

POHA October 17, 2024

The Commissioners of the Port of Harlingen Authority (POH) met in a regularly scheduled session on Thursday October 17, 2024 at 12:00 PM at the Port's Administration Office located at 24633 Port Road, Harlingen, Texas, 78550.

COMMISSIONERS PRESENT: Rose Snell – Commissioner, Place 1
Neil Haman – Commissioner, Place 2
Alan Johnson – Chairman, Place 3
Chris Villarreal – Commissioner, Place 4
Ryan Newman – Commissioner, Place 5

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 12:20 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. Haman and seconded by Mr. Newman, the Commissioners voted unanimously to approved the vouchers.

D. 1. **Item:** APPROVAL OF MINUTES & CERTIFIED AGENDA FOR THE MEETING ON OCTOBER 8, 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. Haman and seconded by Mrs. Snell, the

Commission voted unanimously to approve the minutes & certified agenda for the meeting on October 8, 2024.

- E. 1. **Item:** CONSIDERATION AND POSSIBLE ACTION REGARDING THE SEPTEMBER FINANCIAL, OPERATIONS AND CAPITAL PROJECTS REPORTS
2. **Issue:** To review and approve the reports.
 3. **Discussion:** Regarding the A/R Aging Summary, Mr. McDonald said that most of the outstanding invoices have been paid. Regarding the Balance Sheet, he said the Circle X Construction in Progress expenses will need to be moved to the income statement. Regarding the Profit & Loss Budget Performance, Mr. McDonald said that the Port will end the fiscal year being \$239,000 under budget for revenue. However, it is \$333,000 under budget for expenses which makes the earning \$95,000 over budget. Regarding the Tonnage report, the Port ended the fiscal year with 2,261,000 tons.
 4. **Action Taken:** On a motion by Mr. Villarreal and seconded by Mrs. Snell, the Commissioners voted unanimously to approve the September reports: Tonnage, A/R Aging Summary, Balance Sheet, Profit Loss Budget Performance, and the Master Plan Progress Report.
- F. 1. **Item:** PORT DIRECTOR'S REPORT AND DISCUSSION
2. **Issue:** To hear updates regarding various projects.
 3. **Discussion:** Mr. Smith reported that he made a trip to Austin to speak to the Senate Border Security Committee clerk. He spoke to the clerk about the overweight corridor and how the fuel operations would benefit from an extension of the Port's corridor. Mr. Smith said that William Yarnell is working on reintroducing the Port's overweight corridor bill to the state legislature. Mr. Smith also reported a meeting he had with a business owner who expressed interest in leasing the former sugar warehouse.
 4. **Action Taken:** This was for discussion only.
- G. 1. **Item:** PR & MARKETING DIRECTOR'S REPORT AND DISCUSSION
2. **Issue:** To hear updates regarding various projects.
 3. **Discussion:** Mrs. Lynch reported that she assisted Mr. Smith in putting together information for his Austin visit. She and Mr. Smith also met with Trans Systems about the Port's railyard design and put together information for other potential rail consultants.
 4. **Action Taken:** This was for discussion only.

- H. 1. **Item:** CONSIDERATION AND POSSIBLE ACTION REGARDING THE PORT'S TURNING BASIN CAP 107 FEASIBILITY STUDY AND TO PURSUE A LOCALLY PREFERRED PLAN WAIVER
2. **Issue:** The Turning Basin CAP 107 program.
3. **Discussion:** Mr. Smith presented the Commission with two summaries of the CAP 107 Turning Basin expansion options that were given by the USACE. One option was called the "Locally Preferred Plan" and the other was USACE's study team's preferred plan. Mr. Smith said under the Locally Preferred Plan, the Turning Basin would have a large expansion although the overall project cost is high. This plan would result in the Port's cost-share contribution to be around \$11 million. The alternative option has a very minor expansion and primarily focuses on restructuring the existing docks to accommodate further barge traffic. With this alternative plan, the Port's contribution would be around \$8.2 million. Mr. Smith said the Port has the option of taking a very low-interest rate loan with the state to help fund the cost-share contribution. Mr. Smith also stated that the newly acquired Quinn property will be converted into a new placement area for dredging. If the Port decides to continue with the CAP 107 program, it will need to submit a waiver with USACE due the project cost estimate exceeding the program's financial limit.
4. **Action Taken:** On a motion by Mr. Haman and seconded by Mrs. Snell, the Commission authorized the Port Director to pursue the Locally Preferred Plan Waiver.

The Commission entered the executive session authorized by Chapters 551.071 & 551.072 at 1:02 PM. They came out of the executive session at 1:25 PM. A Certified Agenda for the executive session is on file.

There being no further business, the meeting was adjourned at 1:26 PM.

ATTEST:



Alan Johnson, Chairman



Chris Villarreal, Secretary