

POHA February 1, 2024

The Commissioners of the Port of Harlingen Authority (POH) met in a regularly scheduled session on Thursday, February 1, 2024 at 12:00 PM at the Port's Administration Office located at 24633 Port Road, Harlingen, Texas, 78550.

COMMISSIONERS PRESENT: Neil Haman – Commissioner, Place 2
Alan Johnson – Chairman, Place 3
Chris Villarreal – Commissioner, Place 4

PORT STAFF PRESENT: Walker Smith – Port Director
Robert McDonald – Chief Financial Officer (remote)
Amy Lynch - Director of Marketing & Public Relations
Anne Jimenez - Receptionist

OTHERS PRESENT: Chris Boswell – Port Attorney

A. Meeting called to order at 12:16 pm.

Declaration of conflicts of interest: None.

B. 1. **Item:** PUBLIC COMMENTS

2. **Issue:** To hear public comments, if any.

3. **Discussion:** There were no public comments.

4. **Action Taken:** None.

C. 1. **Item:** APPROVAL OF VOUCHERS

2. **Issue:** To review the vouchers for approval.

3. **Discussion:** There was no discussion regarding the vouchers.

4. **Action Taken:** On a motion by Mr. Villarreal and seconded by Mr. Haman, the Commissioners approved the vouchers. After a vote, the ayes were 3 and the nays were 0.

D. 1. **Item:** APPROVAL OF MINUTES FOR THE MEETING ON JANUARY 18, 2024

2. **Issue:** To review the corresponding minutes.

3. **Discussion:** There was no discussion regarding the minutes

4. **Action Taken:** On a motion by Mr. Villarreal and seconded by Mr. Haman, the Commissioners approved the minutes and certified agenda for the meeting on January 18, 2024. After a vote, the ayes were 3 and the nays were 0.

E. 1. **Item:** APPROVAL OF QUARTERLY CASH FLOW AND INVESTMENT REPORTS

2. **Issue:** To review the reports for possible approval.

3. **Discussion:** Mr. McDonald reviewed the reports with the Commissioners. Regarding the 5-year Cash Flow report, Mr. McDonald stated that the projected available cash is in the negative. However, Mr. McDonald said that he is not concerned about it at this point because there are a lot of upcoming changes in the next 2 years that will affect that projection. Mr. McDonald will continue to update the Cash Flow report on a quarterly basis. Regarding the Investment report, Mr. McDonald said that the total earnings were up from last quarter, which has been the case for the last five quarters. And the 4.23% calculated return was slightly lower than in the last quarter (5 basis points), mostly due to interest rates leveling off. Mr. McDonald also stated that the calculated return was 80% of the benchmark. Due to the current inverted interest rate environment, it will be very difficult to reach the benchmark return and lock in returns for two years. Mr. Villarreal asked if it made sense to sell anything to lock in unrealized gains. Mr. McDonald replied that the gain from selling wouldn't be enough to be advisable, but that was something worth keeping an eye on.

4. **Action Taken:** On a motion by Mr. Villarreal and seconded by Mr. Haman, the Commissioners approved the quarterly Cash Flow and Investment reports. After a vote, the ayes were 3 and the nays were 0.

F. 1. **Item:** STAFF REPORTS

2. **Issue:** To hear from staff regarding their respective projects.

3. **Discussion:** Mr. Smith reported that Titan Fuel has asked when the Port plans on starting the new scale foundation. Mr. Smith also reported that Key Petrol will add a vacant 2 acres to their lease in order to build a scale for their trucks. Mrs. Lynch reported that she is working on contracting new outdoor signage for the Port as well as she is putting together an announcement for the audit.

4. **Action Taken:** This was for discussion only.

G. 1. **Item:** CONSIDER AND POSSIBLE ACTION TO EXECUTE THE SERVICE AGREEMENT WITH RHYNER CONSTRUCTION FOR THE DOCK 8/NUSTAR DOCK REHAB PROJECT

2. **Issue:** To review the agreement for possible approval.

3. **Discussion:** Mr. Walker stated that he and the contractor were still discussing the contract. And that it was not ready for approval. Commissioner Villarreal Moved to table the item and the Motion was seconded by Chairman Johnson and the vote was called. The ayes were 3

and the nays were 0.

4. **Action Taken:** Any action was tabled.

H. 1. **Item:** RECOGNITION OF MR. BRYAN DUFFY FOR HIS MANY YEARS OF SERVICE AS A COMMISSIONER OF THE PORT OF HARLINGEN

2. **Issue:** To recognize Mr. Duffy's service through a resolution.

3. **Discussion:** The Commissioners thanked Mr. Duffy for his years of service as a Commissioner and presented a resolution honoring his retirement from the Commission. Mr. Duffy was also presented with a gift as a token of the Port's appreciation.

4. **Action Taken:** On a motion by Mr. Villarreal and seconded by Mr. Haman, the Commissioners resolved to recognize and honor Mr. Bryan Duffy's years of service and retirement as a Port Commissioner. After a vote, the ayes were 3 and the nays were 0.

The Commission entered the executive session authorized by Chapters 551.071, 551.072 & 551.074 at 12:50 PM. They came out of the executive session at 1:35 PM. A Certified Agenda for the executive session is on file.

I. 1. **Item:** ACTION REGARDING EXECUTIVE SESSION

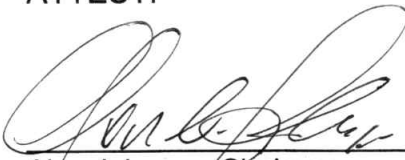
2. **Issue:** Consider employee bonuses pursuant to TEX GOVT CODE 551.074.

3. **Discussion:** Discussion took place under executive session under Texas Government Code 551.074.

4. **Action Taken:** On a motion by Mr. Johnson and seconded by Mr. Villarreal, the Commission approved the employee performance bonuses.

There being no further business, the meeting was adjourned at 1:40 PM.

ATTEST:


Alan Johnson, Chairman


Chris Villarreal, Secretary