

AGENDA

**Port Freeport
Port Commission
Regular Meeting
Thursday, August 25, 2022, 2:30 pm - 5:00 pm
In Person & Videoconference - Administration Building - 1100 Cherry Street - Freeport**

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

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

The videoconference is available online as follows:

Join Zoom Meeting

<https://us02web.zoom.us/j/87299746114?pwd=UjY1eTdkZndacDFBWJkaDI4bmkrUT09>

Meeting ID: 872 9974 6114

Passcode: 820970

Dial by your location

1 346 248 7799 US (Houston)

Meeting ID: 872 9974 6114

Find your local number: <https://us02web.zoom.us/u/k8VqjAwcY>

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 3 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. Approval of minutes from the Regular Meeting held August 11, 2022.
10. Receive reports from Executive Staff on activities and matters related to COVID-19 health safety matters, administrative affairs, financial results, facility engineering matters, operations and vessel activity, port safety matters, port security matters, Port tenant updates, USCOE, and other related port affairs.
 - A. Executive Director/CEO
 - B. Chief Financial Officer
 - C. Director of Engineering
 - D. Director of Operations
 - E. Director of Business & Economic Development

11. Receive report from Commissioners on matters related to:
 - A. August 12 Strategic Planning Advisory Committee
 - B. August 12 Personnel Advisory Committee
 - C. August 24 OSS Advisory Committee
 - D. August 24 Finance Advisory Committee
 - E. Port Commission related meetings or conferences, Port presentations and other Port related matters.
12. Approval of financial reports presented for the period ending July 31, 2022.
13. Approval of a Correction Easement Grant and Partial Release for the North Wave Barrier.
14. Approval of a new Stevedore License application submitted by Associated Terminals Pangaea Logistics, LLC.
15. Approval of a new Stevedore License application submitted by Vanquish Crane and Construction.
16. Discuss and consider the adoption, amendment, repeal or reauthorization of the Port Freeport Tax Abatement Guidelines and Criteria, to be effective August 25, 2022 - August 24, 2024.
17. Discuss and consider approving a one-time lump sum inflation payment.
18. EXECUTIVE SESSION in accordance with Subchapter D of the Open Meetings Act, Texas Government Code Section 551.001, et. seq., to review and consider the following:
 - A. Under authority of Section 551.071 (Consultation with Attorney):
 1. Consultation with attorney under Government Code Section 551.071(1) (to seek or receive attorney's advice on pending or contemplated litigation).
 2. Consultation with attorney under Government Code Section 551.071(2) (to seek or receive attorney's advice on legal matters that are not related to litigation).
 - B. Under authority of Section 551.087 (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.
 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 of Real Property Matters) for discussion regarding:
 1. The potential exchange, lease, or value of real property located in Freeport, Texas, including but not limited to the area known as the East End of Freeport and bordered by or adjacent to the following streets: FM 1495; East 2nd Street; Terminal Street and East 8th Street in Freeport, Texas.
 2. The potential purchase, exchange, lease or value of real property located at Port Freeport, including but not limited to the real property located at and contiguous to Berths 1, 2, 5 and 7.
 3. The potential exchange, lease, or value of real property located at Port Freeport, including but not limited to Parcels 14, 19, 27, 34 and property on Quintana Island.
19. RECONVENE OPEN SESSION:
20. 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

Minutes of Port Commission Regular Meeting
August 11, 2022
In Person & Videoconference

A Regular Meeting of the Port Commission of Port Freeport was held August 11, 2022, beginning at 1:05 PM at the Administration Building, 1100 Cherry Street, Freeport, Texas.

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

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

The videoconference is available online as follows:

Join Zoom Meeting

<https://us02web.zoom.us/j/88683342548?pwd=WjJsL2U0ZnZ5RW1Yc2oySU10MDY4Zz09>

Meeting ID: 886 8334 2548

Passcode: 242743

Dial by your location

+1 346 248 7799 US (Houston)

Meeting ID: 886 8334 2548

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

Commissioners present in person:

Mr. John Hoss, Chairman

Mr. Rob Giesecke, Asst. Secretary

Mr. Ravi Singhania, Commissioner

Mr. Shane Pirtle, Commissioner

Commissioners present by videoconference:

Mr. Rudy Santos, Vice Chairman

Staff Members Present:

Mr. Peter Nemeth, Interim Legal Counsel

Ms. Phyllis Saathoff, Executive Director/CEO

Mr. Rob Lowe, Director of Administration/CFO

Mr. Al Durel, Director of Operations

Mr. Mike Wilson, Director of Economic Development & Freight Mobility

Mr. Jason Hull, Director of Engineering

Mr. Chris Hogan, Director of Protective Services

Mr. Jason Miura, Director of Business & Economic Development

Mr. Brandon Robertson, Network Systems Manager

Ms. Missy Bevers, Executive Assistant

Ms. Mary Campus, Controller

Ms. Tricia Vela, Public Affairs Assistant

Mr. Nick Malambri, Engineering Specialist
Ms. Christine Lewis, Safety Coordinator

Absent:

Mr. Dan Croft, Secretary

Also, present:

Mr. Bobby Fuller, Texas Port Ministry
Ms. Andrea Johnson, Kane Russell Coleman Logan
Mr. Grady Randle, Randle Law Office
Ms. Megan Mikutis, Randle Law Office
Mr. Brandon Morris, Randle Law Office
Mr. James Nash, WGMA
Mr. Keith Stumbaugh
Ms. Melanie Oldham
Ms. Kim Voigtlander
Mr. Sammy Chambless

1. CONVENE OPEN SESSION in accordance with Texas Government Code Section 551.001, et. seq., to review and consider the following:

Commissioner Hoss made an announcement regarding agenda items 7 and 8, public comment vs. public testimony. He clarified that public comments are on any matter not on today's agenda and will be limited to 5 minutes per participant and can be completed in person or by videoconference. Item 8 is public testimony which is testimony on any item on this agenda and will be limited to 3 minutes per participant and can be completed in person or by videoconference. The participant shall identify in advance the specific item or items to be addressed. He also noted the Port's agenda is not constructed the same as the City's agenda. Public testimony is up front. Additionally, anyone wanting to comment to or testify, should sign in with full name and address.

2. Invocation – Mr. Bobby Fuller, Texas Port Ministry.
Mr. Fuller also expressed his appreciation to Port Freeport for their generosity and participation in his recent retirement party.
3. Pledge of Allegiance – U.S. Flag and Texas Flag
4. Roll Call – Commissioner Hoss noted that Commissioner Croft was absent, and Commissioner Santos was participating by videoconference. All other Commissioners were present in the Board Room
5. Safety Briefing – Ms. Christine Lewis provided a safety moment regarding back-to-school safety.
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 from Commissioners.

7. Public Comment – There were no public comments.
8. Public Testimony – Ms. Melanie Oldham addressed agenda item 13 regarding Vulcan’s electrical easement and their request for the asphalt plant become permanent vs. temporary.

Mr. Keith Stumbaugh addressed agenda item 13 regarding Vulcan’s request for a permanent asphalt plant vs. a temporary plant.

Commissioner Giesecke inquired whether the details of Vulcan’s proposal will be discussed in open session vs. closed session. Commissioner Hoss noted the item is on the agenda as an action item after executive session. It will be addressed in executive session and open for discussion and vote in open session. Commissioner Giesecke suggested the item be discussed in open session even though it may relate to amending a lease agreement. Mr. Nemeth commented that the Port Commission is allowed to go into executive session to discuss any item on the agenda. The fact that it’s on the agenda before and after executive session, indicates there may be discussion in executive session. Commissioner Singhania asked for clarification regarding discussion on everything or just what the Commission thinks should be discussed in executive session. Mr. Nemeth stated the Commission can discuss items to the extent allowed under the government code exceptions for closed sessions. The government code provides what can be discussed and what can’t be discussed in executive session. The scope of the discussion in executive session should be limited to those items that are reasonably related to the scope of the exception.

9. Approval of minutes from the Special Meeting held July 21, 2022, and the Regular Meetings held July 28, 2022.

Commissioner Giesecke suggested a correction on the supplemental minutes for July 28 on agenda item 21, stating the item was not tabled as a discussion was held in executive session. Commissioner Hoss noted that no action was taken, therefore it was tabled. He also noted a consultation with attorney took place in executive session. Commissioner Singhania asked for a correction to the July 21 minutes on page 4 regarding his question to BB&K being a full-service firm and partnering with Olson & Olson, his question was, why are they partnering with Olson & Olson if they are a full-service firm.

A motion was made by Commissioner Santos to approve the minutes in aggregate with a correction to the July 21 minutes as noted by Commissioner Singhania. He also noted that Commissioner Giesecke did not have any conversation in reference to the legal counsel discussion in executive session, Port Commission came out and no action was taken on the item. The motion was seconded by Commissioner Singhania with all Commissioners present voting in favor of the motion.

10. Receive report from Executive Director/CEO and/or Port staff on activities and matters related to COVID-19 health safety matters, administrative affairs, financial results, facility engineering matters, operations and vessel activity, port safety matters, port security matters, Port tenant updates, USCOE, and other related port affairs.

Ms. Saathoff reported on her recent participation in the Texas Ports Association meeting held in Austin. Mr. Hull reported on the TxDOT meeting held earlier in the week noting the

Highway 36 project expected completion is second quarter 2024, no permits have been issued on Pine Street Bridge and the FM 1495 project has been awarded to Triple B contractors, who will mobilize this month to begin work. He also noted that the section of Business 288 in front of Hopper Field (Second Street) to the sewer plant will begin diamond grinding night work. Commissioner Pirtle noted the upcoming Highway 36A Coalition meeting to be held August 18 at Prairie View A&M. Ms. Saathoff reminded the Port Commission that August 25 is the next board meeting as well as the Angleton Chamber Legislative Update with Congressman Weber and Representative Vasut stating there may be a later start to the board meeting that day. She also noted that staff will present budget workshop and a possible lengthy discussion on potential business in executive session may also take place. Staff will be checking schedules to see if a morning budget workshop can be accommodated.

11. Discussion regarding the 2022 Tax Rate Calculation Worksheet, the 2022 No New Revenue Tax Rate and the tax rate setting process and upcoming budget workshop.

Mr. Lowe walked through the tax rate process which includes debt service (I&S) and maintenance and operations (M&O). The 2022 I&S rate will include the 2019 and 2021 General Obligation Bond issuance payments and an estimated payment for a 2023 bond issuance. The industrial and residential tax base in Port Freeport is updated every year and provided by Brazoria County Tax Office but new data has not been provided at this time. Exemptions include the homestead exemption and the exemption for those 65 or older or disabled. Based on the 2021 tax roll, 13,687 accounts qualified for the 65 or older or disabled exemption. In August 2020, the Port Commission adopted a resolution increasing the 65 or older or disabled exemption from \$150,000 to \$175,000. Based on the 2022 tax roll, it is estimated that approximately 8,419 accounts would qualify. Combined with the homestead exemption, a resident with a home value of \$218,750 who qualifies and has filed for the age 65 or older or disabled exemption would pay no taxes to Port Freeport. He reminded the Commissioners that the exemption could be increased again to offset the increase in residential taxable values. Mr. Lowe reminded the Commission the Bond Election took place May 2018, and the Port has issued \$74.2 million of the \$130 million authorized in the bond election, with \$55.8 million available remaining. Staff anticipates going to market later this year or early 2023. Mr. Lowe noted that since 2011, the Port has reduced the tax rate 25% with it being held at 0.0401 2016 through 2020 and lowered to 0.04 last year. Mr. Lowe noted the Port had a significant increase in its roll taxable valuation, from \$16.2 billion to \$19.3 billion. He noted the allocation of value between non-residential and residential in 2021 was approximately 70% non-residential and 30% residential and does not anticipate the ratio changing very much for 2022. Commissioner Giesecke inquired whether staff could obtain the amount of increase in the overall appraised values for the residential (percentage increase) in that particular component vs the increase in non-residential. Mr. Lowe stated he will look into it and come back with the information. The process to fund the Freeport Harbor Channel project started with 1 cent to debt service and 3 cents applied to M&O. Staff anticipated the inverse to take place with approximately 1 cent toward M&O and 3 cents toward debt service as the bonds are issued however, as of right now, because the first \$74 million was issued at lower rates, staff does not anticipate reaching 3 cents but rather between 2.6 and 2.7 cents of debt service. This will also depend on when staff goes to market and what rates are locked in. Mr. Lowe then shared the following proposed tax rate and budget schedule and noted the tax rate must be adopted by September 20th...

August 9 – Publication of Tax Rates on Tax Office, Appraisal District and PF Website
August 11 - Review 2022 Tax Rate Calculation Worksheet results

August 25 – Conduct Budget Workshop
August 25 – Take a record vote to propose 2022 tax rate

August 26 – Report proposed rate and results of vote to BC Tax Assessor-Collector
September 1 – BC Tax Assessor-Collector will publish either:

- Notice of voting on tax rate if proposed rate is at or below NNRT**
- Notice of hearing on tax increase if proposed rate is above NNRT**

September 1 – Conduct 2nd Budget Workshop if needed

September 8 – Hold tax rate hearing if proposed rate is above no new revenue rate
September 8 – Adopt 2022 tax rate
September 8 – Conduct Budget Workshop and Adopt Budget

**Requires seven-day public posting in local newspaper*

Mr. Lowe reminded the Commission that there are two basic rates involved. The No New Revenue Tax Rate is the total tax rate that would provide the same amount of revenue in the year before on properties taxed in both years. It's generally equal to last year's taxes divided by current taxable value of properties that were also on the tax roll last year.

The Voter Approval Rate is the required I&S Tax Rate plus either a 3.5% or an 8% increase in the No New Revenue M&O Tax Rate. The 8% is for Special Taxing Units. Taxing units with a proposed No New Revenue M&O Tax Rate of less than 2.5 cents, Junior Colleges and Hospital Districts. The Port is currently a special taxing unit because the No New Revenue M&O Tax Rate is below 2.5 cents. The current 2022 No New Revenue M&O Tax Rate is .022996. Lowe then shared the 2022 tax rate calculation worksheet as provided by the County Tax Assessor-Collector. The No New Revenue Tax Rate (NNRT) is 0.035909 and the Voter Approval Rate is 0.039852. The current tax rate is 0.04. Staff recommends proposing a rate not to exceed the Voter Approval Rate of \$0.039852. Proposing a rate at or below the NNRT would require a notice of voting to be published at least seven days prior to the vote. Proposing a rate above the NNRT and not exceeding the Voter Approval Tax Rate, would require a notice of hearing on tax increase to be published at least seven days prior to the hearing. At this time, Commissioner Singhania noted that for the last several years, the Port Commission has set aside monies for the FHCIP, more or less trying to run without using M&O money in operations. The Port's revenue from operations has gone up \$16-\$17 million to over \$40 million, for M&O, the Port really doesn't need any money.

Commissioner Singhania suggested a rate as low as 2.5 because it still covers the contingency of the bond issues and the project. It's already included in projections the \$14.4 million we have in reserve for the channel deepening that has been accumulated every year adding the port has an obligation to get it started and get to the minimum M&O tax that we can live with. Mr. Lowe responded saying the Port's debt service will eventually reach 2.6–2.7 on its own. At that point, maintaining revenue for additional coverage and additional considerations for revenue bond would be what your CFO prefers. Mr. Lowe shared a breakdown of the 2022 vs. 2021 budgeted tax revenue components. If the NNRT is adopted, the 2022 total levy would be \$6,958,402 vs. current of \$6,491,223. If the Voter Approval Rate is adopted, in 2022 it would generate \$7.722 million of tax revenue vs. \$6.491

million in 2021. If the Commission adopts the rate at the NNRT of \$0.035909, there will be a decrease in M&O revenues of \$96,747 and an increase in debt service of \$576,883. If the Voter Approval Rate is adopted at \$.039852, an additional \$667,323 of M&O revenue will be brought in and \$576,883 of debt service revenue. Mr. Lowe reminded the Commission that he has presented the specific numbers and the statutes that go with them, but the Commission's actual proposal in relationship to those numbers will dictate what happens. Commissioner Pirtle inquired about increasing the Age 65 and Older or Disabled exemption to \$250,000 as well as increase the Homestead exemption from 20%. The Homestead exemption is capped at 20% by the tax code and cannot be increased. With respect to the Age 65 or Older or Disabled, it currently covers 62% of the taxpayers in that category. A 20% bump would take the exemption from \$175,000 to \$210,000 and raise the appraised value of a homeowner to \$262,500 and increase to 10,118 or 74% of the taxpayers. If increased to \$250,000, it would take the appraised value to \$312,500, and to 11,471 owners or 84% of the taxpayers.

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

13. Approval of an Electrical Easement to CenterPoint Energy of Houston Electric, LLC to serve the Vulcan Materials lease area.

Mr. Hull stated this easement will be to CenterPoint Energy in order to serve the Vulcan Materials lease area with electrical power. Mr. Hull shared a map showing where the Vulcan lease area exists and where the easement will run. He also showed the area (pole within TxDOT's right of way) CenterPoint will tie into to extend power, then set a new pole on existing Port property and with the easement granted, they would have permission to extend power to the Vulcan lease premises. It was noted that their office is currently being powered with generators.

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

14. Discuss and reapprove an Advance Funding Agreement with the State of Texas for construction of the Velasco Terminal Access Project.

This item was tabled.

15. 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 or a settlement offer).
 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):
- C. Under authority of Section 551.072 (Deliberation Concerning Real Property Matters) for discussion regarding:
1. Discussion regarding the potential exchange, lease, or value of real property located in Freeport, Texas, including but not limited to the are known as the East End of Freeport and bordered by or adjacent to the following streets: FM1495; East 2nd Street; Terminal Street and East 8th Street in Freeport, Texas.
 2. The potential purchase, exchange, lease, or value of real property located at Port Freeport, including but not limited to the real property located at and contiguous to Berths 1, 2, 5 and 7.
 3. The potential exchange, lease, or value of real property located at Port Freeport, including but not limited to Parcels 14, 19, 27, 34 and property on Quintana Island.

16. RECONVENE OPEN SESSION:

17. Discuss and consider engaging outside General Counsel to provide legal services.

Commissioner Hoss stated that Port Freeport has been looking for outside general counsel services, requested proposals several months ago, interviewed three firms and has now narrowed it down to one firm. Staff is prepared to engage the services of Randle Law Office under the terms of a drafted engagement letter. Commissioner Hoss noted that while the process took longer than expected, the Commission did use special counsel at different times to guide them in the evaluation process and education in Open Meetings as well. Commissioner Pirtle thanked the special committee and staff for working through the process to pull all the information together. He also thanked Mr. Nemeth for stepping in as interim counsel and looks forward to a continued relationship. Mr. Nemeth thanked the Port Commission for the opportunity. Commissioner Singhania thanked all six firms who applied for the position. All firms were well-qualified making it difficult for the Commission to make a decision. Commissioner Giesecke also thanked Mr. Nemeth for his services during the interim period and registered his dissatisfaction with the process and the fact that all deliberations have taken place in executive session as he believes it has been in direct contravention to the Open Meetings Act. An attorney was brought in (not Mr. Nemeth) to sit in on the meetings. Attorney General discusses at length that if you're discussing financial considerations, policy or things unrelated to actually getting legal advice, you can't just have an attorney in the room and say all this is subject to attorney-client privilege and you get the exception under the Open Meetings Act. Additionally, he stated that the fact that they are here (open session) and there hasn't been any deliberations in open session at all but have decision made that we're hiring a particular firm. That's clear evidence the decision was made in closed session. Commissioner Hoss disagrees. He stated that every time concerns and questions were raised about deliberation behind closed doors, the Port Commission went to outside special counsel and investigated whether or not what they were doing was correct. He is satisfied the Commission was

within the boundaries of the law as they received opinions from multiple attorneys who responded and have consensus.

Ms. Megan Mikutis with Randle Law Firm thanked the Commission for their consideration, time and attention made to the process. RLO is looking forward to working with the Port, Port Commission and staff.

A motion was made by Commissioner Santos for Port Freeport to engage general counsel services with RLO Law Firm (Randle Law Office). The motion was seconded by Commissioner Pirtle with all Commissioners present voting in favor of the motion and Commissioner Giesecke abstaining.

18. Discuss and consider the request for a Third Amendment to the Second Lease Agreement between Port Freeport and Vulcan Construction Materials, LLC.

Commissioner Hoss stated that Vulcan has requested an amendment to their lease agreement to allow them a revision in the permitted use. Since the lease is contingent on the TECQ permit, staff has pulled the permit and sought opinions from legal counsel. The permit is a temporary permit that expires in 2032 however, further in the permit in Section 3, Subsection C it states, *“For the purpose of this section, a temporary hot mix asphalt plant is one that occupies a designated site for not more than 180 consecutive days or supplies asphalt for only a single public works project (single contract or same contractor for related project segments), and not to other unrelated projects.”* Commissioner Hoss noted that it appears the temporary permit issued by TECQ restricts this facility and since it has not produced any asphalt at this time, we have no track record and do not know its impact on the community. Commissioner Singhanian suggested that when Vulcan resubmits request for consideration, they present to the Port Commission in person to explain exactly what they want so there is no confusion. It will also give the public an opportunity to hear directly what they are planning to do. Commissioners Santos, Pirtle and Giesecke all noted that Vulcan will need (at a minimum), to come back with a specific project and what they want to revise the permit for before the Board would consider something permanent. Commissioner Pirtle noted for the record that he does believe that Vulcan bringing rock in by rail and dropping it off at their site is more cost effective, lower emissions and less traffic, if they had a plant there that does not interfere with the environment. Commissioner Santos also noted for the record that he personally visited the plant in Houston which is a more permanent plant, adding that their means and methods for making asphalt now is much different than their generation. He also noted that if Vulcan had been given the opportunity to fire up the plant and produce asphalt, the Commission would not be having this discussion. They have to get it started and they have to commit to the Port what they told us they would do. Commissioner Singhanian noted that he would also have to consider the additional truck traffic. Commissioner Giesecke noted that he also visited the plant and reached out to nearest neighborhood and could not find anyone that seemed to know there was an asphalt nearby. Commissioner Hoss noted that consensus among the Board was that Vulcan needs to produce asphalt before the Board will consider amending the lease, in the interest of being a good neighbor.

No action was taken on this item.

19. Adjourn.

With no further business before the Commission, the meeting adjourned at 5:15 PM

John Hoss, Chairman

Rudy Santos, Vice Chairman

Absent

Dan Croft, Secretary

Rob Giesecke, Asst. Secretary

Ravi K. Singhania, Commissioner

Shane Pirtle, Commissioner



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

MEMORANDUM

TO: Phyllis Saathoff, Executive Director/CEO

FROM: Darlene Winkler, Communications Specialist

DATE: August 25, 2022

SUBJECT: Public Affairs – August 2022

PUBLIC AFFAIRS

Communications and Media

Staff continues to post on social media port facts, press releases, safety awareness, hurricane preparedness, and other information pertinent to our community.

COVID-19 – The website and various social media channels are being maintained as a resource to the public for information on COVID-19 as it relates to Port Freeport and the community.

Freeport Harbor Channel Marine Traffic – The website is being maintained as a resource to the Freeport Harbor Channel community for information on marine traffic related to FHCIP dredging. Communications regarding Reach 3, the expected completion is 2025. Updates will be posted accordingly.

Freeport Harbor Channel Improvement Project – Staff continues to respond to inquiries from the public regarding Port Freeport and the Freeport Harbor Channel Improvement Project, as well as maintain updated information on both www.portfreeport.com and www.portfreeportbondelection.com.

Print and Social Media Monitoring – Staff continues to monitor publications, newspapers, agendas, and social media for matters pertaining to Port Freeport, Port Freeport's partners, and the harbor community.

Press Releases and News Postings — No press releases were distributed in late July or August.

PORT COMMISSION

JOHN HOSS, CHAIRMAN; RUDY SANTOS, VICE CHAIRMAN; DAN CROFT, SECRETARY; ROB GIESECKE, ASST. SECRETARY;
RAVI K. SINGHANIA, COMMISSIONER; SHANE PIRTLE, COMMISSIONER; PHYLLIS SAATHOFF, EXECUTIVE DIRECTOR/CEO

Port Events

Community Advisory Panel (C.A.P.) – The next quarterly meeting will be held on Tuesday, September 13, 2022, at the ABC Building in Freeport. The guest speaker will be announced at a later date.

The tentative date for the future C.A.P. meeting is ***Thursday, December 1, 2022.***

Port Freeport Take-A-Child Fishing Tournament (TACFT) – SAVE THE DATES! The 23rd Annual Port Freeport Take-A-Child Fishing Tournament will be held ***Saturday, May 6, 2023***, at Freeport Municipal Park. The Captain's Dinner will be held on ***Thursday, May 4, 2023***, at River Place in Freeport.

Port Freeport Golf Tournament – Planning is underway for the 11th Annual Port Freeport Golf Tournament benefiting Texas Port Ministry (TPM). The tournament will be held on Monday, October 17, 2022, at The Wilderness Golf Course in Lake Jackson, Texas with a four-person team shotgun start format. Registration will begin at 6:30 am and tee time is at 7:30 am. Sponsorship and additional tournament information are posted online at <https://www.portfreeport.com/freeport-community/golf-tournament>, on social media, and marketing to over 700 Port Freeport contacts.

On August 21, 2022, *The Facts* advertised the golf tournament in their Sports Section under the upcoming tournaments.

With the generosity of 77 sponsors and 41 teams in a two-flight tournament, \$66,000 was raised for TPM in 2021. This year, the goal is to fill the single-flight tournament with 36 teams and approximately \$67,000 for TPM. To date, 33 sponsors have committed to over \$52,000 and discounted services, and 24 teams.

The tournament flyer has been shared with Port contacts and the Port Commissioners, the Public Affairs requests that the flyer be shared with any interested organization or send additional contacts to Darlene Winkler. All support is appreciated to assist with this fundraising effort.

Port Presentations, Tours, and Meetings

August 2 – TDECU Delegation presentation and tour - (Phyllis and Ravi)

August 30 – Port Freeport Safety – Staff Appreciation Luncheon

September 22 - Central Fort Bend Transportation & Technology Conference (PS – panelist)

October 25 – Fort Bend County Round Table (PS – panelist)

Community Events and Meetings

Weekly – Business Roundtable Virtual Meetings (speakers vary)

August 11 - Brazosport Chamber of Commerce Auction and Banquet

August 18 - Highway 36A Coalition Luncheon Conference

August 25 - Angleton Chamber of Commerce - Congressional & Legislative Update

Upcoming Community Events and Meetings

August 31 – 2022 Joint Community Advisory Panel Meeting hosted by DOW

September 9 – Brazoria Chamber of Commerce Annual Banquet

September 10 – Brazoria Community Library Association Bash

September 12- ABC Annual Golf Tournament

September 15 – JA Business Hall of Fame

September 19 – Angleton Chamber of Commerce Fall Golf Tournament

September 20 – State of the Port Q & A Luncheon (Rob Lowe)

September 21 - Lower Brazos River Coalition Luncheon

September 23 – Mid-Coast ACIT Annual Golf Tournament

September 24 – West Columbia Chamber of Commerce Annual Gala Casino Night



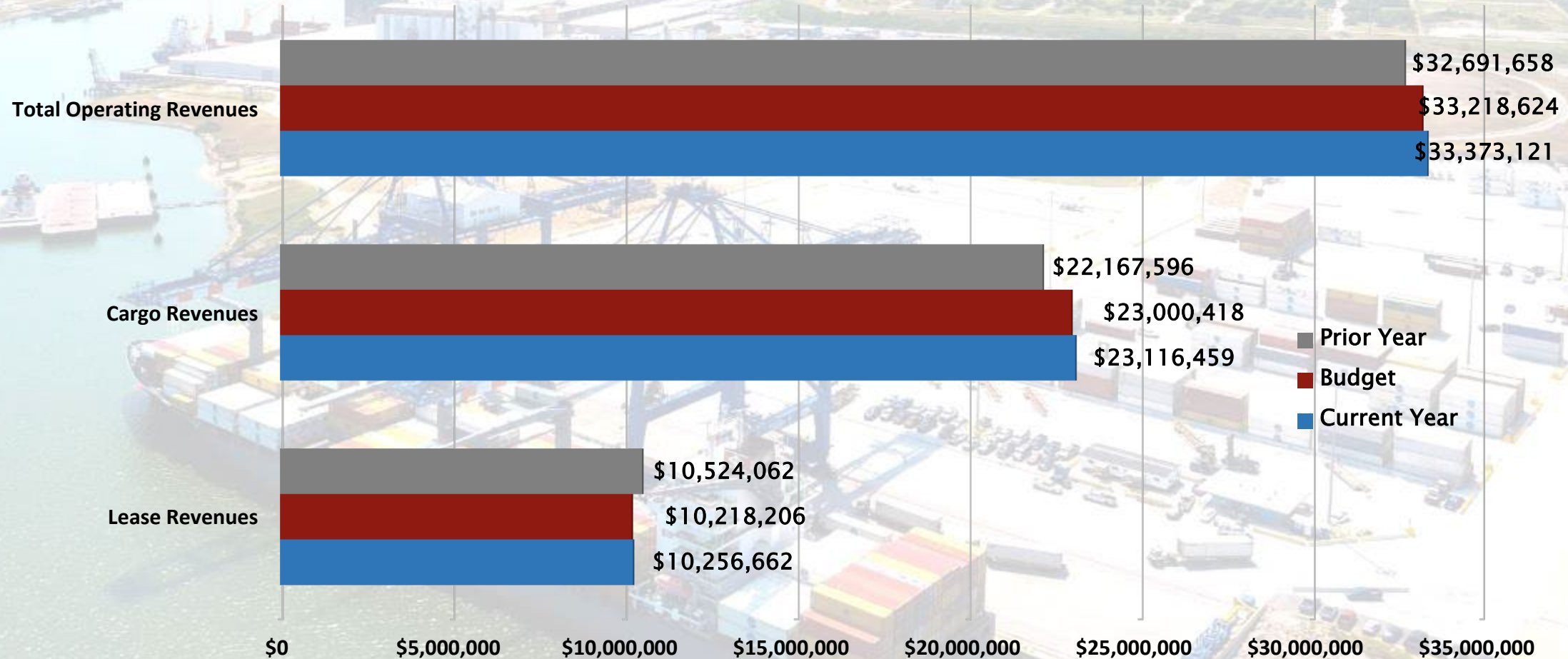
 PORT FREEPORT

Financial Report for July 31, 2022

August 25, 2022

Rob Lowe | Chief Financial Officer

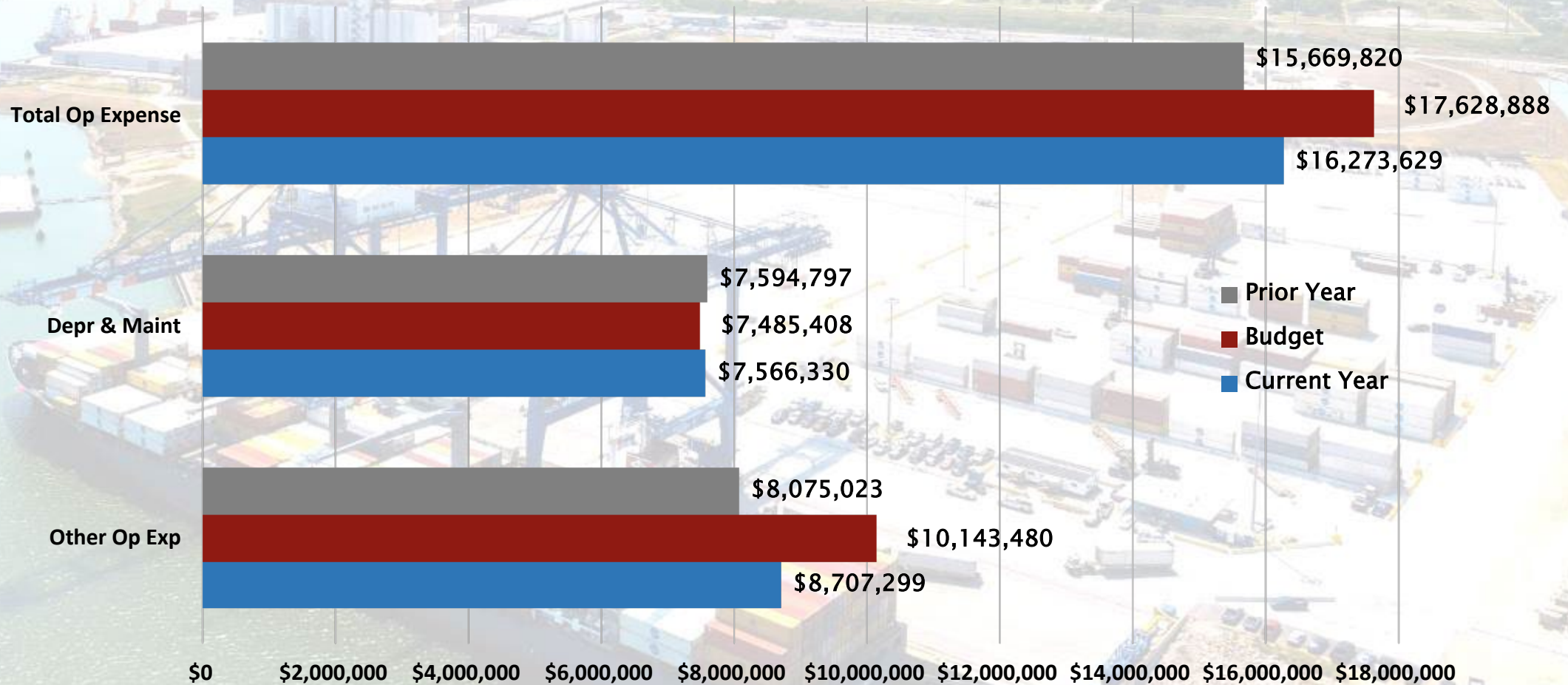
FY 2022 YTD OPERATING REVENUES



COMPARISON:

- Operating revenues are up over PY 2% and at budget
- Cargo revenues above PY by 4%; budget by 1%
- As compared to budget, cargo volumes are up in agriculture products and containerized cargo
- Lease revenues are below PY 3% and are at budgeted levels

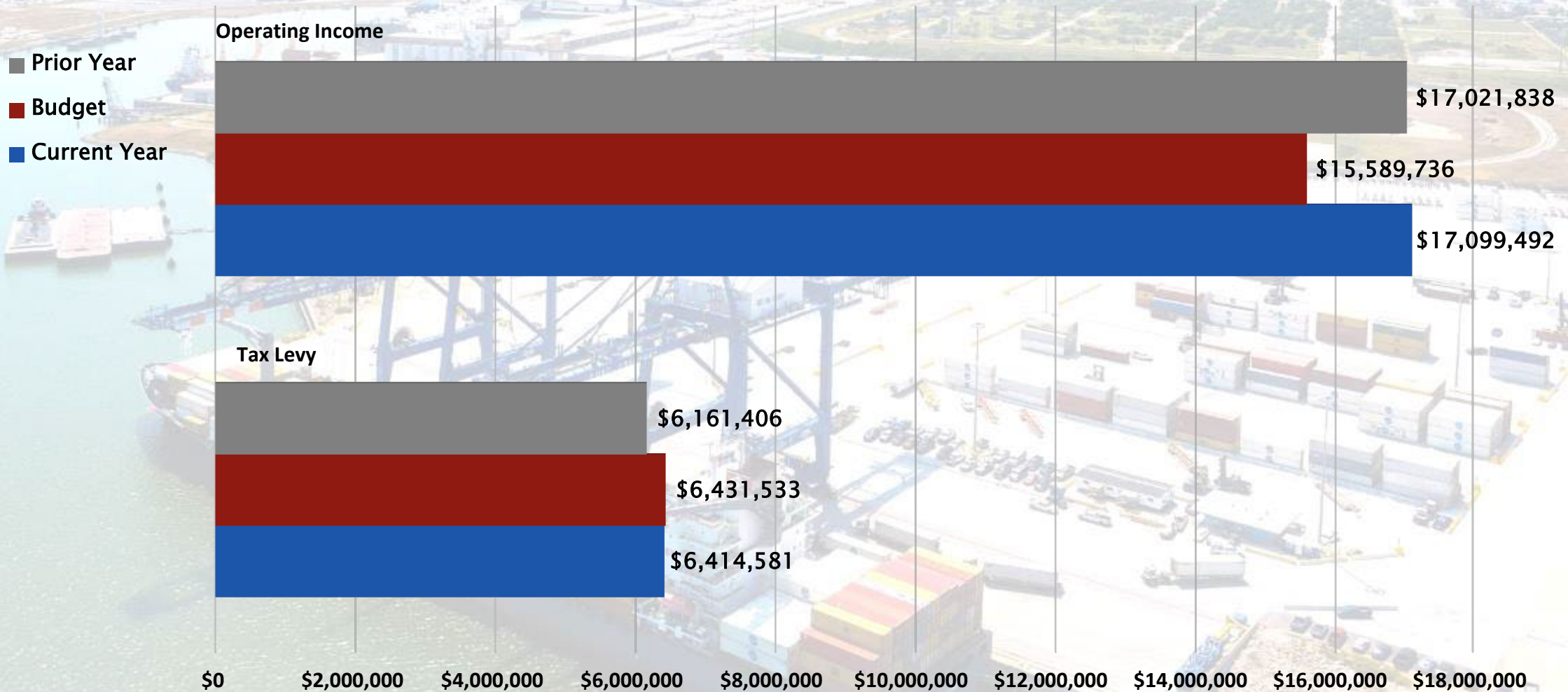
FY 2022 YTD OPERATING EXPENSE



COMPARISON:

- Total operating expenses are above prior year by 4%, below budget 8%
- Depr & maint are slightly below the PY and above budget 1%
- Other expenses are 8% above PY and below budget by 14%

FY 2022 YTD OPERATING INCOME



COMPARISON:

- Operating income is slightly above PY and above budget by 10%

FY 2022 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 2022 Budget
Operating Income	\$ 17,099,492	\$ 15,589,736	\$ 18,424,600
Non-Operating Revenue (Expenses)	\$ (676,249)	\$ (1,271,028)	\$ (2,942,000)
Capital Contributed (To) From Others			
Freeport Harbor Channel Improvement Project	\$ (45,323,009)	\$ -	\$ (31,050,000)
Contributed to Port	\$ -	\$ 50,000	\$ 50,000
Grants	\$ 143,056	\$ 375,000	\$ 375,000
Emergency Recovery Efforts	\$ (161,745)	\$ -	\$ -
Change In Net Position	\$ (28,918,455)	\$ 14,743,708	\$ (15,142,400)

FY 2022 YTD CASH FLOWS

<i>Cash Flow Measure</i>	<i>Current Year</i>	<i>Prior Year</i>
<i>Cash Provided by Operations</i>	\$ 22,714,863	\$ 23,286,451
<i>Cash Provided by Non-Cap Financing</i>	6,215,911	6,180,515
<i>Cash Used by Cap Financing</i>	(100,156,166)	(51,726,441)
<i>Cash Provided by Investing Activities</i>	224,181	266,789
<i>Net Increase (Decrease) in Cash</i>	(\$ 71,001,211)	(\$ 21,992,686)

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 used for capital improvements.

FY 2022 STATISTICS

<i>Measure</i>	<i>Current Year</i>	<i>Prior Year</i>	<i>Budget</i>
<i>Operating Margin</i>	<i>51%</i>	<i>52%</i>	<i>47%</i>
<i>Current Ratio (unrestricted)</i>	<i>4.2 to 1</i>	<i>3.4 to 1</i>	<i>n/a</i>
<i>Debt to Net Assets Ratio</i>	<i>1.268 to 1</i>	<i>1.121 to 1</i>	<i>n/a</i>

ACCOUNTS RECEIVABLE AGING

<i>Year</i>	<i>0-30 days</i>	<i>31-60 days</i>	<i>61-90 days</i>	<i>Over 90 days</i>
<i>July 31, 2022 FY 2022</i>	87% \$2,986,465	12% \$413,246	1% \$24,771	0% \$8,418
<i>July 31, 2021 FY 2021</i>	94% \$4,326,913	5% \$216,303	0% \$3,083	1% \$23,650
<i>July 31, 2020 FY 2020</i>	81% \$1,822,562	14% \$315,977	4% \$79,896	1% \$21,903

An aerial photograph of a busy port facility. A large container ship is docked at a pier, with its deck covered in stacks of colorful shipping containers. Several large blue gantry cranes are positioned along the pier, actively loading or unloading the ship. The pier extends into a body of water. In the background, there are various industrial buildings, storage tanks, and parking lots filled with vehicles. The overall scene depicts a major hub for international trade and logistics.


Questions and Comments?



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

MEMORANDUM

TO: Commissioners
Directors
Legal Counsel

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

DATE: August 18, 2022

SUBJECT: Departmental Report

PROJECTS

1. **Velasco Terminal, Berth 8** – This project entails construction of Berth 8, which will extend the wharf another 928 feet north of Berth 7. Installation of piling continues, and will be complete before August. As of today, only 1 pile remains to be driven in the RORO dock area. Installation of the concrete wharf pile caps has begun and will follow behind pile driving moving from the south toward the north. Pile caps and crane beams are following behind the piling. Deck panel installation has also begun.



PORT COMMISSION

JOHN HOSS, CHAIRMAN; RUDY SANTOS, VICE CHAIRMAN; DAN CROFT, SECRETARY; ROB GIESECKE, ASST. SECRETARY;
RAVI K. SINGHANIA, COMMISSIONER; SHANE PIRTLE, COMMISSIONER; PHYLLIS SAATHOFF, EXECUTIVE DIRECTOR/CEO

2. **FHCIP Excavation of Bend Easing** – Orion Construction was awarded the project and has been given the Notice to Proceed. Completion is expected on or before 3/22/2023.
3. **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. The 100% bid package is being reviewed by the various departments within the Corps of Engineers and they expect to advertise the project on 11/9/2022, and open bids on 12/12/22, with an expected award date of 1/31/2023.
4. **Gate 8 Guardhouse Expansion** – This project involves adding a small electrical/communication equipment room onto the rear of the guardhouse so that port staff can relocate electrical/communication equipment from the bathroom to this dedicated room with a dedicated air-conditioning system. A PSA for architectural services was approved at the July 28th Commission meeting, and contracts are being signed now.
5. **East End Properties Demolition 2022** - This project involves removing asbestos from 11 structures in the East End and after asbestos removal, demolition of 20 structures. Abatement work is underway now, and completion is expected on or before 9/23/2022.
6. **Docks 1, 2, 3, and 5 Sheet Pile Repair 2022** – This project involves repairing holes and tears in the underwater sheetpile that were noted in the last underwater inspection survey. Work is underway now, and activities are being closely coordinated with berth availability and vessel schedules.
7. **Parcel 14 Phase 2 Rail** – This project involves constructing 4 more tracks to the existing 3 tracks on Parcel 14. 100% plans have been sent to the FRA and to Union Pacific Railroad for review. We are waiting on comments before we advertise the project.

**PORT FREEPORT
OPERATIONS ACTIVITY SUMMARY
JULY 2022**

A. MONTHLY ACTIVITY EXPLANATION

- * Total import/export activity for the month of July was as expected.
- * LNG did not experience any vessels this month.
- * Riviana did not experience any vessels this month.
- * Vulcan Material did not experience any vessels this month.
- * Total (**11**) RoRo vessels handled.
- * Tenaris experienced (**2**) vessel, (**16**) barge and (**31**) railcars this month.
- * Total of (**10**) Container vessel calls.
- * CEMEX transferred product from truck to (**14**) rail cars.
- * Vulcan Materials handled (**95**) rail cars this month.
- * Average vessel activity in 2021 was 44 per month. This month, we handled 24 vessels (0 LNG & 24 Inner Harbor).
- * *Enterprise/Seaway received (**9**) vessels.*
- * *There were (**82**) Total Vessel arrivals Port wide.*

B. FISCAL YEAR ACTIVITY EXPLANATION

- * Total Tons for this year are as expected. This is due to the transition of vessel calls by LNG and additional calls of Steel Bars and RoRo vessels.
- * LNG has handled (**149**) vessels for export.
- * Tenaris has handled (**27**) vessels, (**85**) barges and (**296**) railcars.
- * Total (**117**) RoRo vessels handled.
- * YTD (**90**) Container vessel calls.
- * CEMEX handled (**173**) railcars with **13,858** Tons of Co2.
- * Vulcan handled (**855**) railcars with **90,807** Tons of Limestone and (**4**) Vessels.
- * Total vessels handled this fiscal year is **415** compared to **444** last year (**149** LNG & **266** Inner Harbor).
- * *Enterprise Seaway Vessels Year-to-date (**110**)*
- * *Total Port wide Vessels Fiscal Year-to-date (**1,018**)*
- * *Total Vehicles Handled Year-to-date (**75,802**)*
- * *Total Containers Handled (**36,788**)*
- * *Total Railcars Handled (**1,358**)*

C. INSIGHT TO ACTIVITY FOR AUGUST 2022

- * LNG has scheduled (**0**) vessels.
- * Riviana Foods has scheduled (**0**) vessel.
- * Vulcan Material has scheduled (**1**) vessels for August.
- * Expecting to handle (**11**) RoRo vessels.
- * Tenaris has (**2**) vessels, (**12**) barges and (**16**) Railcars planned.
- * Expecting (**8**) Container vessels.

D. OPERATIONAL MEETINGS AND AGENDAS

- * OPTS, Safety, Security – Attended “Active Attacker” Training.
- * Safety- Christine Lewis– Conducted “Fire Extinguisher” and “AED” checks in Transit Sheds, Warehouses, Administration Building and Port Vehicles.
- * Security- Chris Hogan –Attended Sector Houston Area Maritime Security Meeting (AMSC)
- * Jesse –Austin– Hosted “Pre-Op” Meeting to review vessel Ops to discharge Super Sacks at Dock 7.
- * Holly – Attended US Food and Drug Administration (FDA) Training.
- * Tammy – Prepared Budget Documents.
- * Al – Attended ILA South Atlantic/Gulf Coast Conference in San Diego.
- * Al – Jesse- Austin – Ops Staff- Maint Staff – Attended Monthly Safety Meeting.



PORT FREEPORTSM

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:

July 31, 2022

PORT COMMISSION

JOHN HOSS, CHAIRMAN; RUDY SANTOS, VICE CHAIRMAN; DAN CROFT, SECRETARY; ROB GIESECKE, ASST. SECRETARY;

RAVI K. SINGHANIA, COMMISSIONER; SHANE PIRTLE, COMMISSIONER; PHYLLIS SAATHOFF, EXECUTIVE DIRECTOR/CEO

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Management Narrative

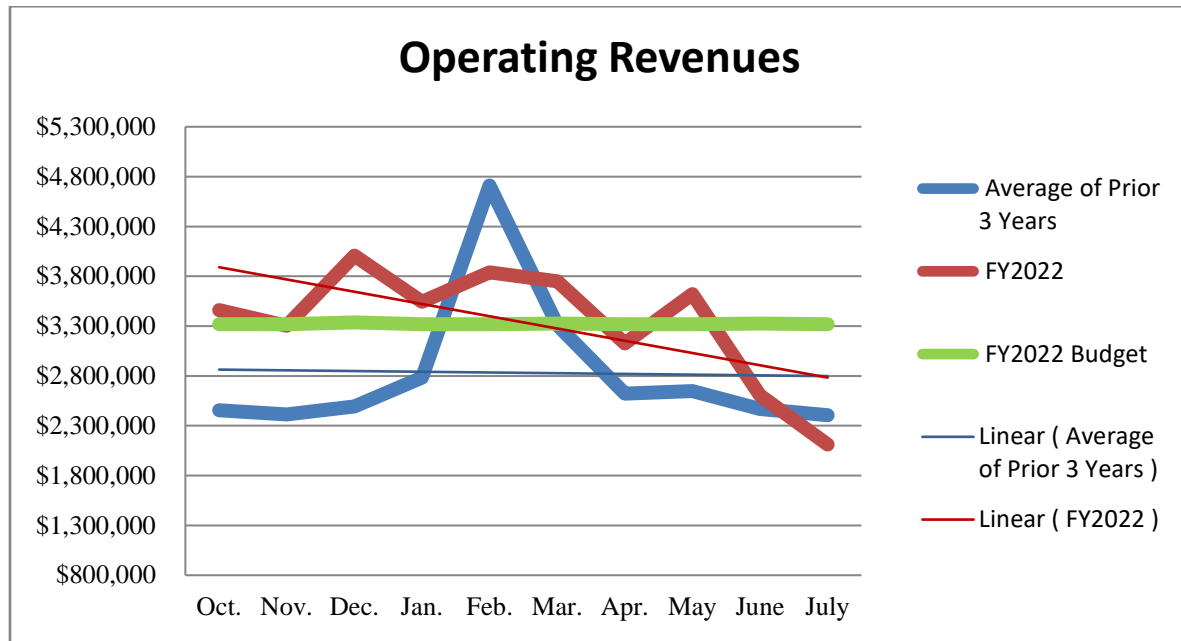
For the ten months of Fiscal Year 2022, the Port continued to remain on a positive financial foundation with operating revenues slightly above planned levels. Further, operating expenses were under planned levels and are below budget by a factor of 8%. These factors combined have contributed to producing an operating profit of \$17,099,492 and an operating margin of 51%, which is above planned performance levels by 10% or \$1,509,756 and is \$77,654 or slightly above prior year's results.

The Port's overall position remains strong as evidenced in a current ratio (unrestricted) of 4.2 to 1, which reflects a strong liquidity position, and a debt ratio of 126.8% 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)	
Statement of Revenues, Expenses and Changes in Net Assets				
Operating revenues	\$ 33,373,121	\$ 33,218,624	\$ 154,497	0%
Operating expense	<u>16,273,629</u>	<u>17,628,888</u>	1,355,259	8%
Operating income (loss)	<u>17,099,492</u>	<u>15,589,736</u>	1,509,756	10%
Operating margin	51.2%	46.9%		
Net non operating revenues (expense)	(45,999,258)	(1,221,028)	(44,778,230)	3667%
Capital contributions	143,056	375,000	(231,944)	0%
Net extraordinary revenue (expense)	<u>(161,745)</u>	<u>-</u>	(161,745)	0%
Change in net assets	<u>\$ (28,918,455)</u>	<u>\$ 14,743,708</u>	\$ (43,662,163)	
Balance Sheet				
Cash and cash equivalents	\$ 67,626,448	Current ratio (unrestricted)		
Current unrestricted assets	56,806,587	4.2 to 1		
Total assets	503,551,378			
Current unrestricted liabilities	13,654,074	Debt to Net Assets Ratio		
Total liabilities	287,511,773	126.8%		
Total Net Assets	\$ 216,039,605			

The balance of this narrative provides detailed explanations and supplementary information for the variances when comparing budget to actual for the period ended July 31, 2022.

OPERATING REVENUES



Total operating revenues for the period ending July 31, 2022, are \$33,373,121. This is \$154,497 or slightly above planned levels. The following provide more specific explanations for variances in revenue:

Wharfage revenue stands at \$10,689,004, which is under budget by \$651,236 or 6%. The following is a brief analysis of wharfage results by cargo category:

	10 Months Budget	Year To Date	Over (Under)	% Over (Under)
Agriculture Products	\$ 111,875	\$ 230,585	\$ 118,710	106%
Bulk Aggregate	182,000	143,843	(38,157)	-21%
Containerized Cargo	1,166,745	1,349,854	183,109	16%
General Cargo	8,433,094	7,597,802	(835,292)	-10%
Project Cargo	91,667	72,871	(18,796)	-21%
Ro-Ro Cargo	1,354,859	1,294,049	(60,810)	-4%
Total	\$ 11,340,240	\$ 10,689,004	\$ (651,236)	

Dockage revenue stands at \$6,400,092, consistent with wharfage revenues, which is \$153,328 or 2% below budgeted levels. Year-to-date ship calls are 415 compared to a budget of 450.

Equipment use fees, stands at \$1,171,065, which is over budget \$106,231 or 10% due to crane and equipment usage.

Security fees, consistent with wharfage and dockage, stand at \$2,179,226, which is slightly over budget by \$5,642.

Facility use fees are \$1,427,861. This is over budget by \$469,527 or 49% due to facility usage outside of tenant leased areas.

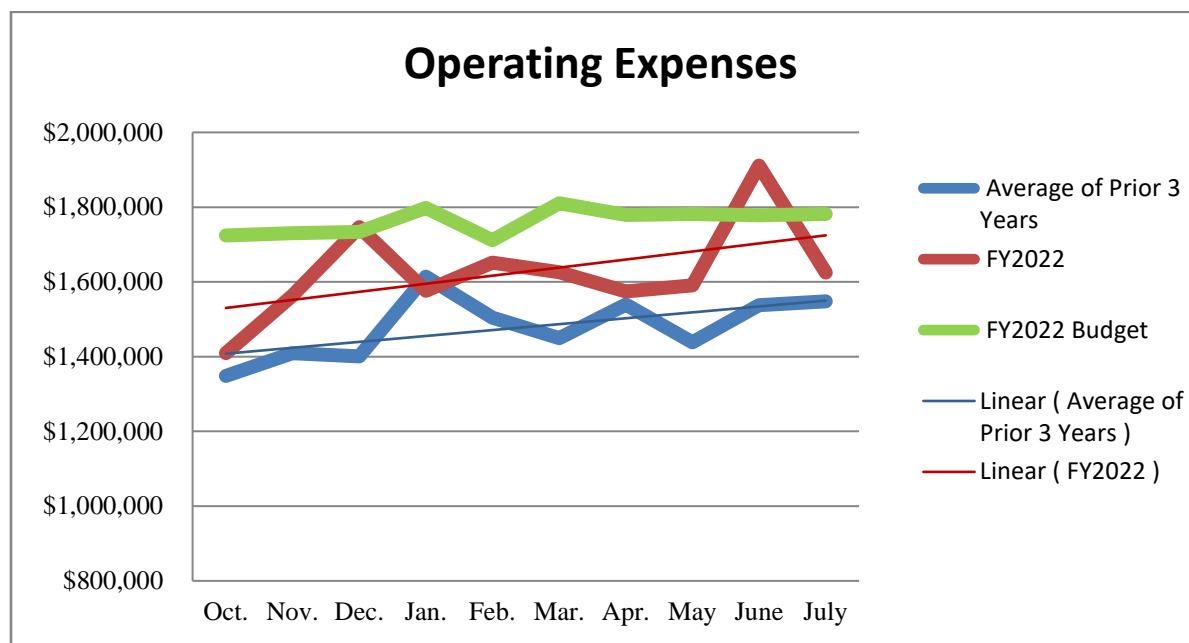
Other customer service fees (Port service charges, incidental services, customer re-bills, water, etc.) are \$1,225,436 which is \$334,180 or 37% above budgeted levels due to customer rebilling.

Ground leases stand at \$9,526,015, which is \$95,105 or 1% above budget levels.

Other leases are \$730,647, which is \$56,649 or 7% below budget levels.

Other revenue is \$23,775, which is \$5,025 above budgeted levels.

OPERATING EXPENSES



Total operating expenses are \$16,273,629, which is under budget \$1,355,259 or 8% for the period ended July 31, 2022. Following are more specific explanations for variances in operating expenses:

Port salaries/wages and benefits are \$3,862,838. This is \$641,146 or 14% less than budget. Currently, there are two vacancies and two new positions not filled when compared to Fiscal Year 2022 Budget. Operations overtime is \$24,730 or 20% over budget.

Professional services are \$1,990,012, which is under budget \$268,514 or 12% due to timing of services. Security services, at \$1,445,632 is the majority of this budget item and is 2% below budgeted levels.

Training, travel & promotional expenses are \$369,560 which is under budget \$333,334 or 47%. Following is a brief explanation of some of the sub-categories within this line item:

- Commercial advertising is \$120,358, which is below budgeted levels \$155,480 or 56% due to timing or postponement of ad development services.
- Sales/promotional travel costs are \$30,855 which is under budgeted levels by \$18,693 or 38% due to timing of travel.
- Governmental relations costs are \$6,732 which is below budget by \$28,317 or 81% due to timing of government related travel.
- Community events are \$29,726 which is below budgeted levels \$17,351 or 36% due timing and postponement of events.
- Technical training is \$24,931 which is \$73,819 or 75% under budget due to timing or postponement of training.

Supplies are \$139,341 which is \$6,129 or 5% above budget primarily due to increased fuel prices. Fuel is over budget \$18,015 or 55%.

Utilities at \$553,985 are under budget \$113,109 or 17% due to the timing of the receipt of the bill and related customer rebilling. City of Freeport is having billing issues, so the water/sewer billing is estimated.

Business insurance is \$1,242,015, which is \$39,061 or 3% below budgeted levels.

Other services and charges at \$549,548 are \$47,146 or 8% below budget due to timing of subscriptions and dues. The purchase of the managed detection response software/subscription is offset by the grant revenue. In addition, the usage of contract labor to backfill a vacant position was not budgeted.

Maintenance and repair expenses at \$986,273 are \$187,277 or 23% above budget. It should be noted that there are some customer damaged property repairs, which is offset by other services and charges revenue for the rebilling to the customer for the damages. Following is a brief explanation of some of the repairs by facility/equipment type:

- Crane trolley cable repairs are \$77,665.
- Repairs to the Emergency Operations Building VRV (HVAC) system was \$20,322.
- Repairs to the transit shed and warehouse sprinkler system were \$29,252.
- Emergency repairs to the water supply lines were \$14,747.
- Sewer line repairs were \$4,331.
- Joint repairs at Berth 1 were \$17,600.

- Transformer oil change was \$7,311.
- Emergency repairs to truck scales were \$6,237.
- Pallet stock and labor to repair pallets is \$30,249.
- Emergency repairs to the backflow valve at Gate 14 area was \$3,220.
- Emergency repairs to the underground electrical on Pete Schaff Blvd were \$3,568.

Depreciation expense at \$6,580,057 is \$106,355 or 2% below budget levels due to timing of additions.

Operating income is \$17,099,492 compared to a total fiscal year budget of \$18,424,600, shows a positive result for Fiscal Year 2022.

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 and penalty and interest. Year to date values are \$6,414,581 compared to an annual budget of \$6,422,200.

Investment income is \$5,736 or 97% below budget due to change in fair market values (loss), increased funds invested, and low interest rates. Investment rates conditions are improving.

Gain (Loss) on Sale of Assets is the entry of the receivable for the sale of land to the State of Texas.

Debt interest and fees are \$7,801,659, which is \$75,902 or 1% below budgeted levels due to the budget amount being evenly distributed over twelve months.

Capital Contributions to Others budget includes \$31,050,000 in contributions to the U.S. Army Corps of Engineers for the Freeport Harbor Channel Improvement Project and \$50,000 in contributions to the Port for cost share of improvements. There has been \$45,323,009 in expenses for these projects.

Grant Revenue budgeted for the Fiscal Year 2022 is \$375,000. There has been \$143,056 in grant revenue for Fiscal Year 2022. The grant revenue is funded on a reimbursement basis, so the capital contributions are recorded when the expenditures for each project are reported quarterly.

Extraordinary Item is emergency recovery efforts from the 2021 Hurricane Nicholas damages. Expenses so far have been \$161,745, which includes roof/gutter repairs to transit shed #1. Supplies for repairs have been challenging to obtain by contractors to repair the damages.

**PORT FREEPORT
BALANCE SHEET**

	<u>7/31/2022</u>	<u>9/30/2021</u>
ASSETS		
CURRENT ASSETS:		
CASH AND CASH EQUIVALENTS	\$ 39,720,578	\$ 57,580,744
INVESTMENTS	9,958,733	0
RECEIVABLES (net of allowance for uncollectibles):		
TRADE ACCOUNTS	3,390,185	5,042,395
PROPERTY TAXES	79,415	62,864
OTHER	802,690	40,032
OTHER GOVERNMENTS	641,051	652,143
ACCRUED INTEREST	2,303	0
PREPAIDS	1,214,378	928,156
INVENTORY	997,254	970,061
TOTAL UNRESTRICTED CURRENT ASSETS	\$ 56,806,587	\$ 65,276,395
RESTRICTED ASSETS:		
CASH AND CASH EQUIVALENTS	27,905,870	53,113,244
INVESTMENTS	6,854,317	44,746,721
RECEIVABLES (net of allowance for uncollectibles):		
PROPERTY TAXES	46,369	25,995
OTHER	-	501
ACCRUED INTEREST	11,971	232,719
BOND DISCOUNTS AND ISSUANCE COSTS	6,604	7,767
TOTAL RESTRICTED ASSETS	34,825,131	98,126,947
TOTAL CURRENT ASSETS	91,631,718	163,403,342
PROPERTY, PLANT, AND EQUIPMENT:		
PROPERTY, PORT, AND FACILITIES	508,479,374	468,198,940
LESS ACCUMULATED DEPRECIATION	(96,559,714)	(90,003,084)
PROPERTY, PLANT, AND EQUIPMENT NET	411,919,660	378,195,856
TOTAL ASSETS	\$ 503,551,378	\$ 541,599,198
LIABILITIES		
CURRENT LIABILITIES:		
ACCOUNTS PAYABLE	\$ 10,821,645	\$ 9,357,196
EQUIPMENT LEASE PAYABLE	1,489,502	1,489,502
ACCRUED COMPENSATED ABSENCES	195,296	333,519
UNEARNED LEASE INCOME	1,147,631	4,015,079
TOTAL CURRENT LIABILITIES	\$ 13,654,074	\$ 15,195,296
LIABILITIES PAYABLE FROM RESTRICTED ASSETS:		
ACCRUED BOND INTEREST PAYABLE	1,388,499	2,695,658
BONDS PAYABLE	-	5,630,000
TOTAL CURRENT LIABILITIES FROM RESTRICTED ASSETS	1,388,499	8,325,658
NON-CURRENT LIABILITIES		
EQUIPMENT LEASE PAYABLE	3,082,840	3,082,840
BONDS PAYABLE	248,035,000	248,035,000
BOND PREMIUMS	21,351,360	22,002,242
TOTAL NON-CURRENT LIABILITIES	272,469,200	273,120,082
TOTAL LIABILITIES	\$ 287,511,773	\$ 296,641,036
NET ASSETS		
NET INVESTMENT IN CAPITAL ASSETS	\$ 144,816,093	\$ 169,104,874
RESTRICTED-DEBT SERVICE	12,422,542	13,774,096
RESTRICTED-CAPITAL PROJECTS (Corps)	12,431	12,799
RESERVE FOR CAPITAL IMPROVEMENTS	14,146,523	10,495,791
UNRESTRICTED	44,642,016	51,570,602
TOTAL NET ASSETS	\$ 216,039,605	\$ 244,958,162

PORT FREEPORT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
July 31, 2022

	YEAR TO DATE	PRIOR YEAR TO DATE	% OVER (UNDER)	10 MONTHS BUDGET	% OVER (UNDER)	TOTAL 2021/2022 BUDGET
OPERATING REVENUES:						
Wharfage	\$ 10,689,004	\$ 11,285,289	-5%	\$ 11,340,240	-6%	\$ 13,608,300
Dockage & deep water berth	6,400,092	6,068,150	5%	6,553,420	-2%	7,864,100
Equipment & pallet use fees	1,171,065	896,563	31%	1,064,834	10%	1,277,800
Facility use fees	1,427,861	979,618	46%	958,334	49%	1,150,000
Security Fees	2,179,226	2,041,342	7%	2,173,584	0%	2,608,300
Other Customer Service Fees	1,225,436	891,311	37%	891,256	37%	1,072,100
Ground leases	9,526,015	9,766,983	-2%	9,430,910	1%	11,300,600
Other leases	730,647	757,079	-3%	787,296	-7%	944,700
Other revenue	23,775	5,323	347%	18,750	27%	25,000
Total Operating Revenues	33,373,121	32,691,658	2%	33,218,624	0%	39,850,900
OPERATING EXPENSES:						
Port salaries/wages	2,870,350	2,884,288	0%	3,321,132	-14%	3,993,600
Port employee benefits	992,488	1,069,508	-7%	1,182,852	-16%	1,648,300
Professional services	1,990,012	1,771,495	12%	2,258,526	-12%	2,722,000
Training, travel, and promotional	369,560	207,493	78%	702,894	-47%	802,900
Supplies	139,341	114,807	21%	133,212	5%	156,700
Utilities	553,985	616,441	-10%	667,094	-17%	800,500
Business Insurance	1,242,015	1,014,007	22%	1,281,076	-3%	1,557,500
Other services & charges	549,548	396,984	38%	596,694	-8%	723,800
Maintenance & repair	986,273	732,915	35%	798,996	23%	927,300
Depreciation	6,580,057	6,861,882	-4%	6,686,412	-2%	8,093,700
Total Operating Expenses	16,273,629	15,669,820	4%	17,628,888	-8%	21,426,300
OPERATING INCOME (LOSS)	17,099,492	17,021,838	0%	15,589,736	10%	18,424,600
NON-OPERATING REVENUES (EXPENSES)						
Ad Valorum tax collections	6,414,581	6,161,406	4%	6,431,533	0%	6,422,200
Investment Income	5,736	138,244	-96%	175,000	-97%	200,000
Gain (loss) on sale of assets	705,093	460,696	53%	-	0%	-
Debt interest and fees	(7,801,659)	(6,988,346)	12%	(7,877,561)	-1%	(9,564,200)
CAPITAL CONTRIBUTIONS (TO) FROM OTHERS:						
Freeport Harbor Improvement Project	(45,323,009)	(14,435,939)	214%	-	0%	(31,050,000)
Brazoria-Fort Bend County Rail District	-	1,051	-100%	-	0%	-
Levee Stabilization - Reach 2	-	(23,790,541)	-100%	-	0%	-
Contributed Capital-Other	-	43,200	-100%	50,000	0%	50,000
OTHER:						
Dredge material placement fees	-	246,000	-100%	-	0%	-
Total Non-Operating Revenue (Expenses)	(45,999,258)	(38,164,229)	21%	(1,221,028)	3667%	(33,942,000)
INCOME (LOSS) BEFORE CONTRIBUTIONS AND EXTRAORDINARY EXPENSE	(28,899,766)	(21,142,391)	37%	14,368,708	-301%	(15,517,400)
CAPITAL CONTRIBUTIONS:						
Grants:						
Grants Port-Freeport	143,056	-	0%	375,000	-62%	375,000
Total Capital Contributions-Grants	143,056	-	0%	375,000	-62%	375,000
EXTRAORDINARY ITEM						
Emergency Recovery Efforts - Hurricane	(161,745)	-	0%	-	0%	-
Net Extraordinary Income (Expense)	(161,745)	-	0%	-	0%	-
CHANGE IN NET POSITION	\$ (28,918,455)	\$ (21,142,391)	37%	\$ 14,743,708	-296%	\$ (15,142,400)

STATEMENT OF CASH FLOWS

July 31, 2022

	YEAR TO DATE	PRIOR YEAR TO DATE
Cash Flows from Operating Activities:		
Operating Income (Loss)	\$ 17,099,492	\$ 17,021,838
Adjustments to Reconcile Operating Income (Loss) to Net Cash Flows from Operating Activities:		
Depreciation	6,580,057	6,861,882
Dredge Material Placement Fees	-	246,000
Change in Assets and Liabilities:		
Trade receivables	1,652,108	(1,414,615)
Other receivables	(762,658)	(10,135)
Inventories	(27,193)	91,609
Prepaid and Other	(285,721)	(395,146)
Accounts payable	1,464,449	3,962,000
Deferred lease income	(2,867,448)	(2,944,011)
Accrued compensated absences	<u>(138,223)</u>	<u>(132,971)</u>
Total Cash Provided from (Used for) Operating Activities	<u>22,714,863</u>	<u>23,286,451</u>
Cash Flows from Non-capital Financing Activities:		
Property tax receipts	6,441,300	6,241,487
Property tax collection expense	(63,644)	(60,972)
Emergency Recovery Efforts - Disaster Related	<u>(161,745)</u>	<u>-</u>
Total Cash Provided from (Used for) Non-capital Financing Activities	<u>6,215,911</u>	<u>6,180,515</u>
Cash Flows from Capital Financing Activities:		
Principal payments under debt obligations	(5,630,000)	(5,095,000)
Interest and fees paid under debt obligations	(9,758,537)	(6,357,520)
Proceeds from sale of long-term debt obligations	-	37,135,000
Land, capital improvement, and equipment purchases	(40,303,861)	(39,826,761)
Other capital acquisition (costs) or recoveries, extraordinary	-	-
Capital contributions	(45,323,009)	(38,182,229)
Gants received	154,148	139,373
Proceeds from sale/disposal of capital assets	<u>705,093</u>	<u>460,696</u>
Total Cash Provided from (Used for) Capital Financing Activities	<u>(100,156,166)</u>	<u>(51,726,441)</u>
Cash Flows from Investing Activities:		
Investment earnings	1,192,771	472,512
Change in FMV of marketable investment securities	<u>(968,590)</u>	<u>(205,723)</u>
Total Cash Provided from (Used for) Investing Activities	<u>224,181</u>	<u>266,789</u>
Net Increase(Decrease) in Cash and Cash Equivalents	(71,001,211)	(21,992,686)
Cash and Cash Equivalents at Beginning of Period	<u>155,440,709</u>	<u>147,510,153</u>
Cash and Cash Equivalents at End of Period	<u>\$ 84,439,498</u>	<u>\$ 125,517,467</u>

NOTES TO FINANCIAL STATEMENTS

Note 1 - Accounts Receivable Aging

0 - 30 days	\$	2,986,465	87%
31 - 60 days		413,246	12%
61 - 90 days		24,771	1%
Over 90 days		8,418	0%
Allowance for uncollectibles		(42,715)	-1%
Net Trade A/R	\$	3,390,185	

Note 2 - Accounts Payable Information

Retainage Withheld	\$	5,661,077
Corps of Engineers*		620,518
Employee Payroll Related		(12,213)
Accounts Payable		4,552,263
Total A/P	\$	10,821,645

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	\$ 1,080,000	\$ 30,715,000
General Obligation Bonds, Series 2021	37,135,000	-	37,135,000
Senior Lien Revenue Refunding Bonds, Series 2013A	33,065,000	18,025,000	15,040,000
Senior Lien Revenue and Refunding Bonds, Series 2015A	39,635,000	5,510,000	34,125,000
Senior Lien Revenue and Refunding Bonds, Series 2018	32,865,000	2,180,000	30,685,000
Senior Lien Revenue and Refunding Bonds, Series 2019A	45,200,000	2,525,000	42,675,000
Senior Lien Revenue and Refunding Bonds, Series 2019B	29,480,000	1,705,000	27,775,000
Senior Lien Revenue and Refunding Bonds, Series 2021	29,885,000	-	29,885,000
2014 Equipment Lease Payable	14,100,000	9,527,658	4,572,342
Total Bonds	\$ 293,160,000	\$ 40,552,658	\$ 252,607,342

Less Current Portion of Long-Term Debt Payable	\$	1,489,502
Long-term Debt Payable	\$	251,117,840

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

PORT FREEPORT
OPERATING EXPENSES BY DEPARTMENT
July 31, 2022

	YEAR TO-DATE	PRIOR YEAR TO-DATE	PRIOR YEAR % OVER (UNDER)	10 MONTHS BUDGET	BUDGET % OVER (UNDER)	TOTAL 2022 BUDGET
COMMISSIONERS						
OPERATING EXPENSES:						
Port salaries/wages	\$ 48,000	\$ 48,000	0%	\$ 50,416	0%	\$ 60,500
Port employee benefits	61,316	79,934	-23%	71,362	0%	86,074
Professional services	-	\$ 34,239	-100%	-	0%	-
Training, travel & promotional	22,968	14,528	58%	60,972	-62%	72,500
Supplies	84	515	-84%	416	-80%	500
Utilities	6,437	6,426	0%	6,710	-4%	8,050
Total Operating Expenses	\$ 138,805	\$ 183,642	-24%	\$ 189,876	-27%	\$ 227,624

ADMINISTRATION & FOREIGN TRADE ZONE

OPERATING EXPENSES:						
Port salaries/wages	\$ 957,627	\$ 955,542	0%	\$ 1,159,834	-17%	\$ 1,393,300
Port employee benefits	284,442	291,963	-3%	360,587	-21%	507,539
Professional services	479,838	360,448	33%	703,984	-32%	856,750
Training, travel & promotional	80,896	60,848	33%	152,762	-47%	180,800
Supplies	22,161	19,953	11%	26,854	-17%	31,550
Utilities	52,180	46,259	13%	56,918	-8%	68,300
Business Insurance	1,242,015	1,014,007	22%	1,281,076	-3%	1,557,500
Other services & charges	447,563	257,865	74%	403,646	11%	484,700
Maintenance & repair	73,745	84,015	-12%	307,720	-76%	339,150
Depreciation	6,580,057	6,861,882	-4%	6,686,412	-2%	8,093,700
Total Operating Expenses	\$ 10,220,524	\$ 9,952,782	3%	\$ 11,139,793	-8%	\$ 13,513,289

ENGINEERING

OPERATING EXPENSES:						
Port salaries/wages	\$ 332,519	\$ 321,959	3%	\$ 356,666	-7%	\$ 428,000
Port employee benefits	115,206	113,545	1%	118,617	-3%	168,314
Professional services	45,273	23,079	96%	83,334	-46%	100,000
Training, travel & promotional	7,255	6,497	12%	24,032	-70%	28,800
Supplies	2,224	1,902	17%	4,958	-55%	5,950
Utilities	5,916	5,193	14%	5,920	0%	7,100
Other services & charges	120	80	50%	2,170	-94%	2,600
Maintenance & repair	184	86	114%	420	-56%	500
Total Operating Expenses	\$ 508,697	\$ 472,341	8%	\$ 596,117	-15%	\$ 741,264

OPERATIONS

OPERATING EXPENSES:						
Port salaries/wages	\$ 1,131,097	\$ 1,180,755	-4%	\$ 1,280,179	-12%	\$ 1,539,209
Port employee benefits	397,894	445,534	-11%	465,357	-14%	652,675
Professional services	11,605	1,077	978%	3,500	232%	4,000
Training, travel & promotional	18,534	8,393	121%	26,126	-29%	31,000
Supplies	71,794	59,223	21%	57,812	24%	68,450
Utilities	452,320	525,099	-14%	543,668	-17%	652,400
Other services & charges	54,568	69,633	-22%	139,168	-61%	174,450
Maintenance & repair	837,250	596,297	40%	439,904	90%	526,650
Total Operating Expenses	\$ 2,975,062	\$ 2,886,011	3%	\$ 2,955,714	1%	\$ 3,648,834

PORT FREEPORT
OPERATING EXPENSES BY DEPARTMENT
July 31, 2022

	YEAR TO-DATE	PRIOR YEAR TO-DATE	PRIOR YEAR % OVER (UNDER)	10 MONTHS BUDGET	BUDGET % OVER (UNDER)	TOTAL 2022 BUDGET
<u>BUSINESS DEVELOPMENT</u>						
OPERATING EXPENSES:						
Port salaries/wages	\$ 299,165	\$ 279,547	7%	\$ 360,878	-17%	\$ 436,800
Port employee benefits	105,025	104,167	1%	132,010	-20%	183,568
Professional services	7,664	11,000	-30%	-	0%	-
Training, travel & promotional	237,787	114,218	108%	428,200	-44%	476,900
Supplies	2,900	2,003	45%	3,624	-20%	4,350
Utilities	6,123	5,793	6%	6,876	-11%	8,250
Other services & charges	16,173	40,993	-61%	18,752	-14%	22,500
Maintenance & repair	-	-	0%	-	0%	-
Total Operating Expenses	\$ 674,837	\$ 557,721	21%	\$ 950,340	-29%	\$ 1,132,368

PROTECTIVE SERVICES

OPERATING EXPENSES:						
Port salaries/wages	\$ 101,942	\$ 98,485	4%	\$ 113,159	-10%	\$ 135,791
Port employee benefits	28,605	34,365	-17%	34,919	-18%	50,130
Professional services	1,445,632	1,341,652	8%	1,467,708	-2%	1,761,250
Training, travel & promotional	2,120	3,009	-30%	10,802	-80%	12,900
Supplies	40,178	31,211	29%	39,548	2%	45,900
Utilities	31,009	27,671	12%	47,002	-34%	56,400
Other services & charges	31,124	28,413	10%	32,958	-6%	39,550
Maintenance & repair	75,094	52,517	43%	50,952	47%	61,000
Total Operating Expenses	\$ 1,755,704	\$ 1,617,323	9%	\$ 1,797,048	-2%	\$ 2,162,921

CONSOLIDATED - TOTAL

OPERATING EXPENSES:						
Port salaries/wages	\$ 2,870,350	2,884,288	0%	\$ 3,321,132	-14%	\$ 3,993,600
Port employee benefits	992,488	1,069,508	-7%	1,182,852	-16%	1,648,300
Professional services	1,990,012	1,771,495	12%	2,258,526	-12%	2,722,000
Training, travel & promotional	369,560	207,493	78%	702,894	-47%	802,900
Supplies	139,341	114,807	21%	133,212	5%	156,700
Utilities	553,985	616,441	-10%	667,094	-17%	800,500
Business Insurance	1,242,015	1,014,007	22%	1,281,076	-3%	1,557,500
Other services & charges	549,548	396,984	38%	596,694	-8%	723,800
Maintenance & repair	986,273	732,915	35%	798,996	23%	927,300
Depreciation	6,580,057	6,861,882	-4%	6,686,412	-2%	8,093,700
Total Operating Expenses	\$ 16,273,629	\$ 15,669,820	4%	\$ 17,628,888	-8%	\$ 21,426,300

PORT FREEPORT - VELASCO TERMINAL ONLY

STATEMENT OF REVENUES AND EXPENSES

July 31, 2022

	YEAR TO DATE	PRIOR YEAR TO DATE	% OVER (UNDER)	10 MONTHS BUDGET	% OVER (UNDER)	TOTAL 2022 BUDGET
OPERATING REVENUES:						
Wharfage	\$ 1,420,811	\$ 1,105,185	29%	\$ 1,398,740	2%	\$ 1,678,494
Dockage & deep water berth	655,183	559,179	17%	738,870	-11%	886,642
Equipment & pallet use fees	1,020,641	857,247	19%	1,024,518	0%	1,229,420
Facility use fees	378,091	106,660	254%	56,584	568%	67,900
Security Fees	198,036	167,160	18%	219,994	-10%	263,992
Other Customer Service Fees	306,037	299,733	2%	-	0%	-
Ground leases	317,650	201,220	58%	389,470	-18%	450,874
Total Operating Revenues	4,296,449	3,296,384	30%	3,828,176	12%	4,577,322
OPERATING EXPENSES:						
Port salaries/wages	192,624	248,776	-23%	234,115	-18%	280,937
Port employee benefits	49,619	80,632	-38%	82,349	-40%	122,809
Training, travel, and promotional	-	-	0%	1,042	-100%	1,250
Utilities	93,995	93,129	1%	130,376	-28%	156,450
Business Insurance	273,383	270,297	1%	283,883	-4%	344,907
Maintenance & repair	470,315	276,701	70%	132,136	256%	158,550
Depreciation	2,382,420	2,391,680	0%	2,976,250	-20%	3,571,500
Total Operating Expenses	3,462,356	3,361,215	3%	3,840,151	-10%	4,636,403
OPERATING INCOME (LOSS)	834,093	(64,831)	1387%	(11,975)	7065%	(59,081)
NON-OPERATING REVENUES (EXPENSES)						
Debt interest and fees	(1,650,947)	(605,648)	173%	(2,763,910)	-40%	(3,317,856)
Total Non-Operating Revenue (Expenses)	(1,650,947)	(605,648)	173%	(2,763,910)	-40%	(3,317,856)
CHANGE IN NET POSITION	\$ (816,854)	\$ (670,479)	22%	\$ (2,775,885)	-71%	\$ (3,376,937)

PORT FREEPORT
Port Improvement Projects Summary
July 31, 2022

Project	Contract Award	Change Orders	Total Contract	Current Year Budget	Incurred to Date FY 2022	CIP Prior Years	Incurred to Date Total	Balance to Finish
Velasco Term Phase II - Berth 8	133,856,037.88	(13,283,496.98)	120,572,540.90	49,084,100.00	16,782,181.57	82,857,443.53	99,639,625.10	20,932,915.80
EDSA	4,144,063.24	589,830.00	4,733,893.24		281,985.86	3,835,598.28	4,117,584.14	616,309.10
Construction	129,677,607.30	(13,873,326.98)	115,804,280.32		16,500,195.71	78,987,477.91	95,487,673.62	20,316,606.70
Other not in contract	34,367.34	0.00	34,367.34		0.00	34,367.34	34,367.34	0.00
RORO Ramp - Berth 8	24,921,340.40	392,100.00	25,313,440.40	0.00	17,197,288.91	748,327.65	17,945,616.56	7,367,823.84
EDSA	46,652.40	392,100.00	438,752.40		23,738.35	222,091.65	245,830.00	192,922.40
Construction	24,874,688.00	0.00	24,874,688.00		17,173,550.56	526,236.00	17,699,786.56	7,174,901.44
Other not in contract	0.00	0.00	0.00		0.00	0.00	0.00	0.00
VT- North Gate Entrance	0.00	0.00	0.00	400,000.00	0.00	0.00	0.00	0.00
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
Land & Improvements	4,757,145.01	0.00	4,757,145.01	750,000.00	542,574.39	4,214,570.62	4,757,145.01	0.00
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	4,757,145.01	0.00	4,757,145.01		542,574.39	4,214,570.62	4,757,145.01	0.00
Parcel 14 Rail Development Phase II	399,662.00	0.00	399,662.00	250,000.00	111,580.05	0.00	111,580.05	288,081.95
EDSA	399,662.00	0.00	399,662.00		111,580.05	0.00	111,580.05	288,081.95
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
Transit Shed Modifications	248,216.43	0.00	248,216.43	1,500,000.00	750.00	213,097.98	213,847.98	34,368.45
EDSA	248,000.00	0.00	248,000.00		750.00	212,881.55	213,631.55	34,368.45
Construction	0.00	0.00	0.00		0.00	0.00	0.00	0.00
Other not in contract	216.43	0.00	216.43		0.00	216.43	216.43	0.00
M & R - Joint Repairs	0.00	0.00	0.00	20,000.00	0.00	0.00	0.00	0.00
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
M & R - Railroad Track Renovations	0.00	0.00	0.00	25,000.00	0.00	0.00	0.00	0.00
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
M & R - Roads	0.00	0.00	0.00	200,000.00	0.00	0.00	0.00	0.00
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
Operations Building Upgrade	76,821.12	0.00	76,820.93	0.00	66,733.24	4,337.69	71,070.93	5,750.00
EDSA	8,000.00	0.00	8,000.00		0.00	2,250.00	2,250.00	5,750.00
Construction	68,820.93	0.00	68,820.93		66,733.24	2,087.69	68,820.93	0.00
Other not in contract	0.19	0.00	0.00		0.00	0.00	0.00	0.00
Maintenance Shop Repairs	74,820.93	0.00	74,820.93	0.00	68,820.93	3,045.00	71,865.93	2,955.00
EDSA	8,087.69	0.00	8,087.69		2,087.69	3,045.00	5,132.69	2,955.00
Construction	66,733.24	0.00	66,733.24		66,733.24	0.00	66,733.24	0.00
Other not in contract	0.00	0.00	0.00		0.00	0.00	0.00	0.00
Dole Office Bldg Repairs	0.00	0.00	0.00	100,000.00	0.00	0.00	0.00	0.00
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
Gate 8 Renovations	0.00	0.00	0.00	170,000.00	0.00	0.00	0.00	0.00
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
VT Backlands Area IV	528,394.21	0.00	528,394.21	2,000,000.00	4,184.46	92,961.92	97,146.38	431,247.83
EDSA	528,388.18	0.00	528,388.18		4,184.46	92,955.89	97,140.35	431,247.83
Construction	0.00	0.00	0.00		0.00	0.00	0.00	0.00
Other not in contract	6.03	0.00	6.03		0.00	6.03	6.03	0.00
Inner Harbor Berth Repairs	59,800.00	0.00	59,800.00	400,000.00	0.00	59,800.00	59,800.00	0.00
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	59,800.00	0.00	59,800.00		0.00	59,800.00	59,800.00	0.00
Levee Stabilization Reach 2	30,996,557.18	0.00	30,996,557.18	0.00	4,711,367.20	26,285,189.98	30,996,557.18	0.00
EDSA	1,911,557.18	0.00	1,911,557.18		19,293.20	1,892,263.98	1,911,557.18	0.00
Construction	29,085,000.00	0.00	29,085,000.00		4,692,074.00	24,392,926.00	29,085,000.00	0.00
Other not in contract	0.00	0.00	0.00		0.00	0.00	0.00	0.00
Total				\$ 54,899,100.00	\$ 39,485,480.75	\$ 114,478,774.37	\$ 153,964,255.12	\$ 29,063,142.87

Vendor Expenditure

Period: 07/01/22..07/31/22

Port Freeport

Tuesday, August 2, 2022

Page 1

FREEPORTMARY

This report also includes bank accounts that only have balances.

Bank Account: Date Filter: 07/01/22..07/31/22

Check Ledger Entry:

Check No.	Check Date	Vendor No.	Vendor Name	Check Amount	Line Amount
Invoice No.	PO No.	GL Account Name	Line Description		
90612	07/05/22	V00307	Joyce Hudman, County Clerk	15,000.00	
124196	121781		Construction in Progress		15,000.00
			Line Amount Total		15,000.00
90613	07/05/22	V00879	SWG Recreation Committee	40.00	
124197	121784		Governmental Relations Travel		40.00
			Line Amount Total		40.00
90614	07/08/22	V00007	Office Universe, Inc.	51.96	
124087	121671		Office Supplies		51.96
			Line Amount Total		51.96
90615	07/08/22	V00010	Specialties Company	208.09	
124252	121839		M&R TOE-Gantry Crane		42.67
124252	121839		M&R TOE-Gantry Crane		42.66
124263	121809		M&R TOE-Gantry Crane		61.38
124263	121809		M&R TOE-Gantry Crane		61.38
			Line Amount Total		208.09
90616	07/08/22	V00015	Mike Wilson	780.00	
124211	121789		Flexible Spending Emp Reimbursement		780.00
			Line Amount Total		780.00
90617	07/08/22	V00017	Donnie Joe Evans	75.00	
124231	121800		Telephone		75.00
			Line Amount Total		75.00
90618	07/08/22	V00018	David Lopez	45.00	
124229	121796		Telephone		45.00
			Line Amount Total		45.00
90619	07/08/22	V00021	Gulf Coast Paper Company	264.03	
124233	121837		Office Supplies		264.03
			Line Amount Total		264.03
90620	07/08/22	V00026	Lowe's	456.96	
124210	121790		M&R TOE-General Terminal Ops Equip & Tools		56.97
124210	121790		M&R Bldgs-Scale House		116.80
124210	121790		M&R TOE-General Terminal Ops Equip & Tools		-52.24
124210	121790		M&R Bldgs-Buildings VT Berth 7		109.48
124210	121790		M&R TOE-Gantry Crane		32.70
124210	121790		M&R TOE-Gantry Crane		32.70
124210	121790		M&R Bldgs-Admin Bldg 1100 Cherry St		173.80
124210	121790		M&R Bldgs-Admin Bldg 1100 Cherry St		-13.25
			Line Amount Total		456.96
90621	07/08/22	V00039	Brazosport Tire	3,376.38	
124218	121817		M&R Groundskeeping Equipment-5510 John Deere		464.56
124219	121825		M&R TOE-2021 John Deere Gator HPX615E		388.94
124220	121826		M&R TOE-Toyota Forklift		602.49
124221	121827		M&R TOE-Toyota Forklift		725.36
124222	121828		M&R TOE-Toyota Forklift		571.11
124223	121829		M&R TOE-Toyota Forklift		391.22

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Invoice No.	PO No.	GL Account Name	Line Description	Line Amount	
124224	121830		M&R TOE-2020 John Deere HPX615E	232.70	
			Line Amount Total	3,376.38	
90622	07/08/22	V00041	Evco Industrial Hardware	44.17	
124264	121812		M&R TOE-General Terminal Ops Equip & Tools	44.17	
			Line Amount Total	44.17	
90623	07/08/22	V00045	Leo Martin Chevrolet	596.17	
124241	121838		M&R Vehicles-Chevy Tahoe	259.64	
124242	121804		M&R Vehicles-Chevy Tahoe	336.53	
			Line Amount Total	596.17	
90624	07/08/22	V00046	Sprint Waste Services	471.24	
124253	121802		Contract Services	471.24	
			Line Amount Total	471.24	
90625	07/08/22	V00054	Summit Electric Supply	3,089.00	
124118	121733		M&R Warehouse-Warehouse 51	532.94	
124119	121734		M&R Leased Facilities-T.S. 5 Offices	867.92	
124120	121735		M&R Transit Shed-T.S. 1	734.22	
124121	121736		M&R Leased Facilities-24A (Chiquita)	953.92	
			Line Amount Total	3,089.00	
90626	07/08/22	V00067	Quill Corporation	633.93	
124201	121769		Office Supplies	319.95	
124248	121819		Office Supplies	313.98	
			Line Amount Total	633.93	
90627	07/08/22	V00068	Randy Aparicio	45.00	
124251	121797		Telephone	45.00	
			Line Amount Total	45.00	
90628	07/08/22	V00071	Verizon Wireless	151.98	
124214	121787		Telephone	76.00	
124214	121787		Telephone	37.99	
124214	121787		Telephone	37.99	
			Line Amount Total	151.98	
90629	07/08/22	V00073	Roger Johnston	85.00	
124250	121795		Dues & Memberships & Licenses	45.00	
124250	121795		Technical Training	40.00	
			Line Amount Total	85.00	
90630	07/08/22	V00091	Wells Fargo	8,727.57	
124256	121843		Other Accounts Payable (JE)	8,727.57	
			Line Amount Total	8,727.57	
90631	07/08/22	V00096	Centerpoint Energy	25.59	
124209	121786		Water & Gas	25.59	
			Line Amount Total	25.59	
90632	07/08/22	V00100	LJA Engineering Inc.	597.78	
124268	111718		Construction In Progress-Area 3		
124268	111718		Construction in Progress-Area-3+	597.78	
124268	111718		Construction In Progress-Area 4		
124268	111718		Construction In Progress-Area 5 Phase II		
124268	111718		Construction in Progress-Area 4		
124268	111718		Balance carried over from PO# 10615		

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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	
124268	111718		Board Approved 11/14/13		
			Line Amount Total	597.78	
90633	07/08/22	V00101	Sunstates Security, LLC	35,557.91	
124202	121774		Security Service Fees	126.86	
124203	121775		Security Service Fees	826.81	
124204	121777		Security Service Fees	919.82	
124215	121776		Security Service Fees	33,684.42	
			Line Amount Total	35,557.91	
90634	07/08/22	V00104	Donald Mullett	75.00	
124230	121799		Telephone	75.00	
			Line Amount Total	75.00	
90635	07/08/22	V00105	Cecil Booth	150.00	
124225	121820		Telephone	150.00	
			Line Amount Total	150.00	
90636	07/08/22	V00110	Jason Miura	80.00	
124240	121822		Flexible Spending Emp Reimbursement	80.00	
			Line Amount Total	80.00	
90637	07/08/22	V00114	AT&T:171-799-3737 001	713.15	
124207	121785		Telephone	139.15	
124207	121785		Telephone	69.60	
124207	121785		Telephone	278.13	
124207	121785		Telephone	17.40	
124207	121785		Telephone	69.67	
124207	121785		Telephone	17.40	
124207	121785		Telephone	17.40	
124207	121785		Telephone	34.80	
124207	121785		Telephone	69.60	
			Line Amount Total	713.15	
90638	07/08/22	V00115	AT&T:979-373-0020 6635	1,189.50	
124216	121824		Telephone	452.01	
124216	121824		Telephone	226.01	
124216	121824		Telephone	59.47	
124216	121824		Telephone	226.00	
124216	121824		Telephone	226.01	
			Line Amount Total	1,189.50	
90639	07/08/22	V00116	Randy Thompson	45.00	
124249	121798		Telephone	45.00	
			Line Amount Total	45.00	
90640	07/08/22	V00150	Brazoria County Clerk's Office	120.00	
124261	121823		Office Supplies	120.00	
			Line Amount Total	120.00	
90641	07/08/22	V00178	Waypoint	877.59	
124124	121683		Contract Services	877.59	
			Line Amount Total	877.59	
90642	07/08/22	V00193	Grainger	437.47	
124235	121831		M&R TOE-Gantry Crane	9.90	
124235	121831		M&R TOE-Gantry Crane	9.90	
124236	121832		M&R TOE-Gantry Crane	49.40	

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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
124236	121832		M&R TOE-Gantry Crane		49.40
124237	121833		M&R TOE-Gantry Crane		75.05
124237	121833		M&R TOE-Gantry Crane		75.04
124238	121834		M&R TOE-Gantry Crane		67.57
124238	121834		M&R TOE-Gantry Crane		67.56
124239	121808		M&R TOE-Gantry Crane		16.83
124239	121808		M&R TOE-Gantry Crane		16.82
			Line Amount Total		437.47
90643	07/08/22	V00198	Brazosport Starter & Alternator Service	149.00	
124262	121811		M&R TOE-Hyster Forklift 440		149.00
			Line Amount Total		149.00
90644	07/08/22	V00210	Mimecast North America, Inc.	561.51	
124115	121692		Contract Services		561.51
			Line Amount Total		561.51
90645	07/08/22	V00221	Dynamics Southwest, Inc.	225.00	
124198	121766		Contract Services		225.00
			Line Amount Total		225.00
90646	07/08/22	V00228	Department of Information Resources	169.74	
124081	121672		Telephone		33.12
124081	121672		Telephone		16.57
124081	121672		Telephone		66.20
124081	121672		Telephone		4.14
124081	121672		Telephone		16.58
124081	121672		Telephone		4.14
124081	121672		Telephone		4.14
124081	121672		Telephone		8.28
124081	121672		Telephone		16.57
			Line Amount Total		169.74
90647	07/08/22	V00234	Wharton Tractor Company	898.67	
124259	121810		M&R Groundskeeping Equipment-5510 John Deere		898.67
			Line Amount Total		898.67
90648	07/08/22	V00249	JOC Group Inc.	4,200.00	
124167	120156		Full Page Ad-Gulf Trade Feb 2022		
124167	120156		Full Page Ad- Top 25 NA Ports May 2022		
124167	120156		Full Page Ad-Directory June 2022		4,200.00
124167	120156		Half Page Ad FTZ- August 2022		
124167	120156		Half Page Ad-Texa Ports - September 2022		
			Line Amount Total		4,200.00
90649	07/08/22	V00266	Pitney Bowes, Inc. Purchase Power	222.06	
124245	121821		Postage and Freight		43.32
124245	121821		Postage and Freight		21.67
124245	121821		Postage and Freight		86.60
124245	121821		Postage and Freight		5.42
124245	121821		Postage and Freight		21.70
124245	121821		Postage and Freight		5.42
124245	121821		Postage and Freight		5.42
124245	121821		Postage and Freight		10.84
124245	121821		Postage and Freight		21.67
			Line Amount Total		222.06

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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	
90650	07/08/22	V00279	Avalon Risk PFTA	600.00	
124208	121788		Prepaid Insurance		600.00
			Line Amount Total		600.00
90651	07/08/22	V00283	Diver Overhead Door	725.00	
124227	121806		M&R Transit Shed-T.S. 3		725.00
			Line Amount Total		725.00
90652	07/08/22	V00303	Sherwin-Williams	182.45	
124254	121803		M&R Bldgs-Admin Bldg 1100 Cherry St		182.45
			Line Amount Total		182.45
90653	07/08/22	V00343	National Waterways Conference, Inc.	2,025.00	
124260	121844		Dues & Memberships & Licenses		2,025.00
			Line Amount Total		2,025.00
90654	07/08/22	V00499	Occupational Health Centers of the Southwest, PA	214.00	
124244	121842		Employment Related		214.00
			Line Amount Total		214.00
90655	07/08/22	V00502	Brazosport Muffler	950.00	
124109	121732		M&R Vehicles-Chevy Tahoe		950.00
			Line Amount Total		950.00
90656	07/08/22	V00517	Covenant K9 Detection Services	5,250.00	
124267	119365		Security Service Fees		5,250.00
124267	119365		Day Rate for K9 Detection Services (6 hours / Day		
124267	119365		October 2021 - September 2022		
124267	119365		Board Approved 9/23/2021		
			Line Amount Total		5,250.00
90657	07/08/22	V00593	McAllen Signal and Boring , LLC	500.00	
124017	120931		Monthly Hwy 36 Signal Inspection		500.00
124017	120931		March 2022-September 2022		
			Line Amount Total		500.00
90658	07/08/22	V00660	PCG - Portal Crane	1,094.00	
124246	121835		M&R TOE-Gantry Crane		273.50
124246	121835		M&R TOE-Gantry Crane		273.50
124247	121805		M&R TOE-Gantry Crane		273.50
124247	121805		M&R TOE-Gantry Crane		273.50
			Line Amount Total		1,094.00
90659	07/08/22	V00668	DARE Capital Partners, LLC	3,970.28	
124226	121836		M&R Other-Mowing, Weed Control Etc		1,000.15
124226	121836		Contract Labor Expense		795.20
124228	121801		M&R Other-Mowing, Weed Control Etc		1,379.73
124228	121801		Contract Labor Expense		795.20
			Line Amount Total		3,970.28
90660	07/08/22	V00690	Delta Fire & Safety of Texas	785.00	
124146	121761		M&R Terminal Facilities-Other		785.00
			Line Amount Total		785.00
90661	07/08/22	V00770	UniFirst Holdings Inc.	63.02	
124190	117829		Annual Contract - Ops Employees uniforms, mats		
124190	117829		towels, soap etc.		
124190	117829		Maint and Operations Supplies		

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Invoice No.	PO No.	GL Account Name	Line Description		Line Amount
124190	117829		Other Receivables		
124190	117829		M&R Bldgs-Operations Bldg		
124190	117829		Annual Contract - EOC mats, soap etc.		
124190	117829		M&R Bldgs-Security Bldg		
124190	117829		Annual Contract - Admin mats, soap etc.		
124190	117829		M&R Bldgs-Admin Bldg 1100 Cherry St		
124190	117829		M&R Bldgs-Security Bldg		
124190	117829		M&R Bldgs-Operations Bldg		
124190	117829		Other Receivables		13.83
124190	117829		3Year Agreement Effective June 2021 - May 2023		
124190	117829		M&R Bldgs-Admin Bldg 1100 Cherry St		
124190	117829		CHANGE ORDER #1		
124190	117829		2% Annual Increase based on BuyBoard - No auto		
124190	117829		Maint and Operations Supplies		49.19
124190	117829		renewal after the end of Year 3		
124190	117829		Year 1 of 3 Year Agreement June 2021 - May 2022		
			Line Amount Total		63.02
90662	07/08/22	V00803	PPG Architectural Finishes	398.80	
124266	121840		M&R TOE-Gantry Crane		199.40
124266	121840		M&R TOE-Gantry Crane		199.40
			Line Amount Total		398.80
90663	07/08/22	V00821	Summit Fire & Security	583.33	
124122	121746		M&R Transit Shed-T.S. Sprinkler System		583.33
			Line Amount Total		583.33
90664	07/08/22	V00864	Visual Edge IT	123.48	
124205	121767		Contract Services		123.48
			Line Amount Total		123.48
90665	07/08/22	V00877	Angela Lewis	90.69	
124206	121772		Community Events		82.03
124206	121772		Automobile Expense		8.66
			Line Amount Total		90.69
90666	07/11/22	V00107	HDR, Inc	6,424.19	
124166	111067		FHIP Reach 2		
124166	111067		Engineering Services		
124166	111067		Project # 19-09		
124166	111067		Board Approved 6/13/2019		
124166	111067		Change Order 1		
124166	111067		FHIP Reach 2		
124166	111067		Board Approved 9/12/2019		
124166	111067		Change Order 2		
124166	111067		FHIP Reach 2		6,424.19
124166	111067		Board Approved 3/25/2021		
			Line Amount Total		6,424.19
90667	07/11/22	V00611	McCarthy Building Companies, Inc.	1,454,250.00	
124269	121847		Retainage Payable		1,454,250.00
			Line Amount Total		1,454,250.00
90668	07/11/22	V00106	Freese & Nichols	42,502.29	
124165	120785		Professional Services for the		42,502.29
124165	120785		Parcel 14 Rail Expansion project		
124165	120785		Project No. 22-03		

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Check No.	Check Date	Vendor No.	Vendor Name	Check Amount	Line Amount
Invoice No.	PO No.	GL Account Name	Line Description		
124165	120785		Board Approved 3/10/2022		
			Line Amount Total		42,502.29
90669	07/11/22	V00342	Rico Elevators, Inc.	1,195.00	
124272	121856		M&R Bldgs-Admin Bldg 1100 Cherry St		1,195.00
			Line Amount Total		1,195.00
90670	07/11/22	V00479	Greater Houston Port Bureau	5,000.00	
124270	121794		Commercial Events		5,000.00
124270	121794		Annual Maritime Dinner		
			Line Amount Total		5,000.00
90671	07/15/22	V00004	City of Freeport	40.00	
124294	121874		Community Events		40.00
			Line Amount Total		40.00
90672	07/15/22	V00006	Michaela Bevers	86.72	
124308	121881		Telephone		75.00
124308	121881		Automobile Expense		11.72
			Line Amount Total		86.72
90673	07/15/22	V00007	Office Universe, Inc.	94.06	
124200	121768		Office Supplies		12.28
124212	121791		Office Supplies		27.01
124213	121792		Office Supplies		54.77
			Line Amount Total		94.06
90674	07/15/22	V00021	Gulf Coast Paper Company	835.94	
124114	121747		Office Supplies		99.92
124199	121773		Office Supplies		137.61
124199	121773		Office Supplies		68.80
124199	121773		Office Supplies		17.20
124199	121773		Office Supplies		68.80
124199	121773		Office Supplies		68.80
124232	121818		Office Supplies		374.81
			Line Amount Total		835.94
90675	07/15/22	V00030	Girouard's Ace Hardware	1,378.04	
124299	121861		M&R Leased Facilities-T.S. 5 Offices		53.58
124299	121861		M&R TOE-JLG 80 HX Manlift		4.32
124299	121861		M&R Docks-Dock Berth 1		66.93
124299	121861		M&R TOE-Utility Mule		14.38
124299	121861		M&R TOE-John Deere Gator		14.39
124299	121861		M&R TOE-Utility Mule		9.09
124299	121861		M&R TOE-John Deere Gator		9.09
124299	121861		M&R Docks-Dock Berth 1		12.72
124299	121861		M&R Bldgs-Operations Bldg		5.18
124299	121861		M&R Bldgs-Gate 8-Guard Bldg		27.83
124299	121861		M&R Security Equipment-SeaArk Commander Boat		27.83
124299	121861		M&R TOE-Street Sweeper		14.36
124299	121861		M&R Bldgs-Maintenance Bldg		11.58
124299	121861		M&R TOE-Gantry Crane		34.45
124299	121861		M&R TOE-Gantry Crane		34.45
124299	121861		M&R TOE-Gantry Crane		30.91
124299	121861		M&R TOE-Gantry Crane		30.92
124299	121861		M&R Bldgs-Scale House		48.56

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Invoice No.	PO No.	GL Account Name	Line Description	Line Amount	
124299	121861		M&R Bldgs-Scale House	24.58	
124299	121861		M&R Leased Facilities-24A (Chiquita)	79.71	
124299	121861		M&R TOE-2020 John Deere HPX615E	12.99	
124299	121861		M&R TOE-Gantry Crane	7.07	
124299	121861		M&R TOE-Gantry Crane	7.07	
124299	121861		M&R Bldgs-Admin Bldg 1100 Cherry St	11.94	
124299	121861		M&R Bldgs-Operations Bldg	35.15	
124299	121861		M&R TOE-Gantry Crane	38.37	
124299	121861		M&R TOE-Gantry Crane	38.37	
124299	121861		M&R Transit Shed-T.S. 1	44.34	
124299	121861		M&R Transit Shed-T.S. 1	38.87	
124299	121861		Maint and Operations Supplies	57.54	
124299	121861		M&R Transit Shed-T.S. 1	7.99	
124299	121861		M&R Bldgs-Admin Bldg 1100 Cherry St	44.89	
124299	121861		M&R Bldgs-Admin Bldg 1100 Cherry St	104.37	
124299	121861		M&R Transit Shed-T.S. Sprinkler System	64.99	
124299	121861		M&R Transit Shed-T.S. Sprinkler System	19.71	
124299	121861		M&R Warehouse-Warehouse 51	102.20	
124299	121861		M&R TOE-Gantry Crane	32.03	
124299	121861		M&R TOE-Gantry Crane	32.02	
124299	121861		M&R Bldgs-Gate 8-Guard Bldg	23.72	
124299	121861		M&R Leased Facilities-24A (Chiquita)	9.90	
124299	121861		M&R TOE-Gantry Crane	15.22	
124299	121861		M&R TOE-Gantry Crane	15.21	
124299	121861		Maint and Operations Supplies	8.99	
124299	121861		M&R Bldgs-Admin Bldg 1100 Cherry St	37.99	
124299	121861		M&R Groundskeeping Equipment-5510 John Deere	12.24	
			Line Amount Total	1,378.04	
90676	07/15/22	V00032	Matheson Tri Gas	304.56	
124243	121816		Maint and Operations Supplies	304.56	
			Line Amount Total	304.56	
90677	07/15/22	V00037	Briggs Equipment	135.87	
124277	121850		M&R TOE-Yale Forklift	135.87	
			Line Amount Total	135.87	
90678	07/15/22	V00040	The Brazosport Facts	1,022.50	
124304	121848		Community Advertising	1,022.50	
			Line Amount Total	1,022.50	
90679	07/15/22	V00046	Sprint Waste Services	604.90	
124273	121851		Contract Services	170.82	
124273	121851		Contract Services	214.12	
124274	121852		Contract Services	219.96	
			Line Amount Total	604.90	
90680	07/15/22	V00054	Summit Electric Supply	32.60	
124255	121807		M&R TOE-Gantry Crane	16.30	
124255	121807		M&R TOE-Gantry Crane	16.30	
			Line Amount Total	32.60	
90681	07/15/22	V00060	Sun Coast Resources	3,797.41	
124303	121778		Gallons of Unleaded Gasoline	3,797.41	
			Line Amount Total	3,797.41	

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Invoice No.	PO No.	GL Account Name	Line Description		Line Amount
90682	07/15/22	V00067	Quill Corporation	56.00	
124290	121883		Office Supplies		18.04
124290	121883		Office Supplies		14.46
124290	121883		Office Supplies		7.23
124290	121883		Office Supplies		1.81
124290	121883		Office Supplies		7.23
124290	121883		Office Supplies		7.23
			Line Amount Total		56.00
90683	07/15/22	V00070	Darlene Winkler	24.09	
124286	121880		Community Event-TACFT		24.09
			Line Amount Total		24.09
90684	07/15/22	V00083	Jason Hull	136.75	
124288	121868		Telephone		136.75
			Line Amount Total		136.75
90685	07/15/22	V00087	Payment vendor ledger entry is not found check# 90685.	0.00	
			Line Amount Total		
90686	07/15/22	V00087	Payment vendor ledger entry is not found check# 90686.	0.00	
			Line Amount Total		
90687	07/15/22	V00087	Payment vendor ledger entry is not found check# 90687.	0.00	
			Line Amount Total		
90688	07/15/22	V00087	Reliant	82,269.47	
124125	121698		Electricity		32.38
124126	121699		Electricity		169.48
124127	121700		Electricity		176.98
124128	121701		Electricity		188.56
124129	121704		Electricity		64.41
124130	121705		Electricity		27.47
124131	121706		Electricity		82.88
124132	121708		Electricity		20.73
124133	121709		Electricity		745.15
124134	121710		Electricity		59.91
124135	121712		Electricity		37.87
124136	121713		Electricity		81.60
124137	121715		Electricity		6.38
124138	121716		Electricity		222.41
124139	121717		Electricity		16.29
124140	121720		Electricity		599.58
124141	121721		Electricity		738.27
124142	121722		Electricity		271.15
124143	121724		Electricity		53.53
124144	121725		Electricity		28.46
124145	121728		Electricity		712.26
124174	121697		Electricity		35,335.06
124175	121702		Electricity		3,785.12
124176	121703		Electricity		1,203.00
124177	121707		Electricity		4,171.01
124178	121711		Electricity		1,354.37

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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	
124179	121714		Electricity	6,337.10	
124180	121718		Electricity	2,906.42	
124181	121719		Electricity	6,689.80	
124182	121723		Electricity	3,500.24	
124183	121726		Electricity	11,436.08	
124184	121727		Electricity	1,215.52	
			Line Amount Total	82,269.47	
90689	07/15/22	V00097	Comcast Business	2,627.34	
124297	121862		Contract Services	2,627.34	
			Line Amount Total	2,627.34	
90690	07/15/22	V00101	Sunstates Security, LLC	36,223.67	
124291	121876		Security Service Fees	180.00	
124292	121877		Security Service Fees	804.78	
124293	121879		Security Service Fees	914.03	
124307	121878		Security Service Fees	34,324.86	
			Line Amount Total	36,223.67	
90691	07/15/22	V00110	Jason Miura	350.01	
124281	121859		Flexible Spending Emp Reimbursement	120.00	
124289	121867		Telephone	136.75	
124289	121867		Sales/Promotion Travel	93.26	
			Line Amount Total	350.01	
90692	07/15/22	V00132	American Journal of Transportation	2,320.00	
124295	120124		1/2 Page Ad Gulf Ports & Trade 2022		
124295	120124		1/2 Page Ad Top 100 Container Ports 2022	1,700.00	
124295	120124		1/2 Page Ad North American Auto Logistics		
124295	120124		2022 Daily Newsletter banner Ad (180X150)	620.00	
			Line Amount Total	2,320.00	
90693	07/15/22	V00148	Weighing Technologies	185.54	
124258	121814		M&R Leased Facilities-24A (Chiquita)	185.54	
			Line Amount Total	185.54	
90694	07/15/22	V00181	Canon Solutions America, Inc.	260.48	
124278	121863		Maint & Repair - Office Equipment	260.48	
			Line Amount Total	260.48	
90695	07/15/22	V00193	Grainger	481.04	
124234	121841		M&R Transit Shed-T.S. 1	481.04	
			Line Amount Total	481.04	
90696	07/15/22	V00219	Toyotalift of Houston	163.35	
124275	121854		M&R TOE-Toyota Forklift	163.35	
			Line Amount Total	163.35	
90697	07/15/22	V00242	Detail Products Inc.	64.77	
124287	121870		Office Supplies	64.77	
			Line Amount Total	64.77	
90698	07/15/22	V00256	Blueline Shop & Copy Center	19.96	
124217	121813		Safety Supplies	19.96	
			Line Amount Total	19.96	
90699	07/15/22	V00270	The Bulletin	495.00	
124305	121849		Community Advertising	495.00	
			Line Amount Total	495.00	

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Invoice No.	PO No.	GL Account Name	Line Description		Line Amount
90700	07/15/22	V00286	Brazoria Heritage Foundation	200.00	
124283	121872		Community Events		100.00
124284	121873		Community Events		100.00
			Line Amount Total		200.00
90701	07/15/22	V00401	Lamb & Lerch	400.00	
124282	121864		Consultant Fees - Other		400.00
			Line Amount Total		400.00
90702	07/15/22	V00403	Jennifer Barrera	225.89	
124309	121882		Sales/Promotion Travel		225.89
			Line Amount Total		225.89
90703	07/15/22	V00517	Covenant K9 Detection Services	4,200.00	
124298	119365		Security Service Fees		4,200.00
124298	119365		Day Rate for K9 Detection Services (6 hours / Day		
124298	119365		October 2021 - September 2022		
124298	119365		Board Approved 9/23/2021		
			Line Amount Total		4,200.00
90704	07/15/22	V00593	McAllen Signal and Boring , LLC	1,000.00	
124271	120931		Monthly Hwy 36 Signal Inspection		500.00
124271	120931		March 2022-September 2022		
124300	120931		Monthly Hwy 36 Signal Inspection		500.00
124300	120931		March 2022-September 2022		
			Line Amount Total		1,000.00
90705	07/15/22	V00663	B&K Motor Parts, Inc	1,777.06	
124296	121857		M&R TOE-John Deere Gator		113.62
124296	121857		M&R TOE-Utility Mule		113.63
124296	121857		M&R Bldgs-Maintenance Bldg		13.61
124296	121857		Maint and Operations Supplies		288.25
124296	121857		M&R TOE-Street Sweeper		19.52
124296	121857		M&R TOE-Utility Mule		6.14
124296	121857		M&R TOE-Utility Mule		64.64
124296	121857		M&R TOE-Street Sweeper		87.22
124296	121857		M&R TOE-John Deere Gator		59.45
124296	121857		Maint and Operations Supplies		50.38
124296	121857		M&R Vehicles-Chevy Tahoe		50.32
124296	121857		M&R Vehicles-Chevy Tahoe		38.24
124296	121857		M&R Vehicles-Chevy Tahoe		10.56
124296	121857		M&R TOE-Utility Mule		37.60
124296	121857		M&R TOE-Gantry Crane		117.96
124296	121857		Maint and Operations Supplies		41.97
124296	121857		M&R Vehicles-Chevy Tahoe		581.37
124296	121857		M&R Vehicles-Ford Expedition		18.00
124296	121857		M&R TOE-Street Sweeper		64.58
			Line Amount Total		1,777.06
90706	07/15/22	V00770	UniFirst Holdings Inc.	63.02	
124257	117829		Annual Contract - Ops Employees uniforms, mats		
124257	117829		towels, soap etc.		
124257	117829		Maint and Operations Supplies		
124257	117829		Other Receivables		
124257	117829		M&R Bldgs-Operations Bldg		
124257	117829		Annual Contract - EOC mats, soap etc.		

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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
124257	117829		M&R Bldgs-Security Bldg		
124257	117829		Annual Contract - Admin mats, soap etc.		
124257	117829		M&R Bldgs-Admin Bldg 1100 Cherry St		
124257	117829		M&R Bldgs-Security Bldg		
124257	117829		M&R Bldgs-Operations Bldg		
124257	117829		Other Receivables		13.83
124257	117829		3Year Agreement Effective June 2021 - May 2023		
124257	117829		M&R Bldgs-Admin Bldg 1100 Cherry St		
124257	117829		CHANGE ORDER #1		
124257	117829		2% Annual Increase based on BuyBoard - No auto		
124257	117829		Maint and Operations Supplies		49.19
124257	117829		renewal after the end of Year 3		
124257	117829		Year 1 of 3 Year Agreement June 2021 - May 2022		
			Line Amount Total		63.02
90707	07/15/22	V00803	PPG Architectural Finishes	398.80	
124265	121815		M&R TOE-Gantry Crane		199.40
124265	121815		M&R TOE-Gantry Crane		199.40
			Line Amount Total		398.80
90708	07/15/22	V00809	Thomson Reuters Holdings Inc.	187.00	
124306	118864		Subscriptions		187.00
124306	118864		Monthly Feature Fee for CLEAR Investigation/		
124306	118864		Background Services for 1 Year		
124306	118864		October 2021 - September 2022		
			Line Amount Total		187.00
90709	07/15/22	V00880	Christine Lewis	257.48	
124285	121884		Safety Supplies		68.81
124285	121884		Office Supplies		188.67
			Line Amount Total		257.48
90710	07/22/22	V00085	Moffatt & Nichol	34,230.00	
124353	117346		Construction in Progress		8,328.20
124353	117346		Velasco Terminal Ro/Ro Ramp @ Berth8		
124353	117346		Board Approved 3/25/2021		
124354	109484		Professional Services for the Velasco Terminal		
124354	109484		Berths 8 & 9		
124354	109484		Construction in Progress		25,901.80
124354	109484		Board Approved 1/24/19		
124354	109484		Change Order #1		
124354	109484		Construction in Progress		
124354	109484		Board Approved 1/28/2021		
			Line Amount Total		34,230.00
90711	07/22/22	V00611	McCarthy Building Companies, Inc.	2,141,406.54	
124351	117954		Construction in Progress		754,873.42
124351	117954		RO/RO ramp for VT Berth 8 project		
124351	117954		Board Approved 5/27/2021		
124351	117954		Retainage Payable		
124351	117954		Retainage Payable		
124351	117954		Retainage Payable		
124351	117954		Retainage Payable		
124351	117954		Retainage Payable		
124351	117954		Retainage Payable		
124351	117954		Retainage Payable		
124351	117954		Retainage Payable		
124351	117954		Retainage Payable		-37,743.67

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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	
90716	07/30/22	V00015	Mike Wilson	100.00	
124326	121931		Flexible Spending Emp Reimbursement	100.00	
			Line Amount Total	100.00	
90717	07/30/22	V00032	Matheson Tri Gas	265.82	
124312	121935		Maint and Operations Supplies	262.27	
124313	121936		Maint and Operations Supplies	3.55	
			Line Amount Total	265.82	
90718	07/30/22	V00054	Summit Electric Supply	1,344.17	
124339	121926		M&R IT Equipment	320.00	
124338	121925		M&R IT Equipment	11.36	
124334	121912		M&R TOE-Gantry Crane	27.37	
124334	121912		M&R TOE-Gantry Crane		
124335	121913		M&R Warehouse-Warehouse 51	420.94	
124336	121914		M&R Transit Shed-T.S. 1	10.85	
124337	121915		M&R Leased Facilities-T.S. 5 Offices	177.98	
124361	121940		M&R TOE-Gantry Crane	27.36	
124370	121946		M&R Transit Shed-T.S. 1	18.31	
124371	121949		M&R TOE-Gantry Crane	330.00	
			Line Amount Total	1,344.17	
90719	07/30/22	V00062	AT&T Mobility	427.86	
124359	121938		Telephone	99.11	
124359	121938		Telephone	195.67	
124359	121938		Telephone	90.32	
124359	121938		Telephone	42.76	
			Line Amount Total	427.86	
90720	07/30/22	V00080	On Hold Marketing Works	39.00	
124330	121927		Lease Expense	39.00	
			Line Amount Total	39.00	
90721	07/30/22	V00098	Suburban Propane	854.27	
124369	121947		Fuel/Oil	854.27	
			Line Amount Total	854.27	
90722	07/30/22	V00106	Freese & Nichols	27,203.55	
124348	120785		Professional Services for the	27,203.55	
124348	120785		Parcel 14 Rail Expansion project		
124348	120785		Project No. 22-03		
124348	120785		Board Approved 3/10/2022		
			Line Amount Total	27,203.55	
90723	07/30/22	V00119	JH Sanchez Holding Company	6,495.00	
124363	120825		Janitorial Services February 2022 - March 2023		
124363	120825		M&R Bldgs-Admin Bldg 1100 Cherry St	2,723.00	
124363	120825		M&R Bldgs-Security Bldg	650.45	
124363	120825		M&R Bldgs-Operations Bldg	889.45	
124363	120825		M&R Bldgs-Buildings VT Berth 7	948.60	
124363	120825		M&R Bldgs-Buildings VT Berth 7	202.00	
124363	120825		M&R Transit Shed-T.S. 3	19.00	
124363	120825		M&R Bldgs-Maintenance Bldg	110.00	
124363	120825		M&R Bldgs-Security Bldg	880.00	
124363	120825		M&R Transit Shed-T.S. 3	72.50	
124363	120825		3rd Year of 3 Year Contract Feb 2022 - Jan 2023		

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Check No.	Check Date	Vendor No.	Vendor Name	Check Amount	Line Amount
Invoice No.	PO No.	GL Account Name	Line Description		
124363	120825		Board Approved 1/23/2020		
			Line Amount Total	6,495.00	
90724	07/30/22	V00125	AT&T:979-230-9161 754-5	447.65	
124314	121937		Telephone		49.17
124314	121937		Telephone		49.17
124314	121937		Telephone		349.31
			Line Amount Total	447.65	
90725	07/30/22	V00147	Greater Angleton Chamber of Commerce	150.00	
124322	121923		Community Events		150.00
			Line Amount Total	150.00	
90726	07/30/22	V00159	Principal Life Insurance-PLIC-SBD Grand Island	4,185.67	
124356	121933		Group Life Insurance		280.41
124356	121933		Group Life Insurance		136.53
124356	121933		Group Life Insurance		327.94
124356	121933		Group Life Insurance		11.04
124356	121933		Group Life Insurance		119.23
124356	121933		Group Life Insurance		50.05
124356	121933		Group Life Insurance		94.21
124356	121933		Group Life Insurance		59.98
124356	121933		Group Life Insurance		78.02
124364	121934		Group Dental Insurance		349.42
124364	121934		Group Dental Insurance		246.13
124364	121934		Group Dental Insurance		722.39
124364	121934		Group Dental Insurance		12.99
124364	121934		Group Dental Insurance		292.23
124364	121934		Group Dental Insurance		67.03
124364	121934		Group Dental Insurance		102.86
124364	121934		Group Dental Insurance		231.22
124364	121934		Group Dental Insurance		123.26
124364	121934		Group Dental Insurance		216.38
124364	121934		Group Dental Insurance		93.00
124364	121934		Other Receivables-Kresta		51.43
124364	121934		Group Vision Insurance		67.62
124364	121934		Group Vision Insurance		51.57
124364	121934		Group Vision Insurance		149.12
124364	121934		Group Vision Insurance		3.03
124364	121934		Group Vision Insurance		61.23
124364	121934		Group Vision Insurance		13.02
124364	121934		Group Vision Insurance		24.16
124364	121934		Group Vision Insurance		48.32
124364	121934		Group Vision Insurance		25.14
124364	121934		Group Vision Insurance		45.55
124364	121934		Group Vision Insurance		19.08
124364	121934		Other Receivables-Kresta		12.08
			Line Amount Total	4,185.67	
90727	07/30/22	V00177	Arthur J. Gallagher Risk Management Services, Inc.	7,984.00	
124362	121939		Prepaid Insurance		7,984.00
			Line Amount Total	7,984.00	

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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	
90728	07/30/22	V00178	Waypoint	1,279.00	
124318	121928		Contract Services		1,279.00
			Line Amount Total		1,279.00
90729	07/30/22	V00187	Brazoria County Septic Service	3,165.00	
124315	121916		Contract Services		1,477.00
124373	121952		Contract Services		1,688.00
			Line Amount Total		3,165.00
90730	07/30/22	V00188	Steve Alongis	420.00	
124333	121909		M&R Other-Mowing, Weed Control Etc		420.00
			Line Amount Total		420.00
90731	07/30/22	V00192	Glomar International, Inc.	2,171.58	
124323	121910		M&R TOE-Gantry Crane		420.18
124323	121910		M&R TOE-Gantry Crane		420.18
124366	121948		M&R TOE-Gantry Crane		399.35
124366	121948		M&R TOE-Gantry Crane		399.35
124367	121953		M&R TOE-Gantry Crane		266.26
124367	121953		M&R TOE-Gantry Crane		266.26
			Line Amount Total		2,171.58
90732	07/30/22	V00197	Motion Industries	1,753.38	
124327	121905		M&R TOE-Gantry Crane		438.35
124327	121905		M&R TOE-Gantry Crane		438.34
124368	121945		M&R TOE-Gantry Crane		438.35
124368	121945		M&R TOE-Gantry Crane		438.34
			Line Amount Total		1,753.38
90733	07/30/22	V00219	Toyotalift of Houston	447.79	
124341	121918		M&R TOE-Toyota Forklift		447.79
			Line Amount Total		447.79
90734	07/30/22	V00250	Lincoln National Life Insurance Company	4,244.20	
124349	121896		Retirement Expense		345.77
124349	121896		Retirement Expense		136.16
124349	121896		Retirement Expense		809.69
124349	121896		Retirement Expense		11.13
124349	121896		Retirement Expense		109.08
124349	121896		Retirement Expense		37.10
124349	121896		Retirement Expense		68.64
124349	121896		Retirement Expense		53.43
124349	121896		Retirement Expense		37.10
124350	121897		Group LTD Insurance		231.41
124350	121897		Group LTD Insurance		145.17
124350	121897		Group LTD Insurance		348.27
124350	121897		Group LTD Insurance		10.78
124350	121897		Group LTD Insurance		137.96
124350	121897		Group LTD Insurance		48.65
124350	121897		Group LTD Insurance		91.97
124350	121897		Group LTD Insurance		58.17
124350	121897		Group LTD Insurance		76.03
124350	121897		Group STD Insurance		262.46
124350	121897		Group STD Insurance		176.16
124350	121897		Group STD Insurance		517.36

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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
124350	121897		Group STD Insurance		17.83
124350	121897		Group STD Insurance		141.13
124350	121897		Group STD Insurance		51.60
124350	121897		Group STD Insurance		131.83
124350	121897		Group STD Insurance		96.23
124350	121897		Group STD Insurance		93.09
			Line Amount Total		4,244.20
90735	07/30/22	V00386	Industrial Disposal Supply Co., LLC	659.93	
124325	121902		M&R TOE-Street Sweeper		659.93
			Line Amount Total		659.93
90736	07/30/22	V00389	Austin Seth	222.12	
124365	121944		Sales/Promotion Travel		222.12
			Line Amount Total		222.12
90737	07/30/22	V00391	Texas Department of Licensing and Regulation	20.00	
124372	121973		M&R Bldgs-Admin Bldg 1100 Cherry St		20.00
			Line Amount Total		20.00
90738	07/30/22	V00490	Applied Industrial Technologies	1,009.52	
124319	121558		Bearings for Gantry Reducer. SKF-22316E		504.76
124319	121558		Bearing for Gantry Reducer. SKF-23036 CC/W33		
124319	121558		Bearings for Gantry Reducer. SKF-22316E		504.76
124319	121558		Bearings for Gantry Reducer. SKF-23036 CC/W33		
124319	121558		Quote # 510726773		
			Line Amount Total		1,009.52
90739	07/30/22	V00668	DARE Capital Partners, LLC	4,805.17	
124316	121903		M&R Other-Mowing, Weed Control Etc		771.20
124316	121903		Contract Labor Expense		665.98
124317	121911		M&R Other-Mowing, Weed Control Etc		1,180.90
124317	121911		Contract Labor Expense		780.29
124374	121950		M&R Other-Mowing, Weed Control Etc		1,108.60
124374	121950		Contract Labor Expense		298.20
			Line Amount Total		4,805.17
90740	07/30/22	V00697	Northern Safety Co., Inc.	175.52	
124328	121904		Safety Supplies		175.52
			Line Amount Total		175.52
90741	07/30/22	V00770	UniFirst Holdings Inc.	63.02	
124357	117829		Annual Contract - Ops Employees uniforms, mats		
124357	117829		towels, soap etc.		
124357	117829		Maint and Operations Supplies		
124357	117829		Other Receivables		
124357	117829		M&R Bldgs-Operations Bldg		
124357	117829		Annual Contract - EOC mats, soap etc.		
124357	117829		M&R Bldgs-Security Bldg		
124357	117829		Annual Contract - Admin mats, soap etc.		
124357	117829		M&R Bldgs-Admin Bldg 1100 Cherry St		
124357	117829		M&R Bldgs-Security Bldg		
124357	117829		M&R Bldgs-Operations Bldg		
124357	117829		Other Receivables		13.83
124357	117829		3Year Agreement Effective June 2021 - May 2023		
124357	117829		M&R Bldgs-Admin Bldg 1100 Cherry St		
124357	117829		CHANGE ORDER #1		

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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
124357	117829		2% Annual Increase based on BuyBoard - No auto		
124357	117829		Maint and Operations Supplies		49.19
124357	117829		renewal after the end of Year 3		
124357	117829		Year 1 of 3 Year Agreement June 2021 - May 2022		
			Line Amount Total		63.02
90742	07/30/22	V00833	M & J Environmental Services LLC	419.00	
124355	119313		Disinfectant Treatment for Admin-5,000 sq ft (77%)		322.63
124355	119313		Disinfectant Treatment for EOC - 1,500 sq ft (23%)		96.37
			Line Amount Total		419.00
90743	07/30/22	V00864	Visual Edge IT	60.72	
124342	121924		Contract Services		60.72
			Line Amount Total		60.72
90744	07/30/22	V00875	Hannah Fitzsimmons	150.00	
124358	121942		Telephone		150.00
			Line Amount Total		150.00
90745	07/30/22	V00256	Blueline Shop & Copy Center	116.02	
124276	121853		Safety Supplies		116.02
			Line Amount Total		116.02
90746	07/30/22	V00760	eTrac, Inc.	10,450.00	
124347	121228		Consultant Fees - Other		10,450.00
124347	121228		Furnish labor, materials, equipment and insurance		
124347	121228		for 2022 Pre-Hurricane Dock Survey		
			Line Amount Total		10,450.00
90747	07/30/22	V00803	PPG Architectural Finishes	616.32	
124331	121906		M&R TOE-Gantry Crane		308.16
124331	121906		M&R TOE-Gantry Crane		308.16
			Line Amount Total		616.32
90748	07/30/22	V00803	PPG Architectural Finishes	616.32	
124332	121907		M&R TOE-Gantry Crane		308.16
124332	121907		M&R TOE-Gantry Crane		308.16
			Line Amount Total		616.32
90749	07/30/22	V00821	Summit Fire & Security	694.40	
124340	121908		M&R Transit Shed-T.S. Sprinkler System		694.40
			Line Amount Total		694.40
90750	07/29/22	V00107	HDR, Inc	146,500.00	
124432	114861		FHIP Reach 1		146,500.00
124432	114861		FHIP - Reach 4		
124432	114861		Professional Services for the FHCIP Reach 1 & 4		
124432	114861		Project No. 20-06		
124432	114861		Board Approved 6/25/2020		
124432	114861		2019 GO Bond		
124432	114861		Other Accounts Payable (JE)		
			Line Amount Total		146,500.00
90751	07/29/22	V00004	City of Freeport	2,061.88	
124377	121980		Water & Gas		956.97
124405	121985		Water & Gas		62.60
124406	121986		Water & Gas		42.26
124407	121987		Water & Gas		586.35

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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
124408	121988		Water & Gas		413.70
			Line Amount Total		2,061.88
90752	07/29/22	V00007	Office Universe, Inc.	247.11	
124310	121887		Office Supplies		39.80
124311	121888		Office Supplies		15.83
124329	121930		Office Supplies		9.95
124360	121889		Office Supplies		181.53
			Line Amount Total		247.11
90753	07/29/22	V00018	David Lopez	125.25	
124425	122013		Employment Related		125.25
			Line Amount Total		125.25
90754	07/29/22	V00021	Gulf Coast Paper Company	693.37	
124321	121929		Office Supplies		106.96
124345	121898		Office Supplies		64.30
124345	121898		Office Supplies		32.14
124345	121898		Office Supplies		8.04
124345	121898		Office Supplies		32.14
124345	121898		Office Supplies		32.14
124381	121983		Office Supplies		417.65
			Line Amount Total		693.37
90755	07/29/22	V00031	Culligan Water Systems	652.40	
124430	117977		Service Agreement for Water Softener Rental &		
124430	117977		RO System and Ice Machines		
124430	117977		M&R Bldgs-Operations Bldg		
124430	117977		M&R Bldgs-Buildings VT Berth 7		175.52
124430	117977		M&R Transit Shed-T.S. 1		
124430	117977		M&R Bldgs-Operations Bldg		301.36
124430	117977		M&R Transit Shed-T.S. 1		175.52
124430	117977		For Services 8/01/2021 - 7/31/2022		
			Line Amount Total		652.40
90756	07/29/22	V00041	Evco Industrial Hardware	43.73	
124380	121956		M&R TOE-General Terminal Ops Equip & Tools		43.73
			Line Amount Total		43.73
90757	07/29/22	V00044	Ready Refresh	515.53	
124388	121975		Office Supplies		68.13
124388	121975		Office Supplies		34.06
124388	121975		Office Supplies		8.52
124388	121975		Office Supplies		34.06
124388	121975		Office Supplies		336.70
124388	121975		Office Supplies		34.06
			Line Amount Total		515.53
90758	07/29/22	V00045	Leo Martin Chevrolet	21.20	
124437	122016		M&R Vehicles-2020 Chev PU		21.20
			Line Amount Total		21.20
90759	07/29/22	V00046	Sprint Waste Services	471.24	
124390	121955		Contract Services		471.24
			Line Amount Total		471.24

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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	
90760	07/29/22	V00054	Summit Electric Supply	2,400.86	
124391	121954		M&R Transit Shed-T.S. 1	209.13	
124415	121996		M&R Leased Facilities-24A (Chiquita)	194.80	
124416	121997		M&R Terminal Facilities-Other-VT	657.22	
124417	121998		M&R Leased Facilities-24A (Chiquita)	219.80	
124418	121999		M&R Terminal Facilities-Other-VT	217.60	
124426	122008		M&R Warehouse-Warehouse 51	516.56	
124427	122012		M&R TOE-Gantry Crane	385.75	
			Line Amount Total	2,400.86	
90761	07/29/22	V00067	Quill Corporation	147.72	
124412	121990		Office Supplies	107.68	
124413	121991		Office Supplies	15.24	
124413	121991		Office Supplies	7.63	
124413	121991		Office Supplies	1.91	
124413	121991		Office Supplies	7.63	
124413	121991		Office Supplies	7.63	
			Line Amount Total	147.72	
90762	07/29/22	V00071	Verizon Wireless	438.92	
124450	122031		Telephone	62.99	
124450	122031		Telephone	69.44	
124450	122031		Telephone	306.49	
			Line Amount Total	438.92	
90763	07/29/22	V00075	Vicki L. Smith	150.00	
124428	122011		Telephone	75.00	
124428	122011		Telephone	75.00	
			Line Amount Total	150.00	
90764	07/29/22	V00077	Brookside Equipment	201.44	
124403	121994		M&R Groundskeeping Equipment-5510 John Deere	201.44	
			Line Amount Total	201.44	
90765	07/29/22	V00084	Crain, Caton & James	59,620.95	
124444	122026		Legal Fees	3,600.00	
124445	122028		Legal Fees	1,998.00	
124446	122029		Legal Fees-JIH	292.50	
124446	122029		Legal Fees-PGN	42,174.00	
124452	122027		Legal Fees	11,394.00	
124452	122027		Legal Fees	162.45	
			Line Amount Total	59,620.95	
90766	07/29/22	V00086	Blank Rome	78.50	
124441	122023		Legal Fees	78.50	
			Line Amount Total	78.50	
90767	07/29/22	V00088	Blue Cross Blue Shield of Texas	66,515.59	
124402	121981		Other Receivables	992.77	
124429	121982		Group Medical Insurance	9,431.31	
124429	121982		Group Medical Insurance	7,942.16	
124429	121982		Group Medical Insurance	22,833.71	
124429	121982		Group Medical Insurance	496.39	
124429	121982		Group Medical Insurance	6,949.39	
124429	121982		Group Medical Insurance	992.77	
124429	121982		Group Medical Insurance	1,985.54	
124429	121982		Group Medical Insurance	5,956.62	

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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	
124429	121982		Group Medical Insurance	4,963.85	
124429	121982		Group Medical Insurance	1,985.54	
124429	121982		Group Medical Insurance	1,985.54	
			Line Amount Total	66,515.59	
90768	07/29/22	V00090	Cordoba Law Firm, P.L.L.C.	72.00	
124442	122022		Construction in Progress	72.00	
			Line Amount Total	72.00	
90769	07/29/22	V00101	Sunstates Security, LLC	34,155.34	
124398	121969		Security Service Fees	119.16	
124399	121970		Security Service Fees	993.60	
124400	121972		Security Service Fees	914.03	
124434	121971		Security Service Fees	32,128.55	
			Line Amount Total	34,155.34	
90770	07/29/22	V00103	Nicholas Malambri	275.25	
124438	122015		Telephone	150.00	
124438	122015		Employment Related	125.25	
			Line Amount Total	275.25	
90771	07/29/22	V00112	Tricia Vela	112.58	
124423	121976		Telephone	75.00	
124423	121976		Community Events	37.58	
			Line Amount Total	112.58	
90772	07/29/22	V00177	Arthur J. Gallagher Risk Management Services, Inc.	44.25	
124449	122030		Insurance Expense	44.25	
			Line Amount Total	44.25	
90773	07/29/22	V00192	Glomar International, Inc.	798.70	
124410	121993		M&R TOE-Gantry Crane	399.35	
124410	121993		M&R TOE-Gantry Crane	399.35	
			Line Amount Total	798.70	
90774	07/29/22	V00194	Johnson Supply	76.15	
124382	121951		M&R TOE-Gantry Crane	38.08	
124382	121951		M&R TOE-Gantry Crane	38.07	
			Line Amount Total	76.15	
90775	07/29/22	V00214	McFarland PLLC	6,214.25	
124440	122025		Construction in Progress	125.00	
124451	122024		Construction in Progress	5,981.25	
124451	122024		Construction in Progress	108.00	
			Line Amount Total	6,214.25	
90776	07/29/22	V00343	National Waterways Conference, Inc.	5,000.00	
124301	121871		Industry Advertising	5,000.00	
			Line Amount Total	5,000.00	
90777	07/29/22	V00445	BP Equipment	618.00	
124320	121919		M&R Bldgs-Gate 14	618.00	
			Line Amount Total	618.00	
90778	07/29/22	V00528	Kane Russell Coleman Logan	5,346.00	
124447	122020		Legal Fees-AJ	495.00	
124447	122020		Legal Fees-Ryan S	2,128.50	
124448	122021		Legal-AJ	1,336.50	

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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
124448	122021		Legal Fees-Ryan S		1,386.00
			Line Amount Total		5,346.00
90779	07/29/22	V00647	Exagono dba Brand Fire Texas	325.45	
124378	121977		Community Events		120.45
124379	121978		Community Events		205.00
			Line Amount Total		325.45
90780	07/29/22	V00668	DARE Capital Partners, LLC	1,475.95	
124431	121992		M&R Other-Mowing, Weed Control Etc		1,262.24
124431	121992		Contract Labor Expense		213.71
			Line Amount Total		1,475.95
90781	07/29/22	V00671	Buchanan Electric LLC	3,568.00	
124346	121920		M&R Terminal Facilities-Other		3,568.00
			Line Amount Total		3,568.00
90782	07/29/22	V00768	Tamara L. Kuchar	125.25	
124439	122019		Employment Related		125.25
			Line Amount Total		125.25
90783	07/29/22	V00770	UniFirst Holdings Inc.	128.09	
124436	117829		Annual Contract - Ops Employees uniforms, mats		
124436	117829		towels, soap etc.		
124436	117829		Maint and Operations Supplies		
124436	117829		Other Receivables		
124436	117829		M&R Bldgs-Operations Bldg		
124436	117829		Annual Contract - EOC mats, soap etc.		
124436	117829		M&R Bldgs-Security Bldg		
124436	117829		Annual Contract - Admin mats, soap etc.		
124436	117829		M&R Bldgs-Admin Bldg 1100 Cherry St		
124436	117829		M&R Bldgs-Security Bldg		11.50
124436	117829		M&R Bldgs-Operations Bldg		
124436	117829		Other Receivables		13.83
124436	117829		Maint and Operations Supplies		74.88
124436	117829		3Year Agreement Effective June 2021 - May 2023		
124436	117829		M&R Bldgs-Admin Bldg 1100 Cherry St		27.88
124436	117829		CHANGE ORDER #1		
124436	117829		2% Annual Increase based on BuyBoard - No auto		
124436	117829		Maint and Operations Supplies		
124436	117829		renewal after the end of Year 3		
124436	117829		Year 1 of 3 Year Agreement June 2021 - May 2022		
			Line Amount Total		128.09
90784	07/29/22	V00821	Summit Fire & Security	5,245.00	
124375	121855		EOC-inspection of fire system		
124375	121855		T.S. 3-Inspection of 12 Dry Pipe sprinkler systems		1,440.00
124375	121855		T.S. 1-Inspection of 5 Dry Pipe sprinkler systems		600.00
124375	121855		M&R Transit Shed-T.S. Sprinkler System		
124375	121855		Chi- Inspection of 2 Dry Pipe Sprinkler systems		240.00
124375	121855		B51 -Inspection of Dry Pipe sprinkler systems		540.00
124375	121855		B52 -Inspection of Dry Pipe sprinkler systems		540.00
124375	121855		B51/52 Inspection of Fire Alarm system		
124375	121855		B51/52 Inspection of 14 fire hoses/valves		280.00
124375	121855		Admin- Inspection Dry Pipe sprinkler system		120.00
124375	121855		Admin- Inspection of 3 wet sprinkler systems		360.00

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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
124375		121855	Inspection of Fire Alarm system		
124375		121855	3 Annual Fire Pump/flow Test		1,125.00
124375		121855	Inspection of 175 fire extinguishers		
124375		121855	Annual- fire/water/alarm/extinguisher inspection		
			Line Amount Total		5,245.00
90785	07/29/22	V00865	Surfside Marina	1,198.00	
124435		121957	M&R Security Equipment-SeaArk Commander Boat		1,198.00
			Line Amount Total		1,198.00
90786	07/29/22	V00886	Douglas V. Colvin	900.00	
124453		122032	Construction in Progress		900.00
			Line Amount Total		900.00
			Texas Gulf Bank Accounts Payable	4,356,929.29	



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

MEMORANDUM

TO: Commissioners
Directors
Legal Counsel

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

DATE: August 16, 2022

SUBJECT: North Wave Barrier Easement Grant and Partial Release
Correction

On March 4, 2021, the Port Commission approved an easement grant and partial release of easement for the North Wave Barrier. The easement grant document contains a typographical error and needs to be corrected. Attached is a Correction Easement Grant and Partial Release of the North Wave Barrier which was previously approved.

I recommend approval of the Correction Easement as presented.

PORT COMMISSION

JOHN HOSS, CHAIRMAN; RUDY SANTOS, VICE CHAIRMAN; DAN CROFT, SECRETARY; ROB GIESECKE, ASST. SECRETARY;
RAVI K. SINGHANIA, COMMISSIONER; SHANE PIRTLE, COMMISSIONER; PHYLLIS SAATHOFF, EXECUTIVE DIRECTOR/CEO

CORRECTION EASEMENT GRANT AND PARTIAL RELEASE
(North Wave Barrier 2021)

THE STATE OF TEXAS §

COUNTY OF BRAZORIA § KNOW ALL MEN BY THESE PRESENTS:

This document corrects the EASEMENT GRANT AND PARTIAL RELEASE (NORTH WAVE BARRIER 2021) (herein called "the 2021 Easement") from PORT FREEPORT, formerly known as the BRAZOS RIVER HARBOR NAVIGATION DISTRICT OF BRAZORIA COUNTY, TEXAS, to VELASCO DRAINAGE DISTRICT, recorded in the Official Records of Brazoria County, Texas on March 17, 2021, under Brazoria County Clerk's File No. 2021016360. This document replaces Exhibit "B," the description and map of the 7.64 acre tract described in the 2021 Easement and herein, to correct an erroneous digit appearing in several places. To be clear, the 7.64 acre tract in Exhibit "B" of the 2021 Easement shows a deliberate relocation of the easement, and the parties now reaffirm that relocation, but this document simply corrects an error in Exhibit "B" of the 2021 Easement. This correction reflects the true intent of the parties at all times from the date of the 2021 Easement through the present.

THIS EASEMENT GRANT is entered into by PORT FREEPORT, formerly known as the BRAZOS RIVER HARBOR NAVIGATION DISTRICT OF BRAZORIA COUNTY, TEXAS, a navigation district, a body politic, and a corporate and governmental agency of the State of Texas (herein referred to as GRANTOR, whether one or more) and VELASCO DRAINAGE DISTRICT, GRANTEE. Grantee's address is 915 Stratton Ridge Road, Post Office Box 7, Clute, Texas, 77531. In consideration of the sum of TEN AND NO/100 (\$10.00) DOLLARS, and other good and valuable consideration, receipt of which is hereby acknowledged, GRANTOR hereby GRANTS, CONVEYS, AND CONFIRMS unto GRANTEE, and to its successors and assigns, a permanent easement to construct, maintain, inspect, operate, repair, modify, and replace a drainage ditch, levee, and any other drainage improvements, equipment, and structures upon, over, under, through, and across the following described Permanent Easement, situated in Brazoria County, Texas, the description of which is set forth herein.

GRANTOR and GRANTEE have entered into an instrument entitled "North Wave Barrier Right-of-Way Easement Relocated 1997," which was recorded under Brazoria County Clerk's File Number 97-017295 in the Official Records of Brazoria County, Texas, (herein called "the 1997 Easement").

This document releases a portion of the 1997 Easement, revises another portion of the 1997 Easement, and grants an easement, as follows:

- I. This document hereby fully and finally releases from the 1997 Easement the 9.30 acre tract ("the Released Tract") described on Exhibit "A" hereto.

JH

2. This document hereby revises the location of a 7.64 acre tract ("the Revised Tract") described on Exhibit "B" hereto, by adding that tract to this easement.
3. This document reaffirms and grants an easement, upon the terms stated herein, on both: (1) the 7.64 acre Revised Tract described on Exhibit "B" hereto; and (2) the 16.59 acre "Remainder Tract," which is the portion of the land in the 1997 Easement that is neither in the Released Tract nor in the Revised Tract.

If Grantee or a court determines that this easement is no longer needed, then Grantee or that court shall execute a release of this easement suitable for recording in the Official Records of the Brazoria County Clerk.

The titles and any subtitles of this document and any attachments hereto are simply for the convenience of the parties and shall never be construed to restrict the scope, purpose, or other terms of this document or any attachments hereto.

It is distinctly understood and agreed that this does not constitute a conveyance of the land above described nor of the minerals therein and thereunder but grants only a right-of-way and easement subject to the following:

(a) The right-of-way and easement granted hereby is subject to all, if any, valid and subsisting oil, gas, sulfur and mineral lease or leases, unitization agreements, deeds, easements, rights-of-way, restrictive covenants, mineral and royalty grants and reservations, or other restrictive covenants and other instruments now of record in the appropriate records of Brazoria County, Texas, and unrecorded prior easements under which improvements have been constructed in such a manner as to be apparent to the GRANTEE from an inspection of the premises, relating to all or any part of the herein described lands.

(b) This easement is granted for the specific purposes of permitting GRANTEE to construct, maintain, inspect, operate, and repair a drainage ditch, levee, and any other drainage improvements, equipment, and structures upon, over, under, through, and across said right-of-way; the right of ingress to and egress from the surface of the easement; the right to clear and keep cleared brush and all other obstructions from the surface and subsurface of said right-of-way, subject to the exceptions stated below; and the right to install, maintain and use gates in fences which cross said right-of-way.

(c) GRANTOR, GRANTOR's heirs and assigns, shall have all other rights not herein expressly granted to GRANTEE, GRANTEE's successors and assigns, in and to the land included within the above described right-of-way and easement, including, without limitation, the rights to utilize the surface of said land for any use which shall not unreasonably interfere with the rights herein expressly granted to GRANTEE, nor endanger the drainage ditch, levee, facilities, equipment, or other drainage improvements

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of GRANTEE, GRANTEE's successors and assigns, to be constructed hereunder. In addition to the above, GRANTOR, GRANTOR's heirs and assigns, shall have the right to place crossings (other than penetrations of the levee) through said right-of-way, so long as said crossings are of sufficient size as not to interfere with the drainage ditch, levee, improvements, equipment, or structures or the rights herein expressly granted to GRANTEE, provided that such rights of GRANTOR shall not unreasonably interfere with the rights of GRANTEE, nor endanger the drainage ditch, levee, improvements, equipment, or structures of GRANTEE, its successors and assigns, to be constructed hereunder; and further provided that such crossings shall be subject to the permit terms and processes of GRANTEE.

(d) Any notice required or permitted to be given or served hereunder upon GRANTOR or GRANTEE shall be in writing, and the same shall be deemed to have been given, served and received by such party when deposited in the United States Mail, with postage pre-paid, by United States registered or certified mail, addressed to such party at the address specified below:

GRANTOR'S DESIGNEE FOR RECEIPT OF NOTICE:

Port Freeport
Attention: Chairman
1100 Cherry Street
Freeport, TX 77541

GRANTEE'S DESIGNEE FOR RECEIPT OF NOTICE:

Velasco Drainage District
Attention: Chairman, Board of Supervisors
Post Office Box 7
Clute, Texas 77531

If such notice is given other than by certified mail, it shall be deemed to have been given and served when actually delivered to and received by the party to whom it is addressed. From time to time, GRANTOR or GRANTEE, or their designees herein specified may designate other addresses or recipients of notice for all purposes of this instrument by giving to the other party not less than five (5) days advance written notice of such change in address, or receipt in accordance with the provisions hereof.

TO HAVE AND TO HOLD the above described easement together with all and singular the rights and appurtenances thereto belonging unto GRANTEE, GRANTEE's successors and assigns, forever, and GRANTOR does hereby bind GRANTOR and GRANTOR's heirs, personal representatives, successors and assigns, to warrant and forever defend all and singular the easement unto GRANTEE and its successors and assigns, against every person whomsoever lawfully claiming or to claim the same, or any part thereof.

SIGNED AND EXECUTED this ____ day of _____, 2022.

GRANTOR:
PORT FREEPORT, fka BRAZOS RIVER
HARBOR NAVIGATION DISTRICT OF
BRAZORIA COUNTY, TEXAS

By: _____
John Hoss, Chairman



ATTEST:

Daniel C. Croft, Secretary

THE STATE OF TEXAS §

COUNTY OF BRAZORIA §

This instrument was acknowledged before me on _____,
2022, by John Hoss, as Chairman of the Board of Commissioners of Port Freeport, fka
Brazos River Harbor Navigation District of Brazoria County, Texas on behalf thereof.

Notary Public, State of Texas

THE STATE OF TEXAS §

COUNTY OF BRAZORIA §

This instrument was acknowledged before me on _____,
2022, by Daniel C. Croft, as Secretary of the Board of Commissioners of Port Freeport, fka
Brazos River Harbor Navigation District of Brazoria County, Texas on behalf thereof.

Notary Public, State of Texas

AGREED AND CONSENTED this the _____ day of _____, 2022.

VELASCO DRAINAGE DISTRICT

By: _____
F. Robert Hamlet, Chairman

ATTEST:

By: _____
Cory LaChance, Secretary

THE STATE OF TEXAS §

COUNTY OF BRAZORIA §

This instrument was acknowledged before me on the _____ day of _____, 2022, by F. Robert Hamlet, as the Chairman, on behalf of Velasco Drainage District.

Notary Public In and For
The State of Texas

THE STATE OF TEXAS §

COUNTY OF BRAZORIA §

This instrument was acknowledged before me on the _____ day of _____, 2022, by Cory LaChance, as the Secretary, on behalf of Velasco Drainage District.

Notary Public In and For
The State of Texas

EASEMENT-FORM
Frm010520

After Recording, Return to:
LAURENCE E. BOYD
P. O. Box 269
Angleton, Texas 77516-0269

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EXHIBIT “A”

**RELEASE OF 9.30 ACRES OUT OF A 25.89 ACRE
NORTH WAVE BARRIER RIGHT-OF-WAY EASEMENT
AS RELOCATED IN 1997 AS RECORDED IN
CLERK FILE 1997-017295 OF THE OFFICIAL RECORDS
OF BRAZORIA COUNTY, TEXAS**

Release of 9.30 Acres out a 25.89 Acre North Wave Barrier Right-of-Way Easement as relocated in 1997 as recorded in Clerk File 1997-017295 of the Official Records of Brazoria County, Texas, in the S.F Austin Survey, Abstract 28, being part of the lands conveyed from the Freeport Minerals Company to the Brazos River Harbor Navigation District the same being now called Port Freeport by Deed dated August 27, 1982 as recorded in Volume 1663, Page 22 Of the Deed Records of Brazoria County, Texas, said 9.30 Acres being described in terminology related to the State Plane Coordinate System, South Central Zone NAD83 with distances expressed in grid distances, said 9.30 Acre Tract being described as follows:

Beginning at 5/8" iron rod at the southwesterly corner of said 9.30 Acre Release Tract also being S 31°06'37" E, a distance of 65.73 feet from the southeasterly corner of the South Levee Easement, said point being the POINT OF BEGINNING at the position of N13,541,316.60' and E3,142,000.41';

Thence N 58°13'52" E, a distance of 241.96' to a 5/8" iron rod at the position of N13,541,443.99' and E3,142,206.12';

Thence S 65°16'05" E, a distance of 468.45';

Thence N 89°33'00" E, a distance of 1269.74';

Thence S 53°44'15" E, a distance of 197.13' to a 5/8" iron rod at the remainder of the original 25.89 Acre Tract at the position of N13,541,141.38' and E3,144,060.25';

Thence S 70°06'13" W, a distance of 67.74' along the westerly line of the Remainder Tract;

JA

Thence S 66°39'48" W, a distance of 182.44' along the same westerly line of the Remainder Tract to a 5/8" iron rod at the position of N13,541,046.05' and E3,143,829.04';

Thence N 84°30'41" W, a distance of 78.72';

Thence S 89°33'00" W, a distance of 1168.15';

Thence N 70°17'46" W, a distance of 492.17';

Thence N 48°11'29" W, a distance of 159.38' to 5/8" Iron Rod at the position of N13,541,316.60' and E3,142,000.41' at the Point of Beginning said tract being 9.30 Acres, more or less as shown on the attached map.



Chris E. Gallion
Registered Professional Land Surveyor
Registration Number 4679



RELEASED SECTION OF THE NORTH WAVE BARRIER

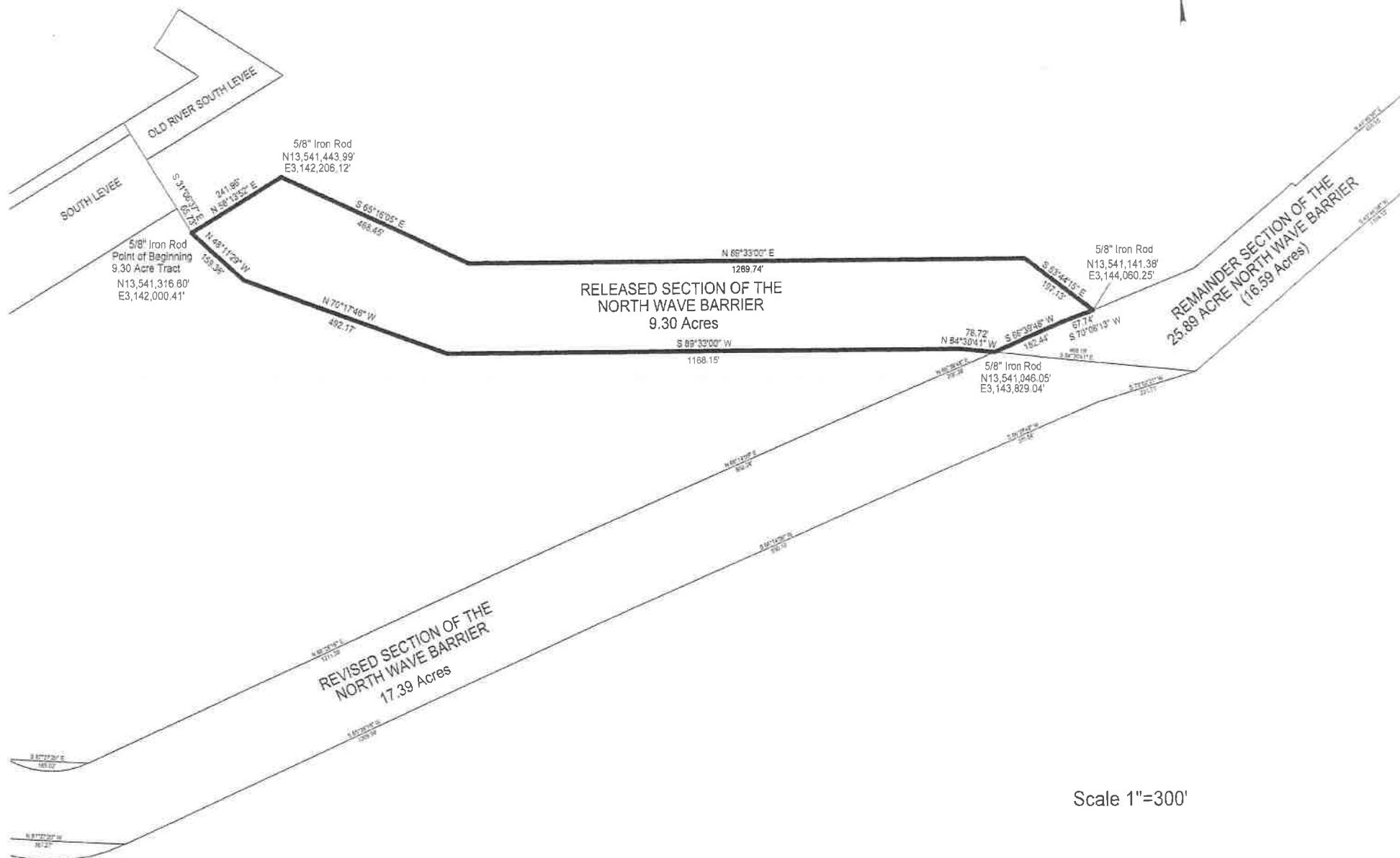


EXHIBIT "B"

**REVISED SECTION OF THE NORTH WAVE BARRIER
BEING 7.64 ACRES OUT OF THE S.F. AUSTIN SURVEY
ABSTRACT 28, BRAZORIA COUNTY, TEXAS**

Revised Section of the North Wave Barrier being 7.64 Acres out of the S.F. Austin Survey, Abstract 28, being part of the lands conveyed from the Freeport Minerals Company to the Brazos River Harbor Navigation District the same being now called Port Freeport by Deed dated August 27, 1982 as recorded in Volume 1663, Page 22 of the Deed Records of Brazoria County, Texas, said 7.64 Acres being described in terminology related to the State Plane Coordinate System, South Central Zone NAD83 with distances expressed in grid distances, said 7.64 Acres being described as follows:

Beginning at 5/8" iron rod at the southeasterly line of the South Levee Easement at the position of N13,540,574.26' and E3,140,673.10' said point being the POINT OF BEGINNING;

Thence S 60°20'56" E, a distance of 1007.64' to a 5/8" iron rod at the PC of curve to the left with a radius of 263.02' a chord bearing of S 87°27'20" E, a chord distance of 239.69' to a 5/8" iron rod at the PT of said curve;

Thence N 65°26'16" E, a distance of 1210.96' to a 5/8" iron rod;

Thence N 66°14'09" E, a distance of 851.60' to a 5/8" iron rod;

Thence N 49°58'37" E, a distance of 208.96' to a 5/8" iron rod at the southeasterly corner of the 9.30 Acre Release Section of the North Wave Barrier and at the southwesterly corner of the Remainder Section of the 25.89 Acre North Wave Barrier at the position of N13,541,046.05' and E3,143,829.04';

Thence S 84°30'41" E, along the southerly line of said Remainder Section a distance of 468.19' to a 5/8" iron rod;

Thence S 73°02'21" W, a distance of 231.71' to a 5/8" iron rod;

Thence S 75°38'29" W, a distance of 384.47' to a 5/8" iron rod;

JH

Thence S 66°14'09" W, a distance of 850.74' to a 5/8' iron rod;

Thence S 65°26'16" W, a distance of 1210.40' to a 5/8" iron rod at the PC of a curve to the right with a radius of 343.02' and a chord bearing of N 87°27'20" W, and a chord distance of 312.60' to a 5/8" iron rod;

Thence N 60°20'56" W, a distance of 1082.87' to a 5/8" iron rod at the southeasterly line of the South Levee Easement;

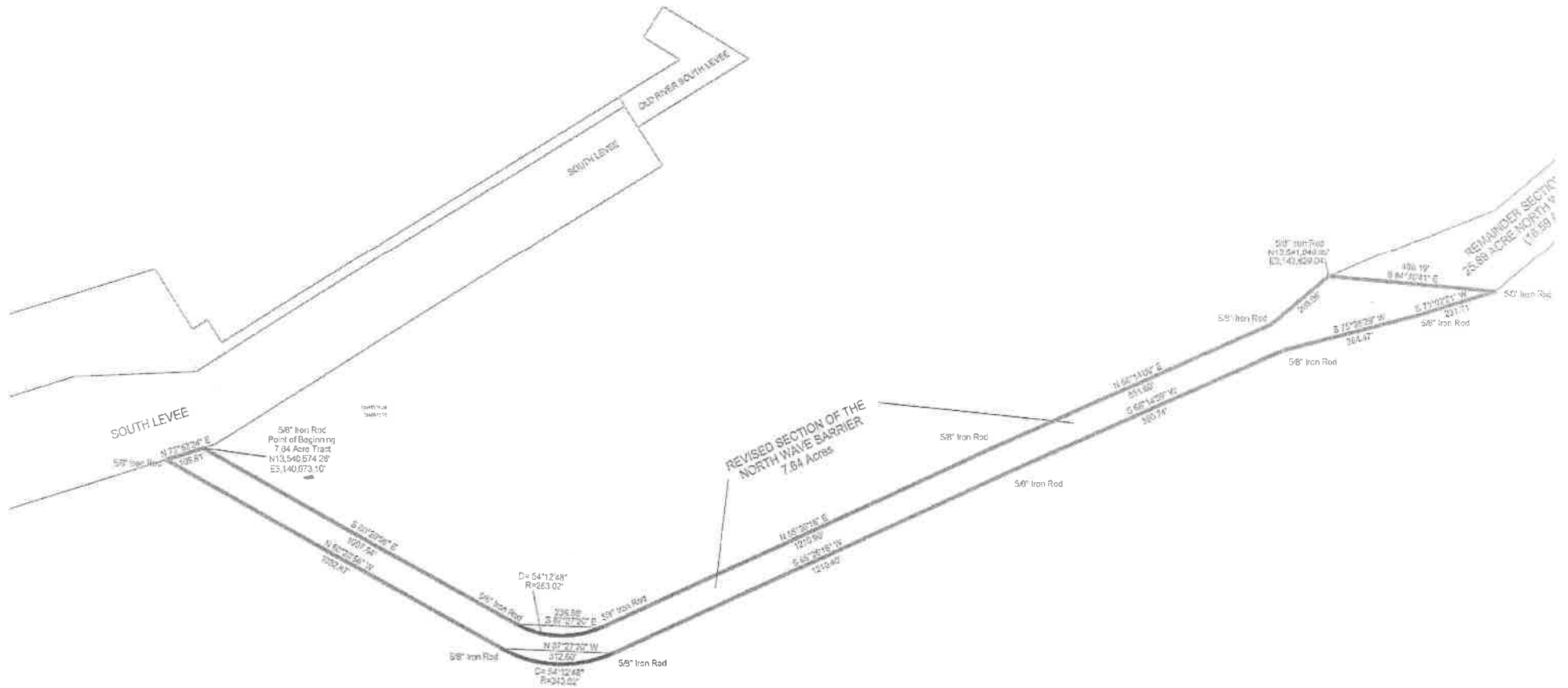
Thence N 72°53'24" E, a distance of 109.81' along the southeasterly line of said South Levee Easement to a 5/8" iron rod at the position of N13,540,574.26' and E3,140,673.10' at the POINT OF BEGINNING, said tract being 7.64 acres more or less as shown on the attached map.



Chris E. Gallion
Registered Professional Land Surveyor
Registration Number 4679



REVISED SECTION OF THE NORTH WAVE BARRIER



SCALE 1"=400'

Stevedore 2022 License Application Check List

Stevedore Company	Renewal Application	\$2,835.00 ACH	Safety Contact Info	General Liability 1,000,000 per occ / 2,000,000 agg. Limit / ded 25,000 or less Additional Insured and Sub. Waiver	Auto Liability owned, non-owned and hired 1,000,000 Additional Insured and Sub. Waiver	Employers Liability no less 1,000,000 Sub. Waiver	Stevedore's Legal Liability no less 1,000,000 Additional Insured and Sub. Waiver	Umbrella or Excess Liability 5,000,000 per occ. Additional Insured and Sub. Waiver	USL & H Sub. Waiver	Drug and Alcohol Program	Safety Plan or Policy	TRIR	OSHA 300 Log	Lost time Injuries Port Freeport	Lost time Injuries Corporate	Cancelati on Notice
1 Associated Terminals Pangaea Logistics, LLC rwilson@atpangaea.com Reece Wilson (601)307-1612	✓	✓	✓	✓	✓	✓	✓	✓	✓	On File	On File	0	✓	0	0	✓

Stevedore 2022 License Application Check List

Stevedore Company	Renewal Application	\$2,835.00 ACH	Safety Contact Info	General Liability 1,000,000 per occ / 2,000,000 agg. Limit / ded 25,000 or less Additional Insured and Sub. Waiver	Auto Liability owned, non-owned and hired 1,000,000 Additional Insured and Sub. Waiver	Employers Liability no less 1,000,000 Sub. Waiver	Stevedore's Legal Liability no less 1,000,000 Additional Insured and Sub. Waiver	Umbrella or Excess Liability 5,000,000 per occ. Additional Insured and Sub. Waiver	USL & H Sub. Waiver	Drug and Alcohol Program	Safety Plan or Policy	TRIR	OSHA 300 Log	Lost time Injuries Port Freeport	Lost time Injuries Corporate	Cancelati on Notice
1 Vanquish Crane & Construction, LLC robertwhitaker@vanquishcrane.com Robert Whitaker (832)773-8496	x	x	x	✓	✓	✓	x	✓	x	On File	x	0	x	x	x	✓



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

TO: Port Commissioners
Executive Director/CEO

FROM: Rob Lowe

DATE: August 24, 2022

SUBJECT: Tax Abatement Guidelines

Under Tax Code Chapter 312, tax abatement guidelines are effective for two years from the date adopted. The current Port Freeport guidelines were adopted on July 23, 2020 and thus need to be updated to consider new applications going forward. Applications submitted prior to the expiration of the current guidelines will be considered under the existing guidelines. Staff has reviewed the guidelines and state statute along with legal counsel and has suggested updates aimed at providing administrative and process clarity. Staff presented to the proposed updated guidelines to the Finance Advisory Committee on 7/21/22 and would recommend adopting of the guidelines as presented.

Below is a recap of key updates to the previous guidelines:

- Updates throughout the guidelines aimed at providing more clarity to Port Freeport as an individual entity separate entity from Brazoria County. Port Freeport guidelines remain closely aligned with Brazoria County guidelines with language simply added to show applicants that the district and approvals within are specific to the port.
- Abatement Authorized – Section 2
 - Subsection (g) – language expanded to emphasize the Port Commission’s determination of percent of value and term of abatement will include consideration of the project value and number of jobs along with other factors emphasizing local economic impact. This aligns with changes made by Brazoria County.
 - Brazoria County guidelines also reference a new exhibit in their guidelines which is a table titled Tax Abatement Graduated Scale. The table contains recommendations on the number of years and percentage of abatement per year of abatement based on the value of the project. Staff is not recommending the adoption of a table as staff believes our guidelines already provide for flexibility in determining these assignments.
- Application – Section 3
 - Subsection (e) – language was added to allow the Port Commission to approve an abatement prior to Brazoria County approving their application contingent upon Brazoria County subsequently approving within 60 days. An abatement agreement would not be executed by the Chairman in this situation until the county requirements were met and the intent is to provide flexibility should the timing be critical.

PORT COMMISSION

JOHN HOSS, CHAIRMAN; RUDY SANTOS, VICE CHAIRMAN; DAN CROFT, SECRETARY; ROB GIESECKE, ASST. SECRETARY;
RAVI K. SINGHANIA, COMMISSIONER; SHANE PIRTLE, COMMISSIONER; PHYLLIS SAATHOFF, EXECUTIVE DIRECTOR/CEO

- Administration – Section 7
 - Subsection (c) expands the language to state that the port will utilize either a Port Tax Abatement Review Committee or the Brazoria County Tax Abatement Review Committee.
 - Subsection (d) Add a subsection stating the utilization of the Finance Advisory Committee to review tax abatement applications prior to the approval of an abatement. This conforms to existing practice.
- Provisions Regarding City Initiated Abatements – Section 9
 - (e) language was added to allow the Port Commission to approve an abatement prior to a city approval contingent upon the city subsequently approving their application within 60 days. An abatement agreement would not be executed by the Chairman in this situation until the city requirements were met and the intent is to provide flexibility should the timing be critical.
 - (f) language was added to allow the Port Commission to approve a city initiated abatement prior to Brazoria County contingent upon Brazoria County subsequently approving their application within 60 days. An abatement agreement would not be executed by the Chairman in this situation until the county requirements were met and the intent is to provide flexibility should the timing be critical.

**GUIDELINES AND CRITERIA FOR GRANTING TAX ABATEMENT
IN A REINVESTMENT ZONE CREATED IN
PORT FREEPORT
IN BRAZORIA COUNTY, TEXAS**

(Effective ~~August 1~~ July 21, 2020 ~~2022~~ to July ~~31~~ 20, ~~2022~~ 2024)

WHEREAS, the creation, retention and diversification of job opportunities that bring new wealth are among the highest civic priority; and

WHEREAS, the purpose of tax abatement is to provide an incentive offered by the tax-payers, i.e. citizens within the Port Freeport~~'s~~ district, to attract investments, that lead to better quality of life and better services. The wealth created by these enterprises leads to more service and retail businesses, which in addition to improving quality of life, increases the tax base. In summary, by giving incentive in terms of tax abatement, the citizens agree to give up short term tax benefits, for long-term benefits; and

WHEREAS, new jobs, investment and industrial diversification will benefit the area economy, provide needed opportunities, strengthen the real estate market and generate tax revenue to support local services; and

WHEREAS, the communities within the Port Freeport (~~"the Port"~~) district must compete with other localities across the nation currently offering tax inducements to attract new plant and modernization projects; and

WHEREAS, any tax incentives offered in the Port~~'s~~ Freeport district would reduce needed tax revenue unless strictly limited in application to those new and existing industries that bring new wealth to the community; and

WHEREAS, the abatement of property taxes, when offered to attract capital investment and primary jobs in industries which bring in money from outside a community instead of merely recirculating dollars within a community, has been shown to be an effective method of enhancing and diversifying an area of the economy, and

WHEREAS, Texas law requires any eligible taxing ~~jurisdiction~~ unit to establish Guidelines and Criteria as to eligibility for tax abatement agreements prior to granting of any future tax abatement, and said Guidelines and Criteria to be unchanged for a two-year period unless amended by a three-quarters vote of the governing body of the taxing unit;

WHEREAS, Texas law requires a public hearing regarding the proposed adoption, amendment, repeal, or reauthorization of tax abatement guidelines and criteria;

WHEREAS, a public hearing was held and ~~the~~ these Guidelines and Criteria for Granting Tax Abatement in a Reinvestment Zone in the Port Freeport district ~~was~~ were approved by the Port Commission of Port Freeport by Resolution and dated July ~~23~~ 21, ~~2020~~ 2022.

Now, therefore, be it resolved that Port Freeport does hereby adopt these Guidelines and Criteria for granting tax abatement in reinvestment zones in the Port~~'s~~ Freeport district.

DEFINITIONS - Section 1

- (a) “Abatement” means the full or partial exemption from ad valorem taxes on certain real property in a reinvestment zone designated by ~~the Port~~ Brazoria County or a municipality located within Brazoria County for economic development purposes.
- (b) “Abatement Period” means the period during which all or a portion of the value of real property or tangible personal property that is the subject of a tax abatement agreement is exempt from taxation.
- (c) “Abated Facility Site” (or “proposed abated facility site”) means the tract(s) or area of land underlying the proposed improvements to be abated.
- (d) “Agreement” means a contractual agreement between a property owner and/or lessee and ~~the Port~~ Freeport for the purpose of tax abatement.
- (e) “Base Year Value” means the assessed value of eligible property January 1 preceding the execution of the agreement plus the agreed upon value of eligible property improvements made after January 1 but before the execution of the agreement.
- ~~(f) “Brazoria County Vendor and Services” means a company that employs Brazoria County residents and pays Brazoria County taxes.~~
- (~~g~~f) “Deferred Maintenance” means the improvements necessary for continued operations, which do not improve productivity or alter the process technology.
- (~~h~~g) “Distribution Center Facility” means buildings and structures, including machinery and equipment, used or to be used primarily to receive, store, service, or distribute goods or materials owned by the facility operator where seventy percent (70%) of the goods or services are distributed outside the Port~~’s~~ Freeport district.
- (~~h~~i) “Economic Development” means participation in or support of an organized program or entity which for the purpose of its mission, engages in activities designed to encourage employment opportunities development/commercial and manufacturing business/industry to locate and/or expand in the Port~~’s~~ Freeport district, thus expanding and diversifying the tax base as well as increasing the economic strength and stability of ~~Brazoria County~~ Port Freeport.
- (~~j~~i) “Eligible Jurisdiction” means ~~the Port~~ Freeport, Brazoria County and any municipality or other local taxing ~~jurisdictions~~ units eligible to abate taxes according to Texas law, the majority of which is located in the Port~~’s~~ Freeport district that levies ad valorem taxes upon and provides services to reinvestment zones designated by ~~the Port~~ Brazoria County or any municipality located within Brazoria County.
- (~~k~~j) “Employee” for the purposes of the economic qualifications of Section 2(h) (2) of these Guidelines and Criteria shall include all persons directly employed by the owner of the planned improvement at the abated facility site/reinvestment zone together with any independent contractor or employee of independent contractors employed on a full-time

(40 hours per week equivalent) basis at the facility site/reinvestment zone continuously for the duration of the abatement agreement.

- (k) “Existing ~~facility~~ Facility” is the facility described in Section 2 (a) that will be expanded or modernized and which contains the proposed improvements to be abated. A manufacturing or processing unit or units of a larger plant complex that separately comprise a manufacturing or production sub-unit of the larger plant shall be considered the existing facility for purposes of the Section 2 (h) (2) employment retention requirement (that the planned improvements cause the retention or prevention of loss of employment of 10 employees or 50% of the employees of the existing facility, whichever is greater). For example, if an existing facility has 100 employees, an expansion or modernization of all or part of that facility must result in the retention of at least 50 employees employed at or in connection with the expanded or modernized “existing facility” in order for the facility improvements to qualify for abatement.
- (m) “Expansion” means the addition of buildings, structures, machinery or equipment for purposes of increasing production capacity.
- (n) “Facility” means property improvements completed or in the process of construction which together comprise an integral whole.
- (o) “Manufacturing Facility” means buildings and structures, including machinery and equipment, the primary purpose of which is or will be the manufacture of tangible goods or materials or the processing of such goods or materials by physical or chemical change.
- (p) “Modernization” means the replacement and upgrading of existing facilities, which increases the productive input or output, updates the technology or substantially lowers the unit cost of the operation. Modernization may result from the construction, alteration or installation of buildings, structures, fixed machinery or equipment. It shall not be for the purpose of reconditioning, refurbishing, or repairing.
- (q) “New Facility” means a property previously undeveloped, which is placed into service, by means other than or in conjunction with expansion or modernization.
- (r) “Other Basic Industry” means buildings and structures including fixed machinery and equipment not elsewhere described, used or to be used for the production of products or services which serve a market primarily outside the Port’s Freeport district.
- (r) “Port Freeport Vendors and Service Providers” means a company that employs residents who live in the Port Freeport district and pay Port Freeport taxes.
- (s) “Productive Life” means the number of years a property improvement is expected to be in service. After a cessation of production, the productive life of property improvements may be deemed to end, at ~~the~~ Port Freeport’s election, on the date of cessation of production either upon (1) a determination by ~~the~~ Port Freeport that it is unlikely the improvement(s) will be reactivated as an integral part of a producing facility, and/or (2) the expiration of eighteen (18) continuous or non-consecutive months of non-production in any twenty-four (24) month period following the date the property improvement(s) cease to be in active service as part of a facility operating in a producing capacity. Upon

cessation of production and for calculation of the recapture amount of taxes, the “productive life” will be determined to begin on the effective date of the tax abatement as set forth in the Agreement.

- (t) “Qualified Vendors and Services” means those vendors and services that meet the company’s individual state requirements, which can include but are not limited to: safety, financial condition, environmental record, quality or ability to perform.
- (u) “Regional Entertainment Facility” means buildings and structures, including machinery and equipment, used or to be used to provide entertainment through the admission of the public where seventy percent (70%) of users reside ~~outside~~ at least 50 miles from its location in the Port’s Freeport district.
- (v) “Research Facility” means buildings and structures, including machinery and equipment, used or to be used primarily for research or experimentation to improve or develop new tangible goods or materials or to improve or develop the production processes thereto.
- (w) “Regional Service Facility” means buildings and structures, including machinery and equipment, used or to be used to service goods where seventy percent (70%) of the goods being serviced originate outside the Port’s Freeport district.
- (x) “Tangible Personal Property” means tangible personal property classified as such under state law, but excludes inventory and/or supplies, ineligible property as defined herein, and tangible personal property that was located in the investment zone at any time before the period covered by the agreement with ~~the~~ Port Freeport.

ABATEMENT AUTHORIZED - Section 2

- (a) Authorized Facility. A facility may be eligible for abatement if it is a: Manufacturing Facility, Research Facility, Distribution Center or Regional Service Facility, Regional Entertainment Facility, Other Basic Industry, or a facility that the Port Commission determines would enhance job creation and the economic future of ~~Brazoria County~~ Port Freeport.
- (b) Creation of New Value. Abatement may only be granted for the additional value of eligible property improvements made subsequent to and specified in an abatement agreement between ~~the~~ Port Freeport and the real property owner, Tangible Personal Property owner, leasehold interest, and/or lessee, subject to such limitations as ~~the~~ Port Freeport may require.
- (c) New and Existing Facilities. Abatement may be granted for new facilities and improvements to existing facilities for purposes of modernization or expansion.
- (d) Eligible Property. Abatement may be extended to the value of buildings, structures, tangible personal property as defined in the Tax Code including fixed machinery and equipment, site improvements and related fixed improvements necessary to the operation and administration of the facility.

Tangible Personal Property: Abatement may be granted to the owner of tangible personal property located on real property in a reinvestment zone to exempt from taxation (1) all or a portion of the value of the real property, (2) all or a portion of the value of the tangible personal property located on the real property, or (3) all or a portion of the value of both.

An abatement may be granted to the owner of tangible personal property or an improvement located on tax-exempt real property that is located in a designated reinvestment zone to exempt all or a portion of the value of the tangible personal property or improvement located on the real property.

- (e) Ineligible Property. The following type of property shall be fully taxable and ineligible for abatement: land, existing improvements, tangible personal property that the Brazoria County Appraisal District classifies as inventory or supplies, tools, furnishings, and other forms of movable personal property, vehicles, watercraft, aircraft, housing, convalescent homes, assisted living homes/centers, hotel accommodations, retail facilities, deferred maintenance investments, property to be rented or leased except as provided in Section 2 (f), tangible personal property located in the reinvestment zone prior to the effective date of the tax abatement agreement, property already subject to real or personal property tax(es) moved from one location in Brazoria County to the reinvestment zone, real property with a productive life of less than 10 years, property owned or used by the State of Texas or its political subdivisions or by any organizations owned, operated or directed by a political subdivision of the State of Texas, or any other property for which abatement is not allowed by state law.

- (f) Leased Facilities. Leasehold Interest: 1) Abatement may be granted ~~with~~to the owner of a leasehold interest in tax-exempt real property located in a reinvestment zone designated to exempt all or a portion of the value of the leasehold interest in the real property ; or 2) Abatement may be granted ~~with~~to the owner of improvements even if said owner does not own fee simple title to the real property upon which the improvements are built.

Lessee Interest: Abatement may be granted ~~with~~to a lessee of taxable real property located in a reinvestment zone to exempt from taxation (1) all or a portion of the value of the fixtures, improvements, or other real property owned by the lessee and located on the property that is subject to the lease, (2) all or a portion of the value of tangible personal property owned by the lessee and located on the real property that is the subject of the lease, or (3) all or a portion of the value of both the fixtures, improvements, or other real property and the tangible personal property defined herein.

Leasehold Interest/Lessee shall be required to ~~submit with~~certify in its application ~~a copy of that~~ the ~~executed~~ lease agreement between lessor/lessee ~~demonstrating a minimum~~has (or, when executed, will have) a remaining lease term ~~double of at least twice~~ the abatement term ~~granted~~requested.

- (g) Value and Term of Abatement. Abatement shall be granted effective with the January 1 valuation date immediately following the date of ~~execution~~the Port Commission's Resolution granting the abatement and approving the abatement application. The Port Commission shall determine the percent of value and the agreement. One term of the abatement based upon the overall value of the project, the number and types of new jobs

being created, the extent to which local labor or local subcontractors will be used in the construction phase, the types and values of public improvements to be made, and the extent to which local vendors and suppliers will be used during the productive life of the project. The Port Commission may vary the length and abatement percentage on a case by case basis upon consideration of the factors above and any other relevant factors. The amount of the abatement may be one hundred percent of the value (or such other percentage of value ~~that~~as shall be set ~~by~~forth in the Port Commission's ~~order~~) of new eligible properties shall ~~Resolution~~. The term of abatement may be ~~abated~~ for up to seven (7) years; or up to ten (10) years if the ~~facility is anticipated to increase the property by more than~~value of the proposed improvements exceeds \$1 billion; or one-half (1/2) of the productive life of the improvement, whichever is less. The "productive life" will be calculated from the effective date of the tax abatement and the date the equipment ceased to be in service. The abatement may be extended through an initial agreement and a subsequent agreement may be required to comply with state law regarding the term of the reinvestment zone.

If it is determined that the abatement period would better benefit ~~the~~ Port Freeport and the Applicant by deferring the commencement date beyond the January 1st following the date of ~~execution of the resolution~~ granting the abatement and approving the abatement application, ~~the~~ Port Freeport may defer the commencement date of the abatement period to a future date certain. The deferral of the commencement date will not allow the duration of the abatement period to extend beyond the authorized number of years. However, in no event shall the abatement begin later than January 1 following the commencement of construction.

If a modernization project includes facility replacement, the abated value shall be the value of the new unit(s) less the value of the old unit(s).

New eligible properties must be in active service and operation as part of a facility operating in a producing capacity for a period equal to double the abatement period (*i.e.* ten-year abatement, then in producing capacity for 20 years) in order to receive the full term of the abatement granted and not be subject to the term reduction and recapture/payment obligation provisions.

- (h) Economic Qualification. In order ~~to be eligible for designation as a reinvestment zone and~~ to qualify for tax abatement, the planned improvement:
- (1) Must be reasonably expected to increase and must actually increase the value of the property in the amount of \$1 million or more;
 - (2) Must create employment for at least 10 people on a full-time (40 hours per week equivalent) basis in the Port Freeport district for the duration of the Abatement Period at the abated facility site described in the tax abatement application; or alternatively, must retain and prevent the loss of employment of 10 employees or fifty percent (50%) of the existing number of employees, at the time of application, employed at or in connection with the existing facility containing the abated facility site described in the tax abatement application, whichever is greater, for the duration of the Abatement Period. The following is applicable to the employment retention/preventing loss of employment requirement:

- a. “Existing ~~facility~~Facility” is the facility described in Section 2(a) that will be expanded or modernized and which contains the proposed improvements to be abated. A manufacturing or processing unit or units of a larger plant complex that separately comprise a manufacturing or production sub-unit of the larger plant shall ~~consider~~be considered the existing facility for purposes of the Section 2(h)(2) employment retention requirement (that the planned improvements cause the retention or prevention of loss of employment of 10 employees or 50% of the employees of the existing facility, whichever is greater). For example, if a large plant complex has a sub-unit that produces chlorine and 100 employees are employed at or in connection with that unit, an expansion or modernization of all or part of that facility must result in the retention of at least 50 employees employed at or in connection with the expanded or modernized “existing facility” in order for the facility improvements to qualify for abatement.
- b. Employees of a larger plant unit transferred or assigned to and employed at or in connection with a new sub-unit containing the planned improvements, constructed on undeveloped land constituting the proposed abated facility site/~~reinvestment zone~~ shall be considered “created” employment for purposes of this sub-section.

The proposed number of employees to be employed at the abated facility as stated in the abatement application for the property that is the subject of the tax abatement agreement (including the projected creation or retention of employment) must be maintained for the duration of the abatement period at the abated facility site. For purposes of this sub-section, in order for a planned improvement to be considered as preventing the loss of employment or retaining employment, the abated facility/project must be necessary in order to retain or keep employment at levels as indicated in the application and in order to retain the proposed number of employees at the abated facility as indicated in the application. The owner/applicant seeking to qualify on the basis of retention or preventing loss of employment must provide a detailed statement as an attachment to its application affirmatively representing compliance with this sub-section and explaining the necessity of this project to prevent loss of employment. Any variance from the requirements of this sub-section is subject to approval of the Port Commission in accordance with the variance section of these Guidelines and Criteria.

- (3) Must not be expected to solely or primarily have the effect of transferring employment from one part of the Port~~’s~~ Freeport district to another part of the Port~~’s~~ Freeport district. A variance may be requested relative to this provision which approval shall be at the sole discretion of ~~the Port~~ Freeport.
- (4) Must be necessary because capacity cannot be provided efficiently utilizing existing improved property;

Additionally, the owner of the project:

- (5) Must provide for and pay, at the time of filing an application for tax abatement, a non-refundable application fee of \$1,000.
 - (6) Must file a plan statement with application demonstrating willingness and planned efforts to use qualified ~~Brazoria County~~ Port Freeport vendors and service providers where applicable in the construction and operations of the facility. ~~Brazoria County~~ Port Freeport vendors and service providers must be competitive with non-county vendors and service providers regarding price, quality, safety, availability and ability to perform. It is preferred that applicant seek qualified workers who are United States citizens and veterans and also legal residents prior to seeking workers from other countries.
 - (7) Must not file with the Brazoria County Appraisal District a valuation or taxpayer protest or notice of protest pursuant to the Texas Property Tax Code during the abatement period legally protesting the valuation of the abated improvements of a manufacturing facility pursuant to an appraisal method that produces a valuation of improvements based on each improvement's value as a separate item of personal property rather than the improvements value as integral fixtures of a producing manufacturing facility. An owner's legal protest to the improvements' value pursuant to the Texas Property Tax Code must be based on and use accepted appraisal methods and techniques allowed by law (Texas Property Tax Code) and uniform standards of professional appraisal practice. The filing of a valuation protest or notice of protest contrary to this standard shall cause the tax abatement agreement to be subject to termination and recapture of all previously abated taxes.
 - (8) Must not be defendant in any litigation by ~~the Port~~ Freeport seeking recovery or recapture of previously abated taxes.
- (i) Taxability. From the execution of the abatement contract to the end of the agreement period, taxes shall be payable as follows:
- (1) The value of ineligible property as provided in Section 2(e) shall be fully taxable;
 - (2) The base year value of existing eligible property as determined each year shall be fully taxable; and
 - (3) The additional value of new eligible property shall be taxable in the manner described in Section 2(g).

APPLICATION - Section 3

- (a) The Application for tax abatement may be obtained from the Port Freeport Administration Office or on the Port Freeport website at www.portfreeport.com. Applicant may contact the Chief Financial Officer at (979) 233-2667, ext. 4366.
- (b) Any present or potential owner of taxable property in the Port ~~s~~ Freeport district may request ~~the creation of a reinvestment zone and a~~ tax abatement by filing a tax abatement

application with ~~the~~ Port Freeport. The application shall be filed with the Chief Financial Officer, or in the absence of a Chief Financial Officer the Chief Executive Officer, by providing an electronic version and two (2) copies. After filing the application, the owner/applicant shall provide an economic impact analysis report, in a format comparable to the Texas Governor's economic impact analysis report to the Chief Financial Officer prior to the Port Commission meeting on the applicant's tax abatement application.

- (c) The application shall consist of a completed application form accompanied by:
- a general description of the proposed use and the general nature and extent of the modernization;
 - expansion or new improvements which will be a part of the facility;
 - a map and property description;
 - CAD data or a shapefile with the boundaries of the reinvestment zone;
 - a time schedule for undertaking and completing the planned improvements

In the case of modernizing, a statement of the assessed value of the facility, separately stated for real and personal property, shall be given for the tax year immediately preceding the application. The application form shall require such financial and other information as ~~the~~ Port Freeport deems appropriate for evaluating the financial capacity and other factors of the applicant. Applicant should not submit confidential information as part of the application. If doing so cannot be avoided, a general description in non-confidential terms should be included on the application, along with a sealed document containing the confidential information as an attachment and clearly marked "CONFIDENTIAL".

- (d) ~~The application must include a copy of the Court Order from Brazoria County Commissioners' Court granting the Abatement.~~ Before ~~acting~~ the Port Commission acts upon ~~the~~ an application, the applicant must have filed an application for tax abatement with Brazoria County. After an applicant has filed an application for tax abatement with Brazoria County, the Port Commission shall hold a public hearing at which interested parties shall be entitled to speak and present written materials for or against the approval of the tax abatement. The public hearing shall also afford the applicant and the designated representative of any eligible jurisdiction opportunity to show cause why the abatement should or should not be granted. Notice of the public hearing shall be ~~clearly identified on a Port Freeport notice to be posted~~ given in the manner provided for under Chapter 551 of the Texas Government Code at least 30 days prior to the hearing.

- (e) Port Freeport will not enter into or execute a tax abatement agreement unless and until a valid Court Order granting the abatement application has been issued by the Brazoria County Commissioners Court. Any approval of an abatement application by the Port Commission prior to approval of the application by the Brazoria County Commissioners Court is and will be expressly contingent upon approval by the Brazoria County Commissioners Court and, if Port Freeport does not receive a correct copy of the Brazoria County Commissioners' Court Order approving the application within sixty (60) days following approval by the Port Commission, the approval granted by the Port Commission will automatically be revoked

(e) ~~Provided that any~~ Any final decision or interpretation as to the intent and meaning or policy of any provision or its written language; ~~any final decision as to whether or not an application complies or does not comply with the guidelines~~ these Guidelines and ~~criteria~~ Criteria, and any final decision as to whether to grant or deny tax abatement shall be made by the Port Commission at its sole discretion.

~~(f) The Port may not establish a reinvestment zone for the purpose of abatement if it finds that the request for the abatement was filed with Brazoria County after the commencement of construction, alteration, or installation of improvements related to a proposed modernization, expansion or new facility.~~

(g) Variance. Requests for variance from the provisions of Subsections (a) (b) (e) (g), (h) (1), (h) (2) and/or (h) (3) of Section 2 may be made in written form to the Chief Financial Officer, or in the absence of a Chief Financial Officer the Chief Executive Officer. Such requests shall include a complete description of the circumstances explaining why the applicant should be granted a variance. Approval of a request requires a three-fourths (3/4) vote of the members of the governing body.

PUBLIC HEARING - Section 4

If Brazoria County holds a public hearing and determines ~~a reinvestment zone or~~ an abatement agreement should not be authorized due to (1) a substantial adverse effect on the provision of government ~~services~~ services or tax base, (2) the applicant has insufficient financial capacity, (3) planned or potential use of the property would constitute hazard to public safety, health or morals, (4) violation of other codes or laws ~~and, or~~ (5) any other permissible reason, then ~~the~~ Port Freeport will follow the County's determination from the hearing to not approve the ~~zone or~~ abatement. However, approval by Brazoria County does not obligate ~~the~~ Port Freeport to likewise approve the ~~reinvestment zone or~~ abatement; rather, the Port's Commission retains full discretion and authority to grant any ~~reinvestment zone or~~ abatement on behalf of ~~the~~ Port Freeport.

AGREEMENT - Section 5

(a) After approval, the Port ~~Commissioners~~ Commission shall formally pass a resolution and execute an agreement with the Applicant as required which shall include:

- (1) Estimated value to be abated and the base year value;
- (2) Percent of value to be abated each year as provided in Section 2 (g);
- (3) The commencement date and the termination date of abatement;
- (4) The proposed use of the facility: nature of construction, time schedule, map, property description and improvement list as provided in Application, Section II and III;
- (5) Contractual obligations in the event of default, violation of terms or conditions, delinquent taxes, recapture, administration and assignment as provided in Sections 2(a), 2(f), 2(g), 2(h), 6, 7, and 8

- (6) Size of investment and average number of jobs involved for the period of abatement; and
 - (7) Provision that Applicant shall annually furnish information necessary for the Port's Freeport evaluation of Applicant's compliance with the terms and conditions of the tax abatement agreement and these guidelines and criteria (in the form of an annual report/statement of compliance), together with an additional provision that ~~the~~ Port Freeport may, at its election, request and obtain information from Applicant as is necessary for the Port's Freeport evaluation of Applicant's compliance with the terms and conditions of the tax abatement agreement and these guidelines and criteria. See Attachment A.
 - (8) Provision that, upon expiration of the tax abatement agreement, Applicant shall begin annually reporting the status of the abated improvements regarding active service and operation as part of a facility operating in a producing capacity. Reporting will be for the same amount of years as the tax abatement period (*i.e.* ten-year abatement, then follow-up reporting for ten more years). See Attachment B.
- (b) Such agreement shall be executed within sixty (60) days after the Port Commission has approved the abatement application and the applicant has ~~forwarded~~provided all necessary information and documentation to ~~the Port~~ and a public hearing has been held by the Port Commission Freeport (including a copy of the Order granting the tax abatement that was adopted by the Commissioners Court of Brazoria County).

RECAPTURE - Section 6

- (a) In the event the facility contemplated herein is completed and begins producing product or service, but the company fails to maintain the level of employment (including the projected creation or retention of employment) stated in the abatement application for the property that is the subject of the abatement agreement, ~~the~~ Port Freeport may elect to:
 - (1) Declare a default and terminate the abatement agreement without recapturing prior years' abated taxes; (2) Declare a default, terminate the agreement and order a recapture of all or part of previous years' abated taxes; or (3) Set specific terms and conditions for the continuation of the abatement exemption for the duration of the term of the agreement under its present terms or alter the amount of the abatement for the remaining term of the agreement.
- (b) Should ~~the~~ Port Freeport determine that the company or individual is in default according to the terms and conditions of its agreement, ~~the~~ Port Freeport shall notify the company or individual in writing at the address stated in the agreement and if such is not cured within sixty (60) days from the date of such notice ("Cure Period"), then the agreement may be terminated.
- (c) In the event that the company or individual (1) allows its ad valorem taxes owed ~~the~~ Port Freeport to become delinquent and fails to timely and properly follow the legal procedures for their protest and/or contest, or (2) violates any of the terms and conditions of the abatement agreement and fails to cure during the "Cure Period", the agreement

then may be terminated and all taxes previously abated by virtue of the agreement will be recaptured and paid within sixty (60) days of the termination.

- (d) Failure to provide any requested statement or information pursuant to the provisions described in Section 5(a)(7) without just cause within sixty (60) days of the request for the information or the presentation of any false or misleading statement may, at the Port's Freeport option, be construed as a default by the company or individual and cause for immediate termination of the tax abatement agreement and recapture of all previously abated taxes, if after written notice of default, the company or individual has not cured such default prior to the expiration of thirty (30) days from such written notice. The cure period provisions of sub-sections (b) and (c) above are not applicable to a default and termination under this paragraph.

ADMINISTRATION - Section 7

- (a) The Chief Appraiser of the County shall annually determine an assessment of the real and personal property comprising the reinvestment zone. Each year, the company or individual receiving abatement shall furnish the assessor with such information as may be necessary for the abatement. Once value has been established, the Chief Appraiser shall notify the eligible jurisdictions, which levies taxes on the amount of the assessment.
- (b) The agreement shall stipulate that representatives of Port ~~Representatives~~ Freeport will have access to the reinvestment zone during the term of the abatement to inspect the facility to determine if the terms and conditions of the agreement are being met. All inspections will be made only after the giving of twenty-four (24) hours prior notice and will only be conducted in such a manner as to not unreasonably interfere with the construction and/or operation of the facility. All inspections will be made with one or more representatives of the company or individual and in accordance with their safety standards.
- (c) Tax Abatement Review Committee: The Port Commission may appoint a ~~standing~~ Port Tax Abatement Review Committee (PTARC) or, if a PTARC is not appointed, shall utilize and rely on the Brazoria County Tax Abatement Review Committee (TARC) for purposes of (i) reviewing the tax abatement application and preparing a feasibility study setting out the impact of the proposed ~~reinvestment zone and~~ tax abatement ; (ii) conducting annual inspections and/or evaluations of the abated facilities to ~~insure~~ ensure compliance with the terms/conditions of the tax abatement agreement. ~~The Tax Abatement~~
- (d) Finance Advisory Committee Review ~~Committee~~: The Port Commission shall be comprised of such members as the Commission may from time to time designate utilize and rely upon the Port Freeport Finance Advisory Committee for purposes of reviewing all tax abatement applications. Prior to approval of an abatement application, the Chairman of the Finance Advisory Committee shall report to the Port Commission on the completeness of the abatement application, compatibility with best interests of Port Freeport and the community, and compliance with these Guidelines and Criteria.
- (~~e~~) Upon completion of construction, the owner of an abated facility must submit a written report/statement of compliance annually ~~to the Chief Financial Officer, or in the absence~~

~~of a Chief Financial Officer the Chief Executive Officer~~, during the life of the abatement to the Chief Financial Officer of Port Freeport, clearly detailing the status of the facility and how it is complying with the abatement guidelines. A form of annual report that may be used by the owner is attached as Attachment A to these Guidelines & Criteria, and the owner's annual report shall, at a minimum, contain the information shown in the Attachment A form.

- (e) Upon expiration of the Tax abatement term, the owner of the abated improvements must submit a written report/statement of compliance annually, beginning January 1 after the expiration of the tax abatement term, documenting that the abated improvements remain in active service and operation as part of a facility operating in a producing capacity for an additional period equal to the abatement period granted and completed in order to receive the full term of the abatement granted and not be subject to the term reduction and recapture/payment obligation provisions. The Report shall be delivered to the Chief Financial Officer. The ~~Port PTARC or Committee~~, if a PTARC is not formed, the Chief Financial Officer shall ~~annually evaluate each abated facility and~~ report ~~possible~~ identified violations to the contract and agreement to the Port Commission. A form of annual report that may be used by the owner is attached as Attachment B to these Guidelines & Criteria, and the owner's annual report shall, at a minimum, contain the information shown in the Attachment B form.

ASSIGNMENT AND MODIFICATION - Section 8

Abatement may be transferred and assigned by the holder to a new owner or lessee of the same facility upon the approval by resolution of ~~the Port~~ Freeport subject to the financial capacity of the assignee and provided that all conditions and obligations in the abatement agreement are guaranteed by the execution of a new contractual agreement with ~~the Port~~ Freeport. Assignee shall submit a tax abatement application, including financial information to ~~the Port~~ Freeport prior to consideration of assignment. Full assignment of the abatement requires approval ~~through a public hearing~~ of the Port Commission. No assignment or transfer shall be approved if the new parties to the existing agreement, the new owner or new lessee are liable to ~~the Port~~ Freeport of any ~~eligible jurisdiction~~ other taxing unit for delinquent taxes or other obligations. Approval shall not be unreasonably withheld.

Abatement may be modified or amended. A modification or amendment, except those that change the commencement date, correct clerical errors, or make administrative changes (including changes to the notification section or the company name) requires approval ~~through a public hearing~~ of the Port Commission.

PROVISIONS REGARDING CITY-INITIATED ABATEMENTS – Section 9

- (a) This section is applicable to tax abatement applications for property located in a reinvestment zone designated by a city and applications by applicants who have previously entered into a tax abatement agreement with a city regarding that property.
- (b) All provisions of these Guidelines & Criteria are applicable to city-initiated reinvestment zones and abated areas within a city's territorial limits unless otherwise stated herein or provided by law.

- (c) An applicant shall file a tax abatement application on the Port's Freeport application form together with all attachments and statements described in the application instructions and in subsection (d) herein below.
- (d) Upon receipt of a tax abatement application applicable to property within a city-designated reinvestment zone ~~subject to a city's tax abatement agreement~~, the application shall be reviewed for approval as to (a) correct application form, (b) represented compliance with economic value estimates and employment criteria of Section 2(h) of ~~these~~ Guidelines & Criteria, (c) legal description requirements, and (d) attachment of a correct copy of the city's ordinance designating the area as a reinvestment zone ~~and granting abatement and (e) attachment of a correct copy of the fully executed tax abatement agreement between the city and the applicant.~~
- (e) Before the Port ~~acts upon the application, an application for tax abatement must be filed with Brazoria County and a public hearing must be held by Brazoria County at which interested parties shall be entitled to speak and present written materials for or against the approval of the tax abatement. The public hearing shall also afford the applicant and the designated representative of any eligible jurisdiction opportunity to show cause why the abatement should or should not be granted.~~ Commission acts upon an abatement application under this Section, the applicant must have filed an application for tax abatement with the city. Port Freeport will not enter into a tax abatement agreement under this Section until Port Freeport has received (i) a correct copy of the city's ordinance approving the abatement application, and (ii) a correct copy of the tax abatement agreement between the city and the applicant. Any approval of an abatement application by the Port Commission prior to approval of the application by the city is and will be expressly contingent upon approval by the city and, if Port Freeport does not receive a correct copy of the city's ordinance approving the application within sixty (60) days following approval by the Port Commission, the approval granted by the Port Commission will automatically be revoked.
- (f) ~~The Port Freeport will not consider enter into or approve an execute a tax abatement application under this section agreement unless and until the applicant has filed an application has been reviewed by for tax abatement with Brazoria County and a valid Court Order granting the abatement application has been issued by the Brazoria County Commissioners' Court granting the.~~ The Port Freeport will not enter into or approve an execute a tax abatement application under this section agreement unless and until the applicant has filed an application has been reviewed by for tax abatement with Brazoria County and a valid Court Order granting the abatement application has been issued by the Brazoria County Commissioners' Court granting the. Any approval of an abatement is included application by the Port Commission prior to approval of the application by the Brazoria County Commissioners Court is and will be expressly contingent upon approval by the Brazoria County Commissioners Court and, if Port Freeport does not receive a correct copy of the Brazoria County Commissioners Court Order approving the application within sixty (60) days following approval by the Port Commission, the approval granted by the Port Commission will automatically be revoked.
- (g) The percentage of property value abated and the term of abatement shall be the same as that stated in the city's tax abatement agreement unless otherwise specified by ~~the~~ Port Freeport.

SUNSET PROVISION – Section 10

- (a) These Guidelines and Criteria are effective upon the date of their adoption and will remain in force for two years, at which time all ~~reinvestment zones and~~ tax abatement contracts created pursuant to its provisions will be reviewed by ~~the~~ Port Freeport to determine whether the goals have been achieved. Based on that review, the Guidelines and Criteria will be modified, renewed or ~~eliminated~~ repealed provided that such actions shall not affect existing contracts or applications for tax abatement filed prior to the expiration of ~~said these~~ Guidelines and Criteria. Applications for abatement filed prior to the expiration of ~~the these~~ Guidelines and Criteria shall be governed by the provisions of these Guidelines and Criteria regardless of any subsequent modification or amendment.
- (b) This policy is mutually exclusive of existing Industrial District Contracts and owners of real property in areas deserving of special attention as agreed by the ~~eligible jurisdiction~~ taxing units.
- (c) Subject to Section 10(a) above, the Guidelines and Criteria for Tax Abatement that were adopted by Port Freeport on July 23, 2020 are hereby repealed. These ~~guidelines~~ Guidelines and ~~policies~~ Criteria for Tax Abatement shall be effective ~~August 1st~~ as of July 21, 2020 ~~2022~~ and shall remain in force until July ~~31~~ 20, ~~2022~~ 2024 unless amended or superseded, modified, renewed, or eliminated by the Port Commission of Port Freeport prior to that date.

(TO THE PORT FREEPORT GUIDELINES &
CRITERIA FOR GRANTING TAX ABATEMENT)

ANNUAL REPORT FORM

ANNUAL REPORT
PURSUANT TO SECTION 5(a)(7) AND 7(e) OF
THE PORT FREEPORT
GUIDELINES & CRITERIA ON TAX ABATEMENT

RE: TAX ABATEMENT AGREEMENT

_____ (Company/Owner Name)

REINVESTMENT ZONE (RZ) NO. _____ (Number of RZ, if applicable)

1. Commencement and/or completion date of the contemplated improvements described in the tax abatement agreement.

Date of commencement of construction: _____

Date of completion all contemplated improvements: _____

2. Number of permanent employees, contract employees and temporary contract employees currently employed by you at the tax abated facility location or construction site as of the date of this Report. (See definitions below).

Permanent Employees: _____

* Permanent Contract Employees _____

(* List contract employees employed on a full-time, 40 hours per week equivalency basis and who are expected to be employed on a full-time basis for the duration of the abatement period. Do not include temporary contract employees.)

**Temporary Contract Employees _____

(**List temporary contract employees who are employed for a temporary period ending prior to expiration of the tax abatement term)

3. Status of construction of the contemplated improvements, percentage of construction completed and Owner's estimate of taxable value of constructed improvements on the date of the Report.

Percentage of construction completed: _____

Estimated value of Improvements: _____
As of _____

4. Status of production of the completed facility and the productive service capacity of the improvements. *(only applicable to a completed facility that has previously commenced production)*

Is the abated facility currently producing the product
or similar product described in the tax abatement agreement? **Check One**
() Yes or () No

If the answer to the above question is "No",
please state the date or time period when production ceased
and attach a narrative explanation of the reason for cessation
of production as Attachment B. _____

If production at this abated facility is
shut down, please state the expected
date or time period, if any, at which/during which
you expect the facility to resume production operations.
If you do not expect to resume production at this
abated facility, please state "plant closed" in
the blank space. _____

State your estimate of the expected
productive life of the abated facility and its improvements as
measured from the beginning date of production until the expected
permanent cessation of production *(or in other words, the total number*
of years, if any, that you expect the abated facility improvements to be
in service as part of the operations of a producing facility, including
in your total any previous years of production prior to the date of this report.) _____

5. Include a list of Brazoria County vendors and services
That you have used and attach the same as Attachment A to this Report.

Is the list of Brazoria County vendors and Services **Check One**
attached? () Yes or () No

To the best of my knowledge, the above information and estimates are true and correct.

Owner: _____

By: _____

Printed _____ Name: _____

Title/Position _____

Date: _____

(TO THE PORT FREEPORT GUIDELINES & CRITERIA
FOR GRANTING TAX ABATEMENT)

REPORT FORM
After the initial term of the
Tax Abatement Agreement

PRODUCTIVE LIFE REPORT
TAX ABATEMENT TERM COMPLETED
PURSUANT TO SECTION 5(a)(8) AND 7(f) OF
THE PORT FREEPORT GUIDELINES &
CRITERIA ON TAX ABATEMENT

RE: TAX ABATEMENT AGREEMENT

_____ (Company/Owner Name)

REINVESTMENT ZONE (RZ) NO. _____ (Number of RZ, if applicable)

Effective Date of Tax Abatement: _____

1. Status of production of the completed facility and the productive service capacity of the improvements.

Is the abated facility currently producing the product
or similar product described in the tax abatement agreement? **Check One**
() Yes or () No

If the answer to the above question is “No”,
please state the date or time period when production ceased
and attach a narrative explanation of the reason for cessation
of production as Attachment A. _____

If production at this abated facility is
shut down, please state the expected
date or time period, if any, at which/during which
you expect the facility to resume production operations. _____
If you do not expect to resume production at this
abated facility, please state “plant closed” in
the blank space.

State your estimate of the expected
productive life of the abated facility and its improvements as
measured from the beginning date of production until the expected
permanent cessation of production (*or in other words*, the total number
of years, if any, that you expect the abated facility improvements to be
in service as part of the operations of a producing facility, including
in your total, any previous years of production prior to the date of this report.) _____

To the best of my knowledge, the above information and estimates are true and correct.

Owner: _____

By: _____

Printed Name: _____

Title/Position: _____

Date: _____

EXHIBIT A

TAX ABATEMENT GRADUATED SCALE

Tier 1 \$1,000,000 - \$100,000,000		Tier 2 \$100,000,001 - \$300,000,000		Tier 3 \$300,000,001 - \$500,000,000	
Year	Abatement Amount	Year	Abatement Amount	Year	Abatement Amount
1	100%	1	100%	1	100%
2	100%	2	100%	2	100%
3	80%	3	90%	3	90%
4	80%	4	90%	4	90%
5	70%	5	80%	5	90%
6	70%	6	80%	6	80%
7	70%	7	70%	7	80%
				8	70%

Tier 4 \$500,000,001 - \$1,000,000,000		Tier 5 \$1,000,000,001+		NOTES:
Year	Abatement Amount	Year	Abatement Amount	Commissioners Court shall determineconsider the percent of value and the term of the abatement based upon the overall value of the project, and the number and types of new jobs being created, the extent to which local labor or local subcontractors will be used in the construction phase, the types and values of public improvements to be made, and the extent to which local vendors and suppliers will be used during the productive life of the project. Commissioners Court may vary the length and abatement percentage on a case by case basis upon consideration of the factors above and any other relevant factors. <i>[Guidelines and Criteria for Granting Tax Abatement in a Reinvestment Zone Created in Brazoria County, Page 5, Paragraph (g)]</i>
1	100%	1	100%	
2	100%	2	100%	
3	100%	3	100%	
4	90%	4	100%	
5	90%	5	100%	
6	80%	6	80%	
7	80%	7	80%	
8	70%	8	80%	
		9	80%	
		10	80%	



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(979) 233-2667 • 1 (800) 362-5743 • FAX: (979) 373-0023
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TO: Port Commissioners
Executive Director/CEO

FROM: Rob Lowe

DATE: August 22, 2022

SUBJECT: Lump Sum Inflationary Pay

On August 4, 2021 staff met with the Personnel Advisory Committee to present the preliminary Personnel Budget and to make a recommendation for a 5% adjustment for wages for fiscal year 2022. During this meeting, we also discussed the possibility of considering additional adjustments within fiscal year 2022 should the need arise due to inflation. During our most recent Personnel Advisory Committee, the topic of a current year adjustment was discussed. Based on the extraordinarily high year over year cpi increases and the overall inflationary market, staff and the Personnel Advisory Committee discussed bringing a recommendation for the board to consider a one-time lump sum inflation payment of \$1500 per employee. Port staff has remained diligent in managing expenses and as such the favorability in the budget can easily accommodate the recommended payment.

PORT COMMISSION

JOHN HOSS, CHAIRMAN; RUDY SANTOS, VICE CHAIRMAN; DAN CROFT, SECRETARY; ROB GIESECKE, ASST. SECRETARY;
RAVI K. SINGHANIA, COMMISSIONER; SHANE PIRTLE, COMMISSIONER; PHYLLIS SAATHOFF, EXECUTIVE DIRECTOR/CEO