

AGENDA

**Port Freeport
Port Commission
Special Meeting
Thursday, April 11, 2024, 8:30 am - 3:00 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. The videoconference is available online as follows:

Join Zoom Meeting

<https://us02web.zoom.us/j/88261821485?pwd=TkRxVmpHWlEwUXEzMhowd2dyQTlwUT09>

Meeting ID: 882 6182 1485

Passcode: 809037

Dial by your location

• 1 346 248 7799 US (Houston)

Meeting ID: 882 6182 1485

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

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 to be addressed per participant and can be completed in person or by videoconference. The participant shall identify in advance the specific agenda item or items to be addressed)
9. EXECUTIVE SESSION in accordance with Subchapter D of the Open Meetings Act, Texas Government Code Section 551.001, et. seq., to review and consider the following:
 - A Under authority of Section 551.074 (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.
10. RECONVENE OPEN SESSION to review and consider the following:
11. Discuss and consider action resulting from Executive Session.
12. Conduct a Planning Workshop for Port Freeport regarding the following:
 - A Introductory Remarks.

B. Review of the following Port Policies:

- 2.1 Commission Officers and Organization
- 2.4 Executive Director/CEO
- 2.5 Press Releases/Statements of Official Viewpoint
- 2.7 Legislative Action
- 2.8 Legal Defense for Commissioners
- 2.9 To Be Deleted (June 8, 2023 Commission Action)
- 3.4 Conflicts of Interest

C. Port-owned lots in City of Freeport.

D. Update on RFP process for Market Assessment.

13. RECONVENE 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 551.087 (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.

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

1. The potential 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, 6, 7 and 8.
2. The potential exchange, lease, or value of real property located at Port Freeport, including but not limited to the Expansion Area and Parcels 19, 26, 27, 31, 34 and 35.

D. Under authority of Section 551.076 (Deliberation of Security Matters) for discussion regarding:

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

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.

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

15. Continue Workshop for Port Freeport for the following:

- A. Safety Update.
- B. Operations Update.
- C. Capital Projects Update.
- D. Environmental, Social, Governance & Sustainability Update.
- E. Update on RFP process for Website Redesign.

16. 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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ORGANIZATION

The officers of the Port Commission shall consist of a Chairman, Vice Chairman, Secretary, and Assistant Secretary to be elected by the Commissioners from and among their number.

The Chairman will preside over all regular and special meetings of the Port Commission and may vote on all matters brought before the Commission.

In the absence of the Chairman, the Vice Chairman shall preside as Chairman unless the duly-elected Chairman designates a duly-elected Commission member to preside in his stead.

The Secretary shall keep the permanent records of all proceedings and transactions of the Commission and shall see that notices are duly given in accordance to the law.

In the absence of the Secretary, the Assistant Secretary shall perform the duties of the secretary.

Individual Commissioners should not attempt to direct or control management or management's recommendations, request special activities or otherwise create demands on management or Port contractors except through the direction and/or approval of the full Commission.

TERMS OF OFFICES

The offices of Chairman, Vice Chairman, Secretary, and Assistant Secretary shall be for a term of two years, ~~said officers to be elected by a simple majority of the quorum of the Port Commission.~~

No officer may ~~succeed himself in the next succeeding officer election~~ serve more than one two-year term, unless the officer first is elected to and serves only a partial term, or the officer retires from serving as an officer for a full two-year term before serving again as an officer for a full two-year term, but may be again elected to the same office after retiring for one, two-year term.

If for any reason the office of any officer is vacated during the term for which such officer is elected, the remaining members of the Port Commission shall, at the next scheduled regular meeting, elect a new officer to fulfill the unexpired term, ~~which unexpired term will not be considered as a full term and such Commissioner shall be eligible for re-election to serve a full two-year term to such office.~~

ELECTION OF OFFICERS

~~The election of officers will be held by the Port Commission at the first regular meeting on the first month following the regular election of Commissioners.~~ The first meeting after each general election the board canvases the general votes, declares winners and any new commissioners take their seat. Once any new commissioners are seated, the commission elects its new slate of officers. Per policy, no officer holder may hold the same office for more than one consecutive term.

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~~All Port Commission officer elections shall follow the procedures set forth in *Robert's Rules of Order*, Port Freeport's Election Policy, Rules of Order, and the Rules of Order Resource, as may be amended from time to time and which are incorporated by reference for all purposes herein. will be followed for all Port Commission officer elections.~~

Each newly-elected officer shall assume the duties of his office immediately upon election by the Port Commission.

ADVISORY COMMITTEES

FORMATION AND FUNCTION

The Commission shall have five standing advisory committees - the Finance and Audit ~~Advisory~~ Committee, the ~~Strategic Capital~~ Planning ~~Advisory~~ Committee, the Operations ~~Advisory, Security and Safety~~ Committee, ~~and~~ the Personnel Committee ~~and the Security and Safety Advisory Committee~~. Each standing advisory committee shall consist of the Chairman of the Port Commission, serving as an ex officio member (but only in place of an absent committee member), a committee chairman and at least two other members of the Port Commission. The committee chairman and other committee members will be appointed by the Chairman of the Port Commission. The Chairman of the Port Commission additionally may appoint such ad hoc committees as deemed appropriate to facilitate the business of the Commission. Such ad hoc committees shall exist until the completion of their assigned duties or as otherwise determined by the Chairman of the Port Commission. Unless otherwise specified by the Commission, all committees shall be advisory in nature without any authority to control ~~public the~~ business ~~of the Port Commission~~. The role of a committee shall ~~merely~~ be to ~~report submit findings, share reports, and make recommendations~~ to the Commission ~~findings on any given matter for consideration of by the Commission along with its report or recommendation to the Commission~~. ~~Management's Port Management shall be~~ responsibility with respect to ~~committees is to for~~ providing Committee members with documentation, information, and data, ~~and recommendations related to for~~ Committee agenda items, ~~along with Management's recommendation~~.

FINANCE AND AUDIT ~~ADVISORY~~ COMMITTEE

Primary responsibilities include review~~ing of~~ all financial documents pertaining to the operation of the Port, ~~such as including~~, but not limited to, the annual budget, the annual report, and investment and other financial policies; as presented by staff and mak~~ing~~ ~~appropriate related~~ recommendations to the full Port Commission. Further, the Committee will provide oversight of the Port Commission's business risk assessment, ~~its~~ grant activity, ~~its~~ internal control structure, and ~~the~~ review of the annual audit plan. ~~Moreover, t~~The Committee ~~will shall be responsible for~~ meeting with the external auditor to discuss audit plans and procedures, any significant ~~anticipated~~ audit problems ~~anticipated~~, any changes in accounting principles, and ~~reviewing~~ all results of the audit. This Committee will also review financing plans for certain projects pertaining to port operations and projects ~~for and make~~ recommendations to the full Port Commission.

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STRATEGIC CAPITAL PLANNING ADVISORY COMMITTEE (~~formally the Capital Committee~~)

Primary responsibilities include the review of all projects involving Port properties, ~~to include~~including, but not limited to, leases, marine and other operating contracts, conveyance of easements, ~~and~~ professional services agreements and budgets related to Port Improvement and Maintenance and Rehabilitation projects and making ~~appropriate~~ appropriate related recommendations to the full Port Commission. The Committee will also review management's development and subsequent implementation of the Port's Business and Master Plans to include marketing, capital, operating and financial planning elements. Additionally, the Committee will review all long-term operating and lease agreements as well as proposed changes to the Port's Tariff ensuring they are consistent with the Port's Master Plan and ~~consistent with~~ returns levels recommended by the Finance and Audit Committee

OPERATIONS, SECURITY AND SAFETY ADVISORY COMMITTEE

Primary responsibilities include the review of ~~all Port equipment~~ matters relating to programs, policies, practices and compliance as they pertain to the operations, safety and security of the Port's cyber systems, facilities, equipment, harbor complex and navigational channel, rolling stock, and information technology or otherwise, which involve the essential to the daily operation of the Port. This shall include a review of ~~including~~ the purchase, lease or sale of equipment and the declaration and disposal of surplus items and making ~~appropriate~~ appropriate related recommendations to the full Port Commission. The Committee, through the Port's management, will coordinate with external safety and security organizations to ensure the integrity of the established maritime security zone, its operation and related public safety. The ~~Operations~~ Committee shall also include the review contracts related to Port security and make recommendations to the full Port Commission on those contracts. The Committee will also serve as the Commission's official forum to review and evaluate all violations of the Port's Tariff safety provisions as directed and share its findings and recommendations to the full Commission. The Committee will also annually review new or renewal stevedore license applications. This Committee, through a needs assessment program, will review all proposed additions, alterations or relocations of facilities that are directly involved in operational matters.

PERSONNEL ADVISORY COMMITTEE

Primary responsibilities ~~are include to the~~ review of staffing needs requested by management, ~~review~~ revised compensation and benefit packages for Port personnel as submitted by management, and review the Executive Port Director's performance and contract and making ~~appropriate~~ appropriate related recommendations regarding such matters to the full Port Commission. Additionally, the Committee will periodically review existing general Port Commission policies, ~~except as otherwise assigned,~~ and will propose new policies and recommend ~~ations accordingly~~ to the full Port Commission any changes thereto.

The Committee will also serve as the Commission's official forum to review and evaluate all personnel grievances that have been or can be appealed beyond the level of the Port Executive

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Director/CEO and to share its findings and recommendations ~~report back~~ to the full Commission ~~its findings and recommendations~~.

SECURITY AND SAFETY ADVISORY COMMITTEE

Primary responsibilities shall include the review of matters relating to the programs, policy, practices and compliance as they pertain to the safety and security of the Port's cyber systems, facilities, harbor complex and navigational channel. The Committee through the Port's management will coordinate with external safety and security organizations to ensure the integrity of the established maritime security zone, its operation and related public safety. The committee will review all procurements of safety and security equipment and services. The Committee will also serve as the Commission's official forum to review and evaluate all violations of the Port's ~~T~~ariff safety provisions as directed and ~~report back~~ share its findings and recommendations to the full Commission ~~its findings and recommendations~~.

ENVIRONMENTAL, SOCIAL AND CORPORATE GOVERNANCESGS COMMITTEE

Primary responsibilities shall include the review of assessment of the Port's framework governance mechanisms and policies and practices in relations to its ability to effectively manage its the environmental, and social, and governance impacts of the Port's operations, engineering, design and construction, procurement and financial activities. The Committee will also periodically review the Port's sustainability report and any related metrics. The Committee will also review ESG projects and services ~~The Committee shall will share its findings and recommendations to the full Commission.~~

ADDITIONAL OR OTHER ADVISORY COMMITTEE FUNCTIONS

In addition to the duties of the committees as described above, any committee may consider any other matter which shall be referred to it by the Chairman or by the any other member of the Port Commission. Committees may fix their own rules of procedure and may meet where and as provided by such rules, or by direction of the Commission.

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Exhibit A

Election of Officers

Policy:

The first meeting after each general election the board canvases the general votes, declares winners and any new commissioners take their seat. Once any new commissioners are seated, the commission elects its new slate of officers. Per policy, no officer holder may hold the same office for more than one consecutive term.

Procedure:

I. **General.** The incumbent Chair shall preside over the Meeting at which the election takes place, and shall preside over the election itself, until all open offices have been voted upon and filled. Once the election has been completed, the incumbent Chair shall cede office and the newly elected Chair shall assume office.

All eligible Commissioners shall be subject to election for the then open offices. The current office holder is excluded from holding the same office for the coming term as he or she held during the previous two-year term.

I. **II. Order of Operation.** Generally, elections shall be held in accordance with the order of operation found in this Section. (1) **Recusal.** If a Commissioner does not wish to hold a specific office, that Commissioner must recuse himself or herself from consideration for that office prior to any vote being made for that specific office. Recusing oneself from consideration for a specific office does not then preclude that Commissioner from consideration for another office. After hearing recusals, any Commissioner can then bring forth a vote for the respective office.

I. (2) **Elections.** After recusals have been declared, voting may occur. All eligible Members of the Port Commission, not to include those Members who have recused themselves, shall be considered for each open office. All Port Commission Members shall be required to vote by written ballot with individual ballots to be provided to the Members so that they may write-in their selection for the office being considered at that time. This process shall be repeated, office-by-office, until all open offices have been filled. i. *Order of Open Positions to be Considered.* The Chair shall be the first office considered for election, with the election process being repeated for each office until all offices have been filled from the shrinking pool of eligible Members. Office elections shall be held, in succession, one-by-one, in the following order: 1. Chair

I. 2. Vice-Chair

I. _____

I. _____

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I 3. Secretary

I 4. Assistant Secretary

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I ii. *Candidates.* All eligible Members of the Port Commission, not to include those Members who have recused themselves, shall be considered for each open office. Even if there is only one candidate for each office, the Members of the Port Commission must nevertheless vote for that office.

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I (3) **Tallying; Results.** Upon the completion of each election for each open office, staff shall collect the ballots, tally the vote, and announce the winner for that specific office. The Member receiving the simple majority vote wins the seat for that office and shall not be eligible for consideration of any other open office. i. *Tie Vote.* In cases of a tied vote, meaning that two or more candidates have received the same number of votes, a vote shall be taken again. In cases of a second tied vote, the tie shall be broken and the office filled through the drawing of lots, meaning that the names of the candidates receiving the same number of votes shall be written on individual pieces of paper and one shall be selected at random (e.g. picked out of a hat). The candidate whose name was drawn shall then fill the position then being considered.

I ii. *No Simple Majority Vote Received.* In cases when no candidate receives a simple majority vote, a run-off election shall occur between the two candidates receiving the most votes. This run-off election shall occur in a manner similar to that of the regular election for the office then being considered with the exception that the only candidates to be considered shall be those two candidates receiving the most votes for that position in the regular election.

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Exhibit B

PORT FREEPORT RULES OF ORDER

Adapted from Rosenberg's Rules of Order (Revised 2011)

Parliamentary procedures provide a framework within which a governmental entity may propose, amend, approve, or defeat matters to the regulating body. While not required, the Port Commission of Port Freeport believes that the adoption of these *Port Freeport Rules of Order* (these "Rules") will help facilitate Meetings of the Port Commission, making such Meetings more efficient and providing security against procedural deficiencies while ensuring compliance with Chapter 551 of the Texas Government Code (i.e., the Texas Open Meetings Act). These Rules do not affect the legality of any item passed on any agenda. These Rules may be amended from time-to-time, upon action of the Port Commission, but should always be found to be based upon the following pillars:

1. **These Rules should establish order.** The first purpose of these Rules is to establish a framework for the orderly conduct of Meetings.
2. **These Rules should be clear.** Simple rules lead to wider understanding and participation. Complex rules create two classes: those who understand and participate; and those who do not fully understand and do not fully participate.
3. **These Rules should be user friendly.** That is, these Rules must be simple enough that the public is invited into the Port Commission and feels that it has been able to adequately observe the process.
4. **These Rules should enforce the will of the majority while protecting the rights of the minority.** The ultimate purpose of these Rules is to encourage discussion and to facilitate decision making by the Port Commission. In a democracy, majority rules. These Rules must enable the majority to express itself and fashion a result, while permitting the minority to also express itself, but not dominate, while fully participating in the process.

ESTABLISHING A QUORUM

Sec. 1.01 Establishing a Quorum.

(a) A quorum is the minimum number of Port Commissioners who must be present at a meeting for business to be legally transacted.

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(b) A quorum is four Port Commissioners (or, one more than half the number of total Port Commissioners) unless otherwise specified or reduced because of a legal conflict of interest.

Sec. 1.02 Absence or Loss of a Quorum.

(a) If the Port Commission has less than a quorum of Port Commissioners physically present for a Meeting of the Port Commission, the Port Commission cannot transact business.

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(b) If the remaining Commissioners do not equal four (4), a quorum shall be considered lost if a Port Commissioner departs from the Port Commission Meeting or leaves the room in which the Port Commission Meeting is being held.

(c) A Commissioner who is attending via video is not considered present for establishing a quorum but may participate and vote in all Port Freeport business. If a member appearing by video is no longer visible and able to be heard, the Port Commission Meeting will be paused for a reasonable period of time to attempt to re-establish the connection. If the connection is not re-established after a reasonable period of time, the Port Commission Meeting will continue with those Commissioners in attendance.

(d) If a quorum is lost, the Port Commission loses its ability to transact business until and unless a quorum is reestablished.

ROLE OF THE CHAIR

Sec. 2.01 General.

The Chair of the Port Commission is charged with applying these Rules at all Meetings of the Port Commission. The Chair shall make the final ruling on these Rules every time the Chair states an action. All decisions by the Chair shall be final unless overruled by or appealed through simple majority of the Port Commission itself. The Chair has the full right to participate in the debate, discussion, and decision-making of the Port Commission.

Sec. 2.02 Agenda Item Discussion.

A meeting of the Port Commission is governed by that Meeting's Agenda. The Chair of the Port Commission leads the Meeting and guides the Port Commission through the Agenda. Each Agenda Item may be discussed, considered, or acted upon as follows. In the following order, the Chair shall:

(a) Clearly announce the Agenda Item number and clearly state what the Agenda Item subject is. Generally, while Agenda Items should be heard in the order in which they appear in the Agenda, the Chair shall have the ability to call forward certain Agenda Items, out of order, upon his or her own authority for the sake of efficiency, clarity, or public participation.

(b) Invite public comments or, if appropriate, at a formal meeting, open the public meeting for public input. At the conclusion of public comments, the Chair should announce that public input has concluded. Only for a public meeting, public input is sought at the beginning of the meeting.

(c) Announce the format, as outlined below, that will be followed in considering that Agenda Item.

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(d) Invite the appropriate person or persons to report on the Agenda Item, including the provision of a recommendation.

(e) The Chair may ask members of the Port Commission if they have any technical questions of clarification or items for discussion before seeking a Motion.

(f) Invite a Motion and a second to the Motion, then announce the name of the member who makes the Motion and

the name of the Port Commissioner who seconds the Motion.

(g) Make sure the Port Commissioners understand the Motion either by (1) asking the maker of the Motion to repeat it, (2) repeating the Motion, or (3) asking the Port Secretary to repeat the Motion.

(h) Invite discussion of the Motion by the Port Commission or, if there is no desired discussion, announce that the Port Commission will vote on the Motion.

(i) Take a voice vote or a roll call vote at the discretion of the Chair.

(j) Announce the result of the vote and what action, if any, the Port Commission has taken.

MAKING AND RESPONDING TO MOTIONS

Sec. 3.01 Motions.

Most Motions are can be subject to discussion and debate. The Chair may invite a Motion in one of three ways:

(a) Inviting the Port Commissioners to make a Motion.

(b) Suggesting a Motion to the Port Commissioners.

(c) Making the Motion.

Sec. 3.02 Simple Majority; Super Majority.

The Port Commission consists of six Port Commissioners. For purposes of calculating both a simple majority and a super majority, the entirety of the Port Commission shall be considered. As such, a simple majority of the Port Commission consists of four of the six Port Commissioners, no more and no less, even in consideration of an abstention or absence. A super majority of the Port Commission consists of five of the six Port Commissioners, no more and no less, even in consideration of an abstention or absence.

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Sec. 3.03 Counting Votes.

(a) *Absence.* The absence of a Port Commissioner shall not be counted toward a quorum of the Port Commission but nevertheless said absence shall not reduce the number of affirmative votes needed to pass a motion.

(b) *Abstention.* Should a Port Commissioner abstain from a vote required by law, then the majority vote required shall never be less than four (4) votes, provided that any abstention not required by law shall be counted as a vote against the matter under consideration. In accordance with Section 171.004 of the Local Government Code, in the event that there are more than two (2) abstentions as required by law, then all Port Commissioners having such legal conflicts shall not be required to abstain from further participation in the matter, as a majority of the Port Commission is then composed of persons who have similar interests in the same official action.

(c) *Tied Vote.* In the event of a tie, a Motion always fails since an affirmative vote of at least four (4) Port Commissioners is required to pass any Motion unless otherwise provided herein.

(d) *Other Voting Requirements.* In all cases except otherwise provided herein, the minimum number of Port Commissioners required to vote for a Motion shall be four (4) Commissioners. In cases of vacancies on or appointments to the Port Commission, the minimum number of Port Commissioners required to vote for an appointment to fill a vacancy on the Port Commission shall be three (3) Commissioners.

Sec. 3.04 Making a Motion.

A Motion may be made through a two-step process: (1) the Chair should recognize the Port Commissioner making the Motion and (2) the Port Commissioner makes the Motion by preceding the Port Commissioner's desired approach with the words, "I move . . ."

Sec. 3.05 Basic Motions.

(a) There are two Motions that are the most common. These Motions are subject to the free and open debate of the Port Commission, require a simple majority, and include: 1. *The Basic Motion.* The Basic Motion is one that puts forward a decision for Port Commission's consideration (e.g., "I move that we create a five-member committee to plan and put on our annual fundraiser.").

2. *The Motion to Amend.* A Motion to Amend takes the Basic Motion that is before the Port Commission and seeks to change it in some way. If a Port Commissioner wants to change a Basic Motion that is before the Port Commission, that Port Commissioner would move to amend it (e.g., "I move that we amend the motion to have a 10-person committee.").

(b) If any confusion as to the classification of a Motion arises, the decision as to how to classify a Motion is left to the Chair.

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Sec. 3.06 Amendment to the Original Motion.

In the discussion of a pending Motion, a change to the Motion may be desirable. When that happens, the Port Commissioner who has the floor may say, “I want to suggest an amendment to the motion.” The Port Commissioner then suggests the amendment, and if the maker of the original Motion. and the Port Commissioner who seconded the Motion pending on the floor accepts the friendly amendment, that then becomes the pending Motion on the floor. If either the maker or the Port Commissioner seconding rejects the proposed friendly amendment, then the proposer can formally move to amend.

Sec. 3.07 Multiple Motions Before the Body.

There can be up to two motions on the floor at the same time. The Chair may reject a third motion until the Chair has resolved the two pending motions on the floor. When there is more than one motion on the floor (after motions and seconds) at the same time, the vote should proceed first on the last motion that is made, with a Motion to Amend a Basic Motion being heard prior to discussion and consideration of the Basic Motion to be amended.

As an example, assume that the first Motion made is a Basic Motion to “have a five-member committee to plan and put on our annual fundraiser.” This is the **first Motion**. During the discussion of this Motion, a Port Commissioner might make a **second Motion** to “amend the Motion to have a 10-member committee, not a five-member committee to plan and put on our annual fundraiser.” The proper procedure would include:

1. The Chair would first consider the last Motion on the floor (i.e., the Motion to Amend). The discussion and debate would focus strictly on the amendment. If the Motion to Amend passed, the Chair would then move to consider the Basic Motion – the first Motion – as amended. If the Motion to Amend failed, the Chair would then move to consider the Basic Motion in its original format, not amended.

2. Lastly, the Chair would consider the first Motion that was placed on the floor (i.e., the Basic Motion). The Basic Motion would either be in its original format or, if amended, would be in its amended format. The question on the floor for discussion and decision would be whether a committee should plan and put on an annual fundraiser.

3.08 Failed Original Motion

If a Motion fails for either a lack of a second or is not supported by the majority of the Commissioners voting, then a new Motion may be made by another Commissioner and the required procedures for such a Motion shall be followed.

Sec. 3.09 Motions Not Subject to Debate.

A Port Commissioner may make one or more of the following Motions, which **shall not be subject to debate** and on which the Chair must immediately call for a vote of the Port Commission: -----

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(a) *Motion to Adjourn.* The Port Commission may adjourn if there is no objection made to adjournment. Upon such objection, a Motion to Adjourn requires a simple majority vote. If passed, this motion requires the Port Commission to immediately adjourn to its next scheduled Meeting.

(b) *Motion to Recess.* This Motion requires the Port Commission to take an immediate recess. The Chair shall determine the length of the recess. It requires a simple majority vote.

(c) *Motion to Fix the Time to Adjourn.* If passed, this Motion requires the Port Commission to adjourn the Meeting of the Port Commission at a specific time set in the Motion (e.g., "I move we adjourn this meeting at midnight."). It requires a simple majority vote.

(d) *Motion to Postpone.* This Motion, if passed, requires the discussion of the Agenda Item to be halted and an Agenda Item to be placed on "hold." The Motion does not have to contain a specific time at which the Agenda Item can come back to the Port Commission (e.g., "I move we postpone this item."). The postponed Agenda Item could then be brought back as an Agenda Item at a later Meeting without requiring an additional Motion to do so. A Motion to Postpone requires a simple majority vote.

(e) *Motion to Limit Debate (or, Motion to Call the Question).* Instead of requiring formal action, when a Port Commissioner makes a Motion to Limit Debate, the Chair may treat such a Motion as a request to either move forward with the pending Motion on the floor if no Port Commissioner wishes to discuss the Agenda Item further or, if one member of the Port Commission wishes to discuss the pending Motion, the Chair should treat the Motion to Limit Debate as a formal Motion. When such a Motion is made, the Chair should ask for a second, stop debate, and vote on the Motion to Limit Debate. The Motion to Limit Debate requires a simple majority vote of the Port Commission. 1. A Motion to Limit Debate may include a time limit (e.g., "I move we limit debate on this agenda item to 15 minutes."). Even with a time limit, it requires a majority vote.

(f) *Motion to Object to Consideration of an Agenda Item.* This Motion is not debatable and, if passed, precludes the Port Commission from even considering an Agenda Item. It requires a super majority vote.

Sec. 3.10 Motions Requiring a Super Majority.

Motions requiring a super majority concern action that effectively cuts off the ability of a minority of the Port Commission to take an action or discuss an Agenda Item. Motions requiring a super majority include: -----

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(a) Motion to Close Nominations. When choosing officers of the Port Commission, nominations are in order either from a nominating committee or from the floor of the Port Commission itself. A Motion to Close Nominations effectively cuts off the right of the minority to nominate officers.

(b) Motion to Object to the Consideration of an Agenda Item. See Sec. 3.09(f) of these Rules.

(c) Motion to Modify or Suspend the Rules. This Motion allows the Port Commission to modify or suspend these Rules for a particular purpose.

(d) Motion to Adopt or Modify Policy. This Motion allows the Port Commission to adopt or modify the policies of Port Freeport.

3.11 Motion to Reconsider.

(a) A Port Commissioner may make a Motion to Reconsider, subject to passage by a simple majority, so long as: 1. The Motion to Reconsider was made at the Meeting where the Agenda Item was first voted upon. A Motion to Reconsider made at any other time shall be deemed untimely; and

2. The Motion to Reconsider is made only by a Port Commissioner who voted for the prevailing side on the original motion. A Port Commissioner who voted in the non-prevailing side and who attempts to make a Motion to Reconsider shall be ruled out of order.

(b) If the Motion to Reconsider passes, then the original matter is back before the Port Commission, and a new Basic Motion is in order. The matter may be discussed and debated as if it were on the floor for the first time.

COURTESY AND DECORUM

Sec. 4.01 General.

These Rules are meant to create an atmosphere that allows business to be performed efficiently and fairly. It is the Port Commission's responsibility to maintain common courtesy and decorum. The debate and discussion of the Port Commission should focus on the Agenda Item presented not the personalities of the Port Commission itself. The Chair has the right to cut-off any discussion that is too personal, too loud, or too crude. -----

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Sec. 4.02 Interrupting the Speaker.

Generally, the speaker should not be interrupted, unless a Port Commissioner wishes to make the following:

(a) *Point of Privilege.* Upon making a “point of privilege,” the Chair should ask the interrupter to state his or her point. Appropriate points of privilege relate to anything that would interfere with the normal comfort of the Meeting (e.g., the room may be too hot or too cold).

(b) *Point of Order.* The Chair should ask the interrupter to state his or her point. Appropriate points of order relate to anything that would be considered appropriate conduct of the Meeting (e.g., if the Chair moved on to a vote on a Motion that permits debate without allowing that discussion or debate).

(c) *Appeal.* If the Chair makes a ruling that a Port Commissioner disagrees with, that Port Commissioner may appeal the ruling of the Chair. If the Motion is seconded, and after debate, if it passes by a simple majority vote, then the ruling of the Chair is deemed reversed.

(d) *Calls for Orders of the Day.* If a Port Commissioner has drifted from the Agenda, such a call may be made. It does not require a vote, and when the Chair discovers that the Agenda has not been followed, the Chair simply reminds the Port Commission to return to the Agenda Item properly before them. If the Chair fails to do so, the Chair’s determination may be appealed.

(e) *Withdraw a Motion.* During debate and discussion of a Motion, the maker of the Motion on the floor, at any time, may interrupt a speaker to withdraw his or her Motion from the floor. The Motion is immediately withdrawn, although the Chair may ask the person who seconded the Motion if he or she wishes to make the Motion, and any other Port Commissioner may make the Motion if properly recognized.

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Exhibit C

PORT FREEPORT RULES OF ORDER							
Quorum	Four (4) Comm'rs (<i>may be specified or reduced due to legal conflict of interest</i>); cannot transact business without a quorum <i>physically</i> (i.e., in the room) present.						
Simple Majority	Four (4) Comm'rs, no more and no less, even in consideration of an abstention or absence.						
Super Majority	Five (5) Comm'rs, no more and no less, even in consideration of an abstention or absence.						
Counting Votes	Absences. Absences shall not be counted toward a quorum but also won't reduce the number of affirmative votes needed to pass a motion.						
	Abstention. The majority votes shall never be less than four (4) Comm'rs. If there are more than two (2) legally required abstentions, then all Comm'rs having such conflicts aren't required to abstain.						
	Tied Vote. A Motion always fails since an affirmative vote of at least four (4) Comm'rs is required to pass any Motion.						
Other. The minimum number of Comm'rs required to vote is four (4), but in cases of vacancies or appointments to the Comm, the minimum number is then three (3) Comm'rs.							
MOTIONS TO BE MADE IN ORDER OF PRECEDENCE							
Type of Motion	What do you want to do?	What do you say?	Can I Interrupt?	Second Needed?	Debatable?	Amendable?	Vote Needed?
Motion to Fix Time to Adjourn	End at a specific time.	"I move we adjourn this meeting at 3:30 p.m."	No	Yes	No	No	Simple Majority
Basic Motion	Make a Motion.	"I move that . . ." or "I move to . . ."	No	Yes	Yes	Yes	Simple Majority
Motion to Amend	Rephrase or revise the current Motion made.	"I move that this motion be amended by . . ."	No	Yes	Yes	Yes	Simple Majority
Substitute Motion	Eliminate the current Motion and present a new one for consideration.	"I move a substitute motion that . . ."	No	Yes	Yes	Yes	Simple Majority
Motion to Reconsider	Reconsider something already disposed of – can only be made by a member of the prevailing side on the original Motion at the Meeting at which the Agenda Item was originally considered.	"I move we now reconsider our action relative to . . ."	Yes	Yes	(Was the original motion debatable?)	No	Simple Majority
Appeal	Vote on a ruling made by the Chair.	"I appeal the Chair's decision."	Yes	Yes	Yes	No	Simple Majority
<i>The above-referenced motions and points have been listed in order of precedence. When any one of them is pending, a motion or point listed below it may not be introduced, but you may introduce a motion or point listed above it.</i>							
MISCELLANEOUS ACTIONS & ACTIONS THAT MAY BE TAKEN AT ANY TIME							
Type of Motion	What do you want to do?	What do you say?	Can I Interrupt?	Second Needed?	Debatable?	Amendable?	Vote Needed?
Motion to Adjourn (<i>not required</i>)	End the Meeting right now, prior to reaching the end of the Agenda.	"I move that we adjourn."	No	Yes	No	No	Simple Majority
Motion to Recess	Take a break.	"I move that we recess until . . ."	No	Yes	No	Yes	Simple Majority

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Point of Privilege	Point out something that is making you uncomfortable about your physical surroundings.	"Point of privilege."	Yes	No	No	No	Chair Decides
Motion to Limit Debate	Preemptively limit the time spent debating an Agenda Item.	"I move we limit debate on this agenda item to 15 minutes."	No	Yes	No	No	Simple Majority
Motion to Call the Question	End debate and move on.	"Call the question," or "I move the previous question."	No	Yes	No	No	Simple Majority
Withdraw a Motion	Withdraw your own Motion.	The maker of the Motion on the floor, at any time, may interrupt a speaker to withdraw his Motion from the floor.					
Point of Order	Object to procedure or personal affront.	"Point of order."	Yes	No	No	No	Chair Decides
Calls for Orders of the Day	Return to the Agenda Items on the Agenda.	This does not require a vote, the Chair can simply remind the Port Commission to return to the Agenda Item before them. If the Chair fails to do so, the Chair's determination may be appealed.					
Objection to Consideration of an Agenda Item	Stop the Commission from even considering an Agenda Item or something that does not appear on the Agenda.	"I object to the consideration of this question."	Yes	No	No	No	Super Majority
Motion to Modify or Suspend the Rules	Stop using or modify the Rules of Order for a particular purpose.	"I move to suspend the Rules of Order so that . . ."	No	Yes	No	No	Super Majority
Motion to Adopt or Modify Policy	Adopt or modify the policies of the Port.	"I move to modify the policy requiring that . . ."	No	Yes	No	No	Super Majority
<i>The motions and points listed above have no established order of precedence and can be introduced at any time except when a Motion to Adjourn, a Motion to Recess, or a Point of Privilege is being considered by the Port Commission.</i>							

Discussion	A Meeting is governed by that Meeting's Agenda. To discuss, consider, or act upon an Agenda Item, the Chair shall:
	<input type="checkbox"/> Announce and clearly state the Agenda Item and the subject of the Agenda Item. <i>The Chair shall have the authority to call Agenda Items out of order for the sake of efficiency, clarity, or public participation.</i>
	<input type="checkbox"/> Announce the format that will be used when considering that Agenda Item (as listed below).
	<input type="checkbox"/> Ask if there are any technical questions of clarification.
	<input type="checkbox"/> Invite public comments or, if appropriate, public input. Announce the conclusion of public comments and input.
	<input type="checkbox"/> Invite a Motion, announcing the Commissioner who makes the Motion and the Commissioner who seconds the Motion, if applicable.
	<input type="checkbox"/> Ask the maker of the motion to repeat it, repeat the motion, or ask the Port Secretary to repeat the motion.
	<input type="checkbox"/> Invite discussion of the Motion or, if none, call a vote on the Motion.
	<input type="checkbox"/> Take a voice vote or a roll call vote.
	<input type="checkbox"/> Announce the result of the vote and what action, if any, the Port Commission has taken.

(Corresponding Practices & Procedures - Sections 2.1, 4.1)

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PORT COMMISSION EXECUTIVE DIRECTOR/CEO

SECTION 2.4

EMPLOYMENT

The Port Commission shall employ an Executive Director/CEO who shall be the chief executive officer of the Port.

The Executive Director/CEO shall serve at the pleasure of the Port Commission.

The Executive Director/CEO shall report regularly to the Port Commission on the business being conducted by his/her office.

ASSISTANTS AND OTHER EMPLOYEES

The Executive Director/CEO may have such assistants and other employees as the Port Commission may authorize.

All employees of the Port shall be under the supervision of the Executive Director/CEO with the Chief Financial Officer, Director of Engineering, Director of Operations, Director of Business and Economic Development, Public Affairs Manager and Executive Assistant reporting directly to the Executive Director/CEO and all other employees reporting through their immediate supervisors to the Executive Director.

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PORT COMMISSION OF PORT FREEPORT

PRESS RELEASES/STATEMENTS OF OFFICIAL VIEWPOINT

SECTION 2.5

Official press releases shall be approved by the Chairman of the Port Commission or the Executive Port Director/CEO, or their designee. Copies of all press releases will be electronically sent to Port Commissioners prior to the time they are distributed to the media. Otherwise, statements made by employees or Commissioners shall be considered as personal statements which do not necessarily represent the official viewpoint or position of the Port or Port Commission.

(Corresponding Practices & Procedures – Section 9.1)

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PORT COMMISSION OF PORT FREEPORT LEGISLATIVE ACTION

SECTION 2.7

The staff of Port Freeport is directed to seek Commission approval prior to requesting any legislative action on either a local, state or federal level if the said legislation is for the benefit of Port Freeport. This approval includes formal signing onto a bill, writing a letter of support or opposition or initiating the drafting of legislation, but does not include supporting any legislative action sponsored by the Texas Ports Association or the AAPA. The Executive Port Director/CEO will continue to have the authority to approve routine requests for funding of federal initiatives which include but are not limited to appropriations requests for maintenance dredging of Freeport Harbor, Security Grant requests and federal study funding.

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PORT COMMISSION OF PORT FREEPORT LEGAL DEFENSE

SECTION 2.8

It is the intent of the Port to protect its Port Commissioners from defense expense and legal liability through the purchase of appropriate public officials liability insurance, and such other liability insurance as the Port obtains and maintains in force and effect, including the payment of any deductible thereof.

It is the express intent of the Port to protect its Port Commissioners to the fullest extent allowed by Texas law for liabilities or legal expense arising from conduct (including acts or omissions) that reasonably appear while acting in the capacity of a Port Commissioner in good faith.

In the event of an investigation, legal claim, demand, lawsuit, arbitration, administrative proceeding or any other civil legal proceeding against a Commissioner, the Port may reimburse a Commissioner's legal expenses incurred related to said actions, until such time the above mentioned liability policies enter into the defense. The reimbursement as well as reimbursement for payment of deductible expenses may take place only after an action is completed and the Commission's assessment of causation of liability.

The Port shall have sole authority to select legal counsel for a Commissioner and as may be permitted by the insurance policy then in effect.

On an annual basis, staff shall review the scope and coverage limits associated with the aforementioned insurance coverage, and make recommendations to the Port Commission as necessary. This will include a review of Port Freeport's Peer Port Group.

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Exhibits

- “A” Acknowledgment and Acceptance Form
- “B” Disclosure of Substantial Interest Form
- “C” Texas Ethics Commission Local Government Officer Conflicts Disclosure Statement (Form CIS)
- “D” Texas Ethics Commission Conflict of Interest Questionnaire (Form CIQ)
- “E” “Conflicts of Interest” Section for Port Freeport Contracts

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Conflict of Interest Policy

I. Preamble

The volume and complexity of relationships between governmental entities and non-governmental business organizations have grown substantially in recent years.

This statement of Port Freeport (“Port”) policy has been prepared to outline the Port’s approach to identifying and evaluating potential conflict of interest issues for Commissioners, officers and employees and to assist in carrying out the shared responsibility of addressing conflict of interest issues. To this end all Port Commissioners, officers and employees are required by this Conflict of Interest policy to avoid conflicts of interest in their relationships with outside organizations, unless these can be managed in accordance with this policy. The purpose of this policy on Conflicts of Interest is to provide guidelines for those relationships with outside organizations that will help to assure the primacy of integrity and to delineate the bounds of acceptable conduct.

The term *Conflict of Interest* refers to situations in which financial or other personal considerations may directly and significantly affect or have the appearance of directly and significantly affecting a covered individual’s professional judgment in exercising any Port duty or responsibility. The danger of a conflict of interest is that it represents an incentive for bias, a bias which influences decision making based on one’s personal interest as opposed to the most objective decision.

II. General Policy Considerations

A Port Commissioner, officer or employee may be considered to have a conflict of interest when the Commissioner, officer or employee or a member of the Commissioner’s, officer’s or employee’s family, have a financial or non-financial interest in an organization, entity or activity that also involves the Port. The Port regards all conflicts of interest involving financial or non-financial interests as potentially problematic and, therefore requires close scrutiny. The intent of this policy is not to suggest that every conflict of interest jeopardizes the integrity of the activity of the Port, but the intent is to establish a process under which the Port systematically reviews any potential conflict of interest in order to ensure ethical conduct in the Port’s daily operations.

The Port intends to require compliance with all applicable state laws as well as this policy to ensure that the Port’s Commissioners, officers and employees do not engage in activities that have the potential to directly or indirectly:

- negatively affect or compromise the Port’s interests; or

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- compromise objectivity in carrying out the responsibilities of the Commissioners, officers or employees of the Port; or
- otherwise compromise the performance of Port responsibilities.

III. Chapter 171 of the Local Government Code

- A. Chapter 171 of the Local Government Code prohibits a local public official from participating in a vote on a matter involving a business entity or real property in which an official has a substantial interest if it is reasonably foreseeable that an action on the matter would confer an economic benefit on the business entity or real property. A local public official within Chapter 171 is:

A member of the governing body or another officer, whether elected, appointed, paid or unpaid, of any district (including a school district), county, municipality, precinct, central appraisal district, transit authority or district, or other local governmental entity who exercises responsibilities beyond those that are advisory in nature.

A business entity within Chapter 171 means: a sole proprietorship, partnering, firm, corporation, holding company, joint-stock company, receivership, trust, or any other entity recognized by law.

As a higher level of transparency than may be required by law, each Commissioner shall complete the Acknowledgement and Acceptance Form attached hereto as Exhibit “A” bi-annually coinciding with Commissioner elections.

- B. A local public official has a “*substantial interest*” if the following is applicable, to-wit:
1. If a local public official of the Port *owns ten percent (10%) or more of the voting stock or shares of a business*, the local public official must file with the official record keeper of the Port, before a vote or decision on any matter involving the business entity, an affidavit stating the nature and extent of the interest and shall abstain from further participation in the matter if the Port’s action on the matter will have a special economic effect on the business entity that is distinguishable from the effect on the public.
 2. If a parent, spouse, child, father-in-law, mother-in-law, son-in-law or daughter-in-law of a local public official of the Port *owns ten percent (10%) or more of the voting stock or shares of a business*, the local public official must file with the official record keeper of the Port, before a vote

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or decision on any matter involving the business entity, an affidavit stating the nature and extent of the interest and shall abstain from further participation in the matter if the Port's action on the matter will have a special economic effect on the business entity that is distinguishable from the effect on the public.

3. If a local public official of the Port owns *ten percent (10%) or more of the fair market value of a business*, the local public official must file with the official record keeper of the Port, before a vote or decision on any matter involving the business entity, an affidavit stating the nature and extent of the interest and shall abstain from further participation in the matter if the Port's action on the matter will have a special economic effect on the business entity that is distinguishable from the effect on the public.
4. If a parent, spouse, child, father-in-law, mother-in-law, son-in-law or daughter-in-law of a local public official of the Port owns *ten percent (10%) or more of the fair market value of a business*, the local public official must file with the official record keeper of the Port, before a vote or decision on any matter involving the business entity, an affidavit stating the nature and extent of the interest and shall abstain from further participation in the matter if the Port's action on the matter will have a special economic effect on the business entity that is distinguishable from the effect on the public.
5. If a local public official of the Port owns *\$15,000.00 or more of the fair market value of a business*, the local public official must file with the official record keeper of the Port, before a vote or decision on any matter involving the business entity, an affidavit stating the nature and extent of the interest and shall abstain from further participation in the matter if the Port's action on the matter will have a special economic effect on the business entity that is distinguishable from the effect on the public.
6. If a parent, spouse, child, father-in-law, mother-in-law, son-in-law or daughter-in-law of local public official of the Port owns *\$15,000.00 or more of the fair market value of a business*, the local public official must file with the official record keeper of the Port, before a vote or decision on any matter involving the business entity, an affidavit stating the nature and extent of the interest and shall abstain from further participation in the matter if the Port's action on the matter will have a special economic effect on the business entity that is distinguishable from the effect on the public.

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7. If a local public official of the Port *receives funds from a business the amount of which exceeds ten percent (10%) of the person's gross income* for the previous year, the local public official must file with the official record keeper of the Port, before a vote or decision on any matter involving the business entity, an affidavit stating the nature and extent of the interest and shall abstain from further participation in the matter if the Port's action on the matter will have a special economic effect on the business entity that is distinguishable from the effect on the public.
8. If a parent, spouse, child, father-in-law, mother-in-law, son-in-law or daughter-in-law of a local public official of the Port *receives funds from a business the amount of which exceeds ten percent (10%) of the person's gross income* for the previous year, the local public official must file with the official record keeper of the Port, before a vote or decision on any matter involving the business entity, an affidavit stating the nature and extent of the interest and shall abstain from further participation in the matter if the Port's action on the matter will have a special economic effect on the business entity that is distinguishable from the effect on the public.
9. If a local public official of the Port owns an *equitable or legal interest in real property which interest has a fair market value of \$2,500.00 or more*, the local public official must file with the official record keeper of the Port, before a vote or decision on any matter involving the business entity, an affidavit stating the nature and extent of the interest and shall abstain from further participation in the matter if the Port's action on the matter will have a special economic effect on the business entity that is distinguishable from the effect on the public.
10. If a parent, spouse, child, father-in-law, mother-in-law, son-in-law or daughter-in-law of a local public official of the Port *owns an equitable or legal interest in real property which interest has a fair market value of \$2,500.00 or more*, the local public official must file with the official record keeper of the Port, before a vote or decision on any matter involving the business entity, an affidavit stating the nature and extent of the interest and shall abstain from further participation in the matter if the Port's action on the matter will have a special economic effect on the business entity that is distinguishable from the effect on the public.
11. The Port Commissioners must take a separate vote on any budget item specifically dedicated to a contract with a business in which a member of the Port commission or his or her parent, spouse, child, father-in-law, mother-in-law, son-in-law or daughter-in-law have an interest as

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described in paragraphs 1 through 10 above. The involved Port Commissioner may not participate in the separate vote.

12. A voting violation does not render an action of the Port Commissioners voidable unless the vote of the Port Commissioner with the conflict of interest was necessary for the action to pass.
13. A Port Commissioner or other officer of the Port can not act as a surety for a business that has work, business or a contract with the Port.
14. A Port Commissioner or other officer of the Port can not act as a surety on any official bond required of a Port Commissioner or other officer of the Port.
15. A violation of the provisions of Chapter 171 of the Texas Local Government Code is a Class A misdemeanor punishable by a fine not to exceed \$4,000.00, or confinement in jail for a term not to exceed one year, or both such fine and confinement.

16. The provisions of Chapter 171 of the Texas Local Government Code preempt and supercede the common law of conflicts of interest as might otherwise apply to Port Commissioners and other Port officials.

C. Notation of Conflict of Interest for Record

In the event the Port Commission considers a business or real estate matter in which a Commissioner has filed a Disclosure of Substantial Interest Form, the Commissioner shall take the following actions during any executive session in which the matter is discussed: 1) vacate the room in which the meeting is occurring; 2) abstain from discussion; and 3) if action is to be taken on the matter in open session, abstain from voting on the matter. In the case of open session, such Commissioner: 1) may, but is not required to vacate the room in which the meeting is occurring; 2) shall abstain from discussion; and 3) shall abstain from voting on the matter. In addition, the Chairman, or Vice-Chairman, shall state for the record said Commissioner will abstain from discussion and voting on the matter and when applicable, the said commissioner has vacated the room.

IV. Section 131.903 of the Local Government Code

- A. Section 131.903 provides that a bank is not disqualified from serving as a depository for funds of a political subdivision if:

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1. An officer or employee of the political subdivision who does not have the duty to select the political subdivision's depository is an officer, director or shareholder of the bank; or
 2. One or more officers or employees who have the duty to select the depository are officers or directors of the bank or own or have a beneficial interest, individually or collectively, in 10 percent or less of the outstanding capital stock of the bank, if:
 - (a) A majority of the members of the Commissioners vote to select the bank as a depository; and
 - (b) The interested Commissioner, officer or employee does not take part in the proceeding.
- B. Section 131.903 of the Local Government Code prevails over the general conflict of interest provision of Chapter 171 of the Local Government Code.

V. Chapter 39 Texas Penal Code. Abuse of office.

1. A Port Commissioner or other officer or employee of the Port commits an offense if, with intent to obtain a benefit or with intent to harm or defraud another he or she intentionally or knowingly violates any law relating to his or her office of employment. A violation of this provision is a Class A misdemeanor punishable by a fine not to exceed \$4,000.00 or confinement to jail for up to one year, or both such fine and confinement.
2. A Port Commissioner or other officer or employee of the Port commits an offense if he or she misuses Port property, services, personnel, or any other thing of value belonging to the Port that has come into his or her custody or possession by virtue of his or her office or employment. According to the law, "misuse" means to deal with property contrary to (i) an agreement under which the commissioner, officer, or employee holds the property, (ii) a contract of employment or oath of office of a commissioner, officer, or employee, (iii) a law that prescribes the manner of custody or disposition of the property, or (iv) a limited purpose for which the property is delivered to or received by the Commissioner, officer or employee. The penalty for a violation can range from a Class C misdemeanor to a first-degree felony depending on the value of the thing misused.
3. Pursuant to the law, a discount or award given for travel, such as frequent flyer miles, rental car or hotel discounts, or food coupons, are not things of value belonging to the government for purposes of this section due to the

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administrative difficulty and cost involved in recapturing the discount or award for a governmental entity.

VI. Section 572.051 of the Government Code

It is the policy of Port Freeport that its Commissioners, officers or employees may not have a direct or indirect interest, including financial and other interests, or engage in a business transaction or professional activity, or incur any obligation of any nature that is in substantial conflict with the proper discharge of the Commissioner's, officer's or employee's duties in the public interest; and

Whereas, Subchapter C of Chapter 572 sets out standards of conduct and conflict of interest provisions for state officers and employees and the Port desires to adopt the provisions of Section 572.051 to apply to its Commissioners, officers and employees. Section 572.051 is hereby adopted, and this policy provides that a Port Commissioner, officer or employee should not:

1. accept or solicit any gift, favor, or service that might reasonably tend to influence the Commissioner, officer or employee in the discharge of official duties or that the Commissioner, officer or employee knows or should know is being offered with the intent to influence the Commissioner's, officer's or employee's official conduct;
2. accept other employment or engage in a business or professional activity that the Commissioner, officer or employee might reasonably expect would require or induce the Commissioner, officer or employee to disclose confidential information acquired by reason of the official position;
3. accept other employment or compensation that could reasonably be expected to impair the Commissioner's, officer's or employee's independence of judgment in the performance of the Commissioner's, officer's or employee's official duties;
4. make personal investments that could reasonably be expected to create a substantial conflict between the Commissioner's, officer's or employee's private interest and the public interest; or
5. intentionally or knowingly solicit, accept, or agree to accept any benefit for having exercised the Commissioner's, officer's or employee's official powers or performed the Commissioner's, officer's or employee's official duties in favor of another.

VII. Confidential Information

See policy section 3.9.

**PORT FREEPORT
POLICY MANUAL**

EMPLOYMENT**CONFLICT OF INTEREST****SECTION 3.4**

VIII. Filing of Disclosure Forms Required by Chapter 176 of the Texas Local Government Code.

The Legislature amended the Texas Local Government Code in 2005 to add Chapter 176, which was amended in 2007 (Disclosure of Certain Relationships with Local Government Officers; Providing Public Access to Certain Information). Chapter 176 applies to “a county, municipality, school district, junior college district, or other political subdivision of this state ...” and thus applies to the Port.

Chapter 176 requires a “local government officer” to file a conflicts disclosure statement. For Chapter 176 purposes, a “Local Government Officer” is a member of the Port Commission, the Executive Port Director/CEO, Chief Financial Officer, Controller, Director of Engineering, Director of Operations, Director of Economic Development, Director of Protective Services, and any other Employee of the Port who has authority to approve contracts on behalf of the Port. The statement is filed on a Local Government Officer Conflicts Disclosure Statement, (Form CIS) adopted by the Texas Ethics Commission. A copy of Texas Ethics Commission Form CIS, together with instructions, is attached as Exhibit “C.” Form CIS is filed with the Port only, and not with the Texas Ethics Commission.

As detailed by Form CIS and its instructions, Section 176.003 of the Local Government Code requires a Local Government Officer to disclose, with respect to a person, if:

- “the person enters into a contract with the Port, or the Port is considering entering into a contract with the person;” and
- “the person has an employment or other business relationship with the Local Government Officer or a family member of the Local Government Officer that results in the Local Government Officer or a family member of the Local Government Officer receiving taxable income other than investment income that exceeds \$2,500 during the 12-month period;” or

the person has given one or more gifts to the Local Government Officer or a family member of the Local Government Officer “that have an aggregate value of more than \$250 in the 12-month period preceding the date the Local Government Officer becomes aware that the person” has signed a contract with the Port or that the Port is considering doing business with that person.

A Local Government Officer is not required to file a conflicts disclosure statement in relation to a gift accepted by the Local Government Officer if the gift is:

- given by a family member of the person accepting the gift;
- a political contribution as defined by Title 35, Election Code; or

**PORT FREEPORT
POLICY MANUAL**

EMPLOYMENT**CONFLICT OF INTEREST****SECTION 3.4**

- food, lodging, transportation or entertainment accepted as a guest.

Form CIS is to be filed “not later than 5 p.m. on the seventh business day after the date on which the Local Government Officer becomes aware of the facts that require the filing of the statement.”

Chapter 176 also requires certain persons who seek or do business with Port Freeport to file a “conflict of interest questionnaire” with Port Freeport on a form promulgated by the Texas Ethics Commission. A copy of Texas Ethics Commission Form CIQ is attached as Exhibit “D.”

The Texas Ethics Commission has no enforcement or advisory jurisdiction under Chapter 176. If a Local Government Officer knowingly violates a requirement of Section 176.003, the violation may be prosecuted as a Class C misdemeanor. However, “[i]t is a defense to prosecution . . . that the person filed the required [document] not later than the seventh business day after the date the person received notice of the violation.”

IX. Acceptance of Gifts

(a) The Port Commissioners authorize the Executive Port Director/CEO or Chief Financial Officer of the Port to receive and accept gifts of property or services (to the extent allowed by law), for the sole benefit of the Port, so long as the value of such gifts do not exceed \$250.00per year.

(b) Before the Port may accept or receive gifts of property or services over \$250.00per year, the Port Commissioners must approve the acceptance or receipt of such gifts in a regular or special meeting.

(c) Gifts may not be solicited by any Commissioner, officer or employee of the Port.

X. Modification of Prior Policy

This Amended and Restated Agreement is a modification of the “Conflict of Interest Policy” approved by the Port Commission on March 23, 2006, which was modified and replaced by the Amended and Restated Agreement dated October 23, 2008 to reflect the repeal of Subchapter P of the Water Code, the change of name of Brazos River Harbor Navigation District of Brazoria County, Texas to Port Freeport, the 2007 amendments to Chapter 176 of the Texas Local Government Code, and such other changes from the prior policy made herein.

XI. Acknowledgment and Acceptance

Each Commissioner, officer and employee of the Port shall be required to execute an Acknowledgment and Acceptance in the form attached hereto as Exhibit “A.”

PORT FREEPORT
POLICY MANUAL

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SECTION 3.4

EXHIBIT “A”

Acknowledgment and Acceptance

By signing below, I, _____, acknowledge that I have read the Port’s Amended and Restated Conflict of Interest of Policy adopted by the Port and agree to be governed by the principles of this policy in addition to any other rules and regulations that may govern the activities of said Commissioner, officer or employee. I further acknowledge that I have read and understood the *Disclosure Of Substantial Interest In A Business Entity*, attached thereto as Exhibit B, and will complete, execute and deliver it to the Port before a vote or decision on any matter involving a business entity or real property in which I have a “substantial interest.”

AGREED TO and ACCEPTED on this
the ____ day of _____, ____.

By: _____

WITNESS:

By: _____

PORT FREEPORT
POLICY MANUAL

EMPLOYMENT
CONFLICT OF INTEREST

SECTION 3.4

EXHIBIT “B”

PORT FREEPORT

**DISCLOSURE OF SUBSTANTIAL INTEREST
IN A BUSINESS ENTITY OR REAL PROPERTY**

STATE OF TEXAS
COUNTY OF BRAZORIA

I, _____, as a Commissioner, officer or Director of Port Freeport (“Port”), make this affidavit and hereby on oath state the following: “I, or a person(s) related to me in the first degree of consanguinity or affinity, have a substantial interest in a business entity or real property, as provided for in Local Government Code Sections 171.001-171.002, that would experience a special economic effect distinguishable from its effect on the public by a vote or decision of the Port or in real property for which it is reasonably foreseeable that the Port's action will have a special economic effect of the value of the property distinguishable from its effect on the public.”

The business entity or real property is:

I (or name of relative and relationship) (have/has) a substantial interest in this business entity or real property for the following reasons: (check all that apply).

- ☐ Ownership of 10 percent or more of the voting stock or shares of the business entity.
- ☐ Ownership of 10 percent or more of the fair market value of the business entity.
- ☐ Ownership of \$15,000 or more of the fair market value of the business entity.

Under Legal Review for Updates/Changes

PORT FREEPORT POLICY MANUAL

EMPLOYMENT

CONFLICT OF INTEREST

SECTION 3.4

- [] Funds received from the business exceed 10 percent of _____ gross income for the previous year. (my, his, her)
- [] Real property is involved and _____ (have has) an equitable value or legal ownership with a fair market value of at least \$2,500. (I, he, she)

Upon the filing of this affidavit with the Chairman of the Port Commission, I affirm that I shall abstain from participation in any decision involving this business entity or real property, unless permitted according to statute.

Signed this _____ day of _____, ____.

Signature

Title

ACKNOWLEDGMENT

STATE OF TEXAS

COUNTY OF _____

BEFORE ME, the undersigned authority, this day personally appeared _____ and on oath stated that the above-stated facts are true to the best of (his/her) knowledge or belief.

Sworn and subscribed before me on this _____ day of _____, ____.

Notary Public in and for the State of Texas

PORT FREEPORT
POLICY MANUALEMPLOYMENT
CONFLICT OF INTEREST

SECTION 3.4

LOCAL GOVERNMENT OFFICER CONFLICTS DISCLOSURE STATEMENT		FORM CIS
<small>(Instructions for completing and filing this form are provided on the next page.)</small>		
<p><small>This questionnaire reflects changes made to the law by H.B. 1491, 80th Leg., Regular Session.</small></p> <p><small>This is the notice to the appropriate local governmental entity that the following local government officer has become aware of facts that require the officer to file this statement in accordance with Chapter 176, Local Government Code.</small></p>	<div style="border: 1px solid black; padding: 2px; text-align: center;">OFFICE USE ONLY</div> <div style="border: 1px solid black; padding: 5px; min-height: 100px;"> Date Received </div>	
1 Name of Local Government Officer		
2 Office Held		
3 Name of person described by Sections 176.002(a) and 176.003(a), Local Government Code		
4 Description of the nature and extent of employment or other business relationship with person named in item 3		
5 List gifts accepted by the local government officer and any family member, excluding gifts described by Section 176.003(a-1), if aggregate value of the gifts accepted from person named in item 3 exceed \$250 during the 12-month period described by Section 176.003(a)(2)(B)		
Date Gift Accepted _____ Description of Gift _____		
Date Gift Accepted _____ Description of Gift _____		
Date Gift Accepted _____ Description of Gift _____		
<small>(attach additional forms as necessary)</small>		
6 AFFIDAVIT		
<p style="text-align: center;"><small>I swear under penalty of perjury that the above statement is true and correct. I acknowledge that the disclosure applies to a family member (as defined by Section 176.001(2), Local Government Code) of this local government officer. I also acknowledge that this statement covers the 12-month period described by Section 176.003(a), Local Government Code.</small></p> <div style="text-align: right; margin-top: 20px;"> _____ Signature of Local Government Officer </div> <p style="margin-top: 20px;"><small>AFFIX NOTARY STAMP / SEAL ABOVE</small></p> <p>Sworn to and subscribed before me, by the said _____, this the _____ day of _____, 20_____, to certify which, witness my hand and seal of office.</p> <div style="display: flex; justify-content: space-between; margin-top: 20px;"> <div style="width: 30%;"><small>Signature of officer administering oath</small></div> <div style="width: 30%;"><small>Printed name of officer administering oath</small></div> <div style="width: 30%;"><small>Title of officer administering oath</small></div> </div>		

Adopted: October 23, 2008

Exhibit "C"

Adopted 06/29/2007
Page 1 of 2

PORT FREEPORT
POLICY MANUALEMPLOYMENT
CONFLICT OF INTEREST

SECTION 3.4

CONFLICT OF INTEREST QUESTIONNAIRE For vendor or other person doing business with local governmental entity		FORM CIQ
<p>This questionnaire reflects changes made to the law by H.B. 1491, 80th Leg., Regular Session.</p> <p>This questionnaire is being filed in accordance with Chapter 176, Local Government Code by a person who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the person meets requirements under Section 176.006(a).</p> <p>By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the person becomes aware of facts that require the statement to be filed. See Section 176.006, Local Government Code.</p> <p>A person commits an offense if the person knowingly violates Section 176.006, Local Government Code. An offense under this section is a Class C misdemeanor.</p>	<div style="border: 1px solid black; padding: 2px; text-align: center; font-weight: bold;">OFFICE USE ONLY</div> <div style="border: 1px solid black; padding: 2px;">Date Received</div>	
1 Name of person who has a business relationship with local governmental entity.		
2 <input type="checkbox"/> Check this box if you are filing an update to a previously filed questionnaire. (The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date the originally filed questionnaire becomes incomplete or inaccurate.)		
3 Name of local government officer with whom filer has employment or business relationship. <div style="text-align: center; margin-top: 10px;"> _____ Name of Officer </div> <p>This section (item 3 including subparts A, B, C & D) must be completed for each officer with whom the filer has an employment or other business relationship as defined by Section 176.001(1-a), Local Government Code. Attach additional pages to this Form CIQ as necessary.</p> <p>A. Is the local government officer named in this section receiving or likely to receive taxable income, other than investment income, from the filer of the questionnaire?</p> <p style="text-align: center;"> <input type="checkbox"/> Yes <input type="checkbox"/> No </p> <p>B. Is the filer of the questionnaire receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer named in this section AND the taxable income is not received from the local governmental entity?</p> <p style="text-align: center;"> <input type="checkbox"/> Yes <input type="checkbox"/> No </p> <p>C. Is the filer of this questionnaire employed by a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership of 10 percent or more?</p> <p style="text-align: center;"> <input type="checkbox"/> Yes <input type="checkbox"/> No </p> <p>D. Describe each employment or business relationship with the local government officer named in this section.</p>		
4 <div style="display: flex; justify-content: space-between; margin-top: 20px;"> <div style="width: 60%;"> _____ Signature of person doing business with the governmental entity </div> <div style="width: 35%;"> _____ Date </div> </div>		

Adopted: October 23, 2008 Exhibit "D"

 Adopted 06/29/2007
 Page 1 of 1

APPENDIX A-1

STATEMENT OF NO CONFLICTS OF INTEREST.

_____ (Proposing Entity) acknowledges that the Port is a governmental authority and, as such, the Port is firmly committed to making any business decisions based solely on evaluation of offers that the Port believes will provide the Port the best value and greatest return. Basic business integrity dictates that the Port's business decisions be objective, be in the best interest of the Port, and be in no way connected to or influenced by any other relationship. The undersigned, as a duly authorized representative of the Proposing Entity represents, warrants and certifies on behalf of the Proposing Entity that (a) Proposing Entity has not directly or indirectly paid, offered, promised to pay, contributed, or promised to contribute any money or any other thing of value or benefit (including employment, contracts or subcontracts relating to Proposing Entity's business) to any Commissioner, official or employee of the Port, (b) no Commissioner, official or employee of the Port has (directly or indirectly) solicited any such payment or contribution, and (c) Proposing Entity does not have any Relationship (as that term is hereinafter defined) with any Commissioner, official or employee of the Port. For the purposes of this Contract, a Relationship is defined as (1) a Commissioner, official or employee of the Port or an affiliate of a Commissioner, official or employee of the Port owns ten percent (10%) of the ownership of the Proposing Entity or ownership in the Proposing Entity with a fair market value of \$15,000 or more; or (2) a Commissioner, official or employee of the Port or an affiliate of a Commissioner, official or employee of the Port has an employment or other business relationship with the Proposing Entity that results in taxable income or receipt of something of value by a Commissioner, official or employee of the Port or an affiliate of a Commissioner, official or employee of the Port; or (3) a Commissioner, official or employee of the Port or an affiliate of a Commissioner, official or employee of the Port receives one or more gifts from the Proposing Entity that have a total value of more than \$250 in one 12-month period. An "affiliate" of a person is (1) a family member of the person, related within the first degree by consanguinity or affinity, as defined by Subchapter B, Chapter 573 of the Texas Government Code, or (2) an entity owned in whole or in part by the person or by a family member of the person related within the first degree by consanguinity or affinity. The representations, warranties and certifications made in this statement are ongoing and will remain in effect for the term of this Contract. If any of the representations, warranties or certifications made by Proposing Entity herein cease to be correct during the term of this Contract, and in any event prior to making any payment or contribution to or forming a Relationship with a Commissioner, official or employee of the Port, Proposing Entity will notify the Port by filing a written statement with the Secretary of the Port Commission through the office of the Executive Port Director. Proposing Entity will be in default under the terms of this Contract if (i) any of the representations, warranties or certifications made herein are false or misleading in any material respect as of the effective date, (ii) Proposing Entity fails to disclose any matter required to be disclosed hereunder, or (iii) Proposing Entity makes a payment or contribution to a Commissioner, official or employee of the Port without first disclosing the nature of the payment to be made as provided herein.

Authorized Representative Signature

Printed Name

Date

Port Freeport Owned Residential Lots in City of Freeport

Property 1 - Lots Fifteen through Eighteen (15-18), Velasco Townsite, Block Thirty-six (36), City of Freeport, Brazoria County, Texas, according to the plat or map thereof duly recorded in Volume 32, Page 14 of the Deed Records of Brazoria County, Texas. (Property ID 259901) **Per BCAD, 6250 sf but actual 12500 sf. BCAD value \$23,440. Using \$3.75, value would be \$46,880.**

Property 2 - Lots Four and Five (4-5), Block Thirty-seven (37), Velasco Townsite, City of Freeport, Brazoria County, Texas, according to the plat or map thereof duly recorded in Volume 32, Page 14 the Deed Records of Brazoria County, Texas. (Property ID 259907) **Per BCAD, 6250 sf valued at \$23,440 or \$3.75/sf.**

Property 3 - Lots Seven and Eight (7-8), Block Fifty-one (51), Velasco Townsite, City of Freeport, Brazoria County, Texas, according to the plat or map thereof duly recorded in Volume 32, Page 14 of the Deed Records of Brazoria County, Texas. (Property ID 259984) **Per BCAD, 6250 sf valued at \$23,440 or \$3.75/sf.**

Property 4 - Lot Eleven (11), Block Eighty-seven (87), Velasco Townsite, City of Freeport, Brazoria County, Texas, according to the plat or map thereof duly recorded in Volume 32, Page 14, of the Deed Records of Brazoria County, Texas. (Property ID 26179) **Per BCAD, 3125 sf valued at \$11,720 or \$3.75/sf.**

Property 5 - Lot One (1), Block Ninety-two (92), City of Freeport, Brazoria County, Texas, according to the duly recorded plat or map thereof in the Plat Records of Brazoria County, Texas. (Property ID 209745) **Per BCAD, 7000 sf valued at \$36,750 or \$5.25/sf.**

Property 6 - Lot Two (2), Block Ninety-five (95), City of Freeport, Brazoria County, Texas, according to the plat or map thereof duly recorded in Volume 2, Page 95 of the Plat Records of Brazoria County, Texas. (Property ID 209791) **Per BCAD, 7000 sf valued at \$36,750 or \$5.25/sf.**

Property 7 - Lot Fifteen (15), Block One Hundred Sixteen (116), City of Freeport, Brazoria County, Texas, according to the plat or map thereof duly recorded and more particularly described in Volume 1492, Page 792 of the Deed Records of Brazoria County, Texas. (Property ID 210012) **Per BCAD, 7000 sf valued at \$36,750 or \$5.25/sf.**

Property 8 - Lot Five (5), Block Six Hundred Twenty-three (623), Velasco Townsite, City of Freeport, Brazoria County, Texas, according to the plat or map thereof duly recorded Volume 32, Page 14 of the Deed Records of Brazoria County, Texas. (Property ID 260821) **Per BCAD, 3125 sf valued at \$11,720 or \$3.75/sf.**

Property 9 - Lot Six (6), Block Six Hundred Twenty-three (623), Velasco Townsite, City of Freeport, Brazoria County, Texas, according to the plat or map thereof duly recorded in Volume 32, Page 14 of the Deed Records of Brazoria County, Texas. (Property ID 260822) **Per BCAD, 9378 sf valued at \$35,170 or \$3.75/sf.**

Property 10 - Lot Fourteen (14), Block Seven Hundred Eighty-one (781), of Velasco Townsite, City of Freeport, Brazoria County, Texas, according to the plat or map thereof duly recorded in Volume 32, Page 14 of the Deed Records of Brazoria County, Texas. (Property ID 261936) **Per BCAD, 3128 sf valued at \$11,730 or \$3.75/sf.**



2024 Quarterly Safety Update

Today marks 1923 days
5 years 3 month without
a time loss injury



Back to Basics:

Minimum requirements of PPE: Class 2 Type R safety vests closed toe shoes.

Safety team continues to attend Pre-Vessel Tenant Tailgate Meetings. Safety has taken active role in observation of active operations and provided vessel safety inspection. On hand guidance addressing safety assistance.

PORT FREEPORT
THE COAST IS CLEAR

**FROM THIS POINT
FORWARD THE
BELOW ARE
REQUIRED
IF YOU EXIT YOUR
VEHICLE
ANSI CLASS 2 R
VEST / SHIRT
CLOSE TOE SHOES**



**PLEASE COMPLY OR YOU COULD
LOSE YOUR ACCESS PRIVILEGES**



Monthly inspections:

Fire Buggies



Emergency Equipment:



Daily Monitoring Gas Additive/Transfer line @ parcel 19:



Training

- Brazosport Safety Council/BCPC Monthly Trainings: Heat Awareness
- Port Ministry Training: Port Safety Requirements explanation of the pamphlet and Q & A after.
- Active Shooter Stop the Bleed Training

Meeting


- Quarterly Tenant Meeting
- Monthly Port Staff Training: Changed format to aid in participation
- Port Ministry Banquet 50 Years
- VW security Team and APS Stevedore Welcome packet and responsibilities
- Del Monte Cross Dock project: construction site, met with superintendent about required PPE while on site
- Quarterly Tenant Walkabouts
- WGMA Joint Safety Meeting: Upcoming Safety Fair/ RORO Rodeo



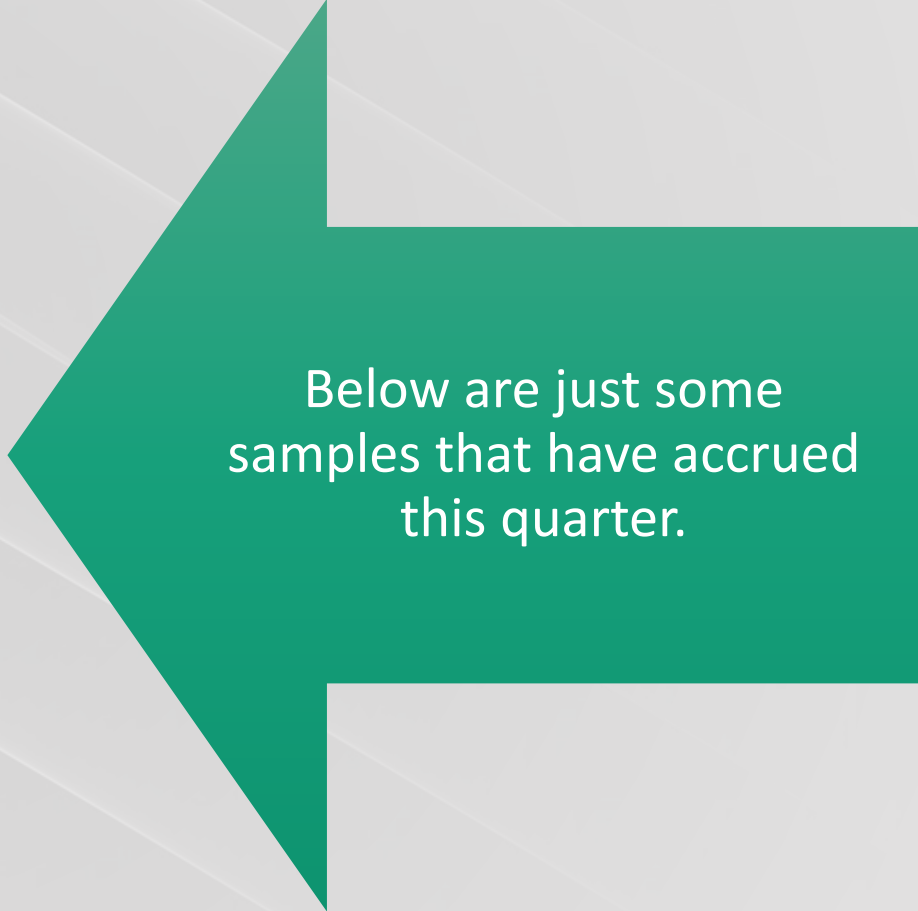
Meetings New Tenants / Stevedores / Vendors:



Investigations and Unsafe Conditions



Once safety is alerted / discovers an incident, the safety team begins to collect information onsite to aid with an investigation.



Below are just some samples that have accrued this quarter.

Imports Sewer Lid

Sewer lid to trailer, Rusted thru will not close properly and odor is strong.





Chiquita Vessel Container Accident

- FINDINGS
- After departing vessel, driver failed to stop at intersection at Turning Basin Road.
- Failure destabilized container during turn resulting in accident and significant equipment / cargo damages.
- The container was not secured to the chassis at the front lockdowns.
- This incident could have been prevented if procedures were followed.

Del Monte Yard Construction

- Notification received from PF Security.
- Del Monte construction yard is not marked correctly with construction area or keep out signs.
- Workers were not present, the barricades on one side of the location including caution tape had been blown over by the wind.
- Safety applied corrective action, righted the barrels and reapplies the caution tape.



Safety: Current Projects

- New Rescue container and training
- Dock 8 edge identification and protection
- Speed limit issue on long straights
- Operation observations





New Rescue container is operational!

All stevedores will be requested to receive training on use and safety protocols.

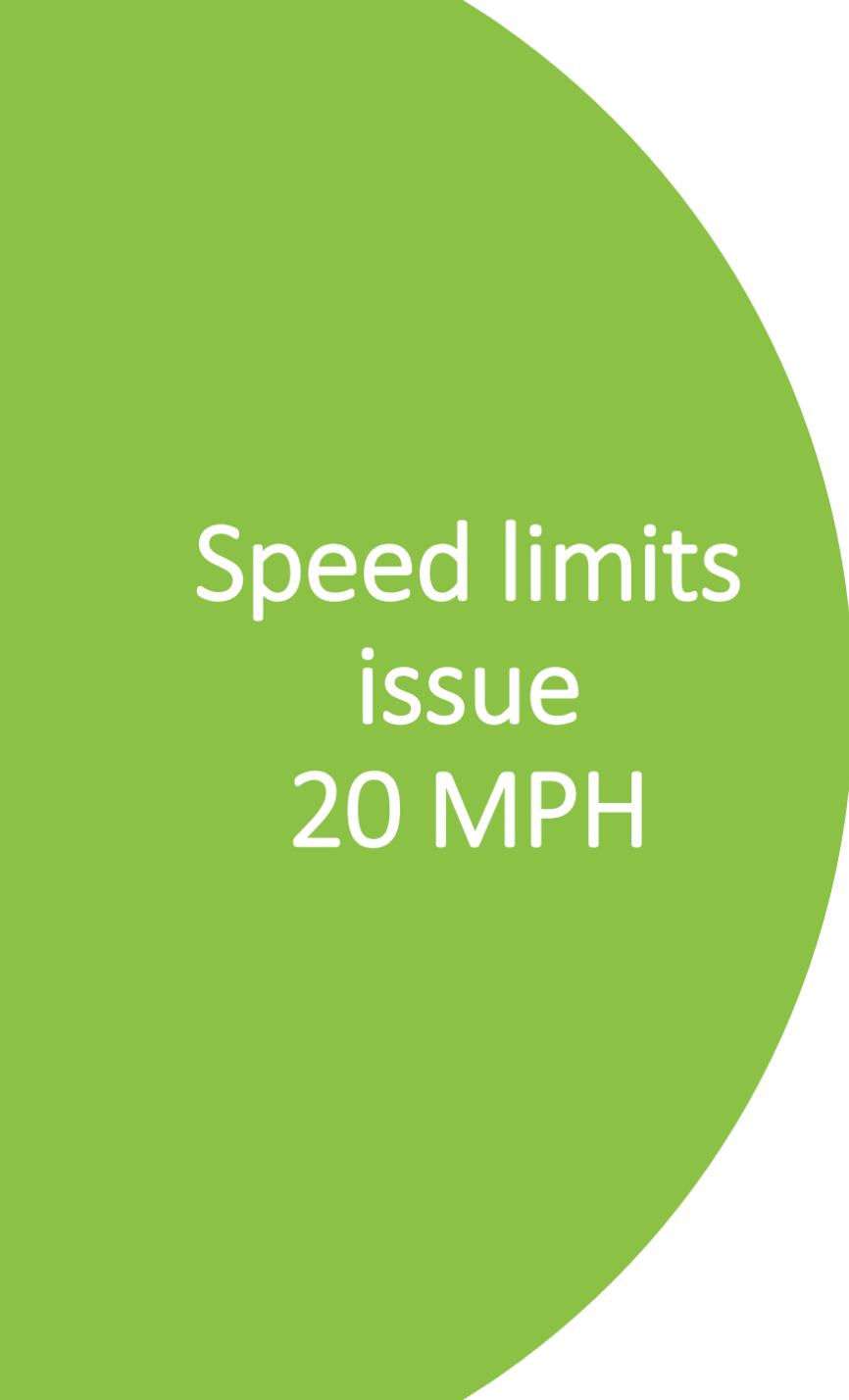


Dock 8 edge identification and prevention

Non-TWIC parking lot Security Credentialing

- OTR drivers will check-in before entering the Port expediting Gate 8 inbound Traffic
 - This will enable driver to receive directions eliminating foot traffic crossing FM 1495 to Gate 8.
- Parallel Barricade(s) should be in front of check-in booth on either side protecting drivers.

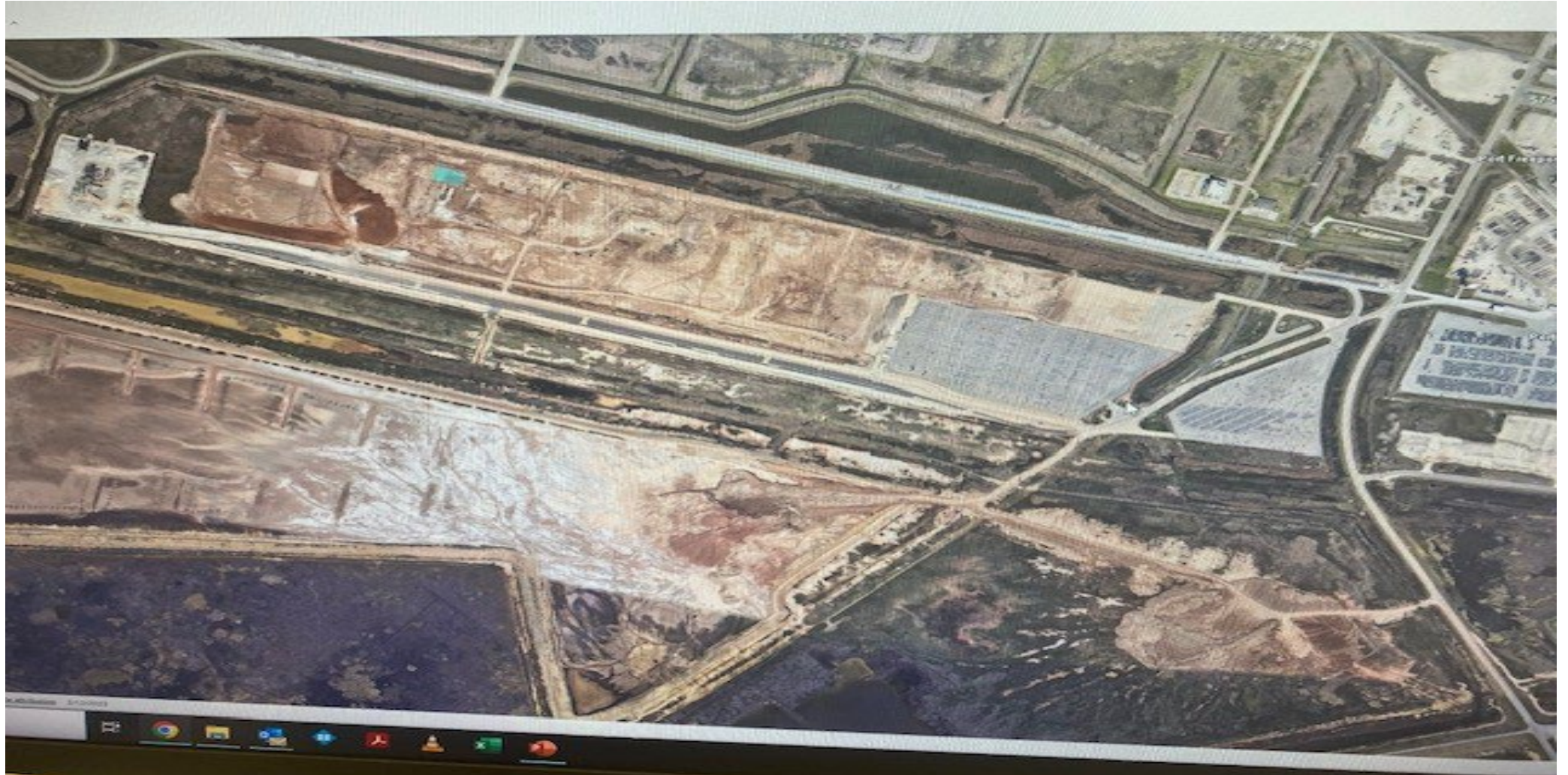




Speed limits
issue
20 MPH

Parcel 19 roadway
Pete Schaff Rd
Port Road
Turning Basin Rd

Parcel 19 Roadway



Pete Schaff Blvd.



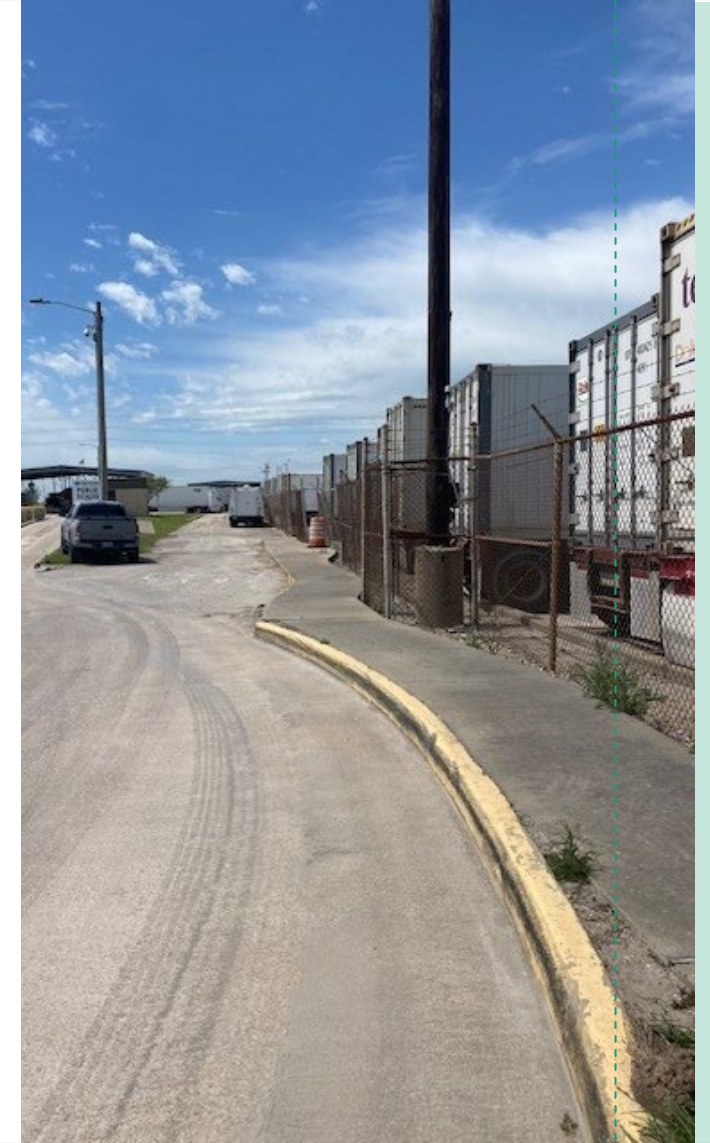
Turning Basin Rd





Gate 8 Dole Interchange creating Traffic Congestion:
Security can not turn OTR trucks around, OTR trucks who need to rescale can not cross to WHS 51 to adjust tandems to come back to rescale, Dole trucks waiting on access to interchange must cross outbound traffic lane and trucks entering from Dole interchange must go around waiting trucks in center lane.
All unsafe conditions

Solution:
Drive located after CBP scanner and behind the scale house, former truck wash, is in direct line with the Dole Interchange; Trucks having to exit thru Dole Interchange only will use this lane. This will remove trucks from the center lane causing congestion, safety and security issue.





Port Improvements:

All RR crossing on P-19 are clearly marked

Relocating signage
for a better effect
throughout the
port.





Safety Budget:

- Updated signage at each gate and identifying required PPE and no photography.
- Identifying all emergency equipment and locations.
- Working on Employee Appreciation Luncheon: Hit a milestone with 1923 days (5 years 3 months) without time loss injury, planning, and funding.
- Ensuring adequate funds staying ahead of the port growth
- Another set of Automatic Flaggers
- Radar gun for the Safety Vehicle
- Emergency bag with AED and 1st aid supply
- Handheld radios to be able to respond to emergency calls/situations.



Capital Plan Update

April 11, 2024

The information in this presentation contains “forward-looking statements” within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended. Such statements may involve known and unknown risks, uncertainties, and other factors that may cause the actual results, performance and achievements to be different from future results, performance and achievements expressed or implied by such forward-looking statements. Readers are cautioned that the actual results could differ materially from those set forth in the forward-looking statements

PORT FREEPORT

PORT CAPITAL EXPANSION PLAN

Fiscal Year 2024

Strategic Initiatives

Milestones

➤ Freeport Harbor Channel	\$ 950,000
➤ Buildout of the Port's Container Handling Facilities	37,124,000
➤ Development of warehousing and OEM distribution	1,440,000
➤ Port Infrastructure Support:	13,096,110
Total	\$ 52,610,110

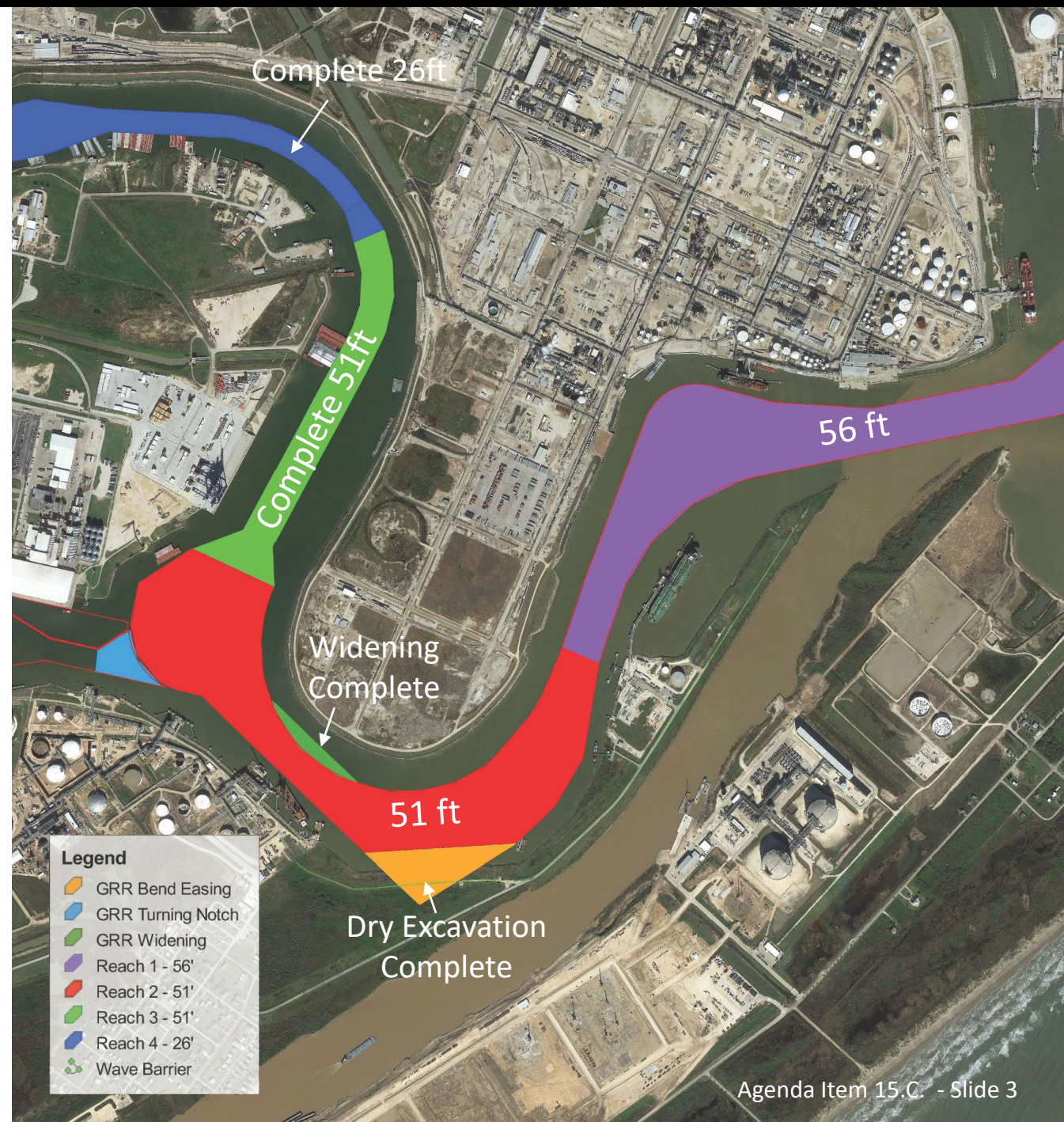
Freeport Harbor Channel Improvement Project

Project depth – 51 to 56 feet MLLW

Project Construction:

- Reach 3 – Complete 2021
- Reach 2 Widening – Complete 2022
- Reach 2 Bend Easing – Complete 2023
- Reach 2 Deeping – 2023-24
- Reach 1 Outer ½ - 2023-25
- Reach 1 Inner ½ - 2023-25
- Reach 4 – Complete 2023

2025
100th Anniversary



TxDOT funding for New Infrastructure Projects in 2024/2025

Port Freeport has been awarded over \$22 million in funding from TxDOT for projects inside and outside of the port's main terminal.

Rider 37

- \$6.2 Million - Velasco Terminal Access Project
 - Construct a truck queuing area, widen and repave roads in the Expansion Area, East 2nd Street access, and a new gate access for Velasco Container Terminal.
 - 12/14 – Approved contract with Zachery Construction (Gate 12)

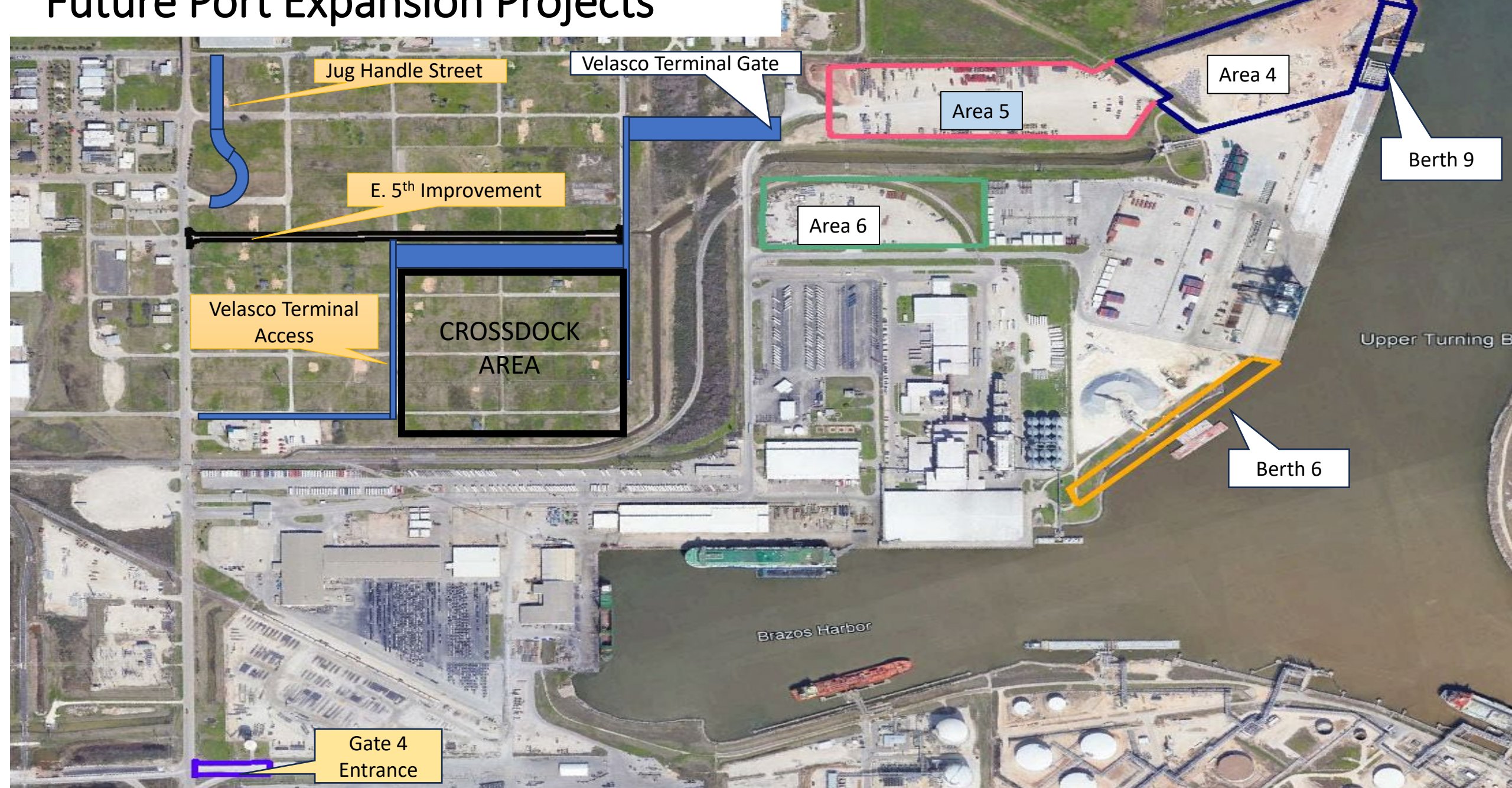
Seaport Connectivity Program

- \$3.8M - East 5th Street Reconstruction Project
- \$1.0M - Gate 4 Access Road Widening Project
 - [4/25 – Resolutions Committing Matching Funds East 5th and Gate 4]

Maritime Infrastructure Program

- \$11.6 million – Velasco Terminal Area 5
 - Concrete pave 15 acres on Velasco Container Terminal.
 - 1/25 – Approved PSA with LJA Engineering
 - 3/28 – Approved Resolution Committing Matching Funds

Future Port Expansion Projects



Additional information regarding agenda items will be provided next week in a supplemental posting.