

POHA December 19, 2024

The Commissioners of the Port of Harlingen Authority (POH) met in a regularly scheduled session on Thursday December 19, 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 12:15 pm.

Declaration of conflicts of interest: Chris Villarreal & Ryann Newman submitted a conflict-of-interest affidavit concerning items I, J & K.

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 Mrs. Snell and seconded by Mr. Villarreal, the Commissioners voted unanimously to approve the vouchers.

D. 1. **Item:** APPROVAL OF MINUTES & CERTIFIED AGENDA FOR THE MEETING ON DECEMBER 5, 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. Newman and seconded by Mrs. Snell, the

Commission voted unanimously to approve the minutes & certified agenda for the meeting on December 5, 2024.

E. 1. **Item:** CONSIDERATION AND POSSIBLE ACTION REGARDING THE NOVEMBER FINANCIAL, OPERATIONS AND CAPITAL PROJECTS REPORTS

2. **Issue:** To review and approve the reports.

3. **Discussion:** Regarding the Tonnage report, Mr. McDonald stated there was a total tonnage of 206,000 tons for November. Regarding A/R Aging Summary, he said that NuStar has paid its outstanding balance. Regarding the Balance Sheet, Mr. McDonald stated that the treasury balance is down by \$1.2 million due to only half of the funds being reinvested. Regarding the Profit Loss Budget Performance report, he said that the total income last month was \$45,000 over budget and the expenses were \$2,000 under budget.

4. **Action Taken:** On a motion by Mr. Haman and seconded by Mr. Newman, the Commissioners voted unanimously to approve the November reports: Tonnage, A/R Aging Summary, Balance Sheet, Profit Loss Budget Performance, and the Master Plan Progress Report.

F. 1. **Item:** PORT DIRECTOR REPORT AND DISCUSSION

2. **Issue:** To hear updates regarding various projects.

3. **Discussion:** Mr. Smith presented reports from the Port's federal legislative consultant, Mrs. Younger. She put together a summary of appointees for the Office of Management & Budget. Mr. Smith also reported that he held a constructive meeting with Senator-elect Adam Hinojosa. He also stated that traffic with the fuel trucks has been steady. Regarding the drainage & illumination project, Mr. Smith said that they are close to the fund letting phase with the grant. He also reported that USACE should begin maintenance dredging soon.

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

G. 1. **Item:** PR & MARKETING DIRECTOR REPORT AND DISCUSSION

2. **Issue:** To hear updates regarding various projects.

3. **Discussion:** Mrs. Lynch stated that she has been working with Mr. Smith on legislative items. She has also been working with the Chamber of Commerce to have an agenda for the next legislative session. Mrs. Lynch also stated she is working on the marketing budget for the next fiscal year.

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

- H. 1. **Item:** CONSIDERATION AND POSSIBLE ACTION TO APPROVE A NEW LEASE AGREEMENT WITH JONES POWER, LLC
2. **Issue:** To review the lease agreement.
3. **Discussion:** Mr. Smith told the Commission that Jones Power LLC has requested to lease 26 acres of land behind Chalico Concrete on the east side of the Arroyo. He said that Jones Power intends to bring in pipe via barge for an LNG pipeline project. The lease would be a short-term lease. He said the rent would be \$18,000 every month.
4. **Action Taken:** On a motion by Mr. Newman and seconded by Mr. Haman, the Commission voted unanimously to approve the lease agreement with Jones Power, LLC.

(Commissioners Villarreal & Newman exited the meeting chamber at this time and did not participate in the discussion or voting on the following matters.)

- I. 1. **Item:** CONSIDERATION AND POSSIBLE ACTION TO APPROVE THE ASSUMPTION OF THE CEMEX CONSTRUCTION MATERIALS SOUTH, LLC LEASE AGREEMENT BY VMK CONCRETE, LLC AND/OR A LEASE BETWEEN THE PORT OF HARLINGEN AUTHORITY WITH VMK CONCRETE, LLC
2. **Issue:** To review the lease agreement.
3. **Discussion:** Per the discussion at the last meeting, Mr. Boswell submitted the requested changes to the lease agreement to correct the COLA index date and add a 6-month decommissioning clause. Also, Mr. Smith requested the financial statements and is still waiting to receive them.
4. **Action Taken:** No action was taken.
- J. 1. **Item:** CONSIDERATION AND POSSIBLE APPROVAL OF A LANDLORD WAIVER OF SECURITY FOR VMK CONCRETE, LLC
2. **Issue:** To review the waiver for approval.
3. **Discussion:** Discussion was tabled.
4. **Action Taken:** No action was taken.
- K. 1. **Item:** CFO REPORT AND DISCUSSION
2. **Issue:** To hear updates regarding various projects.
3. **Discussion:** Regarding the loan for the land known as "FM 1595 RGV," Mr. McDonald stated that he concluded that it would make financial sense for the Port to refinance the loan for another year. He recommended the Port pay it completely in January. The

Commission agreed with Mr. McDonald's assessment.

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

(Commissioners Villarreal & Newman returned to the meeting chamber at this time.)

The Commission entered the executive session authorized by Chapters 551.071 & 551.072 at 12:56 PM. They came out of the executive session at 1:32 PM. A Certified Agenda for the executive session is on file.

There being no further business, the meeting was adjourned at 1:33 PM.

ATTEST:



Alan Johnson, Chairman



Chris Villarreal, Secretary