

June 11, 2021

These are the minutes of the regular meeting of the Port Authority Advisory Committee (the Committee) held on June 11, 2021 via conference call due to COVID-19 restrictions place on meetings in-person. The meeting was called to order at 9:01 a.m. by acting Chair Phyllis Saathoff with the following committee members present:

**Port Authority Advisory Committee:**

Phyllis Saathoff	Chair - Port Freeport
Chris Fisher	Port of Beaumont
Roger Guenther	Port Houston
Ron Mills	Port of Port Mansfield
Rodger Rees	Port of Galveston
Walker Smith	Port of Harlingen <b>Absent</b>
Sean Strawbridge	Port of Corpus Christi
Alan Ritter	Speaker of the House Appointee <b>Absent</b>
Michael Plank	Lt. Governor Appointee <b>Absent</b>

A public notice of this meeting containing all items on the proposed agenda was filed in the Office of the Secretary of State at 4:42 p.m. on June 1, 2021 as required by Government Code, Chapter 551, referred to as “The Open Meetings Act.”

**ITEM 1. Call to order.**

The Port Authority Advisory Committee Meeting was called to order by Chairperson Phyllis Saathoff at approximately 9:01 a.m.

**ITEM 2. Introduction of committee members and TxDOT staff.**

Phyllis Saathoff, Chair, asked committee members, TxDOT and guests to introduce themselves. All present PAAC members are listed above; three members were absent.

**ITEM 3. Approval of the April 16, 2021 meeting minutes. (Action)**

Roger Guenther, Port Houston, made a motion to accept the meeting minutes of the April 16, 2021 meeting with a second by Chris Fisher. The motion was approved 6 – 0.

**ITEM 4. Update on guidelines for committee members and rules of order.**

GeirEilif Kalhagen, Director, TxDOT Maritime Division, stated that the meetings will be scheduled for once a quarter and will be on the second Tuesday of the month. If an additional meeting is needed for voting on an item or called by the Texas Transportation

Commission, it will be scheduled accordingly and everyone will be notified. Mr. Kalhagen also stated that the meetings will be to be returning to in-person meetings.

Sean Strawbridge, Port of Corpus Christi, stated that he can't understand why we should meet virtually as it is more convenient and easier to schedule since he could be at one location and still attend the meeting. Stephanie Cribbs, TxDOT Maritime Division, stated that she would need to verify with the TxDOT General Council Division (GCD) to see if virtual attendees can vote on an agenda item.

Mr. Strawbridge then voiced concern as to why virtual attendees cannot vote. Mrs. Cribbs explained that prior to COVID-19, it was not allowed. Mr. Kalhagen then stated that TxDOT and subsequently the committee needs to make sure we are meeting the needs of the stakeholders.

Phyllis Saathoff, chair, Port of Freeport, stated that since the meeting is posted on the Secretary of State's website as a public meeting and the information is given to call in, she doesn't know why that would be a problem. Mr. Kalhagen stated that he understood, however, it still needs to be confirmed by TxDOT's GCD to make sure we adhere to TxDOT's standards. Mr. Kalhagen also mentioned that should a state of emergency occur, like a hurricane, then the meeting will either be rescheduled or be held virtually.

#### **ITEM 5. Nomination and election of committee vice-chair. (Action)**

Phyllis Saathoff, Chair, Port of Freeport, opened the topic with a call for nominations for the position of vice-chair of the committee. Mrs. Saathoff stated that this person will fill in when the chair is unavailable to attend the meeting and to act in place of the chair at any given time.

Roger Guenther, Port Houston, nominated Chris Fisher, Port of Beaumont, for the position. Ron Mills, Port of Port Mansfield, stated he wanted to nominate Walker Smith, Port of Harlingen, but since Mr. Smith was unable to attend the meeting, he would not be nominating him. A vote was taken and Chris Fisher was elected vice-chairman with a vote of 6 – 0.

#### **ITEM 6. Update on the Port Mission Plan.**

A presentation was made on the process of updating the Port Mission Plan. After the presentation, Travis Milner, TxDOT Maritime Section Director, stated with the new Rider 37, the plan is to review the Connectivity Study, which is a portion of the Port Mission Plan, and pull projects from that document for the Rider 37 Grant.

Roger Guenther, Port Houston, stated he did not agree with pulling projects from that list as the Port Connectivity Study was three (3) years old and some of those projects may be obsolete. Mr. Guenther stated that there now may be more pressing problems that need to be addressed than the projects that were submitted three years ago.

Mr. Kalhagen stated that the Maritime Division is trying to incorporate several processes to make it as efficient as possible.

Sean Strawbridge, Port of Corpus Christi, stated he felt that TxDOT needs to capture the items that the Army Corps of Engineer's doesn't capture and report. Ron Mills, Port of Port Mansfield, state that only \$25MIL, which translates to approximately 20ft. of water service since 1960. Mr. Mills stated that the Ship Channel report should include anything that has happened like the dredging he received for the Port of Port Mansfield. Mr. Guenther ask if there is a way to keep the report constantly updated. It was discussed that real-time data would be needed to keep the report current.

Mr. Strawbridge suggested that showing feasibility studies and private funding is a good way to highlight the investment involved at a port. Mr. Guenther agreed with how the Army Corps of Engineers calculate the benefits but it would be even more important that the state of Texas sees the benefits.

Mr. Strawbridge stated that it is important to show the benefits of investing in state channels, including inside the gate projects. Mr. Strawbridge continued that Texas' gross domestic product is driven by the navigable channels and produces 26% of the gross domestic product. Rodger Rees, Port of Galveston, stated that the state of Florida, who invests in their ports, covers all areas up to the waterfront. Mr. Strawbridge noted other states benefit from a consolidated, state-wide port authority. Texas does not have such an entity, so Texas ports are at a disadvantage.

Please see attachment A for additional details.

#### **ITEM 7. Update on the Port Access Improvement Program.**

Stephanie Cribbs, TxDOT Maritime Division, stated that all current rider projects (Rider 48, 45, 38) are progressing well and no major issues have arisen. Mrs. Cribbs then stated that a new rider, Rider 37, has been allocated for the ports. This will bring the total up to \$140MIL in funds to address connection issues for the ports.

Mrs. Cribbs then explained that the Rider 37 application will be distributed within the month. Mrs. Cribbs also explained a change to the program which involves a monthly reporting document so TxDOT can monitor the progress of the projects. This form will be distributed after the project selection is complete and the projects are approved by the Transportation Commission.

Please see attachment B for more details.

#### **ITEM 8. Update on the 87<sup>th</sup> Texas Legislature.**

Cory Theurer, TxDOT State Legislature Affairs, give a brief update to the Committee. Mr. Theurer that there was not much that was discussed about the ports themselves, but there was a good amount of discussion on the Ship Channel Improvement

Revolving Fund. Mr. Theurer also stated that Mrs. Cribbs is correct that there is another rider awarded to the ports in the amount of \$40MIL, with \$20MIL per fiscal year. Mr. Theurer stated that there will be a special session but, at the current time, the date has not been announced.

**ITEM 9. Discussion on the Panama Canal expansion and the impact on Texas ports and landside transportation infrastructure.**

Dr. Katie Thurnball, TTI, presented information on the above subject. Dr. Thurnball stated that the project objective was to document the impact of the operation of the expanded Panama Canal on Texas ports, industries, and the landside transportation infrastructure, including roads and other facilities on the Texas multimodal freight network. It was also intended to identify additional improvements to increase exports and imports through Texas Ports.

Dr. Thurnball stated that the benefits from the expanded canal for Texas would include Liquefied Natural Gas (LNG), Liquid Petroleum gas (LPG), containers, plastic resins, roll-on/roll-off (RoR) and agricultural, processed foods and beverages. More information can be found in attachment C presentation.

**ITEM 10. Public comment.**

There were no public comments.

**ITEM 11. Adjourn.**

With no further business, a motion by Roger Guenther, Port Houston was made to adjourn the meeting and second by Mr. Chris Fisher, Port of Beaumont. The motion passed 6-0 and the meeting was adjourned by Phyllis Saathoff, chair, at 10:43 a.m.

APPROVED:

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Phyllis Saathoff, Chairperson

Port Authority Advisory Committee