

**CALHOUN PORT AUTHORITY
REGULAR MEETING
June 14, 2023**

A regular meeting of the Calhoun Port Authority was held on Wednesday, June 14, 2023 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
Commissioner # 3 – Justin Weaver
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 –McLeod, Alexander, Powel & Apffel, PC
Felicia Harral – Director of Engineering
Miranda Malek – Finance Assistant

Others attending were:

John Novitsky – Max Midstream
Steve Svetlik – Max Midstream
William Burge – Max Midstream
Jonas Titus – Victoria EDC
Nancy Garner – Victoria EDC
Sharon Barnard – Victoria EDC
JP Strickland – Alcoa
Jack Wu – Formosa Plastics Corporation Texas
DD Turner – *The Wave*

Agenda Item No. 1: Call to Order:

Board Chair Johnny Perez 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 was led by Board Chair Johnny Perez and a prayer was led by Board Secretary Luis De La Garza.

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

No action was taken on this agenda item.

Agenda Item No. 4: Approve the minutes of the Wednesday May 10, 2023 Regular Meeting and the Thursday May 25, 2023 Special Meeting.

The Board Members reviewed the minutes from the Wednesday, May 10, 2023 Regular Meeting and the Thursday, May 25, 2023 Special Meeting. Pursuant to further review and discussion, a motion was made by Board Secretary Luis De La Garza to approve the minutes with the discussed changes. The motion was seconded by Board Member Jay Cuellar 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 May 31, 2023:

- 1.) Accounts Receivable Report as of May 31, 2023
- 2.) Mr. Hawes reported to the Board Members that the accounts receivable report specified that the accounts receivable was 95% current as of May 31, 2023.

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

The Board Members reviewed the June 14, 2023 Port Operations Account disbursements. Pursuant to review, a motion was made by Board Secretary Luis De La Garza to approve disbursements and the corresponding transfers for June 14, 2023. The motion was seconded by Board Member Marty Strakos and the motion carried that the disbursements and the corresponding transfers be approved.

TRANSFER NO.	FUND ACCOUNT	AMOUNT
GROSS REVENUE FUND		
2022-036	To Port Operations Fund	\$86,447.39
2022-037	To Port Operations Fund	\$75,367.07
2022-038	To Port Operations Fund	\$75,636.08
2022-040	To Port Operations Fund	\$1,163,099.21
	Total	\$1,400,549.75
MAINTENANCE & OPERATIONS FUND		
2022-040	To Port Operations Fund	\$10,703.65
	Total	\$10,703.65
BUSINESS DEVELOPMENT FUND		
2022-040	To Port Operations Fund	\$693.29
	Total	\$693.29
AN/NH3 OPERATING FUND		
2022-040	To Port Operations Fund	\$112,337.54

Total	\$112,337.54
TOTAL TRANSFERS TO PORT OPERATIONS ACCOUNT	\$1,524,284.23

INTERFUND TRANSFERS

DATE	FROM	TO	AMOUNT
6/14/23	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 62 vessels had arrived at the public port facilities during the month of May; 24 deep draft arrivals and 24 inland barges and a total of 161 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 322,662.2 short tons. Total throughput for the first 11 months of fiscal year 2023 was 3,508,849.7 short tons.
- B. NGL loaded out 2 barges totaling 6,520.2 short tons.
- C. Harvest loaded out 2 barges totaling 6,520.2 short tons.
- D. 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 (Archeology) & Environmental Survey (Oyster).
- B. Matagorda Ship Channel, FY 2021 Maintenance Dredging update.
- C. North Peninsula Projects consisted of road and parking improvements.
- D. South Peninsula Development Project updates included Bean Tract Wetlands Creation Project - South Peninsula Development & Mitigation Plan updates.
- E. Other Port Project Updates included AN Vapor Combustion Unit Replacement Project, GCD Gangway Project, GCD Fender Replacement, Cathodic Protection System, SPCCC updates and Various Port Infrastructure projects.

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

No action was taken on this agenda item.

Board Chair Johnny Perez designated Board Members to serve on 6 different committees. Board Member Jay Cuellar, Board Secretary Luis De La Garza and the Board Chair would serve on the Finance Committee, the Development and Growth Committee and the Economic Growth Committee. Board Members Marty Strakos and Dan Krueger would serve on the Operations & Maintenance Committee. Board Secretary Luis De La Garza and Board Member Marty Strakos would serve on the Real Estate

Committee. Board Member Dan Krueger and Justin Weaver would serve on the Public Education Committee.

Agenda Item No. 9: Review and Consideration of Ratifying Bound Insurance Coverage from May 1, 2023 to April 30, 2024.

The Board Members reviewed copies of invoices received for the renewal of our insurance coverage. The total cost of insurance coverage was \$478,271.62 with the decrease in the premium coming from the sale of the AN/NH3 facility. Pursuant to further review and discussion, a motion was made by Board Secretary Luis De La Garza to approve the ratifying bound insurance coverage from May 1, 2023 to April 30, 2024. The motion was seconded by Board Member Dan Krueger and the motion carried unanimously.

Agenda Item No. 10: Review and Consideration of the Third Amendment to the Ground Lease between the Calhoun Port and Port Comfort Power, LLC.

The Board Members reviewed a copy of the Third Amendment to the ground lease between the Calhoun Port Authority and Port Comfort Power, LLC. This is the same amendment that was approved at the May meeting but it was mistitled as the Second Amendment instead of the Third. Pursuant to further review and discussion, a motion was made by Board Member Jay Cuellar to approve the Third Amendment to the Ground Lease between the Calhoun Port Authority and Port Comfort Power, LLC and the request to extend the lease. The motion was seconded by Board Member Marty Strakos and the motion carried unanimously.

Agenda Item No. 11: Review and Consideration of Joining the Victoria Economic Development Corporation as being a Member regarding Economic Development for the Calhoun Port Authority.

The Board reviewed a copy of the bylaws of the Victoria Economic Development Corporation as a member regarding Economic Development for the Calhoun Port Authority. The membership is \$50,000.00 per year for a Corporate Membership and a seat on the Board of Directors. Pursuant to further review and discussion, a motion was made by Board Jay Cuellar to approve joining the Victoria Economic Development Corporation. The motion was seconded by Board Member Marty Strakos and the motion carried unanimously.

Agenda Item No. 12: Review and Consideration to Revisit the Establishment of the Project Oversight Extension of the Bean Tract Wetlands Project for Lloyd Engineering.

No action was taken on this agenda item.

Agenda Item No. 13: Review and Consideration of Fiscal Year 2023 Budget Amendments.

The Board Members reviewed a spreadsheet showing the proposed budget amendments for FY 2023. Revenues were being decreased by \$995,082.00 which was due to the NGL 34.12-acre lease being terminated and expenditures were being increased by \$1,242,003.00 which included the south peninsula project and the Bean Tract Project. The new net income before depreciation is \$129,720.00. Pursuant to further review and discussion, a motion was made by Board Secretary Luis De La Garza to approve the proposed Fiscal Year 2023 Budget Amendments. The motion was seconded by Board Member Jay Cuellar 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 Johnny Perez 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 9:52 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 12:08 p.m. Board Chair Johnny Perez announced that “No action or consensus had been taken in closed session”.

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 12:08 p.m. on Wednesday, June 14, 2023.



Johnny Perez, Board Chair

ATTEST:


Luis De La Garza, Board Secretary