

POHA May 07, 2026

The Commissioners of the Port of Harlingen Authority (POH) met in a regularly scheduled session on Thursday May 07, 2026, 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 - Commissioner, 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

A. Meeting called to order at 12:00 pm.

Declaration of conflicts of interest: Commissioner Johnson submitted a conflict-of-interest affidavit and abstained from approving the check for Lawn-Pros Chem-Green.

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

D. 1. **Item:** APPROVAL OF MINUTES & CERTIFIED AGENDA FOR THE MEETING ON APRIL 16, 2026

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

3. **Discussion:** Mr. Boswell noted that a correction was needed on the Certified Agenda item A. It should be corrected to FINCEN.

4. **Action Taken:** On a motion by Mr. Villarreal and seconded by Mr. Newman, the Commission voted unanimously to approve the minutes & certified agenda for the meeting on April 16, 2026 subject to the noted correction.

- E. 1. **Item:** PORT DIRECTOR REPORT AND DISCUSSION
2. **Issue:** To hear updates regarding various projects.
3. **Discussion:** Mr. Smith reported on a meeting he had with Zeke Silva from Sen. Adam Hinjosa's office. The subject was interim charges for the Overweight Corridor. Regarding USACE communications, Mr. Smith stated that USACE informed him the cost of dredging had increased substantially from \$300,000 to \$1.6 million. Regarding Grants report, Mr. Smith said that Burns & McDonnell did site visits last week to assess the infrastructure. Regarding Construction Project Status, Mr. Smith said that the dock project should be completed soon.
4. **Action Taken:** This was for discussion only.
- F. 1. **Item:** PR AND MARKETING DIRECTOR REPORT AND DISCUSSION
2. **Issue:** To hear updates regarding various projects.
3. **Discussion:** Mrs. Lynch reported that she will be mailing out the Annual Reports this week. She also will be working on grant reporting.
4. **Action Taken:** This was for discussion only.
- G. 1. **Item:** CONSIDERATION AND POSSIBLE ACTION REGARDING LEASE AGREEMENT WITH HARLINGEN GIN
2. **Issue:** To review and approve the lease agreement with Harlingen Gin.
3. **Discussion:** Mr. Smith said that he presented Harlingen Gin with a draft lease agreement for the 2.7 acres that it subleases from Bunge. Mr. Smith said that the terms are the standard land lease rate of \$250 an acre. He is still waiting for Harlingen Gin's response.
4. **Action Taken:** No action was taken.
- H. 1. **Item:** CONSIDERATION AND POSSIBLE ACTION REGARDING CHANGE ORDER #3 FOR THE SCP 88 DRAINAGE AND LIGHTING PROJECT
2. **Issue:** To review and approve Change Order #3.
3. **Discussion:** Mr. Smith explained that this change order will address the drain ditch that goes under Port Rd. The cost of the change order is still within the grant funding amount.
4. **Action Taken:** On a motion by Mr. Villarreal and seconded by Mrs. Snell, the Commission voted unanimously to approve Change Order #3 for the SCP 88 Drainage & Lighting Project.

I. **Item:** CFO REPORT AND DISCUSSION ON THE FOLLOWING ITEMS:

I. CONSIDERATION AND POSSIBLE ACTION REGARDING THE MID-YEAR BUDGET REVIEW

2. **Issue:** To review and approve the reports.
3. **Discussion:** Mr. McDonald explained that there is an added section called Bad Debt Expense under operating income. The bad debt will cover 92% of the current A/R balance for Titan Fuel. He also added Interest Expense and Incentive Wages. Combined, these three items add \$609,016.73 to the Operating Expense budget, or lower operating income by that amount. Mr. McDonald also noted there are 11 other Operating Income items where the budget was increased by smaller amounts. However, other areas decreased so that these all net to zero.
4. **Action Taken:** On a motion by Mr. Newman and seconded by Mr. Villarreal, the Commissioners voted unanimously to approve the mid-year Budget.

II. CONSIDERATION AND POSSIBLE ACTION REGARDING THE QUARTERLY INVESTMENT AND CASH FLOW REPORTS

2. **Issue:** To review and approve the reports.
3. **Discussion:** Regarding the Cash Flow report, Mr. McDonald noted that 2028 has the lowest projected cash available at \$43,000. He also stated that the current cashflow shows the Port buying more treasuries in June of 2026 and November of 2026, but no more after that. Regarding the Investment report, Mr. McDonald stated that the earnings are less than last quarter due to declining interest rates. However, the Port's earnings rate does continue to exceed the benchmark rate (Average 6-Month T-Bill rate for the quarter). The fair market value of the treasuries decreased by over \$600,000. The reason for this decrease is the Port had \$2.1 million in treasuries mature, and replaced it with \$1.4 million in treasuries.
4. **Action Taken:** On a motion by Mr. Villarreal and seconded by Mrs. Snell, the Commissioners voted unanimously to approve the quarterly Investment and Cash Flow reports.

The Commission entered the executive session authorized by Chapters 551.071 and 551.072 at 12:55 PM. They came out of the executive session at 1:20 PM. A Certified Agenda for the executive session is on file.

J. 1. **Item:** CONSULTATION WITH PORT ATTORNEY REGARDING LEGAL ISSUES AND POSSIBLE LITIGATION RELATED TO TENANT RENT DELINQUENCIES AND MINIMUM WHARFAGE

2. **Issue:** To discuss the Titan Fuel lease agreement.

3. **Discussion:** Discussion took place during the executive session.
4. **Action Taken:** On a motion by Mr. Haman and seconded by Mr. Villarreal, the Commission voted unanimously to authorize the Port Director to negotiate with Titan Fuel on the updated terms to reinstate the lease agreement.

There being no further business, the meeting was adjourned at 1:21 PM.

ATTEST:



Alan Johnson, Chairman



Chris Villarreal, Secretary