

Minutes of Meeting May 12, 2016

A Regular Meeting of the Port Commission of Port Freeport was held May 12, 2016 beginning at 4:00 PM at the Administration Building, 1100 Cherry Street, Freeport, Texas.

Commissioners present:

Mr. Ravi Singhanian, 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. Jason Cordoba, Legal Counsel
Ms. Phyllis Saathoff, Executive Director/CEO
Mr. Jeff Strader, Chief Financial Officer
Mr. Al Durel, Director of Operations
Mr. Jason Hull, Director of Engineering
Mr. Chris Hogan, Director of Protective Services
Mr. Mike Wilson, Director of Economic Development
Mr. Jason Miura, Director of Business & Economic Development
Ms. Dianna Kile, Director of External/Government Affairs
Ms. Mary Campus, Controller
Ms. Missy Bevers, Executive Assistant
Mr. Cecil Booth, Project Engineer
Mr. Brandon Robertson, Network Systems Manager
Ms. Darlene Winkler, Marketing & P.R. Supervisor

Also present:

Mr. Bobby Fuller, Texas Port Ministry
Mr. Edward Smith, P66
Mr. Javier Infante, Raba Kistner Consultants
Mr. James Nash, Horizon Terminal Services
Mr. Mike Hayes, Texas Port Ministry
Mr. & Mrs. Ruben Renubeto
Mr. Louis Jones, Velasco Drainage District

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 – Bobby Fuller, Texas Port Ministry

4. Roll Call.

All members of the Board were present.

5. Approval of minutes from the Regular Meeting held February 25, 2016.

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

6. Receive report from Executive Director/CEO 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 & governmental affairs.

Ms. Saathoff updated the Board on various topics including Port Freeport's coverage on the front page of the Houston Chronicle, the 16th Annual Take-A-Child Fishing Tournament and a SWAT exercise the Port hosted and participated in earlier in the week, facilitated by the U.S. Coast Guard. She also shared the Port's testimony before the Senate Select Committee on Texas Ports in Austin May 4th. Jason Hull also reported on the vessel simulation he attended in Florida May 4-6.

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

Commissioners Hoss and Pirtle reported attending the vessel simulations in Florida May 4-6. Commissioner Hoss also reported attending the BayTran State of the Three Counties Luncheon (Brazoria, Harris & Galveston) held earlier in the day.

Commissioner Terry commended staff on a job well done on the Take-A-Child Fishing Tournament held April 30.

Commissioner Pirtle also reported attending the BCPC Meeting and Take-A-Child Fishing Tournament.

Commissioner Singhania reported on the Take-A-Child Fishing Tournament and the great turn-out for the day. Additionally, he reported attending the Tenaris reception and the BASF visit and tour of Port Freeport May 11.

8. Recognition of Bill Terry for his service as Chairman of the Port Commission, 2011-2013.

Commissioner Singhania recognized past Chairman Bill Terry and presented him with a plaque for his service.

9. Public Comment

There were no comments from the public.

10. Approval of a purchase contract for property located at 211 E. 2nd Street.

Mr. Strader explained that this house is in the expanded area the Board has incorporated into the East End Acquisition Project. However, the house has additional features that were not originally contemplated in the market analysis study that include garages, expanded living areas, etc. The owner has also renovated this house and had an appraisal done which came in slightly higher than the Port's offer, however, after consulting with our advisors, it was determined that the Port's offer was a fair market offer. The recommended purchase price of this house is \$75,000, and it is staff's recommendation to approve this purchase contract.

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

11. Approval of a purchase contract for property located at 315 E. Broad Street.

Mr. Strader explained that at the \$81,950 offer, this house is a slightly larger than the previous structure in item 10. above but still falls within the Port's established guidelines for acquisition.

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

12. Approval of Executive Director/CEO travel for attendance at the Panama Canal Expansion Inaugural Ceremony and associated events as Port Freeport representative June 25 & 26, 2016.

Commissioner Singhania stated that after speaking with Ambassador Sosa in Austin, he mentioned that it is a very important honor to have the Port Freeport name at this ceremony and asked for a motion to approve Ms. Saathoff's attendance at the event.

A motion was made by Commissioner Pirtle to approve the travel & added that Ms. Saathoff received an invitation to attend this event. The motion was seconded by Commissioner Hoss with all Commissioners present voting in favor of the motion.

13. 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 Section 551.071 for discussion regarding:
 - 1. Consultation with attorney regarding search and seizure at Port Freeport premises.
 - 2. Consultation with attorney regarding legal issues related to the purchase of the property commonly known as 318 E. 7th Street.
 - 3. Consultation with attorney regarding legal issues related to the purchase of the property commonly known at 213 E. 7th Street.
- B. Under authority of Section 551.072 for discussion regarding:
 - 1. Discussion regarding matters related to the Lease Agreement between Port Freeport and Horizon Terminal Services, LLC.
 - 2. Discussion regarding matters related to the Lease Agreement between Port Freeport and Ports America Texas, Inc.
 - 3. Discussion regarding the terms and conditions of a potential agreement for container handling.
 - 4. Discussion regarding an amendment to the Interlocal Agreement between Port Freeport and Texas Department of Transportation.

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

1. Consultation with attorney regarding ability of Port Freeport to sell or exchange real property and also the potential purchase, exchange, lease or value of real property located at Port Freeport.

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

15. Approval of an amendment to the Interlocal Agreement between Port Freeport and Texas Department of Transportation.

Mr. Wilson stated that the resolution before the Board supports the Interlocal Agreement with TxDOT, while the agreement amends the existing heavy-lift corridor to extend it from the east side of the Highway 36 bridge to Sweeny/Old Ocean to support Texas exports. It is staff's recommendation to approve this amendment.

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

16. Adjourn.

With no further business before the Commission, the meeting adjourned at 8:04 p.m.