

## Minutes of Meeting September 28, 2017

A Regular Meeting of the Port Commission of Port Freeport was held September 28, 2017 beginning at 2:04 PM at the Administration Building, 1100 Cherry Street, Freeport, Texas.

Commissioners present:

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

Staff Members Present:

Mr. Jason Cordoba, Legal Counsel  
Ms. Phyllis Saathoff, Executive Director/CEO  
Mr. Al Durel, Director of Operations  
Mr. Chris Hogan, Director of Protective Services  
Mr. Jason Miura, Director of Business & Economic Development  
Ms. Missy Bevers, Executive Assistant  
Ms. Mary Campus, Controller  
Mr. Cecil Booth, Project Engineer  
Mr. Nick Malambri, Engineering Specialist  
Ms. Callie Cole, Accounting Clerk

Absent:

Mr. Rudy Santos, Commissioner  
Mr. Jason Hull, Director of Engineering  
Mr. Mike Wilson, Director of Economic Development

Also present:

Ms. Ann Marie Poninski, P66  
Mr. Jason Foltyn, HDR  
Ms. Melanie Oldham  
Mr. Bobby Fuller, Texas Port Ministry  
Mr. Bob Arroyave, Brown & Gay Engineers  
Mr. Phillip Scott, Trinity Turbine Technology  
Mr. John Mannion  
Mr. Brian Hill, MARAD  
Mr. Jim Bielstein, LJA Engineering  
Mr. Donald Long, MAG International

1. CONVENE OPEN SESSION in accordance with Texas Government Code Section 551.001, et. seq., to review and consider the following:
2. Invocation – Mr. Bobby Fuller, Texas Port Ministry

3. Pledge of Allegiance: U.S. Flag & Texas Flag

4. Roll Call.

Commissioner Kresta noted that Commissioner Santos was absent and all other members of the Board were present.

5. Safety Briefing – Mr. Chris Hogan.

6. Approval of minutes from the Regular Meeting held September 14, 2017.

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

7. Reports from Executive Staff:

Reports from the Executive Staff were tabled for this meeting.

A. 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 affairs.

Gen. Semonite announced recent SES reassignments with one of them being Tab Brown, Chief of Planning. He will be reassigned to USACE South Atlantic Division as the Regional Business Director effective November 26. Ms. Saathoff reported on information submitted to the Governor's office detailing storm impacts to the San Bernard, Brazos River Floodgates and Entrance Channel. She then called on Nick Malambri to give an update on the condition of the course at The Wilderness. The Port has been monitoring the condition of the course since it will host the annual tournament October 30. Mr. Malambri met with the head pro. He indicated the course is recovering well. The course is expected to be in playing condition in time for the tournament. Ms. Saathoff attended and spoke at the Brazoria County Transportation & Infrastructure Summit held October 27 and will be attending the AAPA Annual Convention October 1-5 in Long Beach along with Commissioners Singhania and Terry. The JOB Breakbulk Conference will be held October 17-19 and the next Brazoria-Fort Bend Rail District is October 20 in Freeport. Ms. Saathoff will also be speaking at the Harris County Trade & Transportation Conference October 31 in Houston.

B. Receive report from Controller on monthly activity and matters related to financial results, investments, insurance, leases, real property matters and other related administrative affairs.

Ms. Campus gave a brief financial presentation and update to the Commission.

C. Receive report from Director of Engineering on activities and matters related to Freeport Harbor Federal Channel, capital projects and other projects, Hydrographic Report and other related facility engineering matters.

Mr. Nick Malambri have a brief presentation of the Port's GIS system staff has been implementing over the last few months. The system will include lease exhibits/information, utility maps, legal descriptions as well as data from other GIS systems.

- D. Receive report from Director of Operations on activities and matters related to operations, vessel activity, tonnage and other related port operation matters.

Mr. Durel shared the Lone Star Harbor Safety Committee website with the Board and discussed the purpose of the committee by also sharing their mission statement which reads, " *The Lone Star Harbor Safety Committee (HSC) provides a public forum to address Marine Transportation System (MTS) issues with particular emphasis on navigation safety-related matters involving the ports of Houston, Galveston, Texas City, and Freeport including the associated waterways of the Gulf Intracoastal Waterway and offshore lightering zones.*" Mr. Durel stated the committee has been around 5 years and shared the list of members for the committee. The group has voted to establish a sub-committee of the group here in Freeport. This group will be a voice for the group and pull information from other sub-committees who have addressed solutions or problems that the Port of Houston/Texas City-Galveston waterway has encountered. With the expected growth, the Freeport Ship Channel is likely to have similar issues. He also reported attending the Highway 36A Coalition luncheon in August.

- E. Receive report from Director of Protective Services on matters related to safety meetings/injury report, security meetings, EMS update and other related safety, security and environmental matters.

Mr. Hogan reported that the month of August was relatively calm with no safety incidents however there were four safety vest violations. Staff has educated security patrol officers on what to look for and remind workers to vest. Commissioner Kresta inquired about goals for safety for the year. Mr. Hogan stated there is no goal as they always strive for zero incidents. He asked Mr. Hogan to provide an update on where they stand overall for the year with his next report.

- F. Receive report from Director of Business & Economic Development on activities and matters related to industry meetings and Port presentations, Port events, and other related trade development or community relation matters.

Mr. Miura stated the Breakbulk Conference will be held October 17-19 and invited Commissioners to attend the reception the Port will be hosting Wednesday evening. He also noted the first car of plastics has arrived and will be unloaded next week. A CAP meeting will follow the board meeting today at the Lake Jackson Civic Center with Tenaris presenting.

8. Receive report from Commissioners on matters related to:
- A. September 12 Strategic Planning Advisory Committee  
Ms. Saathoff stated the committee discussed Policy 9.9 Competitive Sealed Bid Proposal. The item will be brought back to the committee and to the board for approval at the first meeting in October.
  - B. September 14 Finance Advisory Committee  
Commissioner Singhanian stated the committee discussed the consulting fees for the preparation of INFRA grants which was approved at the September 14 meeting. Also discussed was the 2017/2018 fiscal year budget.
  - C. September 14 Personnel Advisory Committee  
The personnel committee discussed the 2017/2018 budget related to salaries and wages and the amount included for potential salary increases as well as the amount included as a hold pending the completion of the compensation plan and study by Management Advisory Group. Staff also noted health insurance will be up for renewal.
  - D. Meetings and conferences attended, Port presentations and other related Port Commission matters.

Commissioner Pirtle reported attending the Operations, Safety & Security committee meeting held back in August to discuss the budget related to security and the safety boat. He also attended the BC Transportation & Infrastructure Summit.

Commissioner Hoss reported attending the BC Transportation & Infrastructure Summit and a TxDOT meeting held September 26 regarding the widening of Highway 332 between Brazoria and Lake Jackson.

Commissioner Singhanian also reported attending the BC Transportation & Infrastructure Summit as well as the JA Hall of Fame banquet held September 14.

9. Public Comment

Ms. Melanie Oldham addressed the board regarding Ike Dike.

10. Approval of financial reports presented for the period ending August 31, 2017.

A motion was made by Commissioner Singhanian to approve the financial report as presented by staff. The motion was seconded by Commissioner Pirtle with all Commissioners present voting in favor of the motion.

11. Approval of a Modification to Tax Abatement Agreement for property located in Trinity Turbine Technology, LP Reinvestment Zone No. 1.

Ms. Saathoff introduced Mr. Phillip Scott who is representing Trinity Turbine Technology. In August of 2014, the Board approved a tax abatement agreement with Trinity for a 7-year abatement with an estimated value completion of construction of \$7 million. Trinity has requested a modification of the abatement to add Trinity Turbine Real Estate and Trinity Coatings as owners. The change is for legal and accounting reasons. Ms. Saathoff added that legal counsel has reviewed the modification and recommends approval.

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

12. Adoption of a resolution approving the acceptance of the Port's portion of proceeds received from high bidders on delinquent tax property held in trust by Brazoria County, Texas and authorizing the Chairman to join in conveyance to high bidders.

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

13. Discussion regarding Port Commission dates for the months of November and December 2017.

Commissioner Kresta stated the remaining meeting dates for the year as being, October 12 and 26, November 9 and 30, and December 14. The December 28 meeting will be cancelled. It is also staff's recommendation to follow this same schedule. Commissioner Hoss inquired about dates in January 2018. Ms. Saathoff stated staff will have a 2018 schedule available at a future meeting.

14. 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 551.072 (deliberation of real property) for discussion regarding:

1. The potential exchange, lease, or value of real property located at Port Freeport, including but not limited to Parcels 7, 8, 10, 26, and 37.
2. The potential purchase, exchange, lease or value of real property located at Port Freeport, including but not limited to the real property located at and contiguous to Berths 1, 2, 5 and 7.
3. Discussion regarding the potential exchange, lease or value of real property located in Freeport, Texas, including but not limited to the area known as the East End of Freeport and bordered by the following streets: FM 1495; East 2<sup>nd</sup> Street; Terminal Street and East 8<sup>th</sup> Street in Freeport, Texas.
4. The potential exchange, lease, or value of real property located at Port Freeport, including but not limited to Parcels 4, 5, 6, 9, 14, 19, 27, 31, 34, and 38.

B. Under authority of Section 551.074 (deliberation of personnel matters) for discussion regarding:

1. Deliberation regarding the appointment, employment, evaluation, reassignment, duties of a public officer or employee: Executive Director/CEO.

C. Under authority of Section 551.071 (consultation with attorney) for discussion regarding:

1. Consultation with attorney regarding legal matters arising out of Texas Political Subdivisions Employees Uniform Group Benefits act and related laws.

15. RECONVENE OPEN SESSION:

16. Adjourn.

With no further business before the Commission, the meeting adjourned at 5:36 p.m.