

**CALHOUN PORT AUTHORITY  
REGULAR MEETING  
May 8, 2019**

A regular meeting of the Calhoun Port Authority was held on Wednesday, May 8, 2019 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 Knuckey – Director of Engineering Services  
David Roberts – Roberts, Odefey, Witte & Wall  
Miranda Malek – Administrative Assistant

Others Present were:

T. Belton – Texas General Land Office  
Jack Wu – Formosa Plastics Corporation  
Clint Cox – Devall Towing  
Bobby Sparkman- Formosa Plastics Corporation  
Steve Svetlik – NST  
Kevin Riggs – Alcoa  
Sheryl Cuellar – Public Citizen  
Pam De La Garza – Public Citizen  
David Adrian – Matagorda Bay Pilots  
Ross Stapp – The *Wave*  
Jessica Priest – Victoria Advocate  
Charles Blalock – Victoria Advocate

**Agenda Item No. 1: Call to Order:**

Board Secretary H. C. Wehmeyer, 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 J. C. Melcher, Jr.

**Agenda Item No. 2: Canvass the Results of the May 4, 2019 Election for Districts No. 2 & 4.**

Port Director Charles R. Hausmann read the May 4, 2019 Election results. District 2 voters cast a total of 237 votes. Incumbent Dell R. Weathersby received 57 votes and challenger Jasper “Jay” Cuellar received 180. District 4 voters cast a total of 546 votes for a total of all votes cast of 783. Incumbent Randy L. Boyd received 111 votes while challenger Luis De La Garza received 381 votes; challenger Alvin Bland received 30 votes; challenger Paul Lauterbach received 6 votes and challenger Roger Hochgraber received 18 votes. Pursuant to further review and discussion, a motion was made by Board

Member J. C. Melcher, Jr. to accept the canvassed results for the May 4, 2019 election. The motion was seconded by Board Member Tony Holladay and the motion carried unanimously.

**Agenda Item No. 3: Administer the Oaths of Office to Board Members for District No. 2, 3 & 4.**

Port General Counsel David Roberts administered the Oath of Office and the Statement of Office to Board Members J.C. Melcher, Jr., Luis De La Garza and Jay Cuellar. Pursuant to further review and discussion, a motion was made by Board Member Tony Holladay to accept the Oaths from Board Members of District 2, 3 & 4. The motion was seconded by Board Member Jay Cuellar and the motion carried unanimously.

**Agenda Item No. 4: Election of Board Officers for the Period of May 8, 2019 through May 12, 2021.**

A motion was made by Board Member Tony Holladay to nominate Board Member J. C. Melcher, Jr. for the position of Board Chair. The motion was seconded by Board Member Luis De La Garza and the motion carried unanimously. A motion was then made by Board Member Johnny Perez to nominate Board Member Tony Holladay for the position of Board Secretary. The motion was seconded by Board Member Luis De La Garza and the motion carried unanimously.

The newly elected Board Chair J. C. Melcher, Jr. stated that during his term as Board Chair, he would not be casting votes unless it was to break a tie. Board Secretary Tony Holladay then announced that the Board would begin working on creating new rules and guidelines for the Board Members to follow. Board Member Luis De La Garza volunteered his time to serve on a committee with the Board Secretary that would draft these rules and guidelines. The Board Chair also took this time to appoint Board Member De La Garza and Board Secretary Holladay to the real estate committee.

**Agenda Item No. 5: Approve the minutes of the Wednesday, April 10, 2019 Regular Meeting.**

The Board Members reviewed the minutes from the Wednesday, April 10, 2019 Regular Meeting. Pursuant to further review and discussion, a motion was made by Board Secretary Tony Holladay to approve the minutes of the Wednesday, April 10, 2019 Regular Meeting Minutes. The motion was seconded by Board Member Johnny Perez 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 April 30, 2019:

- 1.) Accounts Receivable Report as of April 30, 2019
- 2.) Mr. Hawes reported to the Board Members that the accounts receivable report specified that the accounts receivable were 88% current as of April 30, 2019.

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

The Board Members reviewed the May 8, 2019 Port Operations Account disbursements. Pursuant to review, a motion was made by Board Secretary Tony Holladay to approve disbursements and the corresponding transfers for May 8, 2019. The motion was seconded by Board Member Johnny Perez and the motion carried that the disbursements and the corresponding transfers be approved.

<u>TRANSFER NO</u>	<u>FUND ACCOUNT</u>	<u>AMOUNT</u>
<b><u>GROSS REVENUE FUND</u></b>		
2019-033	To Port Operations Fund	\$ 65,376.47
2019-035	To Port Operations Fund	54,901.50
2019-035	To Port Operations Fund	300,000.00
2019-036	To Port Operations Fund	58,493.00
2019-037	To Port Operations Fund	322,120.36
	Total	\$ 800,891.33
<b><u>MAINTENANCE AND OPERATIONS FUND</u></b>		
2019-033	To Port Operations Fund	\$ 5,015.18
2019-035	To Port Operations Fund	4,252.60
2019-036	To Port Operations Fund	4,103.51
	Total	\$ 13,371.29
<b><u>BUSINESS DEVELOPMENT FUND</u></b>		
2019-037	To Port Operations Fund	\$ 175.57
	Total	\$ 175.57
<b><u>DEPRECIATION &amp; MAJOR REPAIR FUND</u></b>		
<b><u>AN/NH3 OPERATING FUND</u></b>		
2019-037	To Port Operations Fund	\$ 248,057.25
	Total	\$ 248,057.25
<b>TOTAL TRANSFERS TO PORT OPERATIONS ACCOUNT</b>		<b>\$ 1,062,495.44</b>

**INTERFUND TRANSFERS**

<u>DATE</u>	<u>FROM</u>	<u>TO</u>	<u>AMOUNT</u>
5/8/19	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 April:

That a total of 95 vessels had arrived at the public port facilities during the month of April; 14 deep draft arrivals and 81 inland barges and a total of 155 invoices were issued. Further, that 9 deep draft vessels were already on schedule for May arrival.

Total revenue tons for the month of April were 265,110.6 short tons. Total revenue tons for the first ten months of FY 2019 were 4,252,009.7.

B. NGL loaded out 17 crude oil barges totaling 57,623.8 short tons.

- C. Seadrift Coke lightered 5 barges of needle coke totaling 8,190.1 short tons to 1 ship for export.
- D. Harvest loaded out 6 crude oil barges totaling 13,850.0 short tons.

**Agenda Item No. 9: Public Comment.**

No action was taken on this agenda item.

**Agenda Item No. 10: Review and Consideration of Approval of Board Members Committee/Conference Attendance.**

No action was taken on this agenda item.

**Agenda Item No. 11: Review and Consideration of an Interlocal Cooperation Agreement between the Calhoun Port Authority and the Port of Bay City Authority of Matagorda County, Texas Concerning Consent to Exercise the Power of Eminent Domain Outside Calhoun County and Within the Jurisdictional Area of the Port of Bay City Authority of Matagorda County, Texas for the Matagorda Ship Channel Deficiency Project.**

The Board Members reviewed a copy of an interlocal cooperation agreement between the Calhoun Port Authority and the Port of Bay City Authority of Matagorda County, Texas. This agreement was needed for the Matagorda Ship Channel Deficiency study on the Matagorda Ship Channel Jetties. Since part of the jetties are located in Matagorda County outside of the Calhoun Port Authority's jurisdiction, this agreement needs to be in place to enable the Port to acquire lands that would be needed by the Corps for the jetty project. Pursuant to further review and discussion, a motion was made by Board Member Jay Cuellar to approve the Interlocal Cooperation Agreement between the Calhoun Port Authority and the Port of Bay City Authority of Matagorda County, Texas Concerning Consent to Exercise the Power of Eminent Domain Outside Calhoun County and Within the Jurisdictional Area of the Port of Bay City Authority of Matagorda County, Texas for the Matagorda Ship Channel Deficiency Project. The motion was seconded by Board Secretary Tony Holladay and the motion carried unanimously

**Agenda Item No. 12: Review and Consideration of Fiscal Year 2019 Budget Amendments.**

The Members of the Board reviewed a copy of a spreadsheet summarizing the adjustments to revenues and expenditures for the FY2019 budget. Revenues were projected to decrease by \$2,002,740.00 and expenditures were expected to decrease by \$1,400,419.00. The decrease in revenues was due to a loss of a lease option agreement that was not renewed and a decrease in AN/NH3 storage fees. The decrease in expenditures was mainly due a decrease in AN/NH3 facility operator fees. The original budgeted income was \$4,126,462.00 and after the amendments the budgeted income was \$3,524,141.00 before depreciation for a decrease of \$602,351.00. The revised projected net income after depreciation was \$2,564,141.00. Pursuant to further review and discussion, a motion was made by Board Secretary Tony Holladay to approve the recommended Fiscal Year 2019 Budget Amendments. The motion was seconded by Board Member H. C. Wehmeyer, Jr. and the motion carried unanimously.

**Agenda Item No. 13: Review and Consideration of Authorizing the Board Chairman to Execute a Letter of Support for the Matagorda Ship Channel Feasibility Study Report.**

The Board Members reviewed a copy of the proposed letter of support for the Matagorda Ship Channel Feasibility Study. This letter was needed to show the Calhoun Port Authority's support for the

widening and deepening project. Pursuant to further review and discussion, a motion was made by Board Secretary Tony Holladay to authorize the Board Chair to execute a Letter of Support for the Matagorda Ship Channel Feasibility Study Report. The motion was seconded by Board Member H. C. Wehmeyer, Jr. and the motion carried unanimously.

**Agenda Item No. 14: Review and Consideration of Authorizing the Board Chairman to Execute a Letter of Support for the Matagorda Ship Channel Deficiency Study Report.**

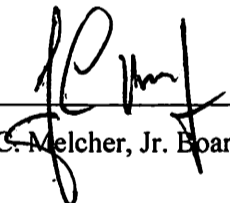
The Board Members reviewed a copy of the proposed letter of support for the Matagorda Ship Channel Deficiency Report. This letter was required to show the Calhoun Port Authority's support for the jetty deficiency project. Pursuant to further review and discussion, a motion was made by Board Secretary Tony Holladay to authorize the Board Chair to execute a Letter of Support for the Matagorda Ship Channel Deficiency Study Report. The motion was seconded by Board Member Johnny Perez and the motion carried unanimously.

**Agenda Item No. 15: Review and Consideration of Change Order No. 1 In the amount of \$102,595.00 for the Harbor Piling Maintenance 2019 Project.**

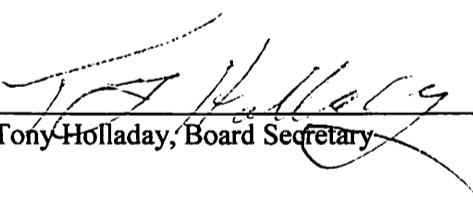
The Board Members reviewed a copy of a draft change order No. 1 for the Harbor Piling Maintenance Project. Pursuant to further review and discussion, a motion was made by Board Secretary Tony Holladay to approve the Change Order No. 1 in the amount of \$102,595.00 for the Harbor Piling Maintenance 2019 Project. The motion was seconded by Board Member Johnny Perez and the motion carried with Board Member Luis De La Garza casting a nay vote.

**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 9:49 a.m. on Wednesday, May 8, 2019.

  
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 J. C. Melcher, Jr. Board Chair

ATTEST:

  
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 Tony Holladay, Board Secretary