

Minutes of Port Commission Regular Meeting
April 24, 2025
In Person & Videoconference

A Regular Meeting of the Port Commission of Port Freeport was held April 24, 2025, beginning at 1:08 PM at the Administration Building, 1100 Cherry Street, Freeport, Texas.

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

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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, 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. Amy O'Brien, Controller
Ms. Vicki Smith, Accounting Manager
Ms. Amanda Veliz, Public Affairs Manager
Ms. Christine Lewis, Safety Coordinator
Mr. Cecil Booth, Engineering Manager
Mr. Chas Gryseels, Project Engineer
Mr. Jason Caywood, System Administrator
Ms. Bailee Anderson, Accounting Analyst (virtual)

Also, present:

Mr. Justin Clarke, KPMG
Mr. Pierre Vilain, KPMG
Mr. Jarrad Chabria, KPMG
Mr. Daniel Solomon, Moffatt & Nichol
Mr. Jordan Foster, KPMG (virtual)
Mr. John Aguilar, KPMG (virtual)
Mr. Chris Moore, Texas Port Ministry
Mr. Jason Foltyn, HDR
Mr. Mike Challenger
Ms. Melanie Oldham (virtual)

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 all Commissioners were present in the Board Room.
5. Safety Briefing – Ms. Christine Lewis provided tips for managing workplace stress.
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.

7. Public Comment – Mr. Mike Challenger addressed the Commission to talk about a Fun Skill Matrix.
8. Public Testimony – There was no public testimony.
9. Approval of minutes from the Regular Meeting held March 27, 2025 and the Special Meeting held April 11, 2025.

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

10. 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

Ms. Veliz first reported on the Take-a-Child Fishing Tournament to be held May 10 with the Captain's Dinner on May 8. To date, the Port has received 59 sponsors that have contributed a total of \$56,350 in support of the event. She also noted the ribbon cutting ceremony for the Freeport Warehouse (Del Monte) will take place on May 12 with the

public affairs and trade development teams working on the logistics for the event. Ms. Saathoff then reported that she continues to monitor the current tariff situation and how it's affecting Port Freeport. She also reported the U.S. Trade Representative published amended proposed actions regarding ship fees that included addendums that put additional tariffs on cranes, other port equipment, chassis containers and other things. She noted the public comment period is currently open with staff evaluating what has been published and will make appropriate comments. Staff is also in communication with the delegation in Washington and will communicate further with others that can assist with changes in areas where appropriate. The Port's House Bill 2027 (Tax Abatement Cleanup Bill) has made its way through the House and has been sent over to the Senate awaiting to be referred to committee. House Bill 1729 (Term Limits) is out of committee, in calendars committee and will hopefully move through the House very soon. The Texas Ports Association companion bills have been filed, Senate Bill 2080 and House Bill 4148. SB 2080 has moved through committee and will be picked up in the House and is expected to be complete before the end of session. Ms. Saathoff reported the FM 1495 TxDOT project is being rebid to complete the remainder of the work, so there will be no activity for several months. The construction zone is still a challenge for trucks accessing FM 1495. The City of Freeport, Fire Chief and others have acknowledged the challenge and communicated with Ms. Aponte at TxDOT. Staff has also been in contact with Ms. Aponte to see what temporary measures can be taken to improve the safety of the situation. Ms. Saathoff shared pictures of signage recently replaced in Surfside at the ramps where boats and kayaks are launched. The Lone Star Harbor Safety Subcommittee worked closely with the Village of Surfside and Brazoria County to have the signs replaced and to address safety with the citizens. Lastly, Ms. Saathoff reported the Port has had a good first six months financially with April looking good as well. Staff is hopeful the economy holds, and cargo keeps moving.

B. Director of Engineering

In addition to his written report, Mr. Hull shared current photos of projects including the 8th Street repaving and new fence going in along 2nd Street.

C. Director of Operations

Mr. Hibbetts reported on statistics for the month of March stating there were 50 ships for the month with 174 lay days adding that the last several months have been steadily consistent. Tonnage is up 20% from this time last year and is on course to meet or exceed budget. Rail cars also continue to rise due to the Port's newest customer and staff has not seen any issues with OEM (vehicles) coming out of Mexico. Mr. Hibbetts shared a recap for the month showing the Port handled 19 LNG vessels, one bulk rice vessel, 16 RORO with steel making a comeback on tonnage with barge shipments increasing due to the tariffs. Fiscal year activity includes 112 LNG vessels, 92 RORO, 4 bulk vessels, 4 project cargo vessels and 75 container vessels. Total vehicles handled year to date is nearing 90,000 while total TEU's is pushing 95,000. Ms. Lewis reported on the RORO Rodeo that was held on April 23, which included 78 participants and 8 stations for training on equipment, adding that it was a very successful event and the largest to date. Mr. Hibbetts also reported that Freeport Warehouse Cross Dock One officially opened this week with Del Monte making the transfer to begin loading trucks. They are also working with CBP to begin agricultural inspections there as well. Finally, he gave an update on the surplus sale recently held for a top loader and old rice pallets. AMPORTS was the highest bidder for the top loader at \$37,887.50. Staff reached out to six different companies for the

pallets with no interest or bids received. Staff will continue to seek a buyer or other solution for the pallets to get them out of the Port.

D. Director of Business & Economic Development

Mr. Miura reported on two upcoming events. The Greater Houston Port Bureau Annual Banquet will be held on August 23 and will honor Roger Guenther. Breakbulk Americas will be held September 30 - October 2 and take place at the George R. Brown Convention Center. Mr. Miura also gave an update on the website redevelopment, thanking staff for their assistance with the development and providing content to Hot Dog who is building the pages. Roll-out is expected by mid-June. Staff had a kickoff meeting with Sterling Solutions who is conducting a market assessment of cold storage. Staff anticipates sharing data at the next board meeting. Lastly, the PIDP 2023 contract is moving through the concurrence process at U.S. DOT with staff anticipating an agreement ready for execution in late May for Cross Dock 2.

E. Chief Financial Officer

Mr. Lowe presented financials for the month of March.

11. Approval of financial reports presented for the period ending March 31, 2025.

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

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

April 14 Finance Committee Meeting – Commissioner Giesecke reported the committee discussed matters in executive session.

April 14 Business Development Committee Meeting – Commissioner Singhania reported the committee discussed future market / market study in executive session.

April 14 Personnel Committee Meeting – Commissioner Croft reported the committee reviewed several policy issues that will be addressed at future meetings.

April 22 ESGS Committee Meeting - Commissioner Fratila stated the committee met to discuss proposals for grant management and has nothing to report at this time.

April 22 OSS Committee Meeting – Commissioner Santos reported the committee discuss a potential extension with Sunstates Security as well as executive session discussion on potential projects with Port Security Grant Program.

Commissioner Croft reported attending Rotary meetings, Brazoria County Justice Center Ribbon Cutting, Friends of the River, Port Workshop and Personnel Committee meeting.

Commissioner Kincannon reported attending the West Columbia Vintage Sparkle Ribbon Cutting, Commissioners Court Port Centennial Recognition, State of the County Luncheon, Commerce Club Luncheon, BCCA meeting, Highway 36A Coalition Luncheon, Port Workshop and the ESGS Committee meeting.

Commissioner Giesecke reported attending Night in the Spotlight event, Freeport City Council meetings, Commerce Club Luncheon, Alliance State of the Port, Salvation Army Fundraiser, Alvin City Councilman Port Freeport Tour, BCCA meeting, Brazoria Chamber Luncheon and gave a presentation to Better Brazoria for Clean Air & Water.

Commissioner Fratila reported attending many of the same meetings previously mentioned as well as the Migration Celebration.

Commissioner Santos reported attending the Commissioners Court Port Centennial Recognition, Alliance Luncheon and the Commerce Club Luncheon.

Commissioner Singhania also reported attending many of the same meetings in addition to the Rotary Club and giving a Port update to BASF.

Ms. Saathoff noted the U.S. Coast Guard recently held a Change of Command ceremony with Capt. Nicole Rodriguez taking command from Capt. Donahue who retired. Capt. Rodriguez will be visiting the Port May 6.

13. Approval of a license renewal with CDW-G for VMWare Software, in an amount not to exceed \$52,320.00.

Mr. Robertson stated that staff is requesting approval to renew the VMWare license in the amount of \$52,320 from CDW-G under a Texas DIR contract. He stated the license was purchased as a three-year bundle during the last server refresh with the current license term expiring in May. Staff recommends approval.

A motion was made by Commissioner Kincannon to approve the license renewal in an amount not to exceed \$52,320. The motion was seconded by Commissioner Santos with all Commissioners present voting in favor of the motion.

14. Approval of a Professional Services Agreement with Mary Campus for consulting services.

Mr. Lowe stated that staff is requesting a consulting services agreement with Mary Campus, who recently retired. Ms. Campus will assist with the recently upgraded accounting software and operations software (the NAV system) as well as assist with additional items on a limited basis, as needed. Staff recommends approval.

A motion was made by Commissioner Croft to approve the consulting services agreement with Mary Campus. The motion was seconded by Commissioner Fratila with all Commissioners voting in favor of the motion.

15. 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.

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

16. Approval of Executive Director/CEO and Commissioners' travel for the AAPA Annual Convention to be held October 6-8, 2025 in Quebec City, Canada.

Ms. Saathoff reminded the Commission that hotel rooms cannot be reserved until you have been registered for the event. Staff is requesting approval for the travel and registration for those who will attend, so hotel reservations can be secured.

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

17. Discussion regarding Consent Agenda.

This item was tabled.

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

- A. Under authority of Section 551.071 (Consultation with Attorney) 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 Report including potential offers of financial or other incentives to the business prospect.
2. To deliberate the offer of a financial or other incentive to a business prospect described by Subdivision (1).

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

1. The potential lease or value of real property located at Port Freeport, including but not limited to Parcel 1.
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, 3, 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.

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

20. Discuss and consider possible potential projects for the 2025 Port Security Grant Program.

Mr. Hogan stated that the 2025 Port Security Grant Program should be announced by FEMA within the next few weeks, and when that occurs, staff will pursue the following grant items for the application...

- 1- Radios and Communication
- 2- Cameras
- 3- Water-side Security
- 4- Back-up Generator

Staff requests approval to proceed with the application for these items with the understanding that if the funds are awarded, staff will still come back to the Commission for approval prior to purchase.

A motion was made by Commissioner Santos to approve the potential projects for the 2025 Port Security Grant as presented by staff. The motion was seconded by Commissioner Fratila with all Commissioners present voting in favor of the motion.

21. Approval of an extension to the Security Services Agreement between Port Freeport and Sunstates Security, LLC.

Mr. Hogan stated the current Sunstates Security contract was initiated in 2022 and was a 3-year contract with an automatic 2-year extension. Sunstates has been a great partner to the Port and Mr. Hogan noted that if any issues arise, they are addressed very quickly. Staff seeks approval to allow the contract to be extended for two years, with the understanding that it can be canceled at any time with 30-day written notice.

A motion was made by Commissioner Santos to approve the 2-year extension to the security services contract with Sunstates Security, LLC. The motion was seconded by Commissioner Giesecke with all Commissioners voting in favor of the motion.

22. Adjourn.

With no further business before the Commission, the meeting adjourned at 5:44 PM.