

**CALHOUN PORT AUTHORITY  
REGULAR MEETING  
September 13, 2023**

A regular meeting of the Calhoun Port Authority was held on Wednesday, September 13, 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 # 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 – Manager of Administration

Others attending were:

David Pore – Hance Scarborough LLP  
Jim Turner – Hance Scarborough LLP  
Troy Wassdorf – Hance Scarborough LLP  
Ray Rosso – Hance Scarborough LLP  
Greg Salinas – McCall, Parkhurst & Horton  
Kyle Freehart – US Rail & Logistics  
Garret Tomlinson – PGB  
Grant Palmer – PGB  
John Hyier - PGB  
Chase Arthur – US Rail & Logistics  
William Burge – Max Energy  
Jonathan Novitsky – Max Energy  
Jay Park – Max Midstream  
Steve Svetlik – Max Midstream  
JP Strickland - Alcoa  
Steve Marwitz  
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 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 August 6, 2023 Regular Meeting and the Wednesday, August 23, 2023 Special Meeting.**

The Board Members reviewed the minutes from the Wednesday, August 6, 2023 Regular Meeting and the Wednesday, August 23, 2023 Special Meeting. Pursuant to further review and discussion, a motion was made by Board Secretary Luis De La Garza to approve the minutes as presented. 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, 2023:

- 1.) Accounts Receivable Report as of August 31, 2023
- 2.) Mr. Hawes reported to the Board Members that the accounts receivable report specified that the accounts receivable was 91% current as of August 31, 2023.

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

The Board Members reviewed the September 13, 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 September 13, 2023. 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>		
2022-050	To Port Operations Fund	\$82,970.65
2022-051	To Port Operations Fund	\$71,820.52
2022-053	To Port Operations Fund	\$774,749.05
	Total	\$929,540.22
<b>MAINTENANCE &amp; OPERATIONS FUND</b>		
2022-053	To Port Operations Fund	\$91.89
	Total	\$91.89
<b>BUSINESS DEVELOPMENT FUND</b>		

2022-053	To Port Operations Fund	\$44.18	
	<b>Total</b>		<b>\$44.18</b>

**AN/NH3 OPERATING FUND**

2022-053	To Port Operations Fund	\$1,291.28	
	<b>Total</b>		<b>\$1,291.28</b>

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**TOTAL TRANSFERS TO PORT OPERATIONS ACCOUNT** **\$930,967.57**

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**INTERFUND TRANSFERS**

DATE	FROM	TO	AMOUNT
9/13/23	AN/NH3 Operating	AN/NH3 Dep M/R	\$7,500.00
	<b>Total</b>		<b>\$7,500.00</b>

**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 84 vessels had arrived at the public port facilities during the month of August; 30 deep draft arrivals and 54 inland barges and a total of 203 invoices were issued. Further, that 13 deep draft vessels were already on schedule for September arrival.

Total revenue tons for the month of August were 527,336.5 short tons. Total throughput for fiscal year 2024 was 916,840.4 short tons.

- B. NGL loaded out 4 barges totaling 12,862.96 short tons.
- C. Harvest loaded out 2 barges of crude oil totaling 7,490.1 short tons.
- D. Max loaded on ocean going barge with 18,461.4 short tons of crude oil and 3 barges of crude oil totaling 5,579.1 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 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. 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.**

Pursuant to further review and discussion, a motion was made by Board Member Justin Weaver to approve the Board Members Committee Attendance and Committee travel requests. The motion was seconded by Board Member Jay Cuellar and the motion carried unanimously.

**Agenda Item No. 9: Review and Consideration of Adoption of the Proposed Maintenance and Operations (M&O) Tax Rate of 0.0007/\$100 for 2023.**

The Board Members discussed adopting the tax rate that was proposed for 2023 of \$0.0007/\$100 valuation. This rate will return approximately \$18,577 in tax revenue for 2023. Pursuant to further review and consideration, a motion was made by Board Secretary Luis De La Garza to approve the adoption of the proposed maintenance and operations tax rate of \$0.0007 per \$100 valuation. The motion was seconded by Board Member Justin Weaver and the motion carried unanimously.

**Agenda Item No. 10: Review and Consideration of an Amendment to a Lease by and Between the Calhoun Port Authority and NGL Crude Terminals, LLC Regarding a 0.73 Acre Tract.**

The Board Members reviewed a copy of the partial termination and amendment of lease by and between the Calhoun Port Authority and NGL Crude Terminals, LLC that removes 0.73 acres from their lease that they are not using. The lease would terminate on September 13<sup>th</sup>. Pursuant to further review and discussion, a motion was made by Board Member Jay Cuellar to accept the amendment to the lease by and between the Calhoun Port Authority and NGL Crude Terminals, LLC regarding a 0.73-acre tract with changes to the language regarding cargo throughput and pipeline right-of-way. The motion was seconded by Board Member Justin Weaver and the motion carried unanimously.

**Agenda Item No. 12: 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 9:33 a.m.

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

The Board adjourned the Closed Session at 12:43 p.m. Board Chair Johnny Perez announced that “No action or consensus had been taken in closed session”.

**Agenda Item No. 11: Review and Consideration of a Lease Agreement between the Calhoun Port Authority and PGB Group of Texas on a 0.73-acre tract.**

The Board Members reviewed a copy of the lease agreement between the Calhoun Port Authority and PGB Group of Texas on a 0.73-acre tract. The rental rate is \$7,500.00 per month with a term of 30 years with the option to renew three times for five years each renewal. Pursuant to review and discussion, a motion was made by Board Secretary Luis De La Garza to approve the Lease Agreement between the Calhoun Port Authority and PGB Group of Texas on a 0.73-acre tract with changes to the language to set a throughput minimum at 300,000 short tons for the first 24 months, then increasing to one million short tons annually. The motion was seconded by Board Member Jay Cuellar and carried unanimously.

**Agenda Item No. 14: Review and Consideration of an Easement agreement between the Calhoun Port Authority and Max Midstream Texas LLC.**

No action was taken on this agenda item.

**Agenda Item No. 15: Review and Consideration of a Lease of Submerged Land between the Calhoun Port Authority and Max Carbon Ventures US, LLC on Approximately 20.0 acres to Provide Environmental Benefits Through Land Use by Means of Restoring and Growing Vegetation, etc.**


The Board Members reviewed a copy of the proposed lease for approximately 20.0 acres of submerged land in Cox Bay that is owned by the Port and the charge for the lease is \$27.00 per acre per year with a 1.5% increase each year after the first one. The intent is to plant carbon capturing vegetation to promote an environmental offset for carbon. Pursuant to further review and discussion, a motion was made by Board Member Jay Cuellar to authorize Port Director Charles Hausmann to finalize the language that was discussed and sign the agreement. The motion was seconded by Board Secretary Luis De La Garza and the motion carried unanimously.

**Agenda Item No. 16: Review and Consideration of a Letter of Permission for Ecovest Capital to Construct a Pier on Port Owned Submerged Land.**

The Board Members reviewed an email request from Christ Belaire with Anchor QEA, LLC. Requesting a letter of permission from the Calhoun Port Authority granting Ecovest Capital permission to construct a pier on the Port's submerged property. Pursuant to further review and discussion, a motion was made by Board Secretary Luis De La Garza to grant permission to Ecovest Capital to construct a pier on Port owned submerged property. The motion was seconded by Board Member Justin Weaver and the motion carried with Board Member Jay Cuellar voting against the motion.

**Agenda Item No. 17: 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 12:54 p.m. on Wednesday, September 13, 2023.

  
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 Johnny Perez, Board Chair

ATTEST:

  
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 Luis De La Garza, Board Secretary