including the widening and deepening of the Matagorda Ship Channel as well as the jetties. The estimated cost of this project is \$34,290.00. Pursuant to further review and discussion, a motion was made by Board Member Luis De La Garza to approve entering into an agreement with CSRS to assist the Calhoun Port Authority in the creation of a Development Master Plan and grant the Port Director authority to sign the contract. The motion was seconded by Board Secretary Tony Holladay and the motion carried unanimously.

Agenda Item No. 13: Review and Consideration of an Approval of a Resolution, Professional Services Agreement and Commercial Electric Services Agreement with TCAP for the Calhoun Port Authority.

The Board Members reviewed a copy of a resolution, professional services agreement and the commercial electric services agreement with TCAP for the Calhoun Port Authority. Pursuant to further review and discussion, a motion was made by Board Secretary Tony Holladay to approve the resolution, professional services agreement and the Commercial Electric Services Agreement with TCAP. The motion was seconded by Board Member Jay Cuellar and the motion carried unanimously.

Agenda Item No. 14: Review and Consideration of a Memorandum of Understanding between the Calhoun Port Authority and IDE Americas Inc.

The Board Members reviewed a copy of the memorandum of understanding that was prepared by Port General Counsel which allowed IDE to access Port property to take water samples and evaluate to see if they could develop and design a desalination treatment facility to provide a source of industrial water for area industries. Pursuant to further review and discussion, a motion was made by Board Member Jay Cuellar to approve the Memorandum of Understanding between the Calhoun Port Authority and IDE Americas Inc. The motion was seconded by Board Member Johnny Perez and the motion carried unanimously.

Agenda item No. 15: Review and Consideration of a Memorandum of Understanding Between the Calhoun Port Authority and Ineos Nitriles USA LLC for the Potential Sale of the AN/NH3 Facility.

No action was taken on this agenda item.

Agenda Item No. 4: Review and Consideration of Bids Received for the North Peninsula Access Road Project and Consider Awarding Contract.

Pursuant to Project Engineer David Knuckey reviewing the calculations, he gave a recommendation to the Board to award the North Peninsula Access Road Project to Lester Contracting, Inc. Pursuant to further review and discussion, a motion was made by Board Member Jay Cuellar to award the North Peninsula Access Road Project to Lester Contracting, Inc. for the price of \$226,452.50. The motion was seconded by Board Member Luis De La Garza and the motion carried unanimously.


Agenda Item No. 16: Adjourn.

There being no further business to be brought before the Board, a motion was duly made that the meeting be declared adjourned at approximately 9:44 a.m. on Wednesday, March 11, 2020.



J.C. Melcher, Jr. Board Chair

ATTEST:



Tony Holladay, Board Secretary