



Port Commission Regular Meeting

Thursday, March 26, 2026 at 1:00 PM

In Person & Videoconference - Administration Building - 1100 Cherry Street - Freeport

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

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.

Join Zoom Meeting

<https://us02web.zoom.us/j/89451826906?pwd=jaiT8iyUEa7AF8e7aq63S0DFQGCAqi.1>

Meeting ID: 894 5182 6906

Passcode: 286188

- 1. CONVENE OPEN SESSION in accordance with Texas Government Code Section 551.001, et. seq., to review and consider the following:**
- 2. Invocation.**
- 3. Pledge of Allegiance: U.S. Flag & Texas Flag**
- 4. Roll Call.**
- 5. Safety Briefing.**
- 6. Call to identify and discuss any conflicts of interest that may lead to a Commissioner abstaining from voting on any posted agenda item.**
- 7. Public Comment.**
Public comment on any matter not on this Agenda will be limited to 5 minutes per participant and can be completed in person or by videoconference.
- 8. Public Testimony.**
Public testimony on any item on this Agenda will be limited to 5 minutes per agenda item per participant and can be completed in person or by videoconference.
- 9. Receive reports from Executive Staff on activities and matters related to administrative affairs, financial results, facility engineering matters, operations and vessel activity, safety matters, security matters, tenant updates, USCOE and other related port affairs.**

- A. Executive Director/CEO
- B. Director of Engineering
- C. Director of Operations
- D. Director of Business & Economic Development
- E. Chief Financial Officer

10. Receive reports from Commissioners on matters related to Port Commission related meetings or conferences, Port presentations and other Port related matters.

- A. March 18 OSS Committee Meeting
- B. March 24 Finance Committee Meeting
- C. March 24 ESGS Committee Meeting

11. Consent Agenda.

- A. Approval of Minutes from the Regular Meeting held February 26, 2026.
- B. Approval of financial reports for the period ending February 28, 2026.
- C. Approval of credit card issuance and credit limit for Procurement Manager.

12. Approval of Change Order No. 1 for the Gate 4 Access Project.

13. Approval to purchase a portable generator, for the amount of \$125,000.00, to be cost-shared through the Hazard Mitigation Grant Program: Port \$16,775.00 and Federal \$108,225.00.

14. Approval of the purchase and installation of a receiving pole with poletop switch, for an amount not to exceed \$40,809.20.

15. Approval of a proposal received from The Goodman Corporation for preparation of the 2026 PIDP Grant Application.

16. Approval of a Resolution Authorizing an Advance Funding Agreement with the Texas Department of Transportation for USDOT Rural Surface Transportation Grant for non-TWIC Truck Queuing Area Improvements.

17. Approval of a Resolution Authorizing Participation in The Interlocal Purchasing System (TIPS).

18. 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 under Government Code Section 551.071(1) to seek or receive attorney's advice on pending or contemplated litigation.
 - 2. Consultation with attorney under Government Code Section 551.071(2) to seek or receive attorney's advice on legal matters that are not related to litigation.
- B. Under authority of Section 551.076 (Deliberation of Security Matters):

1. Discussion regarding issues related to the deployment, or specific occasions for implementation of security personnel or devices or security audit and services.
- C. Under authority of Section 551.087 (Economic Development Negotiations or Incentives):
 1. To discuss or deliberate commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations.
 - i. Business & Economic Development Report including potential offers of financial or other incentives to the business prospect.
 2. To deliberate the offer of a financial or other incentive to a business prospect described by Subdivision (1).
- D. Under authority of Section 551.072 (Deliberation of Real Property Matters) for discussion regarding:
 1. 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, 3, 5, 7 and 8.
 2. The potential lease or value of real property located at Port Freeport, including but not limited to Parcel 1.
 3. The potential exchange, lease or value of real property located at Port Freeport, including but not limited to Parcels 14, 19, 25, 27, 30, 31, 34 and property on Quintana Island.
- E. 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: Director of Information Technology.

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

20. Affirm pay increase for Director of Information Technology.

21. Adjourn.

The Port Commission does not anticipate going into a closed session under Chapter 551 of the Texas Government Code at this meeting for any other items on the agenda, however, if necessary, the Port Commission may go into a closed session as permitted by law regarding any item on the agenda.

With this posted notice, Port Commissioners have been provided certain background information on the above listed agenda items. Copies of this information can be obtained by the public at the Port Administrative offices at 1100 Cherry Street, Freeport, TX.



Phyllis Saathoff, Executive Director/CEO
PORT FREEPORT

Participation is welcomed without regard to race, color, religion, sex, age, national origin, disability or family status. In accordance with Title II of the Americans with Disabilities Act and Section 504 of the Rehabilitation Act, persons with disabilities needing reasonable accommodations to participate in this proceeding, or those requiring language assistance (free of charge) should contact the Executive Assistant no later than forty-eight (48) hours prior to the meeting, at (979) 233-2667, ext. 4326, email: bevers@portfreeport.com.

La participación es bienvenida sin distinción de raza, color, religión, sexo, edad, origen nacional, discapacidad o situación familiar. De acuerdo con el Título II de la Ley de Estadounidenses con Discapacidades y la Sección 504 de la Ley de Rehabilitación, las personas con discapacidades que necesiten adaptaciones razonables para participar en este procedimiento, o aquellas que requieran asistencia lingüística (sin cargo), deben comunicarse con el Asistente Ejecutivo a más tardar cuarenta -ocho (48) horas antes de la reunión, al (979) 233-2667, ext. 4326, correo electrónico: bevers@portfreeport.com.



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MEMORANDUM

TO: Phyllis Saathoff, Executive Director/CEO
Port Commissioners

FROM: Amanda Veliz, Public Affairs Manager

DATE: March 26, 2026

SUBJECT: Public Affairs Departmental Report – March 2026

PUBLIC AFFAIRS

Communications and Media

Freeport Harbor Channel Marine Traffic

The website provides information on marine traffic related to the Freeport Harbor Channel Improvement Project (FHCIP) dredging, serving the local community. On May 30, the United States Army Corps of Engineers awarded the contract for Reaches 1, 2, and 4 to Great Lakes Dredge and Dock Company, LLC (GLDD). Currently, two mechanical dredges are working in Reach 1. The dredged material is being deposited in an EPA-approved area offshore in the Gulf of America. Updates will be posted as necessary.

Freeport Harbor Channel Improvement Project

Staff continues to respond to public inquiries regarding Port Freeport and the Freeport Harbor Channel Improvement Project and maintains updated information on PortFreeport.com/governance/bond-channel-project.

Print and Social Media Monitoring

Staff continues to monitor publications, newspapers, agendas, and social media for matters pertaining to Port Freeport, its partners, and the harbor community.

Press Releases and News Postings

Three press releases have been distributed since the last update.

On March 5, a press release titled "Port Freeport Marks Infrastructure Milestone with Ribbon Cuttings Supporting Velasco Container Terminal Expansion" was issued. This release was covered by eight media outlets/organizations, including the American Journal of Transportation, Brazoria County/Economic Development Alliance, Port Technology, Texas Department of Transportation, Texas Port Association, Texas Port Ministry, WGMA, and World Cargo News.

On March 16, another press release was distributed, titled "Port Freeport Announces Winners of the 26th Annual Take-a-Child Fishing Tournament Logo Drawing Contest." At the time of this report, it was covered by two media outlets: the American Journal of Transportation and WGMA.

On March 18, another press release was issued, titled "Port Freeport CEO Phyllis Saathoff Honored as Outstanding Woman of the Year." This information was also covered by two media outlets: the American Journal of Transportation and WGMA.

In the coming weeks, additional press releases will be issued regarding record tonnage achieved port-wide in FY25 and Chiquita's 30-year milestone at Port Freeport.

Social Media Postings

Staff is actively posting important information on social media, including port facts, press releases, safety awareness tips, weather preparedness advice, and other relevant updates about our community. The following posts were made on Facebook/LinkedIn in late February and March. Additionally, we may share posts related to port activities and events.

February 23 – United States Naval Sea Cadet Corps Port Visit

February 24 – TACFT Logo Drawing Contest Voting

February 25 – Reminder: Port Commission Meeting

February 26 – Area 5 and 5th Street Ribbon Cutting Velasco Container Terminal Expansion - Video

February 27 – Texas Port Ministry Annual Fundraising Banquet

February 27 – Recap: Port Commission Meeting

March 2 – Holidays & Observances – Texas Independence Day

March 3 – TACFT Sponsorship Form Post

March 3 – Industry Engagement/Conferences - Finished Vehicle Logistics North America Conference

March 5 – Press Release: Port Freeport Marks Infrastructure Milestone with Ribbon Cuttings Supporting Velasco Container Terminal Expansion

March 7 – Holidays & Observances - Daylight Savings Time

March 9 – Community Awareness/Safety - Spring Break

March 10 – TACFT Platinum Sponsors Post

March 11 – Community Safety & Preparedness – General Safety Post

March 12 – TACFT Gold Sponsors Post

March 13 – Careers/Employment – We're Hiring

March 16 – Press Release: Port Freeport Announces Winners of the 26th Annual Take-A-Child Fishing Tournament Logo Drawing Contest

March 16 – Public Notices - Request for Proposals - "Camera Upgrade."

March 17 – Holidays & Observances - St. Patrick's Day

March 17 – Committee Meeting Reminder (OSS)

March 17 – TACFT Silver Sponsors Post

March 18 – Press Release: Port Freeport Ceo Phyllis Saathoff Honored as Outstanding Woman of the Year

March 18 – Community: Seven Brew Coffee

March 19 – TACFT Event Sponsors Post

March 20 – Holidays & Observances - Day of Spring

March 20 – Community Safety & Preparedness– Mosquito Prevention

March 23 – TACFT Platinum Sponsors Post

March 23 – Multiple Committee Meeting Reminder (Finance & ESG&S)

March 25 – TACFT – Boys & Girls Club

March 25 – Reminder: Port Commission Meeting

March 26 – TACFT Gold Sponsors Post

March 27 – Recap: Port Commission

March 30 – TACFT Silver Sponsors Post

March 31 – Did you Know? Tonnage & Ranking Update

Port/Community Events

Community Advisory Panel (C.A.P.)

The next quarterly CAP meeting is scheduled for Tuesday, June 9, at the ABC Texas Gulf Coast Facility. Please email Tricia Vela at vela@portfreeport.com with any new member appointments or changes.

Dates for the upcoming C.A.P. meetings are as follows:

- Tuesday, September 1
- Tuesday, December 8

Port Freeport Take-A-Child Fishing Tournament (TACFT)

Please save the following dates:

- Captain's Dinner: Thursday, May 7, 2026, from 5:30 PM to 7:30 PM
- 26th Annual Take-A-Child Fishing Tournament: Saturday, May 9, 2026, at Freeport Municipal Park, from 8:00 AM to 12:00 PM.

The Public Affairs staff held its annual logo drawing contest from January 1st to February 13th, with winners announced during the week of March 2nd.

Entry forms for the logo contest were distributed to school districts, posted on the website, and shared on social media within the navigation district, resulting in a total of 268 submitted drawings.



Everly Berry, a 6th-grade student at Our Lady Queen of Peace, winner of the 26th Annual Take-A-Child Fishing Tournament Logo Drawing Contest.



Rebekah Calhoun, an 8th-grade student from Our Lady Queen of Peace, was awarded second place.



Karmine Velez, an 8th-grade student at Lake Jackson Intermediate, received third place.



Staff of the Boys & Girls Club of Brazoria County are recognized by Port Freeport for submitting the most entries in the 26th Annual Take-A-Child Fishing Tournament Logo Drawing Contest.

The team is currently preparing for the tournament and has secured 60 sponsors who have generously donated over \$60,000 and provided discounted services along with door prize donations.

Additionally, the public affairs department continues to seek sponsorships from partners and friends of the Port. If you know anyone at businesses or individuals who might be interested in becoming a sponsor, please forward that information to Darlene Winkler. To facilitate participation, digital forms are available on the Port Freeport website, making access and submission easier for all.

Port Freeport Golf Tournament

The tentative date for the 15th Annual Golf Tournament at The Wilderness is Monday, October 26, 2026.

Port Presentations, Tours, and Meetings

March 19 – Phyllis is a panelist for Dr. Solis, the President of Brazosport College, on the podcast titled "The Leadership Imperative."

March 25 – Port Tour: Governor's Office of Economic Development

Community Events and Meetings - (Informational purpose only)

February 26 – Texas Port Ministry Banquet

February 26 – ABC - Ladies in Trades Mixer

February 28 – Junior Achievement Celebrity Waiter

March 2 – Bay Area Council Scouting of America Breakfast

March 6 – Boys & Girls Club of Brazoria County - Annual Gala

March 12 – Brazosport Chamber of Commerce - Membership Luncheon

March 18 – Brazoria Chamber of Commerce Business Breakfast

March 18 – Angleton Chamber of Commerce Building at Breakfast

March 26 – Angleton Chamber of Commerce Membership Luncheon

March 26 – ABC - Member Shrimp Boil

Upcoming Community Events and Meetings - (Informational purpose only)

March 27 – Freeport Police Department - Blue Santa Golf Tournament

March 27 – The Bunny Hop benefiting Salvation Army of Brazoria County

April 1 – The Alliance - State of the County

April 8 – Brazoria Chamber of Commerce Membership Luncheon

April 16 – 100 Club of Brazoria County Annual Banquet

April 16 & 17 – West Columbia Chamber of Commerce - San Jacinto Festival

April 17 – West Columbia Rotary

May 1 – Brazoria County Hispanic Chamber of Commerce Annual Golf Tournament

May 7 – Port Freeport – TACFT Captain's Dinner

May 8 – Junior Achievement Who's Who Golf Classic

May 9 – Port Freeport Take-A-Child Fishing Tournament



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MEMORANDUM

TO: Commissioners
Directors
Legal Counsel

FROM: Jason Hull, P.E.
Director of Engineering

DATE: March 18, 2026

SUBJECT: Departmental Report

PROJECTS

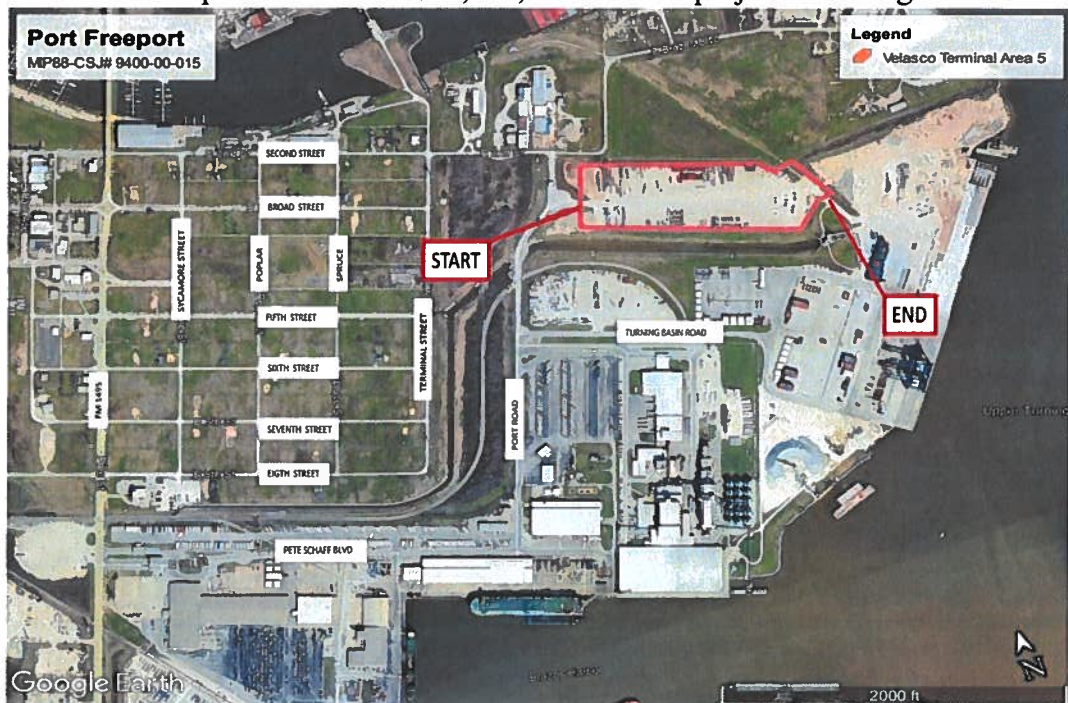
- 1. FHCIP Reaches 1, 2, and 4** – This project involves deepening the Freeport Ship Channel to various depths ranging from 26-ft to 56-ft depending on the Reach and is funded through Bond funds and Civil Works Budget Appropriation. The final contract is with Great Lakes Dredge & Dock for \$159,743,430. Anticipated contract modification will extend the completion. The current completion date was extended to June 30, 2026. Dredge 58 is working near shore and inside the jetties. The Ellis Island is working offshore, in the last section of Reach 1. I estimate the dredging contractor will say they are finished in April. Then the Corps will have the final sign-off of the project.



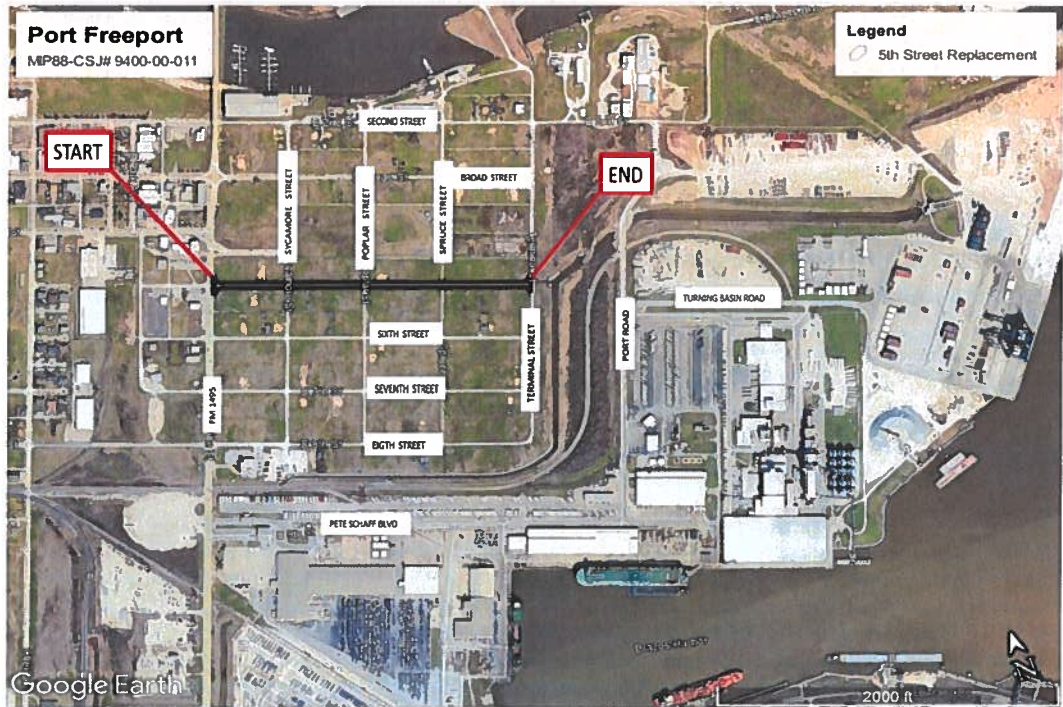
2. **Velasco Terminal Rider 37** – This project involves reconstructing portions of 8th Street, Poplar Street, and Terminal Street. It also involves building a truck parking area at Terminal Street and 5th Street and a Jug-handle intersection to connect FM 1495 to 2nd Street. This project is closing out now.



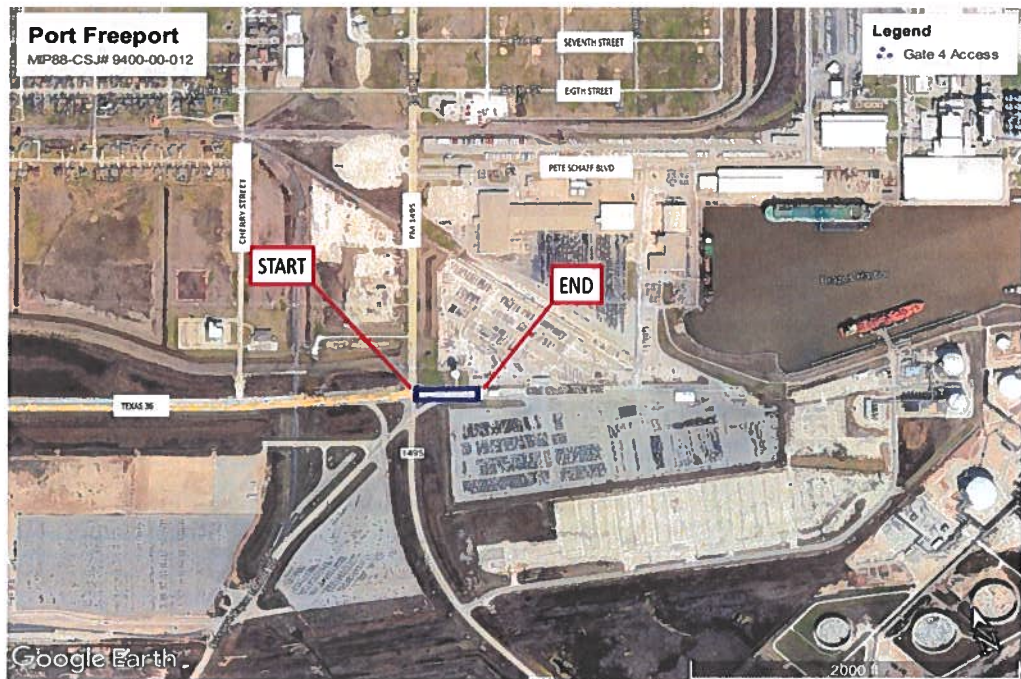
- 3. Velasco Terminal Area 5** – This project involves development of container yard in Velasco Terminal. TxDOT will fund up to \$11,565,621. The project was awarded to Harper Brothers for \$18,508,603.35. The project is closing out now.



- 4. East 5th Street** – This project involves rebuilding E. 5th Street in the expansion area to be suitable for truck traffic from FM 1495 to Terminal Street. The project is closing out now.



- 5. Gate 4 Access** – This project involves widening the access road to Gate 4 from FM 1495 to Gate 4. TxDOT will fund up to \$950,547, which is 75% of the estimated costs. The Port will pay remainder of the project costs, which is estimated to be \$316,849. Harper Brothers was awarded the contract for \$1,148,987.20. The Project will be finished before April 1, 2026.



6. **Yearly maintenance of NOAA PORTS sensors by TAMU-CC Texas A&M Corpus Christi** is the Port's contracted service provider of maintenance for the Port's NOAA PORTS sensors in the ship channel. Twice per year the sensors are removed and exchanged with backup sensors, the batteries recharged, and the sensors cleaned of marine growth (repaired if necessary) and bench tested, then placed on the shelf for re-deployment. Periodically, unscheduled service is needed, and that work is performed and invoiced to the port on a time & materials rate. Below is a summary of all work and cost for maintenance to date:

<u>Description</u>	<u>Date</u>	<u>Cost</u>
Surfside current sensor dive inspection & clean	11/16/25	\$11,263.00
LB6 R&R battery	12/04/25	\$ 2,923.69



- 7. Parcel 17 Offsite Detention** – The surveyor has completed the boundary and topographic survey. The engineering department is currently working on the plan set. The plans have been submitted to VDD for approval. An Interlocal agreement was signed and VDD will begin work in April 2026.

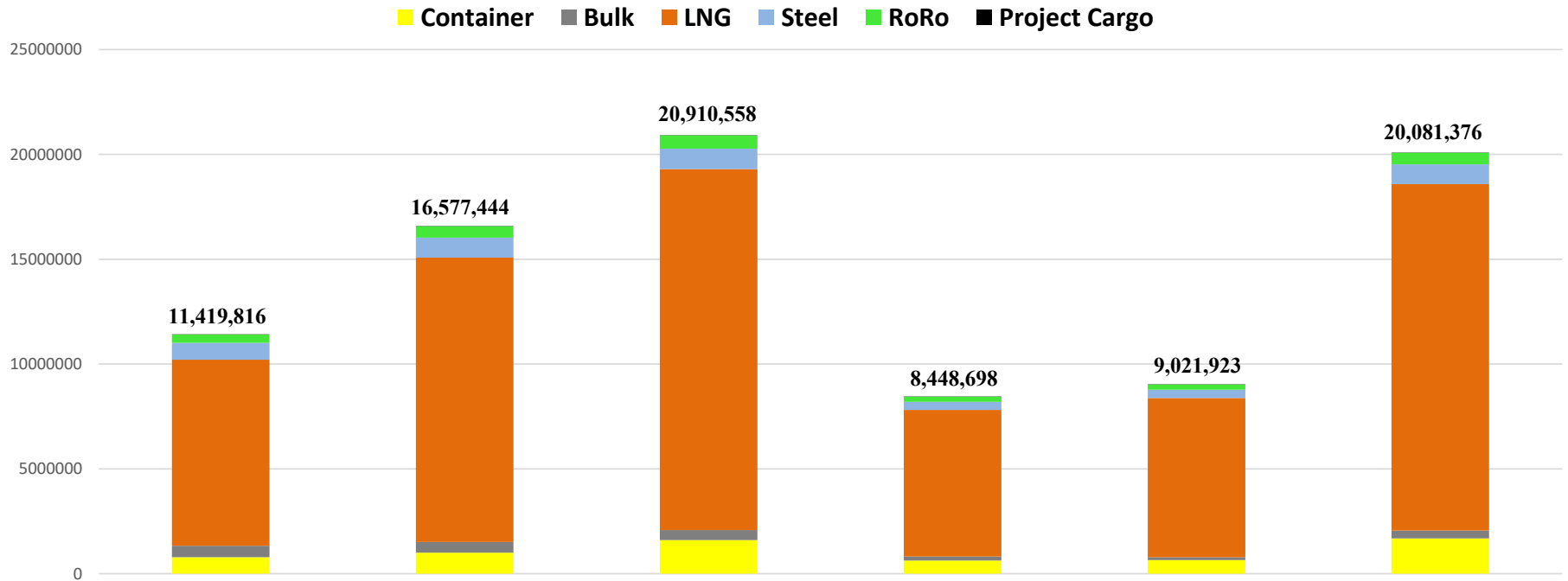


- 8. New Fenders Docks 1, 2, and 3** – This project involves replacing 40 existing arch type fenders with panel type fenders. The project was awarded to Taylor Marine Construction. The contracts are being signed at this time.





Total Tonnage by Fiscal Year



	Fiscal Year 2023 Total	Fiscal Year 2024 Total	Fiscal Year 2025 Total	Fiscal 2025 YTD	Fiscal 2026 YTD	Fiscal 2026 Budget
■ Container	784,513	1,004,603	1,601,315	632,181	649,807	1,685,716
■ Bulk	546,017	504,548	484,153	193,063	135,599	369,632
■ LNG	8,879,936	13,565,951	17,218,133	6,988,162	7,598,548	16,524,000
■ Steel	797,447	951,608	971,730	381,250	390,205	950,000
■ RoRo	400,811	546,014	630,853	249,824	247,408	547,528
■ Project Cargo	11,092	4,720	4,374	4,218	356	4,500
Total Import/Export	11,419,816	16,577,444	20,910,558	8,448,698	9,021,923	20,081,376

****YTD Tonnage is up 7% from this time last year.****

Total Vehicles Handled YTD (76,684)

Total Containers Handled (37,847), TEU (75,663)

Rail Car Count FY 26

	Steel	Bulk	RoRo Arrivals		RoRo Departure		Total
			Loaded	Empty	Loaded	Empty	
October	-	182	309	2	326	41	860
November		247	333	118	261	40	999
December		130	349	-	370	88	937
January		49	202	129	216	107	703
February		162	281	98	262	57	860
March							-
April							-
May							-
June							-
July							-
August							-
September							-
Total	-	770	1,474	347	1,435	333	4,359

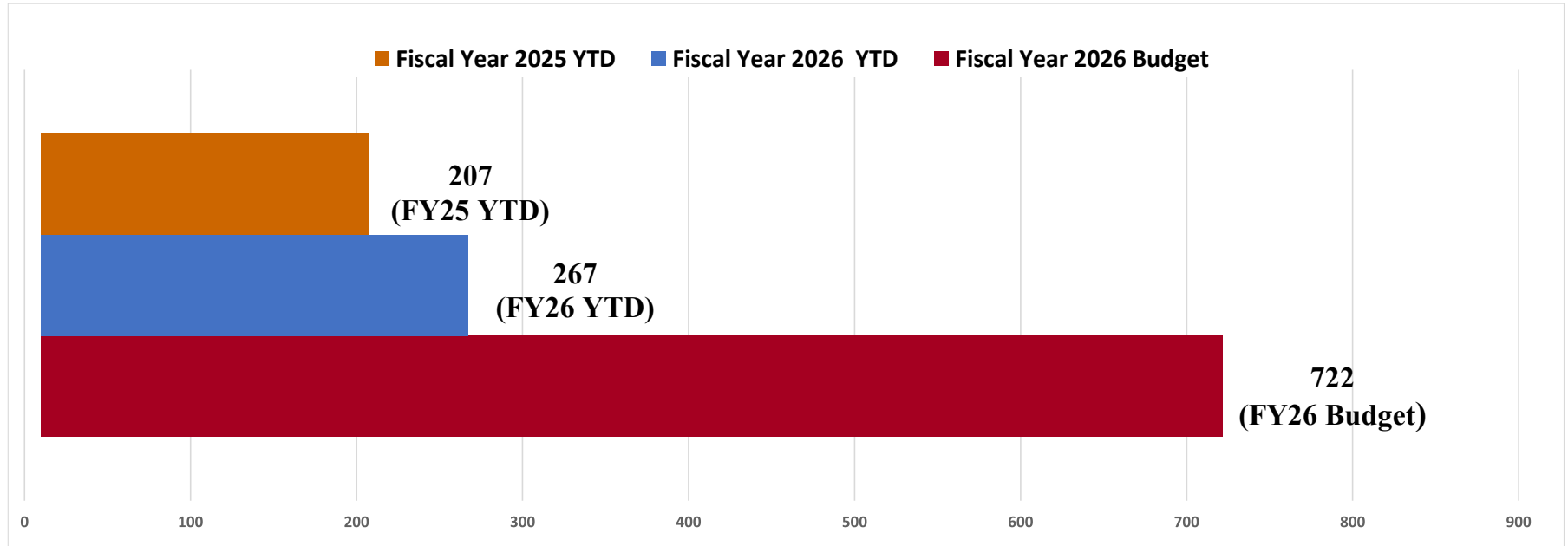
Volkswagen	October	November	December	January	February	March	April	May	June	July	August	September	Total
Unloaded Vehicles	3,090	2,777	5,127	2,124	3,481								16,599
Outgated Vehicles	3,312	2,688	3,740	2,288	3,092								15,120

Railcars has increased due to New OEM customer



PORT FREEPORTSM

2026 YTD Vessel Calls



	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2025 YTD	Fiscal Year 2026 Budget	Fiscal Year 2026 YTD	Oct 2025	Nov 2025	Dec 2025	Jan 2026	Feb 2026	Mar 2026	Apr 2026	May 2026	Jun 2026	Jul 2026	Aug 2026	Sep 2026
Vessel Calls	402	526	616	207	722	267	56	52	54	53	52	-	-	-	-	-	-	-
Lay Days	1086	1458	1820	611	0	561	98	111	110	119	123	-	-	-	-	-	-	-

February 2026: 52 Total Vessel Calls
 There were 528 Total Vessel Calls Portwide.



Operations Insight for March 2026

LNG	Bulk	RoRo	Steel	Container	Layberth	Project Cargo	Total Vessels Expected
19	1	17	0	14	2	1	54

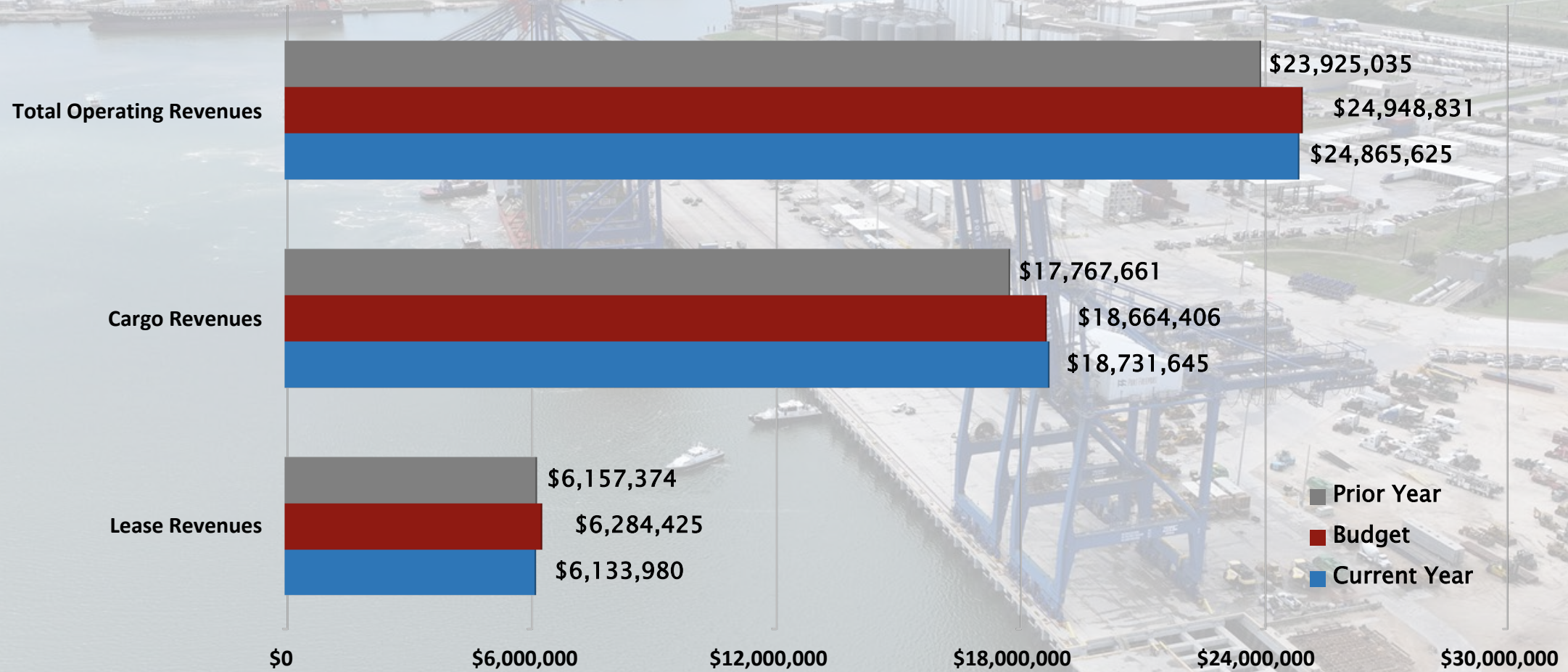
Financial Report for February 2026 (Unaudited)



March 26, 2026

Rob Lowe | Chief Financial Officer

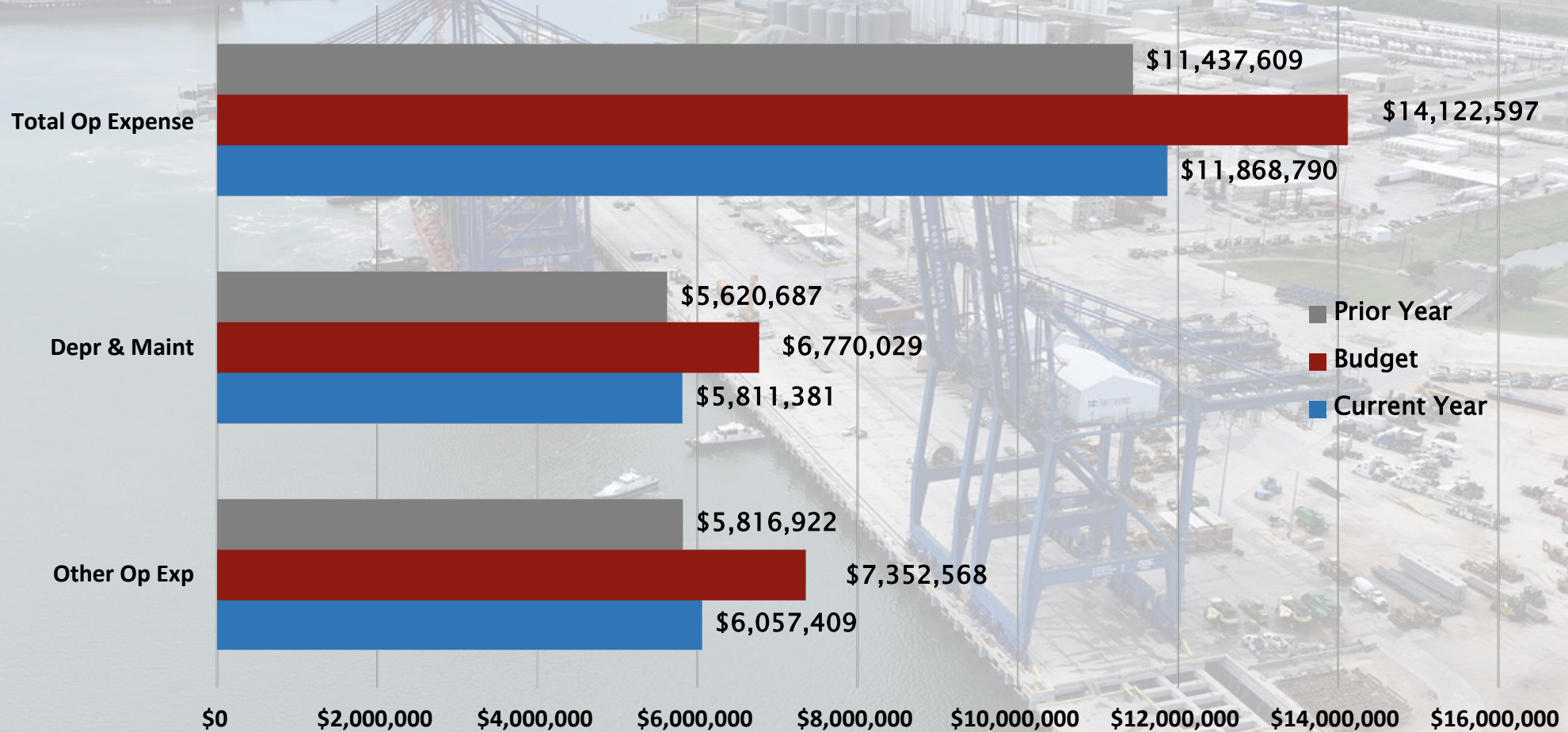
FY 2026 YTD OPERATING REVENUES



COMPARISON:

- Operating revenues are up over PY 4% and at budget for fiscal year 2026
- Cargo revenues are above PY by 5% and at budget for fiscal year 2026
- Lease revenues are in line with PY and 2% below budget

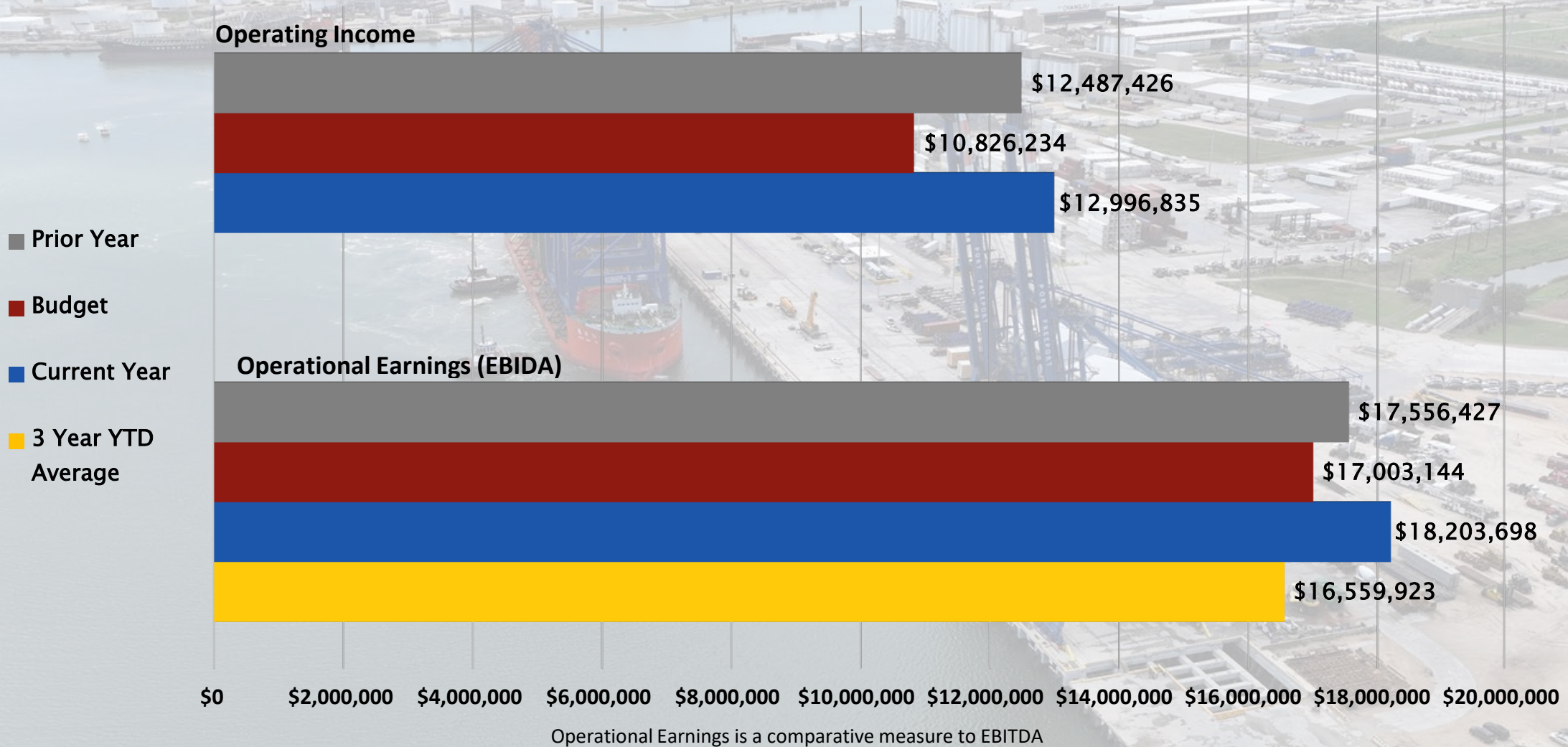
FY 2026 YTD OPERATING EXPENSE



COMPARISON:

- Total operating expenses are 4% above prior year and below budget 16%
- Depr & maint are 3% above the PY and 14% below budget
- Other expenses are 4% above PY and below budget by 18%

FY 2026 YTD OPERATING INCOME



COMPARISON:

- Operating income is 4% above PY and above budget 20%
- Operational earnings are 4% above PY and above 3 Year YTD Average by 10%

FY 2026 YTD CHANGE IN NET POSITION

Change in Net Position

- Non-Operating Revenue (Expense) includes Ad Valorem Taxes, Investment Income, Debt Service and Gain (Loss) on Sale of Assets
- Other consists of expenses related to hurricane Beryl.
- Drivers for comparison to budget are primarily timing of grant revenue reimbursements.

Change in Net Position

	Year To Date	YTD Budget	Total 2025 Budget
Operating Income	\$ 12,996,835	\$ 10,826,234	\$ 25,888,071
Non-Operating Revenue (Expenses)	\$ (3,184,037)	\$ (3,043,784)	\$ (7,306,187)
Capital Contributed (To) From Others			
Berth 2 Floodwall Modifications	\$ (15,850)	\$ -	\$ -
Other	\$ (22,420)	\$ -	\$ -
Grants	\$ 3,218,202	\$ 4,342,010	\$ 10,420,831
Change In Net Position	\$ 12,992,730	\$ 12,124,460	\$ 29,002,715

FY 2026 YTD CASH FLOWS

<i>Cash Flow Measure</i>	<i>Current Year</i>	<i>Prior Year</i>
<i>Cash Provided by Operations</i>	\$ 11,928,707	\$16,813,989
<i>Cash Provided by Non-Cap Financing</i>	(3,115)	(892,135)
<i>Cash Used by Cap Financing</i>	(16,442,846)	(20,788,178)
<i>Cash Provided by Investing Activities</i>	1,599,788	2,247,805
<i>Net Increase (Decrease) in Cash</i>	(\$2,911,236)	(\$ 2,618,519)

COMPARISON:

- Operating cash flow is positive due to increase in operating revenues
- Cash provided from non cap financing are tax levy collections and hurricane recovery efforts
- Capital Financing funds are used for capital improvements.

FY 2026 STATISTICS

<i>Measure</i>	<i>Current Year</i>	<i>Prior Year</i>	<i>Budget</i>
<i>Operating Margin</i>	<i>52%</i>	<i>52%</i>	<i>43%</i>
<i>Current Ratio (unrestricted)</i>	<i>5.93 to 1</i>	<i>4.04 to 1</i>	<i>n/a</i>
<i>Debt to Net Assets Ratio</i>	<i>1.083 to 1</i>	<i>1.282 to 1</i>	<i>n/a</i>

ACCOUNTS RECEIVABLE AGING

<i>Year</i>	<i>0-30 days</i>	<i>31-60 days</i>	<i>61-90 days</i>	<i>Over 90 days</i>
<i>February 28, 2026 FY 2026</i>	<i>100% \$10,919,038</i>	<i>0% \$36,535</i>	<i>0% \$11</i>	<i>0% \$3,920</i>
<i>February 28, 2025 FY 2025</i>	<i>96% \$10,485,435</i>	<i>4% \$399,913</i>	<i>0% \$ 21,764</i>	<i>0% \$7,610</i>
<i>February 28, 2024 FY 2024</i>	<i>96% \$9,201,179</i>	<i>4% \$427,764</i>	<i>0% \$9,000</i>	<i>0% \$31,701</i>

An aerial photograph of a port terminal. A large red and white container ship is docked at a pier. Several large blue gantry cranes are positioned along the pier. The terminal area is filled with stacks of shipping containers, trucks, and other port infrastructure. In the background, there are industrial buildings, storage tanks, and a baseball field.

Questions and Comments?

Minutes of Port Commission Meeting
February 26, 2026
In Person & Videoconference

A Regular Meeting of the Port Commission of Port Freeport was held February 26, 2026, beginning at 1:00 PM at the Administration Building, 1100 Cherry Street, Freeport, Texas.

Commissioners present in person:

Mr. Rob Giesecke, Chairman
Mr. Rudy Santos, Vice Chairman
Mr. Kim Kincannon, Secretary
Mr. Dan Croft, Asst. Secretary
Ms. Barbara Fratila, Commissioner
Mr. Ravi Singhania, Commissioner

Staff Members Present:

Mr. Grady Randle, Randle Law Firm
Ms. Phyllis Saathoff, Executive Director/CEO
Mr. Rob Lowe, Director of Administration/CFO
Mr. Jason Hull, Director of Engineering
Mr. Chris Hogan, Director of Protective Services
Mr. Jason Miura, Director of Business & Economic Development
Mr. Brandon Robertson, Director of IT
Mr. Jesse Hibbetts, Director of Operations
Ms. Missy Bevers, Executive Assistant
Ms. Amy O'Brien, Controller
Ms. Christine Lewis, Safety Coordinator
Ms. Danielle Allen, Procurement Manager
Ms. Amanda Veliz, Public Affairs Manager
Ms. Vicki Smith, Accounting Manager
Mr. Chas Gryseels, Project Engineer
Mr. Clinton Woodson, Sales Manager
Ms. Danielle Simonds, Accounting Specialist (virtual)
Ms. Emily Henderson, Sales and Marketing Specialist (virtual)
Ms. Ruby Dunn, Receptionist (virtual)
Ms. Tricia Vela, Public Affairs Assistant (virtual)

Also, present:

Mr. Chris Moore, Texas Port Ministry
Mr. Kevin Cadenhead, KM&L
Mr. Alex Coleman, KM&L
Mr. Stephen Whalley, Arthur J. Gallagher
Ms. Melanie Oldham

1. CONVENE OPEN SESSION in accordance with Texas Government Code Section 551.001, et. seq., to review and consider the following:
2. Invocation – Mr. Chris Moore – Texas Port Ministry.
3. Pledge of Allegiance – U.S. Flag and Texas Flag

4. Roll Call – Commissioner Giesecke noted that Commissioners were present in the Board Room.
5. Safety Briefing – Ms. Christine Lewis recognized February as American Heart month and provided heart health safety actions.
6. Call to identify and discuss any conflicts of interest that may lead to a Commissioner abstaining from voting on any posted agenda item.

Commissioner Croft noted that he would be abstaining from discussion and voting on agenda item #6 due to family conflict.

7. Public Comment – Ms. Melanie Oldham addressed the Commission regarding growth.
8. Public Testimony – There was no public testimony.
9. Receive reports from Executive Staff on activities and matters related to administrative affairs, financial results, facility engineering matters, operations and vessel activity, safety matters, security matters, tenant updates, USCOE, and other related port affairs.

A. Executive Director/CEO

Ms. Saathoff first noted that that Texas Port Ministry will host its banquet this evening and thanked Mr. Moore for all the support the ministry provides for the seafarers, truckers and workers at Port Freeport. She reported that the port hosted a ribbon cutting event earlier in the day for projects that were partnered with the State of Texas through the Texas Department of Transportation Maritime Division; the Area 5 storage area (15 acres) project and two roadway access projects that were funded through the Rider 37 program and the Seaport Connectivity. The funds helped build a new access from 2nd Street back to FM 1495, reconstructed East 5th Street, widened and reconstructed 8th Street to Poplar and Poplar back over to 5th Street and finally from the Cross Dock warehousing storage area (Terminal Street) back to Gate 12. She added that the investments will facilitate the efficient movement of commerce in and out of Velasco Terminal and mitigate any congestion that might have occurred otherwise on the state highways or roadways. She also noted that one of the projects also included the truck parking/staging area. Ms. Saathoff stated that the cost of the \$30 million projects was offset by just over \$20 million in funding through the state adding that if you combine that with the investments made through the partnership with the federal government for the Freeport Harbor Channel Improvement Project, added birth capacity, new cranes and other areas built inside the port, it's well over \$500 million in investment. Ms. Saathoff also reported that the Supreme Court ruled on the legality of some of the tariffs that were implemented by the administration and found them to not be legal but didn't indicate how or if previously paid tariffs could be refunded. She noted that the port paid tariffs on the new cranes and a portion could possibly be eligible for refund adding that if opportunity presents itself, staff will pursue that. She also reported that currently, there is a partial government shutdown with the Department of Homeland Security being impacted. Mr. Hogan spoke on how it is impacting the operations of Customs and Border Protection (CBP) in Port Freeport adding that the people the port deals with on a daily basis, CBP, CBP Intelligence, U.S. Coast Guard, their intelligence groups and other teams similar are not affected. They are going into work without pay but answering calls and are available to give support when needed.

FBI is also not affected. The only impact the port is seeing from the shutdown is the grant system which is completely inaccessible right now. Ms. Saathoff stated the administration released its Maritime Action Plan and she has provided an analysis prepared by an area law firm. Staff will continue monitoring this matter. Announcements for the 2025 PIDP grant program have been delayed with a mid-March announcement now expected. Additionally, a new deadline for filing grant applications for the PIDP 2026 grant opportunity has not been announced. Lastly, Ms. Veliz gave an update on the Take-a-Child Fishing Tournament stating that voting for the logo contest is currently underway with the top 15 logo entries on display in the lobby. She encouraged everyone to cast a vote, adding that it closes at 1:00 PM Friday.

B. Director of Engineering

In addition to his written report, Mr. Hull shared a current photo of the Gate 4 access project and reported that the Ellis Island dredge is enroute to Freeport from Tampa expected to arrive tonight, go to work and stay until completion which is anticipated in May. Mr. Hull also spoke about the container ship the pilots want to use in the simulator that is approximately 1138 feet. The simulation will be scheduled once classes have ended at San Jacinto sometime at the end of May.

C. Director of Operations

Mr. Hibbetts reported on statistics for January stating that vessel calls have been solid across October, November, December and January with 53 vessels and 105 total vessel calls port wide. Tonnage is up about 8% from this time last year with containers, LNG, steel and Ro/Ro up a little bit while bulk is slightly down. Total vehicles handled is 63,577 and total containers handled is 29,363. He reported the rail car count is doing very well but may see a bit of a downturn in the next couple of months as the port's newest OEM will see retooling overseas that may affect the overseas cargo coming in. February forecast anticipates 51 vessels with 18 LNG, 1 bulk, 15 Ro/Ro, 2 steel, 12 container ships, 2 lay berths and 1 project cargo load out via a barge.

D. Director of Business & Economic Development

Mr. Miura reported that his department is gearing up for the Trans-Pacific Maritime Conference in Long Beach to be held next week noting it's one of the largest gatherings in industry for ocean carriers and beneficial cargo owners. He and Mr. Woodson have a strong schedule lined up and look forward to tackling some new business.

E. Chief Financial Officer

Mr. Lowe presented the January financial results.

10. Receive reports from Commissioners on matters related to Port Commission-related meetings or conferences, Port presentations and other Port-related matters.

February 17 Finance Committee Meeting – Commissioner Croft reported the committee reviewed the investments portfolio and the audit which is on the agenda for discussion in addition to the liability and property insurance renewal. He also stated that an item related to gantry crane rates was tabled for further discussion to take place during the general rate adjustment process to Port Freeport Tariff No 005.

February 17 OSS Committee Meeting – Commissioner Santos reported the committee discussed two items on the agenda for consideration deferring his comments until then.

Commissioner Singhania reported attending the Brazosport Chamber Awards Luncheon where Ms. Saathoff was named Outstanding Woman of the Year. He also attended an Alliance Luncheon, Angleton Chamber Gala, CAP meeting, port workshop continuation, ABC Luncheon, FMC meeting, Hispanic Chamber Gala, Angleton Chamber Luncheon and the Angleton Rotary 75th Gala.

Commissioner Kincannon reported attending the port workshop as well as Highway 36A meeting, the Quarterly Traffic and Safety Coordination meeting, OSS committee meeting, BCCA, Riviana Tour and Rotary Fundraiser.

Commissioner Santos reported attending the Angleton Chamber Gala and Hispanic Chamber Gala as well as the ABC Luncheon.

Commissioner Fratila stated that she attended some of the same events previously mentioned.

In addition to attending some of the previously mentioned events, Commissioner Croft also attended an EDA meeting and Friends of River Breakfast.

Commissioner Giesecke reported attending a State of the River meeting, gave a brief port presentation to Alvin Rotary Club, spoke at the West Columbia Chamber and attended the LULAC Annual Scholarship Banquet.

11. Consent Agenda.

- A. Approval of Minutes from the Regular Meeting held January 22, 2026, and the Special Meeting held February 4, 2026.
- B. Approval of financial reports for the period ending January 31, 2026.
- C. Approval of a Foreign-Trade Zone Operator Agreement between Port Freeport and Animal Nutrition & Health, LLC (ANH), formerly known as DSM Nutritional Products, Inc.
- D. Resolution Urging TxDOT and HGAC to Accelerate 36A in the RTP Planning Process and Ultimate Inclusion in the UTP.

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

12. Approval of the FY 2025 Annual Comprehensive Financial Report.

Mr. Lowe welcomed Kevin Cadenhead and Alex Coleman with KM&L who provided the audit report. Mr. Cadenhead stated that he and Mr. Coleman previously met with the Finance Committee to discuss the audit findings in more detail, adding that the team did complete the audit and has included their auditor's reports in the annual report and that the audit is clean. He further stated they have no audit findings and that the control structure is better than adequate and is functioning properly. He commented that this was the first full year of a new financial control management with staff inside the port as well as with a new audit manager with KM&L, both providing fresh viewpoints from both sides of the audit, with the end result being no audit findings, and everything still in very good position from an audit control standpoint. Mr. Cadenhead stated that part of the audit this year included just over \$14 million of grant funds received from TxDOT in prior fiscal year and that under audit, it requires

compliance control auditing. He explained the team goes into the programs and determines that the port met all the requirements of the grants, not just the financial portions, but anything else involved with it. He also noted that the audit for the coming year will involve more compliance auditing, primarily from continuance of the grants but from a significant amount of federal grant funds that have come in as well. Lastly, Mr. Cadenhead understands the port will be going out for proposals for new auditors, which is a recurring process the port has done for many years and is expected. KM&L appreciates the process and is happy to submit their credentials against any other proposers. Mr. Lowe then presented the 2025 Annual Comprehensive Financial Report but first offered his sincerest gratitude to all who contributed to pulling the report together, especially Amy O'Brien, who put in extraordinary time and effort in bringing the publication to this point. Mr. Lowe stated the report begins with the State of the Port from Ms. Saathoff followed by the auditor's report that Mr. Cadenhead spoke to earlier and then the management discussion and analysis that begins on Page 20 of the report, which is typically a three-year narrative of the important aspects of the financials. The financial statements begin on Page 35 followed by informative notes to the financial statements. Page 66 begins with the statistical section that includes a variety of tables and information on the port's operating cargo, historical financials (a 10 year financial look), debt tables and concludes with significant historical milestones of the port. The final section includes more audit information regarding the port's grant compliance. Finally, Mr. Lowe stated that when all combined, the report offers a tremendous amount of high quality information that describes the Port's fiscal year 2025 results to interested parties and users who might want to know more about the port, which is the end goal of the report. Mr. Lowe recommends approval. Commissioner Giesecke commented that he feels this report is one of the best ones he's seen because it offers a good overview and sense of what the port does. Ms. Saathoff highlighted the record level of operating revenues in the report with almost \$61.7 million while controlling operating expenses at a slight increase, bringing a healthy operating income of \$32.6 million, which was \$10 million more than the prior year.

A motion was made by Commissioner Croft to approve the Fiscal Year 2025 Annual Comprehensive Financial report. The motion was seconded by Commissioner Fratila with all Commissioners present voting in favor of the motion.

13. Approval of liability and property insurance through broker Arthur J. Gallagher & Co.

Mr. Lowe noted that Stephen Whalley from Arthur J. Gallagher was available for questions and likewise, this item was previously discussed with the Finance Committee. He also noted this process is typically done twice a year however staff is trying to streamline it to be done once a year by aligning policy renewal dates and possibly every other year with a potential two year renewal. Mr. Lowe walked through the property and liability renewals and associated coverages in the executive summary starting with the named storm deductible which has historically been 1.5% and equates to \$6,931,000 (excluding business interruption). Business Interruption has a 21 day waiting period which multiplied by the daily indemnity, comes to an additional \$3.57 million. He stated that if there was a named windstorm event and the port had both property damage and business interruption, the combined deductible would be \$10.5 million. He explained that the way the port is currently structured, the board has not been willing to raise or lower the percentage but remain steadfast on staying with 1.5%. Gallagher's quote caps the deductible at \$5 million (property) versus \$6.9 million. If it involves business interruption, the same \$5 million covers it as well versus (what could be) \$10 million plus which is a huge improvement to the program for the upcoming renewal. Mr. Lowe also shared a graph that shows how Port Freeport rates compare favorably to other ports

in the Arthur J. Gallagher portfolio along the Gulf Coast. He then shared a spreadsheet that shows the premiums for the one year option and the two year option. He stated that if the port renews (as is) with a one year renewal with complete coverage for property, liability and associated coverages, the premium would be \$2,375,321 which is a \$5,000 increase. For a two year renewal on property only, the premium would be \$2,261,276. Directors and officers, automobile insurance, etc. are not allowed on a two year so that coverage would be for one year. If the port commits to a two year property renewal as discussed with the Finance Committee, year one would see a \$108,000 premium benefit while year two would see a combined \$269,000 premium benefit. Mr. Lowe stated that he would ask the Port Commission to approve the 2026 premium and approve a not to exceed amount for the 2027 premium. Looking at the numbers for the current premium, the two year premium and the savings, Mr. Lowe explained that when adding the newest assets on the books (the port currently insures about \$495 million), staff anticipates the statement of values would increase 5-10% between now and one year from today. He noted that Cross Dock 2 will not be completed at that point so staff feels it will be closer to 5%. Up to 5%, the rate will be 2.5% more favorable. If the port exceeds 5% on the statement of values, it will be 5% favorable. Mr. Lowe will ask the board to approve a not to exceed amount (assuming the port adds \$50 million in value) as staff feels it will probably be 6 or 7%. Mr. Lowe further explained that the premium will ultimately be determined by how much valuation is added to the books over the next year with staff anticipating adding about \$25-\$50 million of valuation. Gallagher is offering a more favorable rate if a two year period is locked in and with the uncertainty of the upcoming storm season and how any storm could potentially impact the rates, staff feels it's a smart move to lock in the two year premium on property and approve the entire package with that basis. Commissioner Croft commented that given the scenario Mr. Lowe presented in not knowing what the future is going to bring as it relates to storms, he feels it's good to lock the rate for a couple of years.

A motion was made by Commissioner Croft to approve the port's 2026 property and business interruption, liability, bumbershoot and other coverages as presented by staff in the amount of \$2,409,070, and to approve staff's recommendation of the 2027 renewal of property and business interruption in an amount not to exceed 2,319,904 dollars. The motion was seconded by Commissioner Fratila with all Commissioners present voting in favor of the motion.

14. Approval of a Construction Contract with Taylor Marine Construction Inc. for the New Fenders Dock 1, 2 and 3 project, for an amount not to exceed \$3,328,000.00.

Mr. Hull stated that five bids were opened on February 10th with four of the five bids submitted coming within the budget of \$5,000,000. Taylor Marine Construction submitted the lowest bid and met all the requirements of the project with a bid of \$3,328,000. Mr. Hull recommends approval.

A motion was made by Commissioner Santos to approve the Construction Contract to Taylor Marine Construction for the new fenders at Docks 1, 2 and 3, for an amount not to exceed \$3,328,000. The motion was seconded by Commissioner Kincannon with all Commissioners present voting in favor of the motion.

15. Approval of Professional Services Agreement with IAD Architects for Cross Dock 2 – Code Review project, for an amount not to exceed \$43,600.00.

Mr. Hull stated that IAD Architects worked for the developer of Cross Dock 1 as their owner's representative on the project. He explained that the port hired another third party code reviewer for Cross Dock 1 which was \$50,000. Mr. Hull reached out to IAD Architects asking them to perform the same scope of work for Cross Dock 2, that was previously done directly for the developer of Cross Dock 1. They agreed for an amount not to exceed \$43,600. Mr. Hull recommends approval.

A motion was made by Commissioner Kincannon to approve the Professional Services Agreement with IAD Architects for Cross Dock 2 Code Review project for an amount not to exceed \$43,600. The motion was seconded by Commissioner Singhanian with all Commissioners present voting in favor of the motion.

16. Approval of Professional Services Agreement with LJA Engineering, Inc. for Velasco Terminal, Container Yard 6 project, for an amount not to exceed \$669,000.00.

Mr. Hull stated that staff is ready to move forward with the design for Area 6 and has selected LJA as the most qualified engineer for the project and has done work for other container yards. Staff feels having this project ready to bid will make the port competitive for grant funding. Mr. Hull does not have an estimate on how long the project will take because it includes railroad relocation which requires approval through Union Pacific Railroad noting that the Texas Department of Transportation and the Pine Street Bridge project has been ongoing for 10 years, and they're still working with Union Pacific Railroad to get their railroad approval. He also pointed out that this agreement does not include the materials testing or the construction oversight in it. This is to obtain an approved set of drawings through Union Pacific Railroad so the port can apply for grant funds. Once staff decides to move forward with the project, Mr. Hull will request an additional fee to do the materials testing as well as the construction oversight. This agreement will include geotechnical work, topographic surveying, alignment of the rail and recommendations on the filling of the site to bring it up to grade. Mr. Hull recommends approval.

A motion was made by Commissioner Kincannon to approve the Professional Services Agreement with LJA Engineering for Velasco Terminal Container Yard 6 project, for an amount not to exceed \$669,000. The motion was seconded by Commissioner Singhanian with all Commissioners present voting in favor of the motion and Commissioner Croft abstaining.

17. Approval of a license renewal with CDW-G for VMWare Software, for an amount not to exceed \$71,331.20.

Mr. Robertson explained that CDWG is a vendor that sells hardware and software. The G is their government division, so the port gets customized government pricing for anything purchased. He stated that this is the 5th renewal for the contract for the port's data center and is the software that runs the virtualization for all the servers and VDI. He noted that the renewal came in over budget and that the vendor greatly increased prices globally so it's not just affecting the port. Mr. Robertson recommends approval of the expenditure for \$71,331.20 to renew the VMWare license through CDWG, utilizing the Texas DIR quote. He also explained that all the quotes were very similar, adding that VMWare gives the vendors the pricing and depending on the margin they want to mark up or down is the quote you get. Additionally, the renewal pricing is good for three years which aligns with the life cycle of system.

A motion was made by Commissioner Santos to approve the license renewal with CDWG for the VMWare software for an amount not to exceed \$71,331.20. The motion was seconded by Commissioner Croft with all Commissioners present voting in favor of the motion.

18. Approval to purchase a new fire pump for Summit Fire for the Diesel Fire Protection System, for an amount not to exceed \$42,930.00.

Mr. Hibbetts stated that staff discussed this with the OSS Committee on February 17th. He explained that after having the fire pump inspected, it was determined that the sleeves, rings, bearings and shaft all needed to be replaced, and after looking into it, refurbishing the pump would be just as much as replacing it with a new pump. He also noted the current pump is the original pump that was installed in 1985. Staff obtained multiple bids with Summit Fire coming in at \$42,930 (installed) but has a four week delivery time. He stated that in the interim, a generator is in place to serve as the backup for the diesel pump. The diesel fire pump serves as the backup to the electric fire pump. If the port were to lose power, the generator would serve as the backup to the electric pump. Mr. Hibbetts recommends approval to purchase the new pump.

A motion was made by Commissioner Kincannon to approve the purchase of a new fire pump from Summit Fire for the diesel fire protection system for an amount not to exceed 42,930. The motion was seconded by Commissioner Singhanian with all Commissioners present voting in favor of the motion.

19. Approval of Purchase Order for backup generator rental, for an amount not to exceed \$40,000.00.

Mr. Hibbetts explained that since the diesel fire pump has to be replaced and serves as the backup to the electric pump, staff needed to get a generator installed to serve as the backup for the pump. Staff obtained multiple bids with United Rentals providing the generator that is currently in place at a monthly rate of \$12,715. The lead time for the new fire pump is expected to be four weeks. Mr. Hibbetts is requesting approval of a purchase order for three months' rental of the generator, Staff does not anticipate needing the generator that long but wants the approval in place in the event something happens and the rental rolls into a third month.

A motion was made by Commissioner Santos to approve the purchase order for backup generator rental for an amount not to exceed \$40,000. The motion was seconded by Commissioner Fratila with all Commissioners present voting in favor of the motion.

20. Approval of an extension to the Government Liaison Services Agreement between Port Freeport and Van Scoyoc Associates.

Ms. Saathoff stated that a contract was previously approved with Van Scoyoc and Associates for representing the port and providing consulting services on federal matters. The contract included two one-year renewals and staff recommends exercising the next renewal which will stay at the same monthly retainer rate of \$8,500 with annual expenses not to exceed \$2,000. She also noted that either party has the option to terminate with or without cause with 30 days' written notice. Ms. Saathoff stated that with everything that's happening in Washington, the port needs the support and recommends approval.

A motion was made by Commissioner Singhanian to approve the extension with Van Scoyoc. The motion was seconded by Commissioner Santos with all Commissioners present voting in favor of the motion.

21. Continuation of November 17, 2025 Planning Workshop for Port Freeport regarding the following:

A. Community Engagement

B. Compliance Update on Accessibility & Public Information Act

Community Engagement

Ms. Veliz gave an update on the port's community engagement and public affairs activities by highlighting the impact it's had on the past fiscal year and presented the 2026 priorities moving forward. She began with an overview of the impact from an organizational perspective which focused on strengthening community relationships through constant engagement and ensuring communication supported the port's key infrastructure milestones and operational priorities. She explained that a significant portion of the past year was spent executing the Centennial Celebration. Public Affairs expanded accessibility through the redevelopment of the port's website, working closely with business development and leading the community aspect of the website making sure it improved how the public accesses information and engages the port's programs and events while navigating the community section of the website. In addition, the port's digital engagement continued to grow with increased audience reach and strengthened communication. Ms. Veliz stated that the Centennial was carried out as a yearlong event to enhance the port's visibility and strengthen its connection with the community. A key aspect of the initiative was development of the Centennial logo that was utilized across all communications and engagement activities. Additionally, the port received recognition at the county, state and federal levels with resolutions presented at the Texas State Capitol House and Senate floor and a proclamation presented at Brazoria County Commissioners Court as well as flying of commemorative flags at government capitals to honor the milestone. She stated that overall, the Centennial increased the port's regional and industry awareness while reinforcing the port's legacy and ongoing growth. Centennial activities also helped maintain community engagement throughout the year with events like Brazoria County Day, the Annual Take-a-Child Fishing Tournament, Centennial Celebration Luncheon and Community Port Tours. She explained that public visibility was enhanced through social media campaigns and press releases that supported key events, along with messaging in all of the port communications. Coverage was also expanded across multiple publications, with special Centennial editions in the Giants magazine, The Bulletin and the Ports Bureau News newsletter. Visual communications also played a role with the development of the Centennial documentary as well as a dedicated webpage with expanding historical timeline that increased the use of visual narratives to improve public's understanding. Ms. Veliz stated that in addition to the Centennial focus, public affairs also supported key milestones across the organization by issuing 15 press releases to ensure constant messaging and awareness. They also enhanced the port's visual narrative by increasing the use of videos and other visual content to enable audiences to better understand the port's projects and operational progress which led to greater visibility and overall public awareness. Ms. Veliz also shared some visual examples of engagement and communication efforts made throughout the year. Visual illustrations showed the range of outreach and diverse methods used to share information with the port's audiences while the videos feature community focused efforts/events, the cranes' arrival and finally Centennial related productions that included the Centennial Documentary (long and short format), the

Centennial Celebration Luncheon recap and the Centennial Community Port Tour day recap. She noted that the visual resources were created to enhance the community's understanding of the port by allowing them to witness progress and engage in the activity more directly which also increased the audience growth across platforms with higher engagement and interaction. She stated that data focused content planning allowed the team to refine messaging based on audience responses while the current trends indicated continued growth in digital reach and engagement. Ensuring accessibility and inclusion participation was key during planning of programs and events by ensuring that ADA accommodations were implemented and venues selected met ADA compliance standards. Staff arranged accessible transportation for the Community Port Tours to support participants' needs and conducted direct outreach to confirm accessibility in advance to provide tailored accommodations that supported inclusive participation. Additionally, staff also improved digital accessibility by enhancing the port's website and integrating accessibility request options with online forms. Ms. Veliz stated that the 2026 priorities will focus on strengthening digital engagement, supporting key milestone events and continuing structured community engagement initiatives. From a digital perspective, staff will continue enhancing the website to improve accessibility and expand public engagement opportunities that includes adopting a data informed approach to communicate and consistently monitor digital platforms to support growth in audience reach and interactions. The team will also support upcoming port milestones, including ribbon cuttings and groundbreakings aligned with major infrastructure initiatives. Annual sponsored events like the Take-a-Child Fishing Tournament, Golf Tournament and quarterly CAP meetings will continue to be an important role in community engagement. Additionally, staff is planning the port's second Community Port Tour Day and with its own dedicated webpage, similar to Take-a-Child Fishing and the Golf Tournament. Other community initiatives will focus on an educational pathway plan and community tribute. The educational pathway plan is a structured initiative designed to enhance community education with the initial phase involving the creation of downloadable curriculum resources that focus on elementary education for regional school districts and home school communities. The initiative will be approached in four phases with each phase building upon the previous one that allows staff to research, develop, implement and refine the program in a structured and sustainable way. A dedicated page will also be created on the website to provide centralized access and resources. Lastly, the Community Tribute initiative will recognize the history of Freeport's East End and will be located within the buffer zone along East Second Street. Current efforts include coordination and planning alignment with external infrastructure timelines and environmental partnerships while the next step will include engaging the advisory committee for development of the concepts with the final direction remaining with the Commission. Ms. Saathoff added that staff anticipates the sewer relocation project will be completed by the end of April or sometime in the second quarter and that Houston Wilderness is scheduled to install the vegetation required in the buffer zone later this fall.

Compliance Update on Accessibility & Public Information Act

Mr. Lowe stated that he includes any public information request, American with Disabilities Act requests and/or language assistance request in his monthly report to the Commission but wanted to recap the success of it and noted that the redevelopment of the port website has also given easy access to the information and forms related to the various public requests. Additionally, staff also made an extraordinary effort with events over recent months to make sure anyone who had special requests understood how to have them fulfilled. He then gave a breakdown of the requests received by stating that in 2025, the port received 17 public information requests that include RFPs and port statistics like headcount, employee roster and financials. For 2026, there have been 6 requests with more RFPs than prior. He stated that

staff does occasionally receive requests that are not specifically owned by the port, adding that if anyone thinks it's something related to Port Freeport, they submit a request. Staff tries to respond neutrally but will point them towards someone else if possible. For the ADA and language assistance, Mr. Lowe stated there were 5 requests in 2025 with all requests fully accommodated noting that four were in regard to physical accessibility and one for hearing support. There have been no requests for 2026. Mr. Lowe again stated the public request information is prominently displayed on the website and port staff is committed to fulfilling any and all requirements of the.

22. 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 under Government Code Section 551.071(1) (to seek or receive attorney's advice on pending or contemplated litigation).
2. Consultation with attorney under Government Code Section 551.071(2) (to seek or receive attorney's advice on legal matters that are not related to litigation).

B. Under authority of Section 551.076 (Deliberation of Security Matters):

1. Discussion regarding issues related to the deployment, or specific occasions for implementation of security personnel or devices or security audit and services.

C. Under authority of Section 551.087 (Economic Development Negotiations or Incentives):

1. To discuss or deliberate regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations.
 - i. Business and Economic Development Report including potential offers of financial or other incentives to the business prospect.
2. To deliberate the offer of a financial or other incentive to a business prospect described by Subdivision (1).

D. Under authority of Section 551.072 (Deliberation Concerning Real Property Matters) for discussion regarding:

1. 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, 3, 5, 7 and 8.
2. The potential lease or value of real property located at Port Freeport or adjacent to Port Freeport, including but not limited to Parcel 1.
3. The potential exchange, lease, or value of real property located at Port Freeport, including but not limited to Parcels 14, 19, 27, 31, 34 and property on Quintana Island.

E. 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.

23. RECONVENED OPEN SESSION:

24. Discuss and consider action resulting from Executive Session for Executive Director/CEO.

Commissioner Kincannon stated that Port Freeport had a sensational and very busy 2025. Many capital and maintenance projects were accomplished along with the Port Centennial Celebration and recognition by the State, House and Senate, reflect on the excellent performance of our port employees, staff and the diligent vision, commitment and oversight of the Executive Director and CEO.

A motion was made by Commissioner Kincannon that in recognition of Ms. Saathoff's exceptional performance, as noted by the Port Freeport Commission, that the Commission we increase Phyllis Saathoff's salary by 4.60% retroactive to October 1, 2025, and continue all of her current benefits. The motion was seconded by Commissioner Singhania with all Commissioners present voting in favor of the motion.

25. Adjourn.

With no further business before the Commission, the meeting adjourned at 5:09 PM.

Rob Giesecke, Chairman

Rudy Santos, Vice Chairman

Kim Kincannon, Secretary

Dan Croft, Asst. Secretary

Barbara Fratila, Commissioner

Ravi K. Singhania, Commissioner



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MEMORANDUM

TO: Port Commissioners
Chief Executive Officer

FROM: Rob Lowe

DATE: March 26, 2026

SUBJECT: Port Credit Card Issuance and Limit

Port Policy 8.8 calls for the Port Commission to authorize the issuance and credit limits of port credit cards. To that end, I am seeking authorization to issue a new credit card to Danielle Allen, Procurement Manager, with a credit limit of \$5,000. The primary use of this card would be procurement related activities.


[PORT COMMISSION](#)



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MEMORANDUM

TO: Commissioners
Directors
Legal Counsel

FROM: Jason Hull, P.E. 
Director of Engineering

DATE: March 19, 2026

SUBJECT: **Approval Charge Order No. 1 for Gate 4 Access**
CSJ: 9400-00-012

The Gate 4 Access Project will soon be closing out. The project had a reduction in scope of the street tie-in to the TxDOT FM 1495 project. Attached is Change Order No. 1 which is a deduct to the original contract and it is requested by TxDOT to close out the project.

I recommend approval of Change Order No. 1 as presented.

PORT COMMISSION

ROB GIESECKE, CHAIRMAN; RUDY SANTOS, VICE CHAIRMAN; KIM KINCANNON, SECRETARY; DAN CROFT, ASST. SECRETARY;
BARBARA FRATLA, COMMISSIONER; RAVI K. SINGHANIA, COMMISSIONER; PHYLLIS SAATHOFF, EXECUTIVE DIRECTOR/CEO

CHANGE ORDER

Change Order No. 1

Date: 3/26/26

PROJECT: Gate 4 Access - CSJ 9400-00-012

PROJECT NUMBER: 24-05

CONTRACTOR: Harper Brothers Construction

This contract shall be modified to include the changes listed below, and the contract price and/or contract time shall be changed to reflect these modifications.

1. Decrease Contract amount by \$188,383.02 for the reduction of scope for areas of the project that were built by TxDOT's contractor (ICON).

Decrease in Contract Amount: \$188,383.02

Original Contract Amount: \$ 1,148,987.20

Total Amount of Previous Change Orders: \$ 0.00

Amount of this Change Order: \$ (188,383.02)

Revised Contract Amount: \$960,604.18

This Change Order is accepted and executed by Port Freeport and Harper Brothers Construction, Inc. (Contractor) as signed by their duly authorized representatives below.

Port Freeport
(Owner)

Harper Brothers Construction, Inc.
(Contractor)

By: _____

Phyllis Saathoff
Executive Director / CEO

By: _____

Corey Garnett
Division Manager



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MEMORANDUM

TO: Operations, Safety & Security Committee

FROM: Jesse Hibbetts Director of Operations

DATE: March 18, 2026

SUBJECT: Purchase of Portable 200kw Generator on a Trailer

Port Freeport was awarded \$120,250.00 through The Hazard Mitigation Grant Program after Hurricane Laura in 2021. The Federal Portion of this grant is 90% which equals \$108,225.00 and the Port Freeport portion is 10% which equals \$12,025.00. Procurement handled collecting the bids for a 200kw generator on a trailer. Worldwide Power Products has the lowest price of \$125,000.00 for a John Deere EPA Tier 4 diesel powered engine with a Samford 200kw generator. The Texas Department of Emergency Management has approved the purchase since it is over the allotted amount of the grant with Port Freeport paying the difference of \$4,750.00.

Grant Breakdown 90/10:

\$120,250.00 Total (Federal Portion \$108,225.00 + Port Freeport Portion \$12,025.00)

Lowest Quote:

World Wide Power \$125,000.00

Port Freeport Total Cost:

\$16,775.00

Quotes:

Worldwide Power John Deere 192 Kw \$125,000.00

ASCO 220 Kw Airman \$139,598.00

Cummins Inc. 200 Kw Cummins \$140,819.45

United Rentals 200 Kw Cummins \$145,236.76

PORT COMMISSION

ROB GIESECKE, CHAIRMAN; RUDY SANTOS, VICE CHAIRMAN; KIM KINCANNON, SECRETARY; DAN CROFT, ASST. SECRETARY;
BARBARA FRATILA, COMMISSIONER; RAVI K. SINGHANIA, COMMISSIONER; PHYLLIS SAATHOFF, EXECUTIVE DIRECTOR/CEO



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MEMORANDUM

TO: Operations, Safety & Security Committee

FROM: Jesse Hibbetts, Director of Operations

DATE: March 20, 2026

SUBJECT: New Receiving Electrical Pole with a Pole-Top Switch

Port Operations is requesting approval to purchase and install 1 new receiving electrical pole equipped with pole-top switch.

Centerpoint Energy is currently working to reroute circuit connections on Parcel 1. If we are able to coordinate this work with a scheduled outage, it will significantly reduce overall power disruption. This upgrade will eliminate the need for future outages to be scheduled through Centerpoint by allowing Port personnel to isolate power directly when maintenance or repairs are required.

The circuit enters the Port on the north fence line near the Dole yard. Enhancing this infrastructure will strengthen system reliability and improve resilience during storm events.

We have received quotes from Saber Power and ICS. We are seeking the Port commission's approval for ICS Lumpsum proposal #2 with a fiberglass pole in the amount of \$40,809.20. This investment supports our ongoing goal of hardening electrical systems across the Port.

Quotes:

Saber Power

45' fiberglass direct burial pole and hardware \$41,419.80

45' class 1 wood pole and hardware \$32,297.15

Shermco declined to bid on this work

ICS

Lumpsum Proposal #1-install 15kv primary receiving wood pole \$33,969.20

Lumpsum Proposal #2-install primary receiving fiberglass pole \$40,809.20

[PORT COMMISSION](#)

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BARBARA FRATILA, COMMISSIONER; RAVI K. SINGHANIA, COMMISSIONER; PHYLLIS SAATHOFF, EXECUTIVE DIRECTOR/CEO



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TO: Executive Director/CEO
Port Freeport Commissioners
Legal Counsel

FROM: Director of Business & Economic Development

DATE: March 24, 2026

SUBJECT: PIDP2026 – The Goodman Corporation

In 2025, Port Freeport submitted a Port Infrastructure Development Program (“PDIP”) grant application for the Velasco Terminal Area 4 Project. At this time of preparing this memo, PIDP25 project awards had not yet been announced. A notice of funding opportunity was issued for PIDP26. Deadline to submit applications for PIDP26 is March 27, 2026, but that deadline is expected to be extended since the awards for last year’s program have not been announced.

Staff recommends the following paths:

- 1) If Port Freeport is awarded a PIP25 grant, then submit a new PIDP26 grant application,
- 2) If Port Freeport is not awarded the PIDP25 grant, then resubmit an updated PIDP25 grant application for PIDP26,

Staff recommends contracting the Goodman Corporation to write, prepare the new application or resubmit an updated application.

[PORT COMMISSION](#)

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TO: Executive Director/CEO
 Port Freeport Commissioners
 Legal Counsel

FROM: Director of Business & Economic Development

DATE: March 24, 2026

SUBJECT: Resolution for an Advanced Funding Agreement with the State of Texas

Port Freeport was awarded RURAL Grant Funding to make improvements to the non-TWIC truck queuing area that is across from Gate 8 (as diagram is enclosed) on FM1495. The project budget funding split (Federal, State and Local) is as follows:

Description	Total Estimated Cost	Federal Participation		State Participation		Local Participation	
		%	Cost	%	Cost	%	Cost
Engineering (By State)	\$870,000	0%	\$0	100%	\$870,000	0%	\$0
Construction (By State)	\$8,703,100	80%	\$6,962,480	10%	\$870,310	10%	\$870,310
Subtotal	\$9,573,100		\$6,962,480		\$1,740,310		\$870,310
Engineering Direct State Costs	\$100	0%	\$0	100%	\$100	0%	\$0
Environmental Direct State Costs	\$100	0%	\$0	100%	\$100	0%	\$0
Utility Direct State Costs	\$100	0%	\$0	100%	\$100	0%	\$0
Right of Way Direct State Costs	\$100	0%	\$0	100%	\$100	0%	\$0
Construction Direct State Costs	\$80,000	80%	\$64,000	10%	\$8,000	10%	\$8,000
Subtotal	\$80,400		\$64,000		\$8,400		\$8,000
Indirect State Costs (5.51%)	\$527,478	0%	\$0	100%	\$527,478	0%	\$0
TOTAL	\$10,180,978		\$7,026,480		\$2,276,188		\$878,310

TxDOT will manage the project and Port Freeport will need to enter an Advance Funding Agreement (“AFA”) with the State of Texas to start the project and access the funding. As customary, the Port Commission will need to adopt a Resolution Authorizing an AFA with the State of Texas. The adopted Resolution will then be included as an exhibit/attachment to the AFA. The draft resolution was not available at the time this memo was prepared, but it will be available for the Port Commission meeting on March 26. Staff would recommend adoption of the resolution and authorize the Executive Director & CEO of Port Freeport to execute the AFA on behalf of the port. Legal Counsel will review and approve the AFA in advance of execution.

PORT COMMISSION

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