

Minutes of Meeting
October 8, 2020
In Person and 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 8, 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.

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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 Hull, Director of Engineering
Mr. Chris Hogan, Director of Protective Services
Mr. Jason Miura, Director of Business & Economic Development

Ms. Missy Bevers, Executive Assistant
Mr. Brandon Robertson, Network Systems Manager
Mr. Mike Wilson, Director of Economic Development
Ms. Jessica Follett, Public Affairs Manager
Mr. Mike Quilty, Safety Coordinator

Also, present:

Mr. Chris Conner, AAPA
Mr. Aaron Ellis, AAPA
Mr. Geoff Bowman, Van Scoyoc
Mr. William Wachel, WSP
Mr. Mike Hayes, Texas Port Ministry
Mr. Bob Arroyave, BGE
Mr. Chris Noble, Dole Fresh Fruit
Mr. David Kaufman, Haskell

Commissioner Pirtle stated the following information...

Today is October 8, 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 Singhanian and Commissioner Santos were present online. Those present in the board room (at a safe distance) included himself, Commissioners Kresta, Commissioner Croft, Commissioner Hoss, 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. Receive update from American Association of Port Authorities (AAPA) President and CEO regarding changes in the organization.

Mr. Chris Connor, President and CEO of AAPA, gave a presentation regarding changes within the organization which included updates to the organization chart, bylaw changes, growing association memberships, revenues and sponsorships, new sponsorship advisory group and workforce development opportunities, changes to the Port Profession Manager (PPM) program, U.S. legislative priorities and activities, the new AAPA office in downtown Washington, DC as well as an update on the Port Employees Emergency Relief Fund.

6. Approval of contribution to the American Association of Port Authorities (AAPA) Port Employee Emergency Relief Fund.

With this hurricane season being a record setting year for the Gulf in the number of storms that have impacted Ports along the coast, Ms. Saathoff asked the Commission to consider a contribution to the relief fund as done in the past. Ms. Saathoff noted that in the aftermath of Hurricane Harvey, this fund was accessed by several employees to provide much needed assistance. Staff recommends approval of a contribution in the amount of \$1,000.00. Commissioner Kresta asked the Commission to consider increasing the contribution amount another \$500.00. Commissioner Hoss inquired about the legality of being able to contribute to a 501(c)(3) entity. Mr. Cordoba explained that this has always been identified as a contribution to a fund that can assist port employees. Because there is a direct benefit back to the employees, this is not considered a gift. Ms. Saathoff noted that this has been previously reviewed by Counsel, supported and has directly benefitted Port Freeport employees.

After additional discussion, a motion was made by Commissioner Kresta to approve a contribution to the fund in the amount of \$2,000.00. The motion was seconded by Commissioner Hoss with all Commissioners present voting in favor of the motion.

7. Approval of minutes from the Regular Meeting held September 24, 2020.

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

8. Receive report from Executive Director/CEO and/or 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.

Ms. Saathoff shared photos from Placement Area 1 which is where the dredge material from Reach 3 will go. She also shared photos of Ro/Ro vessels in port at Dock 2 and Dock 5. The Port's annual golf tournament is still moving forward with over \$70,000 committed in sponsorships. As mentioned previously, this year's tournament will be single flight and proceeds from this event will go to Texas Port Ministry to support the work they provide to seafarers, truckers and labor inside the port. The Port will host CAP meetings at the end of the month to update advisory panel members. Texas Ports Association held a meeting October 29 with Ms. Saathoff being elected President. Mr. Hogan gave a brief update regarding Hurricane Delta.

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

Commissioner Pirtle reported participating in weekly Roundtable as well as 36A meeting.

10. Approval of a Government Liaison Services Agreement between Port Freeport and Van Scoyoc Associates for 3 years commencing October 1, 2020.

Ms. Saathoff stated that Van Scoyoc has been working with the Port for the last three years, has developed good strategies that helped the Port obtain a new start designation for the channel project and funding for the first phase. Van Scoyoc presented a proposal to continue services for the next 3 years at a monthly rate of \$11,000 which is their current rate and as with the first contract, an additional \$8,000 is included for expenses over the over the 3-year period. A 30-day notice provision for termination by either party is also included. Ms. Saathoff has been very pleased with the work done and recommends executing another 3-year professional service contract.

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

11. Adoption of a Resolution requesting the addition of the State Highway 36A Corridor (US 59S/IH 69S to US 290/SH 6) to the Texas Department of Transportation State System and Unified Transportation Plan and Houston-Galveston Area Council Regional Transportation Plan.

Ms. Saathoff stated the Highway 36A corridor is very important to the Port's future in the connection to markets west of Houston, Dallas-Fort Worth and beyond. This resolution that advocates efficiency for motorists, easing congestion, and providing emergency evacuation routes in times of natural disasters. It also requests the addition of the State Highway 36A Corridor (US 59S/IH 69S to US 290/SH6) to the Texas Department of Transportation State System and Unified Transportation Plan and Houston-Galveston Area Council Regional Transportation Plan. The draft resolution has been shared with Brazoria County, Fort Bend County and Waller County. Staff recommends approval of this Resolution.

A motion was made by Commissioner Croft to adopt the resolution. The motion was seconded by Commissioner Hoss with all Commissioners present voting in favor of the motion.

12. Adoption of a Resolution declaring items surplus and ordered sold separately for cash, after notice of sale and receipt of bids to the highest bidder; destroyed if no bids are received; or offered as trade-in for new property of the same general type.

Mr. Durel stated the resolution before the Commission is to surplus the Gottwald crane. The crane is not utilized as much with the container terminal now in operation and vessels using ship's gear and stevedores utilizing their own crane to handle other cargo. This was reviewed by the Operations, Safety and Security Advisory Committee. Staff recommends approval.

A motion was made by Commissioner Santos to adopt the resolution as presented by staff. The motion was seconded by Commissioner Kresta 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):
 1. Consultation with attorney to discuss potential litigation.
- B. 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: FM 1495; 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.
- C. Under authority of Section 551.076 (Deliberation of Personnel Matters) for discussion regarding:
 1. Deliberation regarding the appointment, employment, evaluation, reassignment, duties of a public officer or employee, including but not limited to: Executive Director/CEO.

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

15. Approval to First Amendment to Terminal Use Agreement between Port Freeport and Cemex, Inc.

Mr. Miura stated that in May 2020 Port Freeport and Cemex entered into an agreement covering the use of two railroad tracks at the port to transfer liquified CO2 from trucks to railcars. Port Freeport's internal control procedure noted certain a commercial item was not considered in agreement. Legal counsel recommended an amendment to the agreement to

recognize this commercial item. Cemex has executed the amendment and was reviewed in committee. Staff recommends approval.

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

16. Adjourn.

With no further business before the Commission, the meeting adjourned at 5:35 PM.