

## Minutes of Meeting September 26, 2019

A Regular Meeting of the Port Commission of Port Freeport was held September 26, 2019 beginning at 1:04 PM at the Administration Building, 1100 Cherry Street, Freeport, Texas.

### Commissioners present:

Mr. Shane Pirtle, Chairman  
Mr. Rudy Santos, Secretary  
Mr. John Hoss, Asst. Secretary  
Mr. Ravi K. Singhanian, Commissioner  
Mr. Dan Croft, Commissioner

### Staff Members Present:

Mr. Jason Cordoba, Legal Counsel  
Ms. Phyllis Saathoff, Executive Director/CEO  
Mr. Rob Lowe, Director of Administration/CFO  
Mr. Jason Hull, Director of Engineering  
Mr. Al Durel, Director of Operations  
Mr. Mike Wilson, Director of Economic Development  
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. Brandon Robertson, Network Systems Manager  
Mr. Mike Quilty, Safety Coordinator  
Ms. Lauren McCormick, Public Affairs Manager  
Ms. Connie Wiegel, Sales & Marketing Specialist  
Ms. Jo Beth Griffin, Public Affairs Assistant  
Ms. Darlene Winkler, Communications Specialist  
Mr. Nick Malambri, Engineering Specialist

### Absent:

Mr. Paul Kresta, Vice Chairman

### Also, present:

Mr. James Mathis, Carriage House Partners  
Mr. James Clark, Carriage House Partners  
Mr. Bobby Fuller, Texas Port Ministry  
Mr. Jason Foltyn, HDR  
Mr. Eric Potts, Freese & Nichols  
Mr. Rick Stephanow, Gulf LNG Services

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 Pirtle noted that Commissioner Kresta was absent. All other Commissioners were present.
5. Safety Briefing – Mr. Mike Quilty, Safety Coordinator
6. Approval of minutes from the August 29, 2019 Special Meeting and the September 12, 2019 Regular Meeting.

A motion was made by Commissioner Hoss to approve the minutes with an adjustment to Item 21 on the September 12 minutes to reflect that Ms. Saathoff was approved as a delegate and Commissioner Pirtle as an alternate. The motion was seconded by Commissioner Santos with all Commissioners present voting in favor of the motion.

7. Receive update from Carriage House Partners, LLC regarding legislative affairs.

Mr. James Mathis and Mr. James Clark with Carriage House Partners (CHP) gave a brief overview and highlighted topics from the last legislative session which included Speaker Bonnen, Lt. Governor Patrick and Governor Abbott introducing a set of goals to address during the session that included school finance and property tax reform/relief. They were successful in passing these bills during session. Mr. Mathis noted there were 7324 bills filed with 1429 passed this session but nothing that directly impacted Port Freeport. Port related bills filed included two associated with the Port of Houston, one that separates the Pilot Board from the Port Commission and the other mandates two-way traffic. Another port related bill of interests discusses the Open Meetings Act and what defines a “walking quorum”.

8. Reports from Executive Staff:

- A. Receive report from Executive Director/CEO on activities and matters related to administrative affairs. Port tenant updates, USCOE, rail matters and meetings, AAPA Committees, leases, contracts, upcoming Port and civic events and other related administrative affairs.

Ms. Saathoff reported that staff has been focusing on channel project funding with recent meetings with the Corps in Galveston and Dallas. Staff will travel to Washington, DC next week to continue efforts at the federal level. Ms. Saathoff also stated that David Miller and Associates’ update to the Port’s BCR is very positive and will enhance the conversations in WDC. Final numbers are forthcoming. Ms. McCormick reported on the Port Freeport Golf Tournament which has raised a total of \$82,225 in committed sponsorships. She also recognized Darlene Winkler and Jo Beth Griffin and thanked them for their efforts for the tournament. The tournament moved to a two-flight format and has a total of 56 teams committed for the day. The tournament will be held October 21 at The Wilderness and will benefit Texas Port Ministry.

- B. Receive report from Director of Administration/CFO on monthly activity and matters related to financial results, investments, insurance, leases, real property matters and other related administrative affairs.

Mr. Lowe 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, Hydrographic Report and other related facility engineering matters.

Mr. Hull shared a picture of the current asphalt repairs in the Dole Yard. He also reported the Corps is signing the Maintenance Dredging contract with Manson as the contractor for the project which is a multi-year SATOC contract. This project is scheduled to begin at the end of October with completion in December. Ms. Saathoff commented that the 5-acre development near Velasco Terminal is progressing and looks good. Mr. Hull stated the project is on schedule.

- 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 vessel activity is on schedule to meet budget. He reported on the recent weather event with the storm in the Gulf stating staff treated it like a significant weather event with Mr. Hogan participating on conference calls with the local authorities and national weather. Mr. Hogan is organizing an active shooter training session for staff to be held in October. Mr. Quilty has met with ILA and stevedores to discuss safety issues. A staff safety meeting will be held September 27 on distractive driving. The next tenant safety meeting will be held in November. Mr. Durel also shared photos of the modifications made to the rescue container. Ms. Saathoff praised the innovative work of the Operations staff.

- E. Receive report from Director of Business & Economic Development on activities and matters related to industry meetings, sales reports, advertising, web activity, Foreign-Trade Zone, Rail District and other ocean transportation related matters.

Mr. Miura reported that Business Development recently received notification of being awarded a portion of the Wink-Webster 36" pipeline project that will connect Wink to Baytown. Additionally, the Port has been awarded project cargo going into Phillips 66 in Sweeny. He also reminded staff the Breakbulk Conference will be held October 8-10 with the Customer Appreciation event held the evening of October 9.

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

- A. September 12 & 26 Finance Advisory Committee – Commissioner Singhania stated the committee discussed FLNG insurance request September 12 while today's item included a recommendation regarding the Port's broker of record for business insurance.
- B. September 12 Strategic Planning Advisory Committee – Commissioner Santos stated that he cancelled the committee meeting. The item is on the agenda for approval and discussion will be held at that time.
- C. Meetings and conferences attended, Port presentations, Rail District and other related Port Commission matters.

Commissioner Santos reported attending the J.A. Business Hall of Fame dinner September 19 and noted the Alliance Transportation Summit was cancelled due to weather.

Commissioner Hoss reported attending the meetings in Dallas with the Corps Southwest Division.

Commissioner Singhania also reported attending the J.A. Business Hall of Fame dinner as well as the Brazoria Chamber Banquet, College Reception and Thunder on The Brazos. He also noted the Rail District meeting was also cancelled due to weather.

Commissioner Pirtle also noted attending the National Waterways Conference, Brazoria Chamber Banquet and Corps Meetings.

10. Public Comment – There were no public comments.

11. Approval of financial reports presented for the period ending August 31, 2019.

A motion was made by Commissioner Singhania to approve the reports as presented by staff. The motion was seconded by Commissioner Croft with all Commissioners present voting in favor of the motion.

12. Approval of a Professional Services Agreement with Freese and Nichols for a safety assurance review of the Levee Stabilization Wall project, for an amount not to exceed \$60,800.00.

Mr. Hull stated this PSA is for a safety assurance review on the levee stabilization wall that HDR is designing. The Corps has advised the fastest way to get this work accomplished is for the Port to contract the work. It is staff's recommendation that Freese & Nichols perform the safety assurance review for the levee stabilization project for an amount not to exceed \$60,800.

A motion was made by Commissioner Hoss to approve the agreement. The motion was seconded by Commissioner Santos 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 (Consultation with Attorney) for discussion regarding:

1. Consultation with attorney to discuss potential litigation.
2. Consultation with attorney to discuss potential litigation.
3. Consultation with attorney and discussion regarding legal matters arising out of Texas Transportation Code, Title 4 Navigation, Subtitle A Waterways and Ports, Chapter 52 Texas Deepwater Port Procedures Act.

B. 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. 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 or real property located at Port Freeport, including but not limited to Parcel 14.
5. The potential exchange, lease, or value of real property located at Port Freeport, including but not limited to Parcels 4, 5, 6, 9, 19, 27, 31, 34, 35 and 38.

14. RECONVENE OPEN SESSION:

15. Adjourn.

With no further business before the Commission, the meeting adjourned at 3:59 PM.