

**CALHOUN PORT AUTHORITY
REGULAR MEETING
June 10, 2020**

A regular meeting of the Calhoun Port Authority was held on Wednesday, June 10, 2020 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 – Tony Holladay
Commissioner # 2 – Jay Cuellar
Commissioner # 3 – J.C. Melcher, Jr.
Commissioner # 4 – Luis De La Garza
Commissioner # 5 – Johnny Perez
Commissioner # 6 – H. C. Wehmeyer, Jr. via telephone

Staff Members attending were:

Charles R. Hausmann – Port Director
Forrest Hawes – Deputy Port Director
Anne Marie Odefey – Roberts, Odefey, Witte & Wall
Miranda Malek – Administrative Assistant

Others attending were:

Jack Wu – Formosa Plastics Corporation
Carl Smith – NGL Marine
D.D. Turner – The *Wave*

Agenda Item No. 1: Call to Order:

Board Chair J. C Melcher, Jr. 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.

The Pledge of Allegiance was led by Board Member Luis De La Garza.

Agenda Item No. 2: Public Comment.

No action was taken on this agenda item.

Agenda Item No. 3: Approve the minutes of the Wednesday, May 6, 2020 Special Meeting, Wednesday, May 13, 2020 Regular Meeting and the Tuesday, May 26, 2020 Special Meeting.

The Board Members reviewed the minutes from the Wednesday, May 6, 2020 Special Meeting, the Wednesday, May 13, 2020 Regular Meeting and the Tuesday, May 26, 2020 Special Meeting. Pursuant to further review and discussion, a motion was made by Board Secretary Tony Holladay to approve the minutes of the Wednesday, May 6, 2020 Special Meeting with the changes as discussed and the Wednesday, May 13, 2020 Regular Meeting and the Tuesday, May 26, 2020 Special Minutes as presented. The motion was seconded by Board Member Johnny Perez and the motion carried unanimously.

Agenda Item No. 4: Review of Financial Reports: All Funds.

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

Fund Balance Report as of May 31, 2020:

- 1.) Accounts Receivable Report as of May 31, 2020
- 2.) Mr. Hawes reported to the Board Members that the accounts receivable report specified that the accounts receivable was 84% current as of May 31, 2020.

Agenda Item No. 5: Approval of Disbursements and Transfers: All Funds

The Board Members reviewed the June 10, 2020 Port Operations Account disbursements. Pursuant to review, a motion was made by Board Secretary Tony Holladay to approve disbursements and the corresponding transfers for June 10, 2020. The motion was seconded by Board Member Luis De La Garza and the motion carried that the disbursements and the corresponding transfers be approved.

| <u>TRANSFER NO</u> | <u>FUND ACCOUNT</u> | <u>AMOUNT</u> | |
|----------------------------------------------------|-------------------------|----------------------|---------------|
| <u>GROSS REVENUE FUND</u> | | | |
| 2019-078 | To Port Operations Fund | \$ 71,476.04 | |
| 2019-079 | To Port Operations Fund | 62,902.13 | |
| 2019-081 | To Port Operations Fund | 375,235.28 | |
| | Total | \$ 509,613.45 | |
| <u>MAINTENANCE AND OPERATIONS FUND</u> | | | |
| 2019-081 | To Port Operations Fund | 99.70 | |
| | Total | \$ 99.70 | |
| <u>BUSINESS DEVELOPMENT FUND</u> | | | |
| 2019-081 | To Port Operations Fund | \$ 24.60 | |
| | Total | \$ 24.60 | |
| <u>DEPRECIATION & MAJOR REPAIR FUND</u> | | | |
| | To Port Operations Fund | \$ 0.00 | |
| | Total | \$ 0.00 | |
| <u>AN/NH3 OPERATING FUND</u> | | | |
| 2019-081 | To Port Operations Fund | \$ 237,207.78 | |
| | Total | \$ 237,207.78 | |
| TOTAL TRANSFERS TO PORT OPERATIONS ACCOUNT | | \$ 746,945.53 | |
| <u>INTERFUND TRANSFERS</u> | | | |
| <u>DATE</u> | <u>FROM</u> | <u>TO</u> | <u>AMOUNT</u> |

| | | | |
|---------|------------------|-----------------|-------------------|
| 6/10/20 | AN/NH3 Operating | AN/NH3 Dep. M/R | \$7,500.00 |
| | Total | | <u>\$7,500.00</u> |

Agenda Item No. 6: Port Director’s Report.

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

- A. Harbor Traffic Statistics for the month of May:
 That a total of 62 vessels had arrived at the public port facilities during the month of May; 25 deep draft arrivals and 37 inland barges and a total of 157 invoices were issued. Further, that 7 deep draft vessels were already on schedule for June arrival.
 Total revenue tons for the month of May were 344,375.0 short tons. The total tonnage for the first eleven months of fiscal year 2020 are 5,166,605.0 short tons.
- B. NGL loaded out 4 crude oil barges totaling 13,542.5 short tons.
- C. Seadrift Coke lightered 4 barges of needle coke totaling 6,682.8 short tons to 1 ship for export.
- D. Harvest loaded out 2 crude oil barges totaling 6,075.8 short tons.

Agenda Item No. 7: Review and Consideration of Approval of Board Members Committee/Conference Attendance.

Pursuant to further review and discussion, a motion was made by Board Member H. C. Wehmeyer, Jr to approve the Board Members Committee/Conference attendance. The motion was seconded by Board Secretary Tony Holladay and the motion carried unanimously.

Agenda Item No. 8: Review and Consideration of Approval of the Transfer of Funds for the Berthing Area Dredging as Bid Option 2 to the Matagorda Ship Channel, Matagorda Peninsula to Point Comfort in Matagorda County, Texas in accordance with the Memorandum of Agreement between the U.S. Army Corps of Engineers and the Calhoun Port Authority dated March 17, 2020.

The Board Members reviewed a copy of the bid tabulation sheet received from the US Army Corps of Engineers for the FY 2020 Matagorda Ship Channel Maintenance Dredging. The apparent low bidder was Mike Hooks, LLC and the port’s berthing option came in at \$1,340,000.00. The port would also pay an additional \$40,000.00 for the Corps to administer the contract and survey data bringing the total wire transfer of funds to the Corps to \$1,380,000.00. Pursuant to further review and discussion, a motion was made by Board Member Jay Cuellar to approve the transfer of funds for the Berthing Area Dredging as Bid Option 2 to the Matagorda Ship Channel, Matagorda Peninsula to Point Comfort in Matagorda County, Texas in accordance with the Memorandum of Agreement between the U.S. Army Corps of Engineers and the Calhoun Port Authority dated March 17, 2020 in the amount of \$1,380,000.00. the motion was seconded by Board Member Johnny Perez and the motion carried unanimously.

Agenda Item No. 9: Review and Consideration of a Letter of Support for Matagorda Bay and Powderhorn Lake Marsh Protection Project Proposed by Texas Parks and Wildlife Department.

The Board Members reviewed a copy of an email from Kendel Keyes with the Texas Parks & Wildlife Department requesting a letter of support for the Powderhorn shoreline protection project. Also reviewed was the proposed letter of support for the project, the Gulf Environmental Benefit Fund Project

Preproposal along with the Phase I, Powderhorn Lake and Matagorda Bay Shoreline Conservation Planning document. A portion of the project would be constructed on submerged property owned by the Calhoun Port Authority in Matagorda Bay. If the project gets funding, Parks and Wildlife would have to get an easement from the Port to construct erosion protection on the Port owned bay bottom. Board Chair J. C. Melcher, Jr. and Board Secretary Tony Holladay initially expressed that they were against supporting the project for various reasons. Pursuant to review and discussion, a motion was made by Board Member Jay Cuellar to approve supporting the project with the letter being amended to express that the Port's support would be for the engineering process only and no funding would be promised. The motion was seconded by Board Member Luis De La Garza and the motion carried unanimously.

Agenda Item No. 10: Review and Consideration of Approval of the AN/NH3 Storage Fees Effective July 1, 2020, Port Tariff Item No. 199, Subrule 4A.

No action was taken on this agenda item.

Agenda Item No. 11: Review and Consideration of an Engagement Agreement for Legal Services with the Law Firm of Roberts, Odefey, Witte & Wall, LLP.

The Board Members reviewed an engagement agreement for hourly rates with the law firm of Roberts, Odefey, Witte & Wall, LLP. Pursuant to further review and discussion, a motion was made by Board Secretary Tony Holladay to approve the engagement agreement for legal services with the law firm of Roberts, Odefey, Witte & Wall, LLP. The motion was seconded by Board Member Jay Cuellar and the motion carried unanimously.

Agenda Item No. 12: Review and Consideration of an Engagement Agreement for Legal Services with the Law Firm of Moore Landrey, LLP, Alan Sanders, Attorney at Law.

The Board Members reviewed an engagement agreement for legal services with the law firm of Moore Landrey, LLP, Alan Sanders, Attorney at Law. Pursuant to further review and discussion, a motion was made by Board Secretary Tony Holladay to approve the proposed engagement agreement for legal services with Moore Landrey, LLP. The motion was seconded by Board Member Johnny Perez and the motion carried unanimously.

Agenda Item No. 13: Consider and take any action deemed necessary to Amend Job Classification Section of the Authority's Employee Policy and Procedure Manual, page 6, to adopt the past fifteen-year best safety practice of requiring an annual physical review of each employee to ensure the employee can perform the function of the employee's job description.

The Board Members reviewed the following language that Port Staff was proposing to be added to the Calhoun Port Authority's Employee Policy and Procedure Manual in Section 8, Job Classification under Policies of Importance to You; "All employees are subject to an annual physical review to ensure said employee can perform the functions of the employee's job description. This examination for compliance with an employee's job description shall be at the Port's cost and must be performed within thirty (30) days of being notified of the testing." Pursuant to further review and discussion, a motion was made by Board Member Jay Cuellar to amend the Job Classification Section of the Port Authority's employee policy and procedures manual, page 6, to adopt the past fifteen-year best safety practice of requiring an annual physical review of each employee to ensure the employee can perform the function of the employee's job description. The motion was seconded by Board member Luis De La Garza and the motion carried unanimously. At this time, the Board Chair appointed Board Members Jay Cuellar and

Johnny Perez to serve on a budget committee with the Board Chair and the Port Director for the Fiscal Year 2021 Budget.

Agenda Item No. 14: Closed Session: As Authorized by Tex. Gov't Code 551.087(1): to discuss or deliberate regarding commercial information that the Port has received from a business prospect that the Port seeks to have locate, stay, or expand in or near the territory of the Port and with which the Port is conducting economic development negotiations.

The Board did not convene into Closed Session at this time.

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

No action was taken.

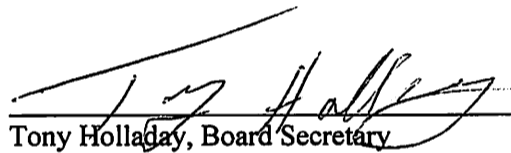
Agenda Item No. 16: Adjourn.

There being no further business to be brought before the Board, a motion was duly made that the meeting be declared adjourned at approximately 9:50 a.m. on Wednesday, June 10, 2020.



J. C. Melcher, Jr. Board Chair

ATTEST:



Tony Holladay, Board Secretary