

**CALHOUN PORT AUTHORITY
REGULAR MEETING
September 14, 2022**

A regular meeting of the Calhoun Port Authority was held on Wednesday, September 14 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 # 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
Forrest Hawes – Deputy Port Director
Alan Sanders – Law Firm of Alan Sanders
Felicia Harral – Director of Engineering
Miranda Malek – Finance Assistant

Others attending were:

Steve Marwitz
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 action taken on this agenda item.

Agenda Item No. 4: Approve the minutes of the Wednesday, August 10, 2022 Regular Meeting, the Wednesday, August 24, 2022 Special Meeting and the Wednesday, August 31, 2022 Special Meeting.

The Board Members reviewed the minutes from the Wednesday, August 10, 2022 Regular Meeting, the Wednesday, August 24, 2022 Special Meeting and the Wednesday, August 31, 2022 Special Meeting. Pursuant to further review and discussion, a motion was made by Board Member Jay Cuellar

with the provided Conflict of Interest attachment. The motion was seconded by Board Member Dan Krueger 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 August 31, 2022:

- 1.) Accounts Receivable Report as of August 31, 2022
- 2.) Mr. Hawes reported to the Board Members that the accounts receivable report specified that the accounts receivable was 53% current as of August 31, 2022.

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

The Board Members reviewed the September 14, 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 September 14, 2022. 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		
2022-005	To Port Operations Fund	\$82,967.79
2022-007	To Port Operations Fund	\$76,005.39
2022-008	To Port Operations Fund	\$70,283.00
2022-010	To Port Operations Fund	\$1,126,106.49
	Total	\$1,355,362.67
MAINTENANCE & OPERATIONS FUND		
2022-010	To Port Operations Fund	\$91.36
	Total	\$91.36
BUSINESS DEVELOPMENT FUND		
2022-010	To Port Operations Fund	\$332.84
	Total	\$332.84
AN/NH3 OPERATING FUND		
2022-010	To Port Operations Fund	\$113,477.75
	Total	\$113,477.75
TOTAL TRANSFERS TO PORT OPERATIONS ACCOUNT		\$1,469,264.62

INTERFUND TRANSFERS

DATE	FROM	TO	AMOUNT
9/14/22	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 86 vessels had arrived at the public port facilities during the month of July; 19 deep draft arrivals and 67 inland barges and a total of 228 invoices were issued. Further, that 7 deep draft vessels were already on schedule for September arrival.

Total revenue tons for the month of August were 327,128.3 short tons. Total throughput for fiscal year 2023 was 728,111.3 short tons.

B. NGL loaded out 2 crude oil barges totaling 5,417.4 short tons.

C. Harvest loaded out 2 barge of crude oil totaling 3,345.5 short tons.

D. Pelorus loaded 4 barges from 1 ship of C-4 Mix totaling 4,870.8 short tons.

E. Seadrift Coke loaded out 5 barges to 1 ship totaling 7,768.5 short tons.

F. 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 August included PED updates, Pipeline relocation updates, Geotechnical Sampling, Environmental Sampling, Cultural Survey (Archeology) & Environmental Survey (Oyster).

B. Matagorda Ship Channel, FY 2021 Maintenance Dredging update.

C. South Peninsula Development Project updates for August included LD-1 Dredging updates, Bean Tract Wetlands Creation Project - South Peninsula Development & Mitigation Plan updates.

D. North Peninsula Office Complex updates included New Fiber Line & Paving Roadway and Parking Lot updates.

E. Other Port Project Updates included Surveys of INEOS proposed property exchange, AN Vapor Combustion Unit Replacement Project, GCD Gangway Project, Cathodic Protection System, Environmental, Social, and Governance Pilot Study, and Various Port Infrastructure projects.

Agenda Item No. 8: Review and Consideration of Approval of Board Members

Committee Attendance, Committee Travel Requests.

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 Consideration of Adoption of the Proposed Maintenance and Operations (M&O) Tax Rate of 0.0008/\$100 for 2022.

The Board Members reviewed the 2022 effective M&O tax rate information from the Calhoun County Appraisal District. Pursuant to further review and discussion, a motion was made by Board Member Jay Cuellar to adopt the M&O tax rate of 0.0008/\$100 for 2022. The motion was seconded by Board Secretary Johnny Perez and the motion carried unanimously.

Agenda Item No. 10: Review and Consideration of Amending the Port Tariff Section 1, Rule 34, Subrule 1, Item 100 by Removing Nos. 14, 15, 16, 17, 18, 19, 20, 21 and Ammonia/Acrylonitrile Specification from the Port Tariff Effective September 1, 2022.

The Board Members reviewed the relevant pages from the tariff referencing Section 1, Rule 34, Subrule 1, Item 100 by Removing Nos. 14, 15, 16, 17, 18, 19, 20, 21 and Ammonia/Acrylonitrile Specification from the Port Tariff Effective September 1, 2022. Pursuant to further review and discussion, a motion was made by Board Member Jay Cuellar to approve the amendment of the Port Tariff Section 1, Rule 34, Subrule 1, Item 100 by Removing Nos. 14, 15, 16, 17, 18, 19, 20, 21 and Ammonia/Acrylonitrile Specification from the Port Tariff Effective September 1, 2022. The motion was seconded by Board Secretary Johnny Perez and the motion carried unanimously.

Agenda Item No. 11: Review and Consideration of an Amendment to the Ground Lease Agreement between the Calhoun Port Authority and Formosa Plastics Corporation, Texas for the 478.88 Rod 30" Pipeline and the 3.4435 Acres of Submerged Land in Lavaca Bay.

No action was taken on this agenda item.

Agenda Item No. 12: Review and Consideration of an Easement Reinstatement Resolution for the Easement between the Calhoun Port Authority and Formosa Plastics Corporation, Texas that was Previously Requested to be Abandoned.

The Board Members reviewed a copy of a letter from Mr. Wesley Lin, Director of Lavaca Pipeline Company requesting withdrawal of the previous request to abandon the two natural gas pipelines in place and for the easement agreement to remain in effect until December 31, 2024. Pursuant to further review and discussion, a motion was made by Board Member Jay Cuellar to approve the Easement Reinstatement Resolution for the Easement between the Calhoun Port Authority and Formosa Plastics Corporation, Texas that was Previously Requested to be Abandoned. The motion was seconded by Board Secretary Johnny Perez and the motion carried unanimously.

Agenda Item No. 13: 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. 14: Return to Open Session and take any action deemed necessary based on discussion in Closed Session.

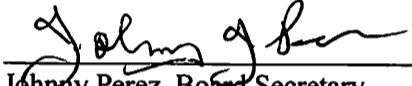
The Board adjourned the Closed Session at 11:22 a.m. Board Chair Luis De La Garza announced that “No action or consensus had been taken in closed session”.

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 11:22 a.m. on Wednesday, September 14, 2022.


Luis De La Garza, Board Chair

ATTEST:


Johnny Perez, Board Secretary