

**CALHOUN PORT AUTHORITY  
REGULAR MEETING  
July 14, 2021**

A regular meeting of the Calhoun Port Authority was held on Wednesday, July 14, 2021 at 9:00 a.m. in the Calhoun Port Authority Board Room, Calhoun Port Authority Office, Point Comfort, Texas

Board Members attending in person or via telephone were:

Commissioner # 2 – Jay Cuellar – via telephone and later in person  
Commissioner # 3 – J.C. Melcher, Jr.  
Commissioner # 4 – Luis De La Garza  
Commissioner # 5 – Johnny Perez  
Commissioner # 6 – Dan Krueger

Staff Members attending were:

Charles R. Hausmann – Port Director  
Forrest Hawes – Deputy Port Director  
Alan Sanders – Moore Landrey Law Firm  
Felicia Harral – Director of Engineering  
Miranda Malek – Administrative Assistant

Others attending were:

Eric Coleman – NGL  
Carl Smith - NGL  
Aaron Martin – NGL  
Steve Svetlik – Max Midstream  
Jack Wu – Formosa Plastics Corporation  
Kali Venable – *The Advocate*  
DD Turner – *The Wave*  
Joyce Turner

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

Board Chair Luis De La Garza 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 Chair Luis De La Garza.

**Agenda Item No. 2: Public Comment.**

Director of Engineering, Ms. Felicia Harral addressed the board regarding the Gangway Bid.

**Agenda Item No. 3: Approve the minutes of the Wednesday, June 2, 2021 Special Meeting, the Wednesday June 9, 2021 Regular Meeting and the Tuesday, June 29, 2021 Special Meeting.**

The Board Members reviewed the minutes from the Wednesday, June 2, 2021 Special Meeting, the Wednesday June 9, 2021 Regular Meeting and the Tuesday, June 29, 2021 Special Meeting. Pursuant to further review and discussion, a motion was made by Board Secretary Johnny Perez to approve the minutes as presented. The motion was seconded by Board Member Dan Krueger and the motion carried unanimously.

**Agenda Item No. 4: 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 June 30, 2021:

- 1.) Accounts Receivable Report as of June 30, 2021
- 2.) Mr. Hawes reported to the Board Members that the accounts receivable report specified that the accounts receivable was 80% current as of June 30, 2021.

**Agenda Item No. 5: Approval of Disbursements and Transfers: All Funds**

The Board Members reviewed the July 14, 2021 Port Operations Account disbursements. Pursuant to review, a motion was made by Board Secretary Johnny Perez to approve disbursements and the corresponding transfers for July 14, 2021. The motion was seconded by Board Member Jay Cuellar and the motion carried that the disbursements and the corresponding transfers be approved.

TRANSFER NO.	FUND ACCOUNT	AMOUNT
<b>GROSS REVENUE FUND</b>		
2021-040	To Port Operations Fund	\$80,259.89
2021-041	To Port Operations Fund	\$68,457.59
2021-043	To Port Operations Fund	\$284,197.90
	Total	\$432,915.38
<b>BUSINESS DEVELOPMENT FUND</b>		
2021-043	To Port Operations Fund	\$211.17
	Total	\$211.17
<b>DEPRECIATION &amp; MAJOR REPAIR FUND</b>		
	To Port Operations Fund	\$
	Total	\$
<b>AN/NH3 OPERATING FUND</b>		
2021-043	To Port Operations Fund	\$853,799.49
	Total	\$853,799.49
<b>TOTAL TRANSFERS TO PORT OPERATIONS ACCOUNT</b>		<b>\$1,286,926.04</b>

**INTERFUND TRANSFERS**

DATE	FROM	TO	AMOUNT
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7/14/21	AN/NH3 Operating	AN/NH3 Dep M/R	\$7,500.00
	<b>Total</b>		<b>\$7,500.00</b>

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**Agenda Item No. 6: Port Director's Report.**

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

A. Harbor Traffic Statistics for the month of June:

That a total of 85 vessels had arrived at the public port facilities during the month of June; 18 deep draft arrivals and 67 inland barges and a total of 180 invoices were issued. Further, that 16 deep draft vessels were already on schedule for July arrival.

Total revenue tons for the month of June were 315,494.2 short tons. Total throughput for FY2021 was 3,648,310.3 which was a 32% decrease from FY 2020.

B. NGL loaded out 10 crude oil barges totaling 29,807.9 short tons.

C. Harvest loaded out 2 crude oil barges totaling 7,162.1 short tons.

D. Seadrift Coke loaded out 5 barges totaling 8,234.3 short tons to 1 ship for export.

E. Max Midstream loaded out 6 crude oil barges totaling 19,949.7 short tons.

F. Port Maintenance continued to replace light fixtures and work with Novak Diesel to repair the salt water pump mufflers.

**Agenda Item No. 8: Review and Consideration of Amending the MOU with Ineos Nitriles USA LLC with the Calhoun Port Authority.**

The Board Members reviewed a copy of the amendment to the MOU with INEOS for the potential purchase of the AN/NH3 Facility. Pursuant to further review and discussion, a motion was made by Board Member Jay Cuellar to approve the amendment of the MOU with Ineos Nitriles USA LLC with the Calhoun Port Authority. The motion was seconded by Board Secretary Johnny Perez and the motion carried unanimously.

**Agenda Item No. 9: Review and Consideration of 2021 GICA Convention Sponsorship.**

The Board Members reviewed the Agenda for the 116<sup>th</sup> Annual Gulf Intracoastal Canal Association Convention held in August. Pursuant to further review and discussion, a motion was made by Board Member J. C. Melcher, Jr. to approve a sponsorship in the amount of \$2,500.00. The motion was seconded by Board Member Jay Cuellar and the motion carried unanimously.

**Agenda Item No. 10: Review and Consideration of a Renewal to an Option to Lease Agreement between the Calhoun Port Authority and Max Midstream Texas LLC on Approximately 50.0 Acres of Property on the South Peninsula.**

No action was taken on this agenda item.

**Agenda Item No. 11: Review and Consideration of a Binding MOU between the Calhoun Port Authority and Max Midstream Texas, LLC for the Channel Project.**

The Board Members reviewed a copy of the proposed Binding MOU on the Port Channel. Pursuant to further review and discussion, a motion was made by Board Secretary Johnny Perez to approve the Binding MOU between the Calhoun Port Authority and Max Midstream Texas, LLC for the

Channel Project and to obtain documentation of Mr. Todd Edwards signature authority for Max Midstream Texas, LLC. The motion was seconded by Board Dan Krueger and the motion carried unanimously.

**Agenda Item No. 12: Review and Consideration of an Easement and Right of Way from the Calhoun Port Authority to Frontier Communications for Phone Lines and Necessary Appurtenances to the Port Administration building.**

The Board Members reviewed a copy of an easement and map showing the proposed route for the phone lines going to the Port Administration building. Pursuant to further review and discussion, a motion was made by Board Member Jay Cuellar to approve the Easement and Right of Way from the Calhoun Port Authority to Frontier Communications for Phone Lines and Necessary Appurtenances to the Port Administration building. The motion was seconded by Board Secretary Johnny Perez and the motion carried unanimously.

**Agenda Item No. 13: Closed Session: As Authorized by Tex. Gov't Code §551.087(1); to discuss or deliberate regarding commercial information that the Port has received from a business prospect that the Port seek to have locate, stay, or expand in or near the territory of the Port and with which the Port is conducting economic development negotiations. No discussions or deliberations shall be conducted in the presence of any business prospect, the presence (if any) of which shall be limited to presentation of information relevant to the potential economic development activity and with respect to such information it is of a confidential or business-proprietary nature.**

**As Authorized by Tex. Gov't Code §551.072 for the purpose of discussion with respect to the purchase, exchange, lease or value of real property. No discussions or deliberations shall be conducted in the presence of any business prospect, the presence (if any) of which shall be limited to presentation of information relevant to the potential economic development activity and with respect to such information it is of a confidential or business-proprietary nature.**

**As Authorized by Tex. Gov't Code §551.071(2): to seek the advice of its attorney. No discussions or deliberations with legal counsel shall be conducted in the presence of any business prospect or any other third party that may result in waiver of the attorney-client privilege.**

Board Chair Luis De La Garza announced that As Authorized by Tex. Gov't Code §551.087(1); to discuss or deliberate regarding commercial information that the Port has received from a business prospect that the Port seek to have locate, stay, or expand in or near the territory of the Port and with which the Port is conducting economic development negotiations. No discussions or deliberations shall be conducted in the presence of any business prospect, the presence (if any) of which shall be limited to presentation of information relevant to the potential economic development activity and with respect to such information it is of a confidential or business-proprietary nature.

As Authorized by Tex. Gov't Code §551.072 for the purpose of discussion with respect to the purchase, exchange, lease or value of real property. No discussions or deliberations shall be conducted in the presence of any business prospect, the presence (if any) of which shall be limited to presentation of information relevant to the potential economic development activity and with respect to such information it is of a confidential or business-proprietary nature.

As Authorized by Tex. Gov't Code §551.071(2): to seek the advice of its attorney. No discussions or deliberations with legal counsel shall be conducted in the presence of any business prospect or any other third party that may result in waiver of the attorney-client privilege.

“No action or consensus would be taken in closed session”. The Board convened in Closed Session at 9:34 a.m. after a 5-minute recess.

**Agenda Item No. 14: Return to Open Session and take any action deemed necessary based on discussion in Closed Session.**

The Board adjourned the Closed Session at 10:50 a.m. Board Chair Luis De La Garza announced that “No action or consensus had been taken in closed session”.

**Agenda Item No. 7: Review and Consideration of Approval of Board Members Committee/Conference Attendance.**

Pursuant to further review and discussion, a motion was made by Board Member Jay Cuellar to approve the Committee/Conference attendance. The motion was seconded by Board Secretary Johnny Perez and the motion carried 5-1 with Board Member J. C. Melcher, Jr. stating that he would not vote for the payment for Port Commission Meeting or the Director/Deputy Growth Evaluation Meeting.

**Agenda Item No. 15: 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 10:52 a.m. on Wednesday, July 14, 2021.

  
Luis De La Garza, Board Chair

ATTEST:

  
Johnny Perez, Board Secretary