

**PORT OF GALVESTON
REQUEST FOR DISCUSSION AND
TRUSTEES ACTION**

MINUTES

PREPARED BY: Angelina Ramirez Secretary, Board of Trustees April 19, 2022

SUBJECT: Minutes – Regular Monthly Meeting of the Board of Trustees of the Galveston Wharves held Tuesday, March 29, 2022

BACKGROUND: Attached are the minutes of the Regular Monthly Meeting of the Board of Trustees of the Galveston Wharves held Tuesday, March 29, 2022.

RECOMMENDATIONS: Port staff respectively requests Board approval of the minutes from the Regular Monthly Meeting of the Board of Trustees of the Galveston Wharves held Tuesday, March 29, 2022.

Respectfully Submitted By:


Rodger Rees, Port Director/CEO

DATE ACTION TAKEN: _____

Approved: _____
Disapproved: _____
Deferred To: _____
Incorporated into Minutes: _____

Motion By: _____
Seconded By: _____
Unanimous: Yes _____ No _____
By: _____

**Minutes of the Regular Monthly Meeting of the
Board of Trustees of the Galveston Wharves
Tuesday, March 29, 2022**

Minutes of the Regular Monthly Meeting of the Board of Trustees of the Galveston Wharves held Tuesday, March 29, 2022 in the offices of the Port of Galveston on the 8th Floor of the Shearn Moody Plaza, 123 Rosenberg, Galveston, Texas.

The Regular Monthly Meeting of the Board of Trustees of the Galveston Wharves was televised live on the Port of Galveston’s website.

Chairman Maxwell called the meeting to order at 9:56 a.m., Tuesday, March 29, 2022.

The Board Secretary called roll.

Presiding Officer: Harry D. Maxwell, Jr., Chairman, Board of Trustees

Present:	Vice Chairman Todd P. Sullivan	Trustee/Mayor Craig Brown
	Trustee Sheila Lidstone	Trustee E. L. “Ted” O’Rourke
	Trustee Jeff Patterson	Trustee Victor Pierson

Others:	Rodger Rees	Anthony P. Brown
	Brett Milutin	Mark Murchison
	Jeffrey Thomas	Angie Ramirez
	Andy Tran	Diane Acosta
	Niels Aalund	

Chairman Maxwell declared that a quorum of the Trustees was present for the meeting.

The Board and Staff recited the Pledge of Allegiance.

Chairman Maxwell called for the declaration of conflicts of interest on today’s agenda items. Vice Chairman Sullivan declared a standing conflict with Texas International Terminals, Callan Marine, and DRC Emergency Services.

Chairman Maxwell called for public comments. No comments were voiced.

Chairman Maxwell called for a motion to approve the Minutes of the Regular Monthly Meeting of the Board of Trustees of the Galveston Wharves held February 22, 2022, the Minutes of the Special Meeting of the Board of Trustees of the Galveston Wharves held February 25, 2022 and the Minutes of the Special Meeting of the Board of Trustees of the Galveston Wharves held March 2, 2022. ***Trustee Patterson moved, with the second of Trustee Pierson, to approve all three sets of minutes as presented to the Trustees in their notebooks. Motion unanimously carried.***

Chairman Maxwell called for the Port Director's Report.

The Port Director briefed the Trustees on the details of his report noting financials, cargo, cruise, lay-dockage, and priority projects. All other information was provided to the Trustees in their briefing materials and was reviewed and discussed in detail. After all meaningful discussion was heard, and questions answered, Chairman Maxwell thanked the Port Director for his report. The presentation of the Port Director's Report can be viewed on the Port's website.

Chairman Maxwell announced that the Trustees were going to recess into Executive Session pursuant to Texas Government Code Section 551.071 – Consultation with Attorney, Section 551.072 – Real Estate, and Section 551.087 – Economic Development Negotiation. The time was 11:16 a.m., Tuesday, March 29, 2022.

Chairman Maxwell convened the Executive Session at 11:32 a.m. on Tuesday, March 29, 2022.

Chairman Maxwell adjourned the Executive Session at 2:06 p.m., Tuesday, March 29, 2022.

Chairman Maxwell reconvened the Regular Monthly Meeting at 2:13 p.m., Tuesday, March 29, 2022.

E.1 Discuss and Consider Action, if any, On Specific Matters Discussed in Executive Session Which Were Listed on the Agenda in Sufficient Detail to Provide Notice to the Public as Required by the Texas Open Meetings Act: *Trustee O'Rourke moved to continue to keep the same guidelines in place with the Tariff, and asked that staff report to the Board any discounts on long-term dockage monthly. Trustee Mayor Brown seconded the motion. Motion carried with Trustee Sullivan abstaining from the vote.*

Chairman Maxwell called for Business Items.

F.1 Consider and Approve CFO Report/Consent Agenda: Chairman Maxwell noted that the Trustees had heard detailed discussion in the Finance Committee Meeting, and reviewed the CFO Report and Consent Agenda, which were provided to the Trustees in their notebooks. *Trustee/Mayor Craig Brown moved, with the second of Trustee Lidstone, to approve the CFO Report and Consent Agenda items, F.a. Board and Staff Expense Report, F.b. Financial Statements, F.c. Port Investments Report, F.d. Bank Reconciliation Report, F.e. Cash Flow Projections, F.f. Monthly Delinquent Accounts Receivable, and F.g. Vendor Check Register Report as presented. No items were submitted under item F.h. Trade Development. Motion unanimously carried.*

F.2 Discuss and Consider (Workshop) Setting Parameters, Providing Board Guidance, Approval and Notification Process, And / Or Making Revisions to Tariff Circular No. 7 Relating to Tariff Reductions: Chairman Maxwell noted that this item was covered in Item E.1.

F.4 Consider and Approve The Agreements, Cost Sharing, and Expenditure Necessary for the Placement of Non-Federal Dredged Material From the Galveston Wharves and Gulf Copper Areas Into the Federal Dredge Material Placement Area Through Department of the Army License No. DACW64-3-22-0059:

Mr. Thomas stated that this agenda item is a follow-up to a previous agenda item in September 2020. Mr. Thomas briefed the Trustees on the two engagements as a Non-Federal Sponsor, one with Texas International Terminals, noting that this item is specifically pertaining to Gulf Copper. Mr. Thomas stated that the one change from what was discussed previously is that the Port is also going to be participating in the 217b process with Gulf Copper. Mr. Thomas stated that the Port will have their own material that will be placed there as well, and that will have an expenditure of over \$100,000.00 associated with the tipping fees. Mr. Thomas stated that Port staff is recommending the Board approve the two agreements, Placement of Dredge Material, and the Cost Funding Agreement. Mr. Brown stated that this is similar to Channel Harbor Extension with Texas International Terminals. Gulf Copper will fund what their obligation is, fronting the estimated amount of their share of the total, and the Port will have those funds when it's time to pay the Corps based on the estimated cubic yards of material, and will true up at the end, based on the actual quantities.

Mr. Thomas stated that there are four things that staff is recommending that the Board approve today.

- Department of the Army License No. DACW64-3-22-0059 and Associated Agreement with the Department of the Army
- Cost funding Agreement with Gulf Copper and Manufacturing Corporation
- Process payments of Fees received from Gulf Copper to the Department of the Army
- Payment of the Fees Necessary for Port related placement estimated at \$111,600.00 which will be adjusted based upon the final volume dredged.

Trustee Lidstone moved to approve the Agreements, Cost Sharing, and Expenditure Necessary for the Placement of Non-Federal Dredged Material from the Galveston Wharves and Gulf Copper Areas into the Federal Dredge Material Placement Area Through Department of the Army License No. DACW64-3-22-0059. Motion was seconded by Trustee Pierson, and unanimously carried.

Chairman Maxwell called for comments from the Trustees.

Trustee Lidstone stated that there is very exciting work going on at Pier 10, and Trustee Lidstone sees the work going on weekly, and stated that a lot of good things will come from that. Trustee Lidstone noted a meeting with the Park Board and Port stating that there was discussion on collaboration maybe related to Marketing, Hot Tax, to different things that could facilitate which may save some money and promote both the Park Board and their operations and the Port's operations. Trustee Lidstone stated that as of now, there isn't a formal committee. Right now, there are very informal discussions that are going well, and she appreciates the work on the part of staff and at the Park Board. Trustee Lidstone continues to hope that the Board and Staff can continue to communicate with each other in a respectful and professional manner. Trustee Lidstone stated that we don't all have to agree all the time, that we can surely disagree, and it is just that, it's not being an enemy, it's being a person who simply just disagrees. Trustee Lidstone stated that the reforecast that was spoken of

earlier today, based on what is being seen in the cruise industry, leads Trustee Lidstone to believe that staff is watching expenses, and watching the revenue side of things, and encouraged staff to keep watching expenses, and adjust as needed.

Trustee O'Rourke had no comments.

Trustee Patterson thanked staff for the good work that staff is doing, noting that staff is doing a good job with the Port Director managing everyone. Trustee Patterson is excited to see all the good things happening, and all of the changes going on at the Port.

Trustee Pierson echoed all comments said about Port staff.

Trustee/Mayor Brown thanked staff for everything they have done. Trustee/Mayor Brown thanked Mr. Milutin and the Port Director for educating the Trustee/Mayor Brown on the activities and operations of the Port. Trustee/Mayor Brown stated that at the last Council Meeting, Carnival stopped by and presented City Council with a birthday cake in honor of celebrating Carnival's 50th Birthday, noting that Carnival is looking at a very bright future in Galveston and City Council is glad to have Carnival here.

Vice Chairman Sullivan stated that staff is doing an excellent job, and Port Staff makes Galveston very proud. Vice Chairman Sullivan also acknowledged the good work the Board is doing. Vice Chairman Sullivan stated that he is very impressed with the work on Pier 10, coming from one construction entity to another. Vice Chairman Sullivan encouraged staff to keep up the good work.

Chairman Maxwell echoed all comments said, and knows how busy the Engineering Department has been, and The Chairman complimented staff on the fine job everyone's doing. Chairman Maxwell noted all the hard work Mr. Murchison is doing with the Audit and hopes Mr. Murchison feels better soon.

Chairman Maxwell noted that the next Regular Monthly Meeting will be held April 19, 2022, here in the Port offices at 9:00 a.m.

On motion duly made and seconded, Chairman Maxwell adjourned the Regular Monthly Meeting of the Board of Trustees of the Galveston Wharves at 2:24 p.m., Tuesday, March 29, 2022.



Angelina Ramirez, Secretary
Board of Trustees of the Galveston Wharves