

Minutes of Port Commission Regular Meeting  
January 27, 2022  
In Person & Videoconference

A Regular Meeting of the Port Commission of Port Freeport was held January 27, 2022, beginning at 1:08 PM at the Administration Building, 1100 Cherry Street, Freeport, Texas.

Commissioner Hoss noted the following information that was included on the posted agenda.

The meeting will be conducted pursuant to Section 551.127 of the Texas Government Code titled "Videoconference Call." A quorum of the Port Commission, including the presiding officer, will be present at the Commissioner Meeting Room located at 1100 Cherry Street, Freeport, Texas. The public will be permitted to attend the meeting in person or by videoconference.

Public comment will be available at the beginning of the meeting during the agenda item devoted to public comment. Public comment may be communicated in person or by videoconference, but in either event public comment will be limited to 5 minutes per participant and must be communicated verbally. 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](http://www.portfreeport.com)

The videoconference is available online as follows:

Join Zoom Meeting

<https://us02web.zoom.us/j/84888814006?pwd=VmdvaVRXKzdDaVhzbkMyeHBZNEpHQOT09>

Meeting ID: 848 8881 4006

Passcode: 893144

Dial by your location

1 346 248 7799 US (Houston)

1 301 715 8592 US (Washington DC)

Meeting ID: 848 8881 4006

Find your local number: <https://us02web.zoom.us/u/kbw2Nz7VPp>

Commissioners present in person:

Mr. John Hoss, Chairman  
Mr. Rudy Santos, Vice Chairman  
Mr. Dan Croft, Secretary  
Mr. Rob Giesecke, Asst. Secretary  
Mr. Ravi Singhania, Commissioner  
Mr. Shane Pirtle, Commissioner

Staff Members Present:

Mr. Peter Nemeth, Interim Legal Counsel  
Ms. Phyllis Saathoff, Executive Director/CEO  
Mr. Rob Lowe, Director of Administration/CFO  
Mr. Al Durel, Director of Operations  
Mr. Mike Wilson, Director of Economic Development & Freight Mobility  
Mr. Jason Hull, Director of Engineering  
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. Tricia Vela, Public Affairs Assistant  
Mr. Rico Arbolante, Help Desk Technician  
Mr. Nick Malambri, Engineering Specialist  
Mr. Jesse Hibbetts, Operations Manager

Also, present:

Mr. Bobby Fuller, Texas Port Ministry  
Mr. Chris Moore, Texas Port Ministry  
Mr. Geoff Bowman, Van Scoyoc Associates  
Mr. Charles McFarland, McFarland PLLC  
Mr. Zach McGavitt  
Ms. Barbara Fratila

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 and Texas Flag
4. Roll Call – Commissioner Hoss noted all Commissioners were present in the board room.
5. Call to identify and discuss any conflicts of interest that may lead to a Commissioner abstaining from voting on any posted agenda item.

Commissioner Hoss declared a conflict concerning agenda item #13 and will excuse himself from the meeting when the item comes before the Commission.

6. Public Comment – There were no public comments.
7. Approval of minutes from the Regular Meeting held January 13.

With regard to agenda item #18 under the first motion of this item, Commissioner Hoss stated the following from the minutes... *After discussion concerns, a motion was made by Commissioner Giesecke to table this matter for further consideration. The motion was seconded by Commissioner Singhania with Commissioners Pirtle, Croft, Santos and Hoss voting no.* Commissioner Hoss asked that “Commissioner Giesecke and Singhania voted yes” be added to make it consistent with the second motion as written.

A motion was made by Commissioner Croft to approve the minutes with correction to #18. The motion was seconded by Commissioner Santos with all Commissioners present voting in favor of the motion.

8. Receive update from federal consultants Van Scoyoc Associates.

Ms. Saathoff stated that staff was hopeful to receive funding in the Infrastructure Investment Jobs Act (IIJA) under the spend plan by the Corps for the money they were allocated but

unfortunately, the Port was not included, noting the guidance given to the Corps in preparing the spend plan was followed and the Port Freeport project should have been a priority. Mr. Geoff Bowman with Van Scoyoc then briefed the Commission on the funding related to the IJA and noted that the Corps' spend plan did not cover the total amount included in IJA. He touched on other activities of interest for the Port including the Department of Transportation's funding efforts through IJA as well as grant funding opportunities with the RAISE, INFRA and PIDP Grants. Mr. Bowman also discussed the deadlines surrounding the FY 2022 Continuing Resolution and the President's budget request and congressional delegation discussions. Ms. Saathoff added that progress has not slowed down on current work in the channel. Orion is currently on-site installing dredge pipe with the dredging in Reach 2 scheduled to commence next month. The Port continues to progress the project with an item on the agenda that will relate to another contract that will be put to bid by the Corps for the dry excavation in the bend easing. Both projects in Reach 2 are important to accommodate safe navigation and nighttime arrivals of larger vessels.

9. 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 addressed an issue regarding postings of agenda that was brought to her attention this week. As required under Section 551.054, staff is to post notices at the Port administrative offices here which is always done, and either provide notice to the County Clerk or post notice on the Port website. Procedures were followed with posting the agenda here, the agenda with backup was transmitted to the County at 11:57 a.m., and they confirmed receipt at 12:29 p.m.; however, there was a delay within the County's system and documents were not available for viewing online right at 1:00 p.m. Mr. Nemeth clarified that the Port is required to send notice to the County and the County is required to post the notice. The County posts the notice on a bulletin board at the courthouse and that is when it is considered posted. They also upload to their website, which is not required, and the delay was there. Ms. Saathoff assured the Port Commission that staff met the requirements of the law. Commissioner Singhania would like to see notices posted by Friday and suggested the Commission discuss moving to one meeting a month at the upcoming workshop. Additionally, Ms. Saathoff reported that the Port will be participating in a veterans job fair with the Brazoria County Petrochemical Council (BCPC) next month which will be a good recruiting opportunity with the Port having several positions open at this time.

B. Chief Financial Officer

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

C. Director of Engineering

In addition to his written report, Mr. Hull shared a current photo of the Berth 8 construction progress.

D. Director of Operations

Mr. Durel reported that in 2021, the average vessel activity was 44 vessels per month. In December, the Port handled 55 vessels. December also saw limestone, steel, LNG and container vessels. The first quarter saw 57 LNG vessels, 7 Tenaris, 28 barges and 149

railcars. Total vessels handled this fiscal year is 143, compared to 126 last year. Total Port wide vessels is 321. January anticipates 20 LNG vessels and 13 RoRo vessels. Mr. Durel also reported that staff is still working to fill three open positions and reminded the Commission that January 31 is Mike Quilty's last day.

E. Director of Business & Economic Development

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

10. Receive report from Commissioners on matters related to:

A. January 13 and 27 Finance Advisory Committee – Commissioner Croft reported that the committee reviewed financial information presented by staff.

B. January 27 OSS Advisory Committee – Commissioner Pirtle reported the committee discussed the amendment to the crane repair agreement which is on the agenda for approval as well as discussion regarding safety improvements implemented by McCarthy Construction.

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

Commissioner Pirtle reported attending the Traffic Safety Coordination meeting, Alliance Quarterly meeting and the Boys and Girls Club Gala. He also noted the Pregnancy Help Center event scheduled for January 28 and the Boy Scout Breakfast scheduled for March 10.

Commissioner Singhania reported attending the Alliance Quarterly meeting Roundtable meeting and the Boys and Girls Club Gala.

Commissioner Giesecke reported an upcoming Candidate Forum event schedule for January 30.

Commissioner Hoss reported also attending the Traffic Safety Coordination meeting.

11. Approval of financial reports presented for the period ending December 31, 2021

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

12. Approval of a Perpetual Easement to the United States of America for Reach 2 of the Freeport Harbor Channel Improvement Project.

Mr. Hull stated that this item is to grant a perpetual easement of approximately 15 acres to the United States of America so the bend easing work can proceed. Mr. Hull noted this is a customary process required to complete the project and recommends approval.

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

At this time, Commissioner Hoss declared a potential conflict with Item 13 and left the room for discussion. Commissioner Santos then presided over the meeting.

13. Approval of a Letter of No Objection to the USACE for Kirby Inland Marine's 408 permit application for barge fleeting area along the Upper Stauffer Channel.

Mr. Hull stated the Corps is requesting a letter of no objection from the Port regarding Kirby Inland Marine's 408 application to fleet their barges. He shared a drawing indicating where Kirby wants to fleet their barges in the Upper Stauffer Channel adding that Zones 2 and 4 in the drawing will be restricted to two abreast of a 54-foot barge or 104 feet from the shore. Kirby is not proposing any structure in the water and the mooring points are on dry land. Mr. Hull has visited with the Brazos Pilots who agree that by limiting the barges to two abreast, the arrangement will be sufficient. He also talked with Jeff Stanley at Freeport Launch who has no issues as long as the barges run parallel vs perpendicular. Mr. Hull explained that the Corps is requesting the no objection before they issue the 408 permit because the anchors will be driven into the levy which requires a permit review and a no objection from non-federal sponsors. Ms. Saathoff added that the discussion with the Pilots contemplated the dredging of Reach 4 and the operation at the new depth. The barges will be at a sufficient distance away from the reactivated federal channel in the Reach once dredging is complete.

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

At this time, Commissioner Hoss reentered the meeting to recess into executive session.

14. 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 seek or receive attorney's advice on pending or contemplated litigation.
2. Consultation with attorney to seek or receive attorney's advice on legal matters that are not related to 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 Parcel 14 and property on Quintana Island.
- C. 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, including but not limited to: Executive Director/CEO.

15. RECONVENE OPEN SESSION:

16. Approval of task order with WSP USA Inc. for USACE Flood Wall Alignment Review.

Mr. Hull explained that staff selected WSP based on demonstrative qualification and prior work inside the Port to review various alignments of the Sabine to Galveston flood protection levy. WSP will prepare pros/cons for each of the proposed alignments to give the Port a better idea of what each of them mean from an engineering and facility functionality standpoint. The Port will then use the information to persuade the Corps to use a different route than what they are currently pursuing. Staff recommends approval to spend up to \$25,000 with WSP to review the existing alignments and provide input on what each alignment means from cost, functionality and security and how this project will affect the Port.

A motion was made by Commissioner Giesecke to engage the services of WSP for the flood wall alignment review. The motion was seconded by Commissioner Croft with all Commissioners present voting in favor of the motion.

17. Approval of amendment to Crane Repair Agreement with ZPMC NA East Coast, Inc. to provide for payment of standby time as provided in proposal.

Mr. Hull stated that due to unforeseen circumstances, there was standby time experienced on the existing agreement however, the existing agreement does not allow standby time to be paid. It as an administrative oversight; standby time was included in the proposal for the crane repairs. Staff is requesting an amendment to the contract so the standby time already incurred can be paid.

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

18. Adjourn.

With no further business before the Commission, the meeting adjourned at 4:24 PM.