

# Minutes of Port Commission Regular Meeting June 24, 2021

The Port Commission meeting will be in person and available for public attendance.

The Port Commission meeting will also be available for observation to the public via Zoom at the link below. The public will not be permitted to participate in the public comment via Zoom. Any public comment must be done in person at the Port Freeport Administration Building.

Join Zoom Meeting

<https://us02web.zoom.us/j/86429503529?pwd=Q3JEeDZqc0ZvSEpYUUpKeVBFbWVidz09>

Meeting ID: 864 2950 3529

Passcode: 969385

Dial by your location

- +1 346 248 7799 US (Houston)
- +1 669 900 9128 US (San Jose)
- +1 253 215 8782 US (Tacoma)
- +1 312 626 6799 US (Chicago)
- +1 646 558 8656 US (New York)
- +1 301 715 8592 US (Washington DC)

Meeting ID: 864 2950 3529

Find your local number: <https://us02web.zoom.us/j/ku8WUwmRN>

Commissioner's present:

- Mr. John Hoss, Chairman
- Mr. Rudy Santos, Vice Chairman
- Mr. Dan Croft, Secretary
- Mr. Rob Giesecke, Asst. Secretary
- Mr. Shane Pirtle, 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. Mike Wilson, Director of Economic Development & Freight Mobility
- Mr. Chris Hogan, Director of Protective Services
- Mr. Jason Miura, Director of Business & Economic Development
- Mr. Brandon Robertson, Network Systems Manager
- Ms. Missy Bevers, Executive Assistant
- Ms. Mary Campus, Controller
- Ms. Jessica Follett, Public Affairs Manager
- Ms. Tricia Vela, Public Affairs Assistant
- Mr. Nick Malambri, Engineering Specialist

Absent:

- Mr. Ravi Singhania, Commissioner

Also, present via teleconference:

Mr. Jonathan Frels, Bracewell  
Mr. Drew Masterson, Masterson Advisors LLC  
Ms. Kristin Blomquist, Masterson Advisors LLC  
Mr. Bobby Fuller, Texas Port Ministry  
Mr. Darrell H. Schwebel, Cradle of Texas Conservancy  
Mr. Jason Foltyn, HDR  
Mr. Chris Allen  
Mr. Joshua Karar  
Mr. David Webb  
Ms. Stephanie Thomas

Commissioner Hoss stated the following information...

I will now open the meeting. Pursuant to the posted agenda this meeting is open to public attendance and will be attended by commissioners in person as well. For purposes of transparency and in the event a member of the public is unable to attend the meeting, the meeting is also being made available via Zoom as indicated on the agenda.

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 Singhanian was in transit and may join the meeting later. All other commissioners were present. (Commissioner Singhanian was absent from the entire meeting)
5. Public Comment – There were no public comments.
6. Approval of minutes from the Regular meeting held June 10, 2021.

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

7. 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 attending the ILA Safety Blue Ribbon Panel in Austin along with Mr. Durel. The Governor has signed off on the budget and has approved the TXDOT portion which includes the RIDER fund program. This program funds last mile projects to ports and was allotted \$40 million in total over a two-year biennium, with \$20 million each year. This gives the Port an opportunity to pursue funds for highway or transportation related projects outside the gates. Reach 3 dredging of the channel project

continues with completion expected the second half of July. Dredging of Berth 7 and 8 is on schedule to finish in August. HDR completed their 65% plans and specs for Reach 2 and is on schedule to make submittal next week to the Galveston District. Staff continues outreach and advocacy work virtually as DC is still slow to open back up. The National Waterways Conference announced the fall meeting will be held in Baltimore, Maryland. The Governor announced the first special session will be held July 8. Staff met with the OSS Advisory Committee earlier to discuss moving forward to get appropriate documents in place to advance the installation of the NOAA Ports System. Freeport LNG will partner with installation and first two years of maintenance, the Port will then take over maintenance. Approval documents will be included on future agenda.

B. Chief Financial Officer

Mr. Lowe gave a presentation regarding the financial results for the month of May.

C. Director of Engineering

In addition to his written report, Mr. Hull shared a photo of the ongoing work at Berth 8.

D. Director of Operations

Mr. Durel reported on statistics for the month of May which was a record month with the Port handling 52 vessels and included LNG, Ro/Ro, project cargo, pipe and steel. Total vessel arrivals Port wide were 107. YTD the Port has handled 126 LNG vessels, and 94 Ro/Ro. Mr. Quilty continues to meet with tenants' stevedores and labor regarding safety. Mr. Hogan continues to follow Covid but shifting to hurricane season and recently completed annual update of the Port's hurricane procedures. Mr. Durel also reported participating in the GPAA Zoom Meeting where he gave a presentation regarding the development and implementation of the Port's Fire Rescue Buggy.

E. Director of Business & Economic Development

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

8. Receive report from Commissioners on matters related to:

A. June 24 Finance Advisory Committee – Commissioner Croft reported the committee discussed budget for the Port's Annual Golf Tournament which is an item on the agenda for approval.

B. June 24 OSS Advisory Committee – Commissioner Pirtle reported the committee discuss NOAA Ports System and further implementation of the system. Safety matters were also discussed regarding crane repairs and further safety implementation throughout the Port.

C. Meetings and conferences attended, Port presentations and other related Port Commission matters.

Commissioner Pirtle reported attending the Friends of the River meeting along with Commissioner Singhanian. He also attended the Brazoria County Commissioners' Court meeting, Chamber Luncheon as well as 36A Board Meeting.

Commissioner Croft reported attending the Brazoria County Economic Development Alliance Executive Committee meeting.

Commissioner Hoss reported attending the Brazosport Chamber Governmental Affairs Committee Meeting and BCCA Meeting.

9. Approval of financial reports presented for the period ending May 31, 2021.

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

10. Ninth Supplemental Resolution Authorizing the Issuance of Port Freeport Senior Lien Revenue Bonds, Series 2021 (AMT); Prescribing the Terms and Provisions Thereof; Approving the Sale of the Bonds and Authorizing the Execution and Delivery of a Bond Purchase Agreement and a Paying Agent/Registrar Agreement; Approving the Preparation and Distribution of an Official Statement; and Resolving Other Matters Related Thereto.

Mr. Lowe stated the Port Commission approved a resolution at the previous meeting authorizing staff to work with the Port's financial advisor and bond counsel to prepare the necessary documents related to the issuance of bonds which the ninth resolution entails. Also included is the Preliminary Official Statement. Mr. Lowe noted that Jonathan Frels with Bracewell and Drew Masterson with Masterson Services were both available for any questions. Staff recommends approval of the resolution.

A motion was made by Commissioner Pirtle to approve the resolution. The motion was seconded by Commissioner Giesecke with all Commissioners present voting in favor of the motion.

11. Approval of an Electrical Easement to CenterPoint Energy for relocation of an existing electrical power line.

Mr. Hull stated that this electrical easement is necessary for CenterPoint to relocate an existing powerline that currently conflicts with the Reach 2 improvements of the Freeport Harbor Channel Improvement Project. Staff recommends approval.

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

12. Approval of a Drainage Easement to Velasco Drainage District for maintaining the VDD ditch to the East Freeport Pump Station.

Mr. Hull stated this easement will enlarge the existing easement to allow access to the ditch to the East Freeport Pump Station. He further added that the has no bearing on any Port improvement plan. Staff recommends approval.

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

13. Approval of a Letter of No Objection to the U.S. Army Corps of Engineers regarding construction of Fort Velasco replica on Port property (Surfside).

Mr. Hull stated the Cradle of Texas Conservancy wants to build a replica of Fort Velasco on Port property but partially within the Corps right-of-way for the Jetty. The Corps is requesting a no objection letter from the Port before they give real estate out grant to the Cradle of Texas Conservancy. Mr. Hull shared a drawing of the replica and where it will sit. He also noted Mr. Darrell Schwebel with the Cradle of the Texas Conservancy is present should there be any questions. Mr. Schwebel noted that the project has been in the making for 40 + years with original founder Mr. George Kramig helping to make it happen. Once the Conservancy obtains all approvals, they anticipate construction to begin this year. The Conservancy currently has funds available to support the whole project without community support. Once construction is complete, the structure will be donated to the County to maintain/operate as a county park. Ms. Saathoff noted the Port had previous discussions with the Conservancy about positioning the structure as far east as possible to minimize the footprint in the Corps right-of-way.

A motion was made by Commissioner Pirtle to approve the letter. The motion was seconded by Commissioner Giesecke with all Commissioners present voting in favor of the motion.

14. 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. Hogan stated that staff is seeking approval of a resolution to surplus the 2005 Ford Expedition (patrol vehicle) to be traded in on a new vehicle which was approved by Port Commission at the previous meeting held June 10.

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

15. Approval regarding the 2021 Port Freeport Golf Tournament budget and benefactor.

Ms. Follett stated that staff is requesting approval of the budget and benefactor for the Port's 2021 golf tournament tentatively set for October 18, 2021. Staff is requesting Port Freeport contribution of \$3,000 with a total budget amount of \$26,500. As in the past, sponsorships and contributions will be sought out from members of the community. Ms. Follett stated that since 2012 the proceeds from the tournament have benefitted Texas Port Ministry who provides an invaluable service to the Port's Freeport Harbor Channel community, seafarers, truckers and labor. Staff presented this to the Finance Advisory Committee prior to the meeting and recommends Texas Port Ministry as the benefactor for the 2021 Golf Tournament.

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

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 551.071 (Consultation with Attorney) for discussion regarding:
  - 1. Consultation with attorney to discuss potential litigation.
  - 2. 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: FM1495; East 2<sup>nd</sup> Street; Terminal Street and East 8<sup>th</sup> 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 Parcels 14 and 43.

17. RECONVENE OPEN SESSION:

18. Adjourn.

With no further business before the Commission, the meeting adjourned at 4:32 PM.