

## Minutes of Meeting December 3, 2015

A Regular Meeting of the Port Commission of Port Freeport was held December 3, 2015 beginning at 4:09 PM at the Administration Building, 200 W. Second Street, 3<sup>rd</sup> Floor, Freeport, Texas.

### Commissioners present:

Mr. Ravi Singhania, Chairman  
Mr. Bill Terry, Vice Chairman  
Mr. Paul Kresta, Secretary  
Mr. Rudy Santos, Asst. Secretary  
Mr. Shane Pirtle, Commissioner  
Mr. John Hoss, Commissioner

### Staff Members Present:

Mr. Jeff Strader, Chief Financial Officer  
Mr. Al Durel, Director of Operations  
Mr. Jason Hull, Director of Engineering  
Mr. Jason Miura, Director of Business & Economic Development  
Ms. Mary Campus, Controller  
Ms. Missy Bevers, Executive Assistant  
Mr. Brandon Robertson, Network Systems Manager  
Mr. Frank Mauro, Legal Counsel  
Ms. Tricia Vela, Receptionist

### Absent:

Ms. Dianna Kile, Director of External/Government Affairs  
Mr. Chris Hogan, Director of Protective Services  
Mr. Mike Wilson, Director of Economic Development

### Also present:

Mr. Bobby Fuller, Texas Port Ministry  
Mr. Peter G. Nemeth, Crain, Caton & James  
Mr. Bob Arroyave, Brown & Gay Engineer  
Mr. Gary Myers, Brown & Gay Engineer  
Mr. Gary Basinger, The Alliance  
Ms. Melanie Oldham  
Ms. Sarah Vuskov, HDR Engineering  
Ms. Jackie Fuller, Texas Port Ministry  
Mr. Charles Jones, Texas Port Ministry  
Mr. Mike Potts, Texas Port Ministry  
Mr. Brent Pittman, Texas Port Ministry  
Mr. Chris Moore, Texas Port Ministry

1. CONVENE OPEN SESSION in accordance with Texas Government Code Section 551.001, et. seq., to review and consider the following:
2. Pledge of Allegiance: U.S. Flag & Texas Flag
3. Invocation – Mr. Bobby Fuller, Texas Port Ministry
4. Roll Call.  
All members of the Board were present.
5. Approval of minutes from the Regular Meeting held November 12, 2015.

A motion was made by Commissioner Kresta to approve the minutes as presented. The motion was seconded by Commissioner Hoss with all Commissioners present voting in favor of the motion.

6. Receive report from Director of Engineering and Chief Financial Officer on activities and matters related to administrative affairs. Port tenant updates, USCOE, rail issues, AAPA Committees, leases, contracts, upcoming Port and civic events and other related administrative affairs.

Mr. Hull updated the Board on findings of the air quality study for one of the office buildings and also stated he has an update from the weekly conference call with the Corps that would need to be discussed in executive session.

Mr. Strader reported on a call he received from Commissioner Dude Payne regarding two restore projects the County is engaging in; the reopening of the San Bernard river mouth and the extension to Quintana Beach pier. He also reported on the Hoegh events that took place in November as well as Brigadier General Hill's visit and tour November 12<sup>th</sup>. He mentioned that Dow will re-present their Tax Abatement to the Board December 17<sup>th</sup> and a request to transfer an existing abatement from Dow to Olin Corporation will also be on the agenda. He then introduced Tricia Vela who is filling the receptionist position.

Mr. Muira reported on the Gateway Conference taking place in Houston this week and added that the Port will be hosting a tour and short reception Friday for 10-12 conference delegates. In addition, presentations by the Port and the 36A Coalition were very well received.

7. Receive report from Commissioners on matters related to meetings and conferences attended, Port presentations and other related Port Commission matters.

Commissioner Hoss reported attending Brigadier General Hill's visit, Hoegh Dinner and the weekly teleconference with the Corps. Commissioner Pirtle commended staff involved with BG Hill's visit and also reported attending the Hoegh events.

8. Public Comment

Ms. Melanie Oldham addressed the Board with positive news from the Environmental Defense Fund who thanked Port Freeport for allowing master student Stephen Washington to come to Port Freeport to do a study/report about the benefits of using barges vs. trucks. Ms. Oldham commended Mr. Carlson and his efforts in wanting to make this Port as environmentally friendly as possible. She also stated that

environmental council in Washington, DC announced their issue of focus in cities and ports will be diesel soot.

9. Presentation to Texas Port Ministry for the proceeds of the charity golf tournament sponsored by Port Freeport.

Commissioners and staff presented a donation to Texas Port Ministry from the proceeds raised at the annual golf tournament in the amount of \$30,000.

10. Approval of a purchase contract for property located at 403 E. Broad Street.

Mr. Strader stated this property is located on the south side of Broad and is in the Port's area of expansion. This property comes in at \$33/sq.ft. and it is staff's recommendation the Board approve this purchase in the amount of \$45,000 plus closing costs.

A motion was made by Commissioner Hoss to approve the contract. The motion was seconded by Commissioner Terry with all Commissioners present voting in favor of the motion.

11. Approval of an Easement to CenterPoint Energy for Lots 101 and 103 out of the Brazos Coast Investment Company Subdivision No. 7.

In August of this year, Mr. Hull presented two easements to the Capital Planning Committee that CenterPoint Energy was requesting for their distribution system to support Freeport LNG. At the time, CenterPoint was preparing the appraisals which have now been completed and reviewed by staff. It is staff's recommendation to approve these easements in exchange for \$9,444.00. Mr. Strader added that this is just a purchase of easements, not a transfer of real property rights.

A motion was made by Commissioner Pirtle to approve the easements. The motion was seconded by Commissioner Hoss with all Commissioners present voting in favor of the motion.

12. Approval of an Easement with CenterPoint Energy for an Underground Electric Circuit.

Mr. Hull explained that back in February the Commission approved a blanket easement allowing crews to relocate an aerial distribution circuit underground that supplies power to the Port's cranes. This easement will replace the aerial easement. Mr. Hull recommends approval.

A motion was made by Commissioner Pirtle to approve the easement. The motion was seconded by Commissioner Terry with all Commissioners present voting in favor of the motion.

13. Approval of a contract for Port Freeport employee dental & vision plan insurance.

At the last meeting, the Board approved health insurance for employees but requested staff look at the dental portion of the insurance to see if vision could be added. Ms. Campus stated that Assurant, which is the current dental provider, has a vision plan that is acceptable to meet the needs of both the Port and employees, and added that Assurant reduced their renewal price for dental from a 15% increase to 7.2%. It is staff's recommendation to accept the proposal from Assurant for vision and renew dental with them as well.

A motion was made by Commissioner Pirtle to approve the contract. The motion was seconded by Commissioner Hoss with all Commissioners present voting in favor of the motion.

14. Approval of an amendment to the Port Freeport Retirement Plan.

This item was tabled for the next meeting.

15. Approval of a revised Port Freeport travel policy.

This item was tabled for the next meeting.

16. Discussion & approval regarding planned delegate attendance for the Trade Mission to Panama.

Commissioner Singhania stated that the Board will be sending two members on the trade mission and while others were suggested to attend, they should pay for their own trip. However, a question was raised specifically regarding Robert Worley who is a member of the Rail District. After some discussion, staff noted a Port delegation was previously approved so no action was needed today. Mr. Muira also noted the 3 additional names added to the list however, should they accept the invite, they will pay their own way.

17. EXECUTIVE SESSION in accordance with Subchapter D of the Open Meetings Act, Texas Government Code Section 551.001, et. seq., to review and consider the following:

A. Under authority of Sections 551.071 and 551.072 for discussion regarding:

1. Discussion regarding matters related to the Ground Lease & Development Agreement between Port Freeport and FLNG Land II, Inc.
2. Discussion regarding the purchase, exchange, lease or value of real property in East End Freeport, Texas.
3. Update on discussion with the City of Freeport regarding truck route and road repair issues.
4. Discussion regarding proposed Lease Agreement between Port Freeport and Coastal Cargo.
5. Discussion regarding a First Amendment to Lease Agreement between Port Freeport and Mammoet USA South, Inc.

B. Under authority of Section 551.074 for discussion regarding:

1. Discussion regarding the hiring of Executive Port Director/CEO.

18. RECONVENE OPEN SESSION to review and discuss the following:

19. Approval of a Lease Agreement between Port Freeport and Coastal Cargo.

A motion was made by Commissioner Hoss to approve the lease as presented. The motion was seconded by Commissioner Terry with all Commissioners present voting in favor of the motion.

20. Approval of a First Amendment to Lease Agreement between Port Freeport and Mammoet USA South, Inc.

A motion was made by Commissioner Pirtle to approve the lease agreement. The motion was seconded by Commissioner Hoss with all Commissioners present voting in favor of the motion.

21. Adjourn.

With no further business before the Commission, the meeting adjourned at 7:14 p.m.