

**CALHOUN PORT AUTHORITY
REGULAR MEETING
June 8, 2022**

A regular meeting of the Calhoun Port Authority was held on Wednesday, June 8, 2022 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 # 1 – Marty Strakos – via telephone
Commissioner # 2 – Jay Cuellar
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
Alan Sanders –Law Firm of Alan Sanders
Felicia Harral – Director of Engineering
Miranda Malek – Administrative Assistant

Others attending were:

Jack Wu – Formosa Plastics Corporation
Thomas Springer – Point Comfort Towing
John Buchanan – Point Comfort Towing
Kevin Riggs – Alcoa
Greg Salinas – McCall, Parkhurst & Horton
Dallas Wilcon – Ineos
Steve Marwitz
DD Turner – The *Wave*

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.

Agenda Item No. 2: Safety Briefing, Pledge of Allegiance and Invocation.

All attendees of the meeting were briefed on the location of life saving devices and the closest assembly point in the event of a Shelter in Place incident. The Pledge of Allegiance, The Texas Pledge and a prayer was led by Board Chair Luis De La Garza.

Agenda Item No. 3: Public Comment Written or Oral.

No comment was made.

Agenda Item No. 7: Port Director's & Engineer's Report.

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

A. Harbor Traffic Statistics for the month of May:

That a total of 116 vessels had arrived at the public port facilities during the month of May; 33 deep draft arrivals and 83 inland barges and a total of 251 invoices were issued. Further, that 11 deep draft vessels were already on schedule for June arrival.

Total revenue tons for the month of May were 477,811.4 short tons. Total throughput for the first eleven months of the fiscal year were 4,193,940.4 short tons.

- B. NGL loaded out 6 crude oil barges totaling 18,683.1 short tons.
- C. Harvest loaded out 4 barges of crude oil totaling 13,215.9 short tons.
- D. Seadrift Coke loaded out 2 barges to 1 ship totaling 3,363.3 short tons.
- E. Port Maintenance continued to work on electrical repairs to the cathodic protection system, continued installing new lighting and continued to do their weekly inspections of port equipment.

Felicia Harral, Port Engineer, reported the following:

- A. Matagorda Ship Channel Improvement Project updates for May included PED updates, Pipeline relocation updates, Geotechnical Sampling, Environmental Sampling, Cultural Survey & (Oyster) Environmental Survey.
- B. South Peninsula Development Project updates for May included LD-1 Dredging updates, South Peninsula Development & Mitigation Plan updates.
- C. North Peninsula Office Complex updates included New Communication line updates, New Fiber Line & Paving Roadway and Parking Lot updates.
- D. Other Port Project Updates included AN Vapor Combustion Unit Replacement Project, GCD Gangway Project, Cathodic Protection System, Point Comfort Towing Power Supply, LP Fender Replacement & LP Potable Water Project.

Agenda Item No. 4: Approve the minutes of the Wednesday, May 11 2022 Regular Meeting.

The Board Members reviewed the minutes from the Wednesday, May 11, 2022 Regular Meeting. Pursuant to further review and discussion, a motion was made by Board Member Jay Cuellar to approve the minutes as presented. The motion was seconded by Board Secretary Johnny Perez and the motion carried unanimously.

Agenda Item No. 5: Review of Financial Reports: All Funds.

Port Director Charles Hausmann presented the following financial information to the Board Members for Review:

Fund Balance Report as of May 31, 2022:

- 1.) Accounts Receivable Report as of May 31, 2022
- 2.) Mr. Hausmann reported to the Board Members that the accounts receivable report specified that the accounts receivable was 88% current as of May 31, 2022.

Agenda Item No. 15: Review and Consideration of Ratifying Bound Insurance Coverage for May 1, 2022 to April 30, 2023.

The Board Members reviewed copies of the invoices received for the renewal of our insurance coverage. The total cost of the insurance coverage is \$736,130.66 of which \$478,484.93 is paid for by the

AN/NH3 fund and the remaining \$257,645.75 is paid out of the Port's general fund. Pursuant to further review and discussion, a motion was made by Board Member J.C. Melcher, Jr. to approve the ratification of bound insurance coverage for May 1, 2022 to April 30, 2023. The motion was seconded by Board Member Jay Cuellar and the motion carried unanimously.

Agenda Item No. 6: Approval of Disbursements and Transfers: All Funds

The Board Members reviewed the June 8, 2022 Port Operations Account disbursements. Pursuant to review, a motion was made by Board Member J. C. Melcher, Jr. to approve disbursements and the corresponding transfers for June 8, 2022 except for check number 35123 made out to Tolunay-Wong Engineers for \$154,000.00. 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	
GROSS REVENUE FUND			
2021-081	To Port Operations Fund	\$78,792.81	
2021-083	To Port Operations Fund	\$69,980.26	
2021-085	To Port Operations Fund	\$618,816.33	
	Total	\$767,589.40	
MAINTENANCE & OPERATIONS FUND			
2021-085	To Port Operations Fund	\$91.37	
	Total	\$91.37	
BUSINESS DEVELOPMENT FUND			
2021-085	To Port Operations Fund	\$121.44	
	Total	\$121.44	
AN/NH3 OPERATING FUND			
2021-085	To Port Operations Fund	\$587,660.54	
	Total	\$587,660.54	
TOTAL TRANSFERS TO PORT OPERATIONS ACCOUNT		\$1,355,462.75	
INTERFUND TRANSFERS			
DATE	FROM	TO	AMOUNT
6/8/22	AN/NH3 Operating	AN/NH3 Dep M/R	\$7,500.00
	Total		\$7,500.00

Agenda Item No. 8: Review and Consideration of Approval of Board Members Committee/Attendance, Committee Travel Request.

Pursuant to further review and discussion, a motion was made by Board Member Jay Cuellar to approve the Board Members Committee/Attendance meetings. The motion was seconded by Board Secretary Johnny Perez and the motion carried.

Agenda Item No. 9: Review and Discuss Committee Reports.

No action was taken on this item.

Agenda Item No. 11: Review and Consideration of Bids Received for the North Peninsula New Office Fiber Line Extension.

The Board reviewed a copy of the bid that was received from Infiniti Communications Technologies. The bid was in the amount of \$54,610.00 for bid item number 1 and \$6,650.00 for bid item number 2. Port Engineer Felicia Harral recommended that Infiniti Communications Technologies for the North Peninsula New Office Fiber Line Extension project. Pursuant to further review and discussion, a motion was made by Board Member J. C. Melcher, Jr. to accept the bid received from Infiniti Communications Technologies for the North Peninsula New Office Fiber Line Extension project. The motion was seconded by Board Member Dan Krueger and the motion carried unanimously.

Agenda Item No. 12: Review and Consideration of General Cargo Dock Portable Gangway Proposal.

No action was taken on this agenda item.

Agenda Item No. 13: Review and Consideration of Amendment to Ground Lease Agreement between Calhoun Port Authority and Formosa Plastics, Texas.

The Board Members reviewed a copy of the original agreement that was for a 10-year period and paid a total of \$105,997.80 during that time. This agreement covers a 30-inch pipeline that runs 478.88 rods and the dispersion unit that covers 3.4435 acres of submerged land in Lavaca Bay that is owned by the Port. Pursuant to further review and discussion, a motion was made by Board Member J. C. Melcher, Jr. to approve the amendment to the Ground Lease Agreement between Calhoun Port Authority and Formosa Plastics, Texas. The motion was seconded by Board Member Jay Cuellar and the motion carried unanimously.

Agenda Item No. 16: Closed Session: As Authorized by and subject to the applicable provisions of law, including but not limited to the Texas Government Code, Chapter 551, Open Meetings Act, the following topics may be considered in Closed Session:

Section 551.071 – Attorney Consultation

Section 551-072 – Real Property Transactions

Section 551.087 – Economic Development Negotiations

Board Chair Luis De La Garza announced that As Authorized by and subject to the applicable provisions of law, including but not limited to the Texas Government Code, Chapter 551, Open Meetings Act, the following topics may be considered in Closed Session:

Section 551.071 – Attorney Consultation

Section 551-072 – Real Property Transactions

Section 551.087 – Economic Development Negotiations

“No action or consensus would be taken in closed session”. The Board convened in Closed Session at 9:44 a.m.

Agenda Item No. 17: Return to Open Session and take any action deemed necessary based on discussion in Closed Session.

The Board adjourned the Closed Session at 11:41 a.m. Board Chair Luis De La Garza announced that “No action or consensus had been taken in closed session”.

Agenda Item No. 14: Review and Consideration of Approval of Change Order for the Matagorda Ship Channel Improvement Project (SCIP) Pre-Dredge Sampling and Analysis Project – Environmental Sampling.

The Board Members reviewed a change order request from Port Engineer, Felicia Harral, for \$107,950.00. When added with the prior approved change order of \$75,000.00, the estimated total for additional time was \$182,950.00. The additional time was necessary due to the equipment being used longer than anticipated due to weather delays. This price was negotiated down to a final billing amount of \$154,000.00. Pursuant to further review and discussion, a motion was made by Board Secretary Johnny Perez to approve the Change order for the Matagorda Ship Channel Improvement Project Pre-Dredge Sampling and Analysis Project – Environmental Sampling. The motion was seconded by Board Member Jay Cuellar and the motion carried unanimously.

Agenda Item No. 18: Review and Consideration of Approval of Fire Alarm Notifier 5000 Replacement Panel from a Single Source for the Port Fire System.

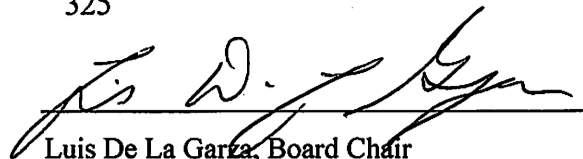
The Board Members reviewed a copy of the quote from VFP Fire Systems for the replacement panel. The cost of the panel is \$66,285.00 and it controls the fire system, smoke detectors, pull station and strobe lights in the control tower. While the current panel is operating the system, it is imperative that the fire panel be replaced as soon as possible. Pursuant to further review and discussion, a motion was made Board Member Jay Cuellar to approve the purchase of Fire Alarm Notifier 5000 Replacement Panel from VFP Fire Systems for \$66,285.00. The motion was seconded by Board Member Dan Krueger and the motion carried unanimously.

Agenda Item No. 10: Review and Considerations of First Amendment to the 2012 Alcoa Alumina Corporation Submerged Lease Agreement.

The Board Members reviewed a copy of the 2012 submerged lease agreement between the Port and Alcoa along with a proposed amendment extending the lease for 3 months to allow for time to prepare the new lease documents for renewal. Pursuant to further review and discussion, a motion was made by Board Member Jay Cuellar to approve the proposed amendment to extend the lease to October 15, 2022. The motion was seconded by Board Member Marty Strakos and the motion carried unanimously.


Agenda Item No. 19: 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 11:45 p.m. on Wednesday, June 8, 2022.



Luis De La Garza, Board Chair

ATTEST:



Johnny Perez, Board Secretary