

## Minutes of Meeting December 13, 2017

A Regular Meeting of the Port Commission of Port Freeport was held December 13, 2017 beginning at 8:00 AM 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, Chief Financial Officer
- Ms. Missy Bevers, Executive Assistant
- Mr. Brandon Robertson, Network Systems Manager
- Ms. Lauren McCormick, Marketing Specialist
- Ms. Darlene Winkler, Communications/PR Supervisor
- Ms. Tricia Vela, Receptionist
- Ms. Meri Joy Brightwell, Operations Coordinator

Also present:

- Ms. Ann Poninski, P66
- Mr. Bob Arroyave, Brown & Gay Engineer
- Mr. Bobby Fuller, Texas Port Ministry
- Ms. Jackie Fuller, Texas Port Ministry
- Mr. Jason Foltyn, HDR
- Mr. Chris Noble, Dole
- Mr. David Eby, Terracon
- Mr. Ralph Shuman, Texas Port Ministry
- Mr. Mike Hayes, Texas Port Ministry
- Mr. Jeff Kuhn, Terracon
- Mr. Brent Hittman, Texas Port Ministry
- Mr. Chuck Beem, Texas Port Ministry
- Mr. Donald Hinter, 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. 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 November 30, 2017.

A motion was made by Commissioner Pirtle to approve the minutes with the removal of the line stating staff reports were tabled. 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 reported attending the Tenaris Inaugural Ceremony December 11 for their new facility noting both Energy Secretary Perry and Governor Abbott were in attendance. The Port expects vessel activity to increase going into the new year now that the facility is up and running. Ms. Saathoff and Jason Miura attended the Petrochemical Conference in Houston December 12 where the Port partnered with Unit Cargo and A&R Logistics to host a reception for current and potential customers. The Port also held its 4<sup>th</sup> Quarter CAP Meeting December 7. At this time, Ms. Saathoff called on Chris Hogan who gave a safety summary presentation for the time period December 2016 – November 2017. Ms. Saathoff reported that the rail project has lost a few days due to weather. Jason Hull stated that five days were lost due to rain but they were able start work back up today.

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

Commissioner Santos reported attending the Tenaris Inauguration December 11 and CAP Meeting held December 7.

Commissioner Pirtle reported attending the Tenaris Inauguration December 11 and CAP Meeting held December 7. He will be attending the Brazoria-Fort Bend Rail District meeting this Friday, December 15.

Commissioner Hoss reported attending the Tenaris Inauguration as well as the Corps meeting with Major General Jackson November 30. He also attended the CAP Meeting December 7.

In addition to attending the Tenaris Inauguration and CAP Meeting, Commissioner Singhania reported attending the Friends of the San Bernard River meeting and the Petrochemical Conference.

Commissioner Terry reported attending the CAP meeting and Tenaris Inauguration.

9. Public Comment.

Mr. Bobby Fuller with Texas Port Ministry addressed the Board regarding the Golf Tournament and thanked the Board and Port staff for their continued support.

10. Presentation of check to Texas Port Ministry from proceeds of Port Freeport Golf Tournament.

Commissioner Kresta and staff presented a check to Bobby Fuller with Texas Port Ministry in the amount of \$43,500.00 for the proceeds raised at the golf tournament held in October 30, 2017. Due to the generous sponsors, participants and volunteers, this amount exceeds last year by \$9,275.

11. Approval of a Contract with AAA Asphalt Paving, Inc. for the Port Road Project, Turning Basin Road and Pete Schaff Boulevard Repairs, for an amount not to exceed \$484,655.00.

Mr. Hull stated bids were opened December 5 with six contractors submitting bids. AAA Asphalt was the best and lowest bid submitted and it is staff's recommendation to award the contract to AAA in the amount of \$484,655.00. Some of the damages along Port Road include potholes and alligator cracking by the Chiquita yard. Estimated time to complete the project is 90 days.

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

12. Approval of a Contract with Meredith Environmental, Inc. for the East End Properties 2017 Phase II Project, for an amount not to exceed \$145,952.00.

This item was tabled.

Mr. Hull explained that Meredith Environmental submitted the lowest bid for this project, however after reviewing the scope of work, they withdrew their bid because they missed some of the items in the scope. Staff will bring this item back to the Board in January with recommendation to award contract to the second low bidder.

13. Approval of Stevedores License renewals submitted by the following:

Bryan Coastal  
Ceres Gulf  
Coastal Cargo of Texas, Inc.  
Cooper/Ports America LLC  
Freeport Terminals LLC  
Gulf Stream Marine, Inc.  
Gulf Stevedoring Services LLC  
James J Flanagan Shipping

Mammoet USA South, Inc.  
Ports America Texas, Inc.  
Red Hook ConRo Terminals, LLC  
Richardson Stevedoring & Logistics  
Suderman Contracting Stevedores

Mr. Durel stated that although the agenda lists thirteen stevedore license renewals, two have indicated they will not be renewing their license. This includes Coastal Cargo and Freeport Terminals. Mr. Durel went over a few highlights for the applications and noted the Port has not yet received a check from James J. Flanagan but did receive a scanned copy of the check that is in the mail. He also noted that Ceres Gulf doesn't do any direct work at the Port but they do furnish the labor for Freeport Terminals who is not renewing their license. All applications were reviewed in the Operations, Safety & Security Advisory Committee and it is staff's recommendation the Board approve the renewal for the eleven-remaining stevedore licenses submitted.

Commissioner Pirtle noted that the OSS Advisory Committee is in support of the renewals and made a motion to approve the eleven applications pending receipt of check from James J. Flanagan. The motion was seconded by Commissioner Hoss with all Commissioners present voting in favor of the motion.

14. 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 Singhania with all Commissioners present voting in favor of the motion.

15. Discussion regarding the setting of the 2018 Port Commissioner meeting dates.

Commissioner Kresta stated the proposed meeting dates were previously sent to the Board for review and as in the past, the meetings for 2018 will fall on the 2<sup>nd</sup> and 4<sup>th</sup> Thursdays of the month. The November and December dates are adjusted to accommodate holidays. With no further discussion, the Board agreed to move forward with the proposed schedule.

16. 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 2<sup>nd</sup> Street; Terminal Street and East 8<sup>th</sup> 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.

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

18. Adjourn.

With no further business before the Commission, the meeting adjourned at 12:12 p.m.