

## AGENDA

**Port Freeport  
Port Commission  
Regular Meeting  
Thursday, June 27, 2024, 1:00 pm - 5:00 pm  
In Person & Videconference - Administration Building - 1100 Cherry Street - Freeport**

This meeting agenda with the agenda packet is posted online at [www.portfreeport.com](http://www.portfreeport.com)

The meeting will be conducted pursuant to Section 551.127 of the Texas Government Code titled "Videconference 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/87229582301?pwd=zcNwt6sx5u7iydYMOc2CXy7uZYm.1>

Meeting ID: 872 2958 2301

Passcode: 918509

### Dial by your location

• 1 346 248 7799 US (Houston)

Meeting ID: 872 2958 2301

Find your local number: <https://us02web.zoom.us/j/kkj7mJFIZ>

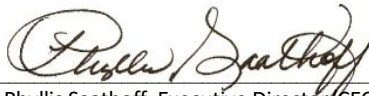
1. CONVENE OPEN SESSION in accordance with Texas Government Code Section 551.001, et. seq., to review and consider the following:
2. Invocation.
3. Pledge of Allegiance: U.S. Flag & Texas Flag
4. Roll Call.
5. Safety Briefing.
6. Call to identify and discuss any conflicts of interest that may lead to 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. Receive update from Van Scoyoc Associates regarding federal matters.
10. Approval of minutes from the following meetings held...
  - April 25, 2024 Regular Meeting
  - May 23, 2024 Regular Meeting
  - May 23, 2024 Regular Meeting - Supplemental Agenda
  - June 13, 2024 Special Meeting
11. Receive reports from Executive Staff on activities and matters related to administrative affairs, financial results, facility engineering matters, operations and vessel activity, port safety matters, port security matters, port tenant updates, USCOE, and other related port affairs.
  - A. Executive Director/CEO
  - B. Director of Engineering

- C. Director of Operations
  - D. Director of Business & Economic Development
  - E. Chief Financial Officer
12. Approval of financial reports presented for the period ending May 31, 2024.
  13. Receive report from Commissioners on matters related to:
    - A. June 13 Finance Committee Meeting
    - B. Port Commission related meetings or conferences, Port presentations and other Port related matters.
  14. Approval of liability insurances through broker Arthur J. Gallagher & Co.
  15. Approval of Change Order No. 1 with Saltwater Salvage for the Docks 1, 2, 3 & 5 Sheet Pile Repair 2024 project, for removal of an old fender piling submerged near Dock 2 that was discovered in a recent hydrographic survey, for an amount not to exceed \$12,023.80.
  16. Approval of a Professional Services Agreement with Baker and Lawson for the 5th Street Topographic Surveying - SCP, for an amount not to exceed \$46,700.00.
  17. Approval of a Professional Services Agreement with Baker and Lawson for the Gate 4 Entrance Topographic Surveying - SCP, for an amount not to exceed \$23,300.00.
  18. Approval of a Professional Services Agreement with CMT Technical Services for the East 5th Street Geotechnical and Materials Testing - SCP, for an amount not to exceed \$37,572.00.
  19. Approval of a Professional Services Agreement with CMT Technical Services for the Gate 4 Entrance Geotechnical and Materials Testing - SCP, for an amount not to exceed \$18,482.00.
  20. Approval of proposal submitted by Network Cabling Services, Inc. for the Network Switch Replacement.
  21. Approval of a Master Service Agreement with Hot Dog Marketing for the redevelopment of Port Freeport's website and ancillary marketing services.
  22. Discuss and consider selection of firm to perform Port Freeport Market Study and authorize Executive Director/CEO to execute contract with selected firm.
  23. Discuss and consider 1) filing comments regarding the proposed 25% Section 301 tariff on the importation of Chinese-built ship-to-shore cranes directly with the Office of the United States Trade Representative and other relevant offices and 2) joining with port associations and coalitions in expressing concerns about the proposed tariff.
  24. Adoption of a Resolution declaring items surplus and ordered sold separately for cash, after notice of sale and receipt of bids to the highest bidder; destroyed or otherwise disposed of if no bids are received; or offered as trade-in for new property of the same general type.
  25. Adoption of a Resolution approving the acceptance of the Port's portion of proceeds received from high bidders on delinquent tax property held in trust by Brazoria County, Texas and authorizing the Chairman to join in conveyance to high bidders.
  26. Adoption of a Resolution approving the Port Freeport Investment Policy including any required updates.
  27. Approval of updates to the following Port Policies...
    - 3.1 - Equal Employment Opportunity
    - 3.3 - Immigration Law Compliance
    - 3.5 - Outside Employment
    - 3.6 - Physical Examination
    - 3.8 - Drug Screening/Testing
    - 3.10 - Acceptance of Personal Gifts
  28. EXECUTIVE SESSION in accordance with Subchapter D of the Open Meetings Act, Texas Government Code Section 551.001, et. seq., to review and consider the following:
    - A. Under authority of Section 551.071 (Consultation with Attorney):
      1. Consultation with attorney under Government Code Section 551.071(1) (to seek or receive attorney's advice on pending or contemplated litigation).
      2. Consultation with attorney under Government Code Section 551.071(2) (to seek or receive attorney's advice on legal matters that are not related to litigation).

- B. Under authority of Section 551.076 (Deliberation of Security Matters) 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.
  - C. Under authority of Section 551.087 (Economic Development Negotiations or Incentives):
    - 1. To discuss or deliberate regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations.
      - i. Business and Economic Development Reports.
    - 2. To deliberate the offer of a financial or other incentive to a business prospect described by Subdivision (1).
  - D. Under authority of Section 551.072 (Deliberation of Real Property Matters) for discussion regarding:
    - 1. The potential lease, or value of real property located at Port Freeport, including but not limited to the Expansion Area.
    - 2. The potential purchase, exchange, lease or value of real property located at Port Freeport, including but not limited to the real property located at and contiguous to Berths 1, 2, 5, 7 and 8.
    - 3. The potential exchange, lease, or value of real property located at Port Freeport, including but not limited to Parcels 14, 19, 27, 34 and property on Quintana Island.
  - E. Under authority of Section 551.074 (Deliberation of Personnel Matters) for discussion regarding:
    - 1. Deliberation regarding the appointment, employment, evaluation, reassignment, duties of a public officer or employee, including but not limited to: Executive Director/CEO.
29. RECONVENE OPEN SESSION to review and consider the following:
30. Approval of Second Amendment to Terminal Use Agreement between Port Freeport and Cemex, Inc.
31. 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](mailto: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 y ocho (48) horas antes de la reunión, al (979) 233-2667, ext. 4326, correo electrónico: [bevers@portfreeport.com](mailto:bevers@portfreeport.com).

Minutes of Port Commission Regular Meeting  
April 25, 2024  
In Person & Videoconference

A Regular Meeting of the Port Commission of Port Freeport was held April 25, 2024, beginning at 1:02 PM at the Administration Building, 1100 Cherry Street, Freeport, Texas.

**This meeting agenda with the agenda packet is posted online at [www.portfreeport.com](http://www.portfreeport.com)**

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

Join Zoom Meeting

<https://us02web.zoom.us/j/86729702791?pwd=TnArMmpFOWx2TStqUWtkQmxSdEVJQT09>

Meeting ID: 867 2970 2791

Passcode: 520133

Dial by your location

• +1 346 248 7799 US (Houston)

Meeting ID: 867 2970 2791

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

Commissioners present in person:

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

Staff Members Present:

Mr. Grady Randle, Legal Counsel  
Ms. Phyllis Saathoff, Executive Director/CEO  
Mr. Rob Lowe, Director of Administration/CFO  
Mr. Jason Hull, Director of Engineering  
Mr. Chris Hogan, Director of Protective Services  
Mr. Jason Miura, Director of Business & Economic Development  
Mr. Brandon Robertson, Director of Information Technology  
Mr. Jesse Hibbetts, Director of Operations  
Ms. Missy Bevers, Executive Assistant  
Ms. Mary Campus, Controller  
Ms. Christine Lewis, Safety Coordinator  
Mr. Cecil Booth, Project Engineer  
Mr. Chas Gryseels, Engineering Specialist  
Ms. Bailee Anderson, Accounting Analyst  
Mr. Jason Caywood, System Administrator

Also, present:

Mr. Chris Moore, Texas Port Ministry  
Mr. Chris Motley, Freeport Fire Chief  
Mr. Jason Foltyn, HDR  
Ms. Heather Cook, Randle Law Office  
Ms. Melanie Oldham  
Mr. Alexander Higuera

1. CONVENE OPEN SESSION in accordance with Texas Government Code Section 551.001, et. seq., to review and consider the following:
2. Invocation – Mr. Chris Moore, Texas Port Ministry
3. Pledge of Allegiance – U.S. Flag and Texas Flag
4. Roll Call – Commissioner Singhanian noted that Commissioner Santos was running late while all other Commissioners were present in the Board Room.
5. Safety Briefing – Ms. Christine Lewis provided tips to avoid distracted driving.
6. Call to identify and discuss any conflicts of interest that may lead to a Commissioner abstaining from voting on any posted agenda item.

There were no conflicts noted by Commissioners.

7. Public Comment – There was no public comment.
8. Public Testimony – There was no public testimony.
9. Approval of minutes from the Special Meeting held March 7, 2024 and the Regular Meeting held March 28, 2024.

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

10. Continuation of the April 11, 2024 Workshop, including but not limited to the following:
  - A. Operations Update
  - B. Capital Projects Update

**Operations Update**

Mr. Hibbetts began his presentation by discussing Volkswagen vessel operations stating they brought in 3 vessels for the month of March with a total of 7,966 autos discharged. April's forecast shows 8 vessels for a discharge of 16,428 autos. Mr. Hibbetts also noted that almost 75% of the vessels are LNG fueled. He also shared photos of a near full Volkswagen facility from April 4. He also talked about the companies working alongside Volkswagen including APS Stevedoring, Wallenius Wilhelmsen Services (WWS) and Rail Link Operations (RL). APS handles the vessel operations hiring an average of 140-160 ILA workers per vessel

noting they are doing an excellent job with safety for the operation. WWS handles the auto processing for Volkswagen, Porsche, Audi, Bentley and Lamborghini which includes upgrades, manuals before the vehicles are shipped out by truck or rail. In addition, they handle the loading and unloading of the auto racks. Rail Link is the rail switcher for the operation and working very well with UP, WWS, VW and the Port. They are handling bi-level auto racks (two-tier auto racks) and switching the cars in the facility for Volkswagen. Staff anticipates 2 switches per day once everything is up and running and all logistics have been worked out. He explained that a switch is when UP brings the cars into the facility (dropping them on the Port's tracks), Rail Link will then switch the cars to the Volkswagen tracks. Mr. Hibbetts noted that Rail Link has approximately 3-4 people on site daily handling the switching, while WWS has about 90 people working for the processing. This plus the labor working the vessel operations gives a total of 250 people working at various times. Ms. Saathoff added the Port is expecting VW to be railing about 200 vehicles units outbound going to 6 different states in the U.S. outside the Texas market (Utah, California, Colorado, Illinois, Minnesota, Oregon). Mr. Hibbetts then shifted the discussion to Del Monte whose first vessel (M/V Rose) is expected to arrive June 23 with an LOA (length overall) of 629', holding 638 containers and has 634 electrical plugs. Del Monte expects 800-900 moves per week. These numbers are in line with what staff was expecting. Mr. Hibbetts shared pictures of the Del Monte Terminal showing the area behind Berth 7 under construction with the installation of reefer racks which will handle 688 plugs. He noted that Gulf Stevedores will be the stevedore for Del Monte and is setting up their temporary cross-dock which will be located behind Berth 8. He also shared photos of the construction site for the new Freeport Warehouse cross-dock facility and a map/drawing of the traffic flow to the new cross-dock facility. Mr. Hibbetts then gave an update on TxDOT projects and Gate 12 Construction stating that his team meets with TxDOT and their contractors weekly to discuss the FM 1495 Project. He noted that contractors finished the pouring at 4<sup>th</sup> Street and the tie-in, and have moved down to Highway 36, southbound side of the tie-in. The team is also working to ensure safety is maintained by coordinating with stevedores, flaggers, security and safety. Gate 12 is under construction and estimated to be completed January 2025. The Ops team is working with engineering on the Expansion Area repaving projects due to traffic flows to the warehouse facility and Gate 12. The areas tagged for repaving include 8<sup>th</sup> Street, Poplar Street, Terminal Street and 5<sup>th</sup> Street. Mr. Hibbetts also shared a picture of the dirt work at the Gate 12 construction site. Lastly, Mr. Hibbetts shared updated photos of the Del Monte warehouse construction site, Dockzilla (temporary cross-dock) and a full Volkswagen site.

*Commissioner Santos arrived at the meeting during the Operations Update at 1:13 p.m.*

### **Capital Plan Update**

Mr. Hull began his update by sharing the following milestones for FY2024 as related to the Port's Strategic Initiatives...

**PORT FREEPORT**  
**PORT CAPITAL EXPANSION PLAN**  
**Fiscal Year 2024**

<b><i>Strategic Initiatives</i></b>	<b><i>Milestones</i></b>
➤ 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
<b>Total</b>	<b>\$ 52,610,110</b>

He then shared the current state of the Freeport Harbor Channel Improvement Project noting that all sections are complete except for Reach 1 which is scheduled to be completed at the end of 2025. He noted another hopper dredge (Dodge Island) is expected to be on site within the week for maintenance work. Ms. Saathoff added there is a lot of coordination between the pilots, the dredgers and vessels arriving/departing the Port to minimize disruptions. Mr. Hull then discussed the TxDOT funding for new infrastructure projects in 2024/2025. During his discussion of the projects, he referenced a map showing where each project was located. Starting with Rider 37 Velasco Terminal Access which bids on April 16 and includes constructing a truck queuing area, widening and repaving of roads in the expansion area, jug handle street access and new gate access. Total project is \$6.2 million cost shared with TxDOT. The Seaport Connectivity Program is to rebuild E. 5<sup>th</sup> Street in the amount of \$3.8 million, cost shared with TxDOT. Another piece of the Seaport Connectivity Program is the Gate 4 Access Road Widening project which will widen the entrance (2-lane to 4-lane) from FM1495 to the guard house. Project is \$1 million, cost shared with TxDOT. Ms. Saathoff noted that with regard to the jug handle street, the Port included this with the grant request with the State in order to improve the area and give back access to E. 2<sup>nd</sup> Street to the Freeport community. The Maritime Infrastructure Program includes cost share of \$11.6 million for Velasco Terminal Area 5 which will concrete pave 15 acres on the terminal. Ms. Saathoff noted that staff will be applying for future funding through the state for Areas 4 and 6. Staff is also working with TxDOT for improvement of the non-TWIC staging yard. The area will include truck parking, booth for check-in, restroom facilities, vegetation, charging stations for trucks and POVs. This is an \$8.8 million project. TxDOT is pursuing a rural designation grant which would be a 20% non-federal and local sponsor match. TxDOT will look for the Port to fund 50% of the match, estimated at \$878,000. Staff confirmed these funds would be in the 2026-2027 biennium; therefore, construction would begin in 2026. Discussions will be a part of the capital planning process for the upcoming budget cycle.

11. Receive reports from Executive Staff on activities and matters related administrative affairs, financial results, facility engineering matters, operations and vessel activity, port safety matters, port security matters, Port tenant updates, USCOE, and other related port affairs.

A. Executive Director/CEO

Ms. Saathoff reported that May 7 the Port will host a Human Trafficking Awareness Workshop and the next traffic coordination and project meeting with TxDOT will be held May 14 noting TxDOT will continue with the original 3-phase approach to completing the FM 1495 reconstruction project, having two-way traffic at all times. April 27-29 is Emergency Supplies Tax Holiday Weekend. Staff will be meeting to review the Port's

Hurricane Plan. The Panama Canal Authority is optimistic about increasing the number of daily transits through the canal from 27 to 32 and by mid-summer, increasing the draft for the vessels transiting the canal. The Expansion Area demolition project is completed. Staff will proceed with a contract with the Goodman Corporation to apply for the Clean Air Planning under the EPA Grant project. There is also opportunity to work with tenant to procure zero emissions equipment. Staff is moving forward to gather information on equipment needed, dollar amounts and who will be the owner of the equipment. Finally, the Senate Finance Committee staff will visit Port Freeport May 21.

B. Director of Engineering

In addition to mentions to the completion of the expansion area demolition, the Admin Building waterproofing is complete. Mr. Hull also shared photos of the electrical building for Del Monte as well as one of four transformers on site that Del Monte purchased to reduce voltage from 12470 to 480.

C. Director of Operations

Mr. Hibbetts shared statistics for the month of March noting the Port handled 33 vessels (10-LNG; 23-Inner Harbor) with Enterprise/Seaway receiving 6 vessels and port wide total vessels handles was 81. Riviana saw 1 vessel and 14 barges while 11 RoRo vessels were handled which equals just over 12,000 vehicles. Year to date, the Port has handled 53,525 vehicles. Tenaris moved over 86,000 tons handling 3 vessels, 12 barges and 33 railcars. Dole and Chiquita each handled 3 vessels while CEMEX handles 33 railcars and Volkswagen handled 166 railcars. Looking at April, LNG, Riviana, Vulcan and Tenaris all expect to see activity. Staff has been working diligently with new customers to ensure smooth operations. Mr. Hogan gave a briefing about the DPS Tactical Marine Unit which is coming to the area. The unit will bring 2-3 boats along with 8 operators and one team leader (swat team in a boat). The mission statement is security, intelligence and rescue working with local and federal agencies offering a huge asset to the area.

D. Director of Business & Economic Development

Mr. Miura stated that staff will be attending the upcoming Finished Vehicles Logistics conference in May and reported attending the recent JOC Breakbulk & Project Cargo conference in New Orleans noting it has grown substantially over the past few years and recommends continued participation.

E. Chief Financial Officer

Mr. Lowe gave a presentation regarding the financial results for the month of March. He also gave an update on the disposal of the residential lots noting that staff was asked to expand efforts to be more inclusive of a market effort which will take more time. Staff is moving forward but has nothing new to report.

12. Approval of financial reports presented for the period ending March 31, 2024.

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

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



April 4 OSS Committee Meeting – Commissioner Santos reported the committee reviewed the following policies, 7.1 - Security & Safety Regulations (no changes recommended). 7.2 - Smoke-Free Work Environment (on the agenda for approval) and 7.3 - Hurricane Preparedness (no changes recommended). Other items discussed include agreement with the City for Cooperative Radio Frequency Use, 2023 Hazard Mitigation Plan and TWIC readers, all of which are on the agenda for approval. The committee also received an update the port-wide networking upgrade.

April 23 Finance Committee Meeting – Commissioner Giesecke reported that staff presented the quarterly investment report to the committee. The committee also discussed the tax collection services agreement with Brazoria County which is on the agenda for approval. Discussion also took place in executive session regarding possible leasing opportunities.

Commissioner Santos reported attending the BCCA Meeting in Iowa Colony and the Angleton Chamber Luncheon.

Commissioner Fratila reported attending the Velasco Drainage District Meeting, Brazoria Chamber Mix & Mingle as well as the Alliance Luncheon.

Commissioner Giesecke reported attending the Freeport City Council meetings, BCCA Meeting, Alliance Luncheon, Angleton Republican Women’s Candidate Forum where he was asked to give a Port update.

Commissioner Kincannon reported attending the Board Workshop held April 11, Walkabout Safety Training, BCCA Meeting, Alliance Luncheon and the Finance Committee Meeting.

Commissioner Croft reported attending the Alliance Executive Committee Meeting, Board Workshop, Brazoria Chamber Breakfast and the Alliance Luncheon.

Commissioner Singhania also reported attending the Alliance Luncheon.

14. Approval of an Interlocal Agreement for Cooperative Radio Frequency Use between Port Freeport and the City of Freeport.

Mr. Hogan stated the interlocal agreement under consideration is a cooperation agreement between Port Freeport and the City of Freeport to ensure reliable radio communication during emergency situations. Key points to the agreement include the following...

- authorizes joint radio frequency use that allows the Port and the City to program radios to each other’s frequencies;
- authorizes City to install equipment at the EOC for the VHF radio systems for the fire department; and
- provides UFH channels on the Port’s UFH radio system for Freeport Fire and Police to allow backup channels for use.

Staff recommends approval of this agreement between the City and the Port to enhance its operability. The agreement has been reviewed by the OSS Committee. The agreement includes a 30-day written notice for termination and for extension of the agreement. The agreement also includes 90 days for removal of the equipment.

A motion was made by Commissioner Santos to approve the interlocal agreement. The motion was seconded by Commissioner Fratila with all Commissioners voting in favor of the motion.

15. Approval of a Resolution Adopting the Brazoria County Hazard Mitigation Plan 2023.

Mr. Hogan explained that every five years, the Port must update its Hazard Mitigation Plan. The Port and 25 other partners in the County met with the County last year to form the plan. Staff then requested permission from the Commission to proceed with the plan which was submitted to FEMA in June 2023. FEMA has now approved the plan and requested all 25 partners adopt the plan by way of resolution. Once all partners have adopted the plan, the County Commissioners will then officially adopt the plan. Mr. Hogan noted the plan includes certain projects that if there is any type of disaster declaration, the Port can request funds. The project list does not guarantee the Port purchasing certain items, nor does it make a commitment to purchasing, rather, if the Port is approved and there is a project the Port wants to seek, staff would utilize the Port's purchasing policy and request approval from the Commission. Staff requests approval from the Commission to adopt the Hazard Mitigation Plan.

A motion was made by Commissioner Santos approve the Resolution adopting the 2023 Hazard Mitigation Plan. The motion was seconded by Commissioner Fratila with all Commissioners voting in favor of the motion.

16. Approval of the purchase of four (4) handheld TWIC readers from MozaicID.

Mr. Hogan stated the Port received a grant in 2023 in the amount of \$72,000 to purchase additional handheld readers. During the budget cycle, staff decided to spread the purchases out over a couple of years instead of buying all at once. MozaicID is the company who makes the handheld readers that are used by the Coast Guard. The readers include many features that other companies cannot provide, so staff has included a sole source letter in BoardPaq. Mr. Hogan noted one of the big features is that the readers can operate offline, meaning if there is a hurricane and power is lost, as long as staff can get to internet or a hot spot somewhere, the list can be updated. Mr. Hogan also noted that since this item was reviewed with the OSS Committee, staff found out the Port qualifies for additional discounts, therefore the amount is \$3,000-\$4,000 less. Staff requests approval to purchase four handheld TWIC Readers in the amount of \$31,883.69 with the understanding that FEMA will reimburse the Port \$23,912.77 via the Port grant. The handheld readers are required to validate the TWIC. The handheld readers update every night against a cancelled card list which DHS publishes daily. The readers will tell staff if a TWIC is good but also if one has been cancelled for expiration or if an action has occurred that dictates a TWIC removal.

A motion was made by Commissioner Santos to approve the purchase of four (4) handheld TWIC readers from MozaicID in the amount of \$31,883.69. The motion was seconded by Commissioner Fratila with all Commissioners voting in favor of the motion.

17. Approval of a Construction Contract with Noble Building & Development, LLC for the EOC HVAC Replacement Project, for an amount not to exceed \$514,725.00.

Mr. Hull stated that bids were opened April 9 with two contractors submitting proposals for the HVAC replacement in the EOC (Emergency Operations Center). Noble Building & Development submitted the lowest bid in the amount of \$514,725.00. The bid was 2.9% over staff's estimate from July 2023. Commissioner Kincannon stated the committee felt the bid was close enough to the estimate and wanted a system that could be repaired by most of the air conditioning contractors in the area rather than a sole source. Staff recommends approval.

A motion was made by Commissioner Kincannon to approve the contract with Noble Building & Development in the amount of \$514,725.00. The motion was seconded by Commissioner Giesecke with all Commissioners voting in favor of the motion.

18. Approval of an Easement to CenterPoint Energy Houston Electric, LLC for the extension of an existing power line on Velasco Terminal.

Mr. Hull stated this easement to CenterPoint Energy is necessary to allow them to extend electrical service to the Del Monte electrical building development. Mr. Hull shared a photo depicting where the building is located and the extension of the easement. Expenses of the easement extension have been passed on to Del Monte which have already been paid. Staff recommends approval.

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

19. Discuss and consider the First Amended Agreement for Automated Permitting System between Port Freeport and ProMiles Software Development Corporation.

Mr. Miura explained the agreement is for an automated permitting system between Port Freeport and ProMiles adding that Port Freeport entered into an Interlocal Agreement with the Texas Department of Transportation in August 2023. The agreement enabled Port Freeport to issue Oversize Overweight permits for use of the OSOW corridor (Heavy Lift Corridor). The agreement stipulates "the Local Government (Port Freeport) shall utilize an automated permitting system that meets TxDOT's permitting requirements for the issuance of oversize or overweight permits." The automated permitting system is provided by ProMiles. This amended agreement sets forth the terms and conditions of ProMiles' service which was updated based on new terms and conditions of the interlocal agreement with TxDOT and fulfills the requirement set forth by TxDOT. The agreement was prepared by legal counsel and staff has reviewed it with the OSS Committee. Mr. Miura explained the process is automated, stating the truck goes over a certified scale, scale ticket is issued, scale ticket data is entered in the permitting system and a permit is generated. Ms. Campus explained the invoicing process stating that ProMiles collects three pieces of the fee the trucking company will pay. One piece goes to TxDOT for the permit, one piece to Port Freeport and the last piece to ProMiles. The Port does not have to pay ProMiles directly as they divide the fees into each category and once a week, ProMiles wires the funds to the Port.

A motion was made by Commissioner Santos to approve the amended agreement as presented. The motion was seconded by Commissioner Croft with all Commissioners voting in favor of the motion.

20. Discuss and consider adoption of a Resolution Committing Matching Funds to Support a Grant Awarded through the Texas Department of Transportation Seaport Connectivity Program (SCP88) for the “East 5<sup>th</sup> Street Reconstruction Project.”

Mr. Miura stated the two resolutions for agenda items 20 and 21 are related to the funding the Port will receive from the Texas Department of Transportation Seaport Connectivity Program for two projects, the East 5<sup>th</sup> Street and the Gate 4 Access Road Widening. Approval of the resolutions are required to allow the Port to enter into agreements with TxDOT. Once the resolutions are adopted, they are put into the respective Advance Funding Agreements as exhibits and through the resolution, Ms. Saathoff is authorized to execute all agreements. Mr. Miura noted the contracts have been review by legal counsel and are ready to be executed.

A motion was made by Commissioner Croft to adopt the Resolution Committing Matching Funds to Support a Grant Awarded through the Texas Department of Transportation Seaport Connectivity Program (SCP88) for the “East 5<sup>th</sup> Street Reconstruction Project.” The motion was seconded by Commissioner Kincannon with all Commissioners present voting in favor of the motion.

21. Discuss and consider adoption of a Resolution Committing Matching Funds to Support a Grant Awarded through the Texas Department of Transportation Seaport Connectivity Program (SCP88) for the “Gate 4 Access Road Widening Project.”

Mr. Miura stated the process is the same as previously stated under item 20 noting this resolution is in support of the Gate 4 Access Road Widening. The adopted resolutions are put into an Advance Funding Agreements as exhibits and through the resolution, Ms. Saathoff is authorized to execute all agreements. Mr. Miura noted the contracts have been review by legal counsel and are ready to be executed.

A motion was made by Commissioner Croft adopt the Resolution Committing Matching Funds to Support a Grant Awarded through the Texas Department of Transportation Seaport Connectivity Program (SCP88) for the “Gate 4 Access Road Widening Project.” The motion was seconded by Commissioner Giesecke with all Commissioners present voting in favor of the motion.

22. Approval of a Resolution Affirming Port Freeport’s Payment for Outstanding City of Freeport Laborers Lien on 503 E. 6<sup>th</sup> Street, Block 6, Lot 1, Freeport Townsite.

Ms. Saathoff stated that in the Port’s process of checking with the City of Freeport to ensure all liens were properly cleared, it was noted an outstanding lien existed on 503 E. 6<sup>th</sup> Street, Block 6, Lot 1. Ms. Saathoff explained that this property was originally deeded by Freeport Townsite Company to a family who was starting a church, First Missionary Baptist Church in the Freeport Townsite. It was for the construction of a church as a place of worship and would have a deed to the property so as long as they conducted worship services. If worship services ceased, it would revert back. Ms. Saathoff further explained that over time, the Freeport Townsite conveyed all property that it owned to Freeport Sulphur Company who later conveyed all property to Freeport Minerals which Port Freeport then purchased from the Freeport Minerals in 1982 which included all reversionary rights. On or about 1983, the

church purchased a property located at the corner of West 4<sup>th</sup> Street and Cherry Street, where worship services are conducted today, ceasing services at the 6<sup>th</sup> Street location and at which point, the property reverted to Port Freeport. In 1985, the City proceeded with condemning and demolishing the building on the property and attaching a Laborer's Lien in the amount of \$3,256.49 which has accrued interest since that time. Port Freeport requested a lien payoff calculation from the City in February and paid the total amount of \$15,790.85 which included the accrued interest. Staff received a release of lien which has been properly recorded and is requesting affirmation of this action.

A motion was made by Commissioner Giesecke to approve the resolution affirming Port Freeport's payment of the lien. The motion was seconded by Commissioner Santos with all Commissioners present voting in favor of the motion.

23. Approval of an Interlocal Agreement between Port Freeport and Brazoria County for Tax Collection Services.

Mr. Lowe stated that Brazoria County Tax Assessor Collector is working to update its interlocal agreements for the collection of taxes for all taxing entities in a consistent methodology for charging entities for their services, as allowed by state statute. The County is going to a flat rate of \$0.36 per parcel. The Port has approximately 134,000 parcels; therefore, the fee will be around \$48,000. Staff recommends approval of the agreement.

A motion was made by Commissioner Giesecke to approve the Interlocal Agreement between Port Freeport and Brazoria County for Tax Collection Services. The motion was seconded by Commissioner Croft with all present voting in favor of the motion.

24. Approval of updates to the following Port Policies....

- 2.1 – Commission Officers and Organization
- 2.4 – Executive Director/CEO
- 2.8 – Legal Defense for Commissioners
- 2.9 – Benefits for Commissioners – To Be Deleted
- 3.4 – Conflicts of Interest
- 7.2 – Smoke-Free Work Environment

Commissioner Singhania asked to take each policy one by one.

As a recap, Mr. Lowe stated there are six policies staff is recommending updates for. All policies have been reviewed with either a committee or with the full Commission at the April 11 Workshop, and many have been reviewed with legal.

2.1 – Commission Officers and Organization

Mr. Lowe stated that changes include updating the Port Commission committees to the current structure which includes combining of the Operations Committee and the Safety and Security Committee while also adding the ESGS (Environmental, Social, Governance and Sustainability) Committee. Clarifying wording was added to the Election of Officers to highlight the timing difference between the canvassing of elections and the subsequent meeting actions of electing new officers. The policy also incorporates into the policy the Port Freeport Election Policy, Rules of Order and Rules of Order Resource that were adopted in 2023. Commissioner Fratila inquired about the dates at the bottom of the policies. Mr. Lowe stated that staff waits until the policy is approved before updated the dates in the footer. He

also stated that once the policies are approved, he will send a communication to all employees notifying them of the changes have been made to certain policies.

A motion was made by Commissioner Giesecke to approve the update to Policy 2.1. The motion was seconded by Commissioner Santos with all present voting in favor of the motion.

#### 2.4 – Executive Director/CEO

Mr. Lowe stated the only addition to this policy was a statement noting that the CFO and Executive Assistant also report to the Port Commission.

A motion was made by Commissioner Kincannon to approve the update to Policy 2.4. The motion was seconded by Commissioner Giesecke with all present voting in favor of the motion.

#### 2.8 – Legal Defense for Commissioners

Mr. Lowe stated this policy was updated to reflect that both commissioners and employees are eligible for defense. The differentiation between civil and criminal cases was added as well as clarifying language on the Port Commission's approval of certain legal defense reimbursements. Commissioner Giesecke inquired about payment for legal defense with a guilty verdict, asking if payment would have been made prior to a guilty verdict. Mr. Randle confirmed the payment would be for reimbursement only after a verdict is rendered. If the verdict is guilty, there will be no reimbursement.

A motion was made by Commissioner Fratila to approve the update to Policy 2.8. The motion was seconded by Commissioner Giesecke with all present voting in favor of the motion.

#### 2.9 – Benefits for Commissioners – To Be Deleted

Mr. Lowe stated that this policy was recommended to be eliminated as the Port Commission voted on June 8, 2023 to eliminate their eligibility for benefits. Commissioner Croft inquired if there should be a statement that says the Port Commission acted to not receive this benefit. Mr. Randle stated that the removal of 2.9 effect is that it's the policy of the Port for the Commissioners not to receive benefit. There is no policy allowing Commissioners to have benefit. Commissioner Croft further commented that under the state law, Commissioners are considered employees, asking if there should be a statement in the policy that states they are to receive no benefits of this nature, instead of removing the policy. Mr. Randle replied that state law states if you are an elected official in certain areas, you may, at the discretion of the Board, get insurance/benefits. It doesn't say you are employees.

A motion was made by Commissioner Giesecke to approve to delete Policy 2.9. The motion was seconded by Commissioner Fratila with all present voting in favor of the motion.

#### 3.4 – Conflicts of Interest

Mr. Lowe states the following policy was updated to be in line with state statute updates. Section 176.003 of the Local Government Code replaced references to a "person" with "vendor" and lowered the threshold of reporting on aggregate gifts given from a vendor from \$250 to \$100 in a 12-month period. The policy was also updated to follow the language of the statute in regard to what is not required to be disclosed. An administrative step was also added for all Port Commissioners and employees to sign an acknowledgement of the conflict

of interest policy every two years in line with Port Commission elections. Finally, Exhibits C and D are also being updated to reflect the latest forms available and applicable to the legislative updates within the policy.

A motion was made by Commissioner Kincannon to approve the update to Policy 3.4. The motion was seconded by Commissioner Santos with all present voting in favor of the motion.

#### 7.2 – Smoke-Free Work Environment

As mentioned earlier, Mr. Lowe stated that policy was reviewed with the OSS (Operations, Safety and Security) Committee. The update included expanding the terminology from electronic cigarettes to electronic smoking devices to capture the expanded options of available options since the policy was last updated in 2019.

A motion was made by Commissioner Santos to approve the update to Policy 7.2. The motion was seconded by Commissioner Croft with all present voting in favor of the motion.

#### 25. Discuss and consider the authorization of credit card issuance and credit limits for Port staff.

Mr. Lowe stated that Port Policy 8.8 calls for the Port Commission to authorize the issuance and credit limits of port credit cards. Staff is seeking authorization to issue a credit card to Jesse Hibbetts, Director of Operations, with a credit limit of \$5,000 and primary use to be for Operations related travel and minor M&R purchases. Staff also recommends authorization of a credit card for Emily Henderson, Sales & Marketing Specialist, with a credit limit of \$5,000. Primary use of the card will be for Business Development sales and promotional activities and associated travel.

A motion was made by Commissioner Giesecke to approve the issuance of credit cards and limits. The motion was seconded by Commissioner Croft with all Commissioners present voting in favor of the motion.

#### 26. EXECUTIVE SESSION in accordance with Subchapter D of the Open Meetings Act, Texas Government Code Section 551.001, et. seq., to review and consider the following:

##### A. Under authority of Section 551.071 (Consultation with Attorney) for discussion regarding:

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

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

1. To discuss or deliberate regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations.
  - i. Business and Economic Development Reports.

2. To deliberate the offer of a financial or other incentive to a business prospect described by Subdivision (1).
- C. Under authority of Section 551.072 (Deliberation Concerning Real Property Matters) for discussion regarding:
1. The potential lease, or value of real property located at Port Freeport, including but not limited to the Expansion Area.
  2. The potential purchase, exchange, lease, or value of real property located at Port Freeport, including but not limited to the real property located at and contiguous to Berths 1, 2, 5, 7 and 8.
  3. The potential exchange, lease, or value of real property located at Port Freeport, including but not limited to Parcels 14, 19, 27, 34 and property on Quintana Island.
- 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.

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

28. Approval of a Professional Services Agreement with Al Durel for consulting services.

Ms. Saathoff stated that staff has prepared an agreement for Mr. Durel to provide professional services to consult as needed regarding any Operations issues and utilize his knowledge and expertise, especially with the continuing procurement of the ship to shore cranes. The agreement anticipates that Mr. Durel will make an additional trip to China on the Port's behalf to participate in the final sign-off of design specifications which is expected to take place in May, with production to start in June. The agreement calls for a \$125 hourly rate for general services while international travel has a flat rate per day with the anticipation of 10-hour workdays. The same framework for travel that is in the Port's policies is provided in the agreement. Mr. Durel will bill the Port on a quarterly hour basis, but the Port has requested he not engage in any services that requires less than two hours of time. This agreement is for a period of one year and can determine if it needs to be extended after one year. There is a 30-day termination provision for either party. Ms. Saathoff added that with the Port's rapid rate of growth, Mr. Durel's knowledge and experience will help a great deal, even in Business Development as his travel has been authorized for the conference in New Orleans since they are down two positions.

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



29. Adjourn.

With no further business before the Commission, the meeting adjourned at 6:05 PM.

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Ravi K. Singhanian, Chairman

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Rob Giesecke, Vice Chairman

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Barbara Fratila, Secretary

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Kim Kincannon, Asst. Secretary

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Dan Croft, Commissioner

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Rudy Santos, Commissioner

Minutes of Port Commission Regular Meeting  
May 23, 2024  
In Person & Videoconference

A Regular Meeting of the Port Commission of Port Freeport was held May 23, 2024, beginning at 1:03 PM at the Administration Building, 1100 Cherry Street, Freeport, Texas.

**This meeting agenda with the agenda packet is posted online at [www.portfreeport.com](http://www.portfreeport.com)**

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

Join Zoom Meeting

<https://us02web.zoom.us/j/82035846802?pwd=U0xReW10R3JlZnMzRS9TeXwVks4UT09>

Meeting ID: 820 3584 6802

Passcode: 328864

Dial by your location

• +1 346 248 7799 US (Houston)

Meeting ID: 820 3584 6802

Find your local number: <https://us02web.zoom.us/j/82035846802?pwd=U0xReW10R3JlZnMzRS9TeXwVks4UT09>

Commissioners present in person:

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

Staff Members Present:

Ms. Heather Cook, Randle Law Firm  
Ms. Phyllis Saathoff, Executive Director/CEO  
Mr. Rob Lowe, Director of Administration/CFO  
Mr. Jason Hull, Director of Engineering  
Mr. Chris Hogan, Director of Protective Services  
Mr. Jason Miura, Director of Business & Economic Development  
Mr. Brandon Robertson, Director of Information Technology  
Mr. Jesse Hibbetts, Director of Operations  
Ms. Missy Bevers, Executive Assistant  
Ms. Mary Campus, Controller  
Ms. Christine Lewis, Safety Coordinator  
Mr. Cecil Booth, Project Engineer  
Mr. Chas Gryseels, Engineering Specialist  
Ms. Bailee Anderson, Accounting Analyst  
Ms. Tricia Vela, Public Affairs Assistant

Also, present:

Mr. Chris Moore, Texas Port Ministry  
Mr. Elliott Hughes, Volkswagen  
Capt. Ross Coviello, Brazos Pilots  
Mr. Manning Rollerson

1. CONVENE OPEN SESSION in accordance with Texas Government Code Section 551.001, et. seq., to review and consider the following:
2. Invocation – Mr. Chris Moore, Texas Port Ministry
3. Pledge of Allegiance – U.S. Flag and Texas Flag
4. Roll Call – Commissioner Singhania noted that Commissioner Kincannon was running late while all other Commissioners were present in the Board Room.
5. Safety Briefing – Ms. Christine Lewis noted that Port employees were 1,965 days of no time lost injuries and also provided tips for staying hydrated for the summer.

*Commissioner Kincannon joined the meeting at this time.*

6. Call to identify and discuss any conflicts of interest that may lead to a Commissioner abstaining from voting on any posted agenda item.

There were no conflicts noted by Commissioners.

7. Public Comment – Mr. Manning Rollerson addressed the Commission regarding clarification on the Port's legislation written and encroachment by the Port.
8. Public Testimony – There was no public testimony.
9. Approval of minutes from the Special Meeting (Board Workshop) held April 11, 2024.

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

10. Receive update regarding Volkswagen Group of America's collaboration with Brazosport College on Workforce Development.

Mr. Elliott Hughes, Terminal Manager for Volkswagen gave an update to the Commission regarding Volkswagen's efforts to partner with Brazosport College to create a JumpStart Program that will help create better candidates for the terminal by educating them with vehicle logistics information and providing certifications for Brazoria County residents once the program is complete. The project is offered through the State with candidates obtaining two types of logistics certifications:

1. Warehouse focus and better understanding of logistics itself;
2. Forklift focus & understanding of vehicle logistics at the Volkswagen terminal.

Mr. Hughes noted the first group recently visited the facility and will be interviewing with Volkswagen in the near future once the program is complete. The next group begins in June and will last 5-6 weeks. Volkswagen has also partnered with Alvin ISD to donate ten vehicles to the automotive technician program for students to work on vehicles as they prepare for a future in the automotive industry.

11. Receive reports from Executive Staff on activities and matters related administrative affairs, financial results, facility engineering matters, operations and vessel activity, port safety matters, port security matters, Port tenant updates, USCOE, and other related port affairs.

A. Executive Director/CEO

Ms. Saathoff began by recognizing the recent passing of Mr. Clarence Sasser, a distinguished Metal of Honor recipient and U.S. Army combat medic who served in the Vietnam War. The flags have been lowered to half staff in his honor. Ms. Saathoff also recognized the recent passings of Mr. Jeff Strader, former CFO at Port Freeport, Mr. David Knuckey, former Director of Engineering and Missy Bevers' fiancé. Ms. Saathoff reported that Volkswagen has helped the Port achieve record milestones with a record number of RoRo vessel calls in a single month as well as a record number of railcars received in a single month. The Port hosted another successful Take-a-Child Fishing Tournament with Darlene Winkler taking the lead and Tricia Vela supporting as part of the Public Affairs team. 325 anglers were registered for fishing with 200 door prizes given away. Ms. Saathoff also thanked the sponsors and volunteers for their help with the event as well. Freeport LNG recently announced they are back in full operation with all three trains and both berths in operation. The Port is expecting 17-19 ships this month and June is looking very robust. The Panama Canal is increasing their number of transits through the canal anticipating allowing a deeper draft in the month of July. The Corps released their 2024 Work Plan adding an additional \$3.8 million for operations and maintenance of the Freeport Harbor Channel bringing the total for FY2024 to \$12 million. Ms. Saathoff noted there is an ongoing dredging in the channel on which Mr. Hull will report further. Ms. Saathoff also reported on the recent visit of Federal Maritime Commissioner Vekich who received a briefing and tour of the Port. The State Senate Finance Committee staff and Senator Huffman's staff also visited the Port for a briefing and tour. She noted a number of upcoming events including her participation on a panel for the Greater Houston Partnership Future of the Houston Region with focus on Brazoria County on May 29<sup>th</sup>. The next CAP Meeting will be held June 4 at the San Jacinto College Maritime Campus for members to experience the simulator. Commissioner Giesecke inquired about the President's proposed new tariffs on Chinese goods that includes ship-to-shore cranes and how/if it will affect the Port on its crane purchase. Ms. Saathoff stated that she has not delved into it but noted that under some of the grant programs, the requirements for Made in America have been waived. Staff will evaluate and research to see how or if it will apply since the Port is already under contract for two cranes. She also reported on Mr. Durel's recent trip to China for the final design meeting sharing photos of the facility where the spreader bars and cabs of the cranes are manufactured as well as photos of steel being cut. The crane structure itself is being fabricated and built by ZPMC in China. All the brains to the computer, software and programming will be installed by ABB who has U.S. locations. This will be controlled separately so the Port will not have any security risks. Mr. Robertson spoke to the operability and integration with the Port's network once everything is installed stating all networking and certain components that will sit on the port's network will not be

provided by ZPMC. Staff provided dimensions to ZPMC of what staff will be installing so they can make room for the components. Operations and IT will be inserting and installing the equipment and initiate inspections of the cranes as well. With regard to upcoming events, Commissioner Croft noted the Brazoria County CCA Banquet will be held June 20.

**B. Director of Engineering**

Mr. Hull stated the dredge Dodge Island is in Freeport doing maintenance work in the channel noting that as the ship traffic comes through the channel and the dredge has to clear the channel. When it finishes the maintenance dredging, it will begin new work, so it is constantly working. He also shared a photo of the hydrographic survey recently completed for Docks 1, 2 & 5 sheet pile repairs where imagery picked up debris sticking up approximately 3 feet above the mud line under Dock 2. Divers will find out what the debris is, and then the cost for removal will be determined, Mr. Hull will bring a change order to the Commission for approval. He also reported the Gate 12 contractor has completed clearing and dirt work has started. He shared a photo from his report showing where the gate will come out at Terminal Street and Broad Street. Staff is currently waiting on the City of Freeport to abandon a 4-inch line down Broad Street. The building for the gate is factory built and in production. It will be delivered to the site by trailer. The canopy is also in production. The building is expected to be delivered in October-November and will be followed by fiber optic work that will need to be done. Estimated completion is early 2025. Commissioner Giesecke inquired about the amount of area the detention pond is taking up at the Freeport Warehouse site. Mr. Hull did not have exact numbers but stated it's about 9.5 acre feet of volume with the entire length about 850 feet or 1.5-2.0 acres of surface area. Commissioner Giesecke further commented that it drives home previous conversations about looking at offsite detention for the Expansion Area and not chewing up valuable real estate for a pond. Mr. Hull reiterated the importance of being in agreement with the Velasco Drainage District. The working group of Commissioners Fratila, Kincannon and Giesecke discussed reaching out to the drainage district to see what the Port needs to do to move this forward. Ms. Saathoff also stated there is a new Dredge Material Advisory Beneficial Use group initiated by Ducks Unlimited who started a project called Texas Beneficial Use Master Plan (TEXBUMP). They will hold a series of meetings beginning June 18 in LaMarque with other meetings/locations to follow. Ms. Saathoff noted that the Port supports beneficial use of dredge material and will monitor and participate.

**C. Director of Operations**

Mr. Hibbetts gave an overview of the new operations report which has been expanded to include additional information with graphs and charts beginning with YTD vessel calls of 282 and 36 for the month of April. YTD vessel call commodity comparison shows RoRo leading the way in vessel counts followed by steel. Overall tonnage for current FY is at 9 million (at 7 months) vs 11.4 million for FY2023. Staff anticipates surpassing that number. The next graphs included in the report are YTD LNG Tonnage which will change dramatically next month with LNG back in full operation. The YTD steel tonnage by barge, vessel and railcar is healthy with imports up 5% for April and 13% YTD. OEM and POV YTD Summary which now includes new customer Volkswagen who started in March, OEM FY total is up to 73,239 with 19,714 for the month of April. Container Summary saw 4,637 in April which will get a boost in late June with a new customer coming online. YTD Rail Summary is a new graph Mr. Hibbetts felt needed to

be added to the report with all the new business coming in. All customers are included in the report with staff expecting a large increase moving forward. The next graph shows YTD Railcar Tonnage Summary with aggregate and bulk leading the way. Mr. Hibbetts anticipates a big swing in the numbers for this slide in the coming months with the arrival of Volkswagen and the OEMs. YTD Rail Car Commodity Comparison shows where bulk, RoRo, steel and CO2 numbers are. The last two pages of Mr. Hibbetts presentation include the old report previously presented as a reference. He also noted meetings the operations staff has been attending in addition to preparations for the new customer coming on in June. Commissioner Fratila commented that she appreciates the efforts for the new reports as she is a visual person and its easier for her to understand. Commissioner Giesecke agreed adding that it's easier to note the trend with the graphic presentation. Commissioner Croft inquired about traffic flow and what staff is anticipating. Mr. Hibbetts stated that staff met with Gulf Stevedores earlier in the day to discuss their process for handling non-TWIC trucks entering the Port noting that with the influx of additional traffic inside the Port, security has set up a pre-check security station in the non-TWIC yard that began last week in preparation of the additional traffic. Security is also looking into adding another security guard on the second shift for the daytime shift. Meetings have been taking place with customers to discuss the best way to get the trucks in and out of the Port. With regard to the new graphs, Commissioner Giesecke suggested incorporating a YTD for current year vs YTD for prior year to show how the Port is doing so graphs won't look off when entering October/November because the YTD will be a really small number compared to a really big number for the prior fiscal year. Commissioner Singhanian also stated that he would like to see a line added to show what the plan (budget) was for the YTD.

D. Director of Business & Economic Development

Mr. Miura reported currently attending the Finished Vehicles Logistics Conference in Huntington Beach. He also highlighted statistics from the U.S. Census Bureau Trade Data Online (included in his written report) noting Port Freeport ranks 15<sup>th</sup> in the nation for foreign waterborne tonnage, 10<sup>th</sup> in the nation for exports, 28<sup>th</sup> in the nation for imports and 5<sup>th</sup> among Texas ports. Additionally in the Greater Houston Port Bureau Monthly Statistical Report, Freeport YTD vessel arrival numbers were down overall by a small percentage in the Port. Commissioner Santos inquired about staff's visit with CenterPoint. Mr. Miura stated the visit was positive and CenterPoint will be sending the Port a letter of support for its EPA Clean Port's Program ZE Technology Deployment grant application.

E. Chief Financial Officer

Mr. Lowe gave a presentation regarding the financial results for the month of April. He also gave an update on the disposal of Freeport lots noting that staff has an agreement from a local realtor to provide BPO (Broker Price Opinion) and is currently waiting for feedback. He is also waiting to receive graphic design and a quote on signs. Mr. Lowe has also done research on MLS postings adding there are third party companies you pay a set fee to that allows you to post a for sale by owner which will automatically open the door to Zillow, Realtor, Trulia. Once everything has been pulled together, staff will determine how it will be posted. At this time, Ms. Saathoff noted for the record that Port Freeport is not acquiring any land. There is only the sale of residential lots. Mr. Lowe added that staff received a Public Information Act request on a nearby property that did

not belong to the Port. Staff responded letting requestor know the Port did not own the property.

12. Approval of financial report presented for the period ending April 30, 2024.

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

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

May 20 Personnel Committee Meeting – Commissioner Singhania noted that after serving as Chairman for the committee for a year, he has turned over the duties to Commissioner Croft. Commissioner Croft reported the committee reviewed the following policies...Equal Employment Opportunity, Employment & Compensation, Immigration Law, Outside Employment, Physical Examination, Drug Screening/Testing, Confidential Information and Acceptance of Personal Gift noting that additional revisions and review will be needed to some policies. Approval of policies will be on the June agenda.

May 20 Operations, Safety, and Security Committee Meeting – Commissioner Santos reported that staff gave a report on sensitive security information regarding Port security grant program for 2024. An additional meeting was held prior to today's Port Commission meeting to review the activities and duties of the Port's security boat.

May 20 Capital Planning Committee Meeting – Commissioner Kincannon reported the committee discussed potential options and associated lease opportunities for use of available space in the Expansion Area.

Commissioner Croft reported attending the Port visit and tour by the State Senate Finance Committee staff and Senator Huffman's staff.

Commissioner Kincannon reported attending the Highway 36A Coalition Luncheon, TACFT Captain's Dinner, Take-a-Child Fishing Tournament, the Quarterly Traffic Coordination Meeting with TxDOT, BCCA meeting and the Capital Planning Committee meeting. He also participated in the Website Redesign Ad Hoc Committee where proposals were reviewed with staff and had a meeting with the Brazos Pilots to discuss proposed Pilot rates.

Commissioner Giesecke reported attending the Highway 36A Coalition Luncheon, Lake Jackson Business Association meeting, Brazosport Chamber Luncheon, Take-a-Child Fishing Tournament, FMC Meetings in WDC, FMC Port Visit with Commissioner Vekich, Senate Finance Committee staff visit as well as the Freeport City Council meetings. He also noted that at one of the meetings a gentleman spoke stating an unnamed representative of the Port Freeport was contacting property owners along 6<sup>th</sup> Street and Cherry Street inquiring about purchasing their property. Commissioner Giesecke responded at a meeting to say it's just not true adding the area is part of the protected zone and the Port is not going to violate the law. He also pointed out in the meeting the Port was in process of selling lots, not buying.

Commissioner Santos reported meeting with the Brazos Pilots and attending the TACFT Captain's Dinner.

Commissioner Fratila reported attending the Human Trafficking Awareness Program, Refuge & Fashion Show Survivors of Human Trafficking, TACFT Captain's Dinner, Brazosport Scouts Planning Breakfast and Brazos Pilots meeting.

Commissioner Singhania also reported attending Take-a-Child Fishing Tournament, Lake Jackson Business Association meeting and Angleton Chamber Committee Update, FMC Meetings in WDC and FMC Port Visit with Commissioner Vekich.

14. Approval of a Construction Contract with Harper Brothers Construction, LLC for the Velasco Terminal Access – RIDER37 Project, for an amount not to exceed \$9,000,000.00.

Mr. Hull stated that four bids were received for this TxDOT Grant funded project with Harper Brothers submitting the lowest bid of \$9,000,000.00. The project entails widening of pavement in the Expansion Area, adding truck queuing/staging area and a jug handle street that will connect 4<sup>th</sup> Street to 2<sup>nd</sup> Street. Staff recommends approval and award of contract to Harper Brothers.

A motion was made by Commissioner Kincannon to approve the construction contract to Harper Brothers Construction for the Velasco Terminal Access RIDER 37 Project for an amount not to exceed \$9,000,000.00. The motion was seconded by Commissioner Croft with all Commissioners voting in favor of the motion.

15. Approval of an Easement to CenterPoint Energy Houston Electric, LLC for the installation of new electrical service for the chilled transfer building.

Mr. Hull stated this easement will need to be granted to CenterPoint Energy for the Port's property that is being developed by Gulf Stevedoring Services for a transfer warehouse in the Expansion Area. The easement allows CenterPoint the right to install electrical wiring and transformer equipment on the property. CenterPoint will also maintain the equipment should it need repairs or improvement. Mr. Hull shared a drawing indicating where the easement will be located which will run above ground (aerial) and underground. Staff recommends approval.

A motion was made by Commissioner Santos approve the easement as recommended by staff. The motion was seconded by Commissioner Kincannon with all Commissioners voting in favor of the motion.

16. Discuss and consider a Professional Services Agreement with Freese & Nichols for the preparation of an EPA Clean Ports Program Zero Emission Technology Deployment grant application.

Mr. Miura stated the proposal from Freese & Nichols is to provide professional services to prepare Port Freeport's grant application for the EPA Clean Ports Program Zero Emission Technology Deployment. The amount of the proposal is \$79,850. Staff has been working with tenants and stevedores to determine who is interested in participating to acquire zero emissions cargo handling equipment. Ports America, AMPORTS, Red Hook Terminals and Riviana Foods have all submitted equipment lists for consideration. He noted that if the Port is awarded grant funding, the parties listed above would first need to acquire the equipment



and after that, they can seek reimbursement for the federal funding match via Port Freeport. Mr. Miura stated that in order to get reimbursement, each party has to enter into a reimbursement agreement with Port Freeport. Staff intends to ask each party to reimburse Port Freeport a proportionate share of the cost incurred to prepare the grant application as part of the reimbursement agreement. Mr. Miura further explained that should the grant be approved, the scope of the project is to acquire zero emissions cargo handling equipment (zero emissions at the tailpipe) which includes battery electric, hydrogen powered or other alternative fuel. If the application is considered and approved, up to 90% of the cost of the equipment will be matched by the federal government. The party acquiring the equipment will be responsible for approximately 10% of that cost. The party must go through Port Freeport for the funding, they cannot go directly to the federal government. Commissioner Singhania asked what the Port will be using the grant money for. Saathoff further clarified the tenants and stevedores cannot apply for the grant, which is why Port Freeport is serving as a conduit for the application. The Port does not operate the cargo handling equipment activity, so an outreach was made to tenants, customers, and stevedores to find out if there was an interest in acquiring this equipment. This process will be administered through the Port in a way that there will be no cost to the Port, and the Port will arrange for reimbursement of the grant application fee (\$79,850) with the participating parties. The parties will procure the equipment and then seek reimbursement through the Port. The equipment procured will remain at the Port as part of the grant requirement. The total grant amount being applied for is \$34 million. Ms. Saathoff clarified the memo with the table included in BoardPaq indicates funding/budget for two different grant applications. The Goodman Corporation was retained for the Climate and Air Quality Planning grant in the amount of \$1.487 million while the second application is what is currently being discussed. Staff recommends approval.

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

17. Discuss and consider a Resolution Approving and Authorizing the Submission of an EPA Clean Ports Program Climate and Air Quality Planning grant application.

Mr. Miura stated that with the application to a grant program, the Port is required to demonstrate approval and authorization was given to staff to submit the application which is what the resolutions under items 17 and 18 does. Staff is applying for two different applications under the same program, the EPA Clean Ports Program. This resolution authorizes staff to submit the applications. Staff recommends approval of the resolutions allowing staff to proceed.

A motion was made by Commissioner Fratila to approve the resolution approving and authorizing the submission of an EPA Clean Ports Program Climate and Air Quality Planning grant application. The motion was seconded by Commissioner Croft with all Commissioners voting in favor of the motion.

18. Discuss and consider a Resolution Approving and Authorizing the Submission of an EPA Clean Ports Program Zero Emission Technology Deployment grant application.

This was discussed under the previous item 17 with staff recommending approval.

A motion was made by Commissioner Croft to approve the resolution approving and authorizing the submission of an EPA Clean Ports Program Zero Emission Technology Deployment grant application. The motion was seconded by Commissioner Giesecke with all Commissioners voting in favor of the motion.

19. Approval of a Government Liaison Services Agreement between Port Freeport and Van Scoyoc Associates.

Ms. Saathoff is recommending approval of an agreement with Van Scoyoc to commence March 1, 2024 for a term of 12 months with two 1-year options to extend. The retroactive date to March is to cover assistance Van Scoyoc provided in the months of March and April. The monthly retainer is \$8,500 with an annual reimbursement of expenses not to exceed \$2,000. The agreement includes one in-person meeting in Freeport as well as one virtual update from the consultants. It also includes an option to terminate by either party with or without cause, with a 30-day written notice. Ms. Saathoff stated that Van Scoyoc has been working with the Port for a number of years and has presented reduction in annual cost as previous work was focused on the funding for the FHCIP, but they perform other work for the Port, including matters with the U.S. Army Corps of Engineers as well as engagement with other agencies in Washington. Ms. Saathoff consulted with other Texas ports and found it common for there to be both state and federal consultants working for ports. She also noted association memberships the Port has that include advocacy. American Association of Port Authorities (AAPA) provides advocacy across the maritime sector for ports and not specific to what is necessary to Port Freeport but a broader scope. National Waterways Conference works issues associated with the U.S. Army Corps of Engineers relative to flood control, channel navigation and maintenance as well as other lands and EPA matters but they do not have an advocacy staff. The National Association of Foreign-Trade Zones is very specific to the foreign-trade zones program with a staff member who manages advocacy specific to foreign-trade zone. The Port also participates in the Texas Ports Association whose advocacy is primarily at the state level. Commissioner Giesecke asked for clarification how Van Scoyoc would advocate for the Port with regard to grant applications. Ms. Saathoff stated that in between the cycles the Port has coordinated meetings with MARAD, USDOT to make them aware of Port Freeport and what it's doing so the awareness is there when grant applications come through. Commissioner Fratila commented that if the Port was to pay a staff member to perform the work that Van Scoyoc does, the efforts would not be the same as they are very responsive to the Port which she saw firsthand during her trip to DC in March, adding that they really do put the Port out there and help.

A motion was made by Commissioner Fratila to approve the agreement as recommended by staff. The motion was seconded by Commissioner Croft with all Commissioners voting in favor of the motion.

20. Approval of American Association of Port Authorities annual membership dues.

Ms. Saathoff stated the membership dues for the Port is a 4.5% increase from prior year. The dues are broken down into brackets which is based on gross receipts and revenues at the Port. The Port is in the same bracket/category as the previous year but includes the increase. Staff recommends approval of the dues in the amount of \$29,495.

A motion was made by Commissioner Kincannon to approve payment for annual membership dues. The motion was seconded by Commissioner Giesecke with all Commissioners present voting in favor of the motion.

21. Adoption of a Resolution Approving Emergency Purchases and Contract Authority to the Executive Port Director/CEO and Chief Financial Officer.

Ms. Saathoff stated that as we move into hurricane season, staff presents this resolution annually, which gives herself and the chief financial officer authorization to make emergency purchases to bring the Port back up and running in the event the Port is impacted by a storm.

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

22. Approval of Executive Director/CEO and Commissioners' travel for June and October 2024.

Ms. Saathoff stated there is a trip to Panama in June with herself and Commissioners Singhania and Giesecke attending. The AAPA Annual Convention registration has opened and as in the past, you must first register before you can make hotel reservations. At this time, Ms. Saathoff and Commissioners Singhania, Fratila, Kincannon and Croft have committed to attend the convention. Commissioner Singhania mentioned follow-up trips to Washinton, DC for additional FMC Meetings. Ms. Saathoff also noted an unplanned customer trip scheduled for May 31.

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

23. EXECUTIVE SESSION in accordance with Subchapter D of the Open Meetings Act, Texas Government Code Section 551.001, et. seq., to review and consider the following:

A. Under authority of Section 551.071 (Consultation with Attorney) for discussion regarding:

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

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

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

1. To discuss or deliberate regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay or expand in or near the territory of the governmental body

and with which the governmental body is conducting economic development negotiations.

- i. Business and Economic Development Reports.
  2. To deliberate the offer of a financial or other incentive to a business prospect described by Subdivision (1).
- D. Under authority of Section 551.072 (Deliberation Concerning Real Property Matters) for discussion regarding:
1. The potential lease, or value of real property located at Port Freeport, including but not limited to the Expansion Area.
  2. The potential purchase, exchange, lease, or value of real property located at Port Freeport, including but not limited to the real property located at and contiguous to Berths 1, 2, 5, 7 and 8.
  3. The potential exchange, lease, or value of real property located at Port Freeport, including but not limited to Parcels 14, 19, 27, 34 and property on Quintana Island.
- E. Under authority of Section 551.074 (Deliberation of Personnel Matters) for discussion regarding:
1. Deliberation regarding the appointment, employment, evaluation, reassignment, duties of a public officer or employee, including but not limited to: Executive Director/CEO.

24. RECONVENE OPEN SESSION:

25. Adjourn.

With no further business before the Commission, the meeting adjourned at 6:51 PM.

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Ravi K. Singhanian, Chairman

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Rob Giesecke, Vice Chairman

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Barbara Fratila, Secretary

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Kim Kincannon, Asst. Secretary

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Dan Croft, Commissioner

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Rudy Santos, Commissioner

Minutes of Port Commission Regular Meeting – Supplemental Agenda  
May 23, 2024  
In Person & Videoconference

A Regular Meeting of the Port Commission of Port Freeport was held May 23, 2024, beginning at 1:03 PM at the Administration Building, 1100 Cherry Street, Freeport, Texas.

**This meeting agenda with the agenda packet is posted online at [www.portfreeport.com](http://www.portfreeport.com)**

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

Join Zoom Meeting

<https://us02web.zoom.us/j/82035846802?pwd=U0xReW10R3JlZnMzRS9TeXwVks4UT09>

Meeting ID: 820 3584 6802

Passcode: 328864

Dial by your location

• +1 346 248 7799 US (Houston)

Meeting ID: 820 3584 6802

Find your local number: <https://us02web.zoom.us/j/82035846802?pwd=U0xReW10R3JlZnMzRS9TeXwVks4UT09>

Commissioners present in person:

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

Staff Members Present:

Ms. Heather Cook, Randle Law Firm  
Ms. Phyllis Saathoff, Executive Director/CEO  
Mr. Rob Lowe, Director of Administration/CFO  
Mr. Jason Hull, Director of Engineering  
Mr. Chris Hogan, Director of Protective Services  
Mr. Jason Miura, Director of Business & Economic Development  
Mr. Brandon Robertson, Director of Information Technology  
Mr. Jesse Hibbetts, Director of Operations  
Ms. Missy Bevers, Executive Assistant  
Ms. Mary Campus, Controller  
Ms. Christine Lewis, Safety Coordinator  
Mr. Cecil Booth, Project Engineer  
Mr. Chas Gryseels, Engineering Specialist  
Ms. Bailee Anderson, Accounting Analyst  
Ms. Tricia Vela, Public Affairs Assistant

Also, present:

Mr. Chris Moore, Texas Port Ministry  
Mr. Elliott Hughes, Volkswagen  
Capt. Ross Coviello, Brazos Pilots  
Mr. Manning Rollerson

1. CONVENE OPEN SESSION in accordance with Texas Government Code Section 551.001, et. seq., to review and consider the following:
2. Discuss and consider possible grant funding for the replacement of certain equipment on the Port security patrol boat and the addition of detection and avoidance systems.

Mr. Hogan gave a presentation to discuss the Port security patrol boat which is a project within the Port Security Grant. The presentation covered marine patrol enhancements to the current boat which includes replacing aging motors, boat collar, generator and AC/heater; upgrade to seats, addition of obstacle detection and collision avoidance system, replacement of work lights, painting of boat and resurfacing the deck. The cost for this is \$195,000 with a Port match of \$49,000. He also covered future considerations which includes boat replacement. He explained the current boat is 15 years old with the U.S. Coast Guard saying suggested boat life is 10 to 15 years. Replacement boat lead time is 2 to 3 years. Staff recommends replacing the current patrol style boat with a utility boat. He explained that a utility boat will add versatility allowing it to adapt to many different types of incidents, noting that other response agencies are getting shallow water or patrol style boats. He noted that the DPS tactical marine unit is coming but they will be assigned to the region, not specific to Freeport. Mr. Hogan also shared a slide with pictures of how a utility boat could be used. He stated that a new boat cost would be \$650,000 to \$850,000 with a Port match of \$163,000 to \$213,000 noting the cost can be spanned across three budget years to assist with cash flow. In this instance, the Port match would be \$55,000 to \$71,000 per year.

No action was taken for this item.

3. RECONVENE OPEN SESSION:
4. Adjourn.

With no further business before the Commission, the meeting adjourned at 6:51 PM.

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Ravi K. Singhanian, Chairman

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Rob Giesecke, Vice Chairman

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Barbara Fratila, Secretary

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Kim Kincannon, Asst. Secretary

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Dan Croft, Commissioner

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Rudy Santos, Commissioner

Minutes of Port Commission Special Meeting  
June 13, 2024  
In Person & Videoconference

A Special Meeting of the Port Commission of Port Freeport was held June 13, 2024, beginning at 12:16 PM at the Administration Building, 1100 Cherry Street, Freeport, Texas.

**This meeting agenda with the agenda packet is posted online at [www.portfreeport.com](http://www.portfreeport.com)**

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

Join Zoom Meeting

<https://us02web.zoom.us/j/84878680040?pwd=ypuZUhsowAgAQqIZoBW6uLg5CQ2raT.1>

Meeting ID: 848 7868 0040

Passcode: 980560

Dial by your location

• +1 346 248 7799 US (Houston)

Meeting ID: 848 7868 0040

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

Commissioners present in person:

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

Staff Members Present:

Mr. Grady Randle, Randle Law Office  
Ms. Phyllis Saathoff, Executive Director/CEO  
Mr. Rob Lowe, Director of Administration/CFO  
Mr. Jason Miura, Director of Business & Economic Development  
Mr. Brandon Robertson, Director of Information Technology  
Mr. Jesse Hibbetts, Director of Operations  
Ms. Missy Bevers, Executive Assistant  
Ms. Tricia Vela, Public Affairs Assistant

Absent:

Mr. Dan Croft, Commissioner

Also, Present:

Mr. Peter Nemeth, Crane, Caton & James  
Mr. Manrique Bermudez, Chiquita  
Ms. Blair Brownlow, Chiquita

1. CONVENE OPEN SESSION in accordance with Texas Government Code Section 551.001, et. seq., to review and consider the following:
2. Roll Call – Commissioner Singhania noted that Commissioner Croft was absent, and all other Commissioners were present in the Board Room.
3. Public Comment – There were no public comments.
4. Public Testimony – There was no public testimony.
5. 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 551.072 (Deliberation Concerning Real Property Matters) for discussion regarding:
    1. The potential purchase, exchange, lease or value of real property located at Port Freeport, including but not limited to the real property located at and contiguous to Berths 1, 2, 5, 7 and 8.
6. RECONVENE OPEN SESSION to review and consider the following:
7. Discuss and consider approval of a Lease Agreement between Port Freeport and Chiquita Fresh North America, L.L.C.

Mr. Miura began by introducing Mr. Manrique Bermudez and Ms. Blair Brownlow from Chiquita who were both present in the audience. He stated that staff is recommending approval of a lease agreement between Port Freeport and Chiquita Fresh North America. The lease agreement is for a primary term of five years with a renewal option and three separate leased areas on the terminal (9 acre wheeled yard, 2 acre grounded yard and 1 acre 8<sup>th</sup> Street yard). The agreement conforms to the standard terms with both a base rent and MAG the Port is accustomed to. Staff recommends approval and is grateful for the partnership with Chiquita over the years.

Mr. Bermudez thanked the Port for the long-standing partnership with Chiquita and to have the new lease agreement. Chiquita will do their part with investments to enhance its ability to serve its customers. Mr. Bermudez noted that bananas are their main focus followed by pineapples, adding that they also participate in the export business with surrounding industry participating in their customer portfolio. Chiquita appreciates Port Freeport's support.

A motion was made by Commissioner Giesecke to approve the proposed lease with Chiquita. The motion was seconded by Commissioner Kincannon with all Commissioners present voting in favor of the motion.



8. Adjourn.

With no further business before the Commission, the meeting adjourned at 12:55 PM.

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Ravi K. Singhanian, Chairman

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Rob Giesecke, Vice Chairman

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Barbara Fratila, Secretary

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Kim Kincannon, Asst. Secretary

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Absent  
Dan Croft, Commissioner

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Rudy Santos, Commissioner



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WWW.PORTFREEPORT.COM

## MEMORANDUM

**TO:** Commissioners  
Directors  
Legal Counsel

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

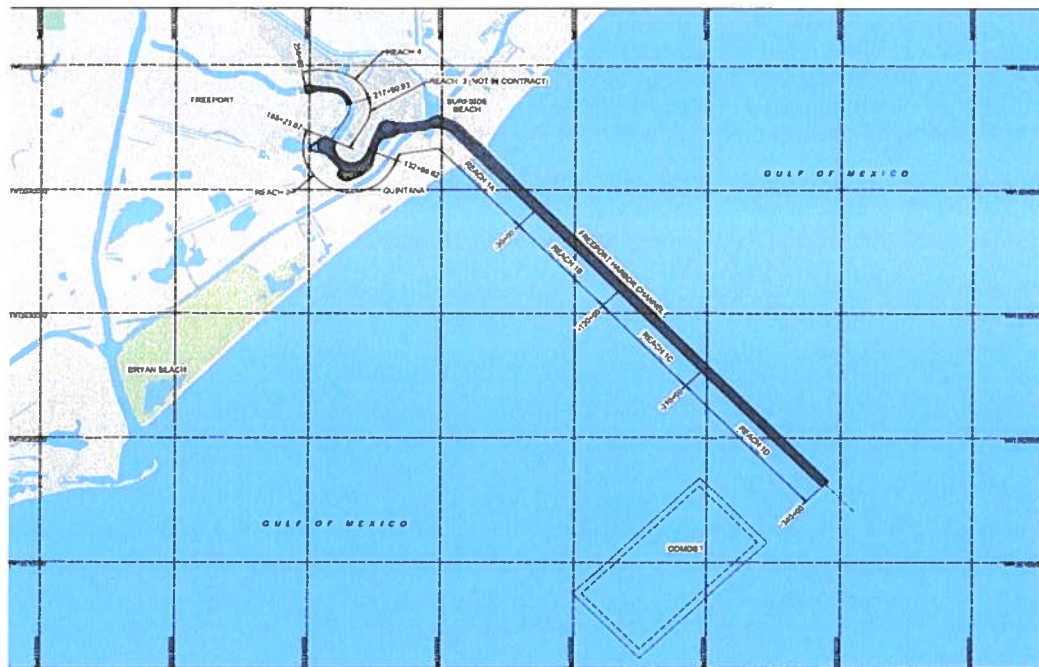
**DATE:** June 17, 2024

**SUBJECT:** Departmental Report

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### PROJECTS

1. **FHCIP Reaches 1, 2, and 4** – This project involves deepening the Freeport Ship Channel to various depths ranging from 26-ft to 56-ft depending on the Reach and is funded through Bond funds and Civil Works Budget Appropriation. The Contract is with Great Lakes Dredge & Dock for \$159,743,430. The Corps will request Port Freeport's cost share when the Corps needs our remaining \$44,072,714. Anticipated completion is December 2025. The dredge, GL 54, has completed work in Reach 4, and continues to work in the Upper Turning Basin and Reach 2. An additional dredge has arrived in Freeport; GL 58 is also working in Reach 1. Over the next several months, various dredges will come work, and leave as necessary, to complete the dredging. At this time, the dredge Galveston Island has left Freeport, but it or another hopper dredge will return. At this time the Dodge Island is here working on the annual maintenance dredging contract. This work will take at least 3 weeks to complete.



2. **Gate 12** – This project involves constructing a new gate entrance into the Port off the old Terminal Street at Broad Street. This was awarded at the December 14<sup>th</sup>. Commission meeting to Zachry Construction for \$2,929,297. This is funded with Port money. Construction has begun and it is anticipated to be finished in December 2024.

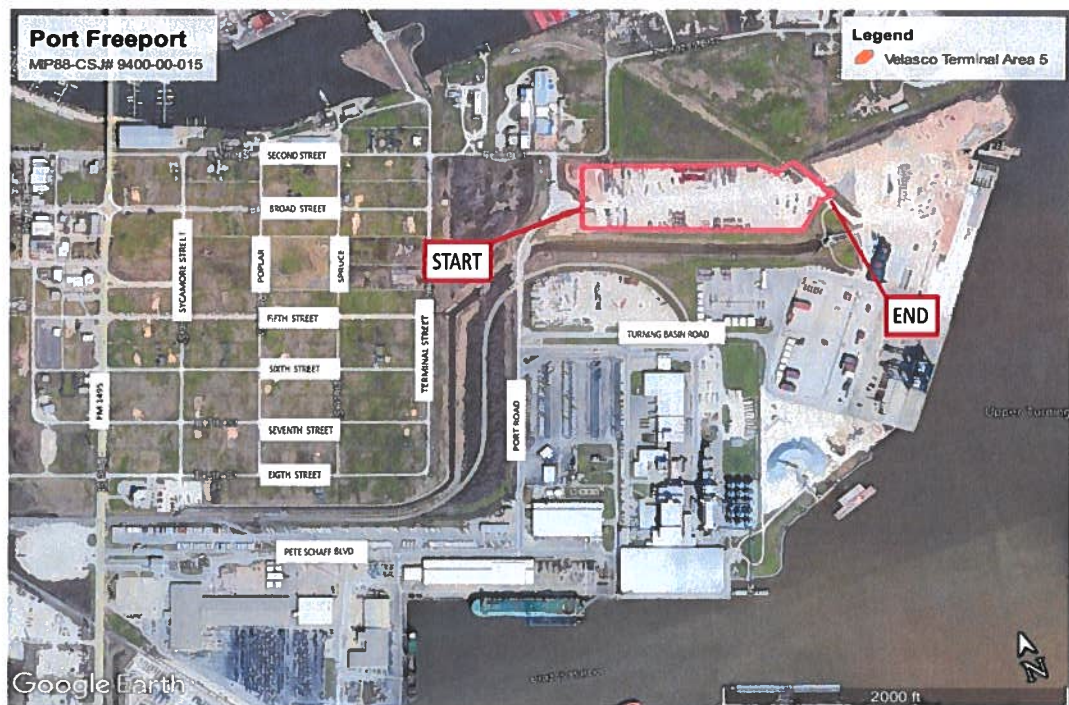




3. **Velasco Terminal Rider 37** – This project involves reconstructing portions of 8<sup>th</sup> Street, Poplar Street, and Terminal Street. It also involves building a truck parking area at Terminal Street and 5<sup>th</sup> Street and a Jug-handle intersection to connect FM 1495 to 2nd Street. This is partially funded through a RIDER 37 program that will pay up to \$6,228,128. The Port will pay the remaining \$2,771,872. Contracts have been signed and a pre-construction meeting is being scheduled now.

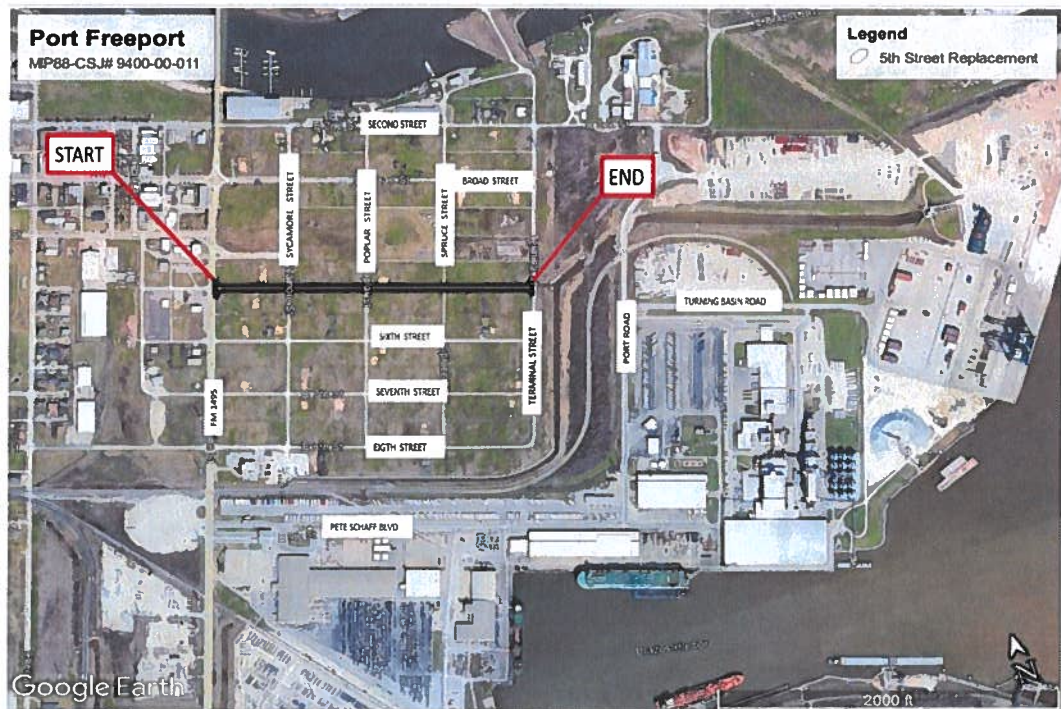


4. **Velasco Terminal Area 5** – This project involves development of container yard in Velasco Terminal. TxDOT will fund up to \$11,565,621 which is 75% of the estimated costs. The Port will pay remainder of the project costs, which is estimated to be \$3,855,207. The consulting engineer, LJA Engineering is developing the bid package at this time. Bidding is expected in the August 2024 timeframe. Project completion will occur in four phases with the last phase to be finished in September 2025.

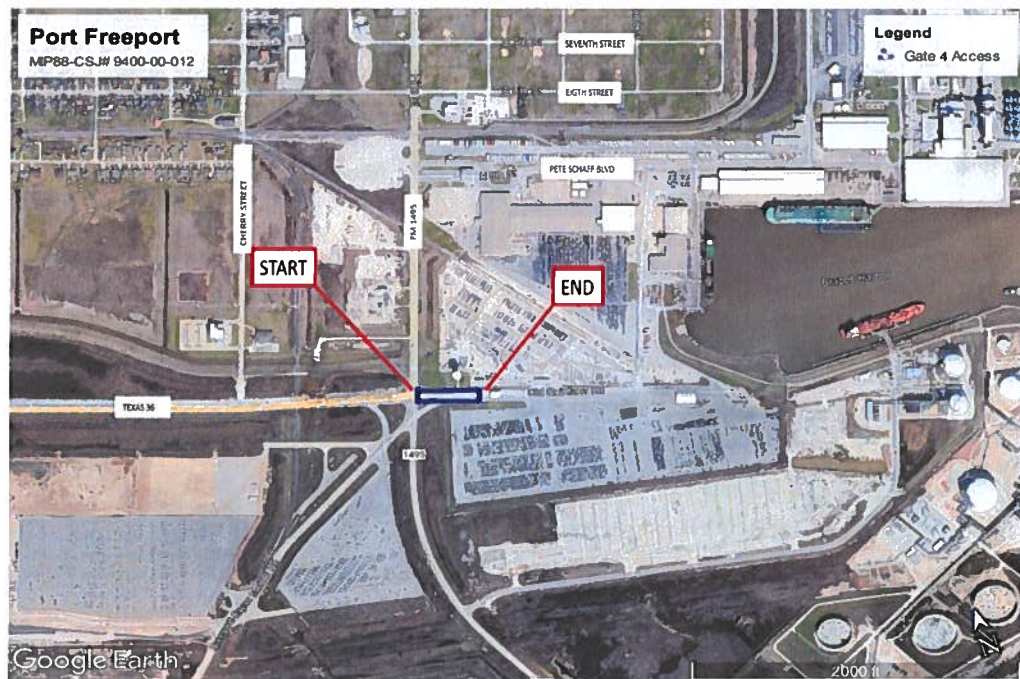


5. **East 5<sup>th</sup> Street** – This project involves rebuilding E. 5<sup>th</sup> Street in the expansion area to be suitable for truck traffic from FM 1495 to Terminal Street. TxDOT will fund up to \$3,802,189 which is 75% of the estimated costs. The Port will pay remainder of the project costs, which is estimated to be \$1,267,396. I will bring surveying and geotechnical/materials testing PSA's to the Commission for approval in June. This project will be designed in-house. Bidding is expected in the May 2025 timeframe. Project completion will be finished in September 2026.





6. **Gate 4 Access** – This project involves widening the access road to Gate 4 from FM 1495 to Gate 4. TxDOT will fund up to \$950,547 which is 75% of the estimated costs. The Port will pay remainder of the project costs, which is estimated to be \$316,849. I will bring surveying and geotechnical/materials testing PSA's to the Commission for approval in June. This project will be designed in-house. Bidding is expected in the May 2025 timeframe. Project completion will be finished in September 2026.



- 7. Docks 1, 2, and 5 Sheet Pile Repairs 2024** – This project involves repairing corroded holes in the steel sheet pile at Docks 1, 2, and 5. The project was awarded to SWS / Saltwater Salvage for \$191,000.00 on 4/25/24. Contracts have now been signed and the contractor is working between vessel calls.





8. **Docks 1, 2, 3, 5 and 7 Cathodic Protection** – This project involves replacing depleted deep-well anode beds and replacing cabling & boding to the submerged steel structure of the wharfs. The project, once completed, will protect the steel structure from corrosion and deterioration. The budget for this project is \$6,000,000. I anticipate that the bids will come in much higher than estimated due to inflation in labor, and materials over the past year since it was budgeted. This work is also specialized, and I don't anticipate many bids will be submitted. This may be another project where only one or two bidders can bond this specialized work.

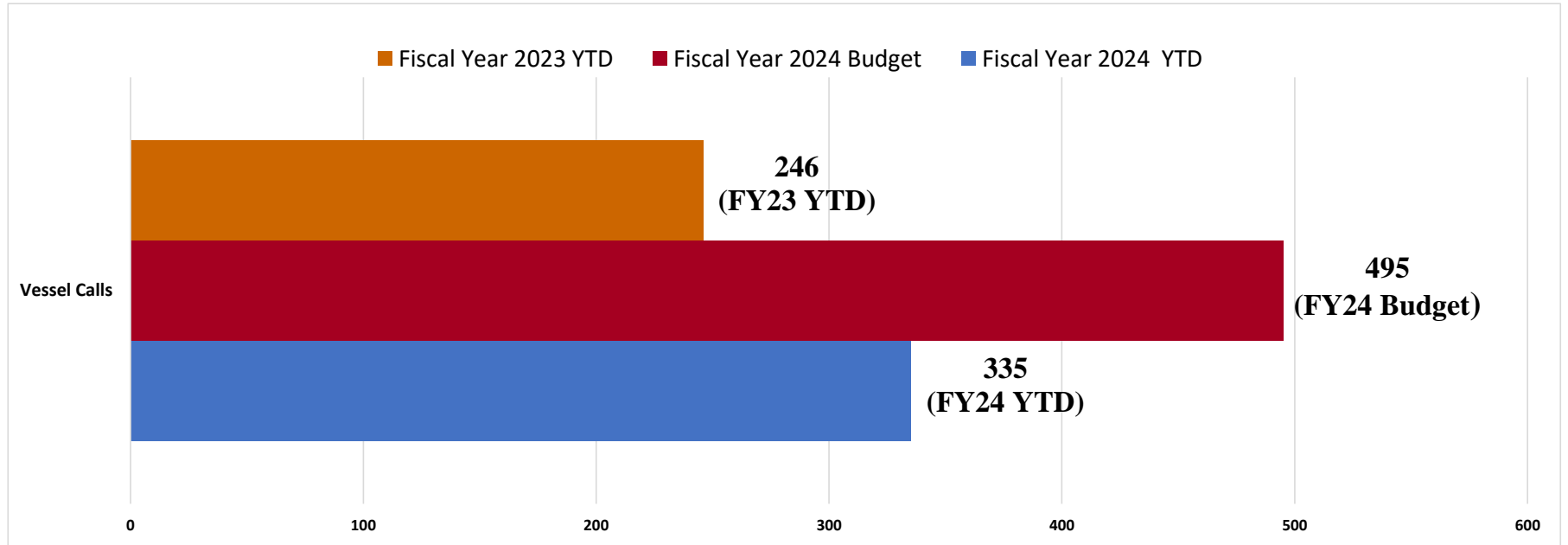






# PORT FREEPORT<sup>SM</sup>

## 2024 YTD Vessel Calls

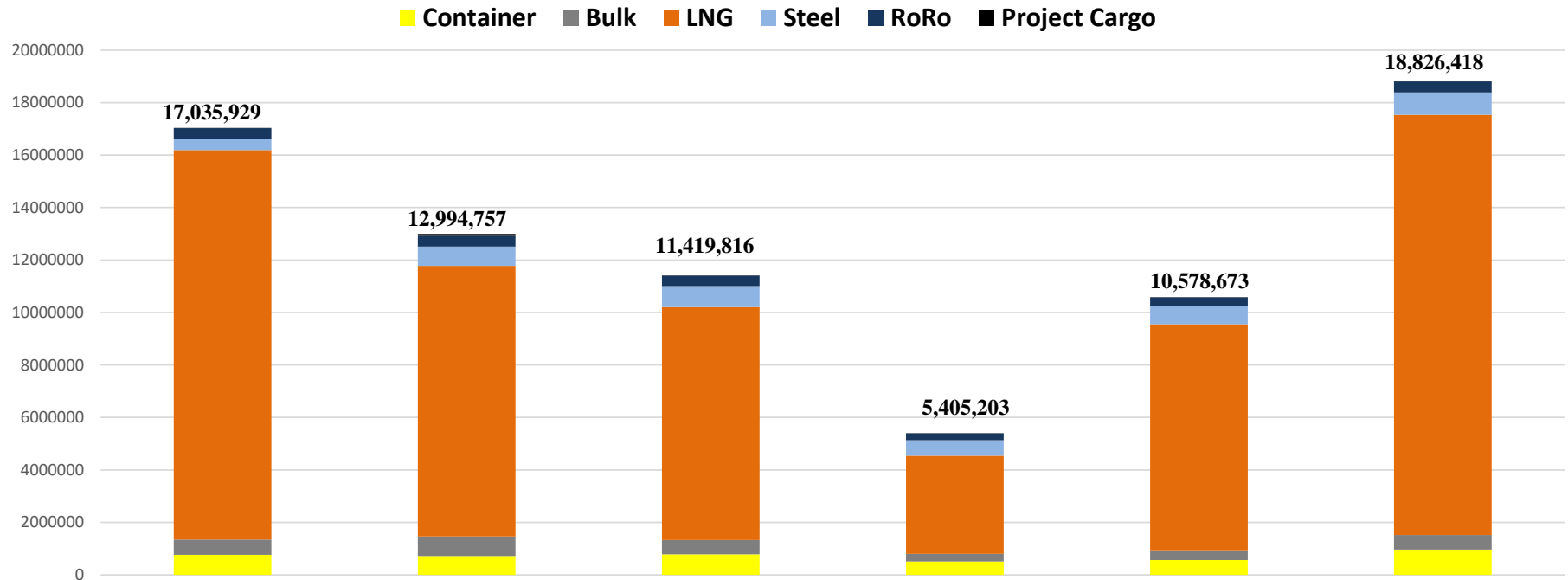


	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2023 YTD	Fiscal Year 2024 Budget	Fiscal Year 2024 YTD	Oct 2023	Nov 2023	Dec 2023	Jan 2024	Feb 2024	Mar 2024	Apr 2024	May 2024	Jun 2024	Jul 2024	Aug 2024	Sep 2024
Vessel Calls	531	456	402	246	495	335	45	42	43	41	42	33	36	53				
Lay Days	926	1195	1086	697	0	947	81	78	102	149	110	138	150	139				

May 2024: 53 Total Vessel Calls, up 18% from Prior Year.  
There were 97 Total Vessel Calls Portwide.



## Total Tonnage by Fiscal Year



	Fiscal Year 2021 Total	Fiscal Year 2022 Total	Fiscal Year 2023 Total	Fiscal 2023 YTD	Fiscal 2024 YTD	Fiscal 2024 Budget
Container	768,773	720,369	784,516	512,309	562,788	967,246
Bulk	576,991	740,634	546,017	292,209	372,965	555,466
LNG	14,844,459	10,314,729	8,879,936	3,739,384	8,619,877	16,014,000
Steel	423,442	735,992	797,447	590,458	687,155	852,000
RoRo	411,441	415,071	400,811	263,439	333,427	419,706
Project Cargo	10,823	67,962	11,092	7,403	2,460	18,000
<b>Total Import/Export</b>	<b>17,035,929</b>	<b>12,994,757</b>	<b>11,419,816</b>	<b>5,405,203</b>	<b>10,578,673</b>	<b>18,826,418</b>

\*\*YTD Tonnage is up 96% from this time last year.\*\*

## Rail Car Count FY 24

	Steel	Bulk	RoRo Arrivals		RoRo Departure		Total
			Loaded	Empty	Loaded	Empty	
October	52	228					280
November	16	160					176
December	12	233					245
January	10	226					236
February	6	201					207
March	33	82	91	8	32	29	275
April	0	256	130	167	281	6	840
May	0	161	92	341	440	0	1034
June							0
July							0
August							0
September							0
Total	129	1547	313	516	753	35	3293

RoRo	March	April	May	June	July	August	September	Total
Unloaded Vehicles	712	1120	1152					2984
Outgated Vehicles	316	2842	4403					7561

**PORT FREEPORT  
OPERATIONS ACTIVITY SUMMARY**

**MAY 2024**

**A. MONTHLY ACTIVITY EXPLANATION**

- \* Total import/export activity for the month of May was better than expected.
- \* LNG experienced ( **21** ) vessels this month.
- \* Bulk Rice experienced ( **1** ) vessel this month.
- \* Bulk Aggregate did not experience a vessel this month.
- \* Total ( **16** ) RoRo vessels handled.
- \* Steel experienced ( **3** ) vessels, ( **19** ) barges and ( **0** ) railcars this month.
- \* Total of ( **8** ) Container vessel calls.
- \* Total of ( **1,034** ) Rail cars this month.
- \* Average vessel activity in 2023 was 34 per month. This month, we handled 53 vessels (21 LNG & 32 Inner Harbor).
- \* *There were ( **97** ) Total Vessel arrivals Port wide.*

**B. FISCAL YEAR ACTIVITY EXPLANATION**

- \* Total Tons for this year are better than expected. This is due to the transition of vessel calls by LNG and additional calls of Steel Bars and RoRo vessels.
- \* LNG has handled ( **124** ) vessels for export.
- \* Steel has handled ( **24** ) vessels, ( **83** ) barges and ( **129** ) railcars.
- \* Total ( **89** ) RoRo vessels handled.
- \* YTD ( **68** ) Container vessel calls.
- \* Bulk CO2 handled ( **143** ) railcars with **10,348** Tons Loaded.
- \* Bulk Aggregate handled ( **1,039** ) railcars, discharging **119,486** Tons of Aggregate and ( **1** ) Vessel.
- \* Bulk Rice handled ( **365** ) railcars.
- \* RoRo has handled ( **1,617** ) railcars.
- \* Total vessels handled this fiscal year is **335** compared to **246** last year ( **124** LNG & **211** Inner Harbor).
- \* ***Total Port wide Vessels Fiscal Year-to-date ( 761 )***
- \* ***Total Vehicles Handled Year-to-date ( 91,777 )***
- \* ***Total Containers Handled ( 32,307 )***
- \* ***Total Railcars Handled ( 3,293 )***

### **C. INSIGHT TO ACTIVITY FOR JUNE 2024**

- \* LNG has scheduled ( **18** ) vessels.
- \* Bulk Rice has scheduled ( **1** ) vessels.
- \* Bulk Aggregate has scheduled ( **0** ) vessels and ( **95** ) Railcars for June.
- \* Expecting to handle ( **17** ) RoRo vessels.
- \* Steel has ( **2** ) vessels, ( **12** ) barges and ( **0** ) Railcars planned.
- \* Expecting ( **9** ) Container vessels.

### **D. OPERATIONAL MEETINGS AND AGENDAS**

- \* OPTS, Safety, Security – All Departments Working Together to prepare the Port for the Arrival of our Newest (2) Customers.
- \* Safety – Christine Lewis – Held Port Safety Training.
- \* Security – Chris Hogan – Hosted TWIC Card Escort Discussion.
- \* Security– Chris Hogan – Hosted the Port’s Hurricane Plan Review Meeting.
- \* Austin– Continues Meetings with RailLink/RoRo Customer/Union Pacific.
- \* Jesse – Hannah – Austin – Attended Meetings with New Container Line, Preparing for the Start of their Vessel operations.
- \* Don – Continue Working with PBA, ZPMC and ABB to Finalize the Design Specifications of the New STS Cranes.
- \* Jesse – Hannah – Austin – Attended Meetings with CBP.
- \* Jesse– Participated in Weekly “Protective Services Team Meeting”.
- \* Operations & Maintenance Staff- Attended Monthly Port Ops Safety Meeting



 PORT FREEPORT

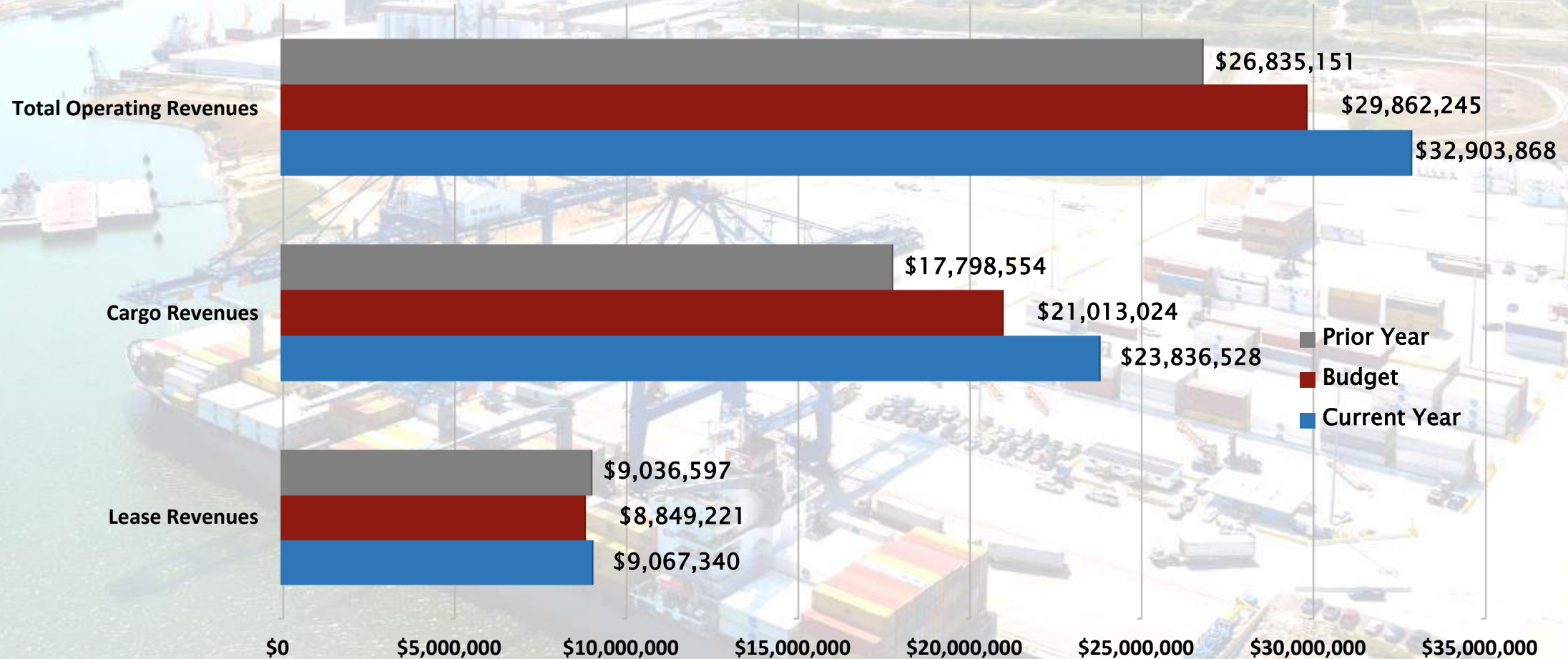
# Financial Report for May 31, 2024 (Unaudited)

June 27, 2024

Rob Lowe | Chief Financial Officer



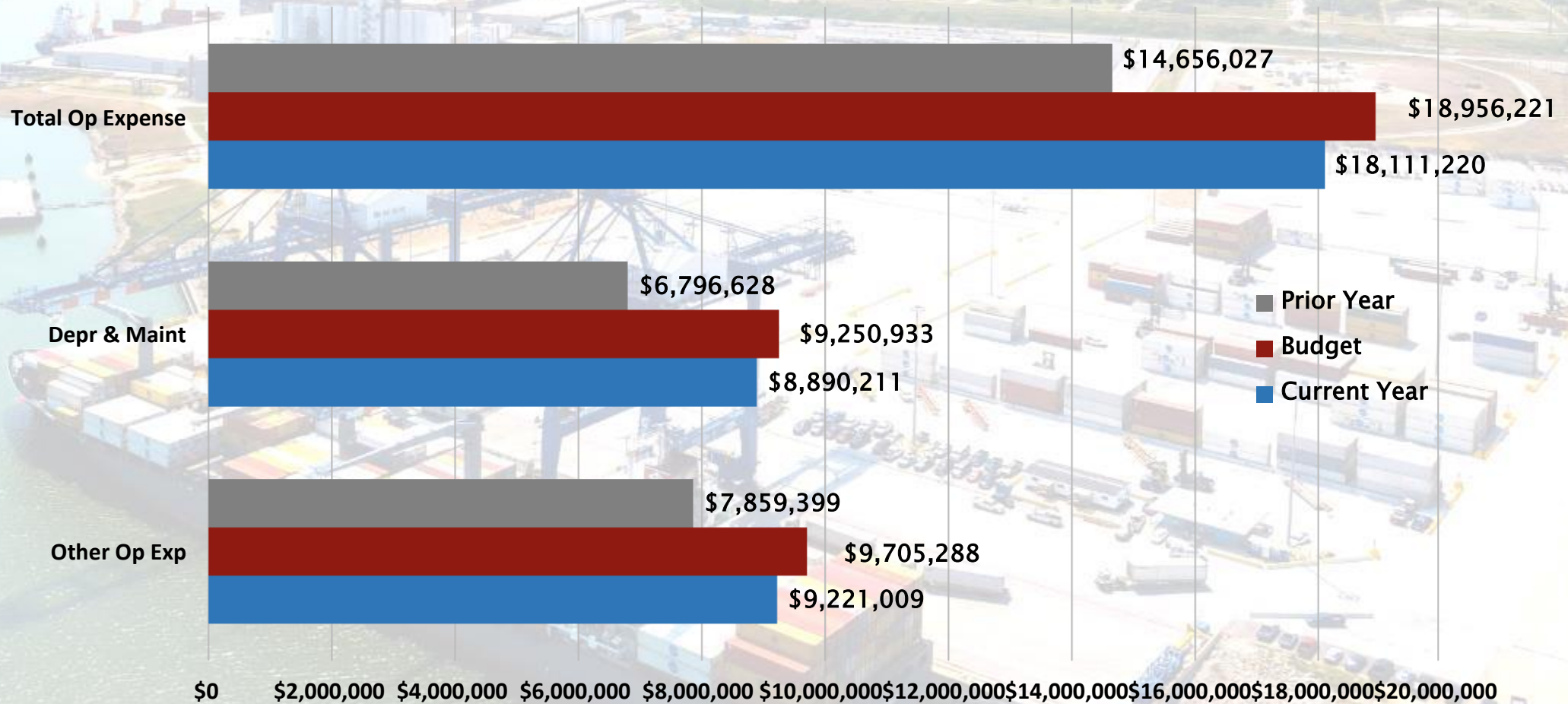
# FY 2024 YTD OPERATING REVENUES



## COMPARISON:

- Operating revenues are up over PY 23% and above budget 10%
- Cargo revenues are above PY by 34% and budget by 13%
- As compared to budget, cargo volumes are up in agriculture products, bulk aggregate, containerized cargo , and ro-ro cargo
- Lease revenues are at PY and are 2% above budget

# FY 2024 YTD OPERATING EXPENSE

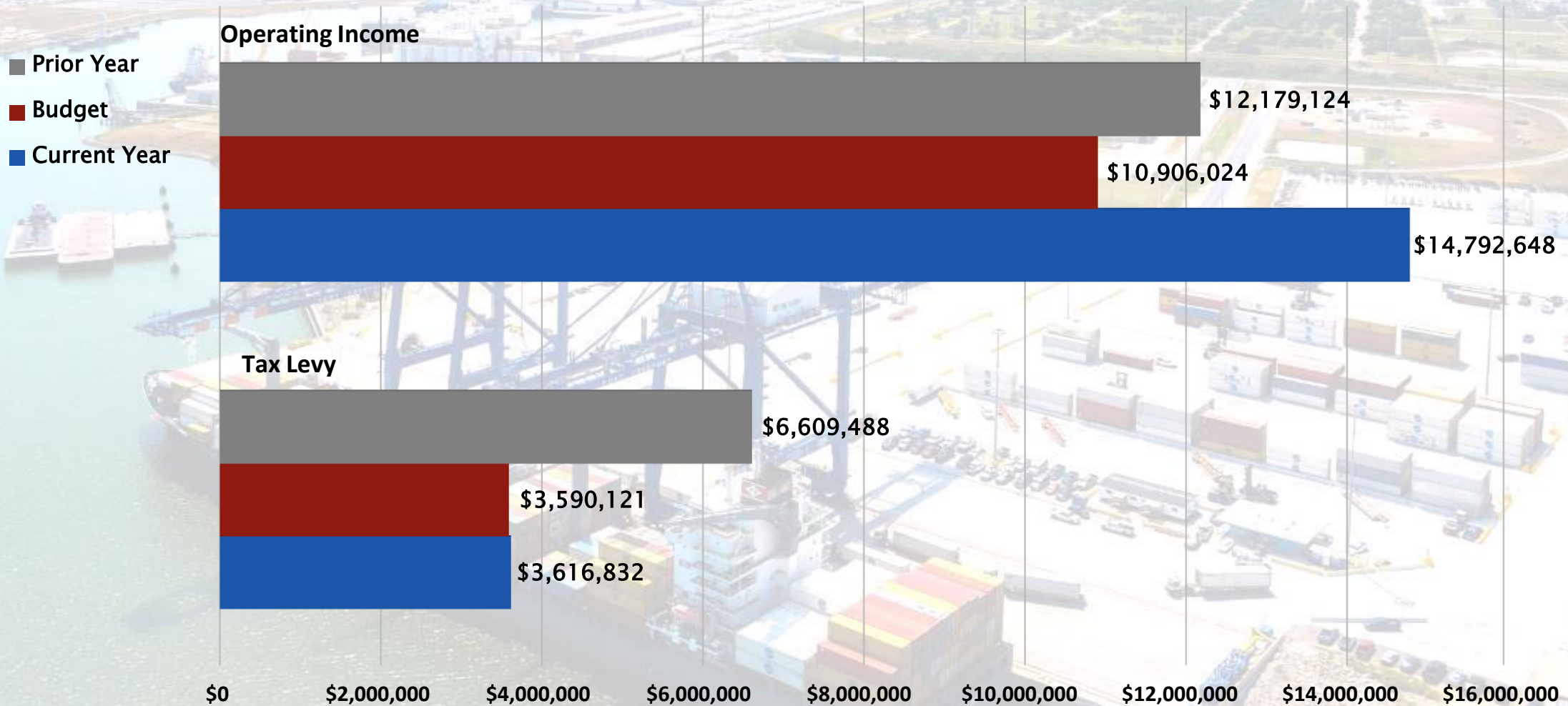


## COMPARISON:

- Total operating expenses are above prior year by 24%, below budget 4%
- Depr & maint are 31% above the PY and 4% below budget
- Other expenses are 17% above PY and below budget by 5%



# FY 2024 YTD OPERATING INCOME



## COMPARISON:

- Operating income is 21% above PY and above budget 36%

# OPERATIONAL EARNINGS



Operational Earnings is a comparative measure to EBITDA



# FY 2024 YTD CHANGE IN NET POSITION

## Change in Net Position

- Non-Operating Revenue (Expense) includes Ad Valorem Taxes, Investment Income, Debt Service and Gain (Loss) on Sale of Assets
- Drivers for comparison to budget are primarily timing of capital contribution projects.

	Year To Date	YTD Budget	Total 2024 Budget
<b>Operating Income</b>	\$ 14,792,648	\$ 10,906,024	\$ 17,517,400
<b>Non-Operating Revenue (Expenses)</b>	\$ (1,230,370)	\$ (1,270,844)	\$ (3,726,100)
<b>Capital Contributed (To) From Others</b>			
Freeport Harbor Channel Improvement Project	\$ (45,166)	\$ -	\$ -
Dredge Material Placement Fees	\$ 270,916	\$ -	\$ -
Other	\$ -	\$ -	\$ (950,000)
Grants	\$ -	\$ 4,196,855	\$ 19,120,700
<b>Change In Net Position</b>	\$ 13,788,028	\$ 13,832,035	\$ 31,962,000



# FY 2024 YTD CASH FLOWS

<i>Cash Flow Measure</i>	<i>Current Year</i>	<i>Prior Year</i>
<i>Cash Provided by Operations</i>	<b>\$ 19,443,173</b>	<b>\$ 16,410,193</b>
<i>Cash Provided by Non-Cap Financing</i>	<b>3,169,025</b>	<b>6,320,385</b>
<i>Cash Used by Cap Financing</i>	<b>(372,960)</b>	<b>(870,229)</b>
<i>Cash Provided by Investing Activities</i>	<b>3,391,480</b>	<b>2,415,112</b>
<i>Net Increase (Decrease) in Cash</i>	<b>\$ 25,630,718</b>	<b>\$ 24,275,461</b>

## COMPARISON:

- Operating cash flow is positive due to increase in operating revenues
- Cash provided from non cap financing are tax levy collections
- Capital Financing funds are used for capital improvements.
- 2024 Revenue Bonds were issued February 13, 2024.



# FY 2024 STATISTICS

<i><b>Measure</b></i>	<i><b>Current Year</b></i>	<i><b>Prior Year</b></i>	<i><b>Budget</b></i>
<i><b>Operating Margin</b></i>	<i><b>45%</b></i>	<i><b>45%</b></i>	<i><b>37%</b></i>
<i><b>Current Ratio (unrestricted)</b></i>	<i><b>5.6 to 1</b></i>	<i><b>2.9 to 1</b></i>	<i><b>n/a</b></i>
<i><b>Debt to Net Assets Ratio</b></i>	<i><b>1.389 to 1</b></i>	<i><b>1.458 to 1</b></i>	<i><b>n/a</b></i>



# ACCOUNTS RECEIVABLE AGING

<i><b>Year</b></i>	<i><b>0-30 days</b></i>	<i><b>31-60 days</b></i>	<i><b>61-90 days</b></i>	<i><b>Over 90 days</b></i>
<i><b>May 31, 2024 FY 2024</b></i>	<b>96%</b> <b>\$5,145,888</b>	<b>4%</b> <b>\$210,172</b>	<b>0%</b> <b>\$0</b>	<b>0%</b> <b>\$3,920</b>
<i><b>May 31, 2023 FY 2023</b></i>	<b>95%</b> <b>\$4,709,222</b>	<b>3%</b> <b>\$127,228</b>	<b>1%</b> <b>\$70,767</b>	<b>1%</b> <b>\$42,544</b>
<i><b>May 31, 2022 FY 2022</b></i>	<b>95%</b> <b>\$4,428,301</b>	<b>4%</b> <b>\$179,675</b>	<b>1%</b> <b>\$34,110</b>	<b>0%</b> <b>\$10,137</b>





**Questions and Comments?**





# PORT FREEPORT<sup>SM</sup>

1100 CHERRY ST., FREEPORT, TX 77541  
(979) 233-2667 1 (800) 362-5743 FAX: (979) 373-0023

## Interim Financial Report

(unaudited)

For the Period ending:

May 31, 2024

PORT COMMISSION

RAVI K. SINGHANIA, CHAIRMAN; ROB GIESECKE, VICE CHAIRMAN; BARBARA FRATILA, SECRETARY; KIM KINCANNON, ASST. SECRETARY;

DAN CROFT, COMMISSIONER; RUDY SANTOS, COMMISSIONER; PHYLLIS SAATHOFF, EXECUTIVE DIRECTOR/CEO



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# Management Narrative

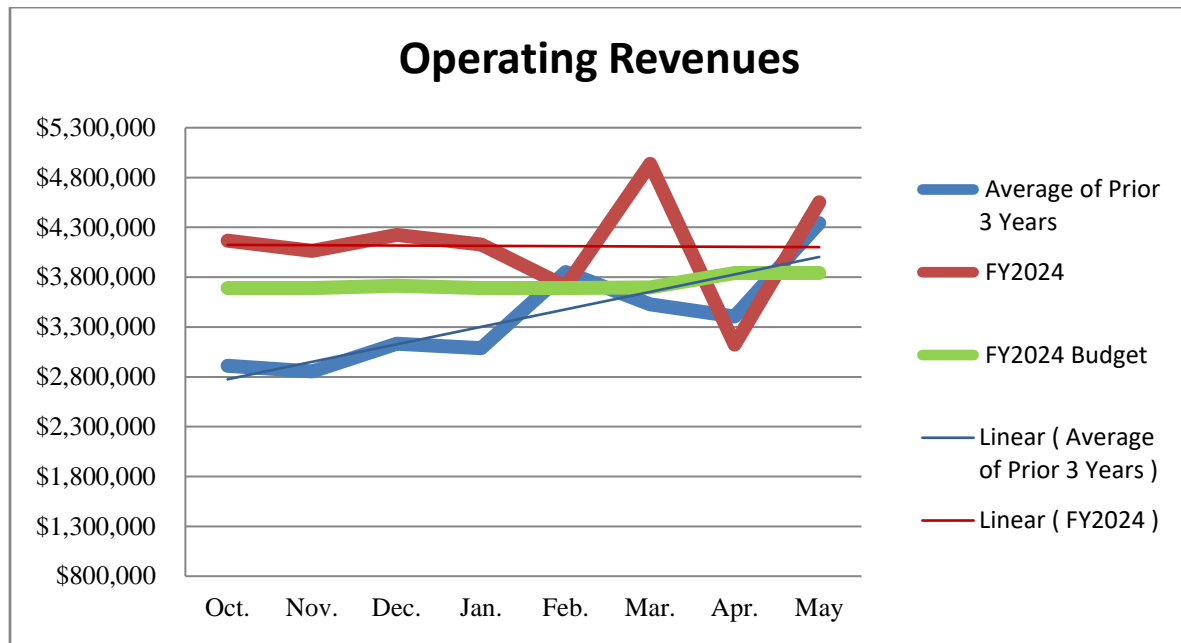
For the first eight months of Fiscal Year 2024, the Port remained on a sound financial foundation with operating revenues 10% above planned levels. Further, operating expenses are 4% below planned levels. These factors combined have contributed to producing an operating profit of \$14,792,648 and an operating margin of 45%, which is above planned performance levels by 36% or \$3,886,624 and is \$2,613,524 or 21% above the prior year's results.

The Port's overall position remains strong as evidenced in a current ratio (unrestricted) of 5.6 to 1, which reflects a strong liquidity position, and a debt ratio of 138.9% which is supported by our strong credit rating. The following table provides additional summary level information.

	Year to Date		Variance	% Var
	Actuals	Budget	Favorable (Unfavorable)	
<b>Statement of Revenues, Expenses and Changes in Net Assets</b>				
Operating revenues	\$ 32,903,868	\$ 29,862,245	\$ 3,041,623	10%
Operating expense	<u>18,111,220</u>	<u>18,956,221</u>	845,001	4%
Operating income (loss)	<u>14,792,648</u>	<u>10,906,024</u>	3,886,624	36%
Operating margin	45.0%	36.5%		
Net non operating revenues (expense)	(1,004,620)	(1,270,844)	266,224	-21%
Capital contributions	-	4,196,855	(4,196,855)	0%
Net extraordinary revenue (expense)	<u>-</u>	<u>-</u>	-	0%
Change in net assets	<u>\$ 13,788,028</u>	<u>\$ 13,832,035</u>	\$ (44,007)	
<b>Balance Sheet</b>				
Cash and cash equivalents	\$ 65,947,425	Current ratio (unrestricted) (Exclusive of GASB 87) 5.6 to 1		
Lease receivable	173,300,168			
Current unrestricted assets (less lease receivable)	31,988,917	Debt to Net Assets Ratio 138.9%		
Total assets	757,316,840			
Current unrestricted liabilities	5,684,266			
Total liabilities	347,212,999			
Deferred inflow of resources	164,199,722			
Total Net Assets	\$ 245,904,119			

The balance of this narrative provides detailed explanations and supplementary information for the variances when comparing budget to actual for the period ended May 31, 2024.

## OPERATING REVENUES



**Total operating revenues** for the period ending May 31, 2024, are \$32,903,868. This is \$3,041,623 or 10% above planned levels. The following provide more specific explanations for variances in revenue:

**Wharfage** revenue stands at \$10,723,086, which is under budget by \$425,302 or 4%. The following is a brief analysis of wharfage results by cargo category:

	8 Months Budget	Year To Date	Over (Under)	% Over (Under)
Agriculture Products	\$ 218,167	\$ 229,112	\$ 10,945	5%
Bulk Aggregate	44,160	171,637	127,477	289%
Containerized Cargo	1,105,542	1,351,193	245,651	22%
General Cargo	8,974,855	7,572,296	(1,402,559)	-16%
Project Cargo	-	53,970	53,970	0%
Ro-Ro Cargo	805,664	1,344,878	539,214	67%
Total	\$ 11,148,388	\$ 10,723,086	\$ (425,302)	

**Dockage** revenue stands at \$6,209,906, which is \$895,706 or 17% above budgeted levels. Year-to-date ship calls are 335 compared to a budget of 314.

**Equipment use fees**, stands at \$1,075,686, which is over budget \$147,302 or 16% due to increased equipment usage.

**Security fees**, corresponding with wharfage and dockage, stand at \$2,221,397, which is \$287,145 or 15% above budget.

**Facility use fees** are \$1,092,412. This is over budget by \$348,284 or 47% due to facility usage outside of tenant leased areas and increased rail activity.

**Other customer service fees** (Port service charges, incidental services, customer re-bills, water, etc.) are \$1,111,370 which is \$180,198 or 19% above budgeted levels.

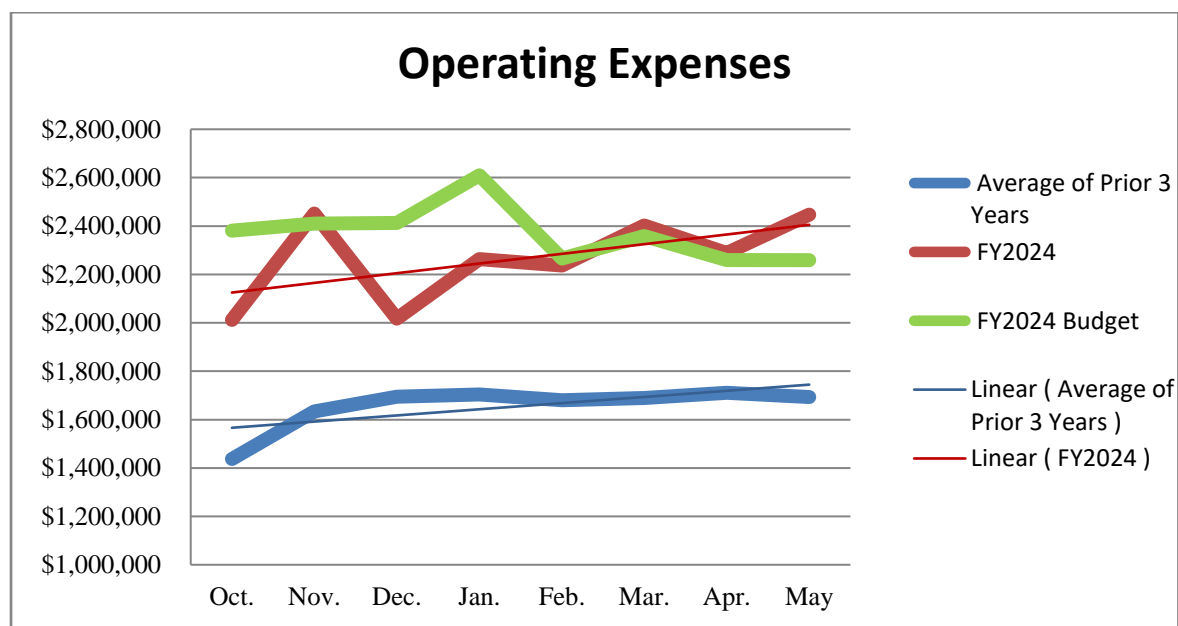
**Ground leases** stand at \$8,458,885, which is \$215,501 or 3% above budget levels.

**Other leases** are \$608,455, which is at budget levels.

**Other revenue** is \$2,671, which is below budgeted levels.

**Business interruption** final claim proceeds were \$1,400,000.

#### OPERATING EXPENSES



**Total operating expenses** are \$18,111,220, which is under budget \$845,001 or 4% for the period ended May 31, 2024. Following are more specific explanations for variances in operating expenses:

**Port salaries/wages and benefits** are \$3,669,186. This is \$412,478 or 10% less than budget. Currently, there are five vacancies not filled when compared to Fiscal Year 2024 Budget.

**Professional services** are \$1,959,014, which is under budget \$107,998 or 5%. Security services, at \$1,426,654, is the majority of this budget item and is 2% above budgeted levels.

**Training, travel & promotional** expenses are \$333,264 which is under budget \$263,360 or 44%. Following is a brief explanation of some of the sub-categories within this line item:

- Commercial advertising is \$84,314, which is below budgeted levels \$162,358 or 66% due to timing of advertisements and ad development (website) services.
- Sales/promotional travel costs are \$38,022 which is under budgeted levels by \$2,589 or 6% due to timing of travel.
- Governmental relations costs are \$7,193 which is below budget by \$17,623 or 71% due to timing of government related travel.
- Community events are \$19,621 which is above budgeted levels \$43,668 or 55% due to the TACFT expenses which will be offset in May with the sponsorships.
- Technical training is \$67,136 which is \$96,238 or 30% under budget due to timing of training.

**Supplies** are \$119,683 which is \$11,149 or 9% below budget.

**Utilities** at \$771,900 are over budget \$129,028 or 20%. The City of Freeport had a rate adjustment and that along with increased water usage due to broken water lines account for the overage in the water and sewer budget.

**Business insurance** is \$2,018,307, which is \$266,035 or 15% above budgeted levels. The invoice for the addition of the Berth 8 and RoRo ramp was received, which was not budgeted, and the property insurance renewal premiums increased 17.25%.

**Other services and charges** at \$310,722 are \$71,439 or 19% below budget.

**Maintenance and repair** expenses at \$983,323 are \$152,482 or 13% below budget. Following is a brief explanation of some of the repairs by facility/equipment type:

- Emergency repairs to the street sweeper were \$5,495.
- Emergency repairs to the transit shed sprinkler system were \$11,530.
- Emergency repairs to repair broken water lines were \$39,786.
- Emergency repairs to repair a broken water line at the administration building were \$2,428.
- Generator repairs for the Emergency Operations Center were \$4,696.
- Carpet replacement in the 2<sup>nd</sup> floor offices in the Operations building were \$5,400.
- Emergency repairs to the Berth 7 trailer air conditioning system were \$3,603.
- Emergency repairs to the truck scale were \$2,860.
- Emergency repairs to the transit shed sprinkler system were \$1,998.
- Repairs to the Administration Building are completed at a cost of \$293,715.

**Depreciation** expense at \$7,906,888 is \$208,240 or 3% below budget levels due to timing of additions.

**Operating income** is \$14,792,6648 compared to a total fiscal year budget of \$17,517,400, shows a positive result for Fiscal Year 2024.

## **NON-OPERATING REVENUES (EXPENSES)**

**Ad Valorem tax collections** are posted utilizing the certified appraised values less the related fees. Adjustments are made throughout the year from the tax office reports to reflect appraisal and tax office adjustments as well as prior year collections, penalty, and interest. Year to date values are \$3,616,832 compared to an annual budget of \$3,566,500.

**Investment income** is \$3,616,050, which is above budget due to changes in fair market values, increased funds invested, and interest rates.

**Debt interest and fees** are \$8,463,252, which is \$1,038,951 or 14% above budgeted levels due to the 2024 Revenue Bond issuance, which was not budgeted.

**Capital Contributions to Others** budget includes \$750,000 in contributions to the U.S. Army Corps of Engineers for maintenance dredging and \$200,000 in Berth 2 & 3 floodwall modifications. There has been \$45,166 in expenses for these projects.

**Dredge Material Placement** fees include \$270,916 in revenue for fees place in Port's dredge material placement area. This was not anticipated.

**Grant Revenue** budgeted for the Fiscal Year 2024 is \$19,120,700. There has been no grant revenue for Fiscal Year 2024. The grant revenue is funded on a reimbursement basis, so the capital contributions are recorded when the expenditures for each project are reported quarterly.

**PORT FREEPORT  
BALANCE SHEET**

	<u>5/31/2024</u>	<u>9/30/2023</u>
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
CASH AND CASH EQUIVALENTS	\$ 17,570,227	\$ 18,278,111
INVESTMENTS	4,999,932	0
RECEIVABLES (net of allowance for uncollectibles):		
TRADE ACCOUNTS	5,319,514	5,339,302
PROPERTY TAXES	84,173	71,807
LEASE RECEIVABLE	173,300,168	173,300,168
OTHER	(113,311)	59,474
OTHER GOVERNMENTS	641,051	646,158
ACCRUED INTEREST	0	0
PREPAIDS	2,160,338	1,397,947
INVENTORY	1,326,993	1,277,492
<b>TOTAL UNRESTRICTED CURRENT ASSETS</b>	<b>\$ 205,289,085</b>	<b>\$ 200,370,459</b>
<b>RESTRICTED ASSETS:</b>		
CASH AND CASH EQUIVALENTS	48,377,198	64,421,726
INVESTMENTS	51,235,079	13,861,881
RECEIVABLES (net of allowance for uncollectibles):		
PROPERTY TAXES	487,475	52,034
OTHER	-	589
ACCRUED INTEREST	247,043	22,473
BOND DISCOUNTS AND ISSUANCE COSTS	4,279	5,441
<b>TOTAL RESTRICTED ASSETS</b>	<b>100,351,074</b>	<b>78,364,144</b>
<b>TOTAL CURRENT ASSETS</b>	<b>305,640,159</b>	<b>278,734,603</b>
<b>PROPERTY, PLANT, AND EQUIPMENT:</b>		
PROPERTY, PORT, AND FACILITIES	566,035,774	555,050,157
LESS ACCUMULATED DEPRECIATION	(114,359,093)	(106,504,142)
PROPERTY, PLANT, AND EQUIPMENT NET	451,676,681	448,546,015
<b>TOTAL ASSETS</b>	<b>\$ 757,316,840</b>	<b>\$ 727,280,618</b>
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES:</b>		
ACCOUNTS PAYABLE	\$ 1,383,749	\$ 2,479,613
EQUIPMENT LEASE PAYABLE	1,558,990	1,558,990
ACCRUED COMPENSATED ABSENCES	0	138,315
UNEARNED LEASE INCOME	2,741,527	4,425,897
<b>TOTAL CURRENT LIABILITIES</b>	<b>\$ 5,684,266</b>	<b>\$ 8,602,815</b>
<b>LIABILITIES PAYABLE FROM RESTRICTED ASSETS:</b>		
ACCRUED BOND INTEREST PAYABLE	1,529,553	3,235,533
BONDS PAYABLE	125,000	5,535,000
<b>TOTAL CURRENT LIABILITIES FROM RESTRICTED ASSETS</b>	<b>1,654,553</b>	<b>8,770,533</b>
<b>NON-CURRENT LIABILITIES</b>		
EQUIPMENT LEASE PAYABLE	0	0
BONDS PAYABLE	318,090,000	292,435,000
BOND PREMIUMS	21,784,180	21,156,457
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>339,874,180</b>	<b>313,591,457</b>
<b>TOTAL LIABILITIES</b>	<b>\$ 347,212,999</b>	<b>\$ 330,964,805</b>
<b>DEFERRED INFLOW OF RESOURCES</b>		
DEFERRED INFLOW OF RESOURCES	164,199,722	164,199,722
<b>TOTAL DEFERRED INFLOW OF RESOURCES</b>	<b>\$ 164,199,722</b>	<b>\$ 164,199,722</b>
<b>NET ASSETS</b>		
NET INVESTMENT IN CAPITAL ASSETS	\$ 260,535,967	\$ 256,735,808
RESTRICTED-DEBT SERVICE	15,251,850	14,583,736
RESTRICTED-CAPITAL PROJECTS (Corps)	12,291	12,274
RESTRICTED CONTRIBUTED TO OTHERS	44,560,374	43,285,348
RESERVE FOR CAPITAL IMPROVEMENTS	18,081,910	17,644,062
UNRESTRICTED DEBT CONTRIBUTED TO OTHERS	(128,724,339)	(128,869,799)
UNRESTRICTED	36,186,066	28,724,662
<b>TOTAL NET ASSETS</b>	<b>\$ 245,904,119</b>	<b>\$ 232,116,091</b>

**PORT FREEPORT**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS**  
**May 31, 2024**

	YEAR TO DATE	PRIOR YEAR TO DATE	% OVER (UNDER)	8 MONTHS BUDGET	% OVER (UNDER)	TOTAL 2023/2024 BUDGET
<b>OPERATING REVENUES:</b>						
Wharfage	\$ 10,723,086	\$ 8,280,015	30%	\$ 11,148,388	-4%	\$ 17,049,000
Dockage & deep water berth	6,209,906	3,228,168	92%	5,314,200	17%	8,134,100
Equipment & pallet use fees	1,075,686	1,011,327	6%	928,384	16%	1,537,600
Facility use fees	1,092,412	910,762	20%	744,128	47%	1,116,200
Security Fees	2,221,397	1,353,691	64%	1,934,252	15%	2,984,500
Other Customer Service Fees	1,111,370	918,075	21%	931,172	19%	1,443,500
Ground leases	8,458,885	8,443,943	0%	8,243,384	3%	12,554,800
Other leases	608,455	592,754	3%	605,837	0%	908,800
GASB 87 Lease recognition	-	-	0%	-	0%	-
Other revenue	2,671	96,416	-97%	12,500	-79%	25,000
Business interruption Claim	1,400,000	2,000,000	-30%	-	0%	-
<b>Total Operating Revenues</b>	<b>32,903,868</b>	<b>26,835,151</b>	<b>23%</b>	<b>29,862,245</b>	<b>10%</b>	<b>45,753,500</b>
<b>OPERATING EXPENSES:</b>						
Port salaries/wages	2,831,033	2,467,463	15%	3,097,472	-9%	4,626,200
Port employee benefits	838,153	856,017	-2%	984,192	-15%	1,714,300
Professional services	1,959,014	2,078,333	-6%	2,067,012	-5%	3,105,200
Training, travel, and promotional	372,197	339,148	10%	648,475	-43%	844,500
Supplies	119,683	124,326	-4%	130,832	-9%	188,400
Utilities	771,900	545,451	42%	642,872	20%	964,300
Business Insurance	2,018,307	1,133,862	78%	1,752,272	15%	2,628,400
Other services & charges	310,722	314,799	-1%	382,161	-19%	554,900
Maintenance & repair	983,323	868,769	13%	1,135,805	-13%	1,437,200
Depreciation	7,906,888	5,927,859	33%	8,115,128	-3%	12,172,700
<b>Total Operating Expenses</b>	<b>18,111,220</b>	<b>14,656,027</b>	<b>24%</b>	<b>18,956,221</b>	<b>-4%</b>	<b>28,236,100</b>
<b>OPERATING INCOME (LOSS)</b>	<b>14,792,648</b>	<b>12,179,124</b>	<b>21%</b>	<b>10,906,024</b>	<b>36%</b>	<b>17,517,400</b>
<b>NON-OPERATING REVENUES (EXPENSES)</b>						
Ad Valorem tax collections	3,616,832	6,609,488	-45%	3,590,121	1%	3,566,500
Investment Income	3,616,050	2,432,139	49%	2,563,336	41%	3,845,000
Gain (loss) on sale of assets	-	-	0%	-	0%	-
Debt interest and fees	(8,463,252)	(7,205,516)	17%	(7,424,301)	14%	(11,137,600)
<b>CAPITAL CONTRIBUTIONS (TO) FROM OTHERS:</b>						
Freeport Harbor Improvement Project	(45,166)	(20,260,949)	-100%	-	0%	(750,000)
Berth 2 Floodwall Modifications	-	-	0%	-	0%	(200,000)
Contributed Capital-Other	-	(47,000)	-100%	-	0%	-
<b>OTHER:</b>						
Dredge material placement fees	270,916	-	0%	-	0%	-
<b>Total Non-Operating Revenue (Expenses)</b>	<b>(1,004,620)</b>	<b>(18,471,838)</b>	<b>-95%</b>	<b>(1,270,844)</b>	<b>-21%</b>	<b>(4,676,100)</b>
<b>INCOME (LOSS) BEFORE CONTRIBUTIONS AND EXTRAORDINARY EXPENSE</b>	<b>13,788,028</b>	<b>(6,292,714)</b>	<b>-319%</b>	<b>9,635,180</b>	<b>43%</b>	<b>12,841,300</b>
<b>CAPITAL CONTRIBUTIONS:</b>						
<b>Grants:</b>						
Grants Port-Freeport	-	3,877,188	-100%	4,196,855	-100%	19,120,700
<b>Total Capital Contributions-Grants</b>	<b>-</b>	<b>3,877,188</b>	<b>-100%</b>	<b>4,196,855</b>	<b>-100%</b>	<b>19,120,700</b>
<b>EXTRAORDINARY ITEM</b>						
Emergency Recovery Efforts - Hurricane	-	-	0%	-	0%	-
<b>Net Extraordinary Income (Expense)</b>	<b>-</b>	<b>-</b>	<b>0%</b>	<b>-</b>	<b>0%</b>	<b>-</b>
<b>CHANGE IN NET POSITION</b>	<b>\$ 13,788,028</b>	<b>\$ (2,415,526)</b>	<b>-671%</b>	<b>\$ 13,832,035</b>	<b>0%</b>	<b>\$ 31,962,000</b>



# STATEMENT OF CASH FLOWS

May 31, 2024

	YEAR TO DATE	PRIOR YEAR TO DATE
<b>Cash Flows from Operating Activities:</b>		
Operating Income (Loss)	\$ 14,792,648	\$ 12,179,124
Adjustments to Reconcile Operating Income (Loss) to Net Cash Flows from Operating Activities:		
Depreciation	7,906,888	5,927,859
Dredge Material Placement Fees	270,916	-
Change in Assets and Liabilities:		
Trade receivables	19,788	(1,443,147)
Other receivables	172,785	4,924,692
Lease Receivable	-	-
Deferred inflow of resources	-	-
Inventories	(49,501)	(9,051)
Prepaid and Other	(761,802)	(870,831)
Accounts payable	(1,095,864)	(2,491,776)
Deferred lease income	(1,684,370)	(1,672,076)
Accrued compensated absences	(138,315)	(134,601)
<b>Total Cash Provided from (Used for) Operating Activities</b>	<b>19,433,173</b>	<b>16,410,193</b>
<b>Cash Flows from Non-capital Financing Activities:</b>		
Property tax receipts	3,206,137	6,379,912
Property tax collection expense	(37,112)	(59,527)
Emergency Recovery Efforts - Disaster Related	-	-
<b>Total Cash Provided from (Used for) Non-capital Financing Activities</b>	<b>3,169,025</b>	<b>6,320,385</b>
<b>Cash Flows from Capital Financing Activities:</b>		
Principal payments under debt obligations	(5,410,000)	(5,195,000)
Interest and fees paid under debt obligations	(9,540,347)	(8,739,620)
Proceeds from sale of long-term debt obligations	25,655,000	55,800,000
Land, capital improvement, and equipment purchases	(11,037,554)	(26,305,284)
Other capital acquisition (costs) or recoveries, extraordinary	-	-
Capital contributions	(45,166)	(20,307,949)
Gants received	5,107	3,877,624
Proceeds from sale/disposal of capital assets	-	-
<b>Total Cash Provided from (Used for) Capital Financing Activities</b>	<b>(372,960)</b>	<b>(870,229)</b>
<b>Cash Flows from Investing Activities:</b>		
Investment earnings	2,989,906	1,672,866
Change in FMV of marketable investment securities	401,574	742,246
<b>Total Cash Provided from (Used for) Investing Activities</b>	<b>3,391,480</b>	<b>2,415,112</b>
<b>Net Increase(Decrease) in Cash and Cash Equivalents</b>	<b>25,620,718</b>	<b>24,275,461</b>
<b>Cash and Cash Equivalents at Beginning of Period</b>	<b>96,561,718</b>	<b>81,177,305</b>
<b>Cash and Cash Equivalents at End of Period</b>	<b>\$ 122,182,436</b>	<b>\$ 105,452,766</b>

## NOTES TO FINANCIAL STATEMENTS

### **Note 1 - Accounts Receivable Aging**

0 - 30 days	\$	5,145,888	96%
31 - 60 days		210,172	4%
61 - 90 days		-	0%
Over 90 days	\$	3,920	0%
Allowance for uncollectibles		(40,466)	-1%
<b>Net Trade A/R</b>	<b>\$</b>	<b>5,319,514</b>	

### **Note 2 - Accounts Payable Information**

Retainage Withheld	\$	47,569
Corps of Engineers*		620,518
Employee Payroll Related		22,496
Accounts Payable		693,166
<b>Total A/P</b>	<b>\$</b>	<b>1,383,749</b>

45' Project - \$620,518

### **Note 3 - Debt Service Information**

	Original Amount of Issue	Principal Paid	Issue Outstanding
General Obligation Bonds, Series 2019	\$ 31,795,000	\$ 1,750,000	\$ 30,045,000
General Obligation Bonds, Series 2021	37,135,000	-	37,135,000
General Obligation Bonds, Series 2023	55,800,000	-	55,800,000
Senior Lien Revenue Refunding Bonds, Series 2013A	33,065,000	22,740,000	10,325,000
Senior Lien Revenue and Refunding Bonds, Series 2015A	39,635,000	7,260,000	32,375,000
Senior Lien Revenue Refunding Bonds, Series 2018	32,865,000	3,440,000	29,425,000
Senior Lien Revenue Bonds, Series 2019A	45,200,000	4,205,000	40,995,000
Senior Lien Revenue Bonds, Series 2019B	29,480,000	2,905,000	26,575,000
Senior Lien Revenue Bonds, Series 2021	29,885,000	-	29,885,000
Senior Lien Revenue Bonds, Series 2024	25,655,000	-	25,655,000
2014 Equipment Lease Payable	14,100,000	12,541,010	1,558,990
<b>Total Bonds</b>	<b>\$ 374,615,000</b>	<b>\$ 54,841,010</b>	<b>\$ 319,773,990</b>

Less Current Portion of Long-Term Debt Payable	\$	1,683,990
Long-term Debt Payable	\$	318,090,000

### **Note 4 - Net Asset Information**

A Special Reserve for Capital Improvements was created on Oct 22, 2015. A commitment was made to fund this reserve with an amount equal to the total maintenance and operations portion of the Port's tax rate.

Fiscal Year 2016 Amount Funded	\$	3,423,398
Fiscal Year 2017 Amount Funded	\$	3,570,000
Fiscal Year 2018 Amount Funded	\$	3,887,346
Fiscal Year 2019 Amount Funded	\$	4,269,552
Fiscal Year 2020 Amount Funded	\$	4,120,672
Fiscal Year 2021 Amount Funded	\$	3,981,963
Fiscal Year 2022 Amount Funded	\$	3,627,381
Fiscal Year 2023 Amount Funded	\$	3,351,718

**PORT FREEPORT**  
**OPERATING EXPENSES BY DEPARTMENT**  
**May 31, 2024**

	YEAR TO-DATE	PRIOR YEAR TO-DATE	PRIOR YEAR % OVER (UNDER)	8 MONTHS BUDGET	BUDGET % OVER (UNDER)	TOTAL 2023/2024 BUDGET
<b><u>COMMISSIONERS</u></b>						
<b>OPERATING EXPENSES:</b>						
Port salaries/wages	\$ 38,400	\$ 36,800	4%	\$ 38,400	0%	\$ 57,600
Port employee benefits	3,712	48,541	-92%	3,827	0%	5,291
Professional services	117	10,000	-99%	-	0%	-
Training, travel & promotional	51,740	39,895	30%	61,840	-16%	71,650
Supplies	387	367	5%	400	-3%	600
Utilities	5,640	4,992	13%	4,200	34%	6,300
<b>Total Operating Expenses</b>	<b>\$ 99,996</b>	<b>\$ 140,595</b>	<b>-29%</b>	<b>\$ 108,667</b>	<b>-8%</b>	<b>\$ 141,441</b>

**ADMINISTRATION & FOREIGN TRADE ZONE**

<b>OPERATING EXPENSES:</b>						
Port salaries/wages	\$ 869,305	\$ 771,510	13%	\$ 1,035,932	-16%	\$ 1,533,900
Port employee benefits	234,817	239,447	-2%	305,456	-23%	538,424
Professional services	441,261	571,953	-23%	530,272	-17%	802,800
Training, travel & promotional	83,386	75,103	11%	128,896	-35%	187,700
Supplies	23,118	18,301	26%	20,332	14%	28,600
Utilities	52,931	58,989	-10%	52,468	1%	78,700
Business Insurance	2,018,307	1,133,862	78%	1,752,272	15%	2,628,400
Other services & charges	231,760	230,936	0%	242,386	-4%	364,400
Maintenance & repair	397,437	90,010	342%	415,536	-4%	473,050
Depreciation	7,906,888	5,927,859	33%	8,115,128	-3%	12,172,700
<b>Total Operating Expenses</b>	<b>\$ 12,259,210</b>	<b>\$ 9,117,970</b>	<b>34%</b>	<b>\$ 12,598,678</b>	<b>-3%</b>	<b>\$ 18,808,674</b>

**ENGINEERING**

<b>OPERATING EXPENSES:</b>						
Port salaries/wages	\$ 269,874	\$ 264,479	2%	\$ 318,468	-15%	\$ 477,700
Port employee benefits	89,014	99,913	-11%	105,795	-16%	187,139
Professional services	32,350	21,004	54%	132,004	-75%	198,000
Training, travel & promotional	5,241	7,506	-30%	26,936	-81%	40,300
Supplies	2,288	2,027	13%	3,936	-42%	5,900
Utilities	3,291	5,580	-41%	3,136	5%	4,700
Other services & charges	3,600	3,453	4%	5,072	-29%	7,600
Maintenance & repair	34	1,259	-97%	336	-90%	500
<b>Total Operating Expenses</b>	<b>\$ 405,692</b>	<b>\$ 405,221</b>	<b>0%</b>	<b>\$ 595,683</b>	<b>-32%</b>	<b>\$ 921,839</b>

**OPERATIONS**

<b>OPERATING EXPENSES:</b>						
Port salaries/wages	\$ 1,232,907	\$ 1,061,012	16%	\$ 1,214,426	2%	\$ 1,821,630
Port employee benefits	381,613	357,940	7%	418,407	-9%	719,911
Professional services	50,817	70,936	-28%	5,400	841%	5,400
Training, travel & promotional	17,769	20,810	-15%	21,407	-17%	26,750
Supplies	57,537	66,488	-13%	63,964	-10%	93,400
Utilities	679,733	442,783	54%	541,932	25%	812,900
Other services & charges	38,196	41,160	-7%	93,303	-59%	120,800
Maintenance & repair	531,685	707,921	-25%	672,898	-21%	893,500
<b>Total Operating Expenses</b>	<b>\$ 2,990,257</b>	<b>\$ 2,769,050</b>	<b>8%</b>	<b>\$ 3,031,737</b>	<b>-1%</b>	<b>\$ 4,494,291</b>

**PORT FREEPORT**  
**OPERATING EXPENSES BY DEPARTMENT**  
**May 31, 2024**

	YEAR TO-DATE	PRIOR YEAR TO-DATE	PRIOR YEAR % OVER (UNDER)	8 MONTHS BUDGET	BUDGET % OVER (UNDER)	TOTAL 2023/2024 BUDGET
<b><u>BUSINESS DEVELOPMENT</u></b>						
<b>OPERATING EXPENSES:</b>						
Port salaries/wages	\$ 284,340	\$ 256,665	11%	\$ 335,132	-15%	\$ 502,700
Port employee benefits	79,465	87,357	-9%	100,889	-21%	178,401
Professional services	315	3,312	-90%	-	0%	-
Training, travel & promotional	206,543	194,633	6%	402,160	-49%	507,400
Supplies	2,387	3,488	-32%	3,932	-39%	5,400
Utilities	2,673	5,954	-55%	3,868	-31%	5,800
Other services & charges	10,462	14,309	-27%	15,234	-31%	22,850
Maintenance & repair	-	-	0%	-	0%	-
<b>Total Operating Expenses</b>	<b>\$ 586,185</b>	<b>\$ 565,718</b>	<b>4%</b>	<b>\$ 861,215</b>	<b>-32%</b>	<b>\$ 1,222,551</b>

**PROTECTIVE SERVICES**

<b>OPERATING EXPENSES:</b>						
Port salaries/wages	\$ 136,207	\$ 76,997	77%	\$ 155,114	-12%	\$ 232,670
Port employee benefits	49,532	22,819	117%	49,818	-1%	85,134
Professional services	1,434,154	1,401,128	2%	1,399,336	2%	2,099,000
Training, travel & promotional	7,518	1,201	526%	7,236	4%	10,700
Supplies	33,966	33,655	1%	38,268	-11%	54,500
Utilities	27,632	27,153	2%	37,268	-26%	55,900
Other services & charges	26,704	24,941	7%	26,166	2%	39,250
Maintenance & repair	54,167	69,579	-22%	47,035	15%	70,150
<b>Total Operating Expenses</b>	<b>\$ 1,769,880</b>	<b>\$ 1,657,473</b>	<b>7%</b>	<b>\$ 1,760,241</b>	<b>1%</b>	<b>\$ 2,647,304</b>

**CONSOLIDATED - TOTAL**

<b>OPERATING EXPENSES:</b>						
Port salaries/wages	\$ 2,831,033	2,467,463	15%	\$ 3,097,472	-9%	\$ 4,626,200
Port employee benefits	838,153	856,017	-2%	984,192	-15%	1,714,300
Professional services	1,959,014	2,078,333	-6%	2,067,012	-5%	3,105,200
Training, travel & promotional	372,197	339,148	10%	648,475	-43%	844,500
Supplies	119,683	124,326	-4%	130,832	-9%	188,400
Utilities	771,900	545,451	42%	642,872	20%	964,300
Business Insurance	2,018,307	1,133,862	78%	1,752,272	15%	2,628,400
Other services & charges	310,722	314,799	-1%	382,161	-19%	554,900
Maintenance & repair	983,323	868,769	13%	1,135,805	-13%	1,437,200
Depreciation	7,906,888	5,927,859	33%	8,115,128	-3%	12,172,700
<b>Total Operating Expenses</b>	<b>\$ 18,111,220</b>	<b>\$ 14,656,027</b>	<b>24%</b>	<b>\$ 18,956,221</b>	<b>-4%</b>	<b>\$ 28,236,100</b>

# **PORT FREEPORT - VELASCO TERMINAL ONLY**

## **STATEMENT OF REVENUES AND EXPENSES**

**May 31, 2024**

	<b>YEAR TO DATE</b>	<b>PRIOR YEAR TO DATE</b>	<b>% OVER (UNDER)</b>	<b>8 MONTHS BUDGET</b>	<b>% OVER (UNDER)</b>	<b>TOTAL 2023 BUDGET</b>
<b>OPERATING REVENUES:</b>						
Wharfage	\$ 1,112,953	\$ 1,207,608	-8%	\$ 1,058,880	5%	\$ 1,813,328
Dockage & deep water berth	389,887	482,552	-19%	414,933	-6%	672,401
Equipment & pallet use fees	815,952	885,534	-8%	808,488	1%	1,357,738
Facility use fees	49,237	83,341	-41%	-	0%	-
Security Fees	137,604	156,493	-12%	186,992	-26%	280,489
Other Customer Service Fees	227,135	252,902	-10%	407,328	-44%	666,030
Ground leases	278,789	253,175	10%	68,432	307%	136,248
<b>Total Operating Revenues</b>	<b>3,011,557</b>	<b>3,321,605</b>	<b>-9%</b>	<b>2,945,053</b>	<b>2%</b>	<b>4,926,234</b>
<b>OPERATING EXPENSES:</b>						
Port salaries/wages	263,524	213,294	24%	207,469	27%	311,201
Port employee benefits	69,187	61,660	12%	71,055	-3%	125,041
Professional services	-	25,236	-100%	-	0%	-
Training, travel, and promotional	-	-	0%	800	-100%	1,200
Supplies	131	55	138%	-	0%	-
Utilities	105,109	85,164	23%	104,332	1%	156,500
Business Insurance	327,545	268,008	22%	392,234	-16%	588,346
Maintenance & repair	203,565	306,705	-34%	349,476	-42%	445,700
Depreciation	3,841,312	1,917,343	100%	3,871,056	-1%	5,806,589
<b>Total Operating Expenses</b>	<b>4,810,373</b>	<b>2,877,465</b>	<b>67%</b>	<b>4,996,422</b>	<b>-4%</b>	<b>7,434,577</b>
<b>OPERATING INCOME (LOSS)</b>	<b>(1,798,816)</b>	<b>444,140</b>	<b>505%</b>	<b>(2,051,369)</b>	<b>12%</b>	<b>(2,508,343)</b>
<b>NON-OPERATING REVENUES (EXPENSES)</b>						
Debt interest and fees	(2,008,639)	(1,242,294)	62%	(1,978,230)	2%	(2,968,514)
<b>Total Non-Operating Revenue (Expenses)</b>	<b>(2,008,639)</b>	<b>(1,242,294)</b>	<b>62%</b>	<b>(1,978,230)</b>	<b>2%</b>	<b>(2,968,514)</b>
<b>CHANGE IN NET POSITION</b>	<b>\$ (3,807,455)</b>	<b>\$ (798,154)</b>	<b>377%</b>	<b>\$ (4,029,599)</b>	<b>-6%</b>	<b>\$ (5,476,857)</b>

**PORT FREEPORT**  
Port Improvement Projects Summary  
May 31, 2024

Project	Contract Award	Change Orders	Total Contract	Current Year Budget	Incurred to Date FY 2024	CIP Prior Years	Incurred to Date Total	Balance to Finish
<b>VT- North Gate Entrance</b>	<b>720,847.52</b>	<b>0.00</b>	<b>720,847.52</b>	<b>250,000.00</b>	<b>321,850.86</b>	<b>237,408.00</b>	<b>559,258.86</b>	<b>161,588.66</b>
EDSA	356,684.00	0.00	356,684.00		69,507.34	237,408.00	306,915.34	49,768.66
Construction	363,469.00	0.00	363,469.00		251,649.00	0.00	251,649.00	111,820.00
Other not in contract	694.52	0.00	694.52		694.52	0.00	694.52	0.00
<b>VT- Access Project</b>	<b>13,159,432.83</b>	<b>70,000.00</b>	<b>13,229,432.83</b>	<b>8,679,000.00</b>	<b>1,038,547.07</b>	<b>15,400.00</b>	<b>1,053,947.07</b>	<b>12,175,485.76</b>
EDSA	1,218,718.00	70,000.00	1,288,718.00		579,042.98	15,400.00	594,442.98	694,275.02
Construction	11,929,297.00	0.00	11,929,297.00		448,086.26	0.00	448,086.26	11,481,210.74
Other not in contract	11,417.83	0.00	11,417.83		11,417.83	0.00	11,417.83	0.00
<b>VT- Refrigerated Cross Dock</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>500,000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
EDSA	0.00	0.00	0.00		0.00	0.00	0.00	0.00
Construction	0.00	0.00	0.00		0.00	0.00	0.00	0.00
Other not in contract	0.00	0.00	0.00		0.00	0.00	0.00	0.00
<b>VT Backlands Area V Phase II</b>	<b>866,975.00</b>	<b>0.00</b>	<b>866,975.00</b>	<b>20,500,000.00</b>	<b>246,020.67</b>	<b>0.00</b>	<b>246,020.67</b>	<b>620,954.33</b>
EDSA	849,800.00	0.00	849,800.00		228,845.67	0.00	228,845.67	620,954.33
Construction	0.00	0.00	0.00		0.00	0.00	0.00	0.00
Other not in contract	17,175.00	0.00	17,175.00		17,175.00	0.00	17,175.00	0.00
<b>VT East 5th Reconstruction</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>500,000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
EDSA	0.00	0.00	0.00		0.00	0.00	0.00	0.00
Construction	0.00	0.00	0.00		0.00	0.00	0.00	0.00
Other not in contract	0.00	0.00	0.00		0.00	0.00	0.00	0.00
<b>VT Perimeter Fencing</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>95,000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
EDSA	0.00	0.00	0.00		0.00	0.00	0.00	0.00
Construction	0.00	0.00	0.00		0.00	0.00	0.00	0.00
Other not in contract	0.00	0.00	0.00		0.00	0.00	0.00	0.00
<b>VT -Utility Relocation of Land Acquisition &amp; land</b>	<b>376,053.68</b>	<b>0.00</b>	<b>376,053.68</b>	<b>1,800,000.00</b>	<b>376,053.68</b>	<b>0.00</b>	<b>376,053.68</b>	<b>0.00</b>
EDSA	0.00	0.00	0.00		0.00	0.00	0.00	0.00
Construction	0.00	0.00	0.00		0.00	0.00	0.00	0.00
Other not in contract	376,053.68	0.00	376,053.68		376,053.68	0.00	376,053.68	0.00
<b>Pumpstation 1400 E Floodgate &amp; P14 Drainage</b>	<b>1,444,585.61</b>	<b>0.00</b>	<b>1,444,585.61</b>	<b>1,440,000.00</b>	<b>1,239,182.00</b>	<b>205,403.61</b>	<b>1,444,585.61</b>	<b>0.00</b>
EDSA	0.00	0.00	0.00		0.00	0.00	0.00	0.00
Construction	1,442,485.00	0.00	1,442,485.00		1,239,182.00	203,303.00	1,442,485.00	0.00
Other not in contract	2,100.61	0.00	2,100.61		0.00	2,100.61	2,100.61	0.00
<b>Non-TWIC Lot Precheck Gate Electrical</b>	<b>1,892.00</b>	<b>0.00</b>	<b>1,892.00</b>	<b>10,000.00</b>	<b>1,892.00</b>	<b>0.00</b>	<b>1,892.00</b>	<b>0.00</b>
EDSA	0.00	0.00	0.00		0.00	0.00	0.00	0.00
Construction	0.00	0.00	0.00		0.00	0.00	0.00	0.00
Other not in contract	1,892.00	0.00	1,892.00		1,892.00	0.00	1,892.00	0.00
<b>EOC Additional Parking</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>25,000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
EDSA	0.00	0.00	0.00		0.00	0.00	0.00	0.00
Construction	0.00	0.00	0.00		0.00	0.00	0.00	0.00
Other not in contract	0.00	0.00	0.00		0.00	0.00	0.00	0.00
<b>EOC HVAC Upgrade/Replacement</b>	<b>534,795.00</b>	<b>0.00</b>	<b>534,795.00</b>	<b>500,000.00</b>	<b>5,017.50</b>	<b>0.00</b>	<b>5,017.50</b>	<b>529,777.50</b>
EDSA	20,070.00	0.00	20,070.00		5,017.50	0.00	5,017.50	15,052.50
Construction	514,725.00	0.00	514,725.00		0.00	0.00	0.00	514,725.00
Other not in contract	0.00	0.00	0.00		0.00	0.00	0.00	0.00
<b>Gate 4 Access Road Widening</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>120,000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
EDSA	0.00	0.00	0.00		0.00	0.00	0.00	0.00
Construction	0.00	0.00	0.00		0.00	0.00	0.00	0.00
Other not in contract	0.00	0.00	0.00		0.00	0.00	0.00	0.00
<b>Greenbelt with Port Expansion Area Tribute</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>50,000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
EDSA	0.00	0.00	0.00		0.00	0.00	0.00	0.00
Construction	0.00	0.00	0.00		0.00	0.00	0.00	0.00
Other not in contract	0.00	0.00	0.00		0.00	0.00	0.00	0.00
<b>Port Expansion Area Water &amp; Sewer Modification</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>500,000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
EDSA	0.00	0.00	0.00		0.00	0.00	0.00	0.00
Construction	0.00	0.00	0.00		0.00	0.00	0.00	0.00
Other not in contract	0.00	0.00	0.00		0.00	0.00	0.00	0.00
<b>M &amp; R - Joint Repairs</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>20,000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
EDSA	0.00	0.00	0.00		0.00	0.00	0.00	0.00
Construction	0.00	0.00	0.00		0.00	0.00	0.00	0.00
Other not in contract	0.00	0.00	0.00		0.00	0.00	0.00	0.00
<b>M &amp; R - Railroad Track Renovations</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>75,000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
EDSA	0.00	0.00	0.00		0.00	0.00	0.00	0.00
Construction	0.00	0.00	0.00		0.00	0.00	0.00	0.00
Other not in contract	0.00	0.00	0.00		0.00	0.00	0.00	0.00
<b>M &amp; R - Roads</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>200,000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
EDSA	0.00	0.00	0.00		0.00	0.00	0.00	0.00
Construction	0.00	0.00	0.00		0.00	0.00	0.00	0.00
Other not in contract	0.00	0.00	0.00		0.00	0.00	0.00	0.00
<b>M &amp; R Transformer Yard Replacement</b>	<b>4,078.00</b>	<b>0.00</b>	<b>4,078.00</b>	<b>200,000.00</b>	<b>0.00</b>	<b>4,078.00</b>	<b>4,078.00</b>	<b>0.00</b>
EDSA	4,078.00	0.00	4,078.00		0.00	4,078.00	4,078.00	0.00
Construction	0.00	0.00	0.00		0.00	0.00	0.00	0.00
Other not in contract	0.00	0.00	0.00		0.00	0.00	0.00	0.00

**PORT FREEPORT**  
Port Improvement Projects Summary  
May 31, 2024

Project	Contract Award	Change Orders	Total Contract	Current Year Budget	Incurred to Date FY 2024	CIP Prior Years	Incurred to Date Total	Balance to Finish
<b>M &amp; R Fence Razor Wire Upgrade</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>31,000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
EDSA	0.00	0.00	0.00		0.00	0.00	0.00	0.00
Construction	0.00	0.00	0.00		0.00	0.00	0.00	0.00
Other not in contract	0.00	0.00	0.00		0.00	0.00	0.00	0.00
<b>M &amp; R Portwide Areas Upgrade to Concrete</b>	<b>4,756,692.90</b>	<b>58,814.91</b>	<b>4,815,507.81</b>	<b>3,700,000.00</b>	<b>3,510,217.66</b>	<b>1,305,290.15</b>	<b>4,815,507.81</b>	<b>0.00</b>
EDSA	26,242.50	0.00	26,242.50		19,970.75	6,271.75	26,242.50	0.00
Construction	4,728,599.00	58,814.91	4,787,413.91		3,490,246.91	1,297,167.00	4,787,413.91	0.00
Other not in contract	1,851.40	0.00	1,851.40		0.00	1,851.40	1,851.40	0.00
<b>M &amp; R - Docks Cathodic Protection System</b>	<b>632,544.00</b>	<b>0.00</b>	<b>632,544.00</b>	<b>6,000,000.00</b>	<b>144,618.75</b>	<b>0.00</b>	<b>144,618.75</b>	<b>487,925.25</b>
EDSA	632,544.00	0.00	632,544.00		144,618.75	0.00	144,618.75	487,925.25
Construction	0.00	0.00	0.00		0.00	0.00	0.00	0.00
Other not in contract	0.00	0.00	0.00		0.00	0.00	0.00	0.00
<b>M &amp; R Inner Harbor Berth Repairs</b>	<b>191,000.00</b>	<b>0.00</b>	<b>191,000.00</b>	<b>300,000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>191,000.00</b>
EDSA	0.00	0.00	0.00		0.00	0.00	0.00	0.00
Construction	191,000.00	0.00	191,000.00		0.00	0.00	0.00	191,000.00
Other not in contract	0.00	0.00	0.00		0.00	0.00	0.00	0.00
<b>Total</b>				<b>\$ 45,495,000.00</b>	<b>\$ 6,883,400.19</b>	<b>\$ 1,767,579.76</b>	<b>\$ 8,650,979.95</b>	<b>\$ 14,166,731.50</b>

**Vendor Expenditure**

Period: 05/01/24..05/31/24

Port Freeport

Monday, June 10, 2024

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FREEPORTMARY

This report also includes bank accounts that only have balances.

Bank Account: Date Filter: 05/01/24..05/31/24

Check Ledger Entry:

Check No.	Check Date	Vendor No.	Vendor Name	Check Amount	
Invoice No.	PO No.	GL Account Name	Line Description	Line Amount	
94839	05/09/24	V00010	Specialties Company	1,331.32	
130413		127664	Other Re-Bill to Gulf Stream Marine		348.56
130491		127764	M&R TOE-Yale Forklift		582.70
130491		127764	Discount		-2.91
130492		127763	M&R TOE-Street Sweeper		214.22
130492		127763	Discount Net 10		-1.07
130493		127762	M&R TOE-Yale Forklift		190.77
130493		127762	Discount Net 10		-0.95
			Line Amount Total		1,331.32
94840	05/09/24	V00011	Gulftex Vending	318.93	
130452		127716	Office Supplies		318.93
			Line Amount Total		318.93
94841	05/09/24	V00032	Matheson Tri Gas	520.13	
130409		127658	Maint and Operations Supplies		520.13
			Line Amount Total		520.13
94842	05/09/24	V00040	The Brazosport Facts	2,132.10	
130537		127782	Construction in Progress		763.83
130537		127782	Legal Fees		362.25
130537		127782	Community Event-TACFT		954.27
130537		127782	Community Advertising		51.75
			Line Amount Total		2,132.10
94843	05/09/24	V00047	Art's Sign Service	410.40	
130341		127620	M&R TOE-Gantry Crane		205.20
130341		127620	M&R TOE-Gantry Crane		205.20
			Line Amount Total		410.40
94844	05/09/24	V00049	Brazos Fasteners, Inc	28.00	
130395		127648	M&R TOE-Gantry Crane		4.57
130395		127648	M&R TOE-Gantry Crane		4.57
130396		127649	M&R TOE-Gantry Crane		9.43
130396		127649	M&R TOE-Gantry Crane		9.43
			Line Amount Total		28.00
94845	05/09/24	V00067	Quill LLC	4.66	
130487		127739	Office Supplies		1.55
130487		127739	Office Supplies		0.78
130487		127739	Office Supplies		0.19
130487		127739	Office Supplies		0.78
130487		127739	Office Supplies		0.58
130487		127739	Office Supplies		0.78
			Line Amount Total		4.66
94846	05/09/24	V00070	Darlene Winkler	1,038.53	
130523		127719	Community Event-TACFT		1,038.53
			Line Amount Total		1,038.53
94847	05/09/24	V00073	Roger Johnston	1,122.16	
130533		127780	M&R Transit Shed-T.S. 1		1,122.16
			Line Amount Total		1,122.16



## Vendor Expenditure

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Port Freeport

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Check No.	Check Date	Vendor No.	Vendor Name	Check Amount	
Invoice No.	PO No.	GL Account Name	Line Description	Line Amount	
<b>94848 05/09/24</b>	<b>V00074</b>	<b>Noble Building &amp; Development</b>	<b>26,236.80</b>		
130481	126038		M&R Bldgs-Admin Bldg 1100 Cherry St	12,159.00	
130481	126038		Furnish labor, materials, equipment & insurance		
130481	126038		Admin Bldg Repairs		
130481	126038		Project No 22-08		
130481	126038		Commission Approval 10/19/2023		
130481	126038		Retainage Payable		
130481	126038		Retainage Payable		
130481	126038		Retainage Payable		
130481	126038		Retainage Payable		
130481	126038		Retainage Payable		
			Line Amount Total	26,236.80	
<b>94849 05/09/24</b>	<b>V00083</b>	<b>Jason Hull</b>	<b>136.75</b>		
130453	127718		Telephone - April	136.75	
			Line Amount Total	136.75	
<b>94850 05/09/24</b>	<b>V00087</b>	<b>Reliant</b>	<b>93,550.79</b>		
130446	127695		Electricity	3,797.55	
130446	127695		Electricity	73,443.55	
130446	127695		Electricity	2,735.46	
130446	127695		Electricity	13,574.23	
			Line Amount Total	93,550.79	
<b>94851 05/09/24</b>	<b>V00101</b>	<b>Sunstates Security, LLC</b>	<b>80,472.13</b>		
130458	127715		Security Service Fees	36,622.70	
130459	127714		Security Service Fees	1,203.57	
130460	127713		Security Service Fees	589.88	
130461	127712		Security Service Fees	1,060.45	
130462	127711		Security Service Fees	476.66	
130504	127726		Security Service Fees	1,266.01	
130506	127725		Security Service Fees	36,473.31	
130507	127724		Security Service Fees	71.50	
130508	127723		Security Service Fees	2,350.55	
130509	127722		Security Service Fees	357.50	
			Line Amount Total	80,472.13	
<b>94852 05/09/24</b>	<b>V00110</b>	<b>Jason Miura</b>	<b>149.18</b>		
130531	127779		Sales/Promotion Travel	149.18	
			Line Amount Total	149.18	
<b>94853 05/09/24</b>	<b>V00112</b>	<b>Tricia Vela</b>	<b>124.45</b>		
130538	127783		Telephone - Apr	75.00	
130538	127783		Community Event-TACFT	49.45	
			Line Amount Total	124.45	
<b>94854 05/09/24</b>	<b>V00142</b>	<b>Vulcan Materials Company</b>	<b>10,683.70</b>		
130464	127709		Other Receivables	10,683.70	
			Line Amount Total	10,683.70	
<b>94855 05/09/24</b>	<b>V00203</b>	<b>ZPMC USA Inc.</b>	<b>2,290.00</b>		
130519	127750		M&R TOE-Gantry Crane	500.00	
130519	127750		M&R TOE-Gantry Crane	500.00	
130520	127751		M&R TOE-Gantry Crane	645.00	
130520	127751		M&R TOE-Gantry Crane	645.00	
			Line Amount Total	2,290.00	

## Vendor Expenditure

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Check No.	Check Date	Vendor No.	Vendor Name	Check Amount	
Invoice No.	PO No.	GL Account Name	Line Description	Line Amount	
<b>94856</b>	<b>05/09/24</b>	<b>V00208</b>	<b>Brandon Robertson</b>	<b>273.50</b>	
130524	127778		Telephone - Mar	136.75	
130524	127778		Telephone - Apr	136.75	
			Line Amount Total	273.50	
<b>94857</b>	<b>05/09/24</b>	<b>V00228</b>	<b>Department of Information Resources</b>	<b>18.07</b>	
130344	127637		Telephone	3.37	
130344	127637		Telephone	1.68	
130344	127637		Telephone	6.72	
130344	127637		Telephone	0.42	
130344	127637		Telephone	1.68	
130344	127637		Telephone	0.84	
130344	127637		Telephone	0.42	
130344	127637		Telephone	1.26	
130344	127637		Telephone	1.68	
			Line Amount Total	18.07	
<b>94858</b>	<b>05/09/24</b>	<b>V00234</b>	<b>Wharton Tractor Company</b>	<b>1,458.45</b>	
130515	127759		M&R Groundskeeping Equipment-Holland 105 Tractor	115.06	
130516	127758		M&R Groundskeeping Equipment-Holland 105 Tractor	875.80	
130518	127757		M&R Groundskeeping Equipment-Holland 105 Tractor	467.59	
			Line Amount Total	1,458.45	
<b>94859</b>	<b>05/09/24</b>	<b>V00248</b>	<b>Promotions Unlimited</b>	<b>3,853.46</b>	
130484	127558		Community Event-TACFT	3,327.42	
130484	127558		Additional T shirts	46.04	
130484	127558		702 t-shirts (Heather orange and white, various sizes YS-4XL		
130484	127558		Front full colors & back 1 color graphics		
130484	127558		Freight/Delivery/Printing/Artwork provided		
130484	127558		547 white & 155 heather orange		
130484	127558		50% prepayment required (\$3,327.42) and bal upon receipt		
130485	127773		Community Event-TACFT	150.00	
130486	127772		Community Event-TACFT	330.00	
			Line Amount Total	3,853.46	
<b>94860</b>	<b>05/09/24</b>	<b>V00249</b>	<b>JOC Group Inc.</b>	<b>4,500.00</b>	
130454	126587		Industry Advertising		
130454	126587		Full page ad-Gulf Trade 2024 Market Rpt Feb 2024		
130454	126587		Full page ad-Gulf Trade April 2024	4,500.00	
130454	126587		Full page ad-Top 25 NA Ports May 2024		
130454	126587		Full page ad-FTZ August 2024		
			Line Amount Total	4,500.00	
<b>94861</b>	<b>05/09/24</b>	<b>V00270</b>	<b>The Bulletin</b>	<b>495.00</b>	
130510	127738		Community Advertising	495.00	
			Line Amount Total	495.00	
<b>94862</b>	<b>05/09/24</b>	<b>V00391</b>	<b>Texas Department of Licensing and Regulation</b>	<b>20.00</b>	
130536	127776		M&R Bldgs-Admin Bldg 1100 Cherry St	20.00	
			Line Amount Total	20.00	
<b>94863</b>	<b>05/09/24</b>	<b>V00467</b>	<b>Brazoria County Auditor</b>	<b>6,660.00</b>	
130467	127720		Contract Services Jan - April	2,220.00	
130467	127720		Contract Services May - Dec	4,440.00	
			Line Amount Total	6,660.00	

**Vendor Expenditure**

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Check No.	Check Date	Vendor No.	Vendor Name	Check Amount	
Invoice No.	PO No.	GL Account Name	Line Description	Line Amount	
<b>94864</b>	<b>05/09/24</b>	<b>V00515</b>	<b>Talk About Good</b>	<b>200.50</b>	
130535	127785		Community Event-TACFT		200.50
			Line Amount Total		200.50
<b>94865</b>	<b>05/09/24</b>	<b>V00524</b>	<b>Juanita Cardozo</b>	<b>225.00</b>	
130456	127707		Community Event-TACFT		225.00
			Line Amount Total		225.00
<b>94866</b>	<b>05/09/24</b>	<b>V00531</b>	<b>Rob Lowe</b>	<b>661.36</b>	
130488	127727		Telephone March		136.75
130488	127727		Telephone April		136.75
130488	127727		Office Supplies		270.61
130488	127727		Employment Related		117.25
			Line Amount Total		661.36
<b>94867</b>	<b>05/09/24</b>	<b>V00646</b>	<b>Angela Cantrell</b>	<b>225.00</b>	
130455	127710		Community Event-TACFT		225.00
			Line Amount Total		225.00
<b>94868</b>	<b>05/09/24</b>	<b>V00663</b>	<b>B&amp;K Motor Parts, Inc</b>	<b>2,937.14</b>	
130522	127746		Maint and Operations Supplies		183.36
130522	127746		M&R TOE-General, Terminal Ops Equip & Tools		1,157.45
130522	127746		M&R TOE-Street Sweeper		986.13
130522	127746		M&R TOE-Gantry Crane		119.95
130522	127746		M&R TOE-Gantry Crane		119.95
130522	127746		M&R Security Equipment-John Deere Gator		3.60
130522	127746		M&R Vehicles-Ford Pick Up		261.84
130522	127746		M&R Vehicles-2020 Chev PU		104.86
			Line Amount Total		2,937.14
<b>94869</b>	<b>05/09/24</b>	<b>V00667</b>	<b>ECR-EI Campo Refrigeration</b>	<b>559.30</b>	
130471	127771		M&R Transit Shed-T.S. 1		559.30
			Line Amount Total		559.30
<b>94870</b>	<b>05/09/24</b>	<b>V00668</b>	<b>DARE Capital Partners, LLC</b>	<b>3,447.45</b>	
130469	127755		M&R Other-Mowing, Weed Control Etc		1,267.75
130470	127397		M&R TOE-Gantry Crane		1,089.85
130470	127397		M&R TOE-Gantry Crane		1,089.85
130470	127397		2 Painters to Chip, Scrape and Paint Cranes		
130470	127397		\$20.29 Per Hour		
130470	127397		\$20.00/hour plus 1.42% Mark Up		
130470	127397		Not to Exceed \$23,000.00		
			Line Amount Total		3,447.45
<b>94871</b>	<b>05/09/24</b>	<b>V00808</b>	<b>Whitener Enterprises Inc.</b>	<b>3,225.18</b>	
130465	127563		Fuel/Oil - Unleaded Gasoline		1,846.08
130465	127563		Fuel/Oil - Off Road Diesel		1,252.28
130465	127563		Fuel/Oil Surcharges		126.82
			Line Amount Total		3,225.18
<b>94872</b>	<b>05/09/24</b>	<b>V00838</b>	<b>StelAr Consulting Services, LLC</b>	<b>29,794.50</b>	
130419	126042		Construction in Progress		29,794.50
130419	126042		For Professional Services for the		
130419	126042		Cathodic Protection Docks 1,2,3,5 & 7		
130419	126042		Project No 23-09		

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Invoice No.	PO No.	GL Account Name	Line Description		
130419	126042		Commission Approval 10/19/2023		
			Line Amount Total		29,794.50
<b>94873</b>	<b>05/09/24</b>	<b>V00850</b>	<b>Kendra L Conkle</b>	<b>582.00</b>	
130353	127623		Community Event-TACFT		582.00
			Line Amount Total		582.00
<b>94874</b>	<b>05/09/24</b>	<b>V00864</b>	<b>Visual Edge IT, Inc.</b>	<b>197.85</b>	
130416	127670		Maint & Repair - Office Equipment		197.85
			Line Amount Total		197.85
<b>94875</b>	<b>05/09/24</b>	<b>V00880</b>	<b>Christine Lewis</b>	<b>132.93</b>	
130526	127781		Telephone		75.00
130526	127781		Office Supplies-Vela / Winkler Jackets		19.96
130526	127781		M&R TOE-Gantry Crane		12.49
130526	127781		M&R TOE-Gantry Crane		12.49
130526	127781		Community Events		12.99
			Line Amount Total		132.93
<b>94876</b>	<b>05/09/24</b>	<b>V00887</b>	<b>UPS Supply Chain Solutions</b>	<b>364.11</b>	
130511	127744		M&R TOE-Gantry Crane		171.75
130511	127744		M&R TOE-Gantry Crane		171.75
130512	127745		M&R TOE-Gantry Crane		10.31
130512	127745		M&R TOE-Gantry Crane		10.30
			Line Amount Total		364.11
<b>94877</b>	<b>05/09/24</b>	<b>V00951</b>	<b>Jackiesue Photography</b>	<b>200.00</b>	
130476	127728		Office Supplies		200.00
			Line Amount Total		200.00
<b>94878</b>	<b>05/09/24</b>	<b>V00982</b>	<b>King Ranch Ag &amp; Turf</b>	<b>229.20</b>	
130478	127754		M&R TOE-Street Sweeper		101.20
130479	127730		M&R Groundskeeping and Misc. Equipment		128.00
			Line Amount Total		229.20
<b>94879</b>	<b>05/09/24</b>	<b>V01007</b>	<b>IQ Total Source LLC</b>	<b>227.89</b>	
130352	127638		Office Supplies		227.89
			Line Amount Total		227.89
<b>94880</b>	<b>05/09/24</b>	<b>V01010</b>	<b>Imperial Bag &amp; Paper Co LLC dba Imperial Dade</b>	<b>452.72</b>	
130407	127673		Office Supplies		452.72
			Line Amount Total		452.72
<b>94881</b>	<b>05/09/24</b>	<b>V01011</b>	<b>Charles Gryseels III</b>	<b>79.96</b>	
130451	127717		Telephone - April		75.00
130451	127717		Automobile Expense		4.96
			Line Amount Total		79.96
<b>94882</b>	<b>05/09/24</b>	<b>V01017</b>	<b>GFL Plant Services LP</b>	<b>1,045.80</b>	
130474	127769		Contract Services		522.90
130521	127756		Contract Services		522.90
			Line Amount Total		1,045.80
<b>94883</b>	<b>05/09/24</b>	<b>V01033</b>	<b>Thomas Alexander Johnson</b>	<b>225.00</b>	
130463	127705		Community Event-TACFT		225.00
			Line Amount Total		225.00

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<b>94884</b>	<b>05/09/24</b>	<b>V01034</b>	<b>Patricia L. Bilbrey</b>	<b>225.00</b>	
130457	127706		Community Event-TACFT		225.00
			Line Amount Total		225.00
<b>94885</b>	<b>05/10/24</b>	<b>V00071</b>	<b>Verizon Wireless</b>	<b>152.06</b>	
130542	127790		Telephone		76.08
130542	127790		Telephone		37.99
130542	127790		Telephone		37.99
			Line Amount Total		152.06
<b>94886</b>	<b>05/10/24</b>	<b>V00091</b>	<b>Wells Fargo</b>	<b>14,171.83</b>	
130545	127788		Other Accounts Payable (JE)		14,171.83
			Line Amount Total		14,171.83
<b>94887</b>	<b>05/10/24</b>	<b>V00096</b>	<b>CenterPoint Energy</b>	<b>30.11</b>	
130543	127787		Water & Gas		30.11
			Line Amount Total		30.11
<b>94888</b>	<b>05/10/24</b>	<b>V01029</b>	<b>Star Metal Building Carports, LLC</b>	<b>1,613.28</b>	
130544	127687		Construction in Progress		1,613.28
130544	127687		Carport for Non-TWIC Yard Security Check In		
			Line Amount Total		1,613.28
<b>94889</b>	<b>05/14/24</b>	<b>V00002</b>	<b>EM-Print Company</b>	<b>291.81</b>	
130555	127815		Office Supplies		68.00
130555	127815		Office Supplies		58.00
130556	127816		Office Supplies		78.00
130557	127813		Office Supplies Saathoff Bus Cards		87.81
			Line Amount Total		291.81
<b>94890</b>	<b>05/14/24</b>	<b>V00006</b>	<b>Michaela Bevers</b>	<b>95.77</b>	
130567	127814		Telephone - April		75.00
130567	127814		Automobile Expense		20.77
			Line Amount Total		95.77
<b>94891</b>	<b>05/14/24</b>	<b>V00012</b>	<b>FedEx</b>	<b>57.32</b>	
130473	127737		Commerical Event-JOC Breakbulk-Business Developmen		57.32
			Line Amount Total		57.32
<b>94892</b>	<b>05/14/24</b>	<b>V00026</b>	<b>Lowe's</b>	<b>1,016.89</b>	
130480	127740		M&R TOE-Gantry Crane		110.87
130480	127740		M&R TOE-Gantry Crane		110.86
130480	127740		M&R TOE-Gantry Crane		55.40
130480	127740		M&R TOE-Gantry Crane		40.96
130480	127740		M&R TOE-Gantry Crane		40.96
130480	127740		Community Event-TACFT		18.79
130480	127740		M&R Bldgs-Operations Bldg		639.05
			Line Amount Total		1,016.89
<b>94893</b>	<b>05/14/24</b>	<b>V00049</b>	<b>Brazos Fasteners, Inc</b>	<b>216.69</b>	
130466	127753		M&R TOE-Gantry Crane		16.50
130466	127753		M&R TOE-Gantry Crane		16.50
130552	127801		M&R Groundskeeping Equipment-Holland 105 Tractor		185.54
130552	127801		Discount		-1.85
			Line Amount Total		216.69

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<b>94894 05/14/24</b>	<b>V00053</b>	<b>Stericycle, Inc</b>		<b>233.06</b>	
130541	127774		Office Supplies	43.35	
130541	127774		Office Supplies	21.67	
130541	127774		Office Supplies	86.66	
130541	127774		Office Supplies	5.43	
130541	127774		Office Supplies	21.70	
130541	127774		Office Supplies	10.84	
130541	127774		Office Supplies	5.43	
130541	127774		Office Supplies	16.31	
130541	127774		Office Supplies	21.67	
			Line Amount Total	233.06	
<b>94895 05/14/24</b>	<b>V00054</b>	<b>Summit Electric Supply</b>		<b>1,843.16</b>	
130266	127537		M&R Leased Facilities-HTS- (Parcel 25)	476.05	
130283	127509		M&R TOE-Gantry Crane	98.93	
130283	127509		M&R TOE-Gantry Crane	98.92	
130285	127512		M&R TOE-Gantry Crane	91.85	
130285	127512		M&R TOE-Gantry Crane	91.84	
130336	127589		M&R Leased Facilities-24A (Chiquita)	567.54	
130359	127633		M&R TOE-135' JLG Man Lift	115.22	
130360	127621		M&R TOE-Gantry Crane	61.80	
130360	127621		M&R TOE-Gantry Crane	61.80	
130414	127653		M&R TOE-Gantry Crane	6.05	
130414	127653		M&R TOE-Gantry Crane	6.05	
130415	127654		M&R TOE-Gantry Crane	53.97	
130415	127654		M&R TOE-Gantry Crane	53.97	
130423	127659		M&R TOE-Gantry Crane	29.59	
130423	127659		M&R TOE-Gantry Crane	29.58	
			Line Amount Total	1,843.16	
<b>94896 05/14/24</b>	<b>V00098</b>	<b>Suburban Propane</b>		<b>299.56</b>	
130448	127703		Fuel/Oil	1.00	
130548	127799		Fuel/Oil	298.56	
			Line Amount Total	299.56	
<b>94897 05/14/24</b>	<b>V00107</b>	<b>HDR, Inc</b>		<b>4,641.60</b>	
130529	127775		Freeport Harbor Channel Imp Project	946.60	
130530	114861		FHIP Reach 1	1,117.00	
130530	114861		FHIP - Reach 4		
130530	114861		Professional Services for the FHCIP Reach 1 & 4		
130530	114861		Project No. 20-06		
130530	114861		Board Approved 6/25/2020		
130530	114861		2019 GO Bond		
130530	114861		Other Accounts Payable (JE)		
130530	114861		FHIP Reach 1		
130530	114861		Change Order		
130530	114861		Ammendment No 1 for FHCIP 1,2,4		
130530	114861		Board Approved 03/09/2023		
130540	114861		FHIP Reach 1	2,578.00	
130540	114861		FHIP - Reach 4		
130540	114861		Professional Services for the FHCIP Reach 1 & 4		
130540	114861		Project No. 20-06		
130540	114861		Board Approved 6/25/2020		
130540	114861		2019 GO Bond		
130540	114861		Other Accounts Payable (JE)		

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130540	114861		FHIP Reach 1		
130540	114861		Change Order		
130540	114861		Ammendment No 1 for FHCIP 1,2,4		
130540	114861		Board Approved 03/09/2023		
			Line Amount Total		4,641.60
<b>94898</b>	<b>05/14/24</b>	<b>V00115</b>	<b>AT&amp;T:979-373-0021 663 4</b>	<b>520.40</b>	
130551	127812		Telephone		171.72
130551	127812		Telephone		88.47
130551	127812		Telephone		20.82
130551	127812		Telephone		88.47
130551	127812		Telephone		62.45
130551	127812		Telephone		88.47
			Line Amount Total		520.40
<b>94899</b>	<b>05/14/24</b>	<b>V00124</b>	<b>Carriage House Partners</b>	<b>5,000.00</b>	
130468	123362		Consultant Fees - Other		5,000.00
			Line Amount Total		5,000.00
<b>94900</b>	<b>05/14/24</b>	<b>V00132</b>	<b>American Journal of Transportation</b>	<b>700.00</b>	
130525	126593		Industry Advertising		
130525	126593		1/2 page ad Automotive Logistics February 24		
130525	126593		1/2 page ad Gulf Coast Parts & Trade May 24		
130525	126593		1/2 page ad Top 100 Container Parts June 24		
130525	126593		12 months Daily Newsletter banner ad top spot		700.00
130525	126593		Jan paid by company/ Feb -Dec		
			Line Amount Total		700.00
<b>94901</b>	<b>05/14/24</b>	<b>V00141</b>	<b>Vernor Material &amp; Equipment Co., Inc.</b>	<b>798.42</b>	
130513	127747		M&R Roads-Parcel 14 Road		798.42
			Line Amount Total		798.42
<b>94902</b>	<b>05/14/24</b>	<b>V00172</b>	<b>Lincoln National Life Insurance Company</b>	<b>1,252.20</b>	
130566	127810		Retirement Expense		346.15
130566	127810		Retirement Expense		120.20
130566	127810		Retirement Expense		459.67
130566	127810		Retirement Expense		12.24
130566	127810		Retirement Expense		61.96
130566	127810		Retirement Expense		74.20
130566	127810		Retirement Expense		25.52
130566	127810		Retirement Expense		94.24
130566	127810		Retirement Expense		76.80
130566	127810		Retirement Expense		53.80
130566	127810		Retirement Expense - Bower Adj		12.01
130566	127810		Retirement Expense - Durel Adj		-29.68
130566	127810		Retirement Expense - Lopez Adj		-54.91
			Line Amount Total		1,252.20
<b>94903</b>	<b>05/14/24</b>	<b>V00193</b>	<b>Grainger</b>	<b>461.23</b>	
130475	127770		M&R Bldgs-Maintenance Bldg		461.23
			Line Amount Total		461.23
<b>94904</b>	<b>05/14/24</b>	<b>V00200</b>	<b>The Chamber Brazosport Area</b>	<b>160.00</b>	
130553	127817		Community Events Fratila,Singhanian,Croft, Giesecke		160.00
			Line Amount Total		160.00

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<b>94905 05/14/24</b>	<b>V00221</b>	<b>Dynamics Southwest, Inc.</b>		<b>528.75</b>	
130554	127805		Maint & Repair - Office Equipment		528.75
			Line Amount Total		528.75
<b>94906 05/14/24</b>	<b>V00250</b>	<b>Lincoln National Life Insurance Company</b>		<b>2,739.84</b>	
130565	127811		Group STD Insurance		299.51
130565	127811		Group LTD Insurance		263.70
130565	127811		Group STD Insurance		179.52
130565	127811		Group LTD Insurance		156.94
130565	127811		Group STD Insurance		532.52
130565	127811		Group LTD Insurance		359.66
130565	127811		Group STD Insurance		19.48
130565	127811		Group LTD Insurance		11.78
130565	127811		Group STD Insurance		91.38
130565	127811		Group LTD Insurance		81.64
130565	127811		Group STD Insurance		99.85
130565	127811		Group LTD Insurance		81.66
130565	127811		Group STD Insurance		51.19
130565	127811		Group LTD Insurance		30.95
130565	127811		Group STD Insurance		137.20
130565	127811		Group LTD Insurance		108.61
130565	127811		Group STD Insurance		85.65
130565	127811		Group LTD Insurance		51.78
130565	127811		Group STD Insurance		145.87
130565	127811		Group LTD Insurance		113.79
130565	127811		Group STD Insurance - Bowers Adj		1.81
130565	127811		Group LTD Insurance - Bowers Adj		1.07
130565	127811		Group STD Insurance - Durel Adj		-51.60
130565	127811		Group LTD Insurance - Durel Adj		-57.60
130565	127811		Group LTD Insurance - Hibbetts Adj		14.36
130565	127811		Group STD Insurance - Lopez Adj		-44.17
130565	127811		Group LTD Insurance - Lopez Adj		-26.71
			Line Amount Total		2,739.84
<b>94907 05/14/24</b>	<b>V00256</b>	<b>Blueline Shop &amp; Copy Center</b>		<b>352.60</b>	
130394	127668		Community Event-TACFT		352.60
			Line Amount Total		352.60
<b>94908 05/14/24</b>	<b>V00271</b>	<b>Schindler Elevator Corporation</b>		<b>4,777.20</b>	
130489	127721		M&R Bldgs-Security Bldg		4,777.20
130489	127721		Annual Maintenance Agreement		
			Line Amount Total		4,777.20
<b>94909 05/14/24</b>	<b>V00275</b>	<b>Alvin Sun and Advertiser</b>		<b>396.75</b>	
130539	127786		Community Event-TACFT		396.75
			Line Amount Total		396.75
<b>94910 05/14/24</b>	<b>V00313</b>	<b>Greater Houston Partnership</b>		<b>3,500.00</b>	
130559	127809		Commercial Events		3,500.00
			Line Amount Total		3,500.00
<b>94911 05/14/24</b>	<b>V00405</b>	<b>SLS Rigging LLC</b>		<b>4,386.14</b>	
130490	127340		M&R TOE-Gantry Crane		1,084.04
130490	127340		M&R TOE-Gantry Crane		1,084.04
130490	127340		Dampening Rigging for 5/8" DWG J361AO10340		



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	130490	127340		M&R TOE-Gantry Crane	1,109.03
	130490	127340		M&R TOE-Gantry Crane	1,109.03
				Line Amount Total	4,386.14
<b>94912</b>	<b>05/14/24</b>	<b>V00479</b>	<b>Greater Houston Port Bureau</b>	<b>5,000.00</b>	
	130546	127742		Commercial Events	5,000.00
	130546	127742		Aug 24 Admiral Sponsor	
	130546	127742		Annual Maritime Dinner	
				Line Amount Total	5,000.00
<b>94913</b>	<b>05/14/24</b>	<b>V00556</b>	<b>Leaf Engineers</b>	<b>3,010.50</b>	
	130563	126805		EOC HVAC System Replacemnt	3,010.50
	130563	126805		Professional Services for the	
	130563	126805		EOC A/C System Replacement	
				Line Amount Total	3,010.50
<b>94914</b>	<b>05/14/24</b>	<b>V00668</b>	<b>DARE Capital Partners, LLC</b>	<b>2,044.80</b>	
	130547	127397		M&R TOE-Gantry Crane	1,022.40
	130547	127397		M&R TOE-Gantry Crane	1,022.40
	130547	127397		2 Painters to Chip, Scrape and Paint Cranes	
	130547	127397		\$20.29 Per Hour	
	130547	127397		\$20.00/hour plus 1.42% Mark Up	
	130547	127397		Not to Exceed \$23,000.00	
				Line Amount Total	2,044.80
<b>94915</b>	<b>05/14/24</b>	<b>V00674</b>	<b>RIG Surveys Inc.</b>	<b>3,513.14</b>	
	130483	127489		M&R TOE-Gantry Crane - Standard Collar Assembly	1,400.00
	130483	127489		M&R TOE-Gantry Crane	1,400.00
	130483	127489		Standard Seal & scraper Plate Kit	337.50
	130483	127489		M&R TOE-Gantry Crane	337.50
	130483	127489		Shipping	19.07
	130483	127489		Shipping	19.07
				Line Amount Total	3,513.14
<b>94916</b>	<b>05/14/24</b>	<b>V00754</b>	<b>Southern Cool Shaved Ice</b>	<b>1,000.00</b>	
	130577	127353		Community Event-TACFT	1,000.00
	130577	127353		900 qty 10oz sno-cones	
	130577	127353		For attendees Beverages/Volunteers	
				Line Amount Total	1,000.00
<b>94917</b>	<b>05/14/24</b>	<b>V00973</b>	<b>ImageNet Consulting</b>	<b>52.85</b>	
	130560	127806		Maint & Repair - Office Equipment	52.85
				Line Amount Total	52.85
<b>94918</b>	<b>05/14/24</b>	<b>V00989</b>	<b>SAFEbuilt Texas, LLC</b>	<b>2,500.00</b>	
	130534	126040		Other Receivables	2,500.00
	130534	126040		For Professional Services for the Fruit Transfer	
	130534	126040		Facility	
				Line Amount Total	2,500.00
<b>94919</b>	<b>05/14/24</b>	<b>V01003</b>	<b>Zachary Construction Corporation</b>	<b>17,824.31</b>	
	130580	126554		Construction in Progress	18,762.43
	130580	126554		Furnish labor, materials, equip & Ins	
	130580	126554		for the New Entrance - Gate 12 project	
	130580	126554		Retainage Payable	
	130580	126554		Retainage Payable	
	130580	126554		Retainage Payable	-938.12
				Line Amount Total	17,824.31

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94920	05/14/24	V01012	Shey-Harding Associates, Inc.	30,000.00	
	130575	126947		Executive Search - Director of Operations	30,000.00
	130575	126947		plus expenses	
				Line Amount Total	30,000.00
94921	05/14/24	V01017	GFL Plant Services LP	604.90	
	130549	127798		Contract Services	219.96
	130550	127797		Contract Services	170.82
	130550	127797		Contract Services	214.12
				Line Amount Total	604.90
94922	05/21/24	V00001	Norma Cheline	1,300.00	
	130568	126219		Lease Expense	1,300.00
	130568	126219		Renewal of Storage Building Lease	
	130568	126219		January 1, 2024 to December 31. 2024	
				Line Amount Total	1,300.00
94923	05/21/24	V00004	City of Freeport	21,657.79	
	130607	127848		Water & Gas	77.15
	130668	127898		Water & Gas	262.82
	130669	127897		Water & Gas	159.14
	130670	127896		Water & Gas	1,199.63
	130671	127895		Water & Gas	3,573.01
	130672	127899		Water & Gas	16,386.04
				Line Amount Total	21,657.79
94924	05/21/24	V00010	Specialties Company	306.52	
	130632	127870		M&R TOE-Street Sweeper	133.78
	130632	127870		Net 10 discount	-0.67
	130633	127860		M&R TOE-General, Terminal Ops Equip & Tools	146.79
	130633	127860		Net 10 discount	-1.47
	130659	127882		M&R TOE-Gantry Crane	14.05
	130659	127882		M&R TOE-Gantry Crane	14.04
				Line Amount Total	306.52
94925	05/21/24	V00011	Gulftex Vending	92.86	
	130610	127841		Office Supplies	92.86
				Line Amount Total	92.86
94926	05/21/24	V00013	Mary Campus	54.54	
	130593	127825		Automobile Expense	54.54
				Line Amount Total	54.54
94927	05/21/24	V00014	Francis A Durel Jr	4,067.08	
	130650	127894		Commercial Event-JOC Breakbulk-Operations	4,067.08
				Line Amount Total	4,067.08
94928	05/21/24	V00030	Girouard's Ace Hardware	1,965.75	
	130528	127777		Community Event-TACFT	287.84
	130528	127777		M&R Groundskeeping and Misc. Equipment	73.63
	130528	127777		M&R Groundskeeping Equipment-Holland 105 Tractor	93.90
	130528	127777		M&R TOE-Gantry Crane	213.10
	130528	127777		M&R TOE-Gantry Crane	367.27
	130528	127777		M&R Security Equipment-Security Sign	49.97
	130528	127777		M&R Bldgs-Admin Bldg 1100 Cherry St	298.87
	130528	127777		M&R Bldgs-Security Bldg	7.50
	130528	127777		M&R Warehouse-WH51 Sprinkler System	26.99

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130528	127777		M&R Transit Shed-T.S. 1	11.33	
130528	127777		M&R Transit Shed-T.S. Sprinkler System	46.99	
130528	127777		M&R Docks-Dock Berth 5	488.36	
			Line Amount Total	1,965.75	
<b>94929</b>	<b>05/21/24</b>	<b>V00037</b>	<b>Briggs Equipment</b>	<b>354.50</b>	
130582	127819		M&R TOE-Yale Forklift	354.50	
			Line Amount Total	354.50	
<b>94930</b>	<b>05/21/24</b>	<b>V00038</b>	<b>Killum Pest Control</b>	<b>149.99</b>	
130611	127850		M&R Bldgs-Gate 4	149.99	
			Line Amount Total	149.99	
<b>94931</b>	<b>05/21/24</b>	<b>V00039</b>	<b>Brazosport Tire</b>	<b>1,301.95</b>	
130621	127862		M&R TOE-Toyota Forklift	206.31	
130622	127863		M&R TOE-John Deere Gate HPX615E	432.54	
130623	127864		M&R TOE-Yale Forklift	663.10	
			Line Amount Total	1,301.95	
<b>94932</b>	<b>05/21/24</b>	<b>V00041</b>	<b>Evco Industrial Hardware</b>	<b>574.44</b>	
130401	127652		M&R TOE-Gantry Crane	39.40	
130401	127652		M&R TOE-Gantry Crane	39.39	
130402	127663		M&R Groundskeeping Equipment-Holland 105 Tractor	211.11	
130472	127729		M&R Groundskeeping Equipment-Holland 105 Tractor	36.72	
130648	127887		M&R TOE-Gantry Crane	117.40	
130648	127887		M&R TOE-Gantry Crane	117.40	
130649	127886		M&R TOE-Gantry Crane	6.51	
130649	127886		M&R TOE-Gantry Crane	6.51	
			Line Amount Total	574.44	
<b>94933</b>	<b>05/21/24</b>	<b>V00043</b>	<b>Union Pacific Railroad Company</b>	<b>1,260.00</b>	
130605	127827		Other - Re-bill to Tenaris	1,260.00	
			Line Amount Total	1,260.00	
<b>94934</b>	<b>05/21/24</b>	<b>V00049</b>	<b>Brazos Fasteners, Inc</b>	<b>21.00</b>	
130398	127662		M&R Groundskeeping Equipment-Holland 105 Tractor	21.00	
			Line Amount Total	21.00	
<b>94935</b>	<b>05/21/24</b>	<b>V00050</b>	<b>Northern Tool &amp; Equipment</b>	<b>374.57</b>	
130653	127884		M&R TOE-Gantry Crane	187.29	
130653	127884		M&R TOE-Gantry Crane	187.28	
			Line Amount Total	374.57	
<b>94936</b>	<b>05/21/24</b>	<b>V00054</b>	<b>Payment vendor ledger entry is not found check# 94936.</b>	<b>0.00</b>	
			Line Amount Total		
<b>94937</b>	<b>05/21/24</b>	<b>V00054</b>	<b>Summit Electric Supply</b>	<b>3,500.48</b>	
130494	127736		M&R Warehouse-Warehouse 51	105.26	
130495	127768		M&R Docks-Dock Berth 7-VT	233.89	
130496	127767		M&R Leased Facilities-HTS- (Parcel 25)	826.16	
130497	127766		M&R Leased Facilities-24A (Chiquita)	485.72	
130498	127765		M&R Bldgs-Admin Bldg 1100 Cherry St	457.10	
130499	127735		M&R Leased Facilities-24A (Chiquita)	283.77	
130500	127734		M&R Transit Shed-T.S. 1	283.77	
130501	127733		M&R TOE-Gantry Crane	51.49	
130501	127733		M&R TOE-Gantry Crane	51.49	
130502	127732		M&R Warehouse-Warehouse 51	485.72	

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130503	127731		M&R Leased Facilities-24A (Chiquita)	105.26	
130505	127761		M&R Bldgs-Security Bldg	24.50	
130634	127865		M&R TOE-Gantry Crane	53.18	
130634	127865		M&R TOE-Gantry Crane	53.17	
			Line Amount Total	3,500.48	
<b>94938</b>	<b>05/21/24</b>	<b>V00055</b>	<b>Jesse Hibbetts</b>	<b>193.75</b>	
130629	127853		Sales/Promotion Travel	193.75	
			Line Amount Total	193.75	
<b>94939</b>	<b>05/21/24</b>	<b>V00060</b>	<b>Sun Coast Resources</b>	<b>2,508.24</b>	
130663	127800		Fuel/Oil	2,320.00	
130663	127800		Fuel/Oil	188.24	
			Line Amount Total	2,508.24	
<b>94940</b>	<b>05/21/24</b>	<b>V00062</b>	<b>AT&amp;T Mobility</b>	<b>3,084.45</b>	
130606	127839		February \$893.72		
130606	127839		Telephone	75.16	
130606	127839		Telephone	452.12	
130606	127839		Telephone	366.44	
130606	127839		March \$1,273.46		
130606	127839		Telephone	75.16	
130606	127839		Telephone	156.88	
130606	127839		Telephone	1,041.42	
130606	127839		April \$917.27		
130606	127839		Telephone	394.86	
130606	127839		Telephone	156.26	
130606	127839		Telephone	366.15	
			Line Amount Total	3,084.45	
<b>94941</b>	<b>05/21/24</b>	<b>V00067</b>	<b>Quill LLC</b>	<b>549.01</b>	
130569	127804		Office Supplies	79.98	
130571	127791		Office Supplies	29.90	
130573	127793		Office Supplies	349.35	
130573	127793		Office Supplies	84.18	
130574	127792		Office Supplies	5.60	
			Line Amount Total	549.01	
<b>94942</b>	<b>05/21/24</b>	<b>V00080</b>	<b>On Hold Marketing Works</b>	<b>39.00</b>	
130482	127749		Lease Expense	39.00	
			Line Amount Total	39.00	
<b>94943</b>	<b>05/21/24</b>	<b>V00097</b>	<b>Comcast Business</b>	<b>1,313.86</b>	
130584	127821		Contract Services	1,313.86	
			Line Amount Total	1,313.86	
<b>94944</b>	<b>05/21/24</b>	<b>V00098</b>	<b>Suburban Propane</b>	<b>666.88</b>	
130616	127840		Fuel/Oil	282.56	
130639	127858		Fuel/Oil	384.32	
			Line Amount Total	666.88	
<b>94945</b>	<b>05/21/24</b>	<b>V00101</b>	<b>Sunstates Security, LLC</b>	<b>78,372.02</b>	
130594	127838		Security Service Fees	36,078.86	
130595	127837		Security Service Fees	1,060.58	
130596	127836		Security Service Fees	703.08	
130597	127835		Security Service Fees	1,123.01	
130598	127834		Security Service Fees	36,347.04	
130599	127833		Security Service Fees	1,084.41	

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130600	127832		Security Service Fees	172.78	
130601	127831		Security Service Fees	643.50	
130602	127830		Security Service Fees	1,158.76	
			Line Amount Total	78,372.02	
<b>94946</b>	<b>05/21/24</b>	<b>V00104</b>	<b>Donald Mullett</b>	<b>9,895.84</b>	
130587	127820		Construction in Progress	9,895.84	
			Line Amount Total	9,895.84	
<b>94947</b>	<b>05/21/24</b>	<b>V00110</b>	<b>Jason Miura</b>	<b>204.86</b>	
130591	127824		Telephone	136.75	
130591	127824		Office Supplies	22.42	
130591	127824		Sales/Promotion Travel	45.69	
			Line Amount Total	204.86	
<b>94948</b>	<b>05/21/24</b>	<b>V00119</b>	<b>JH Sanchez Holding Company</b>	<b>6,254.00</b>	
130562	126802		Janitorial Services February 2024 - January 2025		
130562	126802		M&R Bldgs-Admin Bldg 1100 Cherry St	2,723.00	
130562	126802		M&R Bldgs-Operations Bldg	889.00	
130562	126802		M&R Bldgs-Security Bldg	651.00	
130562	126802		M&R Bldgs-Security Bldg - Cuistoms	880.00	
130562	126802		M&R Bldgs-Buildings VT Berth 7 - Breakroom	890.00	
130562	126802		M&R Bldgs-Maintenance Bldg- Maint Shop (WH3)	110.00	
130562	126802		M&R Transit Shed-T.S. 3	91.00	
130562	126802		M&R Bldgs-Gate 4	20.00	
130562	126802		3 yr contract with 2 one year options		
130562	126802		Board Approved 12/14/2023		
			Line Amount Total	6,254.00	
<b>94949</b>	<b>05/21/24</b>	<b>V00159</b>	<b>Principal Life Insurance Company</b>	<b>1,501.45</b>	
130657	127892		Group Life Insurance	370.23	
130657	127892		Group Life Insurance	176.34	
130657	127892		Group Life Insurance	416.99	
130657	127892		Group Life Insurance	14.12	
130657	127892		Group Life Insurance	110.00	
130657	127892		Group Life Insurance	97.59	
130657	127892		Group Life Insurance	36.81	
130657	127892		Group Life Insurance	129.68	
130657	127892		Group Life Insurance	62.49	
130657	127892		Group Life Insurance	112.44	
130657	127892		Durel Adj	-42.80	
130657	127892		C Gay Adj	31.68	
130657	127892		Hibbetts Adj	19.69	
130657	127892		D Lopez Adj	-33.81	
			Line Amount Total	1,501.45	
<b>94950</b>	<b>05/21/24</b>	<b>V00178</b>	<b>Waypoint</b>	<b>6,313.81</b>	
130514	127630		Maint & Repair - Office Equipment	6,047.48	
130514	127630		Vertiv GTX5-3000L VRT2UXLN 3KVA 120v UPS		
130514	127630		Vertiv 110002 Basic rPDU		
130514	127630		Vertiv TLFL Toolless full length accessory bracket		
130514	127630		TLMH Toolless hardware accessories		
130514	127630		Vertiv IMD-03E-SH rPDU Monitoring Device		
130514	127630		Mis powe rcords and hardware	58.13	
130517	127748		Contract Services	208.20	
			Line Amount Total	6,313.81	

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94951	05/21/24	V00187	Brazoria County Septic Service	3,165.00	
	130642	127879		Contract Services	1,688.00
	130643	127878		Contract Services	1,477.00
				Line Amount Total	3,165.00
94952	05/21/24	V00193	Grainger	747.68	
	130609	127844		M&R Bldgs-Security Bldg	155.38
	130628	127857		Maint and Operations Supplies	592.30
				Line Amount Total	747.68
94953	05/21/24	V00249	JOC Group Inc.	2,221.25	
	130592	127826		Subscriptions Dec-May 2024	1,110.65
	130592	127826		Subscriptions	1,110.60
				Line Amount Total	2,221.25
94954	05/21/24	V00267	IWS Gas and Supply of Texas	124.30	
	130477	127760		M&R Groundskeeping Equipment-Holland 105 Tractor	31.87
	130564	127802		M&R TOE-General, Terminal Ops Equip & Tools	92.43
				Line Amount Total	124.30
94955	05/21/24	V00274	Texas Department of State Health Services	1,422.00	
	130586	127823		Construction in Progress	1,422.00
	130586	127823		Asbestos Abatement/Demo Notification Fee Invoice	
	130586	127823		Abate/Demo 313 E. 8th, 500 E Broad St	
	130586	127823		NESHAPs - 226 E 6th	
				Line Amount Total	1,422.00
94956	05/21/24	V00386	Industrial Disposal Supply Co., LLC	726.50	
	130561	127803		M&R TOE-Street Sweeper	726.50
				Line Amount Total	726.50
94957	05/21/24	V00396	Chemical Security Group	7,500.00	
	130583	127631		Consultant Fees - Other	7,500.00
	130583	127631		Update the Facility Security Assesment (FSA	
	130583	127631		Report, and USCG CG-6025 Form	
				Line Amount Total	7,500.00
94958	05/21/24	V00447	Solutions-Now	3,200.18	
	130576	127784		Contract Services	3,200.18
	130576	127784		Annual Support Agreement for V90 License	
	130576	127784		June 2024 - May 2025	
				Line Amount Total	3,200.18
94959	05/21/24	V00517	Covenant K9 Detection Services	6,750.00	
	130585	125737		Security Service Fees	6,750.00
	130585	125737		Day Rate for K9 Detection Services 6 hr day	
	130585	125737		Oct 2024-Sept 2025	
	130585	125737		Board Approved 09/23/2021	
				Line Amount Total	6,750.00
94960	05/21/24	V00539	Cintas	200.95	
	130644	127889		Safety Supplies	200.95
				Line Amount Total	200.95
94961	05/21/24	V00579	CenterPoint Energy	17,175.00	
	130664	127903		Construction in Progress	17,175.00
				Line Amount Total	17,175.00

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<b>94962</b>	<b>05/21/24</b>	<b>V00593</b>	<b>McAllen Signal and Boring , LLC</b>	<b>525.00</b>	
130532	125964		M&R Rail-Other Oct 2023		
130532	125964		M&R Rail-Other Nov 2023-Sept 2024		525.00
130532	125964		Annual Hwy 36 Rail Crossings Inspections		
			Line Amount Total		525.00
<b>94963</b>	<b>05/21/24</b>	<b>V00620</b>	<b>Kleen Pro Products</b>	<b>688.85</b>	
130652	127877		M&R TOE-Gantry Crane		344.43
130652	127877		M&R TOE-Gantry Crane		344.42
			Line Amount Total		688.85
<b>94964</b>	<b>05/21/24</b>	<b>V00653</b>	<b>Paul Bridges &amp; Associates, LLC</b>	<b>22,017.61</b>	
130614	124451		Construction in Progress		
130614	124451		Change Order Board Approved 02/22/2024		22,017.61
			Line Amount Total		22,017.61
<b>94965</b>	<b>05/21/24</b>	<b>V00668</b>	<b>DARE Capital Partners, LLC</b>	<b>4,995.93</b>	
130624	127397		M&R TOE-Gantry Crane		1,022.40
130624	127397		M&R TOE-Gantry Crane		1,022.40
130624	127397		2 Painters to Chip, Scrape and Paint Cranes		
130624	127397		\$20.29 Per Hour		
130624	127397		\$20.00/hour plus 1.42% Mark Up		
130624	127397		Not to Exceed \$23,000.00		
130645	127888		M&R Other-Mowing, Weed Control Etc		1,367.83
130646	127397		M&R TOE-Gantry Crane		791.65
130646	127397		M&R TOE-Gantry Crane		791.65
130646	127397		2 Painters to Chip, Scrape and Paint Cranes		
130646	127397		\$20.29 Per Hour		
130646	127397		\$20.00/hour plus 1.42% Mark Up		
130646	127397		Not to Exceed \$23,000.00		
			Line Amount Total		4,995.93
<b>94966</b>	<b>05/21/24</b>	<b>V00697</b>	<b>Northern Safety Co., Inc.</b>	<b>577.78</b>	
130613	127842		Safety Supplies		577.78
			Line Amount Total		577.78
<b>94967</b>	<b>05/21/24</b>	<b>V00770</b>	<b>UniFirst Holdings Inc.</b>	<b>1,018.55</b>	
130641	127796		Annual Contract - Uniforms, Supplies, Mats		
130641	127796		Maint and Operations Supplies		597.14
130641	127796		M&R Bldgs-Operations Bldg		57.87
130641	127796		Other Receivables		213.60
130641	127796		M&R Bldgs-Admin Bldg 1100 Cherry St		96.25
130641	127796		M&R Bldgs-Security Bldg		53.69
			Line Amount Total		1,018.55
<b>94968</b>	<b>05/21/24</b>	<b>V00803</b>	<b>PPG Architectural Finishes</b>	<b>1,499.85</b>	
130654	127881		M&R TOE-Gantry Crane		499.95
130654	127881		M&R TOE-Gantry Crane		499.95
130655	127880		M&R TOE-Gantry Crane		249.98
130655	127880		M&R TOE-Gantry Crane		249.97
			Line Amount Total		1,499.85
<b>94969</b>	<b>05/21/24</b>	<b>V00809</b>	<b>Thomson Reuters - West</b>	<b>198.39</b>	
130603	125956		Subscriptions		198.39
			Line Amount Total		198.39

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94970	05/21/24	V00838	SteLar Consulting Services, LLC	3,430.72	
	130578	119316		M&R Cat Protection Systems-B1	3,430.72
	130578	119316		For Professional Services for the Cathodic	
	130578	119316		Protection Services	
	130578	119316		Project No. 21-09	
				Line Amount Total	3,430.72
94971	05/21/24	V00864	Visual Edge IT, Inc.	385.23	
	130286	127525		Maint & Repair - Office Equipment	102.36
	130604	127818		Maint & Repair - Office Equipment	282.87
				Line Amount Total	385.23
94972	05/21/24	V00902	Fercam Group	16,250.00	
	130527	126603		Construction in Progress-J00330	16,250.00
	130527	126603		Professional Services for the	
	130527	126603		East End Air Quality Monitoring	
				Line Amount Total	16,250.00
94973	05/21/24	V00921	Edge Engineering & Science LLC	5,396.88	
	130588	126604		Consultant Fees - Other	1,222.50
	130588	126604		Professional Services for	
	130588	126604		2024 Environmental Regulatory Compliance Services	
	130608	126604		Consultant Fees - Other	4,174.38
	130608	126604		Professional Services for	
	130608	126604		2024 Environmental Regulatory Compliance Services	
				Line Amount Total	5,396.88
94974	05/21/24	V00938	Principal Life Insurance Company	2,633.22	
	130656	127891		Group Dental Insurance	299.52
	130656	127891		Group Vision Insurance	60.70
	130656	127891		Group Dental Insurance	294.93
	130656	127891		Group Vision Insurance	57.59
	130656	127891		Group Dental Insurance	789.10
	130656	127891		Group Vision Insurance	161.24
	130656	127891		Group Dental Insurance	14.03
	130656	127891		Group Vision Insurance	3.03
	130656	127891		Group Dental Insurance	155.15
	130656	127891		Group Vision Insurance	26.47
	130656	127891		Group Dental Insurance	127.56
	130656	127891		Group Vision Insurance	26.47
	130656	127891		Group Dental Insurance	64.74
	130656	127891		Group Vision Insurance	12.08
	130656	127891		Group Dental Insurance	220.58
	130656	127891		Group Vision Insurance	39.49
	130656	127891		Group Dental Insurance	69.12
	130656	127891		Group Vision Insurance	13.02
	130656	127891		Group Dental Insurance	166.30
	130656	127891		Group Vision Insurance	32.10
				Line Amount Total	2,633.22
94975	05/21/24	V00957	AT&T:831-001-2806-788	324.80	
	130620	127852		Telephone	154.89
	130620	127852		Telephone	84.97
	130620	127852		Telephone	84.94
				Line Amount Total	324.80



## Vendor Expenditure

Period: 05/01/24..05/31/24

Port Freeport

Monday, June 10, 2024

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FREEPORTMARY

Check No.	Check Date	Vendor No.	Vendor Name	Check Amount	
	Invoice No.	PO No.	GL Account Name	Line Description	Line Amount
94976	05/21/24	V00982	King Ranch Ag & Turf	46.10	
	130631	127871		M&R TOE-2020 John Deere HPX615E	46.10
				Line Amount Total	46.10
94977	05/21/24	V01010	Imperial Bag & Paper Co LLC dba Imperial Dade	397.73	
	130590	127828		Office Supplies	397.73
				Line Amount Total	397.73
94978	05/21/24	V01017	GFL Plant Services LP	1,347.76	
	130651	127875		Contract Services	522.90
	130625	127854		Contract Services	170.82
	130625	127854		Contract Services	214.12
	130626	127855		Contract Services	219.96
	130627	127856		Contract Services	219.96
				Line Amount Total	1,347.76
94979	05/21/24	V01018	Turtle & Hughes Inc.	948.60	
	130662	127890		M&R Docks-Dock Berth 2	948.60
				Line Amount Total	948.60
94980	05/21/24	V01035	Bearcom	615.19	
	130581	127829		M&R Security Equipment-Other	615.19
				Line Amount Total	615.19
94981	05/28/24	V00009	Williams Diesel, Inc	58.87	
	130692	127919		M&R TOE-Street Sweeper	58.87
				Line Amount Total	58.87
94982	05/28/24	V00012	FedEx	155.04	
	130558	127789		Postage and Freight	32.36
	130558	127789		Postage and Freight	33.10
	130589	127822		Commerical Event-JOC Breakbulk-Business Developmen	89.58
				Line Amount Total	155.04
94983	05/28/24	V00037	Briggs Equipment	343.62	
	130673	127907		M&R TOE-Yale Forklift	343.62
				Line Amount Total	343.62
94984	05/28/24	V00044	Ready Refresh	439.62	
	130696	127921		Office Supplies	35.64
	130696	127921		Office Supplies	17.82
	130696	127921		Office Supplies	4.45
	130696	127921		Office Supplies	17.82
	130696	127921		Office Supplies	332.71
	130696	127921		Office Supplies	13.36
	130696	127921		Office Supplies	17.82
				Line Amount Total	439.62
94985	05/28/24	V00049	Brazos Fasteners, Inc	94.50	
	130700	127941		M&R Transit Shed-T.S. 1	94.50
				Line Amount Total	94.50
94986	05/28/24	V00058	Ravi K. Singhania	867.19	
	130721	127948		Community Events	119.00
	130721	127948		Governmental Relations Travel	748.19
				Line Amount Total	867.19

**Vendor Expenditure**

Period: 05/01/24..05/31/24

Port Freeport

Monday, June 10, 2024

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FREEPORTMARY

Check No.	Check Date	Vendor No.	Vendor Name	Check Amount	
Invoice No.	PO No.	GL Account Name	Line Description	Line Amount	
<b>94987 05/28/24</b>	<b>V00067</b>	<b>Quill LLC</b>		<b>280.70</b>	
130570	127795		Office Supplies		18.93
130572	127794		Office Supplies		2.42
130572	127794		Office Supplies		1.20
130572	127794		Office Supplies		0.30
130572	127794		Office Supplies		1.20
130572	127794		Office Supplies		0.90
130572	127794		Office Supplies		1.20
130615	127851		Office Supplies		6.05
130615	127851		Office Supplies		3.03
130615	127851		Office Supplies		0.76
130615	127851		Office Supplies		3.03
130615	127851		Office Supplies		236.38
130615	127851		Office Supplies		2.27
130615	127851		Office Supplies		3.03
			Line Amount Total		280.70
<b>94988 05/28/24</b>	<b>V00084</b>	<b>Crain, Caton &amp; James</b>		<b>14,787.54</b>	
130701	127934		Legal Fees		12,495.00
130701	127934		Legal Fees		124.56
130702	127935		Legal Fees		1,844.50
130703	127933		Legal Fees		297.50
130703	127933		Legal Fees		25.98
			Line Amount Total		14,787.54
<b>94989 05/28/24</b>	<b>V00086</b>	<b>Blank Rome LLP</b>		<b>424.80</b>	
130699	127936		Legal Fees		424.80
			Line Amount Total		424.80
<b>94990 05/28/24</b>	<b>V00095</b>	<b>Swisher &amp; Swisher</b>		<b>1,200.00</b>	
130661	125129		M&R Other-Mowing, Weed Control Etc		1,200.00
130661	125129		Provide labor, equip & material to maintain		
			Line Amount Total		1,200.00
<b>94991 05/28/24</b>	<b>V00098</b>	<b>Suburban Propane</b>		<b>720.00</b>	
130685	127912		Fuel/Oil		720.00
			Line Amount Total		720.00
<b>94992 05/28/24</b>	<b>V00100</b>	<b>LJA Engineering Inc.</b>		<b>96,981.62</b>	
130682	126888		Construction in Progress Project 24-01		96,981.62
130682	126888		Professional Services for the		
130682	126888		Velasco Terminal Area 5 Concrete Container Yard		
130682	126888		MIP 88 Grant		
130682	126888		Board Approval 01/25/2024		
			Line Amount Total		96,981.62
<b>94993 05/28/24</b>	<b>V00101</b>	<b>Sunstates Security, LLC</b>		<b>39,655.82</b>	
130722	127958		Security Service Fees		1,140.89
130723	127957		Security Service Fees		37,710.57
130724	127956		Security Service Fees		566.04
130725	127955		Security Service Fees		238.32
			Line Amount Total		39,655.82
<b>94994 05/28/24</b>	<b>V00147</b>	<b>Greater Angleton Chamber of Commerce</b>		<b>35.00</b>	
130677	127916		Community Events		35.00
			Line Amount Total		35.00

## Vendor Expenditure

Period: 05/01/24..05/31/24

Port Freeport

Monday, June 10, 2024

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FREEPORTMARY

Check No.	Check Date	Vendor No.	Vendor Name	Check Amount	
	Invoice No.	PO No.	GL Account Name	Line Description	Line Amount
94995	05/28/24	V00178	Waypoint	68.74	
	130579	127807		Furniture and Equipment Purchases <\$5,000	68.74
				Line Amount Total	68.74
94996	05/28/24	V00189	Energia Resources, Inc.	1,509.00	
	130665	127900		M&R Docks-Dock Berth 7-VT	800.00
	130666	127901		M&R Docks-Dock Berth 7-VT	471.00
	130667	127902		M&R TOE-Street Sweeper	238.00
				Line Amount Total	1,509.00
94997	05/28/24	V00201	CDW Government	1,511.64	
	130674	127752		Contract Services	1,511.64
	130674	127752		Adobe Acrobat for Teams	
				Line Amount Total	1,511.64
94998	05/28/24	V00214	McFarland PLLC	30,087.50	
	130709	127937		Construction in Progress	30,087.50
				Line Amount Total	30,087.50
94999	05/28/24	V00270	The Bulletin	395.00	
	130727	127947		Community Advertising	395.00
				Line Amount Total	395.00
95000	05/28/24	V00276	All Marine, LLC	115.24	
	130619	127866		M&R Terminal Facilities-Other-VT	115.24
				Line Amount Total	115.24
95001	05/28/24	V00386	Industrial Disposal Supply Co., LLC	5,494.58	
	130679	127906		M&R TOE-Street Sweeper	3,839.16
	130680	127909		M&R TOE-Street Sweeper	518.51
	130681	127908		M&R TOE-Street Sweeper	1,136.91
				Line Amount Total	5,494.58
95002	05/28/24	V00760	eTrac, Inc.	13,900.00	
	130676	127698		Consultant Fees - Other	13,900.00
	130676	127698		Professional Services for 2024 Pre-Hurricane Dock	
	130676	127698		Survey	
				Line Amount Total	13,900.00
95003	05/28/24	V00820	ADT Commercial DBA Everon	854.00	
	130716	127952		Badge Supplies	854.00
				Line Amount Total	854.00
95004	05/28/24	V00865	AC Surfside Marina, LLC	220.76	
	130726	127954		M&R Security Equipment-SeaArk Commander Boat	220.76
				Line Amount Total	220.76
95005	05/28/24	V00892	City of Iowa Colony	60.00	
	130675	127918		Community Events	60.00
	130675	127918		Santos, Giesecke, Kincannon	
				Line Amount Total	60.00
95006	05/28/24	V00909	Randle Law Office Ltd.	17,005.00	
	130712	127932		Legal Fees	427.50
	130713	127931		Legal Fees	4,000.00
	130714	127930		Legal Fees	11,527.50
	130714	127930		Legal Fees	1,050.00
				Line Amount Total	17,005.00

**Vendor Expenditure**

Period: 05/01/24..05/31/24

Port Freeport

Monday, June 10, 2024

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FREEPORTMARY

Check No.	Check Date	Vendor No.	Vendor Name	Check Amount	
Invoice No.	PO No.	GL Account Name	Line Description		Line Amount
<b>95007 05/28/24</b>		<b>V00946</b>	<b>Full Source, LLC</b>	<b>213.76</b>	
130704	127943		Safety Supplies		213.76
			Line Amount Total		213.76
<b>95008 05/28/24</b>		<b>V00973</b>	<b>ImageNet Consulting</b>	<b>98.54</b>	
130678	127904		Maint & Repair - Office Equipment		98.54
			Line Amount Total		98.54
<b>95009 05/28/24</b>		<b>V00986</b>	<b>Kim T Kincannon</b>	<b>79.06</b>	
130719	127949		Community Events		79.06
			Line Amount Total		79.06
<b>95010 05/28/24</b>		<b>V01010</b>	<b>Imperial Bag &amp; Paper Co LLC dba Imperial Dade</b>	<b>943.80</b>	
130630	127861		Office Supplies		827.24
130718	127953		Office Supplies		116.56
			Line Amount Total		943.80
<b>95011 05/28/24</b>		<b>V01017</b>	<b>GFL Plant Services LP</b>	<b>522.90</b>	
130705	127940		Contract Services		522.90
			Line Amount Total		522.90
<b>95012 05/28/24</b>		<b>V01036</b>	<b>Forest Industries Telecommunications</b>	<b>600.00</b>	
130717	127950		Dues & Memberships & Licenses		600.00
			Line Amount Total		600.00
		<b>Texas Gulf Bank Accounts Payable</b>		<b>882,987.10</b>	



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## MEMORANDUM

**TO:** Port Commissioners  
Chief Executive Officer

**FROM:** Rob Lowe

**DATE:** June 21, 2024

**SUBJECT:** Liability Insurance Renewal

---

The Port's liability insurance is up for a renewal and staff met with the Finance Committee on June 13 to discuss the market renewal conditions. This renewal includes Marine General Liability, Hull & Machinery/Protection & Indemnity, Commercial Auto, Maritime Employers Liability, Bumbershoot, Public Officials Director and Officers and staff will update the full board and make recommendations for renewal.

### PORT COMMISSION


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



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## MEMORANDUM

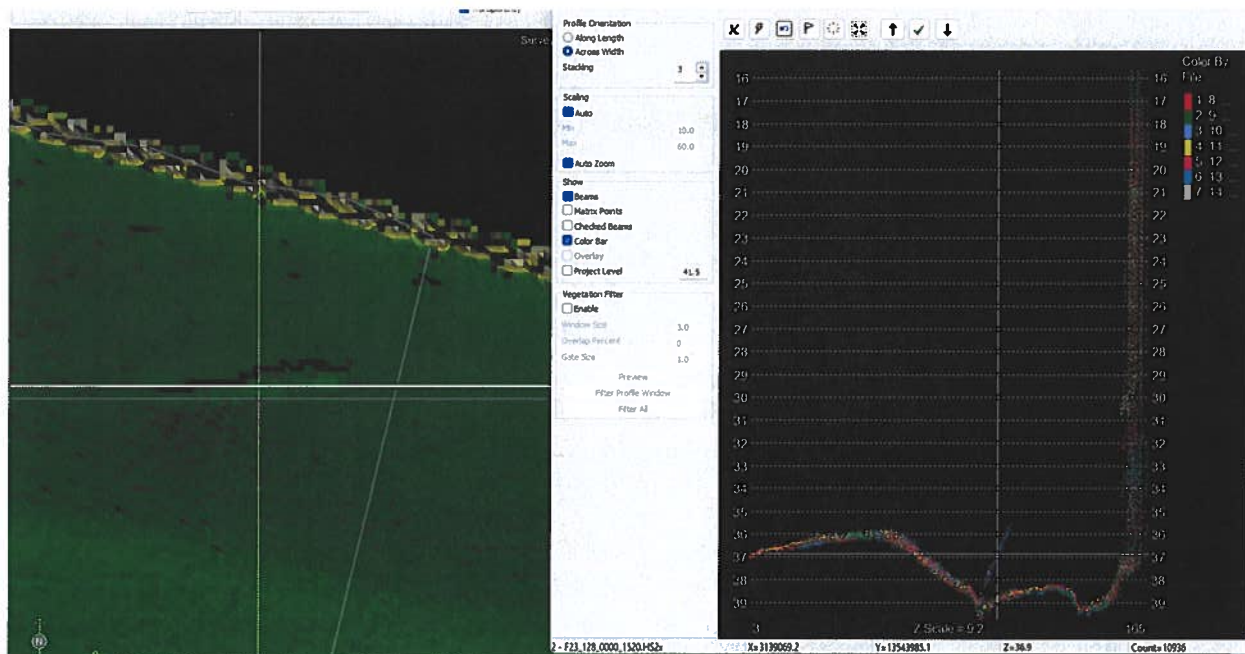
**TO:** Commissioners  
Directors  
Legal Counsel

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

**DATE:** June 14, 2024

**SUBJECT:** Docks 1, 2, 3, and 5 Sheet Pile Repairs 2024  
Approval of Change Order #1

While performing an annual hydrographic survey last month, debris in the harbor, near Dock 2 was discovered. Divers from the contractor doing the sheet pile repair project confirmed the debris to be an old fender piling once attached to the quay, as the original fendering system. Attached herewith is Change Order #1 to the contract for Docks 1, 2, 3, and 5 Sheet Pile Repairs 2024 to remove the piling. I recommend approval of Change Order #1 in the amount of not to exceed \$12,023.80.



### PORT COMMISSION


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



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## MEMORANDUM

**TO:** Commissioners  
Directors  
Legal Counsel

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

**DATE:** June 14, 2024

**SUBJECT:** PSA for East 5<sup>th</sup> Street Topographic Surveying - SCP

---

I have selected Baker and Lawson as the most qualified surveying firm to submit a fee proposal for the topographic surveying of East 5<sup>th</sup> Street. This project involves demolishing and replacing East 5<sup>th</sup> Street with thicker concrete. I recommend approval in the amount **of not to exceed \$46,700.00.**



PORT COMMISSION

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






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## MEMORANDUM

**TO:** Commissioners  
Directors  
Legal Counsel

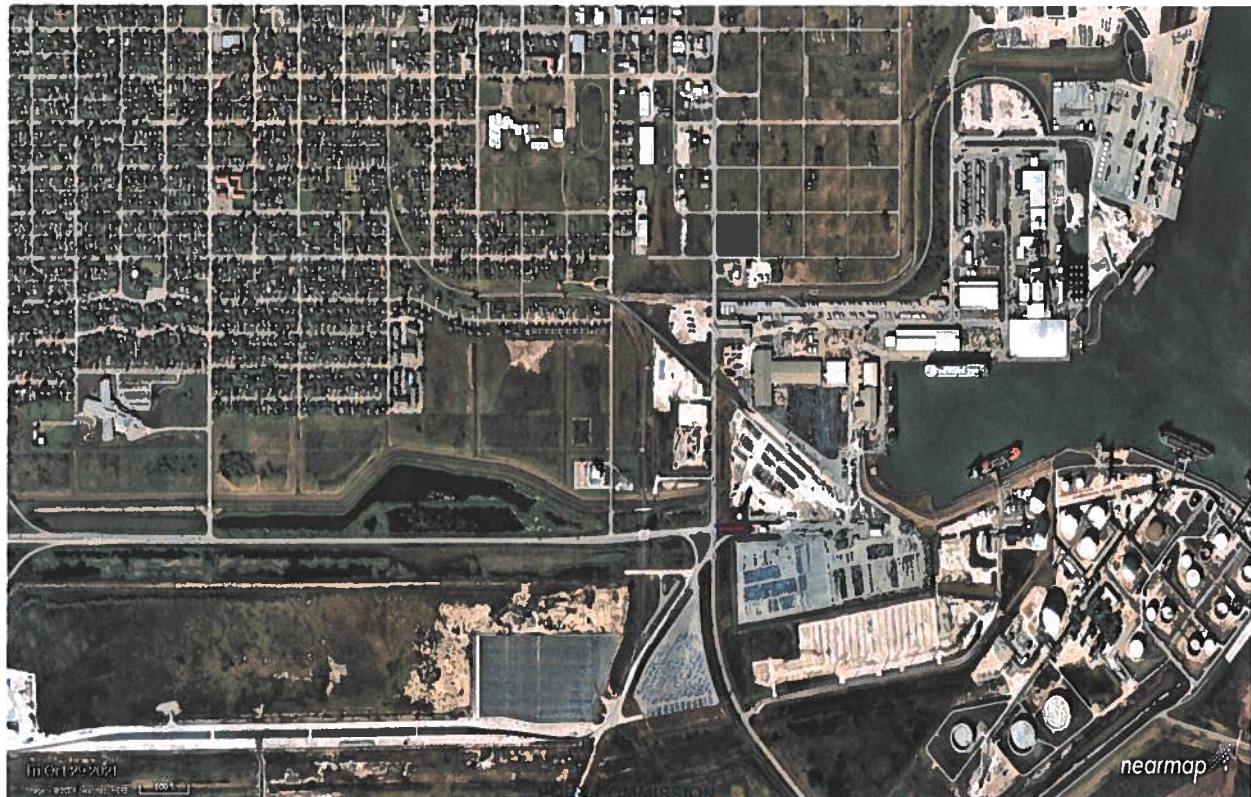
**FROM:** Jason Hull, P.E.   
Director of Engineering

**DATE:** June 14, 2024

**SUBJECT:** PSA for Gate 4 Entrance Topographic Surveying - SCP

---

I have selected Baker and Lawson as the most qualified surveying firm to submit a fee proposal for the topographic surveying of Gate 4 entrance off of FM 1495. This project involves demolishing and replacing a two-lane asphalt entrance with 4-lane concrete. I recommend approval in the amount of **not to exceed \$23,300.00**.








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## MEMORANDUM

**TO:** Commissioners  
Directors  
Legal Counsel

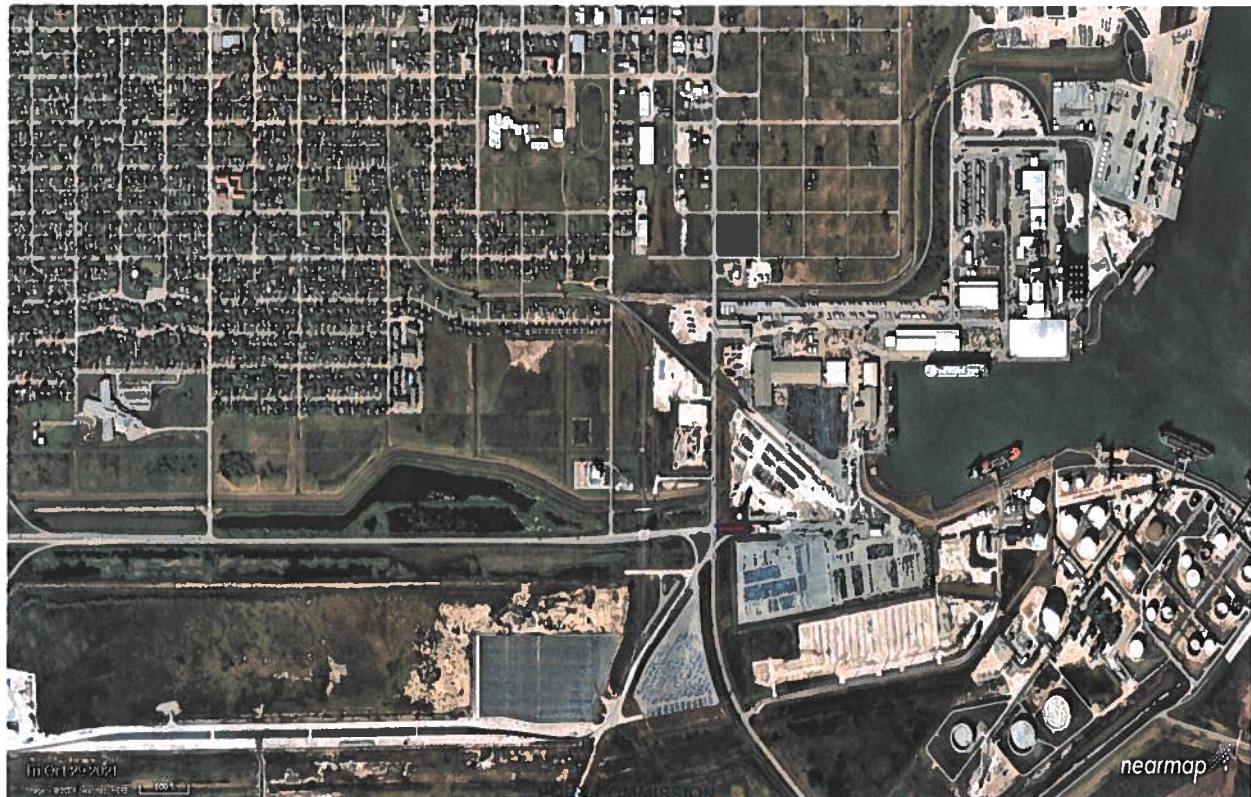
**FROM:** Jason Hull, P.E.   
Director of Engineering

**DATE:** June 14, 2024

**SUBJECT:** PSA for Gate 4 Entrance Topographic Surveying - SCP

---

I have selected Baker and Lawson as the most qualified surveying firm to submit a fee proposal for the topographic surveying of Gate 4 entrance off of FM 1495. This project involves demolishing and replacing a two-lane asphalt entrance with 4-lane concrete. I recommend approval in the amount of **not to exceed \$23,300.00**.





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## MEMORANDUM

**TO:** Commissioners  
Directors  
Legal Counsel

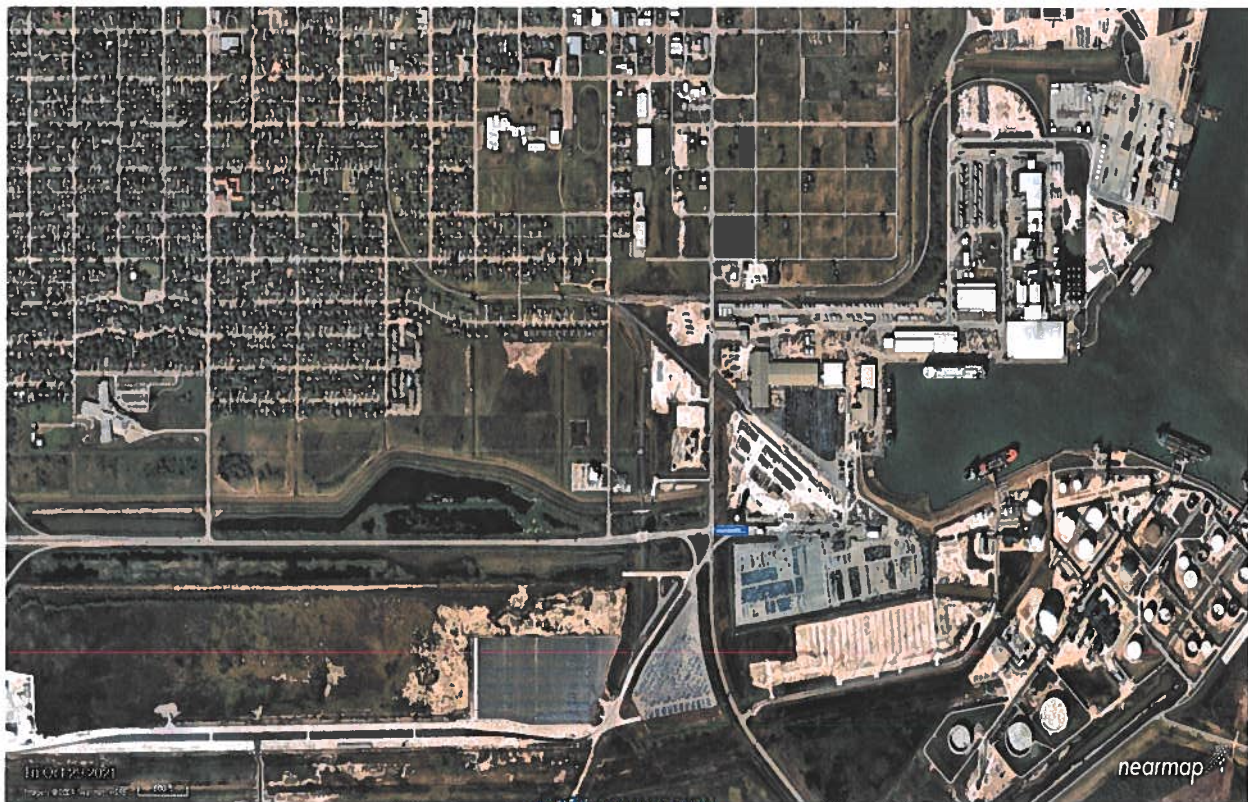
**FROM:** Jason Hull, P.E. *JH*  
Director of Engineering

**DATE:** June 18, 2024

**SUBJECT:** PSA for Gate 4 Entrance Geotechnical and Materials Testing - SCP

---

I have selected CMT Technical Services as the most qualified Engineering firm to submit a fee proposal for the geotechnical and materials testing of Gate 4 entrance off of FM 1495. This project involves demolishing and replacing a two-lane asphalt entrance with 4-lane concrete. I recommend approval in the amount of **not to exceed \$18,482.00.**







**BID TABULATION SHEET**  
**Network Switch Replacement**  
**BID OPENING: JUNE 21, 2024, 10:00 A.M.**

Name	Amount
Network Cabling Services, Inc	\$40,568
Pfeiffer & Son, LTD	\$40,939

Signatures: Be Pitt  
\_\_\_\_\_  
\_\_\_\_\_



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**TO:** Executive Director/CEO  
Port Freeport Commissioners  
Legal Counsel

**FROM:** Sales and Marketing Specialist and  
Director of Business and Economic Development

**DATE:** June 27, 2024

**SUBJECT:** RFP for Website Redevelopment

---

Staff budgeted \$150,000 for the website redevelopment.

Staff recommends Hot Dog Marketing to redevelop the website with some additional scope for marketing services for a total \$138,000 and not to exceed \$150,000.

Randle Law Office is completing its review of the Master Service Agreement at the time this memo was prepared. If the final MSA is not ready for the Port Commission meeting, then staff recommends that Phyllis Saathoff, Executive Director & CEO of Port Freeport, be authorized to execute the MSA on behalf of Port Freeport.

PORT COMMISSION

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

June 11, 2024

The Honorable Katherine Tai  
United States Trade Representative  
600 17<sup>th</sup> St, NW  
Washington, DC 20508

**RE: Request for Comments on Proposed Modifications and Machinery Exclusion Process in the Section 301 Investigation: China's Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation (Docket ID: USTR-2024-0007)**

Dear Ambassador Tai,

Seaports are America's trade gateways, providing access to our international partners to export and import cargo for the American people. Seaport cargo accounts for roughly 25% of the U.S. economy and supports over 30 million jobs across America. As international trade hubs, seaports are vital economic engines, for every \$1 billion in export goods shipped through U.S. ports, 15,000 jobs are created.

First and foremost, we appreciate your dedication to ensuring our global competitiveness and aim to secure our nation's most critical industries through comprehensive trade negotiations and leverage. However, we have several concerns regarding the proposed 25% tariff on the importation of Chinese-built Ship-To-Shore cranes (STS):

1. Our understanding of the purpose of these tariffs is to incentivize the purchase of alternative products and avoid paying the tariff. However, when it comes to STS cranes, there is no viable domestic alternative. Despite recent and worthy efforts, there are currently no manufacturers of STS cranes in the United States, nor has there been for nearly four decades. It is unlikely any manufacturers would be able to produce American made STS cranes within the next several years with the reliability and durability required to support our Seaports. Furthermore, the two other nations producing a small fraction of STS cranes (Germany and Finland) source the majority of the physical components for the cranes from China and Russia, making their products subject to the 25% tariff as well. Currently, the cost of an STS crane is between \$15 million to \$20 million and takes roughly between 2-3 years lead time to build and deliver. STS manufacturers are not in competition with any domestic industries.
2. Cyber security concerns are more effectively addressed by ongoing efforts by the US Coast Guard both through Maritime Security (MARSEC) Directive 105-4 specifically addressing cyber risk management actions to be taken by owners or operators of STS cranes manufactured by People's Republic of China (PRC) companies as well as pending cyber security rulemakings from both the USCG and the Cybersecurity and Infrastructure Security Agency (CISA) which, while broader than just STS cranes, when implemented will further safeguard port infrastructure.
3. STS cranes themselves are not high tech products; they are, in reality, just large metal structures. Rather than addressing China's egregious violations of intellectual property and

forced technology transfers, imposing tariffs on these high cost, low tech pieces of equipment would, in fact, damage an important strategic objective of modernizing and improving U.S. infrastructure and put the economic health of our communities and our country in jeopardy.

4. The cost of a 25% tariff on the STS cranes will substantially stunt the ability of U.S. ports to keep cargo flowing and adapt to the growing demand on our trade gateways. For example, if the tariff stands and is enforced today, **Port Houston** would incur \$40 million just on STS cranes ordered and delivered this calendar year. Furthermore, the **Georgia Ports Authority** has eight new STS cranes on order and would incur about \$20 million in tariff on the four delivered after the August 1<sup>st</sup> implementation date. The **Port of Charleston** would incur approximately \$6 million per year from the proposed tariffs. Many other ports and marine terminal operators (MTOs) will have to delay ordering STS cranes or secure additional funding due to the 25% tariff.
5. Several of our nation's ports receive federal or state dollars through grant programs to purchase new STS cranes as part of job-creating projects. For example, the **Port of New Orleans** was recently awarded a Department of Transportation MEGA grant for a project that requires nine new STS cranes. The new tariff would have a significant impact on the project budget and project viability. This additional tariff will reduce buying power, and therefore reduce the ability to create and sustain American jobs in some of our most economically disadvantaged communities surrounding port complexes. However, the economic impact is not just on coastal and waterway communities, the ripple effect will hit every state and every congressional district.
6. This additional cost will reduce the competitiveness of American ports with neighboring international ports. Fewer STS cranes means longer wait times for cargo and increased dwell times for ships. This equates to less cargo capacity and reduced competitiveness in our regions. This tariff gives Mexican and Canadian ports a competitive advantage against American ports. As U.S. ports become less competitive, American farmers, agricultural companies, manufacturers, retailers, and exporters will bear the burden of lost access for their products.
7. Environmental sustainability also stands to suffer from this tariff. With fewer new STS cranes to move cargo from ship to shore, the ships will stay idling at the dock for longer emitting more emissions per ton of cargo during loading and unloading. Ports may also need to keep higher polluting cranes in operation longer as the new cleaner STS cranes are 25% more expensive now.

This new tariff will have a substantial negative impact on ports' abilities to meet growing cargo demand at their terminals. This 25% increase will have the unintended consequence of raising the global price for cranes and negatively impact all American ports. Many ports will have limited ability to recover the additional costs imposed by the tariffs, as contracts with ocean carriers, most of whom have long-term contracts of five to ten years in place, dictate pricing. Rather, imposition of tariffs on port infrastructure like ship-to-shore cranes risks delaying other investments, including projects in which ports partner with the U.S. Army Corps of Engineers or U.S. Department of Transportation, undermining the President's Investing in America and supply chain resilience strategies and decreasing productivity. Among those projects likely impacted are the numerous

planned investments in zero-emission equipment, further harming the domestic green economy and the industries the proposed tariffs purportedly protect.

These delays to project schedules risk increasing overall project cost and adversely impacting domestic vendors and the national economy. As investments are delayed and canceled, the impact will be felt directly by the nation's workforce including union members at ports as well as those in the construction and manufacturing industries.

Where ports are able to pass on the additional costs, the burden, rather than being focused on limited industries, will be borne across all industries threatening inflationary effects across all sectors. This differs from the economic analysis on the tariffs that have been imposed to date and risks impacts on economy-wide prices and employment as all sectors will feel the effect of increased shipping and transportation costs.

As you recall, during the covid-19 pandemic, port cargo terminals were the epicenter of the supply chain crisis. However, America's ports and labor partners pulled together working around the clock to keep cargo moving from ship to shore to consumer. The years following the pandemic were a season of intensity for our supply chain industries. We are still working through the impacts of this trying time.

The pandemic was not within our control. However, this tariff is, and it will have a substantial negative effect on our nation's supply chains during a time when our public policies need to support their development and growth, not stunt it.

We respectfully ask you to reconsider this proposed tariff for the outlined reasons above, or consider delaying enforcement of the tariff until a viable alternative manufacturer of these cranes can be identified that can meet the demand of our nation's ports and marine terminal operators. The undersigned represent the industries, trades, and American workers who rely on the ability of ports to move cargo from ship to shore to consumer. Thank you for your consideration, and if we can provide further information or clarification please contact us at [cspencer@porthouston.com](mailto:cspencer@porthouston.com) or 713-909-9768.

Sincerely,

## RESOLUTION APPROVING SALE OF PROPERTY HELD IN TRUST

At a regular meeting of the Port Commission of Port Freeport held at the office of Port Freeport at 1100 Cherry Street, Freeport, Texas, on the 27<sup>th</sup> day of June, 2024, among other business came on to be considered the following resolution, which, upon motion duly made and seconded, was adopted by vote of all Commissioners present:

### FINDINGS

1. Due and proper notice of the date, time, place and purpose of this meeting has been duly given in accordance with the provisions of the Texas Open Meetings Act, and such meeting has been conducted in accordance with said Open Meetings Act.

2. The County of Brazoria, State of Texas, has heretofore instituted tax suits and has been awarded tax judgments relative to the hereinafter described tracts and parcels of land, where, in each instance, as a result of delinquent tax sales, the high bid was less than the amount of taxes owing on each respective parcel. Each such parcel was bid off to Brazoria County for the amount of judgment against each respective parcel and each such parcel of property is held in trust due to delinquent tax foreclosure.

3. The Property Resale Committee of Brazoria County has advertised for, received, and opened sealed bids on each said parcel of property held in trust and determined that in each instance, the high bid is less than the amount of taxes owing on each respective parcel. The account number, legal description, entity holding in trust, appraised value, opening bid and amount bid for each respective parcel, are described in Exhibit "A" attached hereto.

4. The Property Resale Committee of Brazoria County has requested that Port Freeport approve the sale amount of each respective item of property as described in Exhibit "A" attached hereto, in accordance with Section 34.05 of the Property Tax Code of the State of Texas, and that Port Freeport join in the conveyances to respective high bidders to evidence Port Freeport's consent to each such sale.

### RESOLUTION

NOW, THEREFORE, BE IT RESOLVED that Port Freeport hereby consents to the acceptance of the high bid as to each respective parcel as described in Exhibit "A" attached hereto and the conveyance of each respective parcel to each respective high bidder; and that Port Freeport accept its pro rata share of the proceeds; and

BE IT FURTHER RESOLVED, that the Chairman of the Port Commission be, and he is hereby authorized to join in the conveyance to each respective high bidder of each respective parcel to evidence Port Freeport's consent to each respective sale for less than the amount of taxes owing.



June 27, 2024 Resolution  
Exhibit A - Resale Offers

Account Number	Legal Description	In Trust To	Adjudged Value	Required Opening Bid	Amount Bid
0058-0068-120	A0058 Rebecca Cummings Tract 20A (PT UND 2/3) ACRES 2.67	Sweeny - ISD	\$6,000.00	\$6,000.00	\$3,000.00
Totals			\$6,000.00	\$6,000.00	\$3,000.00

## **RESOLUTION**

At a Regular Meeting of the Port Commission of Port Freeport held at the office of said Port at 1100 Cherry, Freeport, Texas on the 27<sup>th</sup> of June 2024, among other business came on to be considered the following resolution, which was upon motion duly made and seconded, adopted by vote of all Commissioners present, which resolution is as follows:

## **FINDINGS**

1. Due and proper notice of the date, time, place, and purpose of this meeting has been duly given in accordance with the provisions of the Texas Open Meetings Act, and such meeting has been conducted in accordance with said Open Meetings Act.

2. Section 62.122 of the Texas Water Code provides that the disposition of salvage or surplus personal property shall be in the same manner as a commissioner's court of a county under Subchapter D, Chapter 263 of the Texas Local Government Code.

3. The Commission finds that the property set forth in Exhibit "A", which is hereby incorporated by reference, is found to be salvage or surplus personal property, no longer needed for Port purposes, and should be disposed of as follows:

**a.** Sold to the highest bidder by competitive bid or auction, after notice in a newspaper after the 30th day but before the 10th day before the date of sale; or **b.** offer the property as trade in for new property of the same general type; or **c.** If no bids are received, it may be destroyed or disposed because it is worthless; or **d.** donated to a civic or charitable organization in Brazoria County, it would likely receive no bids or the expenses of sale would be greater than the bid price, and the donation serves a public purpose, and the charitable organization will incur the expenses for transportation or disposal.

**NOW THEREFORE, BE IT RESOLVED** that the property set forth in Exhibit "A" and attached hereto is surplus property and shall be disposed of in any one of the following manners and as permitted by law:

**a.** Sold to the highest bidder by competitive bid or auction, after notice in a newspaper after the 30th day but before the 10th day before the date of sale; or **b.** offer the property as trade in for new property of the same general type; or **c.** If no bids are received, it may be destroyed or disposed because it is worthless; or **d.** donated to a civic or charitable organization in Brazoria County, it would likely receive no bids or the expenses of sale would be greater than the bid price, and the donation serves a public purpose, and the charitable organization will incur the expenses for transportation or disposal.

**Exhibit A**

<b>Quantity</b>	<b>Item</b>	<b>Description</b>	<b>Purpose</b>
1	20' Container	Port Freeport old Rescue Container for STS Cranes	Scrap or Sell to Highest Bidder

**RESOLUTION OF COMPLIANCE WITH PUBLIC FUNDS  
INVESTMENT ACT, APPROVING AMENDMENT OF  
INVESTMENT POLICY AND UPDATE OF  
INVESTMENT STRATEGIES**

At a regular meeting of the Port Commission of Port Freeport held in the office of said Port at 1100 Cherry Street, Freeport, Texas, at 1:00 p.m. on the 27th day of June 2024, among other business came on to be considered the following resolution, which upon motion duly made and seconded was adopted by the vote of all Commissioners present.

**FINDINGS**

1. Due and proper notice of the date, time, place and purpose of this meeting has been duly given in accordance with the provisions of the Texas Open Meetings Act, and such meeting has been conducted in accordance with said Open Meetings Act.
2. In accordance with the Public Funds Investment Act, Chapter 2256, Texas Government Code (the "Act"), the Commission reviews the investment policy and strategies of the Port at least annually and maintains strict compliance with the requirements of the Act.
3. The Port has heretofore adopted a standing investment policy currently complied with and set forth as Section 9.1 (Investment of Surplus Funds) of *Port Freeport Policy Manual*, subject to review and amendment.
4. The Commission has this date conducted its annual review of the Port's investment policy in accordance with the Act and determines it is in the best interest of the Port to update said policy with amendment as set forth in the document attached hereto, Section 9.1 of the *Port Freeport Policy Manual*, entitled Port Property/Investment of Surplus Funds.
5. The Commission has this date conducted its annual review of the Port's authorized investment brokers in accordance with the Act and determines it is in the best interest of the Port to approve the authorized broker list as set forth in the document attached hereto, Section 9.1, exhibit 9.1-1 of the *Port Freeport Policy Manual*, entitled Port Property/Investment of Surplus Funds
6. The Commission this date has furthermore conducted its annual review of the investment strategies of the Port as presented for fiscal year 2024/2025 and determines that it is in the best interest of the Port to approve the investment strategies as set forth in the documents attached hereto, Section 3.6 of the Port's administrative *Practices and Procedures*, entitled Investment of Funds.
7. Upon certification presented, the Commission also finds that the Port's Treasurer or designated investment officer have attended training sessions and received the requisite hours of instruction for the biennium 2023-2025, and also approves the sources of training used in compliance with said Act.

NOW, THEREFORE, BE IT RESOLVED, that the Port's investment policy set forth at Section 9.1 of the *Port Freeport Policy Manual* be and is hereby amended as presented and attached hereto, that the investment strategies of the Port for fiscal year 2024/2025 be adopted as presented and attached hereto and made a part of Section 3.6 of the Port's *Practices and Procedures*, and that the Port's compliance with the requirements of the Public Funds Investment Act be and is in all things affirmed.

# PORT FREEPORT POLICY MANUAL

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## PORT PROPERTY INVESTMENT OF SURPLUS FUNDS

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## SECTION 9.1

### SCOPE

This investment policy applies to the investment activities of Port Freeport (“the Port”) and shall be reviewed annually by the Port Commission. This policy emphasizes the guiding principles of the investment program and conforms to all statutes, rules and regulations governing the investment of public funds.

**Funds Included:** All financial assets of the enterprise fund are included. This fund, as well as funds that may be created from time-to-time, shall be administered in accordance with the provisions of this policy.

**Authorized Investment Brokers:** Only those brokers authorized by the Port Commission shall be used for investment of Port financial assets. The authorized list of investment brokers (exhibit 9.1-1) shall be reviewed and revised, if necessary, in combination with the annual review.

### OBJECTIVES/INVESTMENT STRATEGY

All participants in the investment process should seek to act responsibly as custodians of the public trust. Investment officials should avoid any transactions that might impair public confidence in the Port's ability to govern effectively.

The following objectives are listed in order of priority:

**Safety:** The primary objective of the Port's investment activity is the preservation of capital in the overall portfolio. Each investment transaction shall seek first to ensure that capital losses are avoided, whether they are from securities defaults or permanent erosion of market value.

**Liquidity:** The Port's investment portfolio will remain sufficiently liquid to enable the Port to meet operating requirements that might be reasonably anticipated. Liquidity shall be achieved by matching investment maturities with forecasted cash flow requirements and by investing in securities with active secondary markets.

**Yield:** The Port's cash management portfolio may be designed with the objective of regularly exceeding the average rate of return on three-month U. S. Treasury Bills, or the average Federal Reserve Discount, whichever is higher. The investment program should seek to augment returns above this threshold consistent with risk limitations identified herein and prudent investment principles.

### RESPONSIBILITY AND CONTROL

**Delegation:** Management responsibility for the Investment Program is hereby delegated to the Chief Financial Officer and Controller, who may establish procedures for the operation of the investment program consistent with this Investment Policy. Such procedures should include explicit delegation of

# PORT FREEPORT POLICY MANUAL

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## PORT PROPERTY INVESTMENT OF SURPLUS FUNDS

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authority to persons responsible for investment transactions.

**Subordinates:** All persons involved in investment activities will be referred to as the "Investment Officials." No person should engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Chief Financial Officer or Controller. The Chief Financial Officer and Controller shall be responsible for all transactions undertaken and will establish a system of controls to regulate the activities of subordinate investment officials.

**Reports:** An investment report shall be submitted to the Finance Committee and/or Port Commission quarterly. The report format for each fund must:

1. Summarize the investment position of the Port and state compliance of the investment portfolio as it relates to the investment strategy and the relevant provisions of the Public Funds Investment Act.
2. Be jointly prepared and signed by all investment officers
3. Contain a summary statement prepared in compliance with generally accepted accounting principles that states the:
  - A. beginning and ending market value for the reporting period
  - B. additions and changes to the face value during the period
  - C. weighted average yield and maturity
  - D. fully accrued interest for the period
4. State the following for each separately invested asset:
  - A. book value and market value at the beginning and end of the reporting period
  - B. maturity date if applicable
  - C. yield

**Prudence:** Investments should be made with exercise of due care under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation but for investment considering the probable income to be derived. Standards of prudence should be applied in the context of managing an overall portfolio with investment officers acting in accordance with the investment policy and exercising due diligence to be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

**Conflicts of Interest:** Officers and employees involved in the investment process should refrain from personal business activity that could conflict with proper execution of the Investment Program, or which could impair their ability to make impartial investment decisions. All business relationships between an Investment Officer and a business organization offering to sell investments to the Port, whether now existing or hereafter arising, shall be disclosed. An Investment Officer has a relationship with the business organization if: (1) the person owns 10 percent or more of the voting stock or shares of the business organization, or owns \$5,000 or more of the fair market value of the business organization; or (2) funds received by the Investment Officer from the business organization exceed 10



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percent of the Investment Officer's gross income for the previous year; (3) the Investment Officer has acquired from the business organization during the previous year investments with a book value of \$2,500 or more for the personal account of the Investment Officer; (4) the Investment Officer is related within second degree of affinity or consanguinity, as determined under Chapter 573, to an individual seeking to sell investments to the Port. Disclosure shall be made by filing written statement with the Port's Commission Secretary through the office of Executive Port Director within seven days of the creation, occurrence or discovery of the relationship, describing the nature and extent of the relationship; and unless such matter is waived by the Port Commission, no investment transactions will be executed between the Port and the business organization. All such disclosures required by law (Government Code Section 2256.005 {i}) must also be filed with the Texas Ethics Commission.

**Education:** All investment officials shall attend an investment training session not less than once in a two-year period that begins on the first day of the fiscal year and consists of the two consecutive fiscal years after that date and receive not less than ten (10) hours of investment related training. Training must include education in investment controls, security risks, strategy risks, market risks and compliance with the Public Funds Investment Act as amended. The training must be provided by an independent source approved by the Finance Committee. Within twelve months after taking office or assuming duties, all investment officials shall attend at least one training session containing at least ten (10) hours of instruction related to the person's responsibilities under this policy. A list of authorized training sources is provided in exhibit 9.1-1.

### AUTHORIZED INVESTMENTS AND INVESTMENT PARAMETERS

**Active Portfolio Management:** The Port intends to pursue an active versus a passive portfolio management philosophy. That is, securities may be sold before they mature if market conditions present an opportunity for the Port to benefit from the trade. The market price of acquired investments will be monitored through the Wall Street Journal and other similar sources, and independent pricing by the Port's financial advisor.

**Eligible Investments:** Assets of funds of the government of Port Freeport may be invested in:

1. Obligations, including letters of credit, of the United States or its agencies and instrumentalities; including the Federal Home Loan Banks;
2. Direct obligations of this state or its agencies and instrumentalities;
3. Other obligations, the principal and interest of which are unconditionally guaranteed or insured by or backed by the full faith and credit of, Texas or the United States or their respective agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation or National Credit Union Share Insurance Fund or by the explicit full faith and credit of the United States,
4. Texas State, City, County, School and Road district bonds with an investment grade bond rating from a nationally recognized investment rating firm not less than A or its equivalent or that is insured;
5. Fully insured or collateralized\* certificates of deposits issued by a state or national bank,

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- savings bank or a federal credit union, or broker with a main office or branch office in Texas;
6. Investment pools created to function as money market mutual funds marked-to-market daily that maintain a market value ratio (market value/book value) of between .995 and 1.005 and are continuously rated no lower than AAA-or AAA-m or at an equivalent rating by at least one nationally recognized rating service; and report yield in accordance with regulations of the Securities and Exchange Commission applicable to reporting by money market funds and is compliant with the requirements of Texas Government Code Public Funds Investment Act Section 2256.016;
  7. Money-market mutual fund or No-load money market mutual fund that is registered with the Securities and Exchange Commission; provides the investing entity with a prospectus and other information as required by the Securities Exchange Act of 1934 or the Investment Company Act of 1940; complies with Federal Securities and Exchange Commission Rule 2a-7, promulgated under the Investment Company Act of 1940; has an average weighted maturity of less than two years; and either has a duration of one year or more and is invested exclusively in eligible investments or has a duration of less than one year and the investment portfolio is limited to investment grade securities, excluding asset-backed securities. ; 7. Other such securities or obligations as allowed in the Public Funds Investment Act as amended and approved by the Finance Committee and/or full Commission.
  8. An investment that requires a minimum rating does not qualify as an authorized investment during the period the investment does not have the minimum rating. All prudent measures that are consistent with the investment policy to liquidate an investment that does not have the minimum rating should be taken.

Investment in money market mutual funds is not authorized for:

1. funds, including bond proceeds and reserves and other funds held for debt service, in any one mutual fund in an amount that exceeds 10 percent of the total assets of the mutual fund.

\*(see definition of collateral, SAFEKEEPING Section)

**Unauthorized Investments:** The following types of investments are not authorized investments under this policy:

1. Interest-only strips of obligations with underlying mortgage-backed security collateral;
2. Principal-only strips of obligations with underlying mortgaged-backed security collateral;
3. Collateralized mortgage obligations with a maturity date of greater than ten (10) years;
4. Collateralized mortgage obligations with an inverse floating interest rate.

**Length of Investment:** The maximum allowable stated maturity of any individual investment is six (6) years at the time of purchase, unless a temporary extension is granted by the Port Commission. In such cases, the weighted average maturity of each fund's portfolio shall not exceed three (3) years. To the extent possible, investment maturities should be matched with anticipated cash flow requirements.

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**Diversifications:** It is the policy of the Port to diversify its investment portfolios. Assets held in the investment portfolio shall be diversified to eliminate the risk of loss resulting from one concentration of assets in a specific maturity, a specific issuer or a specific class of securities. Portfolio maturities should be staggered in a way that protects interest income from the volatility of interest rates that avoids undue concentration of assets in a specific maturity sector. Securities should be selected which provide for stability of income and reasonable liquidity.

**Arbitrage:** The Tax Reform Act of 1986 provided limitations restricting the Port's investing of tax-exempt General Obligation Bond proceeds and debt service income. New arbitrage rebate provisions require that the Port compute earnings on investment from each issue of bonds on an annual basis to determine if a rebate is required. To determine the Port's arbitrage position, the Port is required to perform specific calculations relative to the actual yield earned on the investment of the funds and the yield that could have been earned if the funds had been invested at a rate equal to the yield on the bonds sold by the Port. The rebate provision states that periodically (not less than once every five years, and not later than sixty days after maturity of the bonds), the Port is required to pay the U. S. Treasury a rebate of excess earnings based on the Port being in a positive arbitrage position. The Tax Reform restrictions require extreme precision in the monitoring and recording facets of investments as a whole, and particularly as relates to yields and computations so as to insure compliance. Failure to comply can dictate that the bonds become taxable, retroactively from the date of issuance.

The Port's investment position relative to the new arbitrage restrictions is the continued pursuit of maximizing yield on applicable investments while insuring the safety of capital and liquidity. It is a fiscally sound position to continue maximization of yield and rebate excess earnings, if necessary.

### AUTHORIZED FINANCIAL DEALERS

**Primary Dealers:** For brokers and dealers of government securities, only those dealers reporting to the Market Reports Division of the Federal Reserve Bank of New York, also known as the "primary government securities dealers," shall be selected unless a comprehensive credit and capitalization analysis reveals that other firms are adequately financed to conduct public business. The minimum capital requirement is \$2,000,000. Audited financial statements and proof of National Association of Securities Dealers (NASD) certification must be submitted for analysis. All brokers and dealers must be authorized by the Port Commission. A list of authorized investment brokers is provided in exhibit 9.1-1

**Certification:** Before a broker/dealer or bank can execute an investment transaction with the Port, the broker/dealer must provide written acknowledgment from the registered principal certifying that they have received and thoroughly reviewed the Port's investment policy and has implemented reasonable procedures and controls in an effort to preclude imprudent investment activities arising from investment transactions. A form for acknowledgement of investment policy is provided in exhibit 9-1-2.

### SAFEKEEPING

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## PORT PROPERTY INVESTMENT OF SURPLUS FUNDS

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**Insurance or Collateral:** All deposits and investments of Port funds other than direct purchases of U. S. Treasuries or U. S. Agencies shall be secured by pledged collateral with a market value equal to no less than 105% of the deposits or investments less any amount insured by the FDIC. Evidence of the pledged collateral shall be maintained by the Controller and/or a third party financial institution. Repurchase agreements shall be documented by a specific agreement noting the collateral pledged in each agreement. Collateral shall be reviewed periodically to assure the market value of the securities pledged equals or exceeds the related bank balances.

**Safekeeping Agreement:** All safekeeping arrangements should be in accordance with a Safekeeping Agreement which clearly defines the procedural steps for gaining access to the collateral should Port Freeport determine that the Port's funds are in jeopardy. The safekeeping institution, or Trustee, shall be the Federal Reserve Bank or an institution not affiliated with the firm pledging the collateral. The safekeeping agreement shall include the signatures of the Port, the firm pledging the collateral, and the Trustee.

**Collateral Defined:** Port Freeport shall accept only the following securities as collateral:

1. FDIC insurance coverage
2. Obligations, including letters of credit, of the United States or its agencies and instrumentalities;
3. Texas State, City, County, School and Road district bonds with a remaining maturity of ten (10) years or less with an investment grade bond rating from Moody's Investors Services (A- and above) and Standard & Poor's Corporation (A- and above) or that is insured.
4. A letter of credit issued by a Federal Home Loan bank.
5. Other securities as approved by the Port Commission.

**Subject to Audit:** All collateral shall be subject to inspection and audit by the Port, or designee, as well as, the Port's independent auditors.

**Delivery vs. Payment:** Treasury Bills, Notes and Bonds and Government Agencies' Securities shall be purchased using the delivery versus payment method. That is, funds shall not be wired or paid until verification has been made that the security was received by the Trustee. The security shall be held in the name of the Port or held on behalf of the Port. The Trustee's records shall assure the notation of the Port's ownership of or explicit claim on the securities. The original copy of all safekeeping receipts shall be delivered to the Port.

## MANAGEMENT AND INTERNAL CONTROLS

The Chief Financial Officer, Controller, or designee, should establish a system of internal controls which shall be reviewed by the Port's auditor. The controls shall be designed to prevent losses of public funds arising from fraud, employee error, and misrepresentation by third parties, unanticipated changes in financial markets, or imprudent actions by employees or Investment Officers of the Port.

In conjunction with the Port's annual financial audit, a compliance audit of internal controls on

# PORT FREEPORT POLICY MANUAL

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## PORT PROPERTY INVESTMENT OF SURPLUS FUNDS

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investments and adherence to this investment policy shall be performed including a review of the quarterly investment reports. The audit results must be submitted to the Finance Committee or the Port Commission.

### EXEMPTION

**Current Investments:** Any investment currently held that does not meet the guidelines of this policy shall be exempted from the requirements of this policy. At maturity or liquidation, such funds shall be reinvested only as provided by this policy.

*(Corresponding Practices & Procedures – Section 3.6)*

# **PORT FREEPORT POLICY MANUAL**

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## **PORT PROPERTY INVESTMENT OF SURPLUS FUNDS**

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### **AUTHORIZED TRAINING SOURCES**

The following training sources are authorized to provide investment official training:

University of North Texas Center for Public Management  
Texas State University  
Texas Municipal League  
Government Treasurer's Organization of Texas

### **AUTHORIZED INVESTMENT BROKERS**

The following brokers are authorized to engage in investment transactions for Port Freeport subject to compliance with the Port's investment policy. In the event an executed Broker/Dealer certification is not received, the Broker will not be in compliance with the Port's Investment Policy and will be removed from the list of Authorized Investment Brokers.

Hilltop Securities, Inc.  
700 Milam Street, Suite 500  
Houston, TX 77002

Texpool  
c/o Federated Investors Inc.  
1001 Texas Avenue,  
Suite 1150  
Houston, TX 77002

Texas Gulf Bank, N.A.  
1717 N. Velasco  
Angleton, TX 77515

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**ACKNOWLEDGEMENT OF INVESTMENT POLICY**

I the undersigned, hereby certify that I am a registered principal licensed by the NASD or, if none, a duly authorized representative of business organization. In such capacity, I am providing Port Freeport ("Port") with this Acknowledgment of Investment Policy. It is the undersigned's understanding that the Port wishes to use this Acknowledgement to satisfy the legal requirement set forth in Section 2256.005(k), Texas Government Code, as amended (the "Act"), which prohibits the Port from buying securities from any "person" who has not delivered to the Port an instrument similar in content to this Acknowledgment.

Representatives of the Port have provided business organization with a copy of the Port's Investment Policy. In connection with such Investment Policy, I hereby certify on behalf of the Investment Institution as follows:

- (1) that I have received and thoroughly reviewed the Investment Policy; and
- (2) that the business organization has implemented reasonable procedures and controls designed to preclude investment transactions that are not authorized by the Port's investment policy from being conducted between the Port and the Investment Institution, except to the extent that this authorization is dependent on any analysis of the makeup of the Port's entire portfolio or requires an interpretation of subjective investment standards.

EXECUTED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_,

By: \_\_\_\_\_

Firm: \_\_\_\_\_



**PORT FREEPORT  
PRACTICES AND PROCEDURES**

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**SUBJECT: INVESTMENT OF FUNDS**

**SECTION: 3.6**

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**INVESTMENT OFFICIALS**

The Chief Finance Officer and Controller are responsible for the Investment Program and compliance with the Investment Policy last amended by the Commission July 1, 2023.

The Chief Finance Officer and Controller have been designated as the Port's Investment Official responsible for investment transactions and in compliance with the Investment Policy last amended by the Commission July 1, 2023.

**REPORTING/MONITORING**

Monthly

A cash and investment summary report, investment maturity schedule, and a pledged securities report should be prepared monthly (or upon request) by the Accounting Manager and submitted to the Controller for review and investment instructions for upcoming maturities and available cash.

Monthly broker/dealer statements should be reconciled to the general ledger by the Accounting Manager and submitted to the Controller for review and approval.

Quarterly

An investment report by fund should be prepared quarterly and submitted by the investment officials in advance of the next regular scheduled Commission meeting following the quarter ended. The report format for each fund must:

- A. Summarize the investment position of the Port and state compliance of the investment portfolio as it relates to the Investment Strategy (Exhibit 3.6-1) and the relevant provisions of the Public Funds Investment Act.
- B. Be jointly prepared and signed by all investment officers.
- C. Contain a summary statement prepared in compliance with generally accepted accounting principles that states the:
  1. beginning and ending market value for the reporting period,
  2. additions and changes to the face value during the period,
  3. ending market value for the period, and
  4. fully accrued interest for the period.
- D. State the following for each separately invested asset:
  1. book value and market value at the end of the reporting period,
  2. maturity date, if applicable, and
  3. yield.

## PORT FREEPORT PRACTICES AND PROCEDURES

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**SUBJECT: INVESTMENT OF FUNDS**

**SECTION: 3.6**

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### INVESTING

#### Quotations

The Controller or with instruction, the Accounting Manager, should consult with authorized broker/dealers and/or local banking institutions on rates and maturities available on investments of types allowed under the Investment Policy. It is encouraged that a minimum of two broker/dealers or local banking institutions be consulted.

#### Purchase

Upon determining which investment quoted best meets the objectives and Investment Strategy, the Controller should then instruct the broker/dealer or financial institution to purchase the investment. A repetitive wire transfer or check should then be initiated to fund the investment transaction. **Exception:** Purchases of securities through a broker/dealer with funds in the Port's money market account with a broker/dealer should be approved in advance of giving instructions to purchase the investment. For such transactions, an Electronic Transfer Authorization of Money Market Funds form (Exhibit 3.6-1) should be prepared and submitted to the Controller for approval.

### POSTING

Investment transactions not funded with the issuance of a check should be posted to the general ledger by journal entry at month end using the transaction confirmation submitted to the Accounting Manager or the Controller.

### INVESTMENT STRATEGY

#### Investment Objectives

**Safety:** The primary objective will be the preservation of capital in the overall portfolio. Each investment transaction shall seek first to ensure that capital losses are avoided. All securities will be purchased with the intent to hold them until maturity unless marketing conditions present an opportunity. Most will have maturities less than one year therefore limiting market risk.

**Liquidity:** The next objective will be to have sufficient funds available to meet the monthly port operating requirements and the cash flow requirements of the Port's port improvement projects when selecting eligible investments.

**Yield:** First considering the preservation of capital and liquidity needs, eligible investments providing the highest yield to the Port will be selected with the goal of regularly exceeding the average rate of return on three-month U.S. Treasury Bills or the average Federal Reserve Discount, whichever is higher, while maintaining diversity in the portfolio.

The quarterly investment report along with a schedule of maturing funds and cash available for investment shall be presented to the Finance Committee quarterly for review and discussion as to market conditions, portfolio allocation and reinvestment strategy.

*(Corresponding Policy – Section 9.1)*

**PORT FREEPORT  
PRACTICES AND PROCEDURES**

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**SUBJECT: INVESTMENT OF FUNDS**

**SECTION: 3.6**

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**ELECTRONIC TRANSFER AUTHORIZATION OF MONEY MARKET FUNDS**

Date: \_\_\_\_\_

Account: \_\_\_\_\_

Broker/Bank: \_\_\_\_\_

Target Amount: \_\_\_\_\_

C.D. \_\_\_\_\_ Tbill/Note \_\_\_\_\_ Agency \_\_\_\_\_ Other \_\_\_\_\_

Length of Investment: \_\_\_\_\_ Rate: \_\_\_\_\_

Account: \_\_\_\_\_

Broker/Bank: \_\_\_\_\_

Target Amount: \_\_\_\_\_

C.D. \_\_\_\_\_ Tbill/Note \_\_\_\_\_ Agency \_\_\_\_\_ Other \_\_\_\_\_

Length of Investment: \_\_\_\_\_ Rate: \_\_\_\_\_

Account: \_\_\_\_\_

Broker/Bank: \_\_\_\_\_

Target Amount: \_\_\_\_\_

C.D. \_\_\_\_\_ Tbill/Note \_\_\_\_\_ Agency \_\_\_\_\_ Other \_\_\_\_\_

Length of Investment: \_\_\_\_\_ Rate: \_\_\_\_\_

Prepared By: \_\_\_\_\_ Authorization: \_\_\_\_\_

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**Effective Date: 7/01/24**

**Supersedes: 7/01/23**

**Exhibit 3.6 -1**

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WWW.PORTFREEPORT.COM

## MEMORANDUM

**TO:** Port Commissioners  
Chief Executive Officer

**FROM:** Rob Lowe

**DATE:** June 20, 2024

**SUBJECT:** Policy Updates

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This month there are six policies that staff has reviewed with the Personnel Committee and would recommend approving changes.

3.1 – Equal Employment Opportunity – expanded language acknowledging guidelines provided by the EEOC.

3.3 – Immigration Law Compliance – strengthened language regarding non-discrimination practices in line with the Immigration Reform and Control Act of 1986. Also made non substantive administrative changes.

3.5 – Outside Employment – added statement requiring Port Commission approval for the CEO to be employed in a second job outside of the port.

3.6 – Physical Examinations – deleted redundant section now covered in Policy 3.8.

3.8 – Drug Screening/Testing – recommendations reflecting the transition of this policy to establish pre-employment drug and health testing as well as background checks. Policy 8.1 was previously updated to capture drug screening activities of existing employees thus the redundant statements found in 3.8 are recommended to be deleted.

3.10 – Acceptance of Personal Gifts – eliminated individual amounts and raised aggregate amounts of gift receipt allowances to reflect current pricing of customary meals, entertainment, and gifts. Also included requirements that the Port Commission must approve exceptions for the CEO or individual Port Commissioners.

### PORT COMMISSION

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

# PORT FREEPORT POLICY MANUAL

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## EMPLOYMENT

### EQUAL EMPLOYMENT OPPORTUNITY

### SECTION 3.1

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This organization is an equal employment opportunity employer and [in accordance with EEOC guidelines](#) will not discriminate against any employee, ~~former employee~~, or applicant for employment on the basis of age, race, religion, color, ~~sex~~, gender, physical ~~condition~~, ~~development or mental~~ disability, ~~citizenship~~, national origin, ~~military or veteran status~~, or ~~in~~ any other ~~manner that violates characteristic protected by the~~ law. This ~~pertains to all aspects of employment, shall include~~ inge, but not ~~be limited to, the following:~~ recruitment, hiring, and employment, promotion, ~~demotion~~, transfer, compensation, ~~selection for~~ training including apprenticeship, layoff, ~~and termination, discipline, wages, salary administration, and benefits.~~

# PORT FREEPORT POLICY MANUAL

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## EMPLOYMENT IMMIGRATION LAW COMPLIANCE

## SECTION 3.3

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This organization is committed to employing only United States citizens and foreign workers who are authorized to work in the United States. This organization does not unlawfully discriminate on the basis of citizenship or national origin.

~~and~~ In compliance ~~complies~~ with the Immigration Reform and Control Act of 1986.

~~As a condition of employment,~~ each new employee, as a condition of employment, must properly complete, ~~date, and sign all appropriate sections of the Department of Homeland Security, US Citizenship and Immigration Services Employment Eligibility Verification~~ Form I-9 ~~Employment Eligibility Verification,~~ and submit ~~required~~ documentary proof of their tion establishing identity and, ~~if applicable,~~ employment authorization prior to commencement of employment. To be considered for rehire, former employees must also complete ~~Form an~~ I-9 if that person has not ~~previously filed an I-9 with the organization, or if that person's previous completed an I-9 with Port Freeport is~~ more than three years old the last three years or ~~is no longer valid if their previous I-9 is no longer retained or valid,~~ and submit ~~the required~~ documentary proof of their identity and work eligibility. ~~Form I-9 requires that employees attest that they are authorized to work in the job for which they have been hired and that the documents submitted to establish this right are genuine.~~

# PORT FREEPORT POLICY MANUAL

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## EMPLOYMENT

### OUTSIDE EMPLOYMENT

### SECTION 3.5

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#### SECOND JOB AUTHORIZATION

In the event any employee desires to be employed in a second job outside of the Port, for whatever reason, the Executive Port Director/CEO must be informed and agree to such additional employment in writing. In the event that the Executive Director/CEO desires to be employed in a second job outside of the Port, for whatever reason, the Port Commission must be informed and agree to such additional employment through an approved agenda item. -Violation of this policy may result in termination of employment by the Port. Should such additional employment interfere with an employee's attendance or ability to complete requirements of their position at the Port, they will be notified and given the opportunity to resolve the conflict. If not resolved within a reasonable amount of time, employment by the Port may be terminated.



# PORT FREEPORT POLICY MANUAL

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## EMPLOYMENT PHYSICAL EXAMINATIONS

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## SECTION 3.6

### ~~NEW EMPLOYEES~~

~~Prior to commencing work, each future new employee shall provide the Executive Port Director/CEO or their designee with a certificate issued by a medical doctor, certifying as to such employee's physical ability to perform the duties for which such employee is employed.~~

### **CERTIFICATION AFTER ACCIDENTAL INJURY**

An employee who is absent from his employment by reason of accidental injury resulting in disability shall provide the Executive Port Director/CEO or their designee with a certificate issued by a medical doctor, certifying as to such employee's physical ability to perform the duties for which such employee is employed.

### ~~DESIGNATION OF MEDICAL CLINIC~~

~~The Port will designate the facility to conduct such physical examinations and provide the certifications as required.~~

# PORT FREEPORT POLICY MANUAL

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## EMPLOYMENT

### DRUG-PRE-EMPLOYMENT SCREENING/TESTING

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#### SECTION 3.8

#### PURPOSE

It is the intention of the Port to help provide a safe and drug-free work environment for our clients and our employees.

#### VACANCY ANNOUNCEMENTS

Every vacancy announcement for positions designated for applicant testing shall state:

"Any applicant tentatively selected for this position will be required to submit to testing to screen for illegal drug use prior to employment."

In addition, each applicant will be notified that employment in the position will be contingent upon ~~a negative~~the results of the drug test as well as a physical examination and background check result. Failure of the vacancy announcement to contain this statement notice will not preclude applicant testing if advance written notice is provided to applicants in some other manner.

#### PRE-EMPLOYMENT SCREENING/TESTING

To maintain the high professional standards of the Port's work force and provide a safer work environment, it is imperative that individuals who use illegal drugs or prohibited substances as outlined in SECTION 3-78.1 be screened out during the initial employment process before they are placed on the employment rolls of the Port. For these reasons, drug testing shall be required for all applicants. Refusal to give written consent for a drug screening test will disqualify the candidate from consideration for employment. The port may choose any form of drug testing, including but not limited to urinalysis, hair follicle and saliva.

Physical examinations and background checks also provide relevant information to the Port in regard to an applicant's ability to meet the needs of the job being pursued and the overall standards of the Port. All applicants shall be required to participate in a physical examination and subject to a background check by providers chosen by the Port.

**Positive Screening/Testing Result** - The Port will decline to extend a final offer of employment to any applicant with a verified positive test result, and such applicant will not be considered for employment by the Port for a period of one year. At the applicant's request and Port's option, a second test may be ordered ed for verification purposes. ~~The Personnel Officer working on the applicant's file shall be directed to object to the applicant on the basis of failure to pass the physical, a lack of personal characteristics necessary to relate to public employment or failure to support the goals of the Port.~~ The Port shall inform such applicant that a confirmed presence of an illegal drug in the applicant's urine system precludes the Port from hiring the applicant.

# PORT FREEPORT POLICY MANUAL

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## EMPLOYMENT

### ACCEPTANCE OF PERSONAL GIFTS

### SECTION 3.10

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#### PURPOSE OF POLICY

To establish ethical practices which will enable Port Freeport employees to avoid any conflict of interest in their business dealings. This policy statement serves as a general guide and should not be construed as superseding any Port Freeport policy that establishes stricter guidelines.

While in the performance of work-related functions, employees may be presented with offers of gifts or other gratuities from entities either having an active business relationship with Port Freeport or proposing such a relationship. In order to maintain Port Freeport's integrity and credibility, employees must avoid improprieties as well as any appearance of such improprieties and act in a manner that is fair and impartial.

#### PERSONAL GIFTS DEFINED:

##### (1) Gifts and Entertainment:

- In general gifts and entertainment should be discouraged in the course of business operations at the Port. Gifts or entertainment of de minimus values, which do not impair the employee's [or Port Commission's](#) impartiality, may be accepted. Gifts are generally considered to be items of tangible personal property such as pens, clocks, office decorations etc. Entertainment generally consists of meals or other social outings where the business associate is present.
- In general the following limits will be applied to de minimus gift and entertainment on an annual aggregate level by party/entity. Gifts acceptable under this provision should not exceed an ~~individual value of \$25 or an~~ aggregate value of ~~\$50~~100. Entertainment acceptable under this provision should not exceed an ~~individual value of \$50 or~~ an aggregate value of \$100. Exception to these limits will be made for employees traveling outside the United States or otherwise to areas within the US that are subject to substantially higher costs of living. Items outlined above do not require reporting to the Executive Port Director/CEO or their designee. Gift or entertainment offers, which exceed the above limits but are still not considered excessive may be accepted but only upon prior written approval of the Executive Port Director/CEO or their designee. [Gift or entertainment offers presented to the Executive Director/CEO, which exceed the above limits but are still not considered excessive may be accepted but only upon prior written approval of the Chairman of the Port Commission. Gift or entertainment offers presented to individual Port Commissioners, which exceed the above limits but are still not considered excessive may be accepted but only upon approval of the Port Commission.](#) Items accepted under these terms must be reported to the Finance department for tracking purposes.

# PORT FREEPORT POLICY MANUAL

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## EMPLOYMENT

### ACCEPTANCE OF PERSONAL GIFTS

### SECTION 3.10

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- Gifts and entertainment, which are excessive, substantial or otherwise create or could reasonably be construed as creating a conflict of interest, should not be accepted. In the event such a gift is tendered without the employee's [or Port Commissioner's](#) knowledge providing no opportunity to decline, or to decline would jeopardize an important customer relationship, the gift will become property of the Port subject to the provisions of policy 3.4. Similarly, substantial entertainment offers, which are of a nature that cannot be refused should be reported as outlined above.
- Offers of cash or cash equivalent gifts are to be **refused** regardless of the amount in question and reported immediately to the Executive Port Director/CEO or their designee.

#### (2) Favors:

Favors by their very nature convey an appearance of impropriety and should be **refused in all circumstances**. However, if a favor cannot be reasonably refused, it must be reported to the Executive Port Director/CEO or their designee and the Finance Department.

#### Finance Department Reporting:

The Finance department will prepare a summary of all reported items under this policy. This report will be presented to the Executive Port Director/CEO for review on an annualy basis. The Executive Port Director/CEO will address any items of concern with individual department heads.

#### Failure to adhere:

Failure to adhere to any provision contained in this policy will subject the employee to disciplinary proceedings up to and including dismissal. Minimum disciplinary proceedings will include a written reprimand, which will be placed in the employee's personnel file.

# PORT FREEPORT POLICY MANUAL

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## EMPLOYMENT

### DRUG-PRE-EMPLOYMENT SCREENING/TESTING

---

#### SECTION 3.8

The Port will decline to extend a final offer of employment to any applicant who does not pass a physical examination or who has background information not in line with the Port's current employee standards.

#### FOR CAUSE SCREENING and RANDOM TESTING

The Port may ask an employee to submit to a drug test randomly and at any time it feels that the employee may be under the influence of drugs or prohibited substances, including, but not limited to, the following circumstances: evidence of drugs or prohibited substances on or about the employee's person or in the employee's vicinity, unusual conduct on the employee's part that suggests impairment or influence of drugs or prohibited substances, negative performance patterns, or excessive and unexplained absenteeism or tardiness.

**Positive Test Results**—Upon testing positive for either illegal drugs or prohibited substances the employee will be required to submit to a second test for verification purposes. Positive results from the second testing will result in termination of employment.

#### CERTIFICATION AFTER ACCIDENTAL INJURY

In order for an employee who is absent from his employment by reason of accidental injury resulting in disability to be reinstated, the employee shall provide the Executive Port Director/CEO or their designee with a signed release issued by a medical doctor, certifying the employee's physical ability to perform the duties for which such employee is employed. In combination with this certification the individual must submit to a drug screening test. Refusal to consent for a drug screening test will result in termination of employment.

#### DESIGNATION OF MEDICAL CLINIC

The Port will designate the facility to conduct such tests and provide the certifications as required above.