

**CALHOUN PORT AUTHORITY
REGULAR MEETING
May 13, 2020**

A regular meeting of the Calhoun Port Authority was held on Wednesday, May 13, 2020 at 9:00 a.m. by Telephone and/or Video Conferencing via Webex ONLY. This meeting was held by telephone and/or video conferencing via Webex due to the state of emergency declared by state and local officials, and because of mandatory or recommended restrictions on public gatherings, the convening at one location of a quorum of the Calhoun Port Authority Board is difficult or impossible. In accordance with the Governor's Executive Orders, this meeting was held via WebEx teleconference to adhere to social distancing practices.

Board Members attending via video or 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.

Staff Members attending via video or telephone were:

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

Others attending via video or telephone were:

Jack Wu – Formosa Plastics Corporation
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.

Agenda Item No. 2: Public Comment.

No action was taken on this agenda item.

Agenda Item No. 3: Approve the minutes of the Wednesday, April 8, 2020 Regular Meeting.

The Board Members reviewed the minutes from the Wednesday, April 8, 2020 Regular Meeting. Pursuant to further review and discussion, a motion was made by Board Secretary Tony Holladay to approve the minutes of the Wednesday, April 8, 2020 Regular Meeting as presented. The motion was seconded by Board Member Luis De La Garza 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 April 30, 2020:

- 1.) Accounts Receivable Report as of April 30, 2020

2.) Mr. Hawes reported to the Board Members that the accounts receivable report specified that the accounts receivable were 90% current as of April 30, 2020.

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

The Board Members reviewed the May 13, 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 May 13, 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>			
2019-075	To Port Operations Fund	\$ 73,728.27	
2019-076	To Port Operations Fund	471.00	
2019-077	To Port Operations Fund	62,301.39	
2019-079	To Port Operations Fund	574,389.22	
	Total	\$ 710,889.88	
<u>MAINTENANCE AND OPERATIONS FUND</u>			
2019-079	To Port Operations Fund	0.00	
	Total	\$ 0.00	
<u>BUSINESS DEVELOPMENT FUND</u>			
2019-079	To Port Operations Fund	\$ 24.48	
	Total	\$ 24.48	
<u>DEPRECIATION & MAJOR REPAIR FUND</u>			
	To Port Operations Fund	\$ 0.00	
	Total	\$ 0.00	
<u>AN/NH3 OPERATING FUND</u>			
2019-079	To Port Operations Fund	\$ 505,502.71	
	Total	\$ 505,502.71	
TOTAL TRANSFERS TO PORT OPERATIONS ACCOUNT		\$ 1,216,417.07	
<u>INTERFUND TRANSFERS</u>			
<u>DATE</u>	<u>FROM</u>	<u>TO</u>	<u>AMOUNT</u>
5/13/20	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 April:

That a total of 112 vessels had arrived at the public port facilities during the month of April; 30 deep draft arrivals and 82 inland barges and a total of 221 invoices were issued. Further, that 14 deep draft vessels were already on schedule for May arrival.

Total revenue tons for the month of April were 462,677.3 short tons. The total tonnage for the first ten months of fiscal year 2020 are 4,816,461.7 short tons.

B. NGL loaded out 28 crude oil barges totaling 93,229.8 short tons.

C. Seadrift Coke lightered 4 barges of needle coke totaling 6,630.9 short tons to 1 ship for export.

D. Harvest loaded out 6 crude oil barges totaling 16,290.62 short tons.

E. Board Chair J. C. Melcher Jr. appointed Board Members Johnny Perez and Jay Cuellar to form a committee to review professional services agreements for legal counsel and to meet with the Port Director.

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

No action was taken on this agenda item.

Agenda Item No. 8: Review and Consideration of an Easement Agreement between the Calhoun Port Authority and South Texas NGL Pipelines, LLC for a 325.0 Rod, 8 Inch Pipeline Across a Portion of Submerged Real Property Owned by the Port Under Lavaca Bay.

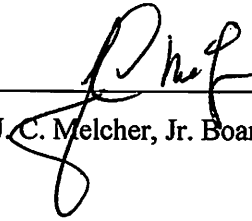
The Board Members reviewed a copy of an easement agreement between the Calhoun Port Authority and South Texas NGL Pipelines, LLC for a 325.0 rod, 8-inch pipeline that will be in Lavaca Bay. The easement was for a period of ten years at a fee of \$12,977.25 plus an administrative fee of \$2,500.00 for document preparation. Pursuant to further review and discussion, a motion was made by Board Member Jay Cuellar to approve the easement agreement between the Calhoun Port Authority and South Texas NGL Pipelines, LLC with clarifications to the language regarding a 4-foot minimum of coverage of the pipeline. The motion was seconded by Board Secretary Tony Holladay and the motion carried unanimously.

Agenda Item No. 9: Review and Consideration of Fiscal Year 2020 Budget Amendments.

The Board Members reviewed a copy of a spreadsheet summarizing the adjustments to revenues and expenditures for the FY2020 budget. Revenues were expected to decreased by \$1,701,255.00 and expenditures were expected to decreased by \$3,213,431.00. The change in revenue was mainly due to the decrease in AN/NH3 storage fees while the change in expenditures was mostly due to a decrease in AN/NH3 facility operator fees. The original budgeted income was \$2,922,950.00 and after the amendments the budgeted income is \$4,435,125.00 before depreciation for an increase of \$1,512,175.00. The revised projected net income after depreciation is \$3,475,125.00. Pursuant to further review and discussion, a motion was made by Board Member Jay Cuellar to approve the Fiscal Year 2020 Budget Amendments as presented. The motion was seconded by Board Member H. C. Wehmeyer, Jr. and the motion carried unanimously.

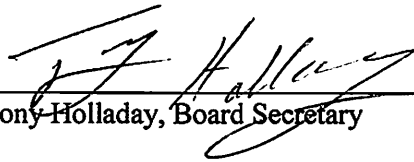
Agenda Item No. 10: Adjourn.

There being no further business to be brought before the Board, a motion was duly made that the meeting be declared adjourned at approximately 9:40 a.m. on Wednesday, May 13, 2020.



J.C. Melcher, Jr. Board Chair

ATTEST:



Tony Holladay, Board Secretary