

Minutes of Meeting October 12, 2017

A Regular Meeting of the Port Commission of Port Freeport was held October 12, 2017 beginning at 3:02 PM at the Administration Building, 1100 Cherry Street, Freeport, Texas.

Commissioners present:

Mr. Paul Kresta, Chairman
Mr. John Hoss, Vice Chairman
Mr. Bill Terry, Asst. Secretary
Mr. Shane Pirtle, Secretary
Mr. Rudy Santos, Commissioner
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. 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. Mary Campus, Controller
Mr. John Mannion, CFO
Ms. Missy Bevers, Executive Assistant
Mr. Brandon Robertson, Network Systems Manager
Mr. Cecil Booth, Project Engineer
Ms. Lauren McCormick, Marketing Specialist
Ms. Callie Cole, Accounting Clerk

Also present:

Ms. Citlalli Martinez, WGMA
Mr. Jeff Strader
Mr. Bob Arroyave, Brown & Gay Engineer
Mr. Bobby Fuller, Texas Port Ministry
Mr. Neil McLellan, HDR
Mr. Jason Foltyn, HDR
Ms. Ann Poninski, P66
Mr. Gary Basinger, The Alliance
Mr. Michael Grant, MSC
Ms. Sarah Marsh, Dole
Mr. Chris Noble, Dole

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 all Commissioners were present.
5. Safety Briefing – Chris Hogan
6. Approval of minutes from the Regular Meeting held September 28, 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. Receive report from Executive Director/CEO and/or Port staff 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.

Ms. Saathoff noted the activity at Parcel 14 rail project with the bridge across the drainage ditch to begin shortly. The Port received the first railcar of resin last week with A&R Logistics making the transfer of resin from railcar to containers. Additional resin is expected next week. The new bagging line is scheduled to be installed and in service by November 20. The widening project at 5th Street and Navigation is underway and expected to be completed within two weeks. Additionally, demolition of the old Western Seafood building is also in progress. Mike Wilson has been working to submit the INFRA grant application for the second phase of the rail project. Efforts also include reaching out to local, state and federal partners to obtain letters of support for the application. Ms. Saathoff has been in discussion with Van Scoyoc consultants regarding a possible trip to WDC. In light of filing the INFRA grant application, Congress considering additional funding related to various storms and the opportunity to receive block grant funds for mitigation projects, this would be a good opportunity for staff to promote and advocate the Port. Governor Abbott and the Lt. Governor were in the County Tuesday to see all counties impacted by Hurricane Harvey. It was a specific request to meet with the County Judge and the City Mayor in which the meeting occurred. Representative Bonnen participated in the meeting as well. Ms. Saathoff requested County Judge to be an advocate for our projects anytime he has opportunity to meet with the Governor. She also requested the Judge submit a letter of support for the Port's project and accelerated funding. Ms. Saathoff reported attending the AAPA Annual Convention in Long Beach the previous week as well as the Joint Committee Hearing on the coastal barrier system. Upcoming events include the Breakbulk Conference which begins October 17 in Houston. Port Freeport will host a Customer Appreciation Reception the evening of October 18. The Brazoria County Traffic Safety & Control Committee Meeting will be October 18 at Port Freeport offices and the State of the Community Luncheon is October 19. The San Jacinto College simulator tour and demonstration has been rescheduled for October 20 with staff and Commissioner Pirtle confirmed to attend. Port Freeport's Golf Tournament will be held October 30 at the Wilderness. The next Port Commission meeting will be October 26. Ms. Saathoff noted with several evening events taking place, staff may request an earlier start to the board meeting to accommodate all events. Lastly, Ms. Saathoff introduced newly appointed CFO John Mannion who joined the Port staff this week.

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

Commissioner Singhania reported attending the AAPA Annual Convention in Long Beach as well as the most recent CAP meeting held September 28.

Commissioner Terry also reported attending the AAPA Annual Convention in Long Beach.

Commissioner Hoss reported attending the Coastal Spine Joint Hearing in Galveston.

Commissioner Pirtle reported on the Personnel Committee meeting held October 11 where discussion took place regarding health insurance, upcoming changes in personnel as well as Management Advisory Group's recommendation for compensation and classification. Additional upcoming events include the first meeting of Master Plan with City of Freeport October 24 and the October 27 Rail District meeting to be held in Richmond.

Commissioner Kresta reported presenting the Maiden Voyage plaque to the Clipper Vang9uard October 8. He also attended the CAP Meeting held September 28.

9. Approval of general rate adjustment to Port Freeport Tariff No. 005, to be effective November 1, 2017.

This item was tabled.

10. Adoption of a resolution authorizing the submission of an INFRA grant application with a contribution of 40 percent for the Parcel 14 Rail Expansion project.

The INFRA team has been compiling the Port's application for the federal government due December 2 which target the four remaining tracks on Parcel 14. The resolution is a requirement of the application process and it is staff's recommendation the Board adopt the resolution.

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

11. Discuss and consider resolution affirming the hiring of John Mannion as Chief Financial Officer of Port Freeport.

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

12. Discussion regarding CAP (Community Advisory Panel) 4th Quarter Meeting, membership, feedback communication and expectations.

Commissioner Pirtle expressed the importance of having a strong CAP to be the Port's advocate in the community as well as providing feedback to the Port as to what CAP members are hearing in the community. As the Port moves forward and if bonds are issued, we need this group on board as the salesmen in the community to explain how important bonds are to the jobs, the growth of the community, the growth of the Port and why.

Mr. Miura echoed Commissioner Pirtle's comments adding that the Port does need a good group to well communicate the good doings of Port Freeport and in turn the Port can address any concerns they may have. The document in BoardPaq includes an outline of the purpose and vision of the CAP. Procedures that were previously established by the commission need to be refined and given

a more personal touch with the CAP members. Staff is recommending the Port hold another CAP meeting December 14 here at Port Freeport which is a board meeting day. Discussion then began regarding the difficulty of holding a CAP meeting the same day as a board meeting. Commissioner Kresta requested staff consider an alternate date for the December CAP meeting and bring back to the Board at the October 26 meeting.

13. Public Comment.

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. 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 2nd Street; Terminal Street and East 8th Street in Freeport, Texas.
3. 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.
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.

15. RECONVENE OPEN SESSION to review and consider the following:

16. Adjourn.

With no further business before the Commission, the meeting adjourned at 7:07 p.m.