

AGENDA

**Port Freeport
Port Commission
Regular Meeting
Thursday, May 26, 2022, 1:00 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/88490012605?pwd=d0lMNWtlejZ0Y3NORVYyOWhsMW4rdz09>

Meeting ID: 884 9001 2605

Passcode: 061727

Dial by your location

1 346 248 7799 US (Houston)

Meeting ID: 884 9001 2605

Find your local number: <https://us02web.zoom.us/j/kc1ADrXGZc>

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. Call to identify and discuss any conflicts of interest that may lead to a Commissioner abstaining from voting on any posted agenda item.
6. 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)
7. 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.
8. Approval of minutes from the Regular Meeting held April 28, 2022.
9. Receive update regarding status of ILA Local 30.
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. May 26 OSS Advisory Committee
 - B. May 26 Finance Advisory Committee
 - C. Port Commission related meetings or conferences, Port presentations and other Port related matters.
12. Approval of financial reports presented for the period ending April 30, 2022.
13. Approval of a contract with KM&L, LLC for the Annual Independent Financial and Compliance audit for a term of 3 years, with the Port's option to renew for two additional one year periods.
14. Adoption of a Resolution approving amendments to the Port Freeport Investment Policy.
15. Discuss plans for review and update of Port Policies.
16. Receive update regarding General Counsel Request for Proposals.
17. 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 551.072 (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 Parcel 14, 19, 27, 34 and property on Quintana Island.
 - C. Under authority of Section 551.076 (Deliberation of Security Matters) for discussion regarding:
 1. Discussion regarding issues related to the deployment, or specific occasions for implementation of security personnel or devices or security audit and services.
18. RECONVENE OPEN SESSION:
19. 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
April 28, 2022
In Person & Videoconference

A Regular Meeting of the Port Commission of Port Freeport was held April 28, 2022, beginning at 2:39 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/83472506062?pwd=NzQ5QWpKeG5ZQ0x3N2U0M01DMDQ1QT09>

Meeting ID: 834 7250 6062

Passcode: 312586

Dial by your location

+1 346 248 7799 US (Houston)

Meeting ID: 834 7250 6062

Find your local number: <https://us02web.zoom.us/u/kgKaGgW4b>

Commissioners present in person:

Mr. John Hoss, Chairman
Mr. Rudy Santos, Vice Chairman
Mr. Dan Croft, Secretary
Mr. Rob Giesecke, Asst. Secretary
Mr. Ravi Singhanian, Commissioner
Mr. Shane Pirtle, Commissioner

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. Jesse Hibbetts, Operations Manager
Mr. Don Mullett, Crane Maintenance Manager

Also, present:

Mr. Bobby Fuller, Texas Port Ministry
Ms. Megan Mikutis, Gilman & Allison
Mr. Jason Foltyn, HDR
Mr. Matthew Eagan
Mr. Tom Ward, WSP
Mr. Sammy Chambless
Ms. Barbara Fratila

1. CONVENE OPEN SESSION in accordance with Texas Government Code Section 551.001, et. seq., to review and consider the following:
2. Invocation – Mr. Bobby Fuller, Texas Port Ministry
3. Pledge of Allegiance – U.S. Flag and Texas Flag
4. Roll Call – Commissioner Hoss noted that all Commissioners were present.
5. 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.

6. Public Comment – There were no public comments.
7. Public Testimony – There was no public testimony.
8. Review of Open Meetings Act provisions related to public comment and public testimony at Port Commission Meetings.

Mr. Nemeth stated that following the previous meeting, staff requested he review the Texas Open Meetings Act. The meetings of this governmental body are subject to Chapter 551 of the Texas Government Code which is known as the Open Meetings Act. Under the Open Meetings Act the meeting is open if it is open to the public. He explained the difference between an Open Meeting and a Public Meeting. An Open Meeting is one in which the public is welcome to attend, a Public Meeting is where the governmental body is meeting with the public and interacting with them. The government code requires the meetings be open, but they are primarily meetings at which a governmental body comes together to conduct its business. In 2019, the Open Meetings Act was amended by the Texas Legislature to allow public testimony. This gives the public a right to address the Port Commission on any item on the agenda. In passing this amendment, the legislature recognizes these meetings are held to conduct Port business and therefore, the Port has the right to set reasonable rules for how the meetings will be conducted. The requirement related to public testimony is any member of the public must be allowed to address the Port Commission for a reasonable amount of time on any item on the agenda and allowed to do so either before or during deliberation of the item. Other provisions included in the Open Meetings Act also allow members of the public to video tape, record or take pictures of the meeting. The Port is also allowed to set reasonable rules for these provisions. Mr. Nemeth has worked with the Executive Director to create a proposed set of rules which are authorized under the government code for the Port Commission to adopt to allow for the orderly conduct of its

meetings and allow the public a reasonable opportunity to speak and give testimony. The draft document was created based on what other entities have done, intending to keep it reasonable but allowing the public full opportunity to make their views and opinions known.

9. Approval of minutes from the Regular Meeting held April 14.

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

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

Ms. Tricia Vela gave an update on the Take-a-Child Fishing Tournament which is scheduled for May 14. She stated that a total of \$34,650 in sponsorships has been committed as well as door prizes and discounted rates for goods and services. Invites have also been sent out for the Captain's Dinner to be held May 12. Ms. Saathoff reported on the arrival of the first NYK vessel to Port Freeport April 27. She also reported attending the NWC Legislative Summit earlier in the week noting she was able to interact with several agency officials. The Reach 2 widening is almost complete, and the Reach 2 dry excavation contract will be moving forward. Staff anticipates the FY2022 Corps Work Plan to be released any day and is working with Van Scoyoc Associates to put together the Port's advocacy plan for FY2023 Budget and have made appropriate requests to Congressman Weber and Senators for inclusion of the project for discussion and additional appropriation for FY2023.

B. Chief Financial Officer

Mr. Lowe gave a presentation regarding the financial results for the month of March.

C. Director of Engineering

Mr. Hull reported the dredge has completed work for the Reach 2 widening. He also reported that bids were opened for the Reach 2 dry excavation work with six bids received. Mr. Hull noted that the government estimate was \$4.4 million, and the low bid was \$2.1 million submitted by RLB Contracting. He also noted the high bid received was \$5.4 million while the three remaining bids all came in at \$3.8 million. The ATR is in progress and has a few more days before comments are closed out. Once the Port knows how much money will be allocated, they will then be able to tailor the bid package but may be late May before Work Plan funding is known.

D. Director of Operations

Mr. Durel reported on a few highlights from his written report stating that total vessels handled by the Port for the first six months of the fiscal year was 277 vessels compared to 251 last year. LNG had 111 vessels and RoRo 74 vessels. Steel is experiencing a major change this year with the Port handling 14 vessels and has moved 328,000 tons of steel by barge and rail compared to 122,000 tons last year, for an all total of 9 million tons. The total number of vessels arriving Port wide for fiscal year-to-date is 633. Mr. Durel also noted the first vessel for NYK is currently working at the Port and will sail Friday.

Additionally, Jesse Hibbetts and Austin Seth were able to experience the process of riding the Bay-Houston tractor tug out to get the vessel. Mr. Durel also reported on a few staffing updates with Rick Benavidez joining the staff as a part-time safety coordinator. A full-time safety coordinator should begin in a few weeks. Barbara Schoppe is helping out as a temporary operations assistant and a summer intern has also been secured. Staff is still working to fill one more operations position.

E. Director of Business & Economic Development

Mr. Miura reported on upcoming conferences Business Development will be attending such as the Finished Vehicle Logistics and AAPA Shifting Trade. He also reported attending the JOC Breakbulk Project Conference. Additionally, he shared photos of the first NYK vessel to call the Port this week.

11. Receive report from Commissioners on matters related to:

- A. April 11 OSS Advisory Committee – Commissioner Pirtle reported the committee discussed the purchase of power reel cables which was approved at the last meeting as well as bids received for contract security services which is on today’s agenda for approval.
- B. April 11 and 28 Finance Advisory Committee - Commissioner Croft reported the April 11 meeting included lease negotiation discussion in executive session while today’s meeting included a review of the quarterly investment portfolio.
- C. April 14 and 27 Strategic Planning Committee – Commissioner Singhania reported the committee met April 14 with Sentinel via Zoom to discuss their request regarding grant applications. The committee also met April 27 to discuss Sentinel’s request and to also discuss proposed Panama Canal-Texas Multi-Modal Trade Mission to Panama.
- D. Port Commission related meetings or conferences, Port presentations and other Port related matters.

Commissioner Singhania reported attending the Responsible Care Luncheon, ABC Membership Luncheon and the luncheon honoring Dennis Bonnen.

Commissioner Santos also reported attending the luncheon honoring Dennis Bonnen as well as the Alliance Transportation Committee meeting.

Commissioner Croft reported attending the Sweeny Chamber Banquet.

Commissioner Pirtle reported attending the 100 Club Banquet, San Jacinto Festival, Gulf Coast Rescue Squad, Alliance Transportation Committee meeting and LBR Coalition Membership Luncheon.

Commissioner Hoss also reported attending the LBR Coalition Membership Luncheon

12. Approval of financial reports presented for the period ending March 31, 2022.

A motion was made by Commissioner Santos to approve the financial reports as presented. The motion was seconded by Commissioner Pirtle with all Commissioners present voting in favor of the motion.

13. Approval of contract with Sunstates Security for security services for a term of 3 years, commencing June 1, 2022, in the amount of \$1,898,421.22 per year, with the Port's option to renew for a period of 2 years.

Mr. Hogan stated that staff published a request for proposal for contract security services which included site security management, access control point monitoring, ground patrol, marine patrol and communication and dispatch services. The RFP also increases a patrol presence, increased badge center hours as well as enhancements to officer benefits and wages. The current contract expires May 31, 2022. The new contract will commence June 1, 2022, for a term of three years with a two-year option to renew. Staff utilized a weighted evaluation for all the proposals with the top three items being cost of service, MTSA security experience and average safety rating for 2019-2021. Other items weighted on a lower percentage for the score was distance to the regional manager, how many contract hours the manager has, references, insurance for officers, years in business and 2021 turnover rate. Each proposal contained two quotes. Option A is unarmed security which is in place today and Option B is armed ready which means the officers are unarmed until Port Freeport requests they become armed. Three proposals were received with Sunstates Security scoring the highest and submitting the lowest quote on Option B. Additionally, Sunstates proposal included the following items beyond the request for proposal.

1. Sunstates will provide ballistic vest for those who are armed, at their cost.
2. Sunstates will provide an on-site Level 3 and Level 4 instructor.
3. Sunstates price includes dash cams which will record forward and the driver.
4. Sunstates will train reserve officers at Level 3 and Level 4, at their cost.
5. Sunstates requires four times the amount the state requires for armed officers for commission qualification. For commission in the State of Texas, you must fire 50 rounds for qualification once every two years. Sunstates requires once every six months.

Staff recommends approval of a contract with Sunstates Security in the amount of \$1,898,421.22 for the first year with a 3% annual increase beginning October 1, 2023, until the end of the contract.

A motion was made by Commissioner Pirtle to approve the contract as recommended by staff. The motion was seconded by Commissioner Santos with all Commissioners present voting in favor of the motion.

14. Discuss and consider request from Sentinel Midstream for Port Freeport to apply as lead applicant for a grant(s) under the PIDP, INFRA or MEGA grant programs.

Ms. Saathoff stated that Sentinel Midstream has made application with Maritime Administration to construct an offshore deepwater port which would have a tank farm near Jones Creek and be connected by pipeline to the offshore facility. Sentinel is asking Port Freeport to apply as lead applicant under one of the three grant programs mentioned for a grant in the amount of \$25 million of which their full project would be the match to it. Ms. Saathoff explained to them that Port Freeport would be submitting an application under the PIDP grant and possibly the INFRA. Ms. Saathoff discussed the INFRA and MEGA grant programs with the Department of Transportation and learned the spirit of these two programs

is to reduce congestion on the national highway freight network and are really intended for surface transportation type projects. Additionally, the MEGA project has to meet all specific requirements with one item being that the project is in significant need of federal funding and Ms. Saathoff doesn't believe that requirement could be met under the program. Ms. Saathoff reminded the Commission that when you are the lead applicant, you are responsible for any issues that may arise, such as not meeting requirements and those issues must be resolved. There also has to be a majority effort underway for environmental approvals and none of these projects have been approved. Ms. Saathoff also discussed other technicalities and issues associated with these projects.

A motion was made by Commissioner Singhania to deny Sentinel's request as recommended by staff. The motion was seconded by Commissioner Giesecke with all Commissioners present voting in favor of the motion.

15. Discuss and consider the USACE Sabine to Galveston levee project and the WSP recommended levee alignment for FPV4a, as it pertains to Port Freeport.

Mr. Hull reminded the Commission that the Sabine to Galveston is not a Port project, rather a Corps project. He explained that the Corps came out with a proposed alignment through the Freeport area and through the Port's operating terminal areas which was not conducive to operating a port. Mr. Hull shared a map of the proposed alignment. Staff felt there was a better alignment and hired WSP to look at alternatives and additional criteria the Corps did not consider when conducting their evaluation on alternative alignments. The additional criteria included port access, internal circulation, asset protection and land coherence. With these factors included, Mr. Hull shared a map of the preferred alignment. He noted that this was shared with port tenants and users and there was no objection to the preferred alignment as it provides certain tenants with continued protection that they require. Mr. Saathoff added that staff needs to make a formal ask of Velasco Drainage District for them to recommend to the USACE the preferred alignment and not their original alignment. After additional discussion regarding the alignments, Commission agreed to move forward with the preferred alignment, as recommended by WSP.

A motion was made by Commissioner Croft to approve the WSP recommended levee alignment for FPV4a as it relates to the USACE Sabine to Galveston levee project, as it pertains to Port Freeport. The motion was seconded by Commissioner Giesecke with all Commissioners present voting in favor of the motion.

16. Discuss and consider pricing change by Portal Crane Group for purchase of power reel cables.

This item was tabled.

17. Discuss and consider Panama Canal-Texas Multi-Modal Trade Mission to Panama organized by the U.S. Panama Business Council.

Ms. Saathoff explained that Mr. Juan Sosa, former Ambassador to Panama, has been very proactive through the years in developing relationships between Panama and the Texas ports, has organized trade missions and business development programs between the State of Texas and Panama. He is now working to promote a Panama Canal-Texas Multi-Modal Trade Mission program. This is a two-day program to cultivate business opportunities and the

movement of more trade through the canal into and out of the Texas market, and Mr. Sosa has asked Port Freeport to participate in the program. Ms. Saathoff added that amount of commerce that moves through Port Freeport that goes through the canal has grown to include LNG, Ro/Ro carriers and most recently NYK. Every 5 years the canal reviews the allocations of the types of cargos and vessels that move through the canal, so it is important for Texas ports to advocate for sufficient slots to support the commerce that is moving through the state. The trade mission is scheduled for June 13-14, 2022 and has sponsorship and participation opportunities. Commissioner Singhania stated the recommendation of the Strategic Planning Advisory Committee is participation at the \$3,000 silver sponsorship, plus approximately \$2,000 per person to attend (2 staff/2 commissioners) and airfare. Commissioner Pirtle recommended approving up to 3 commissioners to attend.

A motion was made by Commissioner Singhania to approve participation at the silver level and allow up to 2 staff members and 3 commissioners to participate. The motion was seconded by Commissioner Santos with all Commissioners present voting in favor of the motion.

18. Approval of Executive Director/CEO travel for the months of April and May 2022.

In addition to travel already listed in BoardPac, Ms. Saathoff noted that she has also been asked to testify before the Business and Commerce Committee in Austin on May 18.

A motion was made by Commissioner Pirtle to approve the travel plus the addition of May 18. The motion was seconded by Commissioner Singhania with all Commissioners present voting in favor of the motion.

19. Update regarding General Counsel Request for Proposals.

Ms. Saathoff stated that she has added a document to BoardPac to give the Port Commission an easier way to review the proposals in the form of a table with side-by-side comparison. The next step will be to condense criteria for the Commission to evaluate and rank the importance. Staff met with AJ to consult with her regarding the process moving forward to make sure it is handled in a way that is fair, consistent and understandable. Additional communications are forthcoming to receive Commission input regarding priority ranking.

20. 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).
 - i. Texas Open Meetings Act
- B. 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.
- C. Under authority of Section 551.076 (Deliberation of Security Matters) for discussion regarding:
1. Issues related to the deployment or specific occasions for implementation of security personnel or devices or security audit services.
21. RECONVENE OPEN SESSION to review and consider the following:
22. Approval of the First Amendment to the Pipeline Right-of-Way and Easement between Port Freeport and FLNG Liquefaction 4, LLC.

Mr. Miura stated that staff recommends approval of the First Amendment to the Pipeline Right-of-Way and Easement between Port Freeport and FLNG Liquefaction 4, LLC, as presented. This amendment will amend the completion construction date from June 22, 2023 and extend it to June 22, 2026.

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

23. Discuss and consider adoption of rules for public comment, public testimony, recordings and other matters related to the conduct of Port Commission Meetings in accordance with the Texas Open Meetings Act.

Mr. Nemeth presented a draft document of rules for public comment, public testimony and recordings related to the conduct of Port Commission meetings. The Commission discussed the rules presented including the proposed mark-ups by the Chairman which allows the Commission to extend testimony time. Mr. Nemeth noted that the Act specifically provides that you cannot be discriminatory, meaning if you extend time for one, you must extend same courtesy to all. Mr. Nemeth also noted that staff did not include the Pilot Commission in this draft because it is a separate governmental body and will need to adopt its own rules. After additional discussion, the Port Commission agreed to adopt the rules as presented by legal counsel with no changes, adding if any Commissioner feel changes are needed, they may submit proposed changes for consideration at a future meeting.

A motion was made by Commissioner Giesecke to adopt the rules as presented by legal counsel. The motion was seconded by Commissioner Pirtle with all Commissioners present voting in favor of the motion.

24. Adjourn.

With no further business before the Commission, the meeting adjourned at 6:20 PM

John Hoss, Chairman

Rudy Santos, Vice Chairman

Dan Croft, Secretary

Rob Giesecke, Asst. Secretary

Ravi K. Singhanian, Commissioner

Shane Pirtle, Commissioner



1100 CHERRY ST. • FREEPORT, TX 77541
(979) 233-2667 • 1 (800) 362-5743 • FAX: (979) 233-5625
WWW.PORTFREEPORT.COM

MEMORANDUM

TO: Phyllis Saathoff, Executive Director/CEO
FROM: Darlene Winkler, Communication Specialist
DATE: May 26, 2022
SUBJECT: Public Affairs – May 2022

PUBLIC AFFAIRS

New Staff – Angela Lewis joined Port Freeport on May 11, 2022, as the receptionist.

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 2 widening will soon be complete. 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 — The following press releases were distributed or will be distributed in May:

NYK GROUP COMMENCES REGULAR SERVICE TO PORT FREEPORT was released on May 16, 2022.

PORT FREEPORT HOSTS 22nd ANNUAL TAKE-A-CHILD FISHING TOURNAMENT will be released the week of May 16th.

Community Events and Meetings

Brazoria County Petrochemical Council - Responsible Care Luncheon was held on April 21st. Invitations were extended to Port Freeport C.A.P. members, and Port Freeport. Tricia Vela attended the luncheon.

Port Events

Community Advisory Panel (C.A.P.) –The next C.A.P. meeting is tentatively planned for Friday, June 17, 2022, at San Jacinto Maritime College, to see/experience the simulator of the Freeport Harbor Channel.

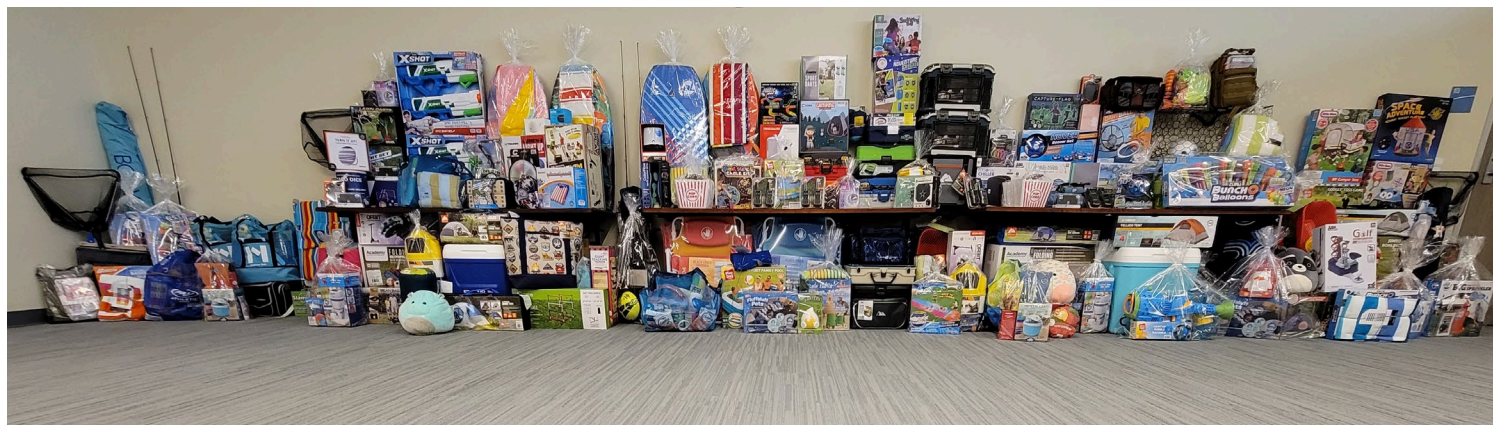
Tentative dates for future C.A.P. meetings are listed below.

Tuesday, September 13th

Thursday, December 1st

Port Freeport Take-A-Child Fishing Tournament (TACFT) –The 22nd Annual Port Freeport Take-A-Child Fishing Tournament was held on Saturday, May 14, 2022, at Freeport Municipal Park. A total of 301 young anglers registered, bringing the total estimated attendance to 700 people plus our many volunteers. Other special guests and sponsors either volunteered or manned a company booth. LJA Surveying hosted a tent passing out goodie items and snacks. Dole's "Bobby", the banana, and "Penelope", the pineapple, were on-site visiting and taking photos with the attendees. Free snow cones were provided to all attendees served by Southern Cool Shaved Ice, and free face painting was provided by First Baptist Church of Freeport. The Brazoria County Dream Center's volunteers were present to receive the nearly 600 canned good items collected as part of the tournament entry fee.

A total of 282 fish caught by 55 of the participants were weighed. A total of 54 sponsors committed to \$34,750.00, many donated door prizes, and discounted rates for services and goods, plus the roughly 90 volunteers made the tournament possible. Their generosity and time helped put on another successful event benefitting the children, families, and community within the navigation district. All funds raised went back into the event in the form of t-shirts, goodie bag items, over 160 door prizes, and awards for participants. Community ads promoting the event were circulated in *The Facts and their special publications*, *The Bulletin*, *The Alvin Sun and Advertiser*, banners, and on over 40 Facebook pages.



160 Door Prizes for registrant raffle



Dole's Bobby and Penelope along with Chris Noble and family



Attendees enjoying the great weather of fishing and winning door prizes

Winners of the event in two categories were as follows:

Blue Fins Category (Ages 3-8)

First Place – Nikolai Turner (9.1lbs), Second Place – Roslin Thull (4.5 lbs), Third Place – Emilie Escobedo (2.1 lbs)

Yellow Fins Category (Ages 9-14)

First Place – Majen Shaw (3.2 lbs), Second Place – Reid Dusek (3.1 lbs.) Third Place – Damian Carrasco (2.9 lbs)



Fishing Tournament top winners in both Blue Fins and Yellow Fins groups

The TACFT Captain dinner took place on May 12, 2022, at River Place in Freeport. The sponsors, staff, volunteers, the Brazoria County Dream Center volunteers, and the three top logo drawing contest winners enjoyed a meal catered by Talk About Good and received recognition at the event.



Photo one: 2022 top three logo contest winners



Photo two: TACFT Sponsors 2022 and logo contest winner Benjamin Damian

Port Presentations, Tours, and Meetings

May 11 - Port Freeport Tour: TAMU Galveston Student Group

May 18 - KC Conway Port Tour

June 16 - TSPE Annual Meeting (Saathoff presenting)

Community Events and Meetings

Weekly – Business Roundtable Virtual Meetings (speakers vary)

May 5 - Brazosport Chamber of Commerce Membership Luncheon “Fernando Signorini, DOW”

May 6 - United Way/Dow 15th Annual Golf Classic

May 13 – Junior Achievement Who's Who Golf Tournament

May 19 - The Alliance Quarterly Membership Luncheon “KC Conway, Economist Futurist”

May 20 – Brazoria County Hispanic Chamber of Commerce Annual Golf Tournament

May 25 – Angleton Chamber of Commerce Distinguish Leadership Award Luncheon

Upcoming Community Events and Meetings

June 10 & 11 - Brazoria Chamber of Commerce No Name Cook-off

June 16 – Brazoria Heritage Foundation Santa Ana Ball

June 20 – Bobby Fuller’s Retirement Reception

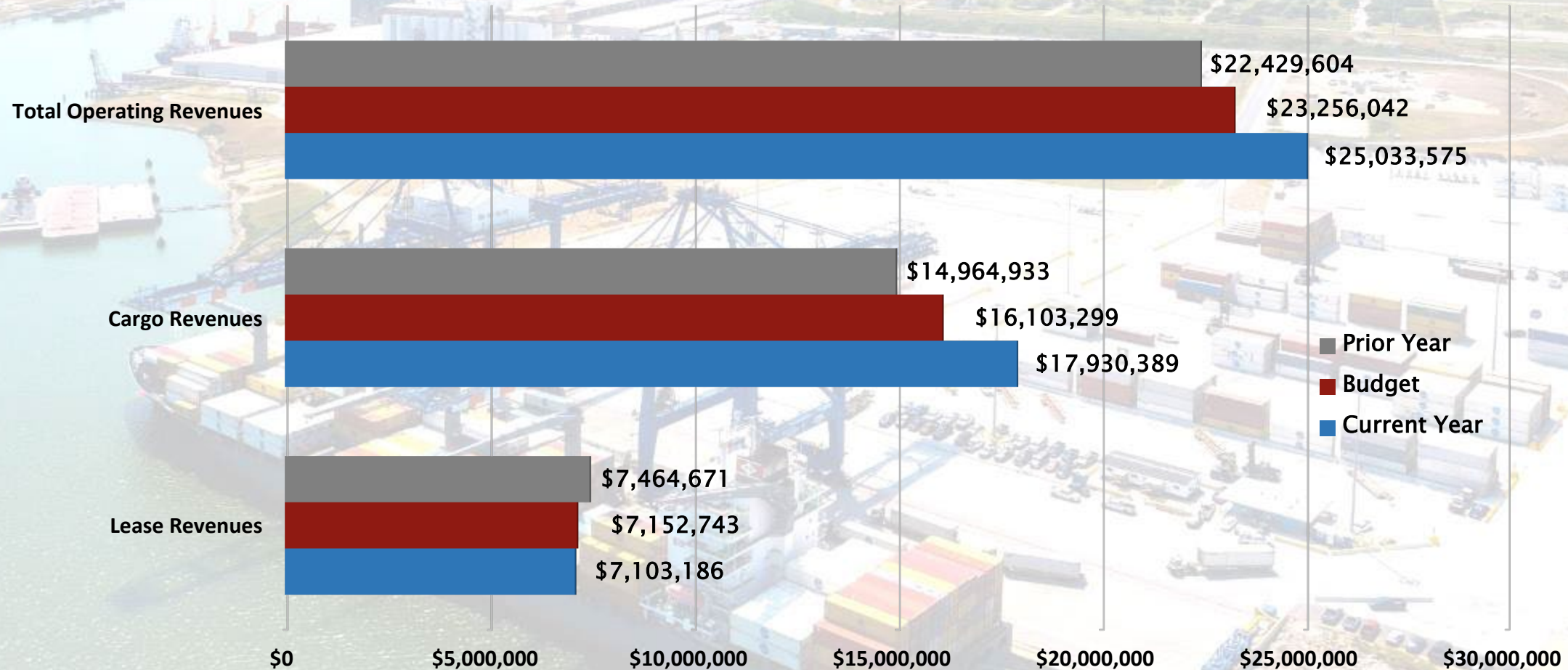


Financial Report for April 30, 2022

May 26, 2022

Rob Lowe | Chief Financial Officer

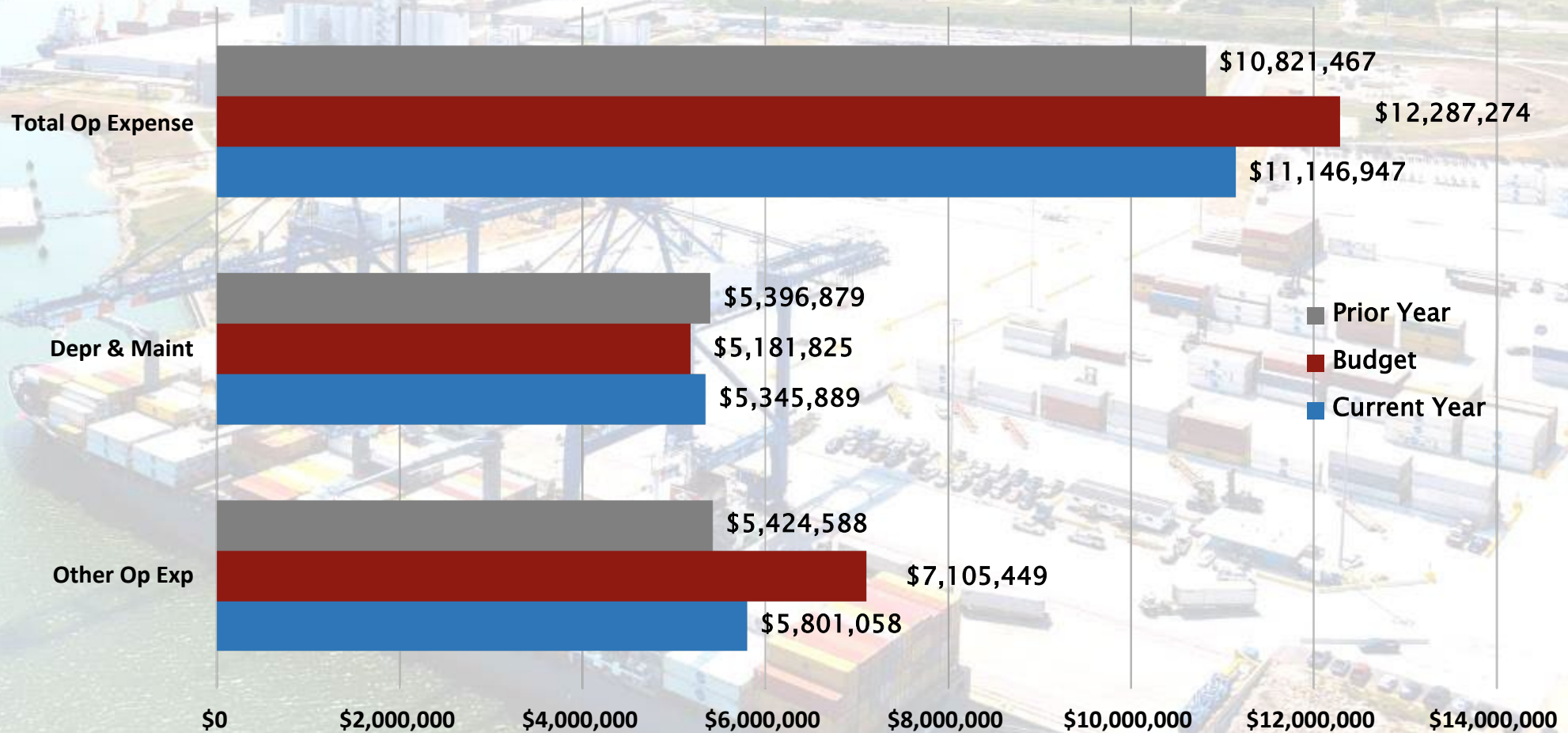
FY 2022 YTD OPERATING REVENUES



COMPARISON:

- Operating revenues are up over PY 12% and over budget by 8%
- Cargo revenues above PY by 20%; budget by 11%
- As compared to budget, cargo volumes are up in all categories except ro-ro cargo
- Lease revenues are below PY 5% and 1% below budget

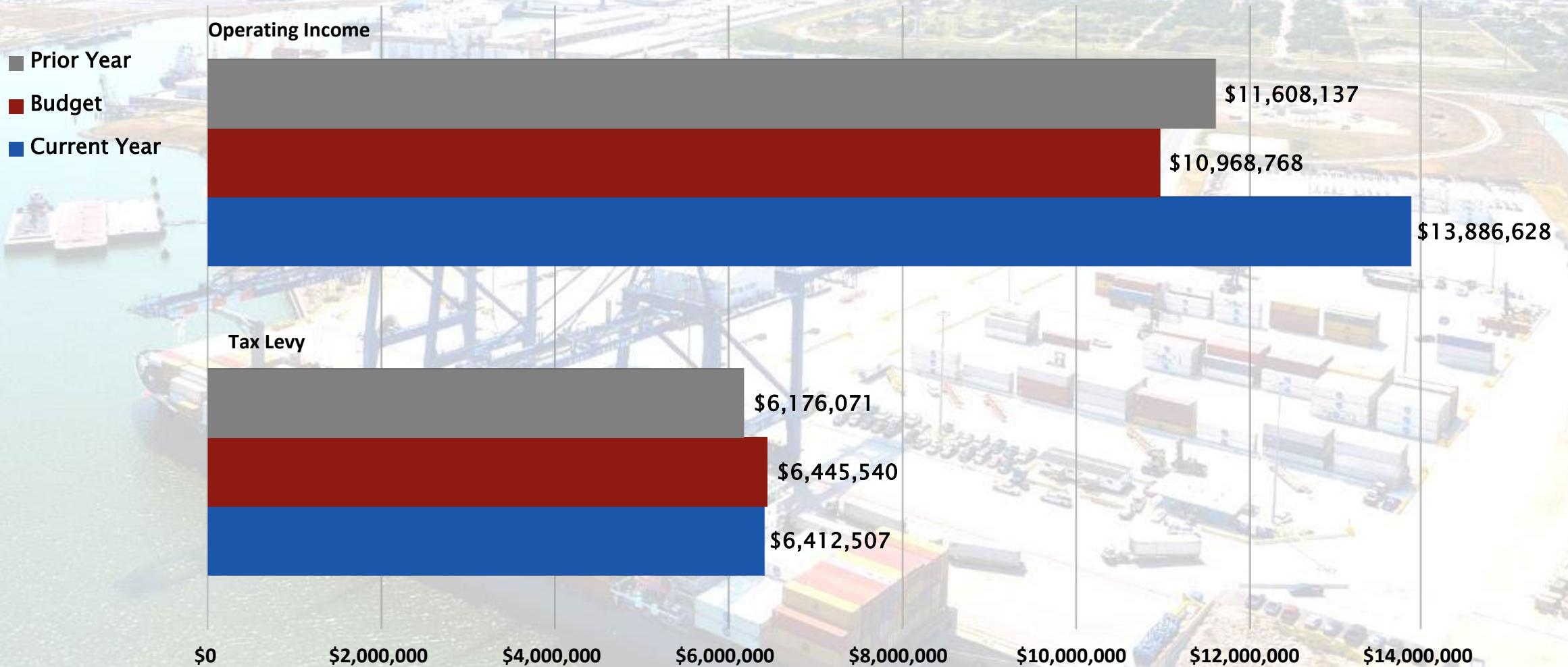
FY 2022 YTD OPERATING EXPENSE



COMPARISON:

- Total operating expenses are above prior year by 3%, below budget 9%
- Depr & maint are up below the PY by 1% and above budget 3%
- Other expenses are 7% above PY and below budget by 18%

FY 2022 YTD OPERATING INCOME



COMPARISON:

- Operating income is 20% above PY and above budget by 27%

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	\$ 13,886,628	\$ 10,968,768	\$ 18,424,600
Non-Operating Revenue (Expenses)	\$ 815,051	\$ 1,267,075	\$ (2,942,000)
Capital Contributed (To) From Others			
Freeport Harbor Channel Improvement Project	\$ (1,208,237)	\$ -	\$ (31,050,000)
Contributed to Port	\$ -	\$ 50,000	\$ 50,000
Grants	\$ 140,549	\$ 375,000	\$ 375,000
Emergency Recovery Efforts	\$ (140,195)	\$ -	\$ -
Change In Net Position	\$ 13,493,796	\$ 12,660,843	\$ (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>	\$ 16,067,385	\$ 13,394,212
<i>Cash Provided by Non-Cap Financing</i>	5,500,680	5,345,354
<i>Cash Used by Cap Financing</i>	(34,564,383)	(14,596,971)
<i>Cash Provided by Investing Activities</i>	(199,131)	251,612
<i>Net Increase (Decrease) in Cash</i>	(\$ 13,195,449)	\$ 4,394,207

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>55%</i>	<i>52%</i>	<i>47%</i>
<i>Current Ratio (unrestricted)</i>	<i>5.0 to 1</i>	<i>4.1 to 1</i>	<i>n/a</i>
<i>Debt to Net Assets Ratio</i>	<i>1.083 to 1</i>	<i>1.079 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>April 30, 2022 FY 2022</i>	93% \$4,425,699	1% \$40,221	1% \$43,431	5% \$246,683
<i>April 30, 2021 FY 2021</i>	89% \$4,047,250	8% \$380,893	2% \$108,426	1% \$25,385
<i>April 30, 2020 FY 2020</i>	89% \$2,685,538	10% \$301,312	0% \$12,466	1% \$23,513



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. *JH*
Director of Engineering

DATE: May 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 170 piling remain 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

2. **FHCIP Excavation of Bend Easing** – The Corps opened bids on April 20, 2022. RLB Contracting based in Port Lavaca, Texas submitted the lowest bid of \$2,145,000. My estimate for the project was \$3.5M. The Independent Government Estimate was \$4,463,000. At this time the Corps has not signed the contract with RLB pending some further reviews.
3. **Levee Stabilization and Wave Barrier Relocation** – This project involves relocation of the north wave barrier to allow for a bend easing and stabilization of a levee on the Dow thumb that has a lower than satisfactory factor of safety for global stability. The final wall pile was driven on May 28th and the project is now stabilizing the levee as intended. Work to be completed includes replacing the chain-link fencing. A final Corps inspection has been conducted and a VDD inspection has been scheduled.
4. **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. The project is out for bid now, and bids will be opened on June 21, 2022.
5. **Docks 1, 2, 3, and 5 Sheet Pile Repair Project 2022** – This project involves repairing holes and tears in the underwater sheet pile that were noted in the last underwater inspection survey. Bids were opened March 24, 2022. The Commission approved a contract with Saltwater Salvage on April 14, 2022. The contractor is still in the process of getting bonds in place. The work will be scheduled with operations staff when repairs begin.

**PORT FREEPORT
OPERATIONS ACTIVITY SUMMARY
APRIL 2022**

A. MONTHLY ACTIVITY EXPLANATION

- * Total import/export activity for the month of April were better than expected.
- * LNG experienced (**15**) vessels.
- * Riviana experienced (**1**) vessel this month.
- * Vulcan Material experienced (**1**) vessel this month.
- * Total (**11**) RoRo vessels handled.
- * Tenaris experienced (**2**) vessel, (**11**) barge and (**17**) railcars this month.
- * Total of (**7**) Container vessel calls.
- * CEMEX transferred product from truck to (**12**) rail cars.
- * Vulcan Materials did not handle any rail cars this month.
- * Average vessel activity in 2021 was 44 per month. This month, we handled 39 vessels (15 LNG & 24 Inner Harbor).
- * *Enterprise/Seaway received (**11**) vessels.*
- * *There were (**96**) Total Vessel arrivals Port wide.*

B. FISCAL YEAR ACTIVITY EXPLANATION

- * Total Tons for this year are better than expected. This is due to the addition of vessel calls by LNG and RoRo vessels.
- * LNG has handled (**126**) vessels for export.
- * Tenaris has handled (**16**) vessels, (**47**) barges and (**261**) railcars.
- * Total (**95**) RoRo vessels handled.
- * YTD (**62**) Container vessel calls.
- * CEMEX handled (**116**) railcars with **9,439** Tons of Co2.
- * Vulcan handled (**665**) railcars with **69,693** Tons of Limestone and (**4**) Vessels.
- * Total vessels handled this fiscal year is **316** compared to **294** last year (**126** LNG & **190** Inner Harbor).
- * *Enterprise Seaway Vessels Year-to-date (**72**).*
- * *Total Port wide Vessels Fiscal Year-to-date (**729**)*

- * *Total Vehicles Handled Year-to-date (**54,042**)*
- * *Total Containers Handled (**25,147**)*
- * *Total Railcars Handled (**1,076**)*

C. INSIGHT TO ACTIVITY FOR MAY 2022

- * LNG has scheduled (**18**) vessels.
- * Riviana Foods has scheduled (**0**) vessel.
- * Vulcan Material has scheduled (**1**) vessel for May.
- * Expecting to handle (**11**) RoRo vessels.
- * Tenaris has (**3**) vessels, (**10**) barges and (**15**) Railcars planned.
- * Expecting (**8**) Container vessels.

D. OPERATIONAL MEETINGS AND AGENDAS

- * OPTS, Safety, Security – Began the process of reviewing and updating the Ports “Hurricane Plan”. Hurricane season starts June 1st.
- * OPTS, Safety, Security– Attended the OSS Committee meeting on April 11th.

- * Safety- Attended several tenant, contractor and stevedore pre-work briefings.

- * Security- Chris Hogan- Attended various USCG, DPS and County meetings.
- * Security-Chris Hogan-Took the lead to update Port Hurricane Plan.

- * Al – Jesse –Austin- Continue to interview candidates for open positions in the Port Operations Department.
- * Austin – Attended the local “LSHSC” meeting.
- * Austin – Jesse – Attended local “BMAT” meeting held at the EOC.
- * Al – PCT to initiate a “Test” prior to start of Hurricane Season.
- * Al – Attended GPA Conference in Galveston, May 4th, 5th & 6th.

May 6, 2022



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:

April 30, 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

CONTENTS

	Page No
Section I – Financial Report	
Management Narrative	2
Balance Sheet	7
Statement of Revenues, Expenses and Changes in Fund Net Assets	8
Statement of Cash Flows	9
Notes to Financial Statements	10
Section II – Management Reports	
Operating Expenses by Department	11
Velasco Terminal Statement of Revenues and Expenses	13
Port Improvement Projects Summary	14
Section III – Other Reports	
Check Register Report	15

Management Narrative

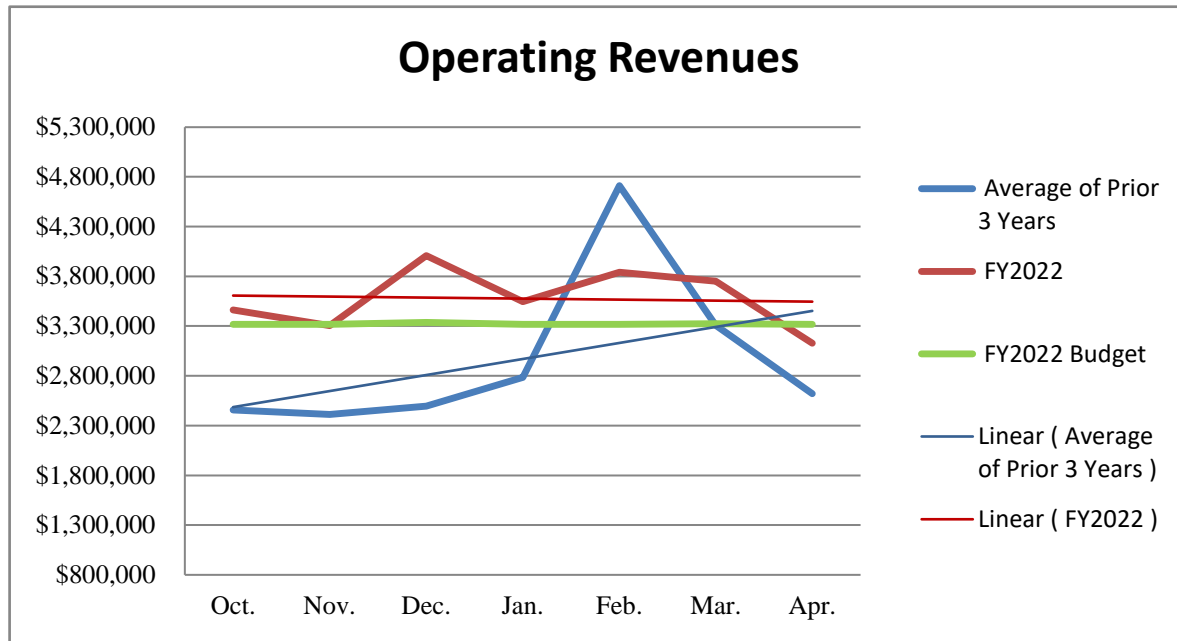
For the seven months of Fiscal Year 2022, the Port continued to remain on a positive financial foundation with operating revenues 8% above planned levels. Further, operating expenses were under planned levels and are below budget by a factor of 9%. These factors combined have contributed to producing an operating profit of \$13,886,628 and an operating margin of 56%, which is above planned performance levels by 27% or \$2,917,860 and is \$2,278,491 or 20% above prior year's results.

The Port's overall position remains strong as evidenced in a current ratio (unrestricted) of 5.0 to 1, which reflects a strong liquidity position, and a debt ratio of 108.3% 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	\$ 25,033,575	\$ 23,256,042	\$ 1,777,533	8%
Operating expense	<u>11,146,947</u>	<u>12,287,274</u>	1,140,327	9%
Operating income (loss)	<u>13,886,628</u>	<u>10,968,768</u>	2,917,860	27%
Operating margin	55.5%	47.2%		
Net non operating revenues (expense)	(393,186)	1,317,075	(1,710,261)	-130%
Capital contributions	140,549	375,000	(234,451)	0%
Net extraordinary revenue (expense)	<u>(140,195)</u>	<u>-</u>	(140,195)	0%
Change in net assets	<u>\$ 13,493,796</u>	<u>\$ 12,660,843</u>	\$ 832,953	
Balance Sheet				
Cash and cash equivalents	\$ 87,015,071	Current ratio (unrestricted)		
Current unrestricted assets	64,234,239	5.0 to 1		
Total assets	553,579,851			
Current unrestricted liabilities	12,952,200	Debt to Net Assets Ratio		
Total liabilities	295,127,994	108.3%		
Total Net Assets	\$ 258,451,857			

The balance of this narrative provides detailed explanations and supplementary information for the variances when comparing budget to actual for the period ended April 30, 2022.

OPERATING REVENUES



Total operating revenues for the period ending April 30, 2022, are \$25,033,575. This is \$1,777,533 or 8% above planned levels. The following provide more specific explanations for variances in revenue:

Wharfage revenue stands at \$8,367,232, which is over budget by \$429,064 or 5%. The following is a brief analysis of wharfage results by cargo category:

	7 Months Budget	Year To Date	Over (Under)	% Over (Under)
Agriculture Products	\$ 78,313	\$ 165,282	\$ 86,969	111%
Bulk Aggregate	127,400	143,843	16,443	13%
Containerized Cargo	816,722	933,025	116,303	14%
General Cargo	5,903,165	6,129,158	225,993	4%
Project Cargo	64,167	72,871	8,704	14%
Ro-Ro Cargo	948,401	923,053	(25,348)	-3%
Total	\$ 7,938,168	\$ 8,367,232	\$ 429,064	

Dockage revenue stands at \$5,081,290, consistent with wharfage revenues, which is \$493,896 or 11% above budgeted levels. Year-to-date ship calls are 316 compared to a budget of 316.

Equipment use fees, stands at \$832,110, which is over budget \$86,726 or 12% due to crane and equipment usage.

Security fees, consistent with wharfage and dockage, stand at \$1,681,443, which is over budget \$159,933 or 11%.

Facility use fees are \$1,052,086. This is over budget by \$381,251 or 57% due to facility usage outside of tenant leased areas.

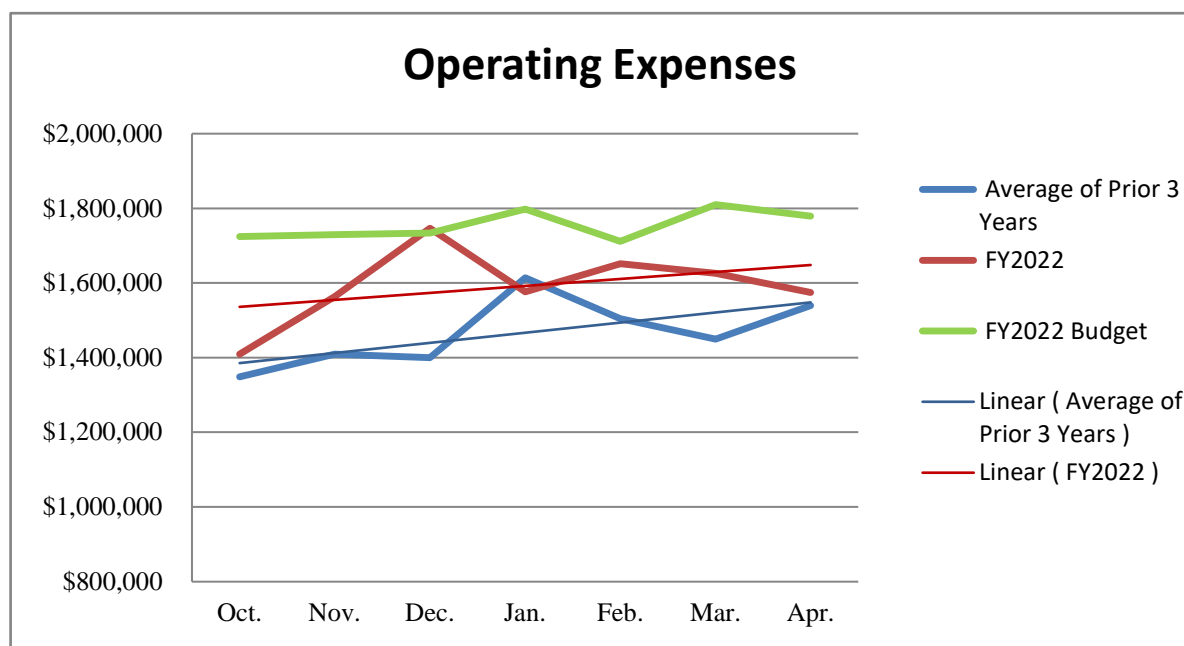
Other customer service fees (Port service charges, incidental services, customer re-bills, water, etc.) are \$895,127 which is \$267,619 or 43% above budgeted levels due to customer rebilling.

Ground leases stand at \$6,593,869, which is \$7,768 or slightly below budget levels.

Other leases are \$509,317, which is \$41,789 or 8% below budget levels.

Other revenue is \$21,101, which is \$8,601 above budgeted levels.

OPERATING EXPENSES



Total operating expenses are \$11,146,947, which is under budget \$1,140,327 or 9% for the period ended April 30, 2022. Following are more specific explanations for variances in operating expenses:

Port salaries/wages and benefits are \$2,540,309. This is \$587,367 or 19% less than budget. Currently, there are two vacancies and three new positions not filled when compared to Fiscal Year 2022 Budget. Operations overtime is \$14,389 or 16% over budget.

Professional services are \$1,297,157, which is under budget \$289,523 or 18% due to timing of services. Security services, at \$980,066 is the majority of this budget item and is 5% below budgeted levels.

Training, travel & promotional expenses are \$241,645 which is under budget \$306,448 or 56%. Following is a brief explanation of some sub-categories within this line item:

- Commercial advertising is \$76,122, which is below budgeted levels \$166,218 or 68% due to timing of advertisements.
- Sales/promotional travel costs are \$10,967 which is under budgeted levels by \$23,722 or 68% due to timing of travel.
- Governmental relations costs are \$2,505 which is below budget by \$22,305 or 90% due to timing of government related travel.
- Community events are \$33,300 which is above budgeted levels \$1,495 or 5% due to the TACFT expenses which will be offset in May with the sponsorships.
- Technical training is \$14,611 which is \$54,514 or 79% under budget due to timing or postponement of training.

Supplies are \$89,146 which is \$8,840 or 9% below budget primarily due to timing of purchases. It should be noted that due to increased fuel prices fuel is over budget \$8,075 or 35%.

Utilities at \$347,625 are under budget \$119,350 or 26% due to the timing of the receipt of the bill and related customer rebilling.

Business insurance is \$857,980, which is \$14,036 or 2% below budgeted levels.

Other services and charges at \$427,196 are \$21,173 or 5% above budget due to the purchase of the managed detection response software/subscription which 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 \$757,123 are \$150,787 or 25% 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.
- Sewer line repairs were \$4,331.
- Joint repairs at Berth 1 were \$17,600.
- Transformer oil change was \$7,311.
- Pallet stock and labor to repair pallets is \$30,249.

Depreciation expense at \$4,588,766 is \$13,277 or slightly above budget levels due to timing of additions.

Operating income is \$13,886,628 compared to a total fiscal year budget of \$18,424,600, shows a positive result for Fiscal Year 2022.

NON-OPERATING REVENUES (EXPENSES)

Ad Valorum 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 \$6,412,507 compared to an annual budget of \$6,422,200.

Investment income is (\$130,768) or 195% below budget due to change in fair market values (loss), increased funds invested, and low interest rates. Investment rates conditions are improving.

Debt interest and fees are \$5,466,688, which is \$150,723 or 3% above 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 \$1,208,237 in expenses/revenue for these projects.

Grant Revenue budgeted for the Fiscal Year 2022 is \$375,000. There has been \$140,549 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 \$140,195, 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>4/30/2022</u>	<u>9/30/2021</u>
ASSETS		
CURRENT ASSETS:		
CASH AND CASH EQUIVALENTS	\$ 45,968,512	\$ 57,580,744
INVESTMENTS	9,967,818	0
RECEIVABLES (net of allowance for uncollectibles):		
TRADE ACCOUNTS	4,713,319	5,042,395
PROPERTY TAXES	509,852	62,864
OTHER	645	40,032
OTHER GOVERNMENTS	641,051	652,143
ACCRUED INTEREST	1,049	0
PREPAIDS	1,434,739	928,156
INVENTORY	997,254	970,061
TOTAL UNRESTRICTED CURRENT ASSETS	\$ 64,234,239	\$ 65,276,395
RESTRICTED ASSETS:		
CASH AND CASH EQUIVALENTS	41,046,559	53,113,244
INVESTMENTS	45,262,371	44,746,721
RECEIVABLES (net of allowance for uncollectibles):		
PROPERTY TAXES	350,639	25,995
OTHER	-	501
ACCRUED INTEREST	300,033	232,719
BOND DISCOUNTS AND ISSUANCE COSTS	6,604	7,767
TOTAL RESTRICTED ASSETS	86,966,206	98,126,947
TOTAL CURRENT ASSETS	151,200,445	163,403,342
PROPERTY, PLANT, AND EQUIPMENT:		
PROPERTY, PORT, AND FACILITIES	496,947,830	468,198,940
LESS ACCUMULATED DEPRECIATION	(94,568,424)	(90,003,084)
PROPERTY, PLANT, AND EQUIPMENT NET	402,379,406	378,195,856
TOTAL ASSETS	\$ 553,579,851	\$ 541,599,198
LIABILITIES		
CURRENT LIABILITIES:		
ACCOUNTS PAYABLE	\$ 8,064,414	\$ 9,357,196
EQUIPMENT LEASE PAYABLE	1,489,502	1,489,502
ACCRUED COMPENSATED ABSENCES	195,296	333,519
UNEARNED LEASE INCOME	3,202,988	4,015,079
TOTAL CURRENT LIABILITIES	\$ 12,952,200	\$ 15,195,296
LIABILITIES PAYABLE FROM RESTRICTED ASSETS:		
ACCRUED BOND INTEREST PAYABLE	3,881,256	2,695,658
BONDS PAYABLE	5,630,000	5,630,000
TOTAL CURRENT LIABILITIES FROM RESTRICTED ASSETS	9,511,256	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	21,546,698	22,002,242
TOTAL NON-CURRENT LIABILITIES	272,664,538	273,120,082
TOTAL LIABILITIES	\$ 295,127,994	\$ 296,641,036
NET ASSETS		
NET INVESTMENT IN CAPITAL ASSETS	\$ 173,937,531	\$ 169,104,874
RESTRICTED-DEBT SERVICE	17,621,037	13,774,096
RESTRICTED-CAPITAL PROJECTS (Corps)	12,549	12,799
RESERVE FOR CAPITAL IMPROVEMENTS	14,109,197	10,495,791
UNRESTRICTED	52,771,543	51,570,602
TOTAL NET ASSETS	\$ 258,451,857	\$ 244,958,162

PORT FREEPORT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
April 30, 2022

	YEAR TO DATE	PRIOR YEAR TO DATE	% OVER (UNDER)	7 MONTHS BUDGET	% OVER (UNDER)	TOTAL 2021/2022 BUDGET
OPERATING REVENUES:						
Wharfage	\$ 8,367,232	\$ 7,629,642	10%	\$ 7,938,168	5%	\$ 13,608,300
Dockage & deep water berth	5,081,290	4,136,797	23%	4,587,394	11%	7,864,100
Equipment & pallet use fees	832,110	621,280	34%	745,384	12%	1,277,800
Facility use fees	1,052,086	626,894	68%	670,835	57%	1,150,000
Security Fees	1,681,443	1,375,831	22%	1,521,510	11%	2,608,300
Other Customer Service Fees	895,127	570,585	57%	627,508	43%	1,072,100
Ground leases	6,593,869	6,953,802	-5%	6,601,637	0%	11,300,600
Other leases	509,317	510,869	0%	551,106	-8%	944,700
Other revenue	21,101	3,904	440%	12,500	69%	25,000
Total Operating Revenues	25,033,575	22,429,604	12%	23,256,042	8%	39,850,900
OPERATING EXPENSES:						
Port salaries/wages	1,853,773	1,894,284	-2%	2,312,430	-20%	3,993,600
Port employee benefits	686,536	749,376	-8%	815,246	-16%	1,648,300
Professional services	1,297,157	1,174,872	10%	1,586,680	-18%	2,722,000
Training, travel, and promotional	241,645	148,986	62%	548,093	-56%	802,900
Supplies	89,146	71,287	25%	97,986	-9%	156,700
Utilities	347,625	438,308	-21%	466,975	-26%	800,500
Business Insurance	857,980	657,036	31%	872,016	-2%	1,557,500
Other services & charges	427,196	290,439	47%	406,023	5%	723,800
Maintenance & repair	757,123	583,534	30%	606,336	25%	927,300
Depreciation	4,588,766	4,813,345	-5%	4,575,489	0%	8,093,700
Total Operating Expenses	11,146,947	10,821,467	3%	12,287,274	-9%	21,426,300
OPERATING INCOME (LOSS)	13,886,628	11,608,137	20%	10,968,768	27%	18,424,600
NON-OPERATING REVENUES (EXPENSES)						
Ad Valorem tax collections	6,412,507	6,176,071	4%	6,445,540	-1%	6,422,200
Investment Income	(130,768)	47,542	-375%	137,500	-195%	200,000
Gain (loss) on sale of assets	-	460,196	-100%	-	0%	-
Debt interest and fees	(5,466,688)	(4,801,665)	14%	(5,315,965)	3%	(9,564,200)
CAPITAL CONTRIBUTIONS (TO) FROM OTHERS:						
Freeport Harbor Improvement Project	(1,208,237)	(4,398,304)	-73%	-	0%	(31,050,000)
Levee Stabilization - Reach 2	-	(17,134,963)	-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)	(393,186)	(19,361,923)	-98%	1,317,075	-130%	(33,942,000)
INCOME (LOSS) BEFORE CONTRIBUTIONS AND EXTRAORDINARY EXPENSE	13,493,442	(7,753,786)	-274%	12,285,843	10%	(15,517,400)
CAPITAL CONTRIBUTIONS:						
Grants:						
Grants Port-Freeport	140,549	-	0%	375,000	-63%	375,000
Total Capital Contributions-Grants	140,549	-	0%	375,000	-63%	375,000
EXTRAORDINARY ITEM						
Emergency Recovery Efforts - Hurricane	(140,195)	-	0%	-	0%	-
Net Extraordinary Income (Expense)	(140,195)	-	0%	-	0%	-
CHANGE IN NET POSITION	\$ 13,493,796	\$ (7,753,786)	-274%	\$ 12,660,843	7%	\$ (15,142,400)

STATEMENT OF CASH FLOWS

April 30, 2022

	YEAR TO DATE	PRIOR YEAR TO DATE
Cash Flows from Operating Activities:		
Operating Income (Loss)	\$ 13,886,628	\$ 11,608,137
Adjustments to Reconcile Operating Income (Loss) to Net Cash Flows from Operating Activities:		
Depreciation	4,588,766	4,813,345
Dredge Material Placement Fees	-	246,000
Change in Assets and Liabilities:		
Trade receivables	328,975	(1,406,619)
Other receivables	39,387	(9,810)
Inventories	(27,193)	92,036
Prepaid and Other	(506,082)	(652,812)
Accounts payable	(1,292,782)	(191,558)
Deferred lease income	(812,091)	(971,536)
Accrued compensated absences	<u>(138,223)</u>	<u>(132,971)</u>
Total Cash Provided from (Used for) Operating Activities	<u>16,067,385</u>	<u>13,394,212</u>
Cash Flows from Non-capital Financing Activities:		
Property tax receipts	5,694,821	5,397,145
Property tax collection expense	(53,946)	(51,791)
Emergency Recovery Efforts - Hurricane Related	<u>(140,195)</u>	<u>-</u>
Total Cash Provided from (Used for) Non-capital Financing Activities	<u>5,500,680</u>	<u>5,345,354</u>
Cash Flows from Capital Financing Activities:		
Principal payments under debt obligations	-	-
Interest and fees paid under debt obligations	(4,735,471)	(1,941,871)
Proceeds from sale of long-term debt obligations	-	37,135,000
Land, capital improvement, and equipment purchases	(28,772,316)	(28,899,602)
Other capital acquisition (costs) or recoveries, extraordinary	-	-
Capital contributions	(1,208,237)	(21,490,067)
Gants received	151,641	139,373
Proceeds from sale/disposal of capital assets	<u>-</u>	<u>460,196</u>
Total Cash Provided from (Used for) Capital Financing Activities	<u>(34,564,383)</u>	<u>(14,596,971)</u>
Cash Flows from Investing Activities:		
Investment earnings	547,320	384,880
Change in FMV of marketable investment securities	<u>(746,451)</u>	<u>(133,268)</u>
Total Cash Provided from (Used for) Investing Activities	<u>(199,131)</u>	<u>251,612</u>
Net Increase(Decrease) in Cash and Cash Equivalents	(13,195,449)	4,394,207
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>\$ 142,245,260</u>	<u>\$ 151,904,360</u>

NOTES TO FINANCIAL STATEMENTS

Note 1 - Accounts Receivable Aging

0 - 30 days	\$	4,425,699	93%
31 - 60 days		40,221	1%
61 - 90 days		43,431	1%
Over 90 days		246,683	5%
Allowance for uncollectibles		(42,715)	-1%
Net Trade A/R	\$	4,713,319	

Note 2 - Accounts Payable Information

Retainage Withheld	\$	6,557,870
Corps of Engineers*		620,518
Employee Payroll Related		6,706
Accounts Payable		879,320
Total A/P	\$	8,064,414

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	\$ 440,000	\$ 31,355,000
General Obligation Bonds, Series 2021	37,135,000	-	37,135,000
Senior Lien Revenue Refunding Bonds, Series 2013A	33,065,000	15,775,000	17,290,000
Senior Lien Revenue and Refunding Bonds, Series 2015A	39,635,000	4,695,000	34,940,000
Senior Lien Revenue and Refunding Bonds, Series 2018	32,865,000	1,595,000	31,270,000
Senior Lien Revenue and Refunding Bonds, Series 2019A	45,200,000	1,745,000	43,455,000
Senior Lien Revenue and Refunding Bonds, Series 2019B	29,480,000	1,145,000	28,335,000
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	\$ 34,922,658	\$ 258,237,342

Less Current Portion of Long-Term Debt Payable	\$	7,119,502
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
April 30, 2022

	YEAR	PRIOR YEAR	PRIOR YEAR	7	BUDGET	TOTAL
	TO-DATE	TO-DATE	% OVER (UNDER)	MONTHS BUDGET	% OVER (UNDER)	2022 BUDGET
COMMISSIONERS						
OPERATING EXPENSES:						
Port salaries/wages	\$ 33,600	\$ 33,600	0%	\$ 35,290	0%	\$ 60,500
Port employee benefits	43,440	56,222	-23%	49,294	0%	86,074
Professional services		\$ 10,000	-100%	-	0%	-
Training, travel & promotional	12,489	10,710	17%	43,644	-71%	72,500
Supplies	84	162	-48%	290	-71%	500
Utilities	4,434	4,434	0%	4,697	-6%	8,050
Total Operating Expenses	\$ 94,047	\$ 115,128	-18%	\$ 133,215	-29%	\$ 227,624

ADMINISTRATION & FOREIGN TRADE ZONE

OPERATING EXPENSES:						
Port salaries/wages	\$ 616,426	\$ 626,903	-2%	\$ 809,635	-24%	\$ 1,393,300
Port employee benefits	192,855	202,995	-5%	247,984	-22%	507,539
Professional services	269,716	228,147	18%	497,950	-46%	856,750
Training, travel & promotional	62,306	54,202	15%	105,955	-41%	180,800
Supplies	14,594	13,513	8%	19,811	-26%	31,550
Utilities	33,165	31,444	5%	39,845	-17%	68,300
Business Insurance	857,980	657,036	31%	872,016	-2%	1,557,500
Other services & charges	357,210	179,494	99%	282,065	27%	484,700
Maintenance & repair	53,752	55,091	-2%	260,554	-79%	339,150
Depreciation	4,588,766	4,813,345	-5%	4,575,489	0%	8,093,700
Total Operating Expenses	\$ 7,046,770	\$ 6,862,170	3%	\$ 7,711,304	-9%	\$ 13,513,289

ENGINEERING

OPERATING EXPENSES:						
Port salaries/wages	\$ 217,323	\$ 212,206	2%	\$ 249,665	-13%	\$ 428,000
Port employee benefits	79,580	79,526	0%	82,596	-4%	168,314
Professional services	34,698	8,850	292%	58,335	-41%	100,000
Training, travel & promotional	4,973	4,612	8%	16,880	-71%	28,800
Supplies	1,572	1,384	14%	3,470	-55%	5,950
Utilities	3,884	3,866	0%	4,144	-6%	7,100
Other services & charges	120	80	50%	1,519	-92%	2,600
Maintenance & repair	158	-	0%	294	-46%	500
Total Operating Expenses	\$ 342,308	\$ 310,524	10%	\$ 416,903	-18%	\$ 741,264

OPERATIONS

OPERATING EXPENSES:						
Port salaries/wages	\$ 726,283	\$ 774,829	-6%	\$ 891,634	-19%	\$ 1,539,209
Port employee benefits	277,610	312,776	-11%	322,113	-14%	652,675
Professional services	10,161	251	3948%	3,000	239%	4,000
Training, travel & promotional	10,813	5,367	101%	18,815	-43%	31,000
Supplies	45,177	32,585	39%	41,859	8%	68,450
Utilities	282,768	376,250	-25%	380,570	-26%	652,400
Other services & charges	36,316	53,538	-32%	86,242	-58%	174,450
Maintenance & repair	646,688	490,152	32%	309,668	109%	526,650
Total Operating Expenses	\$ 2,035,816	\$ 2,045,748	0%	\$ 2,053,901	-1%	\$ 3,648,834

PORT FREEPORT
OPERATING EXPENSES BY DEPARTMENT
April 30, 2022

	YEAR	PRIOR YEAR	PRIOR YEAR	7	BUDGET	TOTAL
	TO-DATE	TO-DATE	% OVER (UNDER)	MONTHS BUDGET	% OVER (UNDER)	2022 BUDGET
<u>BUSINESS DEVELOPMENT</u>						
OPERATING EXPENSES:						
Port salaries/wages	\$ 194,584	\$ 183,079	6%	\$ 246,995	-21%	\$ 436,800
Port employee benefits	72,442	73,488	-1%	88,927	-19%	183,568
Professional services	2,516	-	0%	-	0%	-
Training, travel & promotional	149,959	72,960	106%	355,144	-58%	476,900
Supplies	1,674	1,621	3%	2,535	-34%	4,350
Utilities	4,013	4,153	-3%	4,815	-17%	8,250
Other services & charges	11,144	37,133	-70%	13,127	-15%	22,500
Maintenance & repair	-	-	0%	-	0%	-
Total Operating Expenses	\$ 436,332	\$ 372,434	17%	\$ 711,543	-39%	\$ 1,132,368

PROTECTIVE SERVICES

OPERATING EXPENSES:						
Port salaries/wages	\$ 65,557	\$ 63,667	3%	\$ 79,211	-17%	\$ 135,791
Port employee benefits	20,609	24,369	-15%	24,332	-15%	50,130
Professional services	980,066	927,624	6%	1,027,395	-5%	1,761,250
Training, travel & promotional	1,105	1,135	-3%	7,655	-86%	12,900
Supplies	26,045	22,022	18%	30,021	-13%	45,900
Utilities	19,361	18,161	7%	32,904	-41%	56,400
Other services & charges	22,406	20,194	11%	23,070	-3%	39,550
Maintenance & repair	56,525	38,291	48%	35,820	58%	61,000
Total Operating Expenses	\$ 1,191,674	\$ 1,115,463	7%	\$ 1,260,408	-5%	\$ 2,162,921

CONSOLIDATED - TOTAL

OPERATING EXPENSES:						
Port salaries/wages	\$ 1,853,773	1,894,284	-2%	\$ 2,312,430	-20%	\$ 3,993,600
Port employee benefits	686,536	749,376	-8%	815,246	-16%	1,648,300
Professional services	1,297,157	1,174,872	10%	1,586,680	-18%	2,722,000
Training, travel & promotional	241,645	148,986	62%	548,093	-56%	802,900
Supplies	89,146	71,287	25%	97,986	-9%	156,700
Utilities	347,625	438,308	-21%	466,975	-26%	800,500
Business Insurance	857,980	657,036	31%	872,016	-2%	1,557,500
Other services & charges	427,196	290,439	47%	406,023	5%	723,800
Maintenance & repair	757,123	583,534	30%	606,336	25%	927,300
Depreciation	4,588,766	4,813,345	-5%	4,575,489	0%	8,093,700
Total Operating Expenses	\$ 11,146,947	\$ 10,821,467	3%	\$ 12,287,274	-9%	\$ 21,426,300

PORT FREEPORT - VELASCO TERMINAL ONLY

STATEMENT OF REVENUES AND EXPENSES

April 30, 2022

	YEAR TO DATE	PRIOR YEAR TO DATE	% OVER (UNDER)	7 MONTHS BUDGET	% OVER (UNDER)	TOTAL 2022 BUDGET
OPERATING REVENUES:						
Wharfage	\$ 1,003,983	\$ 735,594	36%	\$ 979,118	3%	\$ 1,678,494
Dockage & deep water berth	494,209	361,237	37%	517,209	-4%	886,642
Equipment & pallet use fees	714,260	586,594	22%	717,164	0%	1,229,420
Facility use fees	350,805	70,775	396%	39,610	786%	67,900
Security Fees	143,445	110,564	30%	153,997	-7%	263,992
Other Customer Service Fees	212,103	208,271	2%	-	0%	-
Ground leases	212,950	147,593	44%	272,629	-22%	450,874
Total Operating Revenues	3,131,755	2,220,628	41%	2,679,727	17%	4,577,322
OPERATING EXPENSES:						
Port salaries/wages	126,840	163,168	-22%	163,882	-23%	280,937
Port employee benefits	35,448	56,931	-38%	57,401	-38%	122,809
Training, travel, and promotional	-	-	0%	730	-100%	1,250
Utilities	62,322	62,615	0%	91,265	-32%	156,450
Business Insurance	189,319	190,331	-1%	193,323	-2%	344,907
Maintenance & repair	388,058	209,716	85%	92,497	320%	158,550
Depreciation	1,664,870	1,674,176	-1%	2,083,375	-20%	3,571,500
Total Operating Expenses	2,466,857	2,356,937	5%	2,682,473	-8%	4,636,403
OPERATING INCOME (LOSS)	664,898	(136,309)	588%	(2,746)	24313%	(59,081)
NON-OPERATING REVENUES (EXPENSES)						
Debt interest and fees	(1,164,970)	(372,977)	212%	(1,934,737)	-40%	(3,317,856)
Total Non-Operating Revenue (Expenses)	(1,164,970)	(372,977)	212%	(1,934,737)	-40%	(3,317,856)
CHANGE IN NET POSITION	\$ (500,072)	\$ (509,286)	-2%	\$ (1,937,483)	-74%	\$ (3,376,937)

PORT FREEPORT
Port Improvement Projects Summary
April 30, 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	10,208,362.95	82,857,443.53	93,065,806.48	27,506,734.42
EDSA	4,144,063.24	589,830.00	4,733,893.24		190,701.26	3,835,598.28	4,026,299.54	707,593.70
Construction	129,677,607.30	(13,873,326.98)	115,804,280.32		10,017,661.69	78,987,477.91	89,005,139.60	26,799,140.72
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	12,518,163.31	748,327.65	13,266,490.96	12,046,949.44
EDSA	46,652.40	392,100.00	438,752.40		11,215.65	222,091.65	233,307.30	205,445.10
Construction	24,874,688.00	0.00	24,874,688.00		12,506,947.66	526,236.00	13,033,183.66	11,841,504.34
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	4,599,909.86	0.00	4,599,909.86	750,000.00	385,339.24	4,214,570.62	4,599,909.86	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	4,599,909.86	0.00	4,599,909.86		385,339.24	4,214,570.62	4,599,909.86	0.00
Parcel 14 Rail Development Phase II	399,662.00	0.00	399,662.00	250,000.00	41,874.21	0.00	41,874.21	357,787.79
EDSA	399,662.00	0.00	399,662.00		41,874.21	0.00	41,874.21	357,787.79
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	2,988.90	92,961.92	95,950.82	432,443.39
EDSA	528,388.18	0.00	528,388.18		2,988.90	92,955.89	95,944.79	432,443.39
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	30,996,657.18	0.00	30,996,657.18	0.00	4,701,720.60	26,285,189.98	30,986,910.58	9,746.60
EDSA	1,911,657.18	0.00	1,911,657.18		9,646.60	1,892,263.98	1,901,910.58	9,746.60
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	\$ 27,994,753.38	\$ 114,478,774.37	\$ 142,473,527.75	\$ 40,396,735.09

Vendor Expenditure

Period: 04/01/22..04/30/22

Port Freeport

Friday, May 13, 2022

Page 1

FREEPORTMARY

This report also includes bank accounts that only have balances.

Bank Account: Date Filter: 04/01/22..04/30/22

Check Ledger Entry:

Check No.	Check Date	Vendor No.	Vendor Name	Check Amount	Line Amount
Invoice No.	PO No.	GL Account Name	Line Description		
90087	04/07/22	V00107	HDR, Inc	165,000.00	
123280		114861	FHIP Reach 1		165,000.00
123280		114861	FHIP - Reach 4		
123280		114861	Professional Services for the FHCIP Reach 1 & 4		
123280		114861	Project No. 20-06		
123280		114861	Board Approved 6/25/2020		
123280		114861	2019 GO Bond		
123280		114861	Other Accounts Payable (JE)		
			Line Amount Total		165,000.00
90088	04/07/22	V00007	Office Universe, Inc.	283.39	
123002		120715	Office Supplies		7.59
123313		120939	Office Supplies		275.80
			Line Amount Total		283.39
90089	04/07/22	V00011	Gulftex Vending	76.50	
123208		120928	Office Supplies		29.14
123208		120928	Office Supplies		14.57
123208		120928	Office Supplies		3.64
123208		120928	Office Supplies		14.58
123208		120928	Office Supplies		14.57
			Line Amount Total		76.50
90090	04/07/22	V00024	Waste Management	1,232.74	
123320		120945	Contract Services		125.00
123321		120946	Contract Services		559.40
123322		120947	Contract Services		548.34
			Line Amount Total		1,232.74
90091	04/07/22	V00038	Killum Pest Control	710.00	
123330		120372	Pest Control Services(Quarterly) Jan 2022-Dec 2022		
123330		120372	M&R Bldgs-Admin Bldg 1100 Cherry St		71.00
123330		120372	M&R Bldgs-Buildings VT Berth 7		71.00
123330		120372	M&R Bldgs-Scale House		71.00
123330		120372	M&R Bldgs-Maintenance Bldg		71.00
123330		120372	M&R Bldgs-Operations Bldg		71.00
123330		120372	M&R Transit Shed-T.S. 1		71.00
123330		120372	M&R Bldgs-Security Bldg		71.00
123330		120372	M&R Bldgs-Gate 4		71.00
123330		120372	M&R Bldgs-Gate 8-Guard Bldg		71.00
123330		120372	M&R Bldgs-Gate 14		71.00
			Line Amount Total		710.00
90092	04/07/22	V00045	Leo Martin Chevrolet	314.16	
123312		120948	M&R Vehicles-Chevy Tahoe		314.16
			Line Amount Total		314.16
90093	04/07/22	V00046	Sprint Waste Services	471.24	
123316		120944	Contract Services		471.24
			Line Amount Total		471.24
90094	04/07/22	V00054	Summit Electric Supply	1,168.55	
123225		120842	M&R Transit Shed-T.S. 3		172.44

Vendor Expenditure

Period: 04/01/22..04/30/22

Port Freeport

Friday, May 13, 2022

Page 2

FREEPORTMARY

Check No.	Check Date	Vendor No.	Vendor Name	Check Amount	
Invoice No.	PO No.	GL Account Name	Line Description	Line Amount	
123226	120843		M&R Transit Shed-T.S. 1	181.60	
123227	120844		M&R Transit Shed-T.S. 3	625.49	
123228	120852		M&R TOE-Gantry Crane	43.38	
123228	120852		M&R TOE-Gantry Crane	43.39	
123317	120950		M&R IT Equipment	102.25	
			Line Amount Total	1,168.55	
90095	04/07/22	V00070	Darlene Winkler	35.10	
123308	120938		Community Events	12.87	
123308	120938		Community Event-TACFT	22.23	
			Line Amount Total	35.10	
90096	04/07/22	V00071	Verizon Wireless	151.96	
123319	120940		Telephone	75.98	
123319	120940		Telephone	37.99	
123319	120940		Telephone	37.99	
			Line Amount Total	151.96	
90097	04/07/22	V00083	Jason Hull	177.70	
123311	120936		Telephone	136.75	
123311	120936		Governmental Relations Travel	40.95	
			Line Amount Total	177.70	
90098	04/07/22	V00096	Centerpoint Energy	23.39	
123307	120954		Water & Gas	23.39	
			Line Amount Total	23.39	
90099	04/07/22	V00103	Nicholas Malambri	414.48	
123326	120937		Telephone	225.00	
123326	120937		Construction in Progress	17.55	
123326	120937		M&R Other-Stormwater Outfall/Drainage	14.63	
123326	120937		M&R Leased Facilities-24A (Chiquita)	17.55	
123326	120937		Technical Training	99.75	
123326	120937		Dues & Memberships & Licenses	40.00	
			Line Amount Total	414.48	
90100	04/07/22	V00115	AT&T:979-373-0020 6635	1,104.61	
123329	120956		Telephone	419.74	
123329	120956		Telephone	209.88	
123329	120956		Telephone	55.23	
123329	120956		Telephone	209.88	
123329	120956		Telephone	209.88	
			Line Amount Total	1,104.61	
90101	04/07/22	V00147	Greater Angleton Chamber of Commerce	100.00	
123310	120951		Community Events	100.00	
			Line Amount Total	100.00	
90102	04/07/22	V00178	Waypoint	31,683.44	
123303	120600		Virtual Infrastructure Refresh	31,683.44	
123303	120600		TXDIR Quote:DIR-TSO-3763		
123303	120600		Board Approved: 02/24/2022		
			Line Amount Total	31,683.44	
90103	04/07/22	V00184	Dianna Kile	1,320.00	
123338	120965		Contract Labor Expense	880.00	
123339	120964		Contract Labor Expense	440.00	
			Line Amount Total	1,320.00	

Vendor Expenditure

Period: 04/01/22..04/30/22

Port Freeport

Friday, May 13, 2022

Page 3

FREEPORTMARY

Check No.	Check Date	Vendor No.	Vendor Name	Check Amount	
Invoice No.	PO No.	GL Account Name	Line Description	Line Amount	
90104	04/07/22	V00193	Grainger	118.93	
123309	120942		M&R Terminal Facilities-Other	118.93	
			Line Amount Total	118.93	
90105	04/07/22	V00210	Mimecast North America, Inc.	561.49	
123259	120830		Contract Services	561.49	
			Line Amount Total	561.49	
90106	04/07/22	V00218	Johnson Technical Services, Inc.	23,323.65	
123175	118675		2022 Cyber Security Upgrade	23,323.65	
123175	118675		Siklu Radio Installation		
123175	118675		Quote# JTSQ9836-02		
123175	118675		Texas DIR Contract # DIR-TSO-3965		
123175	118675		Commission Approved 8/12/2021		
			Line Amount Total	23,323.65	
90107	04/07/22	V00219	Toyotalift of Houston	901.14	
123233	120846		M&R TOE-Toyota Forklift	901.14	
			Line Amount Total	901.14	
90108	04/07/22	V00221	Dynamics Southwest, Inc.	56.25	
123324	120958		Contract Services	56.25	
			Line Amount Total	56.25	
90109	04/07/22	V00236	West Columbia Rotary Club	30.00	
123328	120959		Community Events	30.00	
			Line Amount Total	30.00	
90110	04/07/22	V00266	Pitney Bowes, Inc. Purchase Power	267.55	
123327	120952		Postage and Freight	8.88	
123327	120952		Postage and Freight	4.44	
123327	120952		Postage and Freight	17.74	
123327	120952		Postage and Freight	1.11	
123327	120952		Postage and Freight	4.44	
123327	120952		Postage and Freight	1.11	
123327	120952		Postage and Freight	1.11	
123327	120952		Postage and Freight	2.22	
123327	120952		Postage and Freight	4.44	
123314	120955		Postage and Freight	43.32	
123314	120955		Postage and Freight	21.67	
123314	120955		Postage and Freight	86.60	
123314	120955		Postage and Freight	5.42	
123314	120955		Postage and Freight	21.70	
123314	120955		Postage and Freight	5.42	
123314	120955		Postage and Freight	5.42	
123314	120955		Postage and Freight	10.84	
123314	120955		Postage and Freight	21.67	
			Line Amount Total	267.55	
90111	04/07/22	V00307	Joyce Hudman, County Clerk	6,429.60	
121922	119654		Construction in Progress	6,429.60	
			Line Amount Total	6,429.60	
90112	04/07/22	V00386	Industrial Disposal Supply Co., LLC	376.95	
123209	120850		M&R TOE-Street Sweeper	376.95	
			Line Amount Total	376.95	

Vendor Expenditure

Period: 04/01/22..04/30/22

Port Freeport

Friday, May 13, 2022

Page 4

FREEPORTMARY

Check No.	Check Date	Vendor No.	Vendor Name	Check Amount	
Invoice No.	PO No.	GL Account Name	Line Description	Line Amount	
90113	04/07/22	V00405	SLS Rigging LLC	41,043.70	
123294	120720		1370' 1-1/8 6X36WS EIP IWRS right regular lay wire		
123294	120720		rope.- MBL: 65 tons Wt. 2.34 lb / ft 1-length		
123294	120720		of 1370 ft India.		
123294	120720		& Pressure lube(1) cut. Lube all rope except first		
123294	120720		& last 50' of rope. Spool on customer's metal reel		
123294	120720		M&R TOE-Gantry Crane		4,161.30
123294	120720		M&R TOE-Gantry Crane		4,161.30
123297	120719		1295' 1-1/8 6X36WS EIP IWRC right regular lay wire		
123297	120719		rope- MBL: 65 tons Wt. 2.34 lb/ft 1-length of 1295		
123297	120719		India		
123297	120719		Pressure Lube(1) cut. Lube all rope except first		
123297	120719		& last 50' of rope. Spool on customer's metal reel		
123297	120719		M&R TOE-Gantry Crane		3,974.55
123297	120719		M&R TOE-Gantry Crane		3,974.55
123295	120740		1-1/4" 6X36WS EIP IWRC right regular lay wire rope		12,386.00
123295	120740		MBL: 79.9 tons Wt. 2.89 LB/FT 2 lengths of 2200ft.		
123295	120740		India		
123295	120740		1-1/4" 6X36WS EIP IWRC right regular lay wire rope		12,386.00
123295	120740		MBL: 79.9 tons Wt. 2.89 LB/FT 2 lengths of 2200ft.		
123295	120740		India		
			Line Amount Total		41,043.70
90114	04/07/22	V00436	Ultima Media	18,000.00	
123302	120693		Finished Vehicle Logistics North America Sponser		18,000.00
			Line Amount Total		18,000.00
90115	04/07/22	V00462	Texas Commission on Environmental Quality	50.00	
123318	120935		M&R Other-Stormwater Outfall/Drainage		50.00
			Line Amount Total		50.00
90116	04/07/22	V00625	PAS Property Acquisition Services LLC	6,050.00	
123337	120962		Construction in Progress		6,050.00
123337	120962		Professional Services Relocation Services-NTE		
			Line Amount Total		6,050.00
90117	04/07/22	V00627	Zeno Imaging	93.33	
123237	120880		Maint & Repair - Office Equipment		93.33
			Line Amount Total		93.33
90118	04/07/22	V00724	Williams M. Tigner II	700.00	
123340	120966		Construction in Progress		700.00
			Line Amount Total		700.00
90119	04/07/22	V00770	UniFirst Holdings Inc.	218.50	
123185	117829		Annual Contract - Ops Employees uniforms, mats		
123185	117829		towels, soap etc.		
123185	117829		Maint and Operations Supplies		49.19
123185	117829		Other Receivables		13.83
123185	117829		M&R Bldgs-Operations Bldg		
123185	117829		Annual Contract - EOC mats, soap etc.		
123185	117829		M&R Bldgs-Security Bldg		
123185	117829		Annual Contract - Admin mats, soap etc.		
123185	117829		M&R Bldgs-Admin Bldg 1100 Cherry St		
123185	117829		3Year Agreement Effective June 2021 - May 2023		
123185	117829		2% Annual Increase based on BuyBoard - No auto		

Vendor Expenditure

Period: 04/01/22..04/30/22

Port Freeport

Friday, May 13, 2022

Page 5

FREEPORTMARY

Check No.	Check Date	Vendor No.	Vendor Name	Check Amount	
Invoice No.	PO No.	GL Account Name	Line Description		Line Amount
123185	117829		renewal after the end of Year 3		
123185	117829		Year 1 of 3 Year Agreement June 2021 - May 2022		
123334	117829		Annual Contract - Ops Employees uniforms, mats		
123334	117829		towels, soap etc.		
123334	117829		Maint and Operations Supplies		127.82
123334	117829		Other Receivables		27.66
123334	117829		M&R Bldgs-Operations Bldg		
123334	117829		Annual Contract - EOC mats, soap etc.		
123334	117829		M&R Bldgs-Security Bldg		
123334	117829		Annual Contract - Admin mats, soap etc.		
123334	117829		M&R Bldgs-Admin Bldg 1100 Cherry St		
123334	117829		3Year Agreement Effective June 2021 - May 2023		
123334	117829		2% Annual Increase based on BuyBoard - No auto		
123334	117829		renewal after the end of Year 3		
123334	117829		Year 1 of 3 Year Agreement June 2021 - May 2022		
			Line Amount Total		218.50
90120	04/07/22	V00821	Summit Fire & Security	5,695.92	
123296	120840		M&R Terminal Facilities-Other		2,566.58
123298	120841		M&R Warehouse-WH51 Sprinkler System		3,129.34
			Line Amount Total		5,695.92
90121	04/07/22	V00862	Monument Surveys, LLC	541.25	
123336	120960		Construction in Progress		541.25
			Line Amount Total		541.25
90122	04/14/22	V00006	Michaela Bevers	75.00	
123409	121045		Telephone		75.00
			Line Amount Total		75.00
90123	04/14/22	V00009	Williams Diesel, Inc	1,367.24	
123370	120997		M&R TOE-Street Sweeper		4.21
123371	120998		M&R TOE-Hyster Forklift 440		902.54
123372	120999		M&R TOE-Toyota Forklift		3.85
123373	121000		M&R TOE-Street Sweeper		57.35
123374	121001		M&R TOE-Hyster Forklift 440		75.50
123375	121002		M&R TOE-Yard Truck-PF29		129.70
123376	121003		M&R TOE-Street Sweeper		130.35
123377	121004		M&R TOE-Yard Truck-PF30		63.74
			Line Amount Total		1,367.24
90124	04/14/22	V00013	Mary Campus	131.51	
123400	121043		Automobile Expense		80.15
123400	121043		Community Event-TACFT		51.36
			Line Amount Total		131.51
90125	04/14/22	V00021	Gulf Coast Paper Company	259.16	
123206	120865		Office Supplies		42.72
123206	120865		Office Supplies		21.36
123206	120865		Office Supplies		5.34
123206	120865		Office Supplies		21.36
123206	120865		Office Supplies		21.36
123207	120929		Office Supplies		36.23
123207	120929		Office Supplies		18.12
123207	120929		Office Supplies		4.53
123207	120929		Office Supplies		18.12
123207	120929		Office Supplies		18.12

Vendor Expenditure

Period: 04/01/22..04/30/22

Port Freeport

Friday, May 13, 2022

Page 6

FREEPORTMARY

Check No.	Check Date	Vendor No.	Vendor Name	Check Amount	
Invoice No.	PO No.	GL Account Name	Line Description	Line Amount	
123348	120972		Office Supplies	51.90	
			Line Amount Total	259.16	
90126	04/14/22	V00026	Lowe's	1,135.26	
123350	120941		Maint & Repair - Pallets	248.26	
123350	120941		M&R TOE-Gantry Crane	15.18	
123350	120941		M&R TOE-Gantry Crane	15.18	
123350	120941		M&R Roads-Other	856.64	
			Line Amount Total	1,135.26	
90127	04/14/22	V00030	Girouard's Ace Hardware	607.39	
123347	121015		M&R Transit Shed-T.S. 1	24.99	
123347	121015		M&R Other-Mowing, Weed Control Etc	74.51	
123347	121015		M&R Groundskeeping Equipment-5510 John Deere	6.48	
123347	121015		M&R Groundskeeping Equipment-5510 John Deere	56.72	
123347	121015		M&R Groundskeeping Equipment-5510 John Deere	12.88	
123347	121015		M&R Groundskeeping Equipment-5510 John Deere	30.07	
123347	121015		M&R Other-Mowing, Weed Control Etc	13.98	
123347	121015		M&R Other-Mowing, Weed Control Etc	56.06	
123347	121015		M&R Vehicles-Ford Pick Up	8.58	
123347	121015		M&R TOE-Gantry Crane	13.66	
123347	121015		M&R TOE-Gantry Crane	13.67	
123347	121015		M&R Warehouse-WH51 Sprinkler System	64.22	
123347	121015		M&R TOE-Toyota Forklift	7.59	
123347	121015		M&R TOE-Gantry Crane	3.20	
123347	121015		M&R Bldgs-Security Bldg	40.57	
123347	121015		M&R Bldgs-Gate 8-Guard Bldg	50.97	
123347	121015		M&R Bldgs-Gate 4	50.97	
123347	121015		Maint and Operations Supplies	25.75	
123347	121015		Office Supplies	13.99	
123347	121015		M&R Bldgs-Gate 4	2.99	
123347	121015		M&R Warehouse-WH51 Sprinkler System	35.54	
			Line Amount Total	607.39	
90128	04/14/22	V00039	Brazosport Tire	846.90	
123341	120990		M&R TOE-Street Sweeper	45.00	
123342	120991		M&R TOE-Toyota Forklift	408.45	
123343	120992		M&R TOE-Toyota Forklift	393.45	
			Line Amount Total	846.90	
90129	04/14/22	V00040	The Brazosport Facts	1,044.20	
123368	121024		Community Advertising	540.00	
123368	121024		Community Event-TACFT	140.00	
123368	121024		Legal Fees	364.20	
			Line Amount Total	1,044.20	
90130	04/14/22	V00041	Evco Industrial Hardware	793.27	
123389	121037		M&R Vehicles-Chevy Tahoe	39.83	
123389	121037		M&R TOE-General Terminal Ops Equip & Tools	29.99	
123390	121038		M&R TOE-Gantry Crane	153.83	
123390	121038		M&R TOE-Gantry Crane	153.82	
123391	121039		M&R TOE-Gantry Crane	207.90	
123391	121039		M&R TOE-Gantry Crane	207.90	
			Line Amount Total	793.27	

Vendor Expenditure

Period: 04/01/22..04/30/22

Port Freeport

Friday, May 13, 2022

Page 7

FREEPORTMARY

Check No.	Check Date	Vendor No.	Vendor Name	Check Amount	
	Invoice No.	PO No.	GL Account Name	Line Description	Line Amount
90131	04/14/22	V00049	Brazos Fasteners	62.02	
	123385	121011		M&R TOE-Gantry Crane	28.51
	123385	121011		M&R TOE-Gantry Crane	28.51
	123386	121040		M&R TOE-Yard Truck-PF29	5.00
				Line Amount Total	62.02
90132	04/14/22	V00054	Summit Electric Supply	529.06	
	123352	120984		M&R Transit Shed-T.S. Sprinkler System	307.28
	123353	120982		M&R Transit Shed-T.S. Sprinkler System	17.95
	123359	120983		M&R TOE-General Terminal Ops Equip & Tools	138.92
	123403	121034		M&R Leased Facilities-24A (Chiquita)	64.91
				Line Amount Total	529.06
90133	04/14/22	V00075	Vicki L. Smith	217.93	
	123405	121046		Telephone	75.00
	123414	121051		Flexible Spending Emp Reimbursement	142.93
				Line Amount Total	217.93
90134	04/14/22	V00080	On Hold Marketing Works	39.00	
	123335	120961		Lease Expense	39.00
				Line Amount Total	39.00
90135	04/14/22	V00083	Jason Hull	34.00	
	123349	121016		Flexible Spending Emp Reimbursement	34.00
				Line Amount Total	34.00
90136	04/14/22	V00087	Payment vendor ledger entry is not found check# 90136.	0.00	
				Line Amount Total	
90137	04/14/22	V00087	Payment vendor ledger entry is not found check# 90137.	0.00	
				Line Amount Total	
90138	04/14/22	V00087	Payment vendor ledger entry is not found check# 90138.	0.00	
				Line Amount Total	
90139	04/14/22	V00087	Reliant	59,181.84	
	123305	120934		Electricity	25,401.60
	123238	120888		Electricity	31.03
	123239	120889		Electricity	136.21
	123240	120890		Electricity	202.84
	123241	120891		Electricity	180.83
	123242	120893		Electricity	770.09
	123243	120894		Electricity	54.80
	123244	120895		Electricity	26.67
	123245	120896		Electricity	82.03
	123246	120898		Electricity	13.41
	123247	120899		Electricity	745.05
	123248	120900		Electricity	58.50
	123249	120902		Electricity	36.67
	123250	120903		Electricity	73.17
	123251	120905		Electricity	8.36
	123252	120906		Electricity	79.82
	123253	120907		Electricity	15.38
	123254	120909		Electricity	480.25

Vendor Expenditure

Period: 04/01/22..04/30/22

Port Freeport

Friday, May 13, 2022

Page 8

FREEPORTMARY

Check No.	Check Date	Vendor No.	Vendor Name	Check Amount	
Invoice No.	PO No.	GL Account Name	Line Description		Line Amount
123255	120911		Electricity		452.38
123256	120913		Electricity		51.74
123257	120914		Electricity		18.41
123258	120917		Electricity		783.55
123285	120892		Electricity		2,407.21
123286	120897		Electricity		3,836.31
123287	120901		Electricity		1,373.56
123288	120904		Electricity		6,344.40
123289	120908		Electricity		1,746.25
123290	120910		Electricity		1,072.54
123291	120912		Electricity		3,245.48
123292	120915		Electricity		8,200.77
123293	120916		Electricity		1,252.53
			Line Amount Total		59,181.84
90140	04/14/22	V00091	Wells Fargo	17,434.97	
123369	120971		Other Accounts Payable (JE)		17,434.97
			Line Amount Total		17,434.97
90141	04/14/22	V00098	Suburban Propane	498.33	
123402	121036		Fuel/Oil		498.33
			Line Amount Total		498.33
90142	04/14/22	V00101	Sunstates Security, LLC	63,538.62	
123360	120980		Security Service Fees		30,143.83
123361	120979		Security Service Fees		833.18
123362	120978		Security Service Fees		1,040.58
123363	120977		Security Service Fees		232.88
123364	120976		Security Service Fees		828.00
123365	120975		Security Service Fees		29,317.82
123366	120974		Security Service Fees		823.23
123367	120973		Security Service Fees		319.10
			Line Amount Total		63,538.62
90143	04/14/22	V00110	Jason Miura	431.15	
123396	121030		Flexible Spending Emp Reimbursement		80.00
123397	121044		Telephone		136.75
123397	121044		Commercial Events		28.31
123397	121044		Sales/Promotion Travel		186.09
			Line Amount Total		431.15
90144	04/14/22	V00150	Brazoria County Clerk's Office	200.00	
123387	121025		Office Supplies		200.00
			Line Amount Total		200.00
90145	04/14/22	V00161	Strategic Roofing Solutions LLC	151,594.60	
123333	119174		Furnish labor, materials, equip. & insurance for		
123333	119174		Hurricane Nicholas Emergency Roof Repair		
123333	119174		Emergency Recovery Efforts - Hurricane		
123333	119174		Entrance Building Repairs (Gate 8)		
123333	119174		Emergency Recovery Efforts - Hurricane		
123333	119174		Replace decking at corner & reroof. New stainless		
123333	119174		steel gutter (TS#1)		
123333	119174		Roof Replacement 801 Port Road		88,045.00
123333	119174		Full standing seam roof replacement(Chiquita Main)		
123333	119174		Roof replacement 801D Port Road		
123333	119174		Metal roof over truck scale, full standing seam		

Vendor Expenditure

Period: 04/01/22..04/30/22

Port Freeport

Friday, May 13, 2022

Page 9

FREEPORTMARY

Check No.	Check Date	Vendor No.	Vendor Name	Check Amount	
Invoice No.	PO No.	GL Account Name	Line Description		Line Amount
123333	119174		replacement, one window (Chiquita)		
123333	119174		BOARD NOTIFIED 9/23/21		
123357	119174		Furnish labor, materials, equip. & insurance for		
123357	119174		Hurricane Nicholas Emergency Roof Repair		
123357	119174		Emergency Recovery Efforts - Hurricane		
123357	119174		Entrance Building Repairs (Gate 8)		
123357	119174		Emergency Recovery Efforts - Hurricane		
123357	119174		Replace decking at corner & reroof. New stainless		
123357	119174		steel gutter (TS#1)		
123357	119174		Roof Replacement 801 Port Road		
123357	119174		Full standing seam roof replacement(Chiquita Main)		
123357	119174		Roof replacement 801D Port Road		63,549.60
123357	119174		Metal roof over truck scale, full standing seam		
123357	119174		replacement, one window (Chiquita)		
123357	119174		BOARD NOTIFIED 9/23/21		
			Line Amount Total		151,594.60
90146	04/14/22	V00178	Waypoint	207.84	
123323	120949		Contract Services		207.84
			Line Amount Total		207.84
90147	04/14/22	V00184	Dianna Kile	1,320.00	
123410	121029		Contract Labor Expense		1,320.00
			Line Amount Total		1,320.00
90148	04/14/22	V00192	Glomar International, Inc.	2,184.33	
123392	120985		M&R TOE-Gantry Crane		79.88
123392	120985		M&R TOE-Gantry Crane		79.89
123393	120989		M&R TOE-Gantry Crane		49.39
123393	120989		M&R TOE-Gantry Crane		49.40
123394	121009		M&R TOE-Gantry Crane		494.44
123394	121009		M&R TOE-Gantry Crane		494.45
123395	121010		M&R TOE-Gantry Crane		468.44
123395	121010		M&R TOE-Gantry Crane		468.44
			Line Amount Total		2,184.33
90149	04/14/22	V00194	Johnson Supply	388.18	
123398	121012		M&R TOE-Gantry Crane		194.09
123398	121012		M&R TOE-Gantry Crane		194.09
			Line Amount Total		388.18
90150	04/14/22	V00221	Dynamics Southwest, Inc.	225.00	
123388	121048		Contract Services		225.00
			Line Amount Total		225.00
90151	04/14/22	V00250	Lincoln National Life Insurance Company	3,845.24	
123411	121017		Retirement Expense		278.99
123411	121017		Retirement Expense		145.44
123411	121017		Retirement Expense		471.03
123411	121017		Retirement Expense		11.13
123411	121017		Retirement Expense		105.36
123411	121017		Retirement Expense		37.10
123411	121017		Retirement Expense		68.64
123411	121017		Retirement Expense		53.43
123411	121017		Retirement Expense		37.10
123412	121018		Group STD Insurance		316.22
123412	121018		Group STD Insurance		176.16

Vendor Expenditure

Period: 04/01/22..04/30/22

Port Freeport

Friday, May 13, 2022

Page 10

FREEPORTMARY

Check No.	Check Date	Vendor No.	Vendor Name	Check Amount	
Invoice No.	PO No.	GL Account Name	Line Description		Line Amount
123412	121018		Group STD Insurance		512.60
123412	121018		Group STD Insurance		17.83
123412	121018		Group STD Insurance		134.83
123412	121018		Group STD Insurance		51.60
123412	121018		Group STD Insurance		131.83
123412	121018		Group STD Insurance		54.13
123412	121018		Group STD Insurance		93.09
123412	121018		Group LTD Insurance		263.89
123412	121018		Group LTD Insurance		145.17
123412	121018		Group LTD Insurance		345.39
123412	121018		Group LTD Insurance		10.78
123412	121018		Group LTD Insurance		134.14
123412	121018		Group LTD Insurance		48.65
123412	121018		Group LTD Insurance		91.97
123412	121018		Group LTD Insurance		32.71
123412	121018		Group LTD Insurance		76.03
			Line Amount Total		3,845.24
90152	04/14/22	V00392	United Way of Brazoria County	150.00	
123407	121020		Community Events		150.00
			Line Amount Total		150.00
90153	04/14/22	V00431	West Columbia Chamber	500.00	
123408	121019		Community Events		500.00
			Line Amount Total		500.00
90154	04/14/22	V00517	Covenant K9 Detection Services	5,250.00	
123345	119365		Security Service Fees		5,250.00
123345	119365		Day Rate for K9 Detection Services (6 hours / Day		
123345	119365		October 2021 - September 2022		
123345	119365		Board Approved 9/23/2021		
			Line Amount Total		5,250.00
90155	04/14/22	V00663	B&K Motor Parts, Inc	2,253.52	
123344	120967		M&R TOE-Caterpillar		63.25
123344	120967		Maint and Operations Supplies		118.29
123344	120967		M&R TOE-Yard Truck-PF01		300.23
123344	120967		M&R TOE-Yard Truck-PF29		300.24
123344	120967		Maint and Operations Supplies		56.33
123344	120967		M&R TOE-Toyota Forklift		138.39
123344	120967		M&R TOE-Toyota Forklift		74.33
123344	120967		M&R TOE-Hyster Forklift 440		278.94
123344	120967		Maint and Operations Supplies		108.78
123344	120967		M&R TOE-Street Sweeper		18.70
123344	120967		Maint and Operations Supplies		63.34
123344	120967		M&R Vehicles-Ford Explorer		94.81
123344	120967		M&R TOE-Street Sweeper		448.49
123344	120967		M&R Vehicles-Chevy Tahoe		45.28
123344	120967		Fuel/Oil		144.12
			Line Amount Total		2,253.52
90156	04/14/22	V00668	DARE Capital Partners, LLC	1,226.09	
123346	120993		M&R Other-Mowing, Weed Control Etc		1,226.09
			Line Amount Total		1,226.09

Vendor Expenditure

Period: 04/01/22..04/30/22

Port Freeport

Friday, May 13, 2022

Page 11

FREEPORTMARY

Check No.	Check Date	Vendor No.	Vendor Name	Check Amount	
Invoice No.	PO No.	GL Account Name	Line Description	Line Amount	
90157	04/14/22	V00689	Luz Martinez	19.31	
123399	121047		Automobile Expense		19.31
			Line Amount Total		19.31
90158	04/14/22	V00697	Northern Safety Co., Inc.	1,165.78	
123378	121005		Safety Supplies		207.78
123401	121041		Safety Supplies		958.00
			Line Amount Total		1,165.78
90159	04/14/22	V00725	Markit Group Limited	14,035.77	
123383	120253		PIERS Professional / IT Legacy Online		4,678.59
123383	120253		Jan 1 - April 30		
123383	120253		PIERS Professional / IT Legacy Online		9,357.18
123383	120253		May - Dec 2022		
			Line Amount Total		14,035.77
90160	04/14/22	V00726	Shermco Industries, Inc.	12,226.50	
123355	120988		M&R TOE-Gantry Crane		6,230.00
123356	118944		Breaker Maintenance		
123356	118944		Main Transformer Breaker & ISU Main Breaker for		
123356	118944		Crane 1 & 2		
123356	118944		M&R TOE-Gantry Crane		2,392.00
123356	118944		M&R TOE-Gantry Crane		
123356	118944		Quote# SIQ-03460-21		
123380	118944		Breaker Maintenance		
123380	118944		Main Transformer Breaker & ISU Main Breaker for		
123380	118944		Crane 1 & 2		
123380	118944		M&R TOE-Gantry Crane		
123380	118944		M&R TOE-Gantry Crane		2,392.00
123380	118944		Quote# SIQ-03460-21		
123413	121035		M&R Terminal Facilities-Other		1,212.50
			Line Amount Total		12,226.50
90161	04/14/22	V00755	Vogel Digital Marketing	225.00	
123406	121027		Industry Advertising		225.00
			Line Amount Total		225.00
90162	04/14/22	V00821	Summit Fire & Security	1,625.00	
123358	120739		M&R Transit Shed-T.S. Sprinkler System		1,625.00
123358	120739		Perform annual inspection of (25) backflow		
123358	120739		protectors		
123358	120739		If blackflow is located in a pit & must be pumped		
123358	120739		out before the inspection can be performed, an \$85		
123358	120739		additional fee will be charged per pit pumped		
123358	120739		Quote No. 2013746		
			Line Amount Total		1,625.00
90163	04/14/22	V00856	Southern Gulf Solutions	17,600.00	
123354	120427		M&R Docks-Dock Berth 1		17,600.00
123354	120427		Dock 1 Expansion Joint Repairs		
			Line Amount Total		17,600.00
90164	04/21/22	V00085	Moffatt & Nichol	13,439.40	
123331	109484		Professional Services for the Velasco Terminal		
123331	109484		Berths 8 & 9		
123331	109484		Construction in Progress		

Vendor Expenditure

Period: 04/01/22..04/30/22

Port Freeport

Friday, May 13, 2022

Page 12

FREEPORTMARY

Check No.	Check Date	Vendor No.	Vendor Name	Check Amount	
Invoice No.	PO No.	GL Account Name	Line Description		Line Amount
123331	109484		Board Approved 1/24/19		
123331	109484		Change Order #1		
123331	109484		Construction in Progress		11,111.30
123331	109484		Board Approved 1/28/2021		
123332	117346		Construction in Progress		2,328.10
123332	117346		Velasco Terminal Ro/Ro Ramp @ Berth8		
123332	117346		Board Approved 3/25/2021		
			Line Amount Total		13,439.40
90165	04/21/22	V00001	Time Management	1,300.00	
123466	119523		Renewal of Storage Building Lease		1,300.00
123466	119523		January 1, 2022 to December 31, 2022		
			Line Amount Total		1,300.00
90166	04/21/22	V00005	Phyllis Saathoff	2,279.66	
123452	121054		Telephone		136.75
123452	121054		Sales/Promotion Travel		130.60
123452	121054		Governmental Relations Travel		140.13
123452	121054		Technical Training		1,872.18
			Line Amount Total		2,279.66
90167	04/21/22	V00012	FedEx	35.89	
123204	120866		Postage and Freight		14.38
123204	120866		Postage and Freight		7.66
123204	120866		Postage and Freight		13.85
			Line Amount Total		35.89
90168	04/21/22	V00021	Gulf Coast Paper Company	741.07	
123439	121090		Office Supplies		518.61
123441	120994		Office Supplies		222.46
			Line Amount Total		741.07
90169	04/21/22	V00023	Patrick's Enterprises, Inc.	12.00	
123450	121006		M&R Bldgs-Operations Bldg		12.00
			Line Amount Total		12.00
90170	04/21/22	V00044	Ready Refresh	256.71	
123456	121082		Office Supplies		25.86
123456	121082		Office Supplies		12.94
123456	121082		Office Supplies		3.23
123456	121082		Office Supplies		12.94
123456	121082		Office Supplies		188.80
123456	121082		Office Supplies		12.94
			Line Amount Total		256.71
90171	04/21/22	V00053	Shred It Houston	190.24	
123315	120943		Office Supplies		37.12
123315	120943		Office Supplies		18.56
123315	120943		Office Supplies		74.24
123315	120943		Office Supplies		4.64
123315	120943		Office Supplies		18.56
123315	120943		Office Supplies		4.64
123315	120943		Office Supplies		4.64
123315	120943		Office Supplies		9.28
123315	120943		Office Supplies		18.56
			Line Amount Total		190.24

Vendor Expenditure

Period: 04/01/22..04/30/22

Port Freeport

Friday, May 13, 2022

Page 13

FREEPORTMARY

Check No.	Check Date	Vendor No.	Vendor Name	Check Amount	
	Invoice No.	PO No.	GL Account Name	Line Description	Line Amount
90172	04/21/22	V00054	Summit Electric Supply	1,199.59	
	123457	121049		M&R Bldgs-Operations Bldg	103.70
	123458	120996		M&R Transit Shed-T.S. Sprinkler System	13.20
	123459	120995		M&R Transit Shed-T.S. Sprinkler System	831.66
	123460	121014		M&R TOE-General Terminal Ops Equip & Tools	251.03
				Line Amount Total	1,199.59
90173	04/21/22	V00062	AT&T Mobility	465.21	
	123415	121081		Telephone	97.58
	123415	121081		Telephone	192.45
	123415	121081		Telephone	87.59
	123415	121081		Telephone	87.59
				Line Amount Total	465.21
90174	04/21/22	V00075	Vicki L. Smith	387.53	
	123475	121073		Flexible Spending Emp Reimbursement	387.53
				Line Amount Total	387.53
90175	04/21/22	V00097	Comcast Business	2,537.78	
	123422	121028		Contract Services	2,537.78
				Line Amount Total	2,537.78
90176	04/21/22	V00098	Suburban Propane	920.97	
	123461	121064		Fuel/Oil	920.97
				Line Amount Total	920.97
90177	04/21/22	V00100	LJA Engineering Inc.	2,391.12	
	123351	111718		Construction In Progress-Area 3	
	123351	111718		Construction In Progress-Area 4	2,391.12
	123351	111718		Construction In Progress-Area 5 Phase II	
	123351	111718		Construction in Progress-Area 4	
	123351	111718		Balance carried over from PO# 10615	
	123351	111718		Board Approved 11/14/13	
				Line Amount Total	2,391.12
90178	04/21/22	V00101	Sunstates Security, LLC	31,428.16	
	123462	121089		Security Service Fees	29,494.60
	123463	121088		Security Service Fees	882.34
	123464	121087		Security Service Fees	759.47
	123465	121086		Security Service Fees	291.75
				Line Amount Total	31,428.16
90179	04/21/22	V00117	Jason Caywood	225.00	
	123443	121091		Telephone	225.00
				Line Amount Total	225.00
90180	04/21/22	V00119	JH Sanchez Holding Company	6,235.00	
	123444	120825		Janitorial Services February 2022 - March 2023	
	123444	120825		M&R Bldgs-Admin Bldg 1100 Cherry St	895.95
	123444	120825		M&R Bldgs-Security Bldg	895.95
	123444	120825		M&R Bldgs-Operations Bldg	895.96
	123444	120825		M&R Bldgs-Buildings VT Berth 7	895.96
	123444	120825		M&R Bldgs-Buildings VT Berth 7	895.96
	123444	120825		M&R Transit Shed-T.S. 3	318.63
	123444	120825		M&R Bldgs-Maintenance Bldg	540.63
	123444	120825		M&R Bldgs-Security Bldg	895.96
	123444	120825		3rd Year of 3 Year Contract Feb 2022 - Jan 2023	

Check No.	Check Date	Vendor No.	Vendor Name	Check Amount	
Invoice No.	PO No.	GL Account Name	Line Description		Line Amount
123444	120825		Board Approved 1/23/2020		
			Line Amount Total		6,235.00
90181	04/21/22	V00125	AT&T:979-230-9161 754-5	426.51	
123416	121084		Telephone		46.15
123416	121084		Telephone		46.15
123416	121084		Telephone		334.21
			Line Amount Total		426.51
90182	04/21/22	V00149	Brazoria Chamber of Commerce	150.00	
123417	121060		Community Events		150.00
123417	121060		June 10-11		
			Line Amount Total		150.00
90183	04/21/22	V00166	Van Scoyoc Associates	11,029.40	
123474	115717		Consultant Fees - Other		11,000.00
123474	115717		Govt. Liaison Service Agreement Oct.2020-Sept 2023		
123474	115717		Consultant Fees - Other		29.40
123474	115717		Expenses Incurred-Not to exceed \$8K over course of		
123474	115717		3yrs contract-CA 10/8/2020		
			Line Amount Total		11,029.40
90184	04/21/22	V00178	Waypoint	1,180.00	
123476	120968		Contract Services		1,180.00
			Line Amount Total		1,180.00
90185	04/21/22	V00181	Canon Solutions America, Inc.	535.20	
123419	121022		Maint & Repair - Office Equipment		238.60
123420	121023		Maint & Repair - Office Equipment		296.60
			Line Amount Total		535.20
90186	04/21/22	V00184	Dianna Kile	1,760.00	
123427	121072		Contract Labor Expense		1,760.00
			Line Amount Total		1,760.00
90187	04/21/22	V00187	Brazoria County Septic Service	1,477.00	
123418	121065		Contract Services		1,477.00
			Line Amount Total		1,477.00
90188	04/21/22	V00189	Energia Resources, Inc.	227.00	
123429	120987		M&R TOE-Gantry Crane		89.50
123429	120987		M&R TOE-Gantry Crane		89.50
123430	121033		M&R TOE-Gantry Crane		24.00
123430	121033		M&R TOE-Gantry Crane		24.00
			Line Amount Total		227.00
90189	04/21/22	V00219	Toyotalift of Houston	1,326.05	
123471	121007		M&R TOE-Toyota Forklift		770.41
123472	121013		M&R TOE-Toyota Forklift		335.29
123472	121013		M&R TOE-Toyota Forklift		220.35
			Line Amount Total		1,326.05
90190	04/21/22	V00242	Detail Products Inc.	431.45	
123325	120957		Promotional Items - Community		431.45
			Line Amount Total		431.45
90191	04/21/22	V00270	The Bulletin	835.00	
123468	121042		Community Event-TACFT		750.00

Check No.	Check Date	Vendor No.	Vendor Name	Check Amount	
Invoice No.	PO No.	GL Account Name	Line Description		Line Amount
123467	121069		Community Advertising		85.00
			Line Amount Total		835.00
90192	04/21/22	V00289	Pearland Chamber of Commerce	450.00	
123451	121074		Dues & Memberships & Licenses		450.00
			Line Amount Total		450.00
90193	04/21/22	V00307	Joyce Hudman, County Clerk	32,382.00	
123445	121076		Construction in Progress		32,382.00
			Line Amount Total		32,382.00
90194	04/21/22	V00376	The Goodman Corporation	5,875.00	
123384	121026		Consultant Fees - Other		5,875.00
123384	121026		Port Infrastructure Development Program		
123384	121026		Grant Application FY22		
123384	121026		Board Approved 2/24/2022		
			Line Amount Total		5,875.00
90195	04/21/22	V00608	Economic Development Alliance for Brazoria County	64.00	
123479	121067		Community Events		64.00
			Line Amount Total		64.00
90196	04/21/22	V00638	Classic Forms and Products, Inc.	1,446.18	
123421	120920		Promotional Items - Commercial		1,372.50
123421	120920		150 black/charcoal mesh Richardson trucker hats		
123421	120920		PF flag embroidered to match charcoal mesh		
123421	120920		Quotation 2882		
123421	120920		Delivery Fee		73.68
			Line Amount Total		1,446.18
90197	04/21/22	V00647	Exagono dba Brand Fire Texas	2,772.05	
123431	121052		Community Event-TACFT		207.00
123432	121053		Community Event-TACFT		323.03
123433	121068		Community Event-TACFT		513.73
123434	121070		Community Event-TACFT		415.79
123435	121058		TACFT 2022- Goodie item / Event bag		
123435	121058		LED Camping Hanging Lamp w/batteries		758.00
123435	121058		Discounted / donated rate		-18.00
123435	121058		Set-up Fee		22.50
123435	121058		Estimate 36486		
123435	121058		50% deposit required when ordered \$762.50		
123435	121058		Remaining balance due upon receipt of product		
123435	121058		\$762.50		
123436	121057		TACFT-2022 Goodie Item/Event Bag		
123436	121057		Folding Fishing Bucket		608.00
123436	121057		Discounted/donated rate		-58.00
123436	121057		Set-up fee not applicable		
123436	121057		Estimate 220404_13		
123436	121057		50% Deposit required when ordered		
123436	121057		\$550		
123436	121057		Remaining balance due upon receipt of product \$550		
			Line Amount Total		2,772.05
90198	04/21/22	V00668	DARE Capital Partners, LLC	3,205.30	
123423	121061		M&R Other-Mowing, Weed Control Etc		915.80
123424	121062		M&R Other-Mowing, Weed Control Etc		964.00

Vendor Expenditure

Period: 04/01/22..04/30/22

Port Freeport

Friday, May 13, 2022

Page 16

FREEPORTMARY

Check No.	Check Date	Vendor No.	Vendor Name	Check Amount	
Invoice No.	PO No.	GL Account Name	Line Description	Line Amount	
123425		121063	M&R Other-Mowing, Weed Control Etc	1,325.50	
			Line Amount Total	3,205.30	
90199	04/21/22	V00770	UniFirst Holdings Inc.	148.14	
123473		117829	Annual Contract - Ops Employees uniforms, mats		
123473		117829	towels, soap etc.		
123473		117829	Maint and Operations Supplies	134.31	
123473		117829	Other Receivables	13.83	
123473		117829	M&R Bldgs-Operations Bldg		
123473		117829	Annual Contract - EOC mats, soap etc.		
123473		117829	M&R Bldgs-Security Bldg		
123473		117829	Annual Contract - Admin mats, soap etc.		
123473		117829	M&R Bldgs-Admin Bldg 1100 Cherry St		
123473		117829	3Year Agreement Effective June 2021 - May 2023		
123473		117829	2% Annual Increase based on BuyBoard - No auto		
123473		117829	renewal after the end of Year 3		
123473		117829	Year 1 of 3 Year Agreement June 2021 - May 2022		
			Line Amount Total	148.14	
90200	04/21/22	V00808	Whitener Enterprises Inc.	2,183.34	
123478		120953	600 gallons of Unleaded Fuel for Tank	2,183.34	
			Line Amount Total	2,183.34	
90201	04/21/22	V00809	Thomson Reuters Holdings Inc.	187.00	
123469		118864	Subscriptions	187.00	
123469		118864	Monthly Feature Fee for CLEAR Investigation/		
123469		118864	Background Services for 1 Year		
123469		118864	October 2021 - September 2022		
			Line Amount Total	187.00	
90202	04/21/22	V00159	Principal Life Insurance-PLIC-SBD Grand Island	1,171.29	
123454		121055	Group Life Insurance	314.27	
123454		121055	Group Life Insurance	143.05	
123454		121055	Group Life Insurance	327.94	
123454		121055	Group Life Insurance	11.04	
123454		121055	Group Life Insurance	119.23	
123454		121055	Group Life Insurance	50.05	
123454		121055	Group Life Insurance	94.21	
123454		121055	Group Life Insurance	33.48	
123454		121055	Group Life Insurance	78.02	
			Line Amount Total	1,171.29	
90203	04/21/22	V00159	Principal Life Insurance-PLIC-SBD Grand Island	2,901.24	
123455		121056	Group Dental Insurance	401.36	
123455		121056	Group Dental Insurance	246.13	
123455		121056	Group Dental Insurance	722.39	
123455		121056	Group Dental Insurance	12.99	
123455		121056	Group Dental Insurance	292.23	
123455		121056	Group Dental Insurance	67.03	
123455		121056	Group Dental Insurance	231.22	
123455		121056	Group Dental Insurance	123.26	
123455		121056	Group Dental Insurance	164.44	
123455		121056	Group Dental Insurance	93.00	
123455		121056	Other Receivables	51.43	
123455		121056	Group Vision Insurance	79.74	

Port Freeport

FREEPORT\MARY

Unaudited
Page 32 of 34

Vendor Expenditure

Period: 04/01/22..04/30/22

Port Freeport

Friday, May 13, 2022

Page 19

FREEPORTMARY

Check No.	Check Date	Vendor No.	Vendor Name	Check Amount	
Invoice No.	PO No.	GL Account Name	Line Description		Line Amount
90210 04/28/22	V00041	Evco Industrial Hardware		273.73	
123514	121167		Safety Supplies		105.14
123515	121170		M&R TOE-Gantry Crane		84.29
123515	121170		M&R TOE-Gantry Crane		84.30
			Line Amount Total		273.73
90211 04/28/22	V00062	AT&T Mobility		342.40	
123502	121121		Telephone		85.60
123502	121121		Telephone		214.00
123502	121121		Telephone		42.80
			Line Amount Total		342.40
90212 04/28/22	V00088	Blue Cross Blue Shield of Texas		68,501.13	
123483	121110		Other Receivables		1,985.54
123484	121111		Group Medical Insurance		11,416.85
123484	121111		Group Medical Insurance		7,942.16
123484	121111		Group Medical Insurance		23,826.48
123484	121111		Group Medical Insurance		496.39
123484	121111		Group Medical Insurance		6,949.39
123484	121111		Group Medical Insurance		992.77
123484	121111		Group Medical Insurance		5,956.62
123484	121111		Group Medical Insurance		4,963.85
123484	121111		Group Medical Insurance		1,985.54
123484	121111		Group Medical Insurance		1,985.54
			Line Amount Total		68,501.13
90213 04/28/22	V00101	Sunstates Security, LLC		31,673.40	
123506	121116		Security Service Fees		155.25
123507	121117		Security Service Fees		597.71
123508	121119		Security Service Fees		866.81
123571	121118		Security Service Fees		30,053.63
			Line Amount Total		31,673.40
90214 04/28/22	V00187	Brazoria County Septic Service		1,688.00	
123557	121159		Contract Services		1,688.00
			Line Amount Total		1,688.00
90215 04/28/22	V00193	Grainger		55.32	
123438	121066		M&R Transit Shed-T.S. Sprinkler System		48.41
123488	121105		M&R TOE-Gantry Crane		3.45
123488	121105		M&R TOE-Gantry Crane		3.46
			Line Amount Total		55.32
90216 04/28/22	V00278	Angleton Flower Shop		140.00	
123509	121124		Office Supplies		140.00
			Line Amount Total		140.00
90217 04/28/22	V00344	Brazosport College Foundation		250.00	
123485	121109		Community Events		250.00
			Line Amount Total		250.00
90218 04/28/22	V00405	SLS Rigging LLC		5,308.00	
123493	120981		Small spooling truck w/2-men, installation,		5,308.00
123493	120981		per diem (hotels/meals), mileage		
123493	120981		(9 hrs per day X 2 men)		
			Line Amount Total		5,308.00

Vendor Expenditure

Period: 04/01/22..04/30/22

Port Freeport

Friday, May 13, 2022

Page 20

FREEPORTMARY

Check No.	Check Date	Vendor No.	Vendor Name	Check Amount	
	Invoice No.	PO No.	GL Account Name	Line Description	Line Amount
90219	04/28/22	V00499	Occupational Health Centers of the Southwest, PA	233.00	
	123519	121178		Employment Related	233.00
				Line Amount Total	233.00
90220	04/28/22	V00593	McAllen Signal and Boring , LLC	500.00	
	123447	120931		Monthly Hwy 36 Signal Inspection	500.00
	123447	120931		March 2022-September 2022	
				Line Amount Total	500.00
90221	04/28/22	V00698	Nena's Mexican Restaurant	300.00	
	123449	121085		Community Event-TACFT	300.00
				Line Amount Total	300.00
90222	04/28/22	V00833	M & J Environmental Services LLC	419.00	
	123446	119313		Disinfectant Treatment for Admin-5,000 sq ft (77%)	322.63
	123446	119313		Disinfectant Treatment for EOC - 1,500 sq ft (23%)	96.37
				Line Amount Total	419.00
90223	04/28/22	V00850	Kendra L. Conkle	1,142.65	
	123490	121107		Promotional Items - Commercial	704.55
	123491	121115		Community Event-TACFT	438.10
				Line Amount Total	1,142.65
90224	04/28/22	V00853	Great-West Life & Annuity	237.50	
	123505	121120		Contract Services	237.50
				Line Amount Total	237.50
90225	04/28/22	V00857	TLC Office Systems	84.35	
	123470	121059		Maint & Repair - Office Equipment	84.35
				Line Amount Total	84.35
90226	04/28/22	V00860	Power Engineering Services, Inc	6,821.42	
	123453	120808		M&R Terminal Facilities-Other-Tap Changer Gasket Replacement	6,821.42
	123453	120808		Walk LOTO, drain oil to below tap changer, change gasket, fill transformer with removed oil add new oil to normal level.	
	123453	120808		This process will be done to the second transformer	
	123453	120808		Clean up Equipment: Truck with tool trailer, 1-55 gallon drum of new oil, gasket material, filter press, Generator 3500w, Nitrogenbottle for a blanket, 2- Oil samples before and after.	
	123453	120808		Job Name: 2203333	
				Line Amount Total	6,821.42
90227	04/28/22	V00863	Enrico Arbolante	300.00	
	123487	121108		Telephone	300.00
				Line Amount Total	300.00
			Texas Gulf Bank Accounts Payable	3,606,983.77	



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

MEMORANDUM

TO: Commissioners
Chief Executive Officer

FROM: Rob Lowe
Mary Campus

DATE: April 22, 2022

SUBJECT: Annual audit proposals

The Port's contract for annual independent financial and compliance audit with Kennemer, Masters & Lunsford, LLC ended Sept 30, 2021. The Port received three responses to our request for proposals, one of which was rejected as it arrived after the deadline. The attached spreadsheet is a summary of the two remaining services.

Management recommends awarding the annual independent audit services to KM&L, LLC for the next three years, and at the option of the Port, to extended the services for two additional one year periods.

The fee proposed from KM&L for fiscal year 2022 is \$31,650 which is 4.8% higher than the 2021 audit fee. This is reasonable considering the additional requirements that are now required in auditing.

PORT FREEPORT			
AUDIT PROPOSALS			
4/21/2022			
	KM&L, LLC	BKD, LLP	
References Provided	16	11	
Number of Employees	30	3,030	
Number of Offices	4	42	
Accountants Professional Liability Ins Amt	\$ 1,000,000	\$ 10,000,000	
Pier Review Rating (Pass or Fail)	Pass	Pass	
Date of Pier Review	3/31/2020	5/31/2020	
Litigation	none	no substantial outstanding	
State of Texas License	Yes	Yes	
Proposed Manhours	200	670	
Staff Levels:			
Audit Partner	90	60	
Senior & Staff Accountants	100	610	
Clerical Support	10	0	
TOTAL HOURS	200	670	
Base Audit (does not include grant single audit fee when applicable)		Estimated Fee	
9/30/2022	\$ 31,650	\$ 122,500	*
9/30/2023	\$ 32,400	\$ 128,625	*
9/30/2024	\$ 33,200	\$ 135,055	*
9/30/2025	\$ 34,000	\$ 141,800	*
9/30/2026	\$ 34,800	\$ 148,900	*
		*Fees include travel & administrative fee of 5%	

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

At a regular meeting of the Port Commission of Port Freeport held in the office of said Port at 1100 Cherry Street, Freeport, Texas, at 1:00 p.m. on the 26th day of May 2022, among other business came on to be considered the following resolution, which upon motion duly made and seconded was adopted by the vote of all Commissioners present.

FINDINGS

1. Due and proper notice of the date, time, place and purpose of this meeting has been duly given in accordance with the provisions of the Texas Open Meetings Act, and such meeting has been conducted in accordance with said Open Meetings Act.
2. In accordance with the Public Funds Investment Act, Chapter 2256, Texas Government Code (the "Act"), the Commission reviews the investment policy and strategies of the Port at least annually and maintains strict compliance with the requirements of the Act.
3. The Port has heretofore adopted a standing investment policy currently complied and set forth as Section 9.1 (Investment of Surplus Funds) of *Port Freeport Policy Manual*, subject to review and amendment.
4. The Commission has this date conducted its annual review of the Port's investment policy in accordance with the Act and determines it is in the best interest of the Port to update said policy with amendment as set forth in the document attached hereto, Section 9.1 of the *Port Freeport Policy Manual*, entitled Port Property/Investment of Surplus Funds.
5. The Commission has this date conducted its annual review of the Port's authorized investment brokers in accordance with the Act and determines it is in the best interest of the Port to approve the authorized broker list as set forth in the document attached hereto, Section 9.1, exhibit 9.1-1 of the *Port Freeport Policy Manual*, entitled Port Property/Investment of Surplus Funds
6. The Commission this date has furthermore conducted its annual review of the investment strategies of the Port as presented for fiscal year 2022 and determines that it is in the best interest of the Port to approve the investment strategies as set forth in the documents attached hereto, Section 3.6 of the Port's administrative *Practices and Procedures*, entitled Investment of Funds.
7. Upon certification presented, the Commission also finds that the Port's Treasurer or designated investment officer have attended training sessions and received the requisite hours of instruction for the biennium 2021-2023, and also approves the sources of training used in compliance with said Act.

NOW, THEREFORE, BE IT RESOLVED, that the Port's investment policy set forth at Section 9.1 of the *Port Freeport Policy Manual* be and is hereby amended as presented and attached hereto, that the investment strategies of the Port for fiscal year 2022/2023 be adopted as presented and attached hereto and made a part of Section 3.6 of the Port's *Practices and Procedures*, and that the Port's compliance with the requirements of the Public Funds Investment Act be and is in all things affirmed.

PORT FREEPORT POLICY MANUAL

PORT PROPERTY INVESTMENT OF SURPLUS FUNDS

SECTION 9.1

SCOPE

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

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

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

OBJECTIVES/INVESTMENT STRATEGY

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

The following objectives are listed in order of priority:

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

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

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

RESPONSIBILITY AND CONTROL

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

PORT FREEPORT POLICY MANUAL

PORT PROPERTY INVESTMENT OF SURPLUS FUNDS

SECTION 9.1

authority to persons responsible for investment transactions.

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

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

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

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

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

PORT FREEPORT POLICY MANUAL

PORT PROPERTY INVESTMENT OF SURPLUS FUNDS

SECTION 9.1

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

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

AUTHORIZED INVESTMENTS AND INVESTMENT PARAMETERS

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

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

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

PORT FREEPORT POLICY MANUAL

PORT PROPERTY INVESTMENT OF SURPLUS FUNDS

SECTION 9.1

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

Investment in money market mutual funds is not authorized for:

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

*(see definition of collateral, SAFEKEEPING Section)

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

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

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

PORT FREEPORT POLICY MANUAL

PORT PROPERTY INVESTMENT OF SURPLUS FUNDS

SECTION 9.1

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

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

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

AUTHORIZED FINANCIAL DEALERS

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

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

SAFEKEEPING

PORT FREEPORT POLICY MANUAL

PORT PROPERTY INVESTMENT OF SURPLUS FUNDS

SECTION 9.1

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

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

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

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

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

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

MANAGEMENT AND INTERNAL CONTROLS

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

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

PORT FREEPORT POLICY MANUAL

PORT PROPERTY INVESTMENT OF SURPLUS FUNDS

SECTION 9.1

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

EXEMPTION

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

(Corresponding Practices & Procedures – Section 3.6)

**PORT FREEPORT
POLICY MANUAL**

**PORT PROPERTY
INVESTMENT OF SURPLUS FUNDS**

SECTION 9.1

AUTHORIZED TRAINING SOURCES

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

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

AUTHORIZED INVESTMENT BROKERS

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

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

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

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

**PORT FREEPORT
POLICY MANUAL**

**PORT PROPERTY
INVESTMENT OF SURPLUS FUNDS**

SECTION 9.1

ACKNOWLEDGEMENT OF INVESTMENT POLICY

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

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

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

EXECUTED THIS _____ DAY OF _____,

By: _____

Firm: _____

**PORT FREEPORT
PRACTICES AND PROCEDURES**

SUBJECT: INVESTMENT OF FUNDS

SECTION: 3.6

INVESTMENT OFFICIALS

The Chief Finance Officer and Controller are responsible for the Investment Program and compliance with the Investment Policy last amended by the Commission July 1, 2020.

The Chief Finance Officer and Controller have been designated as the Port's Investment Official responsible for investment transactions and in compliance with the Investment Policy last amended by the Commission July 1, 2020.

REPORTING/MONITORING

Monthly

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

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

Quarterly

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

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

PORT FREEPORT PRACTICES AND PROCEDURES

SUBJECT: INVESTMENT OF FUNDS

SECTION: 3.6

INVESTING

Quotations

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

Purchase

Upon determining which investment quoted best meets the objectives and Investment Strategy, the Controller should then instruct the broker/dealer or financial institution to purchase the investment. A repetitive wire transfer or check should then be initiated to fund the investment transaction.

Exception: Purchases of securities through a broker/dealer with funds in the Port's money market account with a broker/dealer should be approved in advance of giving instructions to purchase the investment. For such transactions, an Electronic Transfer Authorization of Money Market Funds form (Exhibit 3.6-1) should be prepared and submitted to the Controller for approval.

POSTING

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

INVESTMENT STRATEGY

Investment Objectives

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

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

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

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

(Corresponding Policy – Section 9.1)

**PORT FREEPORT
PRACTICES AND PROCEDURES**

SUBJECT: INVESTMENT OF FUNDS

SECTION: 3.6

ELECTRONIC TRANSFER AUTHORIZATION OF MONEY MARKET FUNDS

Date: _____

Account: _____

Broker/Bank: _____

Target Amount: _____

C.D. _____ Tbill/Note _____ Agency _____ Other _____

Length of Investment: _____ Rate: _____

Account: _____

Broker/Bank: _____

Target Amount: _____

C.D. _____ Tbill/Note _____ Agency _____ Other _____

Length of Investment: _____ Rate: _____

Account: _____

Broker/Bank: _____

Target Amount: _____

C.D. _____ Tbill/Note _____ Agency _____ Other _____

Length of Investment: _____ Rate: _____

Prepared By: _____ Authorization: _____



www.virtuallearningconcepts.com

Virtual Learning Concepts

(in conjunction with Texas Municipal League)

Certificate of Completion

This certificate is presented to

John Lowe

for successfully completing Texas Public Funds Investment Act on Sep 30 2021. John Lowe completed ten hours of Investment Training in full compliance with Texas Government Code Chapter 2256.008 of the Public Funds Investment Act.

Signature *Linda Patterson*



CPE Sponsor #007375



www.virtuallearningconcepts.com

Virtual Learning Concepts

(in conjunction with Texas Municipal League)

Certificate of Completion

This certificate is presented to

Mary Campus

for successfully completing Texas Public Funds Investment Act on May 17 2021. Mary Campus completed ten hours of Investment Training in full compliance with Texas Government Code Chapter 2256.008 of the Public Funds Investment Act.

Signature *Linda Patterson*

PATTERSON & ASSOCIATES



INVESTMENT PROFESSIONALS

CPE Sponsor #007375