

**CALHOUN PORT AUTHORITY
REGULAR MEETING
July 13, 2022**

A regular meeting of the Calhoun Port Authority was held on Wednesday, June 13, 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
Commissioner # 2 – Jay Cuellar – via telephone
Commissioner # 3 – J.C. Melcher, Jr.
Commissioner # 4 – Luis De La Garza
Commissioner # 5 – Johnny Perez
Commissioner # 6 – Dan Krueger – via telephone

Staff Members attending were:

Charles R. Hausmann – Port Director
Forrest Hawes – Deputy Port Director
Alan Sanders – Law Firm of Alan Sanders
Felicia Harral – Director of Engineering
Ana Cavazos – Administrative Assistant

Others attending were:

David Adrian – Matagorda Bay Pilots
Michael Harris – Matagorda Bay Pilots
Steve Gibson – Matagorda Bay Pilots
Malachy F. Byrne – Matagorda Bay Pilots
Erin Byrne
Kevin Riggs – Alcoa
Jack Wu – Formosa Plastics Corporation
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.

The Regular Board Meeting of Calhoun Port Authority was recessed at 9:02 am for a meeting of the Matagorda Bay Pilots Board. The meeting reconvened at 9:07 am.

Agenda Item No. 4: Approve the minutes of the Wednesday, June 8, 2022 Regular Meeting and the Wednesday, June 29, 2022 Special Meeting.

The Board Members reviewed the minutes from the Wednesday, June 8, 2022 Regular Meeting and the Wednesday, June 29, 2022 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 Marty Strakos and the motion carried unanimously.

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

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

Fund Balance Report as of June 30, 2022:

- 1.) Accounts Receivable Report as of June 30, 2022
- 2.) Mr. Hausmann reported to the Board Members that the accounts receivable report specified that the accounts receivable was 96% current as of June 30, 2022.

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

The Board Members reviewed the July 13, 2022 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 13, 2022. The motion was seconded by Board Member J.C. Melcher, Jr. and the motion carried that the disbursements and the corresponding transfers be approved.

TRANSFER NO.	FUND ACCOUNT	AMOUNT
GROSS REVENUE FUND		
2021-084	To Port Operations Fund	\$78,952.40
2021-086	To Port Operations Fund	\$66,530.35
2022-001	To Port Operations Fund	\$1,378,847.71
	Total	\$1,524,330.46
MAINTENANCE & OPERATIONS FUND		
	To Port Operations Fund	
	Total	
BUSINESS DEVELOPMENT FUND		
2022-001	To Port Operations Fund	\$1,867.04
	Total	\$1,867.04
AN/NH3 OPERATING FUND		
2022-001	To Port Operations Fund	\$52,267.01
	Total	\$52,267.01

TOTAL TRANSFERS TO PORT OPERATIONS ACCOUNT

\$1,583,464.51

INTERFUND TRANSFERS

DATE	FROM	TO	AMOUNT
7/13/22	AN/NH3 Operating	AN/NH3 Dep M/R	\$7,500.00
	Total		\$7,500.00

Agenda Item No. 7: Reports: Port Director, Engineer & Committees.

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

A. Harbor Traffic Statistics for the month:

That a total of 103 vessels had arrived at the public port facilities during the month of June; 25 deep draft arrivals and 75 inland barges and a total of 194 invoices were issued. Further, that 13 deep draft vessels were already on schedule for July arrival.

Total revenue tons for the month of June were 434,239.3 short tons. Total throughput for fiscal year 2022 were 4,648,339.4 short tons. This is an approximate 27% increase over fiscal year 2021.

B. NGL loaded out 4 crude oil barges totaling 11,362.8 short tons.

C. Max loaded out 1 barge of crude oil totaling 2,854.9 short tons.

D. Seadrift Coke loaded out 5 barges to 2 ships totaling 8,345.3 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 June included PED updates, Pipeline relocation updates, Geotechnical Sampling, Environmental Sampling, Cultural Survey (Archeology) & Environmental Survey (Oyster).

B. South Peninsula Development Project updates for June 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.

Committee Reports:

A.

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 Marty Strakos 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 Consideration of 2022 GICA Convention Sponsorship.

The Board Members reviewed a copy of the agenda for the 117th Annual Gulf Intracoastal Canal Association's Convention. In years past, the Calhoun Port Authority has been a sponsor of the convention in the amount of \$2,500.00. 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 for the 2022 GICA Convention Sponsorship. The motion was seconded by Board Member Marty Strakos and the motion carried unanimously.

Agenda Item No. 11: Review and Consideration of Approval to Advertise for Bids or Requests for Proposals for Security Service for the Calhoun Port Authority.

The Board reviewed a copy of the request for proposals for the security service at the Calhoun Port Authority. A pre-bid meeting is scheduled for July 27, 2022 at the Port Office to review all of the requirements for providing security services to the Port. The bids/RFP's would be received to be opened at the August 10, 2022 Regular Board Meeting. Pursuant to further review and discussion, a motion was made by Board Member Marty Strakos to approve to advertise for Bids or Requests for Proposals for Security Service for the Calhoun Port Authority. The motion was seconded by Board Secretary Johnny Perez and the motion carried unanimously.

Agenda Item No. 13: Review and Consideration of Authorization to advertise for bids for the Construction of the South Peninsula Bean Tract Mitigation Project.

The Board Members reviewed a copy of a memo from Port Engineer Felicia Harral with the anticipated schedule for the South Peninsula Bean Tract Mitigation Project. This project is for the construction of approximately 14.0 acres of marsh. Pursuant to further review and discussion, a motion was made by Board Secretary Johnny Perez to advertise for bids for the Construction of the South Peninsula Bean Tract Mitigation Project. The motion was seconded by Board Member Marty Strakos and the motion carried unanimously.

Agenda Item No. 14: 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 10:02 a.m.

Agenda Item No. 15: Return to Open Session and take any action deemed necessary based on discussion in Closed Session.

The Board adjourned the Closed Session at 11:00 a.m. Board Chair Luis De La Garza announced that "No action or consensus had been taken in closed session".

Agenda Item No. 10: Review and Consideration of a Resolution Approving Purchase Transaction Documentation, including but not limited to Asset Purchase Agreement between the Calhoun Port Authority and Ineos Nitriles USA LLC.

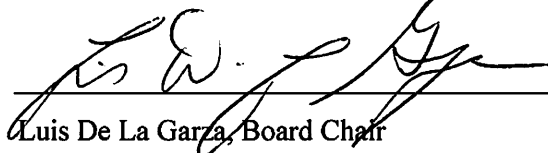
The Board Members reviewed a copy of a resolution prepared by Port Special Counsel along with the Asset Purchase Agreement with all the current exhibit documents. All documents were reviewed by Port Special Counsel and Bond Counsel with a proposed closed date of September 1, 2022 for defeasance of the Bonds. Pursuant to further review and discussion, a motion was made by Board Member Marty Strakos to approve the Purchase Transaction Documentation, including but not limited to Asset Purchase Agreement between the Calhoun Port Authority and Ineos Nitriles USA LLC. The motion was seconded by Board Secretary Johnny Perez and the motion carried unanimously.

Agenda Item No. 12: Review and Consideration of a Request from Lavaca Pipe Line Company to Abandon 3 Natural Gas Pipelines Located in Lavaca Bay.

The Board Members reviewed a copy of a letter from Wesley Lin, Director, Lavaca Pipe Line Company requesting the approval of the abandonment of 3 natural gas pipelines located in Lavaca Bay. Mr. Jack Wu of Formosa Plastics requested to leave the pipeline in place and an agreement could be made with stipulations regarding a later removal of the pipeline. No action was taken on this agenda item.

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 11:01 a.m. on Wednesday, July 13, 2022.



 Luis De La Garza, Board Chair

ATTEST:



 Johnny Perez, Board Secretary