

Minutes of Port Commission Regular Meeting
October 22, 2020
Via Video/Teleconference

Notice is hereby given that in accordance with the order the Office of the Governor issued March 16, 2020, and due to imminent threat to public health and safety and urgent public necessity, the Port Freeport Port Commission will conduct a Regular Meeting on Thursday, October 22, 2020 at 1:00 p.m. by video/teleconference initiated from the Administration Building, 1100 Cherry Street, Freeport, Texas. In order to meet CDC guidelines for social distancing and slow the spread of the Coronavirus (COVID-19), the public can join the video/teleconference meeting by following the instructions below. When the spread of COVID-19 is no longer an imminent threat to our community, in-person meetings will resume.

The meeting will not be open for the public to physically attend the meeting, but the Port welcomes the public to attend virtually. Public comment will be available at the beginning of the meeting on the agenda item indicated below. Following public comment, the public will not be permitted to communicate with the Port Commission.

This meeting agenda and agenda packet is posted online at www.portfreeport.com

Please join the meeting from a computer, tablet or smartphone.

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Commissioners present:

Mr. Shane Pirtle, Chairman
Mr. Paul Kresta, Vice Chairman
Mr. Rudy Santos, Secretary
Mr. John Hoss, Asst. Secretary
Mr. Ravi Singhania, 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. Al Durel, Director of Operations
Mr. Jason Miura, Director of Business & Economic Development
Mr. Mike Wilson, Director of Economic Development & Freight Mobility
Mr. Brandon Robertson, Network Systems Manager
Ms. Missy Bevers, Executive Assistant
Ms. Mary Campus, Controller
Ms. Jessica Follett, Public Affairs Manager
Mr. Cecil Booth, Project Engineer

Also, present via teleconference:

Mr. Tomas Lis, Horizon Auto Logistics
Mr. Mike Hayes, Texas Port Ministry
Mr. Jeff Taylor, Freese & Nickols
Mr. William Wachel, WSP
Mr. Glen Crocker, RG Miller Engineers

Commissioner Pirtle stated the following information...

Today is October 22, 2020, and the time is 1:00 p.m. This is the regular meeting of the Port Commission. I am Shane Pirtle, Chairman. We are conducting this meeting by video/telephone conference pursuant to Governor Abbott's order suspending certain provisions of the Texas Open Meetings Act in order to minimize the impact of the coronavirus outbreak. This meeting is being recorded as required by the Texas Open Meetings Act.

With the posting of today's meeting a toll-free call in number was indicated on the agenda, along with the agenda packet. Both may be found on the Port's website www.portfreeport.com. Additionally, the public may join the meeting from a computer, tablet or smartphone or by phone using the toll-free call in number.

This meeting will not be open for the public to physically attend the meeting, but the Port welcomes the public to attend virtually. Public comment will be available at the beginning of the meeting as indicated on the agenda. Following public comment, the public will not be permitted to communicate with the Port Commission.

In the event any member of the public is having any technical difficulty during the meeting, please call (979) 233-2667, and someone will assist you.

Being considerate of all participants on this call today, we respectfully request everyone "mute" their phones unless you are speaking.

An Executive Session was noticed on the published agenda and will occur unless otherwise indicated during the meeting. It will be announced prior to this body going into Executive Session. During Executive Session the public will not be permitted to hear the meeting, as is the case under the Texas Open Meetings Act.

1. CONVENE OPEN SESSION in accordance with Texas Government Code Section 551.001, et. seq., to review and consider the following:
2. Invocation – Mr. Mike Hayes, Texas Port Ministry
3. Roll Call – Commissioner Pirtle stated that Commissioner Santos, Commissioner Singhanian and Commissioner Hoss were present online. Those present in the board room (at a safe distance) included himself, Commissioners Kresta, Commissioner Croft, Phyllis Saathoff – CEO and Jason Cordoba – Legal Counsel. Ms. Saathoff noted additional staff in the room.
4. Public Comment – There were no public comments.
5. Approval of minutes from a Regular Meeting held October 8, 2020.

A motion was made by Commissioner Santos to approve the minutes as presented. The motion was seconded by Commissioner Croft with all Commissioners present voting in favor of the motion, and Commissioner Hoss voting no.

6. Receive reports from Executive Staff on activities and matters related to COVID-19 health safety matters, administrative affairs, financial results, facility engineering matters, operations and vessel activity, port safety matters, port security matters, Port tenant updates, USCOE, and other related port affairs.

A. Executive Director/CEO

Ms. Saathoff reported that the accounting staff is in the process of closing out fiscal year 2020 adding that the Port performed very well from tonnage perspective, number of vessel calls and financially. Overall vessel traffic is up significantly with the increase in LNG tonnage and Ro/Ro business and the container business staying consistent. Fiscal year 2021 is off to a good start for the month of October with a significant number of LNG export cargos and RoRo vessel calls expected. The USACOE notified the Port that Manson Dredging will begin annual maintenance dredging of the entrance channel in December. Activity will also begin in Reach 3 in December with the installation of dredge material pipe to Placement Area 1 and dredging anticipated to begin in January. Additionally, work will begin in the same timeframe on the stabilization project for Reach 2. Staff will hold a meeting with channel partners to relay all necessary information regarding the projects and how work will be communicated/coordinated. The Port website will be updated frequently about the construction work in the channel. November 12 is the next regular board meeting scheduled which will be the only meeting that month due to the Thanksgiving holidays. At this time, Ms. Saathoff thanked the public affairs team, staff, Texas Port Ministry and all volunteers for their efforts during the golf tournament. Ms. Follett reported on the golf tournament held October 19 stating the tournament exceeded expectations this year. Staff is currently wrapping up the tournament, contacting winners to pick up awards and has posted pictures on the website from the tournament. She noted that staff received positive feedback and anticipates presenting a check to beneficiary Texas Port Ministry at the November meeting. The Port will host three CAP meetings next week with socially distanced staggered tours and briefings. All necessary precautions will be taken to ensure everyone's safety. Lastly, Ms. Saathoff reported speaking to an HR Class at Texas A&M Galveston for the Maritime Program.

B. Chief Financial Officer

Mr. Lowe reported that staff is currently pursuing a fifth member of the accounting team which for a position that was recently vacated. September financials are not yet finalized as additional processes are being taken to close out the fiscal end.

C. Director of Engineering

In Mr. Hull's absence, Cecil Booth shared pictures of the Berth 8 project including an aerial photo taken by McCarthy.

D. Director of Operations

Mr. Durel reported on statistics for the month of September stating the Port handled 10 Ro/Ro vessels, 9 LNG vessels and 13 container vessels. For the month of October, the Port anticipates 15 Ro/Ro, 17 LNG and 13 container vessels. YTD the Port has handled 412 vessels. From that, 115 were Ro/Ro, 83 LNG and 154 container vessels. In 2020 the Port has handled approximately 81,000 vehicles. Railcar activity totals include 74

Cemex and 285 Vulcan. Mr. Durel also reported the gantry crane is currently running off a portable generator. Staff is in the process of evaluating the crane to figure out the issue.

At this time, it was noted that Commissioner Santos left the meeting for a business meeting and will try to rejoin later in executive session.

E. Director of Business & Economic Development

Mr. Miura submitted a written report to the Board and had nothing further to report.

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

Commissioner Hoss reported attending the Brazoria County Cities Association meeting and has also participated in several other virtual meetings.

Commissioner Singhania reported participating in the Angleton Chamber virtual luncheons.

Commissioner Croft brought attention to everyone that October is National Dwarfism Awareness month.

Commissioner Pirtle reminded everyone that Congressman Randy Weber has an event this evening.

8. 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 Croft to approve the resolution. The motion was seconded by Commissioner Kresta with all Commissioners present voting in favor of the motion.

9. 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 Concerning Real Property Matters) for discussion regarding:

1. Discussion regarding the potential exchange, lease, or value of real property located in Freeport, Texas, including but not limited to the are known as the East End of Freeport and bordered by or adjacent to the following streets: FM1495; East 2nd Street; Terminal Street and East 8th Street in Freeport, Texas.
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. The potential exchange, lease, or value of real property located at Port Freeport, including but not limited to Parcel 14 and Surfside Lots.

B. Under authority of Section 551.074 (Deliberation of Personnel Matters) for discussion regarding:

1. Discussion regarding the appointment, employment, evaluation, reassignment, duties of a public officer or employee, including but not limited to: Executive Director/CEO.

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

Commissioner Pirtle noted all Commissioners were present with the exception of Commissioner Santos who has not been able to rejoin the meeting.

At this time, Commissioner Singhania congratulated Ms. Saathoff's team for finishing third at the golf tournament. He also noted he received positive comments on the goodie bag items for the tournament.

11. Approval of a Second Amendment to the Marine Terminal Services Agreement between Port Freeport and CMA CGM, S.A.

Mr. Miura stated that staff recommends approval of a second amendment to the marine terminal services agreement with CMA CGM. This second amendment considers certain commercial terms through September 30, 2021.

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

12. Adjourn.

With no further business before the Commission, the meeting adjourned at 3:26 PM.