

## Minutes of Meeting March 26, 2018

A Regular Meeting of the Port Commission of Port Freeport was held March 26, 2018 beginning at 3:00 PM at the Administration Building, 1100 Cherry Street, Freeport, Texas.

### Commissioners present:

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

### Staff Members Present:

Mr. Matt Allen, Legal Counsel  
Ms. Phyllis Saathoff, Executive Director/CEO  
Mr. John Mannion, Chief Financial Officer  
Mr. Al Durel, Director of Operations  
Mr. Jason Hull, Director of Engineering  
Mr. Jason Miura, Director of Business & Economic Development  
Ms. Missy Bevers, Executive Assistant  
Ms. Mary Campus, Controller  
Mr. Brandon Robertson, Network Systems Manager  
Mr. Cecil Booth, Project Engineer  
Mr. Scott Tafuri, Safety Coordinator  
Ms. Callie Cole, Accounting Clerk  
Mr. Nick Malambri, Engineering Specialist  
Ms. Lauren McCormick, Public Affairs Manager  
Ms. Alex Clubb, Public Affairs Intern

### Absent:

Mr. Paul Kresta, Chairman

### Also, present:

Ms. Ann Poninski, Phillips 66  
Mr. Bobby Fuller, Texas Port Ministry  
Mr. Bob Arroyave, Brown & Gay Engineers  
Mr. Jason Foltyn, HDR  
Mr. Will Wachel, WSP  
Ms. Melanie Oldham  
Mr. Don Bavarian, Freese & Nichols

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 Hoss noted that Commissioner Kresta was absent and Commissioner Singhania will be arriving later. All other Commissioners were present.
5. Safety Briefing – Mr. Chris Hogan, Director of Protective Services
6. Approval of minutes from the Regular Meeting held March 8, 2018.

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

7. Reports from Executive Staff:

- 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.

Ms. Saathoff reported attending the AAPA Spring Conference in Washington, DC along with Commissioner Singhania. While at the conference, staff took the opportunity to meet with offices in Washington to update the progress of the GRR and make them aware the engineering and design segment of the project is moving forward and will be looking for additional funds to complete the PED for the entire project. While in the meetings, staff also shared the letter received from Dow Chemical's CEO strongly encouraging the President of the United States to fund the project. Ms. Saathoff also highlighted the omnibus bill (budget) that was passed while in DC. Earlier today in Galveston, Ms. Saathoff testified before the House Select Committee on Ports Innovation and Infrastructure with regard to the Port Authority Advisory Committee. Rear Admiral Paul Thomas requested a visit to the Port on April 12. Details will be forthcoming. Ms. McCormick, Public Affairs Manager, briefly outlined upcoming speaking events with various groups in the community and gave an update on the annual Take-A-Child Fishing Tournament to be held May 5. Ms. Saathoff noted there is now a website, [www.portfreeportbondelection.com](http://www.portfreeportbondelection.com) with informative facts regarding the bond election. Ms. McCormick also introduced the Port's new intern, Alex Clubb, who joined the Public Affairs team for the next few months to assist with upcoming events.

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

Mr. Mannion 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. Hull shared aerial pictures of the Parcel 14 development as well as an aerial of the East End property. Mr. Hull gave a brief update on the Port Road project which will take approximately 15 days to complete along with additional work needed on Pete Schaff Boulevard. Total construction time is estimated to take a month. Mr. Hull reported the solar light has been installed on the northeast end of

Seaway point. Light has also been installed in the radar tower as well. Remaining lights to be installed around the tip of the Dow Thumb are planned to be done with the sheet pile project.

- 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 reported that YTD cargo is up 49,000 tons over last year's. Tenaris, Hoegh and Dole have all contributed to the increased numbers. Vessel activity is down a bit from 114 to 107 this year.

Mr. Durel also reported attending a Pilot Working Group meeting March 20 and shared pictures of the vessel Federal Columbia.

- 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 on increased boat traffic in the harbor as well as preparations for the upcoming hurricane season. He also reported on a tenant safety incident and staff's efforts to increase vehicle safety awareness throughout the Port.

- 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 highlighted conferences attended which included the Retail Industry Leaders Association in Phoenix February 25-27, Transpacific Maritime Conference in Long Beach March 4-7 and Finished Vehicle Logistics in Huntington Beach March 13-15. Mr. Miura will be traveling to Atlanta March 27 and to Geneva March 31 with Ms. Saathoff to visit with key accounts.

- 8. Receive report from Commissioners on matters related to:

- A. March 8 and March 26 Personnel Advisory Committee – Commissioner Hoss stated the committee reviewed broker of record letter and health insurance RFP. The committee also met today to discuss the addition of a position to the Operations staff.
- B. March 26 Finance Advisory Committee – The committee conducted an annual review of the Port's Investment Policy as well as reviewed changes made to the Texas Public Funds Investment Act made in the last legislative session. Additional training for the finance staff was also discussed. The Investment Policy modifications will be brought to the Board for approval in April.
- C. March 26 Strategic Planning Advisory Committee - Commissioner Terry stated the committee discussed the PSA with Freese and Nichols, which is on the agenda for approval.
- D. March 26 Operations, Safety & Security Advisory Committee – Commissioner Pirtle stated the committee discussed replacing high mast lighting throughout the Port facilities and reviewed proposed bids received.
- E. Meetings and conferences attended, Port presentations and other related Port Commission matters.

Commissioner Pirtle reported attending Corps presentation in West Columbia as well as the Rail District meeting held March 16.

Commissioner Singhanian reported attending the presentation made by Ms. Saathoff to the Lake Jackson Business Association March 14, the Rail District meeting held March 16 and the AAPA Spring Conference in Washington, DC.

Commissioner Hoss reported attending presentations made by Mr. Mannion to the Brazoria County Emergency Management and the Brazoria County Local Emergency Planning Committee. He also reported attending the Brazoria County Commissioners Court hearing in support of the San Bernard River project and the Corps public comment meeting held in West Columbia.

9. Public Comment – Ms. Melanie Oldham addressed the Board regarding the Freeport Harbor Channel Improvement Project and environmental matters pertaining to the project.

10. Approval of financial reports presented for the period ending February 28, 2018.

A motion was made by Commissioner Singhanian to approve the reports 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 Professional Services Agreement with Freese and Nichols, Inc. for sediment sampling of dredge material in Placement Area 85 for potential beneficial use, for an amount not to exceed \$124,476.00.

Mr. Hull stated the Professional Service Agreement before the Board will allow the material in placement area 85 to be analyzed to determine the best beneficial reuse of the material for a project such as marsh restoration or shoreline restoration. Mr. Hull added that having the material tested to determine best use will put the Port in a better position to apply for and receive grant money. It is Mr. Hull's recommendation the Board approve the PSA and move forward with testing of material.

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

12. Receive update from staff regarding the Brazoria-Fort Bend Rail District, and the Brazoria-Fort Bend Nexus Project Group.

A Rail District meeting was held March 16 in Freeport. Director Sean Stockard was not present at the meeting, and a replacement has not been named. TxDOT approved a \$600,000 grant for an additional feasibility study. An Advanced Funding Agreement between the Rail District and TxDOT was executed at the March 16 meeting as per requirement of the grant. Additionally, TxDOT requires the District to engage the public therefore the District has moved forward with an agreement with public relations firm Crouch Environmental. The firm was tasked to develop a story board which will communicate key facts about the project, develop a communications plan and engage the public, and develop the Brazoria-Fort Bend Rail District website. At the next meeting the Board will discuss and approve an RFQ (request for qualifications). The District will be seeking firms to represent the Rail District through the next phase of the study. The next meeting will be held April 20 in Richmond. Ms. Saathoff added she will be giving an update/presentation to the Fort Bend County Commissioners Court March 27 at 1:00 p.m. and the Brazoria County Commissioners Court April 10 at 9:00 a.m.

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 551.072 (Deliberation of Real Property Matters) 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.

14. RECONVENE OPEN SESSION:

15. Adjourn.

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