

AGENDA

**Port Freeport
Port Commission
Regular Meeting
Thursday, April 25, 2024, 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/86729702791?pwd=TnArMmpFOVw2TStqUWtkQmxSdEVJQT09>

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1. CONVENE OPEN SESSION in accordance with Texas Government Code Section 551.001, et. seq., to review and consider the following:
2. Invocation.
3. Pledge of Allegiance: U.S. Flag & Texas Flag
4. Roll Call.
5. Safety Briefing.
6. Call to identify and discuss any conflicts of interest that may lead to a Commissioner abstaining from voting on any posted agenda item.
7. Public Comment. (Public comment on any matter not on this Agenda will be limited to 5 minutes per participant and can be completed in person or by videoconference)
8. Public Testimony. (Public testimony on any item on this Agenda will be limited to 5 minutes per agenda item to be addressed per participant and can be completed in person or by videoconference. The participant shall identify in advance the specific agenda item or items to be addressed)
9. Approval of minutes from the Special Meeting held March 7, 2024 and the Regular Meeting held March 28, 2024.
10. Continuation of the April 11, 2024 Workshop, including but not limited to the following:
 - A. Operations Update.
 - B. Capital Projects Update.
11. Receive reports from Executive Staff on activities and matters related to administrative affairs, financial results, facility engineering matters, operations and vessel activity, port safety matters, port security matters, port tenant updates, USCOE, and other related port affairs.
 - A. Executive Director/CEO
 - B. Director of Engineering
 - C. Director of Operations

- D. Director of Business & Economic Development
 - E. Chief Financial Officer
12. Approval of financial reports presented for the period ending March 31, 2024.
 13. Receive report from Commissioners on matters related to:
 - A. April 4 OSS Committee Meeting
 - B. April 23 Finance Committee Meeting
 - C. Port Commission related meetings or conferences, Port presentations and other Port related matters.
 14. Approval of an Interlocal Agreement for Cooperative Radio Frequency Use between Port Freeport and the City of Freeport.
 15. Approval of a Resolution Adopting the Brazoria County Hazard Mitigation Plan 2023.
 16. Approval of the purchase of four (4) handheld TMC readers from MozaicID.
 17. Approval of a Construction Contract with Noble Building & Development, LLC for the EOC HVAC Replacement Project, for an amount not to exceed \$514,725.00.
 18. Approval of an Easement to CenterPoint Energy Houston Electric, LLC for the extension of an existing power line on Velasco Terminal.
 19. Discuss and consider the First Amended Agreement for Automated Permitting System between Port Freeport and ProMiles Software Development Corporation.
 20. Discuss and consider adoption of a Resolution Committing Matching Funds to Support a Grant Awarded through the Texas Department of Transportation Seaport Connectivity Program (SCP88) for the "East 5th Street Reconstruction Project."
 21. Discuss and consider adoption of a Resolution Committing Matching Funds to Support a Grant Awarded through the Texas Department of Transportation Seaport Connectivity Program (SCP88) for the "Gate 4 Access Road Widening Project."
 22. Approval of a Resolution Affirming Port Freeport's Payment for Outstanding City of Freeport Laborers Lien on 503 E. 6th Street, Block 6, Lot 1, Freeport Townsite.
 23. Approval of an Interlocal Agreement between Port Freeport and Brazoria County for Tax Collection Services.
 24. Approval of updates to the following Port Policies...
 - 2.1 - Commission Officers and Organization
 - 2.4 - Executive Director/CEO
 - 2.8 - Legal Defense for Commissioners
 - 2.9 - Benefits for Commissioners - To Be Deleted
 - 3.4 - Conflicts of Interest
 - 7.2 - Smoke-Free Work Environment
 25. Discuss and consider the authorization of credit card issuance and credit limits for Port staff.
 26. EXECUTIVE SESSION in accordance with Subchapter D of the Open Meetings Act, Texas Government Code Section 551.001, et. seq., to review and consider the following:
 - A. Under authority of Section 551.071 (Consultation with Attorney):
 1. Consultation with attorney under Government Code Section 551.071(1) (to seek or receive attorney's advice on pending or contemplated litigation).
 2. Consultation with attorney under Government Code Section 551.071(2) (to seek or receive attorney's advice on legal matters that are not related to litigation).
 - B. Under authority of Section 551.087 (Economic Development Negotiations or Incentives):
 1. To discuss or deliberate regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations.
 - i. Business and Economic Development Reports.
 2. To deliberate the offer of a financial or other incentive to a business prospect described by Subdivision (1).

- C. Under authority of Section 551.072 (Deliberation of Real Property Matters) for discussion regarding:
 - 1. The potential lease, or value of real property located at Port Freeport, including but not limited to the Expansion Area.
 - 2. The potential purchase, exchange, lease or value of real property located at Port Freeport, including but not limited to the real property located at and contiguous to Berths 1, 2, 5, 7 and 8.
 - 3. The potential exchange, lease, or value of real property located at Port Freeport, including but not limited to Parcels 14, 19, 27, 34 and property on Quintana Island.
 - D. Under authority of Section 551.076 (Deliberation of Security Matters) for discussion regarding:
 - 1. Discussion regarding issues related to the deployment, or specific occasions for implementation of security personnel or devices or security audit and services.
 - E. Under authority of Section 551.074 (Deliberation of Personnel Matters) for discussion regarding:
 - 1. Deliberation regarding the appointment, employment, evaluation, reassignment, duties of a public officer or employee, including but not limited to: Executive Director/CEO.
27. RECONVENE OPEN SESSION to review and consider the following:
28. Approval of a Professional Services Agreement with Al Durel for consulting services.
29. Adjourn.

The Port Commission does not anticipate going into a closed session under Chapter 551 of the Texas Government Code at this meeting for any other items on the agenda, however, if necessary, the Port Commission may go into a closed session as permitted by law regarding any item on the agenda.

With this posted notice, Port Commissioners have been provided certain background information on the above listed agenda items. Copies of this information can be obtained by the public at the Port Administrative offices at 1100 Cherry Street, Freeport, TX.



Phyllis Saathoff, Executive Director/CEO
PORT FREEPORT

Participation is welcomed without regard to race, color, religion, sex, age, national origin, disability or family status. In accordance with Title II of the Americans with Disabilities Act and Section 504 of the Rehabilitation Act, persons with disabilities needing reasonable accommodations to participate in this proceeding, or those requiring language assistance (free of charge) should contact the Executive Assistant no later than forty-eight (48) hours prior to the meeting, at (979) 233-2667, ext. 4326, email: bevers@portfreeport.com.

La participación es bienvenida sin distinción de raza, color, religión, sexo, edad, origen nacional, discapacidad o situación familiar. De acuerdo con el Título II de la Ley de Estadounidenses con Discapacidades y la Sección 504 de la Ley de Rehabilitación, las personas con discapacidades que necesiten adaptaciones razonables para participar en este procedimiento, o aquellas que requieran asistencia lingüística (sin cargo), deben comunicarse con el Asistente Ejecutivo a más tardar cuarenta -ocho (48) horas antes de la reunión, al (979) 233-2667, ext. 4326, correo electrónico: bevers@portfreeport.com.

Minutes of Port Commission Special Meeting

March 7, 2023

In Person & Videoconference

A Special Meeting of the Port Commission of Port Freeport was held March 7, 2024, beginning at 4:04 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.

Join Zoom Meeting

<https://us02web.zoom.us/j/86729465178?pwd=VEI2MmVOWWJobU1pbERzZm5tZGc1QT09>

Meeting ID: 867 2946 5178

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Meeting ID: 867 2946 5178

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

Commissioners present in person:

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

Staff Members Present:

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

Also, Present:

Mr. Peter Nemeth, Crane, Caton & James

1. CONVENE OPEN SESSION in accordance with Texas Government Code Section 551.001, et. seq., to review and consider the following:
2. Roll Call – Commissioner Giesecke noted that Commissioner Singhania was running late, and all other Commissioners were present in the Board Room.

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

There were no conflicts noted by Commissioners.

4. Public Comment – There were no public comments.
5. Public Testimony – There was no public testimony.
6. Receive report from Executive Director/CEO and/or Port Commissioners on activities and matters related to administrative affairs, financial results, facility engineering matters, operations and vessel activity, port safety matters, port security matters, port tenant updates, USCOE, and other related port affairs.

Ms. Saathoff reported attending the TPM Conference in Long Beach earlier in the week along with Mr. Durel. Upcoming travel includes attending the National Waterways Conference in Washington, DC with Commissioners Singhania and Kincannon followed by the AAPA Legislative Summit, also in Washington, DC with Commissioners Singhania, Santos and Fratila. She also reported the EPA released a notice for the Clean Ports Grant Program with applications due at the end of May. Staff is reviewing to see if there are any opportunities the Port can pursue in partnership with port tenants.

Commissioner Singhania joined the meeting at the start of Executive Session.

7. 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(2) (to seek or receive attorney's advice on legal matters that are not related to litigation).
 2. Consultation with attorney under Government Code Section 551.071(2) (to seek or receive attorney's advice on pending or contemplated litigation).
 - B. Under authority of Section 551.072 (Deliberation Concerning Real Property Matters) for discussion regarding:
 1. The potential exchange, lease or value of real property located at Port Freeport, including but not limited to Parcel 14.
8. RECONVENE OPEN SESSION to review and consider the following:
9. Approval of Master Rail Switching Agreement between Port Freeport and Rail Link, Inc.

Mr. Miura stated the Port went through a process to seek a qualified firm to provide rail switching services and determined Rail Link, Inc. to be the most qualified firm to service the Port's rail shippers. A Master Rail Switching Agreement has been negotiated with Rail Link, which sets forth the terms for Rail Link to provide switching services at Port Freeport as well as other services. He further stated this agreement is nonexclusive but provides Rail Link the right to operate on the Port's tracks. Staff recommends the Port Commission approve this agreement as presented. Commissioner Singhania complimented the team on their work to negotiate this agreement.

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

10. Approval of an Authorization Agreement between Port Freeport, Rail Link, Inc. and Volkswagen Group of America, Inc. related to Master Rail Switching Agreement.

Mr. Miura stated that in 2022 Volkswagen Group of America entered into an agreement with Port Freeport which contemplates the location for supporting both marine and rail activity at Port Freeport. The rail activity requires a switcher who would move the cars from the Port's rail tracks to the Volkswagen facility. With the agreement in place with Rail Link, an Authorization Agreement is now needed between Port Freeport, Rail Link and Volkswagen to allow Rail Link to provide service to Volkswagen as operator of their tracks and sets forth the commercial terms between three parties. Staff recommends the Port Commission approve this authorization agreement as presented. Commissioner Giesecke echoed Commissioner Singhania's comments earlier by thanking the team on their diligent work on this agreement. Commissioner Santos also thanked the team for all their hard work on this project, noting that it's one of the many ventures coming to the Port that will change the landscape to the area. Ms. Saathoff added the Port is bringing on two first class partners who are committed to further growing Port Freeport and further putting it on the map as we begin to see the return on the capital investments the Commission and community have supported.

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

11. Adjourn.

With no further business before the Commission, the meeting adjourned at 6:04 PM.

Ravi K. Singhania, Chairman

Rob Giesecke, Vice Chairman

Barbara Fratila, Secretary

Kim Kincannon, Asst. Secretary

Dan Croft, Commissioner

Rudy Santos, Commissioner

Minutes of Port Commission Regular Meeting
March 28 22, 2024
In Person & Videoconference

A Regular Meeting of the Port Commission of Port Freeport was held March 28 22, 2024, beginning at 1:00 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.

Join Zoom Meeting

<https://us02web.zoom.us/j/83617837592?pwd=c0FleUU0bjVwN09EWmwwVU15eVFzQT09>

Meeting ID: 836 1783 7592

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Meeting ID: 836 1783 7592

Find your local number: <https://us02web.zoom.us/j/83617837592>

Commissioners present in person:

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

Staff Members Present:

Mr. Grady Randle, Legal Counsel
Ms. Phyllis Saathoff, Executive Director/CEO
Mr. Rob Lowe, Director of Administration/CFO
Mr. Al Durel, Director of Operations
Mr. Jason Hull, Director of Engineering
Mr. Chris Hogan, Director of Protective Services
Mr. Jason Miura, Director of Business & Economic Development
Mr. Brandon Robertson, Director of Information Technology
Ms. Missy Bevers, Executive Assistant
Ms. Christine Lewis, Safety Coordinator
Mr. Jesse Hibbetts, Operations Manager
Mr. Austin Seth, Operations Supervisor
Mr. Chas Gryseels, Engineering Specialist
Ms. Tricia Vela, Public Affairs Assistant
Ms. Bailee Anderson, Accounting Analyst
Ms. Emily Henderson, Sales & Marketing Specialist

Also, present:

Mr. Chris Moore, Texas Port Ministry
Mr. Chris Motley, Freeport Fire Chief
Heather Cook, Randle Law Office

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

There were no conflicts noted by Commissioners.

7. Public Comment – There were not public comments.
8. Public Testimony – There was no public testimony.
9. Approval of minutes from the Regular Meeting held February 22, 2024.

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

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

A. Executive Director/CEO

Ms. Saathoff reported that Volkswagen of America is officially in operation with approximately 10 vessels on the books for the next five weeks. She also commended the Port operations team for all the preparations made in an effort to mitigate any possible disruptions. Ms. Saathoff reported attending the TPM Conference in Long Beach along with Mr. Durel with over 4,000 attendees including ocean carriers, shippers, ports, laborers and trucking companies. Additional information on the conference was included in her report. She also reported attending the National Waterways Conference in Washington, DC with Commissioners Singhanian and Kincannon as well as the AAPA Legislative Summit with Commissioners Singhanian, Santos and Fratila. There are several grant opportunities with the notice of funding recently announced. Grants available include the EPA Grant for Clean Ports, PIDP (Port Infrastructure Development Grant

Program) through MARAD as well as DHS for security. Staff is evaluating the opportunities. The Port recently held the quarterly governance meeting with the Corps Galveston District noting the Port's channel project is progressing well with the Corps reporting on the execution of the maintenance dredging in the channel. Ms. Saathoff also reported on discussions with TxDOT Area Engineer Maria Aponte regarding the FM 1495 project and ways to move the project along without creating additional congestion at the Port. TxDOT proposed reducing FM1495 to one lane one way traffic so the remaining two lanes could be reconstructed at the same time instead of the original plan to do the project in three phases. The Port explained that this would be detrimental to the customers of the Port and create congestion inside the port and on the state roadways. FM 1495 provides access to all the gated entrances to the Port. It was also noted that the Del Monte operations will commence in July which will be increasing the number of gate transits immediately. The Port encouraged TxDOT continue with the original construction plan. Ms. Saathoff also recognized Al Durel, Director of Operations who will be retiring, noting this is his last Port Commission Meeting. Ms. Saathoff commended Mr. Durel on the leadership he has provided through the years to the operations department in developing a team that knows the Port and how to engage with customers. Commissioner Singhania thanked Mr. Durel as well and commented on the level of respect he has with customers and the industrial community. Mr. Durel thanked the current and past Port Commissioners for their support to him as well as his department adding that it's been a good ride and appreciates the support from Ms. Saathoff and staff through the years. Commissioner Giesecke inquired about the status of the residential property that was declared surplus at the last meeting. Mr. Lowe stated that he has been working with Randle Law Office to determine what to post and how to post because this bidding process is different for real estate vs. bidding on equipment. The process will be such that the Port most likely will have a minimum bid posted, will have the right to accept or reject a bid that is not deemed acceptable and intends to maximize the value of the sale. Commissioner Giesecke also inquired about the question posed to Mr. Randle about whether the Port could employ a broker for the sale. Mr. Randle stated the port cannot. Commissioner Giesecke also requested the other residential zoned lots (15, 16, 17) be discussed at the upcoming workshop.

B. Director of Engineering

Mr. Hull shared a photo to explain and update the Commission on the culvert work on the Highway 36 project. Mr. Hull also reported that Great Lakes has brought in a second dredge, the GL 58 to work in Reach 1. The Galveston Island dredge has left Freeport. He noted Great Lakes hopes to bring back the Dodge Island hopper dredge to perform maintenance work in mid-April and possibly the Liberty Island as well as the Ellis Island for new work in the summer. Mr. Hull also reported that asbestos was being removed from the final house in the expansion area with demolition following which should happen mid-April.

C. Director of Operations

Mr. Durel reported on statistics for the month of February noting that RoRo numbers with Volkswagen in addition to their rail activity will be significant for the month of March. Fiscal year activity to date reflects LNG handling 89 vessels (17/month), 46 RoRo (9/month) and 14 steel vessels (3/month), noting railcars for RoRo and steel vessels expected to increase. Mr. Durel gave a shout out to the safety and security teams for working behind the scenes to ensure the new operation with Volkswagen went as

smooth as possible. Lastly, Mr. Durel reported the team is working to finalize the design specifications for the new cranes noting everything is still on schedule. Mr. Austin Seth shared photos of the first Volkswagen vessel and operation offloading the cars as well as the VW facility that included cars from the first and second vessels as well as cars from railcars. Commissioner Singhania and Kincannon commended Operations for a great job handling the first shipment from Volkswagen as well as the safety and security efforts related to the operation. Mr. Seth also reported the RoRo Rodeo is tentatively scheduled for April 5th at 8:00 a.m. Mr. Hibbetts updated the Commission on the FM 1495 road construction noting work will begin at the Highway 36 intersection in 10-12 days and explained how the work at the intersection will be divided into two parts, taking about 3 weeks.

D. Director of Business & Economic Development

Mr. Miura reported on upcoming conferences to be held which include the Port of the Future Conference; April 2-4 in Houston, the JOC Breakbulk & Project Cargo Conference; April 24-26 in New Orleans and the Finished Vehicle Logistics Conference in Huntington Beach in May. He also reported on RFPs received for the market study and website redevelopment noting staff received 5 proposals for the market study while 7 proposals were received for the website. Staff is reviewing the market study proposals and hopes to make a recommendation to the Commission at the April meeting

E. Chief Financial Officer

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

11. Approval of financial reports presented for the period ending February 29, 2024.

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

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

Commissioner Giesecke reported attending the Port CAP Meeting, Brazosport Chamber Awards Luncheon, Brazosport Rotary Shrimp Boil, BCCA Meeting, Freeport City Council Meeting, Texas Port Ministry Annual Banquet and the JA Celebrity Waiter Banquet.

Commissioner Kincannon reported attending the Port CAP Meeting, Special Board Meeting, National Waterways Conference in Washington, the BCCA Meeting and the Texas Port Ministry Banquet.

Commissioner Croft reported attending the Lower Brazos River Coalition Luncheon, the arrival of the 1st Volkswagen vessel, Texas Port Ministry Banquet, BCCA and the Alliance Meeting.

Commissioner Santos reported also attending the arrival of the Volkswagen vessel as well as the AAPA Legislative Summit in Washington, DC.

Commissioner Fratila reported also attending the AAPA Legislative Summit in Washington.

Commissioner Singhania reported attending the National Waterways Conference as well as the AAPA Legislative Summit, both held in Washington, DC. He also attended the Port CAP Meeting, Brazosport College President's Reception, customer meetings and Salvation Army Fundraiser.

13. Approval of a Construction Contract with SWS/Saltwater Salvage for the Docks 1, 2, 3 & 5 Sheet Pile Repairs project, for an amount to exceed \$191,000,00.

Mr. Hull stated that bids were opened February 29 with a total of four bids submitted. The budget for the project was \$300,000, and a low bid of \$191,000 was submitted by Saltwater Salvage who is a local diving and salvage firm and has done this work for the Port in the past. Staff recommends approval of the contract to the low bidder, Saltwater Salvage, in the amount of \$191,000. Commissioner Kincannon inquired about the 90-day duration of the project. Mr. Hull stated it is only asked for so a number of working days can be filled in on the contract and is the only reason they ask for it in bid form. He added that the low bidder or qualified bidder is awarded the contract as opposed to a competitive sealed proposal where you consider price, schedule and qualifications. Commissioner Giesecke commended staff for having multiple bids for the last few projects.

A motion was made by Commissioner Kincannon to approve the construction contract with Saltwater Salvage for Docks 1, 2, 3 & 5 sheet pile repairs as presented. The motion was seconded by Commissioner Giesecke with all Commissioners voting in favor of the motion.

14. Discuss and consider the adoption of a Resolution Committing Matching Funds to Support a Grant Awarded through the Texas Department of Transportation Maritime Infrastructure Program (MIP) for the "Velasco Terminal Area 5 Improvement Project."

Mr. Miura stated that Port Freeport submitted a Maritime Improvement Program Grant Application for the "Velasco Terminal Area 5 Improvement Project" to TxDOT of which TxDOT awarded Port Freeport \$11,565,621 to cover a portion of the project costs. The total project cost was estimated at \$15,000,000; therefore, the Port is responsible for costs above the awarded amount. Mr. Miura noted that recent estimates put the full project at approximately \$20-\$25 million. The Velasco Terminal Area 5 Improvement Project considers concrete paving, drainage, high mast lighting and other associated improvements to approximately 15 acres on Velasco Terminal. In order to enable funding opportunity, Port Freeport must enter into a Port Access Account Fund Grant Agreement with the state of Texas. A draft Port Access Account Fund Grant Agreement has been shared by TxDOT and reviewed by Randle Law Office. The Port must also approve a resolution committing matching funds to support a grant awarded through the Texas Department of Transportation Maritime Infrastructure Program (MIP) for the Velasco Terminal Area 5 Improvement Project. The adopted resolution will then be included in the final agreement as an exhibit and the Agreement executed. The draft resolution has been reviewed and accepted by Randle Law Office and TxDOT. Staff recommends approval. Mr. Miura also shared a diagram of Area 5 location and noted the resolution also authorizes Ms. Saathoff to execute the final agreement the Port's behalf. This project is included in the FY24 budget for \$25 million.

A motion was made by Commissioner Kincannon to adopt the Resolution Committing Matching Funds to Support a Grant Awarded through the Texas Department of

Transportation Maritime Infrastructure Program (MIP) for the “Velasco Terminal Area 5 Improvement Project.” The motion was seconded by Commissioner Croft with all Commissioners voting in favor of the motion.

15. Discuss and consider a proposal from The Goodman Corporation to prepare Port Freeport’s EPA Clean Ports Program grant applications.

Ms. Saathoff stated that this item may be tabled, as staff will need take a first step to scope things out before engaging in a full-blown grant writing contract however, staff is working with a tight timeline as grant applications have to be filed before the end of May. It is a great opportunity to receive substantial funding for projects that implement zero emission technology equipment in the port or can assist with planning for the future. Staff would like to engage Goodman in an effort to assess the capability in what the Port can do and then determine quotes or bids for the grant writing. Ms. Saathoff explained that no one has written these grants before noting there is \$3 billion available in funding. The program is broken down into separate competitions, zero emission technology deployment and climate and air quality planning. Once the program moves into the award stage, they will have three different tiers based on project sizes. Staff will need to evaluate where its best to compete with the large tier ranging from \$150 million - \$500 million in scope with 5-10 awards anticipated and a 20% local match (available to water ports only). Tier B is for projects less than \$150 million with 25-70 awards and a 10% local match (available to water and dry ports). Tier C includes tribal projects \$2 million-\$50 million with 2-10 awards and 0% match. All funds are expected to be committed this fiscal year under the current administration. Staff needs to assess what equipment is used inside the port and what makes the most sense for grant funding, and then determine how the relationship with the tenants would be crafted with regard to the equipment. Ms. Saathoff would like authority to enter into a limited contract (up to \$25,000) with Goodman to perform the initial due diligence.

A motion was made by Commissioner Fratila to grant authority to enter into a contract with Goodman Corporation in an amount not to exceed \$25,000 to get direction and assistance with this particular project scope. The motion was seconded by Commissioner Kincannon with all Commissioners voting in favor of the motion.

16. Adoption of a Resolution approving the acceptance of the Port’s portion of proceeds received from high bidders on delinquent tax property held in trust by Brazoria County, Texas and authorizing the Chairman to join in conveyance to high bidders.

Mr. Lowe stated the properties presented by the County are of no interest to the Port, and staff recommends approval.

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

17. Discuss and consider the authorization of credit card issuance and credit limits for staff.

Mr. Lowe stated that Port Policy 8.8 calls for the Port Commission to authorize the issuance and credit limits of port credit cards. Staff is seeking authorization to issue a new credit card to Brandon Robertson, Director of IT, with a credit limit of \$5,000 and primary use to be for IT related subscriptions and miscellaneous IT related equipment. Staff also recommends

authorization of an increase in credit limit for Missy Bevers, Executive Assistant, from \$5,000 to \$10,000. This increase is driven from the increased cost associated with AAPA and other applicable registrations and associated travel that Missy handles for the Port Commission.

A motion was made by Commissioner Giesecke to approve the issuance of a new credit card and increased limit as presented by staff. The motion was seconded by Commissioner Kincannon with all Commissioners voting in favor of the motion.

18. Approval Executive Director/CEO and Commissioners' travel for April – June 2024.

Commissioner Singhania commented that the proposed travel could change if there is an issue with scheduling, as the Port lives in a very dynamic environment.

A motion was made by Commissioner Kincannon to approve the Executive Director/CEO and Commissioners' travel for April-June 2024 as presented. The motion was seconded by Commissioner Croft with all Commissioners voting in favor of the motion.

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

- A. Under authority of Section 551.071 (Consultation with Attorney) for discussion regarding:
 - 1. Consultation with attorney under Government Code Section 551.071(1) (to seek or receive attorney's advice on pending or contemplated litigation).
 - 2. Consultation with attorney under Government Code Section 551.071(2) (to seek or receive attorney's advice on legal matters that are not related to litigation).
- B. Under authority of Section 551.087 (Economic Development Negotiations or Incentives):
 - 1. To discuss or deliberate regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations.
 - i. Business and Economic Development Reports.
 - 2. To deliberate the offer of a financial or other incentive to a business prospect described by Subdivision (1).
- C. Under authority of Section 551.072 (Deliberation Concerning Real Property Matters) for discussion regarding:
 - 1. The potential lease, or value of real property located at Port Freeport, including but not limited to the Expansion Area.
 - 2. The potential purchase, exchange, lease, or value of real property located at Port Freeport, including but not limited to the real property located at and contiguous to Berths 1, 2, 5, 7 and 8.

3. The potential exchange, lease, or value of real property located at Port Freeport, including but not limited to Parcels 14, 19, 27, 34 and property on Quintana Island.
- D. Under authority of Section 551.076 (Deliberation of Security Matters) for discussion regarding:
1. Discussion regarding issues related to the deployment, or specific occasions for implementation of security personnel or devices or security audit and services.
- E. Under authority of Section 551.074 (Deliberation of Personnel Matters) for discussion regarding:
1. Deliberation regarding the appointment, employment, evaluation, reassignment, duties of a public officer or employee, including but not limited to: Executive Director/CEO.

20. RECONVENE OPEN SESSION:

21. Adjourn.

With no further business before the Commission, the meeting adjourned at 6:31 PM.

Ravi K. Singhanian, Chairman

Rob Giesecke, Vice Chairman

Barbara Fratila, Secretary

Kim Kincannon, Asst. Secretary

Dan Croft, Commissioner

Rudy Santos, Commissioner



Operations Update

April 11, 2024

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

Agenda Item 15.B. - Slide 1

Volkswagen

Volkswagen Vessel Operations

March – 3 Vessels and 7,966 Autos Discharged

- 1) 3/13/24 Wolfsburg**
- 2) 3/17/24 Lake Wanaka
- 3) 3/29/24 SFL Composer**

April – 8 Vessels Scheduled for Discharge of 16,438 Autos

- 1) 4/02/24 Siem Aristotle**
- 2) 4/05/24 Supreme Ace
- 3) 4/08/24 Amethyst Ace
- 4) 4/09/24 Siem Cicero**
- 5) 4/10/24 SFL Conductor**
- 6) 4/16/24 Lake Taupo
- 7) 4/24/24 Emden**
- 8) 4/28/24 Siem Confucius**

**** LNG Fueled**

Volkswagen Facility



Volkswagen

APS Stevedoring

- APS handles vessel operations
- Hiring 140 -160 ILA workers per vessel.
- Excellent job with safety for their vessel operations. Flaggers are positioned at every intersection, and designated routes are marked with cones, ensuring a safe and productive route for all.

Wallenius Wilhelmsen Services (WWS)

- WWS handles all the auto processing for VW, Porsche, Audi, Bentley, Lamborghini
- WWS also handles all the loading and unloading of Auto Racks

Rail Link Operations (RL)

- RL has received 126 Auto Racks YTD (12 Empties & 114 Loads)
- Bi-level auto racks carry up to 10 autos
- Rail Link is up and operating and switching the cars.
- Communication is working extremely well with UP, Port, Volkswagen & WWS
- 2 switches per day expected

Volkswagen - LNG Fueled Vessels

Six of the Nine Car Carriers Crossing the North Atlantic for Volkswagen are powered by LNG.



Del Monte First Vessel

- First vessel Del Monte M/V Rose estimating June 23, 2024 arrival
- LOA 629' built in 2020 (4 years old) – Six total new builds
- Holds 638 containers (1,276 TEUs) with 634 electrical plugs
- Del Monte is anticipating 800-900 moves per week



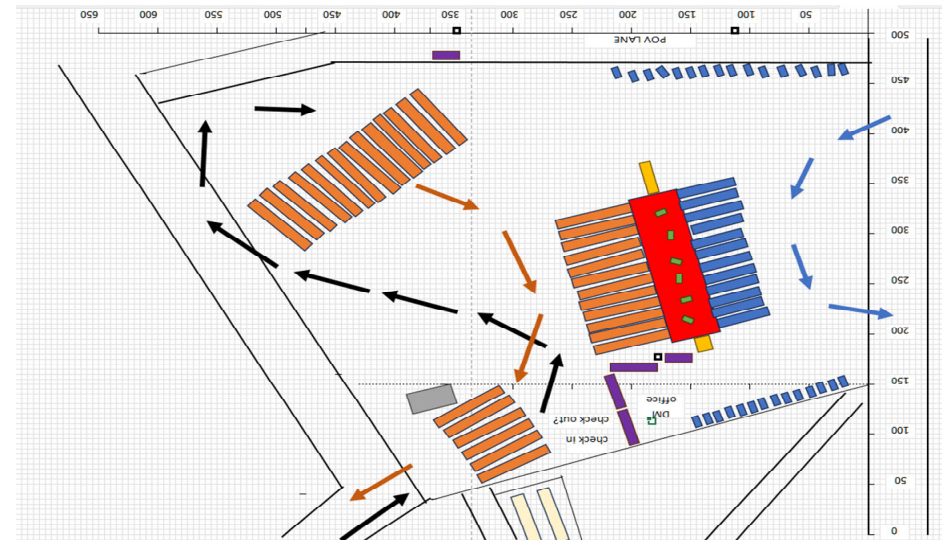
Del Monte Terminal Update

- The terminal behind Berth 7 is under construction installing the Refer Racks handling 688 plugs.
- This month the temporary cross-dock will start construction behind Berth 8
- Gulf Stevedores will transfer fruit to 80-100 over the road trucks per day.
- The new cross-dock warehouse facility is under construction in the Expansion Area and expected completion November/December 2024.



Temporary Area for Cross-Dock & Truck Routing

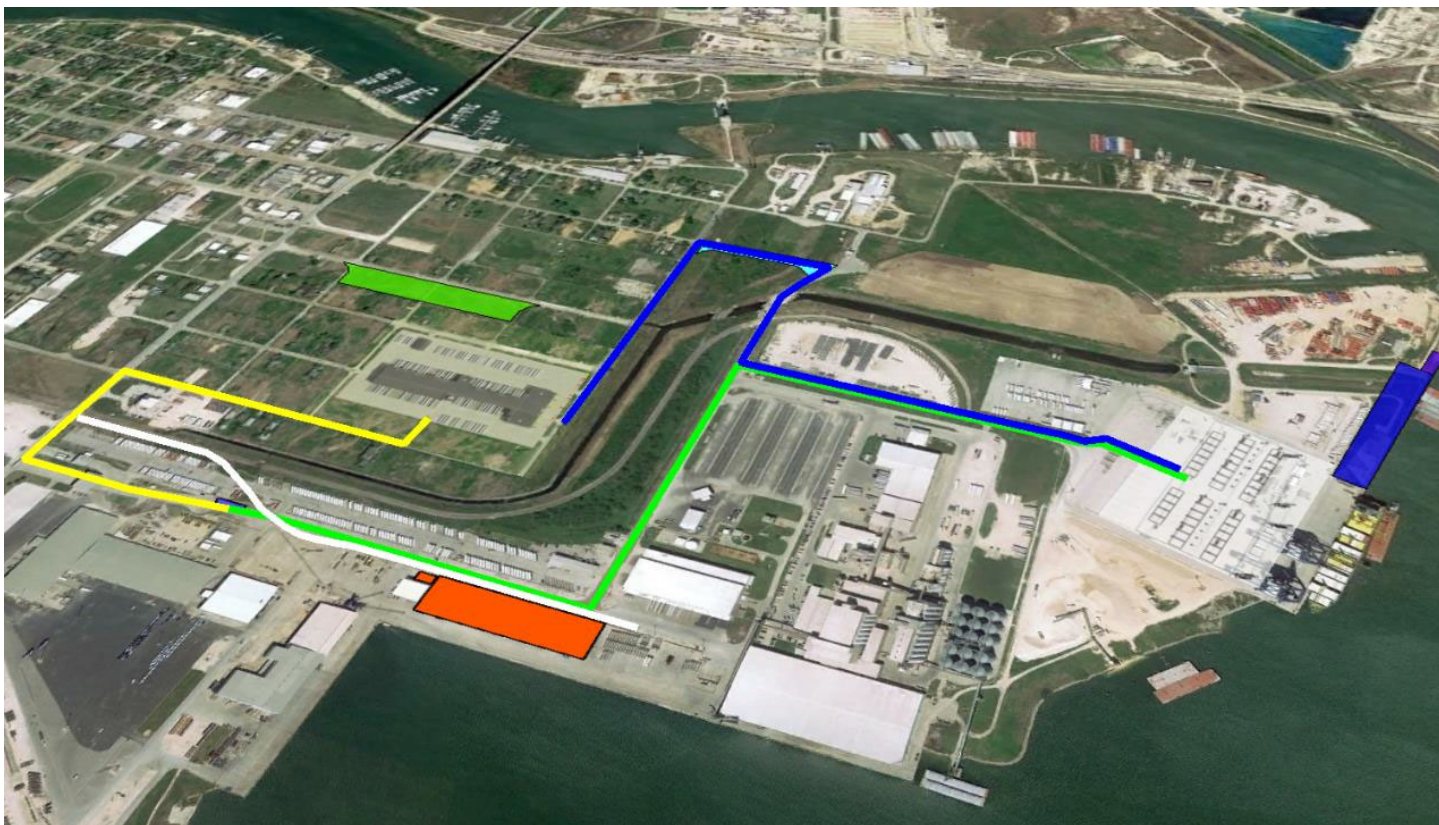
- Temporary Cross-Dock Truck Flow
- Entering thru Gate 8 and Routing thru Area 5 to Berth 8 site and exiting the same way.



Freeport Warehouse LLC New Cross-Dock Facility



Del Monte Traffic Flow to New Cross-Dock Facility



TXDOT Projects & Gate 12 Construction

- Continue with On Site Meetings with TXDOT and Contractors about FM 1495 Project.
- Gate 12 Estimated to be Completed January 2025.
- Parcel 14 & 19 Construction Area
- Expansion Area Repaving
 - 8th Street, Poplar Street, Terminal Street and 5th Street.
 - Critical Traffic Flows to Warehouse Facility and Gate 12.
- Working with Engineering Department on the Repaving Project

Gate 12 Construction Progress





Capital Plan Update

April 11, 2024

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Agenda Item 15.C. - Slide 1

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

Strategic Initiatives

Milestones

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

Freeport Harbor Channel Improvement Project

Project depth – 51 to 56 feet MLLW

Project Construction:

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

2025
100th Anniversary





TxDOT funding for New Infrastructure Projects in 2024/2025

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

Rider 37

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

Seaport Connectivity Program

- \$3.8M - East 5th Street Reconstruction Project - CSJ # 9400-00-011
 - Bidding Date – 03/2025
 - Completed by – 09/2026
- \$1.0M - Gate 4 Access Road Widening Project - CSJ # 9400-00-012
 - Bidding Date – 03/2025
 - Completed by – 09/2026

[4/25 – Resolutions Committing Matching Funds East 5th and Gate 4]

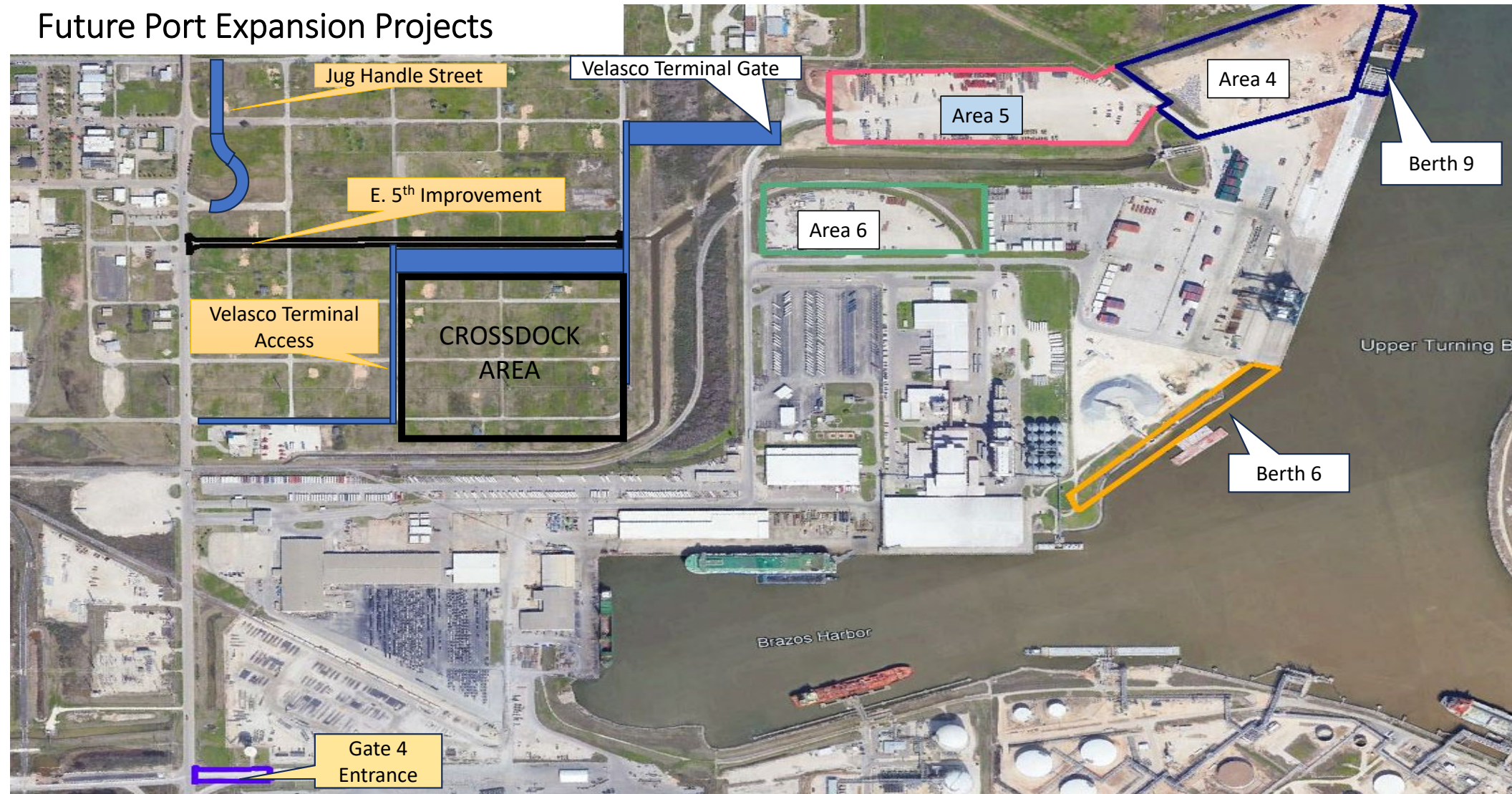


TxDOT Funding for New Infrastructure Projects in 2024/2025

Maritime Infrastructure Program

- \$11.6 million – Velasco Terminal Area 5 - CSJ # 9400-00-015
 - Concrete pave 15 acres on Velasco Container Terminal.
 - 1/25 – Approved PSA with LJA Engineering
 - 3/28 – Approved Resolution Committing Matching Funds
 - 4/8 – Port Access Account Fund Agreement Signed
 - Bidding Date – 08/2024
 - Completed by – 09/2025

Future Port Expansion Projects



■ TxDOT Seaport Connectivity Grant Funded

■ TxDOT Port Maritime Infrastructure Grant Funded

Agenda Item 15.C. - Slide 6



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WWW.PORTFREEPORT.COM

MEMORANDUM

TO: Phyllis Saathoff, Executive Director/CEO

FROM: Darlene Winkler, Communications Specialist

DATE: April 25, 2024

SUBJECT: Public Affairs – April 2024

PUBLIC AFFAIRS

Communications and Media

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

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. Great Lakes Dredge and Dock Co. LLC (GLDD) was awarded the contract for Reaches 1, 2, and 4 by the United States Corps of Engineers on May 30th. A second mechanical dredge has been brought to Port Freeport. One mechanical dredge is working in Reach 2 and the second is working inside the jetties in Reach 1. The dredged material is being placed offshore in the EPA approved designated area in the Gulf of Mexico. 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 was distributed in March.
Port Freeport Announces 24th Annual Take-A-Child Fishing Tournament Logo Drawing Contest Winners was distributed on March 5, 2024.

PORT COMMISSION

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

Social Media Postings – The following posts to Facebook were made in late March and April

March 29 - Recap: Port Commission Meeting

March 31 - Easter Holiday

April 1 - Shared Post from the Texas Department of Transportation about Port Freeport

April 3 – Shared Post from Brazoria County Petrochemical Council (BCPC) about Surfside Jetty Park

April 3 – Reminder: OSS Committee Meeting

April 4 - TACFT Thank you Platinum Sponsors

April 5 - TACFT Thank you Gold Sponsors

April 8 - TACFT Thank you Silver Sponsors

April 9 - TACFT Thank you Event Sponsors

April 7 – TACFT Ad Boost for the event page for 35 days

April 10 - Reminder: Port Commission Workshop

April 17 - National Banana Day

April 17 – TACFT: poster event page

April 19- TACFT: poster on PF page

April 21 - San Jacinto Day

April 22 - Earth Day

April 24 - Administrative Professionals Day

April 24 - Reminder: Port Commission Meeting

April 26 - Recap: Port Commission Meeting

Port Events

Community Advisory Panel (C.A.P.) – The next quarterly CAP meeting for this year is scheduled for Tuesday, June 4th with location and guest speaker TBD. Any new member appointments or changes should be emailed to Tricia Vela at vela@portfreeport.com.

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

Tuesday, September 17th

Tuesday, December 3rd

Port Freeport Take-A-Child Fishing Tournament (TACFT) – The Captain’s Dinner is on May 9, 2024, being held at the River Place in Freeport from 5:30 pm - 7:30 pm. Talk About Good Restaurant will provide catering services and décor. The fishing tournament is being held at Freeport Municipal Park on Saturday, May 11th from 8 am to 12 pm.

The staff continues with the planning and marketing efforts of the tournament. Additional marketing efforts are on the website to assist our community with language assistance and reasonable disabilities accommodation. Event advertisements will appear in local publications throughout Brazoria County. Banners will be on display in Brazoria, Clute, and Freeport. A social media campaign will continue through the day of the tournament.

This year’s weigh master’s will be Kevin Burns, Brazoria County Parks Department, Constable David Thacker, Pct. 1, and Jimmy Crainer. The additional weigh-in and monitoring team consists of the

following: Michelle Varga, Mallory Varga, Susan Crainer, and Stacey Mackay. Weighing Technologies, Inc. located in Richwood will donate the rental of the weighing scale as it has over the past several years. Texas Port Ministry and the First Baptist Church of Freeport will be present to provide face-painting services. Southern Shaved Cool Ice will serve drinks to our volunteers and snow cones for attendees.

Fifty-seven sponsors committed to \$44,800. Other sponsorship contributions are in the form of door prizes, promotional items, and discounted services. We are grateful for this year's sponsors.

On March 27, 2024, The Facts published *Port Freeport Announces 24th Annual Take-A-Child Fishing Tournament Logo Drawing Contest Winners* under the Business Journal section.

Touring Texas Gulf Coast Style 2024 edition published the tournament date under the Calendar of Events section.

Port Freeport Golf Tournament – Monday, October 14, 2024, is the tentative date for the 13th Annual Golf Tournament at The Wilderness.

Port Presentations, Tours, and Meetings

April 2 - Port of the Future Conference (Phyllis, speaker)

April 10 - The Chapelwood Methodist Church Methodist Men's Group Port Presentation and Tour

May 1 - Wednesday Review Club Port Presentation and Tour

May 28 - Automotive Leading Women's Conference (Phyllis, panelist)

May 29 - Future of the Houston Region (Phyllis, panelist)

Community Events and Meetings - (*Informational purpose only*)

Weekly – Business Roundtable Virtual Meetings (speakers vary)

April 17 - Brazoria Chamber of Commerce Meet & Mingle Breakfast

April 17 - ABC Texas Gulf Coast - Spring Membership Luncheon

April 18 – The Alliance 2nd Quarterly Meeting Luncheon

April 20 – LBX Fly-In: Texas Gulf Coast Regional Airport Brazoria County

April 25 – Angleton Chamber of Commerce: Meet the Candidates

April 25 - The 100 Club Brazoria County Law Enforcement Appreciation Banquet

April 26 – River Fest

April 27 - River Fest

April 26 - Boys and Girls Club Celebrity Golf Tournament (*Rescheduled from October 6*)

April 27 - West Columbia Rotary Annual Fundraiser

Upcoming Community Events and Meetings - (*Informational purpose only*)

May 1 – Dream Center Cinco De Mayo Fundraiser

May 2 - Highway 36A Coalition Luncheon - Caroline Mays TxDOT

May 3 - Dow United Way 17th Annual Golf Classic

May 10 - Junior Achievement Who's Who Golf Classic


May 16 - Angleton Chamber of Commerce Luncheon Brazoria County Judge Matt Sebesta (*Rescheduled from March*)



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MEMORANDUM

TO: Commissioners
Directors
Legal Counsel

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

DATE: April 15, 2024

SUBJECT: Departmental Report

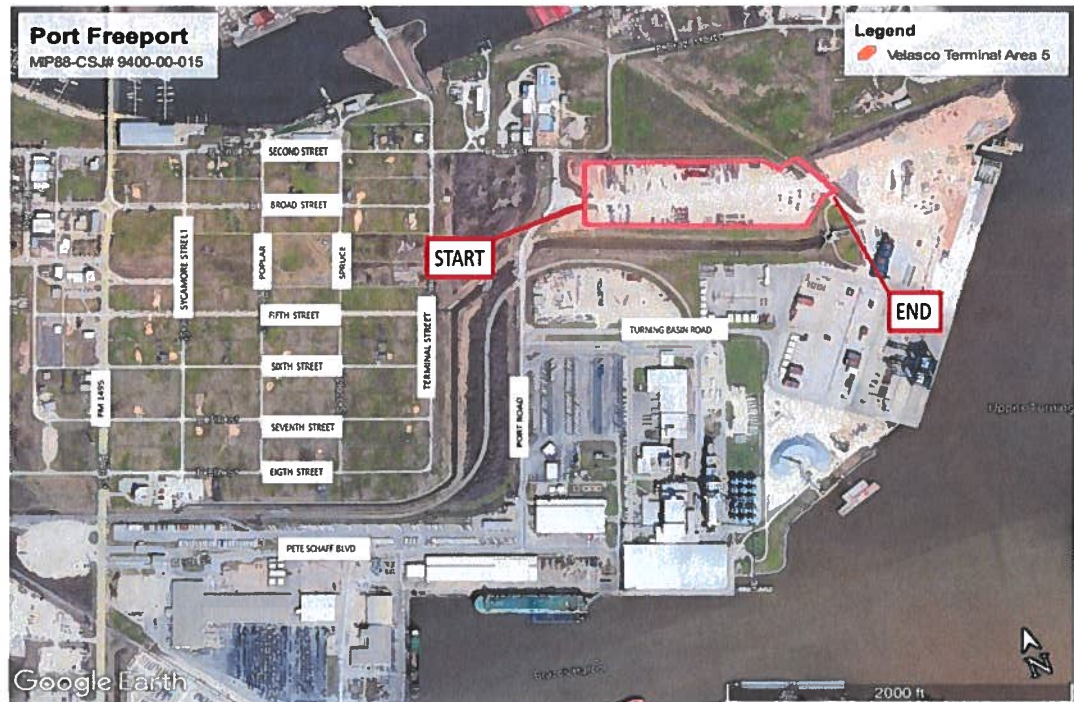
PROJECTS

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

- 3. Velasco Terminal Rider 37** – This project involves reconstructing portions of 8th Street, Poplar Street, and Terminal Street. It also involves building a truck parking area at Terminal Street and 5th Street and a Jug-handle intersection to connect FM 1495 to 2nd Street. This is partially funded through a RIDER 37 program that will pay up to \$6,228,128 which is 75% of the estimated costs. The Port will pay remainder of the project costs, which is estimated to be \$2,100,000. The project is out for bid at this time. Bids will be opened on April 30, 2024. Project completion will occur in phases with the last phase to be finished in April 2025.



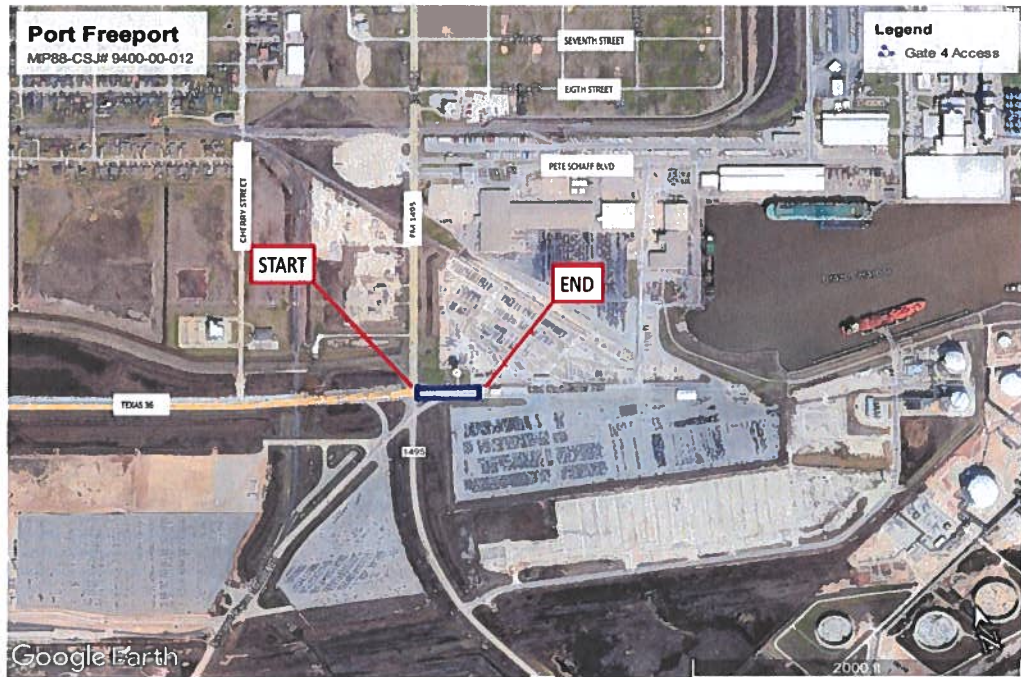
- 4. Velasco Terminal Area 5** – This project involves development of container yard in Velasco Terminal. TxDOT will fund up to \$11,565,621 which is 75% of the estimated costs. The Port will pay remainder of the project costs, which is estimated to be \$3,855,207. The consulting engineer, LJA Engineering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



- 5. East 5th Street** – This project involves rebuilding E. 5th Street in the expansion area to be suitable for truck traffic from FM 1495 to Terminal Street. TxDOT will fund up to \$3,802,189 which is 75% of the estimated costs. The Port will pay remainder of the project costs, which is estimated to be \$1,267,396. At this time, I have selected Freese & Nichols as the most qualified firm to submit a fee proposal for the design, surveying, geotechnical sampling, NEPA paperwork, construction materials testing and inspection on this project. At this time, I am waiting on their fee. I will place it on the Commission Agenda for approval after I have reviewed it. Bidding is expected in the May 2025 timeframe. Project completion will be finished in September 2026.



- Gate 4 Access** – This project involves widening the access road to Gate 4 from FM 1495 to Gate 4. TxDOT will fund up to \$950,547 which is 75% of the estimated costs. The Port will pay remainder of the project costs, which is estimated to be \$316,849. At this time, I have selected Freese & Nichols as the most qualified firm to submit a fee proposal for the design, surveying, geotechnical sampling, NEPA paperwork, construction materials testing and inspection on this project. At this time, I am waiting on their fee. I will place it on the Commission Agenda for approval after I have reviewed it. Bidding is expected in the May 2025 timeframe. Project completion will be finished in September 2026.



- Administration Building Repairs and Improvements** – This project involves replacing joint sealant at the concrete wall panels, windows, and exterior doors around the building to seal out water and wind blown rain. It also repairs & repaints areas around windows that have been damaged by previous occurrences of water intrusion. The project is contracted to Nobel Building & Development for \$293,715. This is funded with Port money. This project is closing out now.



- 8. Expansion Area Demolition 2024** – This project involves removing asbestos containing materials and demolishing property in the expansion area of the Port. The houses have been removed and the last of the park structures are being demolished now. Project completion is expected to be by April 30, 2024.



**PORT FREEPORT
OPERATIONS ACTIVITY SUMMARY**

MARCH 2024

A. MONTHLY ACTIVITY EXPLANATION

- * Total import/export activity for the month of March was as expected.
- * LNG experienced (**10**) vessels this month.
- * Riviana experienced (**1**) vessel this month.
- * Vulcan Material did not experience a vessel this month.
- * Total (**11**) RoRo vessels handled.
- * Tenaris experienced (**3**) vessels, (**12**) barges and (**33**) railcars this month.
- * Total of (**8**) Container vessel calls.
- * CEMEX transferred product from truck to (**23**) rail cars.
- * Vulcan Material did not handle any rail cars this month.
- * Volkswagen handled (**160**) rail cars this month.
- * Average vessel activity in 2023 was 34 per month. This month, we handled 33 vessels (10 LNG & 23 Inner Harbor).
- * *Enterprise/Seaway received (6) vessels.*
- * *There were (81) Total Vessel arrivals Port wide.*

B. FISCAL YEAR ACTIVITY EXPLANATION

- * Total Tons for this year are better than expected. This is due to the transition of vessel calls by LNG and additional calls of Steel Bars and RoRo vessels.
- * LNG has handled (**99**) vessels for export.
- * Tenaris has handled (**17**) vessels, (**54**) barges and (**129**) railcars.
- * Total (**57**) RoRo vessels handled.
- * YTD (**51**) Container vessel calls.
- * CEMEX handled (**103**) railcars with **7,285** Tons of Co2.
- * Vulcan handled (**755**) railcars with **86,825** Tons of Limestone and (**1**) Vessels.
- * Volkswagen has handled (**160**) railcars.
- * Total vessels handled this fiscal year is **246** compared to **162** last year (**99** LNG & **147** Inner Harbor).
- * *Enterprise Seaway Vessels Year-to-date (59)*
- * *Total Port wide Vessels Fiscal Year-to-date (584)*

- * *Total Vehicles Handled Year-to-date (53,525)*
- * *Total Containers Handled (23,766)*
- * *Total Railcars Handled (1,147)*

C. INSIGHT TO ACTIVITY FOR APRIL 2024

- * LNG has scheduled (**9**) vessels.
- * Riviana Foods has scheduled (**1**) vessels.
- * Vulcan Material has scheduled (**0**) vessels and (**185**) Railcars for April.
- * Expecting to handle (**18**) RoRo vessels.
- * Tenaris has (**4**) vessels, (**8**) barges and (**0**) Railcars planned.
- * Expecting (**8**) Container vessels.

D. OPERATIONAL MEETINGS AND AGENDAS

- * OPTS, Safety, Security – All Departments Working Together to prepare the Port for the Arrival of our Newest (2) Customers.
- * Safety – Christine Lewis – Held Port Safety Training.
- * Security – Chris Hogan – Attended Meetings with USCG.
- * Austin– Working with WGMA and Stevedores to Coordinate the “RoRo Rodeo”.
- * Austin– Attended PCT Calls.
- * Jesse – Hannah – Austin –Working with Volkswagen, Rail Link, WWS and APS Stevedoring.
- * Al –Don – Continue Working with PBA, ZPMC and ABB to Finalize the Design Specifications of the New STS Cranes.
- * Jesse – Hannah – Austin – Attended TXDOT Construction Meeting in the Field at Hwy 36 Intersection.
- * Al– Participated in Weekly “Protective Services Team Meeting”.
- * Operations & Maintenance Staff- Attended Monthly Port Ops Safety Meeting



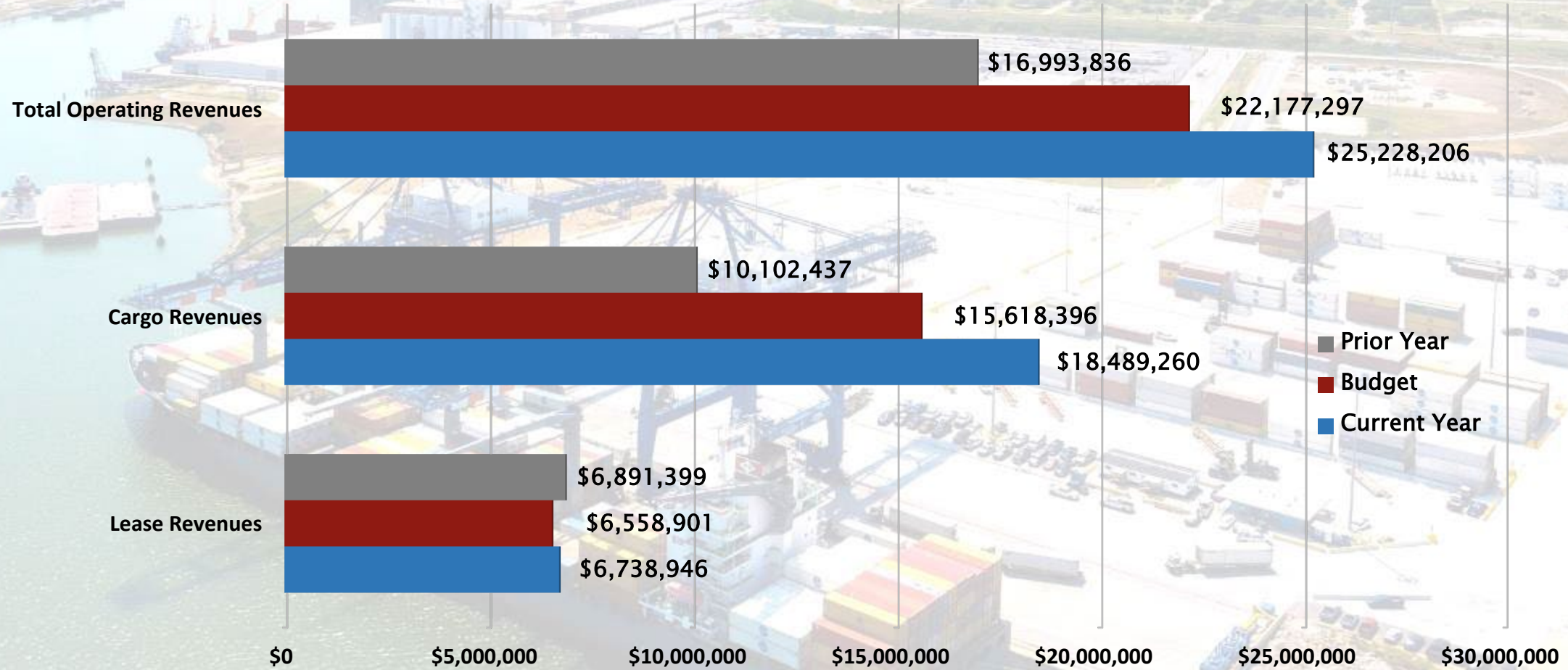
 PORT FREEPORT

Financial Report for March 31, 2024 (Unaudited)

April 25, 2024

Rob Lowe | Chief Financial Officer

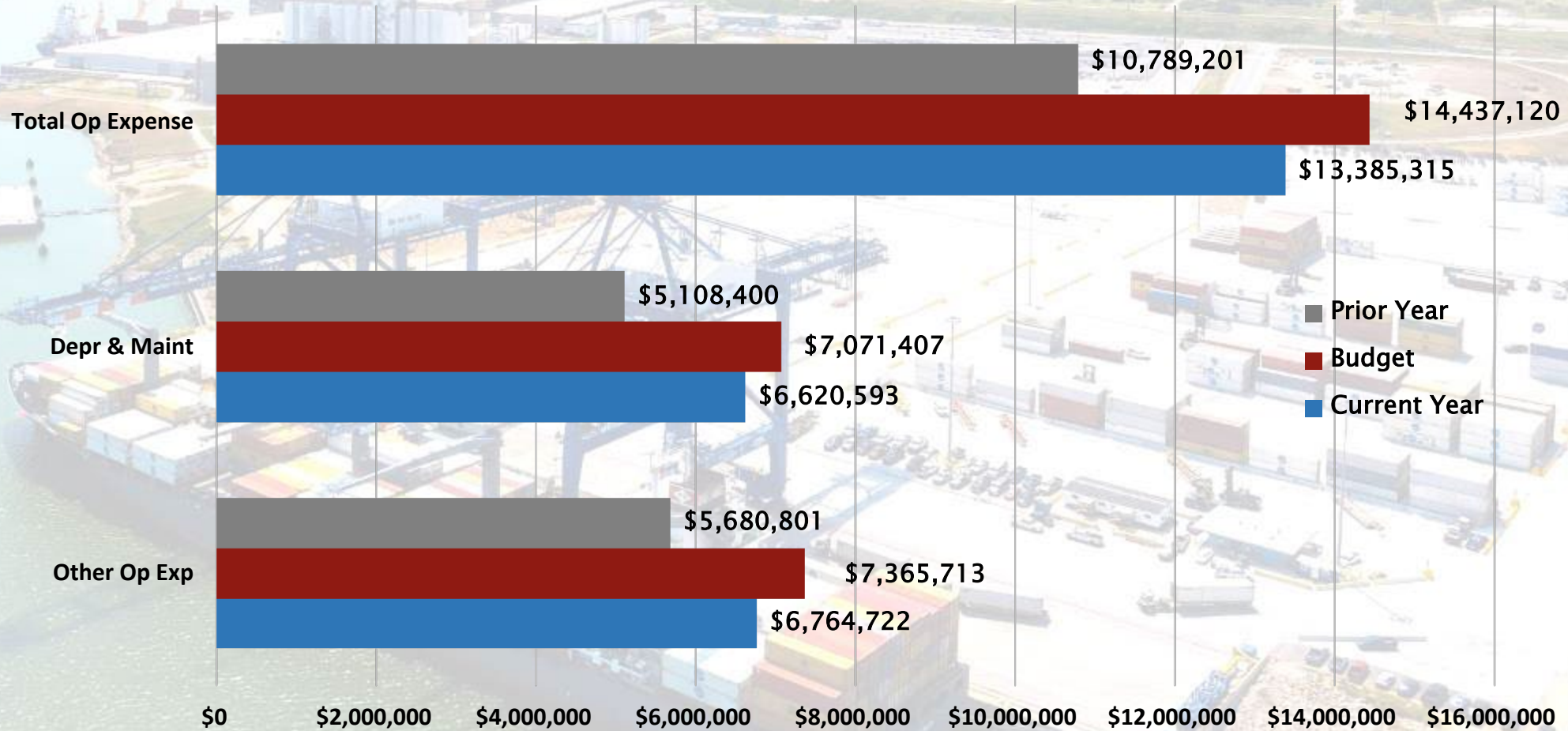
FY 2024 YTD OPERATING REVENUES



COMPARISON:

- Operating revenues are up over PY 48% and above budget 14%
- Cargo revenues are above PY by 83% and budget by 18%
- As compared to budget, cargo volumes are up in bulk aggregate, containerized cargo , and ro-ro cargo
- Lease revenues are below PY 2% and are 3% above budget

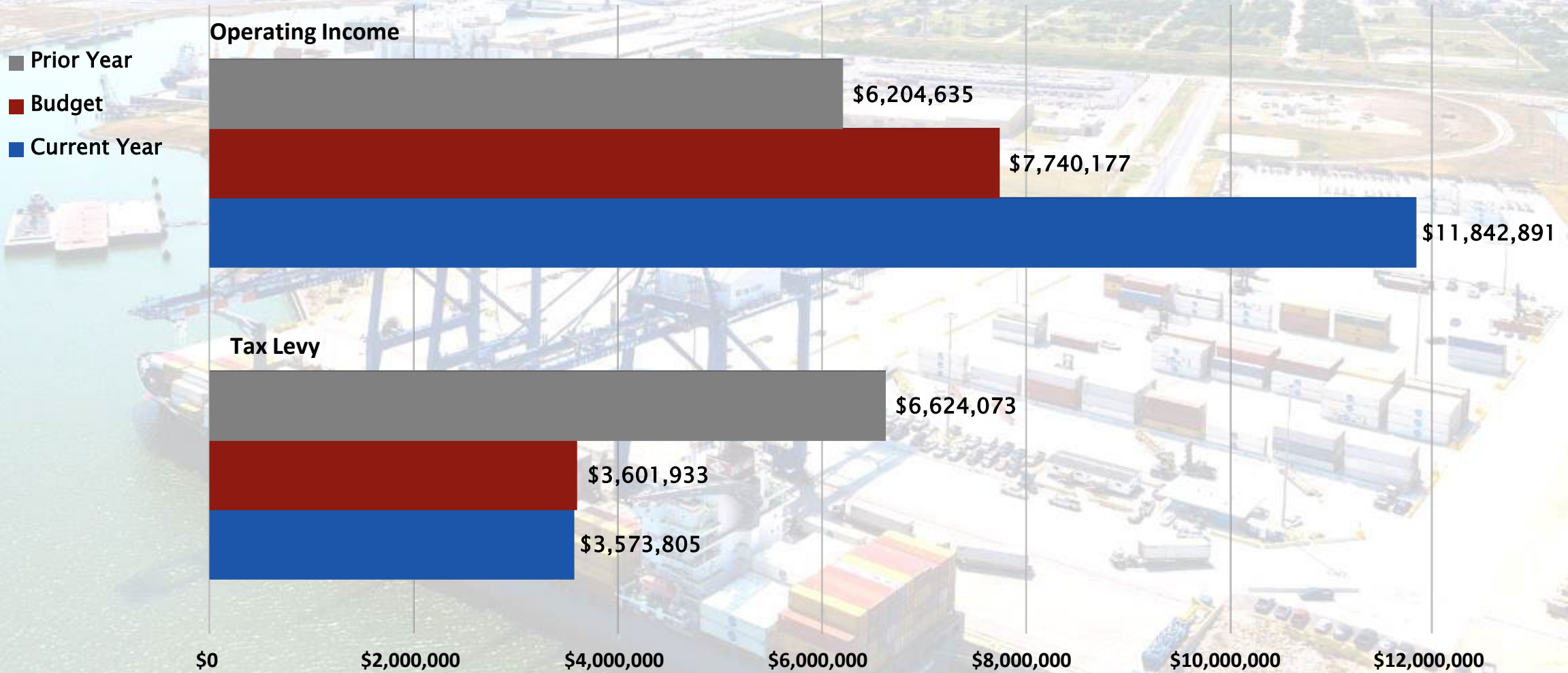
FY 2024 YTD OPERATING EXPENSE



COMPARISON:

- Total operating expenses are above prior year by 24%, below budget 7%
- Depr & maint are 30% above the PY and 6% below budget
- Other expenses are 19% above PY and below budget by 8%

FY 2024 YTD OPERATING INCOME



COMPARISON:

- Operating income is 91% above PY and above budget 53%

FY 2024 YTD CHANGE IN NET POSITION

Change in Net Position

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

	Year To Date	YTD Budget	Total 2024 Budget
Operating Income	\$ 11,842,891	\$ 7,740,177	\$ 17,517,400
Non-Operating Revenue (Expenses)	\$ 14,425	\$ (43,792)	\$ (3,726,100)
Capital Contributed (To) From Others			
Freeport Harbor Channel Improvement Project	\$ (38,984)	\$ -	\$ -
Dredge Material Placement Fees	\$ 270,916	\$ -	\$ -
Other	\$ -	\$ -	\$ (950,000)
Grants	\$ -	\$ 2,229,615	\$ 19,120,700
Change In Net Position	\$ 12,089,248	\$ 9,926,000	\$ 31,962,000

FY 2024 YTD CASH FLOWS

<i>Cash Flow Measure</i>	<i>Current Year</i>	<i>Prior Year</i>
<i>Cash Provided by Operations</i>	\$ 16,274,890	\$ 7,304,764
<i>Cash Provided by Non-Cap Financing</i>	3,111,793	5,729,874
<i>Cash Used by Cap Financing</i>	9,757,676	33,973,983
<i>Cash Provided by Investing Activities</i>	2,711,028	1,588,757
<i>Net Increase (Decrease) in Cash</i>	\$ 31,855,387	\$ 48,597,378

COMPARISON:

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

FY 2024 STATISTICS

<i>Measure</i>	<i>Current Year</i>	<i>Prior Year</i>	<i>Budget</i>
<i>Operating Margin</i>	47%	37%	35%
<i>Current Ratio (unrestricted)</i>	3.8 to 1	2.9 to 1	n/a
<i>Debt to Net Assets Ratio</i>	1.421 to 1	1.391 to 1	n/a

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>
March 31, 2024 FY 2024	94% \$4,222,627	4% \$188,454	1% \$26,371	1% \$31,508
March 31, 2023 FY 2023	96% \$5,966,443	0% \$19,868	0% \$1,820	4% \$221,859
March 31, 2022 FY 2022	78% \$5,219,407	13% \$861,185	2% \$150,610	7% \$448,100



Questions and Comments?



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:

March 31, 2024

PORT COMMISSION

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

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

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Check Register Report	19

Management Narrative

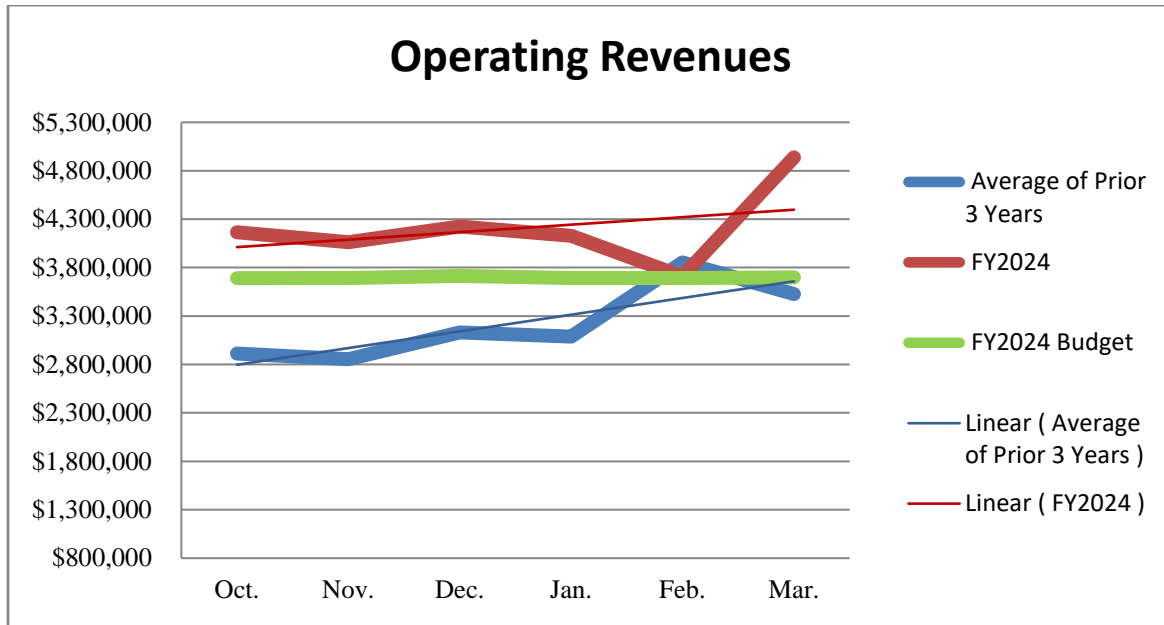
For the first half of Fiscal Year 2024, the Port remained on a sound financial foundation with operating revenues 14% above planned levels. Further, operating expenses were under planned levels and are below budget by a factor of 7%. These factors combined have contributed to producing an operating profit of \$11,842,891 and an operating margin of 47%, which is above planned performance levels by 53% or \$4,102,714 and is \$5,638,256 or 91% above the prior year's results.

The Port's overall position remains strong as evidenced in a current ratio (unrestricted) of 3.8 to 1, which reflects a strong liquidity position, and a debt ratio of 142.1% which is supported by our strong credit rating. The following table provides additional summary level information.

	Year to Date		Variance Favorable (Unfavorable)	% Var
	Actuals	Budget		
Statement of Revenues, Expenses and Changes in Net Assets				
Operating revenues	\$ 25,228,206	\$ 22,177,297	\$ 3,050,909	14%
Operating expense	<u>13,385,315</u>	<u>14,437,120</u>	1,051,805	7%
Operating income (loss)	<u>11,842,891</u>	<u>7,740,177</u>	4,102,714	53%
Operating margin	46.9%	34.9%		
Net non operating revenues (expense)	246,357	(43,792)	290,149	-663%
Capital contributions	-	2,229,615	(2,229,615)	0%
Net extraordinary revenue (expense)	<u>-</u>	<u>-</u>	-	0%
Change in net assets	<u>\$ 12,089,248</u>	<u>\$ 9,926,000</u>	\$ 2,163,248	
Balance Sheet				
Cash and cash equivalents	\$ 72,182,094	Current ratio (unrestricted)		
Lease receivable	173,300,168	(Exclusive of GASB 87)		
Current unrestricted assets (less lease receivable)	32,805,020	3.8 to 1		
Total assets	765,921,364			
Current unrestricted liabilities	8,592,553	Debt to Net Assets Ratio		
Total liabilities	357,516,302	142.1%		
Deferred inflow of resources	164,199,722			
Total Net Assets	\$ 244,205,340			

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

OPERATING REVENUES



Total operating revenues for the period ending March 31, 2024, are \$25,228,206. This is \$3,050,909 or 14% above planned levels. The following provide more specific explanations for variances in revenue:

Wharfage revenue stands at \$8,354,234, which is over budget by \$43,648 or 1%. The following is a brief analysis of wharfage results by cargo category:

	6 Months Budget	Year To Date	Over (Under)	% Over (Under)
Agriculture Products	\$ 163,626	\$ 172,216	\$ 8,590	5%
Bulk Aggregate	33,120	171,637	138,517	418%
Containerized Cargo	829,157	995,626	166,469	20%
General Cargo	6,731,135	6,108,630	(622,505)	-9%
Project Cargo	-	53,901	53,901	0%
Ro-Ro Cargo	553,548	852,224	298,676	54%
Total	\$ 8,310,586	\$ 8,354,234	\$ 43,648	

Dockage revenue stands at \$4,789,779, which is \$860,529 or 22% above budgeted levels. Year-to-date ship calls are 246 compared to a budget of 231.

Equipment use fees, stands at \$804,737, which is over budget \$108,449 or 16% due to increased equipment usage.

Security fees, corresponding with wharfage and dockage, stand at \$1,680,001, which is \$270,853 or 19% above budget.

Facility use fees are \$665,639. This is over budget by \$107,543 or 19% due to facility usage outside of tenant leased areas and increased rail activity.

Other customer service fees (Port service charges, incidental services, customer re-bills, water, etc.) are \$792,823 which is \$90,295 or 13% above budgeted levels.

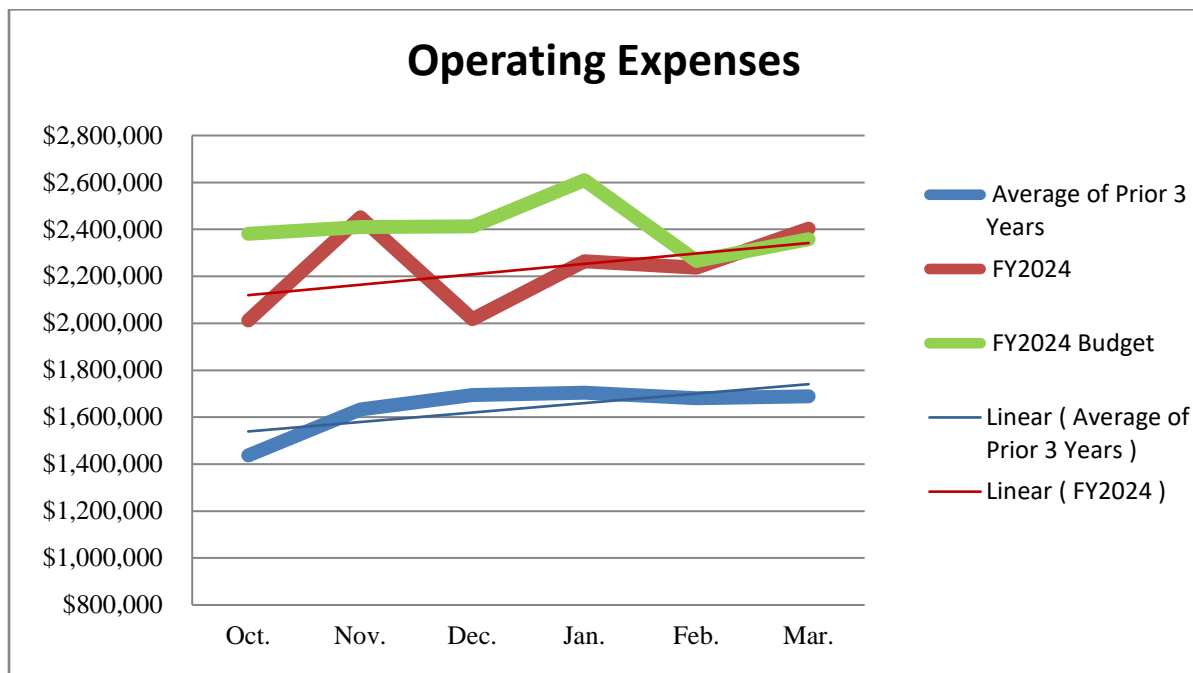
Ground leases stand at \$6,284,559, which is \$180,035 or 3% above budget levels.

Other leases are \$454,387, which is at budget levels.

Other revenue is \$2,047, which is below budgeted levels.

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

OPERATING EXPENSES



Total operating expenses are \$13,385,315, which is under budget \$1,051,805 or 7% for the period ended March 31, 2024. Following are more specific explanations for variances in operating expenses:

Port salaries/wages and benefits are \$2,614,683. This is \$457,781 or 15% less than budget. Currently, there are three vacancies not filled when compared to Fiscal Year 2024 Budget.

Professional services are \$1,408,945, which is under budget \$147,267 or 9%. Security services, at \$1,048,766, is the majority of this budget item and is at budgeted levels.

Training, travel & promotional expenses are \$253,287 which is under budget \$287,360 or 53%. Following is a brief explanation of some of the sub-categories within this line item:

- Commercial advertising is \$63,424, which is below budgeted levels \$159,084 or 71% due to timing of advertisements and ad development (website) services.
- Sales/promotional travel costs are \$24,471 which is under budgeted levels by \$5,983 or 20% due to timing of travel.
- Governmental relations costs are \$3,669 which is below budget by \$12,906 or 78% due to timing of government related travel.
- Community events are \$29,270 which is below budgeted levels \$2,882 or 9% due to the timing of the events.
- Technical training is \$53,903 which is \$25,977 or 33% under budget due to timing of training.

Supplies are \$85,946 which is \$17,106 or 17% below budget.

Utilities at \$615,438 are over budget \$133,282 or 28%. The City of Freeport had a rate adjustment and that along with increased water usage due to broken water lines account for the overage in the water and sewer budget.

Business insurance is \$1,550,689, which is \$236,481 or 18% above budgeted levels. The invoice for the addition of the Berth 8 and RoRo ramp was received, which was not budgeted, and the property insurance renewal premiums increased 17.25%.

Other services and charges at \$235,734 are \$61,240 or 21% below budget.

Maintenance and repair expenses at \$724,003 are \$261,058 or 27% below budget. Following is a brief explanation of some of the repairs by facility/equipment type:

- Emergency repairs to the transit shed sprinkler system were \$7,717.
- Emergency repairs to repair broken water lines were \$32,863.
- Emergency repairs to repair a broken water line at the administration building were \$2,428.
- Generator repairs for the Emergency Operations Center were \$4,696.
- Emergency repairs to the Berth 7 trailer air conditioning system were \$3,603.
- Emergency repairs to the truck scale were \$2,860.
- Emergency repairs to the transit shed sprinkler system were \$1,998.

Depreciation expense at \$5,896,590 is \$189,756 or 3% below budget levels due to timing of additions.

Operating income is \$11,842,891 compared to a total fiscal year budget of \$17,517,400, shows a

positive result for Fiscal Year 2024.

NON-OPERATING REVENUES (EXPENSES)

Ad Valorem tax collections are posted utilizing the certified appraised values less the related fees. Adjustments are made throughout the year from the tax office reports to reflect appraisal and tax office adjustments as well as prior year collections, penalty, and interest. Year to date values are \$3,573,805 compared to an annual budget of \$3,566,500.

Investment income is \$2,800,125, which is above budget due to changes in fair market values, increased funds invested, and interest rates.

Debt interest and fees are \$6,359,505, which is \$791,276 or 14% above budgeted levels due to the 2024 Revenue Bond issuance, which was not budgeted.

Capital Contributions to Others budget includes \$750,000 in contributions to the U.S. Army Corps of Engineers for maintenance dredging and \$200,000 in Berth 2 & 3 floodwall modifications. There has been \$38,984 in expenses for these projects.

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

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

**PORT FREEPORT
BALANCE SHEET**

	3/31/2024	9/30/2023
ASSETS		
CURRENT ASSETS:		
CASH AND CASH EQUIVALENTS	\$ 17,286,464	\$ 18,278,111
INVESTMENTS	4,999,932	0
RECEIVABLES (net of allowance for uncollectibles):		
TRADE ACCOUNTS	4,428,494	5,339,302
PROPERTY TAXES	77,523	71,807
LEASE RECEIVABLE	173,300,168	173,300,168
OTHER	1,368,616	59,474
OTHER GOVERNMENTS	641,051	646,158
ACCRUED INTEREST	0	0
PREPAIDS	2,675,947	1,397,947
INVENTORY	1,326,993	1,277,492
TOTAL UNRESTRICTED CURRENT ASSETS	\$ 206,105,188	\$ 200,370,459
RESTRICTED ASSETS:		
CASH AND CASH EQUIVALENTS	54,895,630	64,421,726
INVESTMENTS	51,235,079	13,861,881
RECEIVABLES (net of allowance for uncollectibles):		
PROPERTY TAXES	508,330	52,034
OTHER	-	589
ACCRUED INTEREST	111,570	22,473
BOND DISCOUNTS AND ISSUANCE COSTS	4,279	5,441
TOTAL RESTRICTED ASSETS	106,754,888	78,364,144
TOTAL CURRENT ASSETS	312,860,076	278,734,603
PROPERTY, PLANT, AND EQUIPMENT:		
PROPERTY, PORT, AND FACILITIES	565,410,083	555,050,157
LESS ACCUMULATED DEPRECIATION	(112,348,795)	(106,504,142)
PROPERTY, PLANT, AND EQUIPMENT NET	453,061,288	448,546,015
TOTAL ASSETS	\$ 765,921,364	\$ 727,280,618
LIABILITIES		
CURRENT LIABILITIES:		
ACCOUNTS PAYABLE	\$ 2,674,573	\$ 2,479,613
EQUIPMENT LEASE PAYABLE	1,558,990	1,558,990
ACCRUED COMPENSATED ABSENCES	0	138,315
UNEARNED LEASE INCOME	4,358,990	4,425,897
TOTAL CURRENT LIABILITIES	\$ 8,592,553	\$ 8,602,815
LIABILITIES PAYABLE FROM RESTRICTED ASSETS:		
ACCRUED BOND INTEREST PAYABLE	3,370,306	3,235,533
BONDS PAYABLE	5,535,000	5,535,000
TOTAL CURRENT LIABILITIES FROM RESTRICTED ASSETS	8,905,306	8,770,533
NON-CURRENT LIABILITIES		
EQUIPMENT LEASE PAYABLE	0	0
BONDS PAYABLE	318,090,000	292,435,000
BOND PREMIUMS	21,928,443	21,156,457
TOTAL NON-CURRENT LIABILITIES	340,018,443	313,591,457
TOTAL LIABILITIES	\$ 357,516,302	\$ 330,964,805
DEFERRED INFLOW OF RESOURCES		
DEFERRED INFLOW OF RESOURCES	164,199,722	164,199,722
TOTAL DEFERRED INFLOW OF RESOURCES	\$ 164,199,722	\$ 164,199,722
NET ASSETS		
NET INVESTMENT IN CAPITAL ASSETS	\$ 256,211,292	\$ 256,735,808
RESTRICTED-DEBT SERVICE	19,957,199	14,583,736
RESTRICTED-CAPITAL PROJECTS (Corps)	12,289	12,274
RESTRICTED CONTRIBUTED TO OTHERS	44,387,559	43,285,348
RESERVE FOR CAPITAL IMPROVEMENTS	18,081,101	17,644,062
UNRESTRICTED DEBT CONTRIBUTED TO OTHERS	(128,760,704)	(128,869,799)
UNRESTRICTED	34,316,604	28,724,662
TOTAL NET ASSETS	\$ 244,205,340	\$ 232,116,091

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

	YEAR TO DATE	PRIOR YEAR TO DATE	% OVER (UNDER)	6 MONTHS BUDGET	% OVER (UNDER)	TOTAL 2023/2024 BUDGET
OPERATING REVENUES:						
Wharfage	\$ 8,354,234	\$ 5,286,403	58%	\$ 8,310,586	1%	\$ 17,049,000
Dockage & deep water berth	4,789,779	1,842,094	160%	3,929,250	22%	8,134,100
Equipment & pallet use fees	804,737	739,385	9%	696,288	16%	1,537,600
Facility use fees	665,639	667,670	0%	558,096	19%	1,116,200
Security Fees	1,680,001	827,881	103%	1,409,148	19%	2,984,500
Other Customer Service Fees	792,823	673,172	18%	702,528	13%	1,443,500
Ground leases	6,284,559	6,418,740	-2%	6,104,524	3%	12,554,800
Other leases	454,387	442,659	3%	454,377	0%	908,800
GASB 87 Lease recognition	-	-	0%	-	0%	-
Other revenue	2,047	95,832	-98%	12,500	-84%	25,000
Business interruption Claim	1,400,000	-	0%	-	0%	-
Total Operating Revenues	25,228,206	16,993,836	48%	22,177,297	14%	45,753,500
OPERATING EXPENSES:						
Port salaries/wages	1,986,542	1,811,596	10%	2,333,108	-15%	4,626,200
Port employee benefits	628,141	640,064	-2%	739,356	-15%	1,714,300
Professional services	1,408,945	1,401,572	1%	1,556,212	-9%	3,105,200
Training, travel, and promotional	253,287	242,181	5%	540,647	-53%	844,500
Supplies	85,946	90,063	-5%	103,052	-17%	188,400
Utilities	615,438	424,344	45%	482,156	28%	964,300
Business Insurance	1,550,689	846,053	83%	1,314,208	18%	2,628,400
Other services & charges	235,734	224,928	5%	296,974	-21%	554,900
Maintenance & repair	724,003	645,009	12%	985,061	-27%	1,437,200
Depreciation	5,896,590	4,463,391	32%	6,086,346	-3%	12,172,700
Total Operating Expenses	13,385,315	10,789,201	24%	14,437,120	-7%	28,236,100
OPERATING INCOME (LOSS)	11,842,891	6,204,635	91%	7,740,177	53%	17,517,400
NON-OPERATING REVENUES (EXPENSES)						
Ad Valorum tax collections	3,573,805	6,624,073	-46%	3,601,933	-1%	3,566,500
Investment Income	2,800,125	1,590,457	76%	1,922,504	46%	3,845,000
Gain (loss) on sale of assets	-	-	0%	-	0%	-
Debt interest and fees	(6,359,505)	(5,276,981)	21%	(5,568,229)	14%	(11,137,600)
CAPITAL CONTRIBUTIONS (TO) FROM OTHERS:						
Freeport Harbor Improvement Project	(38,984)	(190,000)	-79%	-	0%	(750,000)
Berth 2 Floodwall Modifications	-	-	0%	-	0%	(200,000)
Contributed Capital-Other	-	(47,000)	-100%	-	0%	-
OTHER:						
Dredge material placement fees	270,916	-	0%	-	0%	-
Total Non-Operating Revenue (Expenses)	246,357	2,700,549	-91%	(43,792)	-663%	(4,676,100)
INCOME (LOSS) BEFORE CONTRIBUTIONS AND EXTRAORDINARY EXPENSE	12,089,248	8,905,184	36%	7,696,385	57%	12,841,300
CAPITAL CONTRIBUTIONS:						
Grants:						
Grants Port-Freeport	-	3,262,899	-100%	2,229,615	-100%	19,120,700
Total Capital Contributions-Grants	-	3,262,899	-100%	2,229,615	-100%	19,120,700
EXTRAORDINARY ITEM						
Emergency Recovery Efforts - Hurricane	-	-	0%	-	0%	-
Net Extraordinary Income (Expense)	-	-	0%	-	0%	-
CHANGE IN NET POSITION	\$ 12,089,248	\$ 12,168,083	-1%	\$ 9,926,000	22%	\$ 31,962,000

STATEMENT OF CASH FLOWS

March 31, 2024

	YEAR TO DATE	PRIOR YEAR TO DATE
Cash Flows from Operating Activities:		
Operating Income (Loss)	\$ 11,842,891	\$ 6,204,635
Adjustments to Reconcile Operating Income (Loss) to Net Cash Flows from Operating Activities:		
Depreciation	5,896,590	4,463,391
Dredge Material Placement Fees	270,916	-
Change in Assets and Liabilities:		
Trade receivables	910,809	(2,703,377)
Other receivables	(1,309,142)	4,924,467
Lease Receivable	-	-
Deferred inflow of resources	-	-
Inventories	(49,501)	-
Prepaid and Other	(1,277,411)	(1,293,628)
Accounts payable	194,960	(4,063,276)
Deferred lease income	(66,907)	(92,847)
Accrued compensated absences	(138,315)	(134,601)
	<u>16,274,890</u>	<u>7,304,764</u>
Total Cash Provided from (Used for) Operating Activities	16,274,890	7,304,764
Cash Flows from Non-capital Financing Activities:		
Property tax receipts	3,144,961	5,782,597
Property tax collection expense	(33,168)	(52,723)
Emergency Recovery Efforts - Disaster Related	-	-
	<u>3,111,793</u>	<u>5,729,874</u>
Total Cash Provided from (Used for) Non-capital Financing Activities	3,111,793	5,729,874
Cash Flows from Capital Financing Activities:		
Principal payments under debt obligations	-	-
Interest and fees paid under debt obligations	(5,451,584)	(4,903,985)
Proceeds from sale of long-term debt obligations	25,655,000	55,800,000
Land, capital improvement, and equipment purchases	(10,411,863)	(19,310,270)
Other capital acquisition (costs) or recoveries, extraordinary	-	-
Capital contributions	(38,984)	(237,000)
Gants received	5,107	2,625,238
Proceeds from sale/disposal of capital assets	-	-
	<u>9,757,676</u>	<u>33,973,983</u>
Total Cash Provided from (Used for) Capital Financing Activities	9,757,676	33,973,983
Cash Flows from Investing Activities:		
Investment earnings	2,309,454	1,020,704
Change in FMV of marketable investment securities	401,574	568,053
	<u>2,711,028</u>	<u>1,588,757</u>
Total Cash Provided from (Used for) Investing Activities	2,711,028	1,588,757
Net Increase(Decrease) in Cash and Cash Equivalents	31,855,387	48,597,378
Cash and Cash Equivalents at Beginning of Period	96,561,718	81,177,305
Cash and Cash Equivalents at End of Period	<u>\$ 128,417,105</u>	<u>\$ 129,774,683</u>

NOTES TO FINANCIAL STATEMENTS

Note 1 - Accounts Receivable Aging

0 - 30 days	\$	4,222,627	94%
31 - 60 days		188,454	4%
61 - 90 days		26,371	1%
Over 90 days	\$	31,508	1%
Allowance for uncollectibles		(40,466)	-1%
Net Trade A/R	\$	4,428,494	

Note 2 - Accounts Payable Information

Retainage Withheld	\$	361,306
Corps of Engineers*		620,518
Employee Payroll Related		7,804
Accounts Payable		1,684,945
Total A/P	\$	2,674,573

45' Project - \$620,518

Note 3 - Debt Service Information

	Original Amount of Issue	Principal Paid	Issue Outstanding
General Obligation Bonds, Series 2019	\$ 31,795,000	\$ 1,750,000	\$ 30,045,000
General Obligation Bonds, Series 2021	37,135,000	-	37,135,000
General Obligation Bonds, Series 2023	55,800,000	-	55,800,000
Senior Lien Revenue Refunding Bonds, Series 2013A	33,065,000	20,345,000	12,720,000
Senior Lien Revenue and Refunding Bonds, Series 2015A	39,635,000	6,365,000	33,270,000
Senior Lien Revenue Refunding Bonds, Series 2018	32,865,000	2,795,000	30,070,000
Senior Lien Revenue Bonds, Series 2019A	45,200,000	3,345,000	41,855,000
Senior Lien Revenue Bonds, Series 2019B	29,480,000	2,290,000	27,190,000
Senior Lien Revenue Bonds, Series 2021	29,885,000	-	29,885,000
Senior Lien Revenue Bonds, Series 2024	25,655,000	-	25,655,000
2014 Equipment Lease Payable	14,100,000	12,541,010	1,558,990
Total Bonds	\$ 374,615,000	\$ 49,431,010	\$ 325,183,990

Less Current Portion of Long-Term Debt Payable	\$	7,093,990
Long-term Debt Payable	\$	318,090,000

Note 4 - Net Asset Information

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

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

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

	YEAR TO-DATE	PRIOR YEAR TO-DATE	PRIOR YEAR % OVER (UNDER)	6 MONTHS BUDGET	BUDGET % OVER (UNDER)	TOTAL 2023/2024 BUDGET
COMMISSIONERS						
OPERATING EXPENSES:						
Port salaries/wages	\$ 28,800	\$ 28,800	0%	\$ 28,800	0%	\$ 57,600
Port employee benefits	2,531	36,317	-93%	3,095	0%	5,291
Professional services	117	10,000	-99%	-	0%	-
Training, travel & promotional	38,350	28,573	34%	50,711	-24%	71,650
Supplies	178	14	1171%	300	-41%	600
Utilities	3,266	3,803	-14%	3,150	4%	6,300
Total Operating Expenses	\$ 73,242	\$ 107,507	-32%	\$ 86,056	-15%	\$ 141,441

ADMINISTRATION & FOREIGN TRADE ZONE

OPERATING EXPENSES:						
Port salaries/wages	\$ 601,614	\$ 564,958	6%	\$ 786,948	-24%	\$ 1,533,900
Port employee benefits	174,913	179,484	-3%	229,264	-24%	538,424
Professional services	327,048	280,587	17%	402,306	-19%	802,800
Training, travel & promotional	74,032	57,338	29%	95,992	-23%	187,700
Supplies	16,042	12,537	28%	15,400	4%	28,600
Utilities	40,420	43,929	-8%	39,352	3%	78,700
Business Insurance	1,550,689	846,053	83%	1,314,208	18%	2,628,400
Other services & charges	178,820	164,013	9%	181,376	-1%	364,400
Maintenance & repair	311,992	66,840	367%	386,776	-19%	473,050
Depreciation	5,896,590	4,463,391	32%	6,086,346	-3%	12,172,700
Total Operating Expenses	\$ 9,172,160	\$ 6,679,130	37%	\$ 9,537,968	-4%	\$ 18,808,674

ENGINEERING

OPERATING EXPENSES:						
Port salaries/wages	\$ 180,234	\$ 194,488	-7%	\$ 238,852	-25%	\$ 477,700
Port employee benefits	63,823	75,659	-16%	79,483	-20%	187,139
Professional services	11,882	10,004	19%	99,004	-88%	198,000
Training, travel & promotional	3,981	6,256	-36%	20,254	-80%	40,300
Supplies	1,847	1,647	12%	2,954	-37%	5,900
Utilities	2,332	4,360	-47%	2,352	-1%	4,700
Other services & charges	2,725	2,620	4%	3,806	-28%	7,600
Maintenance & repair	34	1,241	-97%	252	-87%	500
Total Operating Expenses	\$ 266,858	\$ 296,275	-10%	\$ 446,957	-40%	\$ 921,839

OPERATIONS

OPERATING EXPENSES:						
Port salaries/wages	\$ 848,517	\$ 785,565	8%	\$ 910,824	-7%	\$ 1,821,630
Port employee benefits	282,293	266,838	6%	314,269	-10%	719,911
Professional services	20,817	45,068	-54%	5,400	286%	5,400
Training, travel & promotional	11,323	16,633	-32%	18,648	-39%	26,750
Supplies	40,664	47,979	-15%	51,048	-20%	93,400
Utilities	547,252	347,191	58%	406,448	35%	812,900
Other services & charges	27,775	31,351	-11%	80,742	-66%	120,800
Maintenance & repair	371,210	532,805	-30%	562,570	-34%	893,500
Total Operating Expenses	\$ 2,149,851	\$ 2,073,430	4%	\$ 2,349,949	-9%	\$ 4,494,291

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

	YEAR TO-DATE	PRIOR YEAR TO-DATE	PRIOR YEAR % OVER (UNDER)	6 MONTHS BUDGET	BUDGET % OVER (UNDER)	TOTAL 2023/2024 BUDGET
<u>BUSINESS DEVELOPMENT</u>						
OPERATING EXPENSES:						
Port salaries/wages	\$ 234,798	\$ 182,571	29%	\$ 251,348	-7%	\$ 502,700
Port employee benefits	67,846	64,378	5%	75,803	-10%	178,401
Professional services	315	3,312	-90%	-	0%	-
Training, travel & promotional	120,960	132,687	-9%	349,538	-65%	507,400
Supplies	2,010	2,923	-31%	3,198	-37%	5,400
Utilities	1,952	4,360	-55%	2,902	-33%	5,800
Other services & charges	8,038	7,132	13%	11,426	-30%	22,850
Maintenance & repair	-	-	0%	-	0%	-
Total Operating Expenses	\$ 435,919	\$ 397,363	10%	\$ 694,215	-37%	\$ 1,222,551

PROTECTIVE SERVICES

OPERATING EXPENSES:						
Port salaries/wages	\$ 92,579	\$ 55,214	68%	\$ 116,336	-20%	\$ 232,670
Port employee benefits	36,735	17,388	111%	37,442	-2%	85,134
Professional services	1,048,766	1,052,601	0%	1,049,502	0%	2,099,000
Training, travel & promotional	4,641	694	569%	5,504	-16%	10,700
Supplies	25,205	24,963	1%	30,152	-16%	54,500
Utilities	20,216	20,701	-2%	27,952	-28%	55,900
Other services & charges	18,376	19,812	-7%	19,624	-6%	39,250
Maintenance & repair	40,767	44,123	-8%	35,463	15%	70,150
Total Operating Expenses	\$ 1,287,285	\$ 1,235,496	4%	\$ 1,321,975	-3%	\$ 2,647,304

CONSOLIDATED - TOTAL

OPERATING EXPENSES:						
Port salaries/wages	\$ 1,986,542	1,811,596	10%	\$ 2,333,108	-15%	\$ 4,626,200
Port employee benefits	628,141	640,064	-2%	739,356	-15%	1,714,300
Professional services	1,408,945	1,401,572	1%	1,556,212	-9%	3,105,200
Training, travel & promotional	253,287	242,181	5%	540,647	-53%	844,500
Supplies	85,946	90,063	-5%	103,052	-17%	188,400
Utilities	615,438	424,344	45%	482,156	28%	964,300
Business Insurance	1,550,689	846,053	83%	1,314,208	18%	2,628,400
Other services & charges	235,734	224,928	5%	296,974	-21%	554,900
Maintenance & repair	724,003	645,009	12%	985,061	-27%	1,437,200
Depreciation	5,896,590	4,463,391	32%	6,086,346	-3%	12,172,700
Total Operating Expenses	\$ 13,385,315	\$ 10,789,201	24%	\$ 14,437,120	-7%	\$ 28,236,100

PORT FREEPORT - VELASCO TERMINAL ONLY

STATEMENT OF REVENUES AND EXPENSES

March 31, 2024

	YEAR TO DATE	PRIOR YEAR TO DATE	% OVER (UNDER)	6 MONTHS BUDGET	% OVER (UNDER)	TOTAL 2023 BUDGET
OPERATING REVENUES:						
Wharfage	\$ 757,386	\$ 901,220	-16%	\$ 794,160	-5%	\$ 1,813,328
Dockage & deep water berth	274,769	368,486	-25%	311,199	-12%	672,401
Equipment & pallet use fees	571,157	645,322	-11%	606,366	-6%	1,357,738
Facility use fees	34,147	60,340	-43%	-	0%	-
Security Fees	95,829	118,905	-19%	140,244	-32%	280,489
Other Customer Service Fees	160,840	191,212	-16%	305,496	-47%	666,030
Ground leases	215,370	202,392	6%	51,324	320%	136,248
Total Operating Revenues	2,109,498	2,487,877	-15%	2,208,789	-4%	4,926,234
OPERATING EXPENSES:						
Port salaries/wages	183,231	158,069	16%	155,603	18%	311,201
Port employee benefits	50,622	45,404	11%	53,401	-5%	125,041
Professional services	-	25,236	-100%	-	0%	-
Training, travel, and promotional	-	-	0%	600	-100%	1,200
Supplies	-	55	-100%	-	0%	-
Utilities	77,065	64,655	19%	78,248	-2%	156,500
Business Insurance	251,294	182,740	38%	294,178	-15%	588,346
Maintenance & repair	144,298	236,119	-39%	301,356	-52%	445,700
Depreciation	2,880,454	1,438,007	100%	2,903,292	-1%	5,806,589
Total Operating Expenses	3,586,964	2,150,285	67%	3,786,678	-5%	7,434,577
OPERATING INCOME (LOSS)	(1,477,466)	337,592	538%	(1,577,889)	6%	(2,508,343)
NON-OPERATING REVENUES (EXPENSES)						
Debt interest and fees	(1,558,934)	(930,286)	68%	(1,483,674)	5%	(2,968,514)
Total Non-Operating Revenue (Expenses)	(1,558,934)	(930,286)	68%	(1,483,674)	5%	(2,968,514)
CHANGE IN NET POSITION	\$ (3,036,400)	\$ (592,694)	412%	\$ (3,061,563)	-1%	\$ (5,476,857)

PORT FREEPORT
Port Improvement Projects Summary
March 31, 2024

Project	Contract Award	Change Orders	Total Contract	Current Year Budget	Incurred to Date FY 2023	CIP Prior Years	Incurred to Date Total	Balance to Finish
VT- North Gate Entrance	720,847.52	0.00	720,847.52	250,000.00	321,850.86	237,408.00	559,258.86	161,588.66
EDSA	356,684.00	0.00	356,684.00		69,507.34	237,408.00	306,915.34	49,768.66
Construction	363,469.00	0.00	363,469.00		251,649.00	0.00	251,649.00	111,820.00
Other not in contract	694.52	0.00	694.52		694.52	0.00	694.52	0.00
VT- Access Project	4,158,669.00	70,000.00	4,228,669.00	8,679,000.00	836,843.70	15,400.00	852,243.70	3,376,425.30
EDSA	1,218,718.00	70,000.00	1,288,718.00		579,042.98	15,400.00	594,442.98	694,275.02
Construction	2,929,297.00	0.00	2,929,297.00		247,146.72	0.00	247,146.72	2,682,150.28
Other not in contract	10,654.00	0.00	10,654.00		10,654.00	0.00	10,654.00	0.00
VT- Refrigerated Cross Dock	0.00	0.00	0.00	500,000.00	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 V Phase II	849,800.00	0.00	849,800.00	20,500,000.00	73,857.15	0.00	73,857.15	775,942.85
EDSA	849,800.00	0.00	849,800.00		73,857.15	0.00	73,857.15	775,942.85
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 East 5th Reconstruction	0.00	0.00	0.00	500,000.00	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 Perimeter Fencing	0.00	0.00	0.00	95,000.00	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 -Utility Relocation of Land Acquisition & land	203,970.78	0.00	203,970.78	1,800,000.00	203,970.78	0.00	203,970.78	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	203,970.78	0.00	203,970.78		203,970.78	0.00	203,970.78	0.00
Pumpstation 1400 E Floodgate & P14 Drainage	1,444,585.61	0.00	1,444,585.61	1,440,000.00	1,239,182.00	205,403.61	1,444,585.61	0.00
EDSA	0.00	0.00	0.00		0.00	0.00	0.00	0.00
Construction	1,442,485.00	0.00	1,442,485.00		1,239,182.00	203,303.61	1,442,485.00	0.00
Other not in contract	2,100.61	0.00	2,100.61		0.00	2,100.61	2,100.61	0.00
Non-TWIC Lot Precheck Gate Electrical	0.00	0.00	0.00	10,000.00	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
EOC Additional Parking	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
EOC HVAC Upgrade/Replacement	0.00	0.00	0.00	500,000.00	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 4 Access Road Widening	0.00	0.00	0.00	120,000.00	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
Greenbelt with Port Expansion Area Tribute	0.00	0.00	0.00	50,000.00	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
Port Expansion Area Water & Sewer Modificatio	0.00	0.00	0.00	500,000.00	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 - 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	75,000.00	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
M & R Transformer Yard Replacement	4,078.00	0.00	4,078.00	200,000.00	0.00	4,078.00	4,078.00	0.00
EDSA	4,078.00	0.00	4,078.00		0.00	4,078.00	4,078.00	0.00
Construction	0.00	0.00	0.00		0.00	0.00	0.00	0.00
Other not in contract	0.00	0.00	0.00		0.00	0.00	0.00	0.00

PORT FREEPORT
Port Improvement Projects Summary
March 31, 2024

Project	Contract Award	Change Orders	Total Contract	Current Year Budget	Incurred to Date FY 2023	CIP Prior Years	Incurred to Date Total	Balance to Finish
M & R Fence Razor Wire Upgrade	0.00	0.00	0.00	31,000.00	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 Portwide Areas Upgrade to Concrete	4,756,692.90	58,814.91	4,815,507.81	3,700,000.00	3,510,217.66	1,305,290.15	4,815,507.81	0.00
EDSA	26,242.50	0.00	26,242.50		19,970.75	6,271.75	26,242.50	0.00
Construction	4,728,599.00	58,814.91	4,787,413.91		3,490,246.91	1,297,167.00	4,787,413.91	0.00
Other not in contract	1,851.40	0.00	1,851.40		0.00	1,851.40	1,851.40	0.00
M & R - Docks Cathodic Protection System	632,544.00	0.00	632,544.00	6,000,000.00	114,824.25	0.00	114,824.25	517,719.75
EDSA	632,544.00	0.00	632,544.00		114,824.25	0.00	114,824.25	517,719.75
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 Inner Harbor Berth Repairs	191,000.00	0.00	191,000.00	300,000.00	0.00	0.00	0.00	191,000.00
EDSA	0.00	0.00	0.00		0.00	0.00	0.00	0.00
Construction	191,000.00	0.00	191,000.00		0.00	0.00	0.00	191,000.00
Other not in contract	0.00	0.00	0.00		0.00	0.00	0.00	0.00
Total				\$ 45,495,000.00	\$ 6,300,746.40	\$ 1,767,579.76	\$ 8,068,326.16	\$ 5,022,676.56



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PORT FREEPORT
 QUARTERLY INVESTMENT SUMMARY
 March 31, 2024

Unrestricted Resources: The \$16 million portfolio (market value) of unrestricted resources is structured to have funds available to meet anticipated capital expenditures and monthly Port operating requirements, if needed. In the current portfolio sixty-eight percent of the investments have maturities of less than one month, and thirty-two percent have maturities maturing less than six months. The portfolio composition is primarily Federal Treasury securities and money market funds. Investments have been made with the intent to hold them until maturity.

Restricted Resources: The \$106.1 million portfolio (market value) includes bond reserve requirements of \$22.1 million, restricted funds of \$12.3 thousand in the U.S. Army Corps of Engineers (Corps) escrow accounts, \$18.1 million of capital improvements reserve, \$21.5 million in 2024 Revenue Bond project funds, and \$44.4 million in 2023 General Obligation Bond project funds. The portfolio of restricted resources is structured to provide the liquidity needed to make scheduled bond payments from interest and sinking accounts, commission approved capital improvements, and to meet the requirements of the Corps projects. The current portfolio has fifty-one percent of the investments having maturities less than six months and forty-nine percent maturing in over six months. The portfolio composition is primarily Federal Treasury & Agency securities, and money market funds. Investments have been made with the intent to hold them until maturity. An interest payment of \$2,265,068.34 was made on January 24th for the 2019, 2021, and the 2023 Series General Obligation Bonds. Following is a summary of the total portfolio activity for the quarter ended March 31, 2024:

Investments	Face Value	Market	Ratio	Weighted Avg. Yield	Weighted Avg. Maturity (Days)	Benchmark Yield
Beginning of Period	\$97,287,056	\$96,515,351	.992	5.11%	81.10	5.332%
Purchases	67,879,530					
Maturities	41,346,283					
Sales						
End of Period	<u>\$123,820,303</u>	\$122,165,315	.987	4.37%	164.08	5.362%

Total accrued interest at end of period: \$111,570

The fund portfolio is in compliance with the Port's investment policy, as amended July 1, 2023, and the Public Funds Investment Act. See attached supporting schedule of investments.


 Rob Lowe, Chief Financial Officer


 Mary Campus, Controller

PORT COMMISSION

PORT FREEPORT
 QUARTERLY INVESTMENT REPORT
 3/31/24

Type	Broker	Purchase	Maturity	Interest		12/31/23	12/31/23	12/31/23			3/31/24	3/31/24	3/31/24
Sec.	Code	Date	Date	Rate	Yield	Face Value	Amortized Cost	Fair Market Value	Purchases	Sales/ Maturities	Face Value	Amortized Cost	Fair Market Value
<i>OPERATING FUNDS:</i>													
MM	HS	-	-	1.764	1.764	0.00	0.00	0.00	2,715.00		2,715.00	2,715.00	2,715.00
MM	TP	-	-	5.335	5.335	17,111,877.13	17,111,877.13	17,111,877.13		6,943,196.75	10,168,680.38	10,168,680.38	10,168,680.38
MM	TP	-	-	5.335	5.335	455,122.36	455,122.36	455,122.36	408,155.77		863,278.13	863,278.13	863,278.13
TNOTE	HS	03/19/24	09/12/24	-	5.270	0.00	0.00	0.00	5,125,000.00		5,125,000.00	5,005,943.64	4,999,932.06
TOTAL ENTERPRISE FUND -UNRESTRICTED						<u>17,566,999.49</u>	<u>17,566,999.49</u>	<u>17,566,999.49</u>	<u>5,535,870.77</u>	<u>6,943,196.75</u>	<u>16,159,673.51</u>	<u>16,040,617.15</u>	<u>16,034,605.57</u>

INVESTMENT SUMMARY:

MM	11,034,673.51	68.29%
C.D.	0.00	0.00%
TREASURY	5,125,000.00	31.71%
AGENCY	0.00	0.00%
TX MUNICIPAL	0.00	0.00%
	<u>16,159,673.51</u>	

WEIGHTED AVERAGE YIELD 5.31 %

BENCHMARK - 3 MO. TBILL 5.362 %

BROKER CODE: HS = HILLTOP SECURITIES FNB =FIRST NATIONAL BANK TGB = TEXAS GULF BANK TP = TEXPOOL

LIQUIDITY SUMMARY:

0-1 MONTH	11,034,673.51	68.29%
1-6 MONTHS	5,125,000.00	31.71%
6-12 MONTHS	0.00	0.00%
OVER 12 MONTH	0.00	0.00%
	<u>16,159,673.51</u>	

Type Sec.	Broker Code	Purchase Date	Maturity Date	Interest Rate	Yield	12/31/23 Face Value	12/31/23 Amortized Cost	12/31/23 Fair Market Value	Purchases	Sales/ Maturities	3/31/24 Face Value	3/31/24 Amortized Cost	3/31/24 Fair Market Value
RESTRICTED													
<i>CAPITAL IMPROVEMENTS:</i>													
MM	HS	-	-	1.764	1.764	19,547.75	19,547.75	19,547.75		16,536.61	3,011.14	3,011.14	3,011.14
MM	TP	-	-	5.335	5.335	9,202,485.97	9,202,485.97	9,202,485.97		9,112,617.01	89,868.96	89,868.96	89,868.96
TNOTE	HS	10/26/2023	10/3/2024	-	5.364	9,010,000.00	8,657,827.21	8,659,694.35			9,010,000.00	8,772,251.58	8,762,803.62
TNOTE	HS	3/19/2024	3/15/2025	1.750	5.060	0.00	0.00	0.00	9,515,000.00	0.00	9,515,000.00	9,224,780.64	9,225,417.73
TOTAL CAPITAL IMPROVEMENTS						18,232,033.72	17,879,860.93	17,881,728.07	9,515,000.00	9,129,153.62	18,617,880.10	18,089,912.32	18,081,101.45
<i>45 FOOT PROJECT FUNDS RESTRICTED:</i>													
MM	TGB	-	-	5.180	5.180	10,140.69	10,140.69	10,140.69	7.48		10,148.17	10,148.17	10,148.17
TOTAL 45 FOOT PROJECT FUNDS -RESTRICTED						10,140.69	10,140.69	10,140.69	7.48	0.00	10,148.17	10,148.17	10,148.17
<i>FREEPORT HARBOR NAVIGATION PROJECT FEASIBILITY STUDY FUND RESTRICTED:</i>													
MM	FNB	-	-	0.010	0.010	1,098.57	1,098.57	1,098.57	0.03		1,098.60	1,098.60	1,098.60
TOTAL FREEPORT HARBOR NAVIGATION PROJECT FEASIBILITY STUDY						1,098.57	1,098.57	1,098.57	0.03	0.00	1,098.60	1,098.60	1,098.60
<i>FREEPORT HARBOR ASSUMPTION OF OPERATIONS AND MAINTENANCE FUND RESTRICTED:</i>													
MM	FNB	-	-	0.010	0.010	1,041.94	1,041.94	1,041.94	0.03		1,041.97	1,041.97	1,041.97
TOTAL FREEPORT HARBOR ASSUMPTION OF OPS & MAINTENANCE FUND						1,041.94	1,041.94	1,041.94	0.03	0.00	1,041.97	1,041.97	1,041.97
<i>INTEREST & SINKING:</i>													
MM	TP2013A Debt Service	-	-	5.335	5.335	2,628,567.49	2,628,567.49	2,628,567.49	737,617.33		3,366,184.82	3,366,184.82	3,366,184.82
MM	TP2024 Rev Debt Service	-	-	5.335	5.335	0.00	0.00	0.00	120,559.53		120,559.53	120,559.53	120,559.53
MM	TP-G.O. Bond I & S	-	-	5.335	5.335	1,095,129.18	1,095,129.18	1,095,129.18	280,751.34		1,375,880.52	1,375,880.52	1,375,880.52
MM	TP-'18 I & S	-	-	5.335	5.335	1,844,593.85	1,844,593.85	1,844,593.85	525,584.86		2,370,178.71	2,370,178.71	2,370,178.71
MM	TP-'15 I & S	-	-	5.335	5.335	2,275,137.39	2,275,137.39	2,275,137.39	645,185.89		2,920,323.28	2,920,323.28	2,920,323.28
MM	TP-'21 Rev Bond I & S	-	-	5.335	5.335	128,356.52	128,356.52	128,356.52	336,209.70		464,566.22	464,566.22	464,566.22
MM	TP-'19A Rev Bond I & S	-	-	5.335	5.335	1,240,086.46	1,240,086.46	1,240,086.46	716,459.53		1,956,545.99	1,956,545.99	1,956,545.99
MM	TP-'19B Rev Bond I & S	-	-	5.335	5.335	761,499.81	761,499.81	761,499.81	400,485.46		1,161,985.27	1,161,985.27	1,161,985.27
TOTAL INTEREST & SINKING						9,973,370.70	9,973,370.70	9,973,370.70	3,762,853.64	0.00	13,736,224.34	13,736,224.34	13,736,224.34
<i>2013A SENIOR LIEN REFUNDING BOND RESERVE FUND - RESTRICTED:</i>													
MM	HS	-	-	1.764	1.764	3,214.40	3,214.40	3,214.40	632.48		3,846.88	3,846.88	3,846.88
TNOTE	HS	10/29/21	10/15/24	0.625	0.760	418,000.00	417,559.50	403,937.25			418,000.00	417,696.68	407,730.85
TNOTE	HS	03/29/22	11/30/25	0.375	2.550	525,000.00	504,210.14	486,700.70			525,000.00	506,879.31	488,568.88
TNOTE	HS	04/01/21	02/28/26	0.500	0.877	247,000.00	244,988.73	227,791.43			247,000.00	245,218.17	228,391.35
TNOTE	HS	11/03/23	10/31/28	1.375	4.699	505,000.00	433,664.14	449,546.74			505,000.00	437,299.59	444,980.29
<i>2015A SENIOR LIEN REVENUE & REFUNDING BONDS - RESTRICTED:</i>													
MM	HS	-	-	1.764	1.764	6,148.08	6,148.08	6,148.08	454.34		6,602.42	6,602.42	6,602.42
TNOTE	HS	10/29/21	10/15/24	0.625	0.760	279,000.00	278,706.03	269,613.62			279,000.00	278,797.59	272,145.71
TNOTE	HS	03/31/21	12/31/25	0.375	0.874	227,000.00	224,742.51	209,905.95			227,000.00	225,020.32	210,613.00
TNOTE	HS	11/03/23	11/30/27	0.625	4.683	1,012,000.00	866,610.81	890,421.36			1,012,000.00	875,761.17	885,504.73
<i>2018 SENIOR LIEN REVENUE REFUNDING BONDS - RESTRICTED:</i>													
MM	HS	-	-	1.764	1.764	819.11	819.11	819.11	8,527.76		9,346.87	9,346.87	9,346.87
TNOTE	HS	06/18/21	12/31/24	1.750	0.552	970,000.00	981,506.53	941,135.83			970,000.00	978,677.05	945,876.26
TNOTE	HS	11/03/23	11/30/27	0.625	4.683	97,000.00	83,089.97	85,346.71			97,000.00	83,965.43	84,875.45
<i>2019A SENIOR LIEN REVENUE REFUNDING BONDS - RESTRICTED:</i>													
MM	HS	-	-	1.764	1.764	72,541.41	72,541.41	72,541.41	17,644.97		90,186.38	90,186.38	90,186.38
TNOTE	HS	10/29/21	10/15/24	0.625	0.760	53,000.00	52,942.36	51,216.92			53,000.00	52,957.95	51,697.93
TNOTE	HS	01/08/20	12/31/25	2.625	1.671	1,312,000.00	1,335,773.30	1,269,167.16			1,312,000.00	1,332,850.36	1,266,275.04

Type Sec.	Broker Code	Purchase Date	Maturity Date	Interest Rate	Yield	12/31/23 Face Value	12/31/23 Amortized Cost	12/31/23 Fair Market Value	Purchases	Sales/ Maturities	3/31/24 Face Value	3/31/24 Amortized Cost	3/31/24 Fair Market Value
<i>2019B SENIOR LIEN REVENUE BONDS - RESTRICTED:</i>													
MM	HS	-	-	1.764	1.764	824,913.12	824,913.12	824,913.12		812,012.17	12,900.95	12,900.95	12,900.95
TNOTE	HS	1/3/2024	2/28/2027	1.875	4.041	0.00	0.00	0.00	870,000.00		870,000.00	818,474.74	809,858.61
<i>2021 SENIOR LIEN REVENUE BONDS - RESTRICTED:</i>													
MM	HS	-	-	1.764	1.764	16,206.24	16,206.24	16,206.24	3,627.78		19,834.02	19,834.02	19,834.02
AG	HS	8/26/2021	06/26/25	0.670	0.677	1,060,000.00	1,059,897.27	998,816.80			1,060,000.00	1,059,914.31	1,008,902.01
<i>2024 SENIOR LIEN REVENUE BONDS - RESTRICTED:</i>													
MM	HS	-	-	1.764	1.764	0.00	0.00	0.00	1,688.66		1,688.66	1,688.66	1,688.66
AG	HS	2/15/2024	11/17/26	4.625	4.421	0.00	0.00	0.00	1,165,000.00		1,165,000.00	1,170,349.56	1,166,254.59
TOTAL BOND RESERVE FUNDS						7,628,842.36	7,407,533.65	7,207,442.83	2,067,575.99	812,012.17	8,884,406.18	8,628,268.41	8,416,080.88
<i>BOND PROJECT FUNDS- RESTRICTED FOR CAPITAL IMPROVEMENTS:</i>													
MM	HS- 2023 G.O. BOND FUNDS	-	-	1.764	1.764	0.00	0.00	0.00	767.34		767.34	767.34	767.34
MM	TP-2023 G.O. BOND FUNDS	-	-	5.335	5.335	43,873,529.27	43,873,529.27	43,873,529.27		24,461,920.74	19,411,608.53	19,411,608.53	19,411,608.53
MM	TP-2024 REV BOND FUNDS	-	-	5.335	5.335	0.00	0.00	0.00	21,497,454.85		21,497,454.85	21,497,454.85	21,497,454.85
TNOTE	HS- 2023 G.O.	3/20/2024	2/28/2025	2.750	5.087	0.00	0.00	0.00	25,500,000.00		25,500,000.00	24,973,473.50	24,975,183.23
TOTAL BOND PROJECT FUNDS						43,873,529.27	43,873,529.27	43,873,529.27	46,998,222.19	24,461,920.74	66,409,830.72	65,883,304.22	65,885,013.95
TOTAL ENTERPRISE FUND RESTRICTED						<u>79,720,057.25</u>	<u>79,146,575.75</u>	<u>78,948,352.07</u>	<u>62,343,659.36</u>	<u>34,403,086.53</u>	<u>107,660,630.08</u>	<u>106,349,998.03</u>	<u>106,130,709.36</u>

INVESTMENT SUMMARY:

M MARKET	54,895,630.08	50.99%
C.D.	0.00	0.00%
TREASURY	50,540,000.00	46.94%
AGENCY	2,225,000.00	2.07%
TX MUNICIPAL	0.00	0.00%
	<u>107,660,630.08</u>	

WEIGHTED AVERAGE YIELD 5.02 %

BENCHMARK - 3 MO. TBILL 5.362 %

LIQUIDITY SUMMARY:

0-1 MONTH	54,895,630.08	50.99%
1-6 MONTHS	0.00	0.00%
6-12 MONTHS	45,745,000.00	42.49%
OVER 12 MONTH	<u>7,020,000.00</u>	6.52%
	<u>107,660,630.08</u>	

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This report also includes bank accounts that only have balances.

Bank Account: Date Filter: 03/01/24..03/31/24

Check Ledger Entry:

Check No.	Check Date	Vendor No.	Vendor Name	Check Amount
94405	03/05/24	V00009	VOID	11.07
				Line Amount Total
94406	03/05/24	V00010	VOID	673.50
				Line Amount Total
94407	03/05/24	V00014	VOID.	1,773.33
				Line Amount Total
94408	03/05/24	V00017	VOID	75.00
				Line Amount Total
94409	03/05/24	V00018	VOID.	45.00
				Line Amount Total
94410	03/05/24	V00039	VOID	1,158.56
				Line Amount Total
94411	03/05/24	V00042	VOID	31,500.00
				Line Amount Total
94412	03/05/24	V00045	VOID	811.53
				Line Amount Total
94413	03/05/24	V00049	VOID	361.60
				Line Amount Total
94414	03/05/24	V00050	VOID	232.99
				Line Amount Total
94415	03/05/24	V00053	VOID	217.81
				Line Amount Total
94416	03/05/24	V00064	VOID	1,820.00
				Line Amount Total
94417	03/05/24	V00067	VOID	118.02
				Line Amount Total
94418	03/05/24	V00068	VOID	45.00
				Line Amount Total

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Check No.	Check Date	Vendor No.	Vendor Name	Check Amount
94419	03/05/24	V00070	VOID	42.88
				Line Amount Total
94420	03/05/24	V00071	VOID	151.96
				Line Amount Total
94421	03/05/24	V00083	VOID	136.75
				Line Amount Total
94422	03/05/24	V00095	VOID	1,200.00
				Line Amount Total
94423	03/05/24	V00096	VOID	29.09
				Line Amount Total
94424	03/05/24	V00101	VOID	42,370.53
				Line Amount Total
94425	03/05/24	V00104	VOID	75.00
				Line Amount Total
94426	03/05/24	V00112	VOID	136.44
				Line Amount Total
94427	03/05/24	V00116	VOID	45.00
				Line Amount Total
94428	03/05/24	V00176	VOID	25.50
				Line Amount Total
94429	03/05/24	V00178	VOID	208.20
				Line Amount Total
94430	03/05/24	V00192	VOID	693.30
				Line Amount Total
94431	03/05/24	V00193	VOID	170.56
				Line Amount Total
94432	03/05/24	V00207	VOID	355.00
				Line Amount Total
94433	03/05/24	V00210	VOID	712.31
				Line Amount Total

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Check No.	Check Date	Vendor No.	Vendor Name	Check Amount
94434	03/05/24	V00285	VOID	785.07
				Line Amount Total
94435	03/05/24	V00386	VOID	168.27
				Line Amount Total
94436	03/05/24	V00436	VOID	21,800.00
				Line Amount Total
94437	03/05/24	V00473	VOID	45.00
				Line Amount Total
94438	03/05/24	V00531	VOID	548.50
				Line Amount Total
94439	03/05/24	V00611	VOID	377,397.48
				Line Amount Total
94440	03/05/24	V00668	VOID	1,387.84
				Line Amount Total
94441	03/05/24	V00729	VOID	45.00
				Line Amount Total
94442	03/05/24	V00750	VOID	3,600.00
				Line Amount Total
94443	03/05/24	V00856	VOID	16,381.89
				Line Amount Total
94444	03/05/24	V00864	VOID	208.34
				Line Amount Total
94445	03/05/24	V00865	VOID	204.63
				Line Amount Total
94446	03/05/24	V00926	VOID	45.00
				Line Amount Total
94447	03/05/24	V00977	VOID	362.41
				Line Amount Total
94448	03/05/24	V00992	VOID	9,500.40
				Line Amount Total

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Check No.	Check Date	Vendor No.	Vendor Name	Check Amount	
94449	03/05/24	V01010	VOID	392.28	
					Line Amount Total
94450	03/05/24	V01017	VOID	522.90	
					Line Amount Total
94455	03/05/24	V00009	VOID	11.07	
					Line Amount Total
94456	03/05/24	V00009	Williams Diesel, Inc	11.07	
	129811	127079	M&R TOE-Street Sweeper		11.07
					Line Amount Total
94457	03/05/24	V00010	Specialties Company	673.50	
	129861	127132	M&R TOE-Gantry Crane		139.10
	129861	127132	M&R TOE-Gantry Crane		139.09
	129901	127192	M&R TOE-Street Sweeper		49.30
	129901	127192	0.5% Net 10		-0.25
	129929	127206	M&R TOE-Gantry Crane		173.13
	129929	127206	M&R TOE-Gantry Crane		173.13
	129929	127206	0.5% Net 10		0.87
	129929	127206	0.5% Net 10		-0.87
					Line Amount Total
					673.50
94458	03/05/24	V00014	Al Durel	1,773.33	
	129878	127203	Construction in Progress		1,773.33
					Line Amount Total
					1,773.33
94459	03/05/24	V00017	Donnie Joe Evans	75.00	
	129937	127211	Telephone Jan / Feb		50.00
	129937	127211	Telephone Mar		25.00
					Line Amount Total
					75.00
94460	03/05/24	V00018	David Lopez	45.00	
	129936	127214	Telephone Jan - Mar		30.00
	129936	127214	Telephone Mar		15.00
					Line Amount Total
					45.00
94461	03/05/24	V00039	Brazosport Tire	1,158.56	
	129880	127196	M&R TOE-Toyota Forklift		194.56
	129881	127195	M&R Vehicles-2023 Ford Maverick Truck		964.00
					Line Amount Total
					1,158.56
94462	03/05/24	V00042	C.F. McDonald Electric, Inc.	31,500.00	
	129882	126279	Construction in Progress		35,000.00
	129882	126279	Furnish labor, materials, equipment & ins for		
	129882	126279	the Fiber Optic Extension Project		
	129882	126279	Not to exceed		
	129882	126279	Retainage Payable		
	129882	126279	Retainage Payable		-3,500.00
					Line Amount Total
					31,500.00
94463	03/05/24	V00045	Leo Martin Chevrolet	811.53	
	129891	127191	M&R Vehicles-2020 Chev PU		775.00

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Check No.	Check Date	Vendor No.	Vendor Name	Check Amount
	129892	127190	M&R Vehicles-2020 Chev PU	36.53
			Line Amount Total	811.53
94464	03/05/24	V00049	Brazos Fasteners, Inc	361.60
	129796	127078	M&R TOE-General Terminal Ops Equip & Tools	361.60
			Line Amount Total	361.60
94465	03/05/24	V00050	Northern Tool & Equipment	232.99
	129512	126818	M&R TOE-General Terminal Ops Equip & Tools	232.99
			Line Amount Total	232.99
94466	03/05/24	V00053	Stericycle, Inc	217.81
	129438	126743	Office Supplies	40.51
	129438	126743	Office Supplies	20.26
	129438	126743	Office Supplies	81.03
	129438	126743	Office Supplies	5.07
	129438	126743	Office Supplies	20.28
	129438	126743	Office Supplies	10.13
	129438	126743	Office Supplies	5.07
	129438	126743	Office Supplies	15.20
	129438	126743	Office Supplies	20.26
			Line Amount Total	217.81
94467	03/05/24	V00064	Terracon Consultants, Inc.	1,820.00
	129944	125396	Construction in Progress	1,820.00
	129944	125396	Professional Services for	
	129944	125396	Port Wide Paving Repairs 2023 Proj	
	129944	125396	Project No 23-03	
			Line Amount Total	1,820.00
94468	03/05/24	V00067	Quill LLC	118.02
	129785	127062	Office Supplies	2.57
	129786	127065	Office Supplies	5.00
	129786	127065	Office Supplies	2.50
	129786	127065	Office Supplies	22.35
	129786	127065	Office Supplies	0.62
	129786	127065	Office Supplies	2.50
	129786	127065	Office Supplies	2.50
	129800	127076	Office Supplies	79.98
			Line Amount Total	118.02
94469	03/05/24	V00068	Randy Aparicio	45.00
	129941	127212	Telephone Jan / Feb	30.00
	129941	127212	Telephone Mar	15.00
			Line Amount Total	45.00
94470	03/05/24	V00070	Darlene Winkler	42.88
	129883	127200	Community Event-TACFT	8.04
	129883	127200	Community Events	34.84
			Line Amount Total	42.88
94471	03/05/24	V00071	Verizon Wireless	151.96
	129924	127198	Telephone	75.98
	129924	127198	Telephone	37.99
	129924	127198	Telephone	37.99
			Line Amount Total	151.96

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Check No.	Check Date	Vendor No.	Vendor Name	Check Amount
94472	03/05/24	V00083	Jason Hull	136.75
	129889	127166	Telephone	136.75
			Line Amount Total	136.75
94473	03/05/24	V00095	Swisher & Swisher	1,200.00
	129833	125129	M&R Other-Mowing, Weed Control Etc	1,200.00
	129833	125129	Provide labor, equip & material to maintain	
			Line Amount Total	1,200.00
94474	03/05/24	V00096	CenterPoint Energy	29.09
	129934	127210	Water & Gas	29.09
			Line Amount Total	29.09
94475	03/05/24	V00101	Sunstates Security, LLC	42,370.53
	129909	127178	Security Service Fees	3,005.95
	129910	127175	Security Service Fees	1,200.50
	129911	127177	Security Service Fees	37,997.25
	129912	127176	Security Service Fees	166.83
			Line Amount Total	42,370.53
94476	03/05/24	V00104	Donald Mullett	75.00
	129938	127217	Telephone Jan / Feb	50.00
	129938	127217	Telephone Mar	25.00
			Line Amount Total	75.00
94477	03/05/24	V00112	Tricia Vela	136.44
	129913	127156	Telephone	75.00
	129913	127156	Community Events	57.22
	129913	127156	Automobile Expense	4.22
			Line Amount Total	136.44
94478	03/05/24	V00116	Randy Thompson	45.00
	129942	127215	Telephone Jan / Feb	30.00
	129942	127215	Telephone Mar	15.00
			Line Amount Total	45.00
94479	03/05/24	V00176	Yaklin Ford	25.50
	129790	127067	M&R Vehicles-Ford Explorer	25.50
			Line Amount Total	25.50
94480	03/05/24	V00178	Waypoint	208.20
	129843	127116	Contract Services	208.20
			Line Amount Total	208.20
94481	03/05/24	V00192	Glomar International, Inc.	693.30
	129886	127201	M&R TOE-Gantry Crane	346.65
	129886	127201	M&R TOE-Gantry Crane	346.65
			Line Amount Total	693.30
94482	03/05/24	V00193	Grainger	170.56
	129852	127130	M&R TOE-Gantry Crane	18.94
	129852	127130	M&R TOE-Gantry Crane	18.94
	129853	127129	M&R TOE-Gantry Crane	66.34
	129853	127129	M&R TOE-Gantry Crane	66.34
			Line Amount Total	170.56

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Check No.	Check Date	Vendor No.	Vendor Name	Check Amount
94483	03/05/24	V00207	ABC Texas Gulf Coast	355.00
	129877	127197	Community Events	355.00
			Line Amount Total	355.00
94484	03/05/24	V00210	Mimecast North America, Inc.	712.31
	129840	127115	Contract Services	712.31
			Line Amount Total	712.31
94485	03/05/24	V00285	Shoppa's Farm Supply	785.07
	129860	127136	M&R TOE-2020 John Deere HPX615E	785.07
			Line Amount Total	785.07
94486	03/05/24	V00386	Industrial Disposal Supply Co., LLC	168.27
	129855	127138	M&R TOE-Street Sweeper	168.27
			Line Amount Total	168.27
94487	03/05/24	V00436	Ultima Media Ltd	21,800.00
	129914	126590	Commercial Events	21,800.00
	129914	126590	FVLNA 2024 Gold Sponsorship	
			Line Amount Total	21,800.00
94488	03/05/24	V00473	Brian Knapp	45.00
	129933	127213	Telephone Jan / Feb	30.00
	129933	127213	Telephone Mar	15.00
			Line Amount Total	45.00
94489	03/05/24	V00531	Rob Lowe	548.50
	129899	127167	Telephone Jan Feb	273.50
	129899	127167	Technical Training	275.00
			Line Amount Total	548.50
94490	03/05/24	V00611	McCarthy Building Companies, Inc.	377,397.48
	129894	123914	Construction in Progress	397,260.50
	129894	123914	Furnish labor, materials, equipment & ins for	
	129894	123914	Parcel 14 Pump Station Project 22-09	
	129894	123914	Retainage Payable	
	129894	123914	Retainage Payable	
	129894	123914	Retainage Payable	
	129894	123914	Retainage Payable	
	129894	123914	Retainage Payable	
	129894	123914	Retainage Payable	
	129894	123914	Retainage Payable	-19,863.02
			Line Amount Total	377,397.48
94491	03/05/24	V00668	DARE Capital Partners, LLC	1,387.84
	129935	127220	M&R Other-Mowing, Weed Control Etc	1,387.84
			Line Amount Total	1,387.84
94492	03/05/24	V00729	Kevin R. Hartney	45.00
	129939	127218	Telephone Jan / Feb	30.00
	129939	127218	Telephone Mar	15.00
			Line Amount Total	45.00
94493	03/05/24	V00750	United Site Services of Texas	3,600.00
	129915	127189	M&R Bldgs-Gate 4	400.00
	129916	127188	M&R Bldgs-Gate 4	400.00
	129917	127187	M&R Bldgs-Gate 4	400.00
	129918	127186	M&R Bldgs-Gate 4	400.00

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	129919	127185	M&R Bldgs-Gate 4	400.00
	129920	127184	M&R Bldgs-Gate 4	400.00
	129921	127183	M&R Bldgs-Gate 4	400.00
	129922	127182	M&R Bldgs-Gate 4	400.00
	129923	127181	M&R Bldgs-Gate 4	400.00
			Line Amount Total	3,600.00
94494	03/05/24	V00856	Southern Gulf Solutions	16,381.89
	129794	126904	Freeport Harbor Channel Imp Project	16,381.89
	129794	126904	Furnish labor, materials, equipment and insurance	
	129794	126904	for the Bank Stabilization Repair @ Bend Easing of	
	129794	126904	Ship Channel	
			Line Amount Total	16,381.89
94495	03/05/24	V00864	Visual Edge IT, Inc.	208.34
	129842	127119	Maint & Repair - Office Equipment	208.34
			Line Amount Total	208.34
94496	03/05/24	V00865	AC Surfside Marina, LLC	204.63
	129932	127209	Fuel/Oil	204.63
			Line Amount Total	204.63
94497	03/05/24	V00926	Mark Vaughn	45.00
	129940	127216	Telephone Jan / Feb	30.00
	129940	127216	Telephone Mar	15.00
			Line Amount Total	45.00
94498	03/05/24	V00977	Randi Northup	362.41
	129928	127174	Telephone	150.00
	129928	127174	Governmental Relations Travel	133.33
	129928	127174	Sales/Promotion Travel	79.08
			Line Amount Total	362.41
94499	03/05/24	V00992	Layer 3 Communications, LLC	9,500.40
	129890	126151	Maint & Repair - Office Equipment	6,120.80
	129890	126151	SVC-SD-EX460040F H	
	129890	126151	SVC-IND-EX4300P 48 M	1,559.60
	129890	126151	SVC-INSPECT-2	1,820.00
	129890	126151	DIR Contract # DIR-TSO-4231	
	129890	126151	Quote Q-29142	
			Line Amount Total	9,500.40
94500	03/05/24	V01010	Imperial Bag & Paper Co LLC dba Imperial Dade	392.28
	129888	127161	Office Supplies	149.44
	129888	127161	Office Supplies	74.72
	129888	127161	Office Supplies	18.68
	129888	127161	Office Supplies	74.72
	129888	127161	Office Supplies	74.72
			Line Amount Total	392.28
94501	03/05/24	V01017	GFL Plant Services LP	522.90
	129885	127194	Contract Services	522.90
			Line Amount Total	522.90
94502	03/13/24	V00004	City of Freeport	77.15
	129977	127248	Water & Gas	77.15
			Line Amount Total	77.15

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94503	03/13/24	V00006	Michaela Bevers	100.46
	129973	127241	Telephone	75.00
	129973	127241	Automobile Expense	25.46
			Line Amount Total	100.46
94504	03/13/24	V00010	Specialties Company	29.53
	129991	127262	M&R Transit Shed-T.S. 1	29.68
	129991	127262	Net 10 discount 0.5%	-0.15
			Line Amount Total	29.53
94505	03/13/24	V00012	FedEx	58.10
	129774	127059	Postage and Freight	9.21
	129884	127164	Postage and Freight	12.89
	129957	127225	Postage and Freight	26.87
	129957	127225	Postage and Freight	9.13
			Line Amount Total	58.10
94506	03/13/24	V00013	Mary Campus	12.19
	129946	127227	Automobile Expense	12.19
			Line Amount Total	12.19
94507	03/13/24	V00026	Lowe's	1,079.37
	129893	127202	M&R Roads-Other	954.92
	129893	127202	M&R Terminal Facilities-Other-VT	94.05
	129893	127202	M&R Terminal Facilities-NON TWIC Truck Lot	30.40
			Line Amount Total	1,079.37
94508	03/13/24	V00029	Texas Association of Counties	9,786.75
	129930	127157	Prepaid Insurance	9,786.75
			Line Amount Total	9,786.75
94509	03/13/24	V00031	Culligan Water Systems	277.48
	129984	127264	M&R Bldgs-Operations Bldg	138.74
	129985	127265	M&R Bldgs-Operations Bldg	138.74
			Line Amount Total	277.48
94510	03/13/24	V00032	Matheson Tri Gas	715.39
	129990	127252	Maint and Operations Supplies	715.39
			Line Amount Total	715.39
94511	03/13/24	V00041	Evco Industrial Hardware	107.97
	129851	127131	M&R TOE-Gantry Crane	27.56
	129851	127131	M&R TOE-Gantry Crane	27.55
	129981	127275	M&R TOE-General, Terminal Ops Equip & Tools	53.39
	129981	127275	1% Net 10th	-0.53
			Line Amount Total	107.97
94512	03/13/24	V00053	Stericycle, Inc	217.81
	129943	127219	Office Supplies	40.51
	129943	127219	Office Supplies	20.26
	129943	127219	Office Supplies	81.03
	129943	127219	Office Supplies	5.07
	129943	127219	Office Supplies	20.28
	129943	127219	Office Supplies	10.13
	129943	127219	Office Supplies	5.07
	129943	127219	Office Supplies	15.20
	129943	127219	Office Supplies	20.26
			Line Amount Total	217.81

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94513	03/13/24	V00054	Payment vendor ledger entry is not found check# 94513.	0.00
				Line Amount Total
94514	03/13/24	V00054	Payment vendor ledger entry is not found check# 94514.	0.00
				Line Amount Total
94515	03/13/24	V00054	Summit Electric Supply	7,492.10
	129740	126996	M&R Bldgs-Gate 8-Guard Bldg	512.00
	129691	126973	M&R Transit Shed-T.S. 1	85.51
	129735	127002	M&R Transit Shed-T.S. 1	2.22
	129736	127003	M&R Leased Facilities-HTS- (Parcel 25)	168.98
	129737	127004	M&R Roads-Parcel 14 Road	74.30
	129738	127011	M&R Warehouse-Warehouse 51	761.78
	129739	127010	M&R Roads-Parcel 14 Road	39.30
	129744	127008	M&R Transit Shed-T.S. 1	797.30
	129745	127007	M&R Transit Shed-T.S. 3	821.20
	129746	127014	M&R Leased Facilities-HTS- (Parcel 25)	821.20
	129747	127006	M&R Leased Facilities-24A (Chiquita)	77.45
	129748	127005	M&R Leased Facilities-24A (Chiquita)	77.38
	129759	127041	M&R Transit Shed-T.S. 1	79.95
	129788	127071	M&R Transit Shed-T.S. 1	83.80
	129789	127072	M&R Transit Shed-T.S. 1	79.95
	129803	127077	M&R Warehouse-Warehouse 51	728.58
	129804	127083	M&R TOE-General Terminal Ops Equip & Tools	199.82
	129805	127086	Maint and Operations Supplies	83.80
	129806	127085	M&R TOE-General Terminal Ops Equip & Tools	45.00
	129807	127088	M&R Roads-Parcel 14 Road	29.54
	129808	127089	M&R Roads-Parcel 14 Road	47.00
	129845	127135	M&R Transit Shed-T.S. 1	1,055.29
	129846	127134	M&R Transit Shed-T.S. 1	795.39
	129863	127133	M&R Bldgs-Gate 4	25.36
				Line Amount Total
94516	03/13/24	V00067	Quill LLC	555.72
	129896	127199	Office Supplies	23.31
	129897	127158	Office Supplies	40.79
	129898	127162	Office Supplies	491.62
				Line Amount Total
94517	03/13/24	V00074	Noble Building & Development	77,573.15
	129974	126038	M&R Bldgs-Admin Bldg 1100 Cherry St	81,655.95
	129974	126038	Furnish labor, materials, equipment & insurance	
	129974	126038	Admin Bldg Repairs	
	129974	126038	Project No 22-08	
	129974	126038	Commission Approval 10/19/2023	
	129974	126038	Retainage Payable	
	129974	126038	Retainage Payable	
	129974	126038	Retainage Payable	-4,082.80
				Line Amount Total
94518	03/13/24	V00080	On Hold Marketing Works	39.00
	129953	127230	Lease Expense	39.00
				Line Amount Total

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94519	03/13/24	V00087	Reliant	92,637.78
	129859	127140	Electricity	5,125.44
	129859	127140	Electricity	70,016.90
	129859	127140	Electricity	2,896.37
	129859	127140	Electricity	14,599.07
			Line Amount Total	92,637.78
94520	03/13/24	V00091	Wells Fargo	7,559.32
	129925	127180	Other Accounts Payable (JE)	7,559.32
			Line Amount Total	7,559.32
94521	03/13/24	V00101	Sunstates Security, LLC	40,087.51
	129963	127239	Security Service Fees	1,864.96
	129964	127238	Security Service Fees	852.02
	129965	127237	Security Service Fees	36,229.64
	129966	127236	Security Service Fees	1,140.89
			Line Amount Total	40,087.51
94522	03/13/24	V00102	ABB, Inc	400.00
	129926	127204	M&R TOE-Gantry Crane	200.00
	129926	127204	M&R TOE-Gantry Crane	200.00
			Line Amount Total	400.00
94523	03/13/24	V00105	Cecil Booth	173.45
	129945	127226	Telephone Jan Feb	150.00
	129945	127226	Automobile Expense	23.45
			Line Amount Total	173.45
94524	03/13/24	V00115	AT&T:979-373-0021 663 4	387.19
	129980	127271	Telephone	147.12
	129980	127271	Telephone	73.57
	129980	127271	Telephone	19.36
	129980	127271	Telephone	73.57
	129980	127271	Telephone	73.57
			Line Amount Total	387.19
94525	03/13/24	V00124	Carriage House Partners	5,000.00
	129951	123362	Consultant Fees - Other	5,000.00
			Line Amount Total	5,000.00
94526	03/13/24	V00132	American Journal of Transportation	2,400.00
	129976	126593	Industry Advertising	1,700.00
	129976	126593	1/2 page ad Automotive Logistics February 24	
	129976	126593	1/2 page ad Gulf Coast Parts & Trade May 24	
	129976	126593	1/2 page ad Top 100 Container Parts June 24	
	129976	126593	12 months Daily Newsletter banner ad top spot	700.00
	129976	126593	Jan paid by company/ Feb -Dec	
			Line Amount Total	2,400.00
94527	03/13/24	V00169	100 Club of Brazoria County	500.00
	129978	127247	Community Events	500.00
			Line Amount Total	500.00
94528	03/13/24	V00172	Lincoln National Life Insurance Company	1,338.50
	129996	127268	Retirement Expense	346.15
	129996	127268	Retirement Expense	120.20
	129996	127268	Retirement Expense	547.97
	129996	127268	Retirement Expense	12.24

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	129996	127268	Retirement Expense	61.96
	129996	127268	Retirement Expense	74.20
	129996	127268	Retirement Expense	25.52
	129996	127268	Retirement Expense	94.24
	129996	127268	Retirement Expense	76.80
	129996	127268	Retirement Expense	53.80
	129996	127268	Retirement Expense	-78.28
	129996	127268	Retirement Expense	3.70
			Line Amount Total	1,338.50
94529	03/13/24	V00176	Yaklin Ford	58.00
	129948	127224	M&R Vehicles-Ford Pick Up	25.50
	129950	127222	M&R Vehicles-Ford Truck	25.50
	129994	127257	M&R Vehicles-Chevy Van	7.00
			Line Amount Total	58.00
94530	03/13/24	V00177	Arthur J. Gallagher Risk Management Services, LLC	2,542,202.21
	129968	127240	Prepaid Insurance	2,542,202.21
			Line Amount Total	2,542,202.21
94531	03/13/24	V00204	Brazoria County Appraisal District	5,916.50
	129879	127179	Appraisal District Fees	5,916.50
			Line Amount Total	5,916.50
94532	03/13/24	V00250	Lincoln National Life Insurance Company	1,489.55
	130001	127266	Group STD Insurance	299.51
	130001	127266	Group LTD Insurance	263.70
	130001	127266	Group STD Insurance	127.92
	130001	127266	Group LTD Insurance	119.72
	130001	127266	Group STD Insurance	631.18
	130001	127266	Group LTD Insurance	431.34
	130001	127266	Group STD Insurance	19.48
	130001	127266	Group LTD Insurance	11.78
	130001	127266	Group STD Insurance	91.38
	130001	127266	Group LTD Insurance	81.64
	130001	127266	Group STD Insurance	99.85
	130001	127266	Group LTD Insurance	81.66
	130001	127266	Group STD Insurance	51.19
	130001	127266	Group LTD Insurance	30.95
	130001	127266	Group STD Insurance	137.20
	130001	127266	Group LTD Insurance	108.61
	130001	127266	Group STD Insurance	85.65
	130001	127266	Group LTD Insurance	51.78
	130001	127266	Group STD Insurance	98.66
	130001	127266	Group LTD Insurance	85.25
	130001	127266	Group STD Insurance	-99.38
	130001	127266	Group LTD Insurance	-86.50
	130001	127266	Group STD Insurance	-768.38
	130001	127266	Group LTD Insurance	-464.64
			Line Amount Total	1,489.55
94533	03/13/24	V00364	Brazosport Plumbing & Heating	1,815.00
	129995	127251	M&R Transit Shed-T.S. 1	1,815.00
			Line Amount Total	1,815.00
94534	03/13/24	V00386	Industrial Disposal Supply Co., LLC	1,369.14
	129970	127243	M&R TOE-Street Sweeper	185.07

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	129987	127256	M&R TOE-Street Sweeper	546.54
	129988	127261	M&R TOE-Street Sweeper	637.53
			Line Amount Total	1,369.14
94535	03/13/24	V00418	Greater Fort Bend Economic Development Council	3,500.00
	129887	127163	Commercial Events	3,500.00
	129887	127163	2024 Baseball Season Skybox Share per 1 yr	
	129887	127163	agreement	
			Line Amount Total	3,500.00
94536	03/13/24	V00423	Theriot, Inc.	256.31
	129864	127124	M&R TOE-Gantry Crane	128.16
	129864	127124	M&R TOE-Gantry Crane	128.15
			Line Amount Total	256.31
94537	03/13/24	V00611	McCarthy Building Companies, Inc.	96,621.09
	129972	124867	Construction in Progress	42,891.50
	129972	124867	Furnish labor, materials, equipment & insurance	
	129972	124867	for the Port Wide Pavement Repairs 2023	
	129972	124867	Change Order CA approved 02/08/2024	58,814.91
	129972	124867	Retainage Payable	
	129972	124867	Retainage Payable	
	129972	124867	Retainage Payable	
	129972	124867	Retainage Payable	
	129972	124867	Retainage Payable	
	129972	124867	Retainage Payable	
	129972	124867	Retainage Payable	
	129972	124867	Retainage Payable	
	129972	124867	Retainage Payable	
	129972	124867	Retainage Payable	-5,085.32
			Line Amount Total	96,621.09
94538	03/13/24	V00663	B&K Motor Parts, Inc	2,084.06
	129958	127221	Maint and Operations Supplies	224.64
	129958	127221	M&R TOE-General, Terminal Ops Equip & Tools	350.10
	129958	127221	M&R TOE-Yard Truck-PF30	64.52
	129958	127221	M&R TOE-Street Sweeper	762.21
	129958	127221	M&R TOE-2019 John Deere Gator HPX615E	35.88
	129958	127221	M&R Vehicles-Chevy Tahoe	489.72
	129958	127221	M&R Vehicles-2020 Chev PU	156.99
			Line Amount Total	2,084.06
94539	03/13/24	V00759	TransTech	14,321.44
	129998	124857	M&R TOE-Gantry Crane	7,145.00
	129998	124857	M&R TOE-Gantry Crane	7,145.00
	129998	124857	M&R TOE-Gantry Crane	15.72
	129998	124857	M&R TOE-Gantry Crane	15.72
			Line Amount Total	14,321.44
94540	03/13/24	V00809	Thomson Reuters - West	198.39
	129967	125956	Subscriptions	198.39
			Line Amount Total	198.39
94541	03/13/24	V00820	ADT Commercial LLC	854.00
	129961	127235	Badge Supplies	854.00
			Line Amount Total	854.00
94542	03/13/24	V00821	Summit Fire & Security, LLC	1,917.13
	129997	127263	M&R Terminal Facilities-Other	1,917.13
			Line Amount Total	1,917.13

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94543	03/13/24	V00880	Christine Lewis	84.98
	129983	127278	Telephone	75.00
	129983	127278	Maint and Operations Supplies	9.98
			Line Amount Total	84.98
94544	03/13/24	V00989	SAFEbuilt Texas, LLC	2,500.00
	129947	126040	Other Receivables	2,500.00
	129947	126040	For Professional Services for the Fruit Transfer	
	129947	126040	Facility	
			Line Amount Total	2,500.00
94545	03/13/24	V01011	Charles Gryseels III	75.00
	129959	127232	Telephone Feb	75.00
			Line Amount Total	75.00
94546	03/13/24	V01017	GFL Plant Services LP	384.94
	129986	127250	Contract Services	170.82
	129986	127250	Contract Services	214.12
			Line Amount Total	384.94
94547	03/19/24	V00001	Norma Cheline	1,300.00
	129895	126219	Lease Expense	1,300.00
	129895	126219	Renewal of Storage Building Lease	
	129895	126219	January 1, 2024 to December 31, 2024	
			Line Amount Total	1,300.00
94548	03/19/24	V00010	Specialties Company	81.27
	129900	127193	M&R TOE-Street Sweeper	69.11
	129956	127231	M&R TOE-Gantry Crane	6.08
	129956	127231	M&R TOE-Gantry Crane	6.08
			Line Amount Total	81.27
94549	03/19/24	V00011	Gulftex Vending	144.40
	130010	127286	Office Supplies	144.40
			Line Amount Total	144.40
94550	03/19/24	V00016	Rodney Blackstock	199.99
	130016	127279	M&R TOE-Street Sweeper	199.99
			Line Amount Total	199.99
94551	03/19/24	V00030	Girouard's Ace Hardware	1,297.83
	129927	127207	Maint and Operations Supplies	52.42
	129927	127207	Office Supplies	62.94
	129927	127207	Office Supplies	30.98
	129927	127207	Safety Supplies	38.36
	129927	127207	M&R TOE-John Deere Gator	16.99
	129927	127207	M&R TOE-Gantry Crane	59.72
	129927	127207	M&R TOE-Gantry Crane	59.71
	129927	127207	M&R Vehicles-Ford Pick Up	21.98
	129927	127207	M&R Warehouse-Warehouse 51	151.66
	129927	127207	M&R Transit Shed-T.S. 1	31.75
	129927	127207	M&R Docks-Dock Berth 1	457.51
	129927	127207	M&R Docks-Dock Berth 2	45.35
	129927	127207	M&R Terminal Facilities-Other	65.26
	129927	127207	M&R Terminal Facilities-NON TWIC Truck Lot	11.98
	129927	127207	M&R Terminal Facilities-Other-VT	191.22
			Line Amount Total	1,297.83

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94552	03/19/24	V00040	The Brazosport Facts	711.67
	130031	127280	Legal Fees	608.17
	130031	127280	Community Advertising	103.50
			Line Amount Total	711.67
94553	03/19/24	V00041	Evco Industrial Hardware	435.86
	130008	127277	M&R TOE-Gantry Crane	217.93
	130008	127277	M&R TOE-Gantry Crane	217.93
			Line Amount Total	435.86
94554	03/19/24	V00047	Art's Sign Service	500.00
	130002	127292	M&R Terminal Facilities-Other	500.00
			Line Amount Total	500.00
94555	03/19/24	V00054	Summit Electric Supply	1,221.95
	129902	127173	M&R Rail-Other	211.37
	129902	127173	Gate 6	
	129903	127172	M&R Leased Facilities-HTS- (Parcel 25)	43.38
	129904	127171	Rebill Gulf -Stevadores	614.04
	129905	127170	Rebill - Red Hook	245.84
	129906	127169	Rebill - Red Hook	12.07
	129907	127168	Rebill - Red Hook	16.96
	129908	127165	Rebill to Red Hook	14.50
	129975	127242	M&R Transit Shed-T.S. 1	63.79
			Line Amount Total	1,221.95
94556	03/19/24	V00055	Jesse Hibbetts	115.14
	130013	127300	Sales/Promotion Travel	115.14
			Line Amount Total	115.14
94557	03/19/24	V00060	Sun Coast Resources	2,221.66
	130033	127234	Fuel/Oil	2,053.93
	130033	127234	Surcharges	167.73
			Line Amount Total	2,221.66
94558	03/19/24	V00067	Quill LLC	200.76
	129954	127229	Office Supplies	1.78
	129954	127229	Office Supplies	0.89
	129954	127229	Office Supplies	0.22
	129954	127229	Office Supplies	0.89
	129954	127229	Office Supplies	0.89
	129955	127228	Office Supplies	67.69
	129979	127249	Office Supplies	38.40
	130015	127298	Office Supplies	90.00
			Line Amount Total	200.76
94559	03/19/24	V00075	Vicki L. Smith	75.00
	130032	127302	Telephone	75.00
			Line Amount Total	75.00
94560	03/19/24	V00098	Suburban Propane	1,008.00
	130028	127287	Fuel/Oil	1,008.00
			Line Amount Total	1,008.00
94561	03/19/24	V00100	LJA Engineering Inc.	70,379.55
	130027	126888	Construction in Progress Project 24-01	70,379.55
	130027	126888	Professional Services for the	
	130027	126888	Velasco Terminal Area 5 Concrete Container Yard	

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Check No.	Check Date	Vendor No.	Vendor Name	Check Amount	
130027		126888	MIP 88 Grant		
130027		126888	Board Approval 01/25/2024		
				Line Amount Total	70,379.55
94562	03/19/24	V00119	JH Sanchez Holding Company	6,254.00	
129952		126802	Janitorial Services February 2024 - January 2025		
129952		126802	M&R Bldgs-Admin Bldg 1100 Cherry St	2,723.00	
129952		126802	M&R Bldgs-Operations Bldg	889.00	
129952		126802	M&R Bldgs-Security Bldg	651.00	
129952		126802	M&R Bldgs-Security Bldg - Cuistoms	880.00	
129952		126802	M&R Bldgs-Buildings VT Berth 7 - Breakroom	890.00	
129952		126802	M&R Bldgs-Maintenance Bldg- Maint Shop (WH3)	110.00	
129952		126802	M&R Transit Shed-T.S. 3	91.00	
129952		126802	M&R Bldgs-Gate 4	20.00	
129952		126802	3 yr contract with 2 one year options		
129952		126802	Board Approved 12/14/2023		
				Line Amount Total	6,254.00
94563	03/19/24	V00141	Vernor Material & Equipment Co., Inc.	921.03	
129931		127205	M&R Warehouse-Warehouse 51	921.03	
				Line Amount Total	921.03
94564	03/19/24	V00144	Naylor, LLC	3,009.50	
130035		126489	Industry Advertising	3,009.50	
130035		126489	AAPA 2024 Seaports Magazine First Qtr: Full Color		
130035		126489	Premium Position		
130035		126489	Industry Advertising		
130035		126489	AAPA 2024 Seaports Magazine Third Qtr: Full Color		
130035		126489	Premium Position		
				Line Amount Total	3,009.50
94565	03/19/24	V00159	Principal Life Insurance Company	1,567.77	
130038		127305	Group Life Insurance	370.23	
130038		127305	Group Life Insurance	176.34	
130038		127305	Group Life Insurance	458.07	
130038		127305	Group Life Insurance	14.12	
130038		127305	Group Life Insurance	110.00	
130038		127305	Group Life Insurance	97.59	
130038		127305	Group Life Insurance	36.81	
130038		127305	Group Life Insurance	129.68	
130038		127305	Group Life Insurance	62.49	
130038		127305	Group Life Insurance	112.44	
				Line Amount Total	1,567.77
94566	03/19/24	V00178	Waypoint	1,944.93	
130029		127112	Furniture and Equipment Purchases <\$5,000	1,015.98	
130029		127112	Dell Monitor P2722H		
130029		127112	Dell Soundbar SB522A	178.95	
130030		127297	Consultant Fees - Other	750.00	
				Line Amount Total	1,944.93
94567	03/19/24	V00201	CDW Government	1,033.61	
130005		127296	M&R IT Equipment	403.52	
130006		127301	M&R Bldgs-Gate 8-Guard Bldg	630.09	
				Line Amount Total	1,033.61

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Check No.	Check Date	Vendor No.	Vendor Name	Check Amount
94568	03/19/24	V00256	Blueline Shop & Copy Center	23.28
	130004	127276	M&R TOE-Gantry Crane	11.64
	130004	127276	M&R TOE-Gantry Crane	11.64
			Line Amount Total	23.28
94569	03/19/24	V00386	Industrial Disposal Supply Co., LLC	2,811.29
	130011	127283	M&R TOE-Street Sweeper	145.76
	130012	127293	M&R TOE-Street Sweeper	973.40
	130026	127245	M&R TOE-Street Sweeper	1,654.73
	130026	127245	M&R TOE-Street Sweeper	37.40
	130026	127245	Control Module	
	130026	127245	Quote Q336805	
			Line Amount Total	2,811.29
94570	03/19/24	V00389	Austin Seth	210.08
	130003	127299	Sales/Promotion Travel	210.08
			Line Amount Total	210.08
94571	03/19/24	V00452	Breakbulk US OPCO Inc.	9,800.00
	129960	127233	Commerical Event-JOC Breakbulk-Business Developmen	9,800.00
			Line Amount Total	9,800.00
94572	03/19/24	V00497	Global Site Location Industries, LLC	4,250.00
	130034	127303	Industry Advertising	4,250.00
	130034	127303	Aug/Sept 2023 Full Page ad Print/Digital	
			Line Amount Total	4,250.00
94573	03/19/24	V00517	Covenant K9 Detection Services	6,750.00
	129962	125737	Security Service Fees	6,750.00
	129962	125737	Day Rate for K9 Detection Services 6 hr day	
	129962	125737	Oct 2024-Sept 2025	
	129962	125737	Board Approved 09/23/2021	
			Line Amount Total	6,750.00
94574	03/19/24	V00593	McAllen Signal and Boring , LLC	525.00
	129971	125964	M&R Rail-Other Oct 2023	
	129971	125964	M&R Rail-Other Nov 2023-Sept 2024	525.00
	129971	125964	Annual Hwy 36 Rail Crossings Inspections	
			Line Amount Total	525.00
94575	03/19/24	V00653	Paul Bridges & Associates, LLC	53,008.57
	130036	124451	Construction in Progress	53,008.57
	130036	124451	Change Order Board Approved 02/22/2024	
			Line Amount Total	53,008.57
94576	03/19/24	V00668	DARE Capital Partners, LLC	1,628.02
	130025	127294	M&R Other-Mowing, Weed Control Etc	1,628.02
			Line Amount Total	1,628.02
94577	03/19/24	V00697	Northern Safety Co., Inc.	128.52
	130014	127295	Safety Supplies	128.52
			Line Amount Total	128.52
94578	03/19/24	V00755	Vogel Digital Marketing	150.00
	130039	127304	Promotional Items - Commercial	150.00
			Line Amount Total	150.00

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Check No.	Check Date	Vendor No.	Vendor Name	Check Amount
94579	03/19/24	V00850	Kendra L Conkle	866.25
	129989	127246	Promotional Items - Commercial	866.25
			Line Amount Total	866.25
94580	03/19/24	V00864	Visual Edge IT, Inc.	119.65
	129742	127020	Maint & Repair - Office Equipment	119.65
			Line Amount Total	119.65
94581	03/19/24	V00921	Edge Engineering & Science LLC	1,920.77
	130041	126604	Consultant Fees - Other	1,920.77
	130041	126604	Professional Services for	
	130041	126604	2024 Environmental Regulatory Compliance Services	
			Line Amount Total	1,920.77
94582	03/19/24	V00938	Principal Life Insurance Company	2,595.45
	130037	127306	Group Dental Insurance	299.52
	130037	127306	Group Vision Insurance	60.70
	130037	127306	Group Dental Insurance	294.93
	130037	127306	Group Vision Insurance	57.59
	130037	127306	Group Dental Insurance	789.10
	130037	127306	Group Vision Insurance	161.24
	130037	127306	Group Dental Insurance	14.03
	130037	127306	Group Vision Insurance	3.03
	130037	127306	Group Dental Insurance	155.15
	130037	127306	Group Vision Insurance	26.47
	130037	127306	Group Dental Insurance	127.56
	130037	127306	Group Vision Insurance	26.47
	130037	127306	Group Dental Insurance	64.74
	130037	127306	Group Vision Insurance	12.08
	130037	127306	Group Dental Insurance	190.20
	130037	127306	Group Vision Insurance	32.10
	130037	127306	Group Dental Insurance	69.12
	130037	127306	Group Vision Insurance	13.02
	130037	127306	Group Dental Insurance	166.30
	130037	127306	Group Vision Insurance	32.10
			Line Amount Total	2,595.45
94583	03/19/24	V00946	Full Source, LLC	999.32
	130009	127285	Safety Supplies	999.32
			Line Amount Total	999.32
94584	03/19/24	V00957	AT&T:831-001-2806-788	327.06
	130043	127310	Telephone	156.03
	130043	127310	Telephone	85.53
	130043	127310	Telephone	85.50
			Line Amount Total	327.06
94585	03/19/24	V00999	Plasco, LLC	546.97
	129434	126744	Badge Supplies	381.97
	129483	126774	Badge Supplies	165.00
			Line Amount Total	546.97
94586	03/19/24	V01003	Zachry Construction Corporation	234,789.38
	130040	126554	Construction in Progress	247,146.72
	130040	126554	Furnish labor, materials, equip & Ins	
	130040	126554	for the New Entrance - Gate 12 project	

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Check No.	Check Date	Vendor No.	Vendor Name	Check Amount
	130040	126554	Retainage Payable	-12,357.34
			Line Amount Total	234,789.38
94587	03/19/24	V01010	Imperial Bag & Paper Co LLC dba Imperial Dade	769.58
	129969	127244	Office Supplies	769.58
			Line Amount Total	769.58
94588	03/19/24	V01019	Community Matters, Inc.	623.00
	130007	127270	Community Advertising	623.00
			Line Amount Total	623.00
94589	03/19/24	V01020	CMA CGM SA	8,679.29
	130042	127309	Other Receivables	8,679.29
			Line Amount Total	8,679.29
94590	03/22/24	V00004	City of Freeport	196.16
	130074	127345	Water & Gas	196.16
			Line Amount Total	196.16
94591	03/22/24	V00016	Rodney Blackstock	54.11
	130057	127317	M&R TOE-Caterpillar	54.11
			Line Amount Total	54.11
94592	03/22/24	V00044	Ready Refresh	543.55
	130065	127315	Office Supplies	67.78
	130065	127315	Office Supplies	33.88
	130065	127315	Office Supplies	9.28
	130065	127315	Office Supplies	33.88
	130065	127315	Office Supplies	348.72
	130065	127315	Office Supplies	16.13
	130065	127315	Office Supplies	33.88
			Line Amount Total	543.55
94593	03/22/24	V00047	Art's Sign Service	56.00
	130044	127329	M&R Docks-Dock Berth 7-VT	56.00
			Line Amount Total	56.00
94594	03/22/24	V00097	Comcast Business	1,313.86
	130075	127344	Contract Services	1,313.86
			Line Amount Total	1,313.86
94595	03/22/24	V00187	Brazoria County Septic Service	2,954.00
	130063	127318	Contract Services	1,477.00
	130064	127332	Contract Services	1,477.00
			Line Amount Total	2,954.00
94596	03/22/24	V00201	CDW Government	142.90
	130066	127337	M&R IT Equipment	10.35
	130067	127336	Contract Services	132.55
			Line Amount Total	142.90
94597	03/22/24	V00248	Promotions Unlimited	2,652.85
	130056	127308	Community Event-TACFT	546.68
	130056	127308	400 Mood sunglasses, asst colors w/PF logo	
	130076	127339	Community Event-TACFT	2,106.17
	130076	127339	TACFT 2024 Goodie Item	
	130076	127339	400 Insulated cooler backpack, gray w/PF Logo	

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Check No.	Check Date	Vendor No.	Vendor Name	Check Amount
	130076	127339	Includes unit price, setup, imprint, shipping	
			Line Amount Total	2,652.85
94598	03/22/24	V00256	Blueline Shop & Copy Center	156.18
	130045	127328	M&R TOE-Gantry Crane	24.72
	130045	127328	M&R TOE-Gantry Crane	24.72
	130046	127319	Promotional Items - Commercial	106.74
			Line Amount Total	156.18
94599	03/22/24	V00266	Pitney Bowes Bank Inc, Purchase Power	222.06
	130055	127316	Postage and Freight	41.29
	130055	127316	Postage and Freight	20.65
	130055	127316	Postage and Freight	82.63
	130055	127316	Postage and Freight	5.17
	130055	127316	Postage and Freight	20.67
	130055	127316	Postage and Freight	10.33
	130055	127316	Postage and Freight	5.17
	130055	127316	Postage and Freight	15.50
	130055	127316	Postage and Freight	20.65
			Line Amount Total	222.06
94600	03/22/24	V00290	Houston Truck Parts Inc.	325.10
	130069	127342	M&R TOE-Street Sweeper	325.10
			Line Amount Total	325.10
94601	03/22/24	V00330	Southern Tire Mart	2,938.09
	130058	127327	M&R TOE-Hyster Forklift 440	2,938.09
			Line Amount Total	2,938.09
94602	03/22/24	V00458	Texas Social Security Program	35.00
	130077	127343	Subscriptions	35.00
			Line Amount Total	35.00
94603	03/22/24	V00653	Paul Bridges & Associates, LLC	58,963.76
	129780	124451	Construction in Progress	58,963.76
			Line Amount Total	58,963.76
94604	03/22/24	V00668	DARE Capital Partners, LLC	1,628.02
	130048	127325	M&R Other-Mowing, Weed Control Etc	1,628.02
			Line Amount Total	1,628.02
94605	03/22/24	V00697	Northern Safety Co., Inc.	412.70
	130054	127320	Safety Supplies	412.70
			Line Amount Total	412.70
94606	03/22/24	V00973	ImageNet Consulting	254.55
	130070	127338	Maint & Repair - Office Equipment	179.95
	130071	127335	Maint & Repair - Office Equipment	74.60
			Line Amount Total	254.55
94607	03/22/24	V00974	Texas Association of Foreign Trade Zones Inc	500.00
	130073	127333	Dues & Memberships & Licenses	500.00
			Line Amount Total	500.00
94608	03/22/24	V01014	Mustang Rental Services of Texas, LLC	2,669.28
	130053	126971	M&R Roads-Other	2,669.28

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Check No.	Check Date	Vendor No.	Vendor Name	Check Amount
	130053	126971	4 Wheel Broom-Monthly	
				Line Amount Total 2,669.28
			Texas Gulf Bank Accounts Payable	4,463,610.18

**INTERLOCAL AGREEMENT FOR COOPERATIVE RADIO FREQUENCY USE
BETWEEN PORT FREEPORT AND THE CITY OF FREEPORT**

This INTERLOCAL AGREEMENT FOR COOPERATIVE RADIO FREQUENCY USE (“Agreement”) is hereby made and entered into by and between **PORT FREEPORT** of Brazoria County, Texas, a navigation district, a body politic, and a corporate and governmental agency of the State of Texas (**the “PORT”**) and the **CITY OF FREEPORT**, a municipal corporation and political subdivision of the State of Texas (**the “CITY”**). Collectively PORT FREEPORT and the CITY may be referred to as the **“Parties”** and, each separately as a **“Party.”**

RECITALS

WHEREAS, the PORT is a political subdivision of the State of Texas located within the CITY'S jurisdiction, acting by and through its Commission;

WHEREAS, the CITY is a local government in the State of Texas acting by and through its City Council;

WHEREAS, the Freeport Police Department is a law enforcement agency that follows all Texas laws and regulations related to law enforcement and provides law enforcement services to the local community on behalf of the CITY;

WHEREAS, Freeport Fire and EMS is a fire safety/response and emergency medical agency that follows all Texas laws and regulations related to emergency fire and medical response and provides fire and emergency medical services to the local community on behalf of the CITY;

WHEREAS, the CITY operates a public safety communication system owned by the CITY that permits radio communications and transmissions via radio units;

WHEREAS, the PORT operates a public safety communication system owned by the PORT that permits radio communications and transmissions via radio units;

WHEREAS, the Parties desire to obtain and allow access to each others' communication systems via radio units to facilitate communications and interoperability between the public safety agencies;

WHEREAS, the CITY and the PORT agree that allowing access to the communication systems will serve a public purpose;

WHEREAS, the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, authorizes the PORT and the CITY to enter into an interlocal agreement to provide a governmental function or service; and

NOW, THEREFORE, in consideration of the mutual benefits and promises contained herein, and

for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Parties, the PORT and the CITY agree as follows:

AGREEMENT

ARTICLE I

Authorization and Findings

- 1.01 Recitals.** The foregoing Recitals are hereby incorporated into the body of this Agreement and shall be considered part of the mutual covenants, representations, consideration, and promises that bind the Parties.
- 1.02 Authority of Parties.** Each Party represents and warrants to the other Party that it has all requisite power and authority to execute, deliver, and to perform its obligations under this Agreement; and, upon execution of this Agreement, this Agreement will constitute valid and binding legal obligations of each Party.
- 1.03 Fair Compensation.** The Parties acknowledge and agree that each of the covenants contemplated by this Agreement fairly compensates the performing Party for the services or functions to be performed under this Agreement.

ARTICLE II

Definitions

2.01 Definitions. As used in this Agreement, the following terms shall have the meaning set forth below:

- (a) “Governmental functions and services” mean all or part of a function or service in any of the following areas:
- (i) Police protection and detention services;
 - (ii) Fire protection;
 - (iii) Streets, roads, and drainage;
 - (iv) Public health and welfare;
 - (v) Parks and recreation;
 - (vi) Library and museum services;
 - (vii) Records center services;
 - (viii) Waste disposal;
 - (ix) Planning;
 - (x) Engineering;
 - (xi) Administrative functions;
 - (xii) Public funds investment;
 - (xiii) Comprehensive health care and hospital services; or
 - (xiv) Other governmental functions in which the contracting parties are mutually interested.
- (b) “Local government” means a:

- (i) County, municipality, special district, junior college district, or other political subdivision of this state or another state,
 - (ii) Local government corporation created under Subchapter D, Chapter 431, Transportation Code,
 - (iii) Political subdivision corporation created under Chapter 304, Local Government Code,
 - (iv) Local workforce development board created under Section 2308.253, or
 - (v) Combination of two or more entities described by (i), (ii), (iii), or (iv).
- (c) “Political subdivision” includes any corporate and political entity organized under state law.
- (d) “Communications System” means the PORT’s and/or CITY’s emergency radio infrastructure, including all structures, hardware and software components, antennas, and interoperable radio frequencies.
- (e) “Radio Unit” means any console, consolette, mobile, or hand-held device capable of transmitting communications on the parties’ communications system.

2.02. Terms Not Listed. There may be terms not listed herein this Article that appear in this Agreement. Those terms not listed herein this Article shall be provided those meanings assigned in this Agreement or as is otherwise obvious or stated.

ARTICLE III Purpose

3.01. Purpose. The purpose of this Agreement is to document the cooperation between the parties for sharing of specific radio frequencies that are authorized to each party and to provide antenna and rack space at the Port Freeport Emergency Operation Center (hereinafter “EOC”) for Freeport Fire and EMS, in accordance with the following provisions.

3.02. Statement of Mutual Benefit and Interests. This Agreement provides efficient, cost-effective radio communications and interoperability to support the protection of life and property management policies of the parties to this Agreement.

ARTICLE IV Agreement for Equipment at PORT Emergency Operations Center

4.01. Agreement for Equipment at PORT Emergency Operations Center (“EOC”).

- (a) The PORT agrees to allow the CITY access and use of an antenna tower owned by the PORT and located at the Port Freeport Emergency Operations Center, 801 Navigation Blvd., Freeport TX 77541.
- (b) The CITY is licensed by the Federal Communications Commission (FCC) to operate public safety radio repeater equipment under the callsign KNEP889 and agrees to maintain said license during the duration of this Agreement.

- (c) The CITY agrees to connect its repeater equipment and other associated equipment to the existing antenna tower and will not change or modify the site building, antenna tower, radio cabinet layout, or antennas without express written permission from the PORT. All proposed changes from the CITY shall be documented with design drawings and a project scope document.
- (d) The CITY agrees to provide, maintain, and ensure proper operation of its repeater equipment at no cost to the PORT.
- (e) The CITY equipment will be located in the PORT EOC located at 801 Navigation Blvd., Freeport, Texas 77541. The equipment to be used by the CITY consists of repeaters, repeater controller, duplexer, and other associated electronic/radio equipment.
- (f) With a 90-day written request from the PORT, the CITY agrees to vacate the subject site building, antenna tower and antennas in the event that Port Freeport needs the subject site building, antenna tower and antennas.
- (g) The CITY agrees to assume all responsibility and liability for any and all CITY equipment located on PORT property including, but not limited to, CITY assets, radio equipment, antennas, repeaters, duplexers, radio components, etc. Further, the CITY assumes any and all responsibility and liability for said equipment in the event of issues including, but not limited to damage, destruction, theft, etc. of said equipment. The CITY assumes all responsibility and liability for any and all injuries, including, but not limited to, bodily injury, serious bodily injury, death, etc. sustained by CITY members, employees, contractors, personnel, etc. while on the subject antenna site owned by the PORT.
- (h) The PORT agrees to provide to the CITY at no cost at least three (3) UHF channels on the PORT UHF radio system.
- (i) The PORT agrees to be responsible for all maintenance and repair costs to the PORT UHF repeaters, antennas, and associated equipment, but the PORT shall not be liable for any UHF radio down time.

ARTICLE V
The CITY's Obligations for Frequency Use

5.01 The CITY's Obligations for Frequency Use. The CITY hereby agrees, during the Term of this Agreement, to the following:

- (a) The CITY shall upon request by the PORT allow the PORT to utilize the frequencies listed in Exhibit A to engage in radio communications by authorizing users of the PORT's Radio Units to access the CITY'S Communications System for public safety purposes.
- (b) The CITY shall affirm the PORT assumes no cost or responsibility for providing, maintaining, repairing, replacing, upgrading, or performing any servicing of radio units to or on behalf of the CITY, and that the CITY assumes all responsibility for providing, maintaining, repairing, replacing, upgrading, or performing any servicing of radio units

operated by the CITY to access the PORT's Communications System.

- (c) The CITY shall provide any and all training to its employees, contractors, and representatives regarding the use of the radio units and the communications system.
- (d) The CITY shall determine the dispatch and management procedures to be used for the CITY's frequencies listed herein.
- (e) The CITY shall provide evidence of authorization to operate the CITY's frequencies listed herein and to immediately notify the PORT when conditions of the authorization to operate change, or the authorization becomes invalid.
- (f) The CITY shall use the PORT frequencies for official use when required for testing, maintenance, employee and public safety, fire suppression, emergency management, or joint operations between the Parties.
- (g) The CITY shall cease operating on the Port frequencies when requested by the Port.
- (h) The CITY shall observe and abide by all applicable statutes, laws, rules, and regulations, including, without limitation, those of the Federal Communications Commission. In addition, the CITY agrees to observe and abide by any applicable administrative rules promulgated by the PORT in regard to the PORT'S Communication System from and after the date such rules become effective and have been delivered to the CITY. Further, the CITY acknowledges that, should any of these statutes, rules, regulations, or administrative rules change during the term of this Agreement and if the change necessitates a modification of the Agreement, the modification may be effectuated by the PORT without incurring any liability for this modification.

ARTICLE VI

The PORT's Obligations for Frequency Use

6.01. The PORT's Obligations for Frequency Use. The PORT hereby agrees, during the Term of this Agreement, to the following:

- (a) The PORT shall upon request by the CITY allow the CITY to utilize the frequencies listed in Exhibit A to engage in radio communications by authorized users of the CITY's Radio Units to access the PORT'S Communications System for public safety purposes.
- (b) The PORT shall affirm the CITY assumes no cost or responsibility for providing, maintaining, repairing, replacing, upgrading, or performing any servicing of radio units to or on behalf of the PORT, and that the PORT assumes all responsibility for providing, maintaining, repairing, replacing, upgrading, or performing any servicing of radio units operated by the PORT to access the CITY's Communications System.
- (c) The PORT shall provide any and all training to its employees, contractors, and representatives regarding the use of the radio units and the communications system.
- (d) The PORT shall determine the dispatch and management procedures to be used for the PORT frequencies listed herein.

- (e) The PORT shall provide evidence of authorization to operate on the Port frequencies listed herein and to immediately notify the CITY when conditions of the authorization to operate change, or the authorization becomes invalid.
- (f) The PORT shall use the CITY's frequencies for official use when required for testing, maintenance, employee and public safety, fire suppression, emergency management, or joint operations between the Parties.
- (g) The PORT shall cease operating on the CITY's frequencies when requested by the CITY.
- (h) The PORT shall observe and abide by all applicable statutes, laws, rules, and regulations, including, without limitation, those of the Federal Communications Commission. In addition, the PORT agrees to observe and abide by any applicable administrative rules promulgated by the CITY in regard to the CITY'S communication system from and after the date such rules become effective and have been delivered to the PORT. Further, the PORT acknowledges that, should any of these statutes, rules, regulations, or administrative rules change during the term of this Agreement and if the change necessitates a modification of the Agreement, the modification may be effectuated by the CITY without incurring any liability for this modification.

ARTICLE VII

Joint Obligations

7.01. Joint Obligations. It is mutually understood and agreed by and between the Parties that:

- (a) Each Party shall maintain administrative control of their radio frequencies and will be responsible for all use of the frequencies.
- (b) Frequency use is limited to the restrictions imposed on Radio Frequency Authorization (RFA) Letters supplied by the PORT and/or the CITY and may be installed in mobile and portable radios for operational use between the PORT and the CITY as designated by each Party.
- (c) Excluding any other written agreements, each Party shall furnish their own radio communications equipment to operate on the frequencies listed in Exhibit A to this Agreement.
- (d) Equipment shall be and remain the property of each party who furnished it, and that party shall be the licensee thereof pursuant to the Federal Communications Commission (FCC) and International Radio Advisory Committee (IRAC) regulations.
- (e) Each party is authorized to operate their equipment for test purposes, maintenance, reliability checks and operational use.
- (f) The Parties agree to operate and maintain their equipment in accordance with FCC and NTIA regulations and operational parameters as established by this Agreement.
- (g) The Parties agree that they shall be financially responsible for the cost associated to maintaining compliance with FCC and NTIA regulations.
- (h) In order to facilitate and accomplish the goals and objectives set forth in this Agreement,

the PORT and the CITY will meet as necessary and appropriate to discuss issues of mutual interest and assess progress in accomplishing the desired objectives.

- (i) Nothing in this Agreement shall be interpreted as affording the PORT or the CITY any role in the content, programming, or operating decisions of the other entity

ARTICLE VIII

Term and Termination

8.01. Term. The term of this Agreement shall be for a period of five (5) years, beginning on the Effective Date of this Agreement (the "Initial Agreement Term"), subject to earlier termination as hereinafter provided. Upon expiration of the Initial Agreement Term, this Agreement shall automatically renew every five (5) years for a period of five (5) years (each a "Renewal Agreement Term"), unless either Party provides written notice of nonrenewal at least thirty (30) days prior to the end of the then Initial Agreement Term or the Renewal Agreement Term. If either Party provides timely notice of its intent not to renew this Agreement, this Agreement shall terminate on the expiration of the then-current term, unless earlier terminated in accordance with the Agreement.

8.02. Termination. Notwithstanding the preceding, either Party may terminate this Agreement for any reason, with or without cause, by providing thirty (30) days written notice to the other Party at any time. This Agreement may also be terminated at any time and for any reason, without any prior notice, upon written agreement by the Parties.

8.03. Funding. The Parties mutually agree to the following:

- (a) The Parties understand and acknowledge that the funding of this Agreement is contained in each Party's annual budget and is subject to the approval of each Party in each fiscal year. The Parties further agree that should the governing body of any Party fail to approve a budget that includes sufficient funds for the continuation of this Agreement, or should the governing body of any Party fail to certify funds for any reason, then and upon the occurrence of such event, this Agreement shall automatically terminate as to that Party and that Party shall then have no further obligation to the other Party. When the funds budgeted or certified during any fiscal year by a Party to discharge its obligations under this Agreement are expended, the other Party's sole and exclusive remedy shall be to terminate this Agreement.
- (b) The parties shall manage their respective resources and activities in a separate, coordinated, and mutually beneficial manner to meet the purposes(s) of this Agreement.
- (c) Nothing in this Agreement authorizes any of the Parties to obligate or transfer funds. Specific projects or activities that involve the transfer of funds, services, or property among the parties require execution of separate agreements and are contingent upon the availability of appropriated funds. These activities must be independently authorized by statute. This Agreement does not provide that authority.

(d) Negotiation, execution, and administration of any agreements shall comply with all applicable law. Each Party operates under its own laws, regulations, and policies, subject to the availability of appropriated funds. Nothing in this Agreement is intended to alter, limit, or expand the agencies' statutory and regulatory authority.

ARTICLE IX Indemnification and Liability

9.01. Indemnification. The PORT shall not be liable for any claims, costs, damages, expenses, losses, and/or liability arising out of the negligent, wrongful, or illegal acts or omissions of the CITY or the CITY's officials, employees, representatives, or agents in relation to any obligation or service provided under this Agreement. To the extent permissible by law, the CITY shall fully indemnify, hold harmless, and defend the PORT and its officials, officers, employees, agents, and representatives from and against any and all litigation, claims, costs, damages, expenses, losses and/or liabilities related to any obligation or service provided by the CITY or CITY's officials, employees, representatives, or agents under this Agreement.

9.02. Waiver of Liability. The CITY hereby waives and releases the PORT and its officials, officers, employees, agents, and representatives for any and all claims arising from or related to the services provided under this Agreement.

9.03. Assumption of Risk. It is expressly understood that the PORT neither warrants nor assumes any responsibility for, and the CITY assumes the total risk of any loss associated with, the functionality, compatibility, or operation of the Communications System, Radio Units, or any associated hardware, software, server, system, equipment or materials related to the services provided under this Agreement.

ARTICLE X Notices

10.01. Notices. All notices, requests, and other communications required or authorized under this Agreement shall be in writing and shall be sent by electronic mail or certified U.S. mail to the following addresses:

To the CITY:

Chris Motley
131 East 4th Street, Freeport, Texas 77541
cmotley@freeport.tx.us

To the PORT:

Chris Hogan
801 Navigation, Freeport, Texas 77541
hogan@portfreeport.com

ARTICLE XI

Miscellaneous Provisions

11.01. No Waiver of Immunity. The Parties expressly understand and agree that, in the execution of this Agreement and the performance of services herein, the Parties do not waive, nor shall they be deemed to have waived, any immunity or defense that would otherwise be available to the Parties or their officials, employees, and/or agents against claims arising in the exercise of governmental powers and functions, including, but not limited to, sovereign and/or governmental immunity. This Agreement is expressly made subject to the Parties' sovereign and/or governmental immunity, including, without limitation, Title 5 of the Texas Civil Practice and Remedies Code, and all applicable federal and state laws.

11.02. Confidential Information. The Parties acknowledge and agree that any information exchanged between the Parties in accordance with this Agreement is being shared pursuant to an intergovernmental transfer on the basis that both Parties are governmental entities. Such transfers shall be made subject to an understanding that the Parties will use the information for official purposes only, respecting and keeping any confidential information contained therein confidential, as the law demands. Notwithstanding the preceding, the Parties acknowledge and agree either Party may disclose without penalty any information as required by federal and Texas law, including any decision by the Texas Attorney General's Office.

11.03. Successors and Assigns. Neither Party may assign, lease, sublet, or transfer its interest in or obligations under this Agreement, in whole or in part, without the prior written consent of the other Party. This Agreement binds and is for the sole and exclusive benefit of the Parties and their legal successors, including, without limitation, any successor governmental agency or entity to either Party. Nothing in this Agreement shall be construed to establish any third-party beneficiaries.

11.04. Force Majeure. The Parties shall not be liable or responsible to each other for any delay, loss, failure, or inability to perform their obligations as described herein which is caused by "force majeure." The term "force majeure" includes, but is not limited to, acts of God, strikes, acts of a public enemy, wars, mines or other items of ordnance, blockages, public rioting, lightning, fire, hurricanes, floods, storms, explosions, inability to obtain materials, supplies, labor permits, servitudes, or rights of way, acts or restraints of any governmental authority, epidemics, landslides, lightning storms, earthquakes, washouts, arrests, restraints of rulers and peoples, civil disturbances, breakage or accident to machinery or lines of equipment, temporary failures of equipment, freezing of equipment, and any other causes, whether of the kinds specifically enumerated above or otherwise, which are not reasonably within the control of the Parties and which by the exercise of reasonable due diligence could not reasonably be prevented or overcome.

In the event time limits are not met under this Agreement as a result of force majeure, the Party whose performance is due shall have an extension of the time limit or deadline equal to the number of days for which the force majeure condition existed. After the force majeure

condition has ended, the Agreement shall continue under the same operations and circumstances as existed prior to the force majeure event.

Events reasonably within the control of the respective Party shall not constitute force majeure and shall be remedied with the exercise of due diligence. The Parties shall use all reasonable means to remove all contingencies affecting the performance of this Agreement as quickly as is reasonably possible. This clause does not relieve any Party from its obligations to make any payments of amounts then due for services provided or obligations contemplated and performed under this Agreement, and neither Party's time for performance shall be extended for any event which is reasonably within the control of such Party.

11.05. Participation in Similar Activities. This Agreement in no way restricts the PORT or the CITY from participating in similar activities with other public or private agencies, organizations, and individuals.

11.06. Endorsement. Any of the CITY's contributions made under this Agreement do not by direct reference or implication convey the PORT's endorsement of the CITY's products, services, or activities.

11.07. Public Information. Public access to this Agreement or agreement records must not be limited, except when such records must be kept confidential and would have been exempted from disclosure pursuant to Freedom of Information regulations (5 U.S.C. 552) or the Texas Public Information Act. Texas Government Code, Chapter 552.

11.08. Equity, Diversity, and Inclusion. All parties are committed to equity, diversity, and inclusion principles in establishing and maintaining practices that ensure fairness and equity for all employees. All processes and strategies implemented in accordance with this Agreement shall comply with State of Texas and Federal equity, diversity, and inclusion laws.

11.09. Amendment. No amendment, modification, or alteration of the terms or provisions of this Agreement shall be binding unless it is in writing, references this Agreement, is dated subsequent to the Effective Date of this Agreement, and is duly executed by authorized representatives of both Parties.

11.10. Entirety. This Agreement and all promises contained in it supersede any and all other agreements, either oral or in writing, between the Parties with respect to the subject matter of this Agreement. The Agreement contains all the covenants and agreements between the Parties relating in any way to the services to be provided hereunder. Each Party acknowledges that no representations, inducements, promises, or agreements, orally or otherwise, have been made by any Party, or anyone acting on behalf of any Party, that are not set forth in this Agreement, and that no agreement, statement, or promise not contained in this Agreement shall be valid or binding.

11.11. Severability. If any term or provision in this Agreement is, for any reason, held invalid, illegal, or unenforceable by any court of competent jurisdiction, the Parties shall by written

amendment make it valid, legal, or enforceable. If any term or provision in this Agreement cannot be amended to make it valid, legal, or enforceable while still providing the effect desired by both Parties, said term or provision shall be deemed a separate, distinct, and independent provision, shall be construed as having never been contained in this Agreement, and shall not affect the validity, legality, or enforceability of the remaining terms and provisions in this Agreement, which shall remain in full force and effect.

11.12. Authorship. This Agreement shall not be construed in favor of or against any Party on the basis that the Party did or did not author this Agreement.

11.13. Titles or Headings. Any titles or headings of sections and paragraphs in this Agreement are included solely for convenience, shall not be considered a part of the Agreement, shall not in any way serve to modify or restrict any term or provision, and shall not be considered in ascertaining intent.

11.14. No Rights Created. The Parties acknowledge and agree that nothing in this Agreement shall be construed to create any rights in any person, government, or other entity not PORT or CITY. Additionally, this Agreement shall not authorize any person, government, or other entity other than the PORT or the CITY to maintain a suit for personal injuries, property damage, or any other relief.

11.15. Authorized Representative. Each Party to this Agreement represents to the other Party that it is fully authorized to enter into this Agreement and to perform its obligations hereunder and that no waiver, consent, approval, or authorization from any third party is required to be obtained or made in connection with the execution, delivery, or performance of this Agreement in accordance with its terms, other than those that have been obtained.

11.16. Including. Wherever the word "including" is used, it is deemed to mean "including, without limitation."

11.17. Governing Law. This Agreement shall be governed by and construed in accordance with the laws and court decisions of the State of Texas.

11.18. Exclusive Jurisdiction and Venue. Exclusive jurisdiction and venue for all legal actions related to this Agreement shall be in Brazoria County, Texas. The Parties waive any objection to the adjudication of all court actions related to this Agreement in Brazoria County, Texas.

11.19. Counterparts. This Agreement may be executed in one or more counterparts, all of which together will be deemed an original.

11.20. Joint Enterprise. Nothing in this Agreement shall be deemed or construed by the Parties, nor any third party, as creating a relationship of principal and agent, partnership, joint enterprise, common enterprise, joint venture, joint ownership, or joint tenancy between the Parties. This Agreement does not and shall not be construed to entitle either Party or any of

EXHIBIT A – FREQUENCY LIST

P25 RADIO TALK GROUPS					
DEC	HEX	Mode	Alpha Tag	Description	Responsible Party
1510	5e6	D	Freeport EMS	Freeport EMS Dispatch	City of Freeport
1556	614	D	Freeport Fire	Freeport Fire Dispatch	City of Freeport
1661	67d	D	Freeport PD 1	Freeport Police Dispatch	City of Freeport
1663	67f	D	Freeport PD 2	Freeport Police TAC	City of Freeport
138	08a	D	BC Port Sec 1	Port Freeport Security Dispatch	Port Freeport
137	089	D	BC Port Sec 2	Port Freeport Security TAC	Port Freeport

VHF FREQUENCIES					
Transmit	Receive	Rx Code	FCC License	Description	Responsible Party
153.77	153.77	146.2	KNEP889	Freeport Fire	City of Freeport
154.325	154.325	146.2	KNEP889	Freeport Fire T/A	City of Freeport
153.955	155.955	146.2	KLP959	Freeport Police	City of Freeport
155.955	155.955	146.2	KLP959	Freeport Police T/A	City of Freeport
154.28	154.28	CSQ	KNEP889	Tex Fire 1	City of Freeport

UHF FREQUENCIES					
Transmit	Receive	Rx Code	FCC License	Description	Responsible Party
452.8875	452.8875		WQGS507	Port Operations	Port Freeport
453.3375	453.3375		WQKF813	Port Public Safety	Port Freeport
453.6875	453.6875		WQKF813	Port Public Safety	Port Freeport
458.3375	458.3375		WQKF813	Port Public Safety	Port Freeport
458.6875	458.6875		WQKF813	Port Public Safety	Port Freeport
451.3125	451.3125		WNPB603	Port Operations	Port Freeport
451.7125	451.7125		WNPB603	Port Operations	Port Freeport
452.0875	452.0875		WNPB603	Port Operations	Port Freeport
452.3125	452.3125		WNPB603	Port Operations	Port Freeport
452.7125	452.7125		WNPB603	Port Operations	Port Freeport
461.375	461.375		WNPB603	Port Operations	Port Freeport
466.375	466.375		WNPB603	Port Operations	Port Freeport

Note 1: Frequencies will be used for official use only and are authorized for use in mobile and portable Radios. Official use is defined as any emergency joint operation between the PORT and the CITY.

Note 2: The P25 radio system is managed by Brazoria County. They utilize the following frequencies 769.46875, 769.93125, 770.96875c, 771.24375c, 772.03125c, 772.85625c, 853.2875, 853.550, and 853.962

**RESOLUTION AUTHORIZING
ADOPTION OF THE BRAZORIA COUNTY HAZARD MITIGATION PLAN 2023**

At a regular meeting of the Port Commission of Port Freeport of Brazoria County, Texas (“Port”) held at the office of the Port at 1100 Cherry Street, Freeport, Texas, on the 25th day of April 2024, among other business, on motion duly made and seconded, the following Resolution was passed and adopted:

FINDINGS

WHEREAS, PORT FREEPORT recognizes the threat that natural hazards pose to people and property within its jurisdiction; and

WHEREAS, PORT FREEPORT has prepared a multi-hazard mitigation plan, hereby known as the Brazoria County Hazard Mitigation Plan 2023 (the “Plan”) in accordance with federal laws, including the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. § 5121 *et seq.*, as amended; the National Flood Insurance Act of 1968, 42 U.S.C. § 4001 *et seq.*, as amended; and the National Dam Safety Program Act, 33 U.S.C. § 467 *et seq.*, as amended; and

WHEREAS, the Plan identifies mitigation goals and actions to reduce or eliminate long-term risk to people and property in its jurisdiction from the impacts of future hazards and disasters; and

WHEREAS, adoption of the Plan by PORT FREEPORT demonstrates its commitment to hazard mitigation and achieving the goals outlined in the \Plan; and

NOW THEREFORE, BE IT RESOLVED by PORT FREEPORT that, in accordance with its purpose under Texas Special District Local Laws Code Chapter 5002 and its authority under Texas Water Code Chapter 60, PORT FREEPORT adopts the Brazoria County Hazard Mitigation Plan 2023. Subsequent plan updates following the approval period for this plan will require the adoption of separate resolutions.

BE IT FURTHER RESOLVED that Phyllis Saathoff, Executive Director / CEO, for Port Freeport, is authorized and designated as the Port’s representative to take all steps necessary to finalize, accept, and modify as needed all instruments, documents, agreements, and/or contracts necessary to memorialize and/or formalize the Port’s adoption of the Plan, and is further authorized to execute all documents necessary to accomplish same.

Barbara Fratila
Port Commission Secretary

THE STATE OF TEXAS §
 §
COUNTY OF BRAZORIA §

This instrument was acknowledged before me on this 25th day of April 2024, by Barbara Fratila, Port Commission Secretary, of Port Freeport, a political subdivision of the State of Texas, on behalf of said political subdivisions.

NOTARY PUBLIC, STATE OF TEXAS



MozaicID Official Quote

2612 Taylor Road
Chesapeake, VA
23321

Created Date 3/27/2024
Expiration Date 4/27/2024
Quote Number 00000017

Prepared By Stephen Winn
Email stephenwinn@mozaicid.com

Account Name Port Freeport
Contact Name Chris Hogan
Title Director of Protective Services
Phone (979) 373-5911
Email hogan@portfreeport.com

Product	Product Code	Quantity	List Price	Discounted Price	Total Price
MozaicID Mobile Credential Reader V3 (MCR V3)	MZID-MCR-V3	4.00	\$7,099.14	\$6,925.99	\$27,703.96
MozaicID MCR V3 Docking Station	MZID-MCRDOCK	4.00	\$410.00	\$400.00	\$1,600.00
MozaicID MCR V3 36 Month Extended Hardware Platinum Warranty	MZID-MCR36HRDWAR	4.00	\$844.11	\$823.52	\$3,294.08
MozaicID MCR V3 36 Month Software Warranty & Support	MZID-MCR36SFTWAR	4.00	\$376.31	\$367.13	\$1,468.52
MozaicID MCR V3 Spare Battery	MZMCRBAT	4.00	\$205.00	\$205.00	\$820.00

Total Price \$34,886.56
Shipping and Handling \$90.00
Grand Total \$34,976.56

MozaicID
www.MozaicID.com
Parroco Production Group, Inc.
2612 Taylor Road, Chesapeake, VA, 23321


*Unless otherwise specified in writing, invoices not paid within 15 days of the invoice date will accrue interest at 1.0% per month.
*All annual portal fees will be invoiced and paid on an annual basis, unless annual portal fee(s) are paid in advance. If annual portal fee(s) are paid in advance, annual portal fees will resume upon completion of the final year that has been paid in advance.
*This is an official quote and is only for the use of the intended recipient and may contain information that is CONFIDENTIAL and PROPRIETARY to Parroco Production Group, Inc. and/or MozaicID. If you are not the intended recipient, please erase all copies of the document and its attachments and notify the sender immediately.



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

MEMORANDUM

TO: Commissioners
Directors
Legal Counsel

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

DATE: April 15, 2024

SUBJECT: EOC HVAC Replacement Project

Proposals were received and opened for the EOC HVAC Replacement Project on April 9, 2024, at 2:00 P.M.

Two contractors submitted a proposal as shown in the attached proposal tabulation sheet. The contractor that submitted the lowest proposal in addition to meeting all requirements of the specifications was Noble Building & Development, LLC.

Noble Building & Development, LLC is a reputable contractor based in Angleton, Texas.

I recommend the Port move forward with this important project and award the contract to Noble Building & Development, LLC for an amount **not to exceed \$514,725.00**.

attachment

PORT COMMISSION

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



**BID TABULATION SHEET
EOC HVAC REPLACEMENT PROJECT
PROJECT NO. 23-04
BID OPENING: APRIL 9, 2024, 2:00 P.M.**

Name	Amount	Bond/CC	Qualification Statement	Insurance Certificate
Noble Building & Development	\$514,725.00	Y	Y	Y
CFI Mechanical, Inc.	\$530,440.00	Y	Y	Y


Signatures: Jason Hull



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WWW.PORTFREEPORT.COM

MEMORANDUM

TO: Commissioners
Directors
Legal Counsel

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

DATE: April 17, 2024

SUBJECT: Easement Grant to CenterPoint Energy Houston Electric, LLC

Attached is an easement to CenterPoint Energy Houston Electric, LLC for the extension of an existing power line on Velasco Terminal. The power line is needing to be extended to accommodate the Del Monte lease area.

I recommend approval.

PORT COMMISSION

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



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WWW.PORTFREEPORT.COM

TO: Executive Director/CEO
Port Commissioners
Legal Counsel

FROM: Director of Business and Economic Development

DATE: April 25, 2024

SUBJECT: First Amended Agreement for Automated Permitting System

Enclosed please find a partially executed First Amended Agreement for an Automated Permitting System between Port Freeport and ProMiles.

The agreement was prepared by Randle Law Office. Staff met with the Operations, Security and Safety Committee in January to discuss the agreement.

Port Freeport entered an Interlocal Agreement with the Texas Department of Transportation in August 2023. The Interlocal Agreement enables Port Freeport to issue Oversize Overweight permits for use of the OSOW corridor. We commonly refer to this as the Heavy Lift Corridor. The Interlocal Agreement stipulates “The Local Government (Port Freeport) shall utilize an automated permitting system that meets TxDOT’s permitting requirements for the issuance of oversize or overweight permits”. The automated permitting system is provided by ProMiles. This agreement sets forth the terms and conditions of ProMiles’ service.

Staff recommends approval of the agreement as presented.

[PORT COMMISSION](#)

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

FIRST AMENDED AGREEMENT FOR AUTOMATED PERMITTING SYSTEM

BETWEEN

PORT FREEPORT

AND

PROMILES SOFTWARE DEVELOPMENT
CORPORATION

THE STATE OF TEXAS §
COUNTY OF BRAZORIA §

**FIRST AMENDED AGREEMENT FOR AUTOMATED
PERMITTING SYSTEM**

THIS FIRST AMENDED AGREEMENT FOR AUTOMATED PERMITTING SYSTEM (“First Amended Agreement”) is made and entered into on this the 18th day of April, 2024, by and among PORT FREEPORT, of Brazoria County, Texas, a navigation district, a body politic, and a corporate and governmental agency of the State of Texas (“PORT FREEPORT”), and ProMiles Software Development Corporation, a domestic, for-profit corporation duly registered to transact business in the state of Texas (“PROMILES”) Collectively, PORT FREEPORT and PROMILES may be referred to as the “Parties” and, each separately, as a “Party.”

RECITALS

WHEREAS, PORT FREEPORT, is authorized pursuant to Chapters 60 and 62 of the Texas Water Code to enter into contracts necessary or convenient for the operation or development of PORT FREEPORT and to enter into contracts in order to accomplish any district purpose or exercise any district power;

WHEREAS, on August 8, 2013, PORT FREEPORT has entered into a contract with the Texas Department of Transportation (“TxDOT”) pursuant to Subchapter K, Chapter 623 of the Texas Government Code to issue permits for ocean containers based on the container manufacturer's maximum recommended net cargo weight limitations and to travel on the designated route (“Original Agreement”);

WHEREAS, the Original Agreement has been amended, first by the Interlocal Agreement executed on April 24, 2018, second by the Interlocal Agreement executed on August 29, 2023, and third by the Amendment to Interlocal Contract, executed October 23, 2023, and as may be amended in the future (the Original Agreement, as amended and as may be amended from time to time, shall be hereinafter referred to as the “TxDOT Contract”);

WHEREAS, the TxDOT Contract requires PORT FREEPORT to utilize an automated permitting system for the issuance of said permits;

WHEREAS, PROMILES agreed to provide a license for the automated permitting system software (“Software”) required in the TxDOT Contract and all services required herein and to timely and properly complete all obligations related to the automated permitting system required in the TxDOT Contract as set forth therein and in the Agreement for Automated Permitting System, executed August 8, 2013 (“ProMiles Agreement”); and

WHEREAS, the Parties desire to amend the ProMiles Agreement as follows to delete provisions that are no longer needed and to specifically refer to the TxDOT Contract, as it may be amended from time to time, for all permit fees, rates, maps and routes. This First Amended Agreement shall supersede the Original Agreement in its entirety.

AGREEMENT

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein, the Parties hereto agree as follows:

I. Purpose

1.1 Purpose: The purpose of this agreement is to memorialize the agreement between **PORT FREEPORT and PROMILES** for **PROMILES** to provide an automated permitting system software acceptable by **TxDOT** and in conformance with the **TxDOT** Contract and attached hereto as Exhibit "A". Said **TxDOT** Contract, as it currently exists or is hereafter amended, is hereby incorporated by reference and all terms required of **PORT FREEPORT** therein shall hereby become the obligations of **PROMILES** in the performance of this agreement. In the event that there exists a conflict between any term, condition, or provision contained within this Amendment, and in any term, condition, or provision contained within the **TxDOT** Contract, the term, condition, or provision contained within this Tx DOT Contract shall control.

II. Port Freeport's Responsibilities

2.1 PORT FREEPORT shall be responsible for the following:

- a. Using the **PROMILES** software during the term of the **TxDOT** Contract;
- b. At the inception of the term for the **TxDOT** Contract, hosting a training event for users of the **PROMILES'** software;
- c. Acting in good faith to fulfill any requirement by **TxDOT** to maintain its authority to issue permits to vehicles subject to the Subchapter K, Chapter 623 of the Texas Transportation Code; and
- d. Provide any reasonable and necessary information and access in order for **PROMILES** to implement the Software.

III. ProMiles' Responsibilities

3.1 PROMILES Shall Issue Permits. **PROMILES** shall provide the Software necessary for **PORT FREEPORT** to issue permits for cargo carrying vehicles subject to Transportation Code, Chapter 623, Subchapter K, on the routes designated in and in accordance with the maps provided in the **TxDOT** Contract, and the terms of this agreement.

3.2 Collection of Permit Fees. **PROMILES** shall collect all permit fees and disburse same on a weekly basis to both **TxDOT** and **PORT FREEPORT** via electronic transfer and as specified in writing by **PORT FREEPORT**.

3.3 PROMILES Shall Utilize an Automated Permitting System Compliant with TxDOT Requirements. At all times **PROMILES** shall utilize software compliant with **TxDOT** requirements for automated permitting systems and compliant with the obligations set forth in the **TxDOT** Contract. **PROMILES** shall be responsible for ensuring that all applicable and required information necessary for the issuance of a permit is properly entered into the automated permitting system.

3.4 PROMILES Shall Collect Permit Data. **PROMILES** shall ensure that all permit data is accurately entered in the automated permitting system, and as said information is provided by the permit applicant, to enable the generation of automated management reports and to create a viable audit trail. **PROMILES** shall implement automated and electronic payment procedures and be responsible for ensuring that funds collected for the issuance of a permit are properly safeguarded and accounted for.

3.5 PROMILES Shall Provide Monthly Reports of Permits to TxDOT and PORT FREEPORT. **PROMILES** shall provide **TxDOT** and **PORT FREEPORT** with monthly reports (due by the 15th of each month) of all permits subject to this agreement in a form to be approved by **TxDOT** and/or **PORT FREEPORT** and further provide any other information required by **TxDOT**. **PROMILES** shall maintain electronic copies of all permits issued through the automated permitting system.

3.6 Agreement for PROMILES to Comply with Existing Laws. **PROMILES**, in executing this agreement, agrees to comply with all existing laws, statutes or regulations including but not limited to those pertaining to the permitting of vehicles subject to Transportation Code, Chapter 623, Subchapter K, or any administrative rules or requirements as they currently exist or are hereafter amended.

3.7 Training. **PROMILES** shall provide training to **PORT FREEPORT** and the users of the Software for the purposes of understanding and using the Software. Training shall be provided by **PROMILES** at no additional cost to **PORT FREEPORT** or users of the Software. Training shall be provided as reasonably necessary and at mutually agreeable dates and times, but in no event later than 30 days following the execution of this agreement by the Parties.

3.8 Support and Maintenance. **PROMILES** shall provide support and maintenance for the Software, and any updates thereof, for the term of this agreement or any renewals thereof and in order to use, maintain and enhance the Software. **PROMILES** shall provide toll free telephone or online assistance to **PORT FREEPORT** or users of the Software including but not limited to: clarification of functions and uses; guidance in operation; troubleshooting; and error verification and correction. Such assistance shall be provided twenty-four (24) hours per day, seven (7) days a week. Support and maintenance shall be provided by **PROMILES** at no additional cost to **PORT FREEPORT**.

3.9 Additional Requirements. PROMILES agrees to undertake any additional and reasonable requirements and assurances required by **TxDOT or PORT FREEPORT** related to the Software and in fulfillment of this agreement.

3.10 Collection and Fee Distribution: PROMILES shall collect all permit fees in the amount specified in the **TxDOT** Contract and distributing said fees as specified in the **TxDOT** Contract.

PROMILES and PORT FREEPORT represent and acknowledge that the permit fee includes all applicable taxes and fees associated with the performance of this agreement and shall be for the term of this agreement and any renewals thereof.

PROMILES and PORT FREEPORT represent and acknowledge that customers will have two payment options to purchase the permits.

1. Escrow Customers - Customer elects to post an escrow to purchase permits. Each time a permit is purchased the customers escrow account will be debited in the amount specified in the **TxDOT** Contract for the permit fee. The customer and users with appropriate administrative rights will be able to view the customer's escrow balance at any time. Escrows accounts will be established by the customer and deposited in a ProMiles designated escrow account. ProMiles will administer the escrow accounts as part of this agreement.
2. Credit Card Customers - Customer has the option to pay for the permits with an approved Visa, Master Card, American Express or Discover card. These customers will be charged for the permit in the amount specified in the **TxDOT** Contract plus 5% for the convenience fee.

PROMILES shall forward payment to **TxDOT and PORT FREEPORT** electronically and in the manner directed by those entities in writing.

PROMILES understands the permit fee set forth in this agreement is the permit fee set forth in **TxDOT** Contract, as it exists or is hereafter amended. In the event **TxDOT and PORT FREEPORT** agree to amend the **TxDOT** Contract to reflect any change in permit fee, or any other change, **PROMILES** agrees said amendment shall automatically amend this agreement. In the event of any amendment to the **TxDOT** Contract, **PORT FREEPORT** shall give **PROMILES** written notice.

IV. Term and Termination

4.1 Term: This agreement shall commence on the date of signing and shall be in effect for a term of three (3) years. At the end of this term, and at the end of each successive term, this agreement shall be automatically renewed for a term of an additional thirty-six (36) months, unless terminated by either party by written notice given no less than sixty (60) days before the end of such period.

4.2 Termination Date: This agreement terminates on written notice by either party no less than sixty (60) days before the end of the primary term or any renewal term; or by mutual written agreement signed by the Parties; or if the **TxDOT** Contract is terminated for any reason; or in the event **PORT FREEPORT** otherwise loses its authority to issue permits to vehicles subject to Subchapter K, Chapter 623, of the Texas Transportation Code; or the failure of either party to cure a breach of this agreement after ten (10) days written notice; whichever occurs first.

V. Price and Services Provided

5.1 In return for the Software, **PORT FREEPORT** agrees to pay **PROMILES** the fee specified in the **TxDOT** Contract per permit, which payment shall be deducted by **PROMILES** from the total permit fee as set forth in the **TxDOT** Contract.

5.2 In return for payment, **PROMILES** shall provide **PORT FREEPORT** with the following: any requirements set forth in this agreement; Software for the automated permitting system necessary to carry out and properly perform the **TxDOT** Contract; accept receipt of and disburse permit fees; hardware that includes sufficient storage capacity to maintain the system; backup servers necessary to retrieve lost data; procedures to avoid interruption of the Software services for any reason, including but not limited to acts of God; initial set up of the Software and any and all updates thereof; all programming necessary for the installation and use of the Software; communicating with **PORT FREEPORT** or its agents for all troubleshooting; maintaining records of all permitting transactions; reporting monthly to **TxDOT** and **PORT FREEPORT** all permitting transaction and monies derived therefrom; providing all training necessary to utilize the Software; and any other services reasonably necessary for the utilization of the Software and proper performance of the **TxDOT** Contract.

VI. License and Ownership of Software

6.1 License. **PROMILES** hereby grants to **PORT FREEPORT**, and its authorized users, the use of the Software in accordance with this agreement.

6.2 Ownership of Licensed Material: **PORT FREEPORT** acknowledges that the Software and its various modules are owned and titled exclusively to **PROMILES** and said ownership and title shall remain exclusively with **PROMILES**; **PORT FREEPORT** shall maintain ownership and title to all permitting information entered into automated permitting system by users, which information shall be provided to **PORT FREEPORT** upon demand.

VII. Source Code Escrow

7.1 Within thirty (30) days of system implementation, **PROMILES** shall, at its own expense, provide **PORT FREEPORT** a copy of the source code. **PROMILES** will provide **PORT FREEPORT** a new CD each quarter with the updated source code, the Source Code (as defined below) for the Software, including code for any Enhancements (as

defined below) hereafter developed, and all technical and design documentation relating to such Source Code which would allow a reasonably competent software programmer to understand, use, support and modify such Source Code (collectively, the "Deposit").

PROMILES shall update the Deposit whenever an Enhancement is made available to **PORT FREEPORT**, but not less frequently than quarterly, such that at least on a quarterly basis the Deposit shall be complete and accurate as it relates to the then-current version of the Software. The Escrow Agreement shall have such other provisions as may be mutually agreeable.

"Source Code" means the program instructions for the Software licensed to **PORT FREEPORT** under this agreement in the form of source statements for the Software including, without limitation, in the form of electronic and printed human readable, mnemonic or English-like program listings.

"Enhancement" means any improvements, modifications, upgrades, updates, fixes, revisions and/or expansions to the automated permitting system software that **PROMILES** may develop or acquire and incorporate into its standard version of said software or which **PROMILES** has elected to make generally available to its licensees who are on a support and/or maintenance plan.

7.2 The Escrow Agreement shall provide that upon **PORT FREEPORT's** written notice to the Escrow Agent that one of the following Release Conditions has occurred ("Notice of Release Condition"), the Escrow Agent shall deliver a copy of the Deposit to **PORT FREEPORT**, and a written notice to **PROMILES** that a "release" has been made under the Escrow Agreement (a "Release Notice"). A "Release Condition" shall mean the existence of one or more of the following events:

- a) **PROMILES's** commission of a breach of any material term or condition of this agreement;
- b) **PROMILES** breaches its obligations to update the Escrow as provided herein;
- c) Any of the representations and/or warranties set forth in the Escrow are untrue or incorrect when made, or become untrue or incorrect;
- d) **PROMILES's** failure to continue to do business in the ordinary course; or
- e) **PROMILES** voluntarily or is involuntarily placed in bankruptcy.

7.3 **PROMILES** shall have thirty (30) days following the date of the Release Notice to provide written notice to the Escrow Agent (with a copy to **PORT FREEPORT**) that it, in good faith, believes that the Release Condition did not occur or has been cured (a "Contrary Notice"), and if the Contrary Notice is not timely given, then **PROMILES** waives any right to contest the release of the Deposit to **PORT FREEPORT**. If **PROMILES** does provide the Contrary Notice within the required time period, then, notwithstanding such Contrary Notice, **PORT FREEPORT** shall continue to have the right to possess and use the Deposit as provided herein unless and until (a) **PROMILES** and **PORT FREEPORT** mutually agree in writing that the determination through the procedure set forth in this

agreement by a court or mutually agreed arbitration, that the Release Condition did not occur or was cured within thirty (30) days following the date of the Release Notice. So long as the Notice or Release Condition was issued in good faith, **PORT FREEPORT** shall have no liability to **PROMILES** for an incorrect Notice of Release Condition.

7.4 PORT FREEPORT's use of the Deposit is subject to the following terms and conditions:

- a) **PORT FREEPORT's** right to use the Deposit will be limited to the maintenance and support of the automated permitting system, including the development of Enhancements ("Permitted Use"). **PORT FREEPORT** may make up to three (3) copies of the Deposit as necessary for archival and backup purposes.
- b) Except when actually being utilized for its own use, the Deposit will be kept in a restricted, limited access area with access thereto limited to designated personnel (including subcontractors) who have a need to use the Deposit for **PORT FREEPORT'S** use.
- c) **PORT FREEPORT** may not remove or destroy any proprietary markings or proprietary legends placed upon or contained within the Deposit. **PORT FREEPORT** may not marker, sell, lend, rent, lease or otherwise distribute, or assign, sublicense or otherwise transfer any right in and to, the Deposit, except in connection with a permitted assignment and/or transfer of the software for the automated permitting system. In addition, **PORT FREEPORT** may not provide, disclose or otherwise make available the Deposit to any third party, except as provided herein, and except that copies of the Deposit may be kept at a third-party disaster or data recovery/use center and may be disclosed to subcontractors of **PORT FREEPORT** for its use.

7.5 PORT FREEPORT shall have the right to routinely verify that Escrow Deposits are current and in accordance with the terms of the agreement, or have a third party do so on its behalf.

VIII. Insurance and Indemnification

8.1 PROMILES also agrees to purchase and maintain throughout the term of this agreement and for one year following the discontinuation or non-renewal of this agreement, a policy or policies for technology/professional liability insurance and network security/data protection liability insurance (also called cyber liability) covering liabilities for financial loss resulting or arising from acts, errors, or omissions, in connection with the services provided or in support of services provided under this agreement, and including:

- a. intellectual property infringement arising out of software and/or content (with the exception of patent infringement and misappropriation of trade secrets);
- b. violation or infringement of any right of privacy, including breach of any and all state and federal security/privacy laws or regulations;
- c. data theft, damage, unauthorized disclosure, destruction, or completion,

including without limitation, unauthorized access, unauthorized use, identity theft, theft of personally identifiable information or confidential corporate information in whatever form, transmission of a computer virus or other type of malicious code; and participation in a denial of service attack on third party computer systems;

- d. with a minimum limit of \$1,000,000 for each and every claim and in the aggregate, which limit is subject to reasonable increase by **PORT FREEPORT** prior the commencement of any renewal of this Agreement. Required limits to be determined based upon the scope of work to be performed by **PROMILES**.

Such insurance must explicitly address all of the foregoing without limitation if caused by an employee of **PROMILES** or an independent contractor working on behalf of **PROMILES** in performing services under this Agreement. Such insurance must provide coverage for wrongful acts, claims, and lawsuits anywhere in the world.

Such insurance shall name **PORT FREEPORT** as an additional insured.

Data protection insurance must include contractual liability coverage for the indemnity requirement in this agreement for civil liability, regulatory investigations, and notification costs resulting from a breach of confidentiality or breach of security by or on behalf of **PROMILES**.

If **PROMILES** provides content for Internet web sites and/or any publications or media advertisements, the insurance shall include coverage for infringement of intellectual property rights, privacy infringement, advertising and content offenses, and defamation.

TO THE FULLEST EXTENT PERMITTED BY LAW AND REGARDLESS OF ANY DEGREE OF FAULT, OMISSION OR NEGLIGENCE, STRICT LIABILITY, STRICT STATUTORY LIABILITY, STRICT PRODUCTS LIABILITY OR NEGLIGENCE PER SE OF THE PARTIES INDEMNIFIED HERUNDER, PROMILES HEREBY ASSUMES ALL LIABILITY FOR, AND AGREES TO DEFEND, INDEMNIFY AND HOLD PORT FREEPORT, ITS OFFICERS, DIRECTORS, COMMISSIONERS, EMPLOYEES, AGENTS, ATTORNEYS, SUCCESSORS AND ASSIGNS (COLLECTIVELY, THE "INDEMNIFIED PARTIES"), HARMLESS FROM ALL CLAIMS, FINES, DAMAGES, LIABILITIES, LOSSES, COSTS, EXPENSES (INCLUDING WITHOUT LIMITATION REASONABLE ATTORNEYS' FEES AND COURT COSTS), PENALTIES, ASSESSMENTS, FINES, AND/OR INJUNCTIVE OBLIGATIONS RESULTING FROM PROMILES' FAILURE TO COMPLY WITH THIS AGREEMENT AND ASSERTED BY ANY THIRD PARTY, OR ASSERTED OR COMMENCED BY TXDOT, THE STATE OF TEXAS OR ANY OTHER AGENCY OR POLITICAL SUBDIVISION THEREOF WHICH MAY BE SUFFERED OR INCURRED AT ANY TIME BY THE INDEMNIFIEDPARTIES, ON ACCOUNT OF PROMILES' INTENTIONAL OR NEGLIGENT ACTS AND RESULTING IN ANY FAILURE TO COMPLY WITH THE TERMS OF THIS CONTRACT AND/OR THE TXDOT CONTRACT AS THOSE TERMS RELATE

TO OR ARISE OUT OF THE AUTOMATED PERMITTING SYSTEM AND/OR ANY VIOLATION OF ANY APPLICABLE LAW, RULE, REGULATION, OR ORDER OF ANY GOVERNMENTAL AUTHORITY.

THE PARTIES RECOGNIZE AND UNDERSTAND THAT THE PURPOSE OF THIS INDEMNIFICATION IS FOR PROMILES TO PROVIDE FULL AND COMPLETE INDEMNIFICATION TO THE INDEMNIFIED PARTIES EVEN THOUGH THE INDEMNIFIED PARTIES MAY HAVE BEEN NEGLIGENT, NEGLIGENT PER SE OR MAY BE LIABLE UNDER THEORIES OF STRICT LIABILITY AND/OR STRICT PRODUCTS LIABILITY, INCLUDING SOLE CAUSE OR NEGLIGENCE; AND PROMILES'S INDEMNITY OBLIGATIONS ARE INTENDED TO AND WILL PROTECT THE INDEMNIFIED PARTIES AGAINST THE CONSEQUENCES OF THEIR OWN STRICT LIABILITY, FAULT, CONCURRENT, SOLE OR CONTRIBUTORY NEGLIGENCE.

IX. Representations and Acknowledgements by ProMiles

9.1 PROMILES makes the following representations and acknowledgements:

- a. PROMILES has substantial expertise in automated permitting systems and routing and has personnel with many years of experience in the permitting industry. This includes both development engineers and management personnel.
- b. PROMILES will provide automated permitting systems software acceptable to TxDOT's and PORT FREEPORT's standards.
- c. The automated permitting system will be fully web-based with intuitive and attractive interfaces. All aspects of the system will be available 24 hours a day, 7 days a week using high-availability software and hardware.
- d. All data will be stored in secure servers and will be backed up daily. PROMILES has a tested disaster recovery system that will allow PORT FREEPORT and users of the automated permitting system as soon as reasonably possible in the event of a disaster.
- e. PROMILES will customize its automated permitting system for use by PORT FREEPORT. PROMILES shall make all modifications necessary to implement Port Freeport permits, regulations, fees, and practices.
- f. PROMILES will keep clear, concise, and accurate records of all permits issued and all fees collected for said permits and provide said records to PORT FREEPORT or TxDOT upon reasonable notice and as

required herein.

- g. PROMILES shall keep the automated permitting software made the basis of this agreement reasonably secure from theft, damage, unauthorized disclosure, destruction, or corruption, including without limitation, unauthorized access, unauthorized use, identity theft, theft of personally identifiable information or confidential corporate information in whatever form, transmission of a computer virus or other type of malicious code; and participation in a denial of service attack on third party computer systems

9.2 Requests for Information. In addition to any other report required herein, **PROMILES** agrees that **PORT FREEPORT** has the right from time to time to request various information and records related to **PROMILES'** performance of this agreement, including but not limited to the daily backup and the disaster recovery system. **PROMILES** agrees to make available to **PORT FREEPORT** such information and records within ten (10) business days of written request. The intent of this provision is not only to allow **PORT FREEPORT** to ensure **PROMILES'** protection of data, but in the event **PROMILES** ceases to operate it will enable **PORT FREEPORT** to obtain any and all data necessary to continue performing the **TxDOT** Contract.

X. Default

10.1 Default: In the event of any breach of the provisions of this agreement, the non-breaching party shall give written notice of default. In the event said default is not remedied within ten (10) days from the date of written notice of default, the non-breaching party shall have the right to terminate this agreement. In the event of termination, the non-breaching party reserves the right to assert whatever remedies are available, in equity or at law, to collect any sums due hereunder, to enforce any provisions of this agreement, to collect damages for breach of contract or to effect or obtain any other available remedy.

10.2 Attorney's Fees: Should either party require the services of an attorney for the enforcement of this agreement, the breaching party agrees to pay reasonable attorney's fees and all costs of legal proceedings if it becomes necessary for the enforcement of this agreement.

XI. Not a Joint Venture

PORT FREEPORT and PROMILES are not, and shall never be considered as, joint venturers, partners or agents of each other, and none shall have the power to bind or obligate any other, except as set forth in this agreement.

XII. Conflicts of Interest

PROMILES acknowledges **PORT FREEPORT** is a governmental authority and, as

such, **PORT FREEPORT** is firmly committed to making business decisions based solely on the objective evaluation of offers. **PORT FREEPORT's** business decisions can in no way be connected to or influenced by any relationship, gift, or thing of value. Moreover, because **PORT FREEPORT** is a governmental entity, certain laws set forth limitations of relationships and gifts to certain governmental officers. **PROMILES** acknowledges, represents and warrants the following:

1. To the best of knowledge of the representative executing this agreement, **PROMILES** has not directly or indirectly paid, offered, promised to pay, contributed, or promised to contribute any money or any other thing of value or benefit (including employment, contracts or subcontracts relating to its business) to any Commissioner, official or employee of Port Freeport;
2. To the best of knowledge of the representative executing this agreement, no Commissioner, official or employee of Port Freeport has (directly or indirectly) solicited any such payment or contribution; and
3. **PROMILES** agrees to use best efforts to notify Port Freeport should it learn of any of the following:
 - a. a Commissioner, official or employee of Port Freeport or an affiliate of a Commissioner, official or employee of Port Freeport owns ten percent (10%) of the ownership of the **PROMILES** or ownership in the **PROMILES** with a fair market value of \$15,000 or more; or
 - b. a Commissioner, official or employee of Port Freeport or an affiliate of a Commissioner, official or employee of Port Freeport has an employment or other business relationship with the **PROMILES** that results in taxable income or receipt of something of value by a Commissioner, official or employee of Port Freeport or an affiliate of a Commissioner, official or employee of Port Freeport of \$2,500.00 or more during a twelve month period; or
 - c. a Commissioner, official or employee of Port Freeport or an affiliate of a Commissioner, official or employee of Port Freeport receives one or more gifts from the **PROMILES** that have a total value of more than \$250 in one 12-month period.

An “affiliate” of a person is (1) a family member of the person, related within the first degree by consanguinity or affinity, as defined by Subchapter B, Chapter 573 of the Texas Government' Code, or (2) an entity owned in whole or in part by the person or by a family member of the person related within the first degree by consanguinity or affinity.

The representations, warranties and certifications made in this Section are ongoing and will remain in effect for the term of this agreement. Should **PROMILES** learn of any violation of this provision, it shall use best efforts to notify Port Freeport by filing a written statement with the Secretary of the Port Commission through the office of the Executive Port Director.

XIII. Miscellaneous

13.1 Recitals. The “Recitals” set forth at the beginning of this Agreement are hereby acknowledged to be true and correct by the Parties and are incorporated into this Agreement.

13.2 Authority to Sign. The persons executing this agreement acknowledge and represent they have authority to enter into this agreement on behalf of their principal.

13.3 OPEN RECORDS ACT: NOTWITHSTANDING ANYTHING CONTAINED HEREIN, IT IS SPECIFICALLY UNDERSTOOD AND AGREED THAT PORT FREEPORT IS A GOVERNMENTAL ENTITY FORMED UNDER THE CONSTITUTION AND GENERAL LAWS OF THE STATE OF TEXAS AND WILL DISCLOSE ANY INFORMATION CONFIDENTIAL OR OTHERWISE RECEIVED BY IT AS FOLLOWS:

(1) TO THE EXTENT THAT ANY INFORMATION RECEIVED BY IT IS REQUIRED TO BE DISCLOSED UNDER ANY STATE OR FEDERAL LAW INCLUDING, BUT NOT LIMITED TO, THE "OPEN RECORDS ACT" ("PUBLIC INFORMATION ACT") AND/OR "THE OPEN MEETINGS ACT" OF THE STATE OF TEXAS.

(2) TO THE EXTENT ANY INFORMATION RECEIVED BY IT INVOLVES OR APPEARS TO INVOLVE ANY VIOLATION OR INTENDED VIOLATION OF ANY LAW OR REGULATION OF ANY LOCAL, STATE OR FEDERAL GOVERNMENT OR AGENCY THE SAME SHALL BE REPORTED TO THE APPLICABLE LAW ENFORCEMENT AGENCY FOR INVESTIGATION.

13.4 Integration: This agreement contains the entire agreement of the Parties, and no representation, inducement, promise or agreement, oral or otherwise, not embodied herein, shall be of any force or effect, and cannot be altered or amended except in writing and signed by all Parties hereto, unless otherwise provided herein. The Parties expressly disclaim reliance on any alleged representation, inducement, promise or agreement, oral or otherwise, not embodied herein.

13.5 Binding Effect: This agreement shall be binding upon, and inure to the benefit of, the Parties hereto, their successors and assigns.

13.6 Assignability: This agreement, or any interest hereunder, may not be assigned to without the written consent of the other party.

13.7 Texas Law to Apply: This agreement shall be governed by and construed in accordance with the laws of the State of Texas. If any provision of this agreement is held to be invalid, illegal or unenforceable in any respect by a court of competent jurisdiction, such holding shall not affect the validity of any other provision of this agreement which shall

continue in full force and effect. The Parties hereby submit unconditionally and irrevocably to the jurisdiction of the state district courts of Brazoria County, Texas, for the enforcement of, the interpretation of, or any dispute arising out of or in conjunction with, this agreement as this agreement is fully performable in Brazoria County, Texas.

13.8 Rights and Remedies Cumulative: The rights and remedies provided by this Agreement are cumulative, and the use of any one right or remedy by either party shall not preclude or waive its right to use any or all other remedies. These rights and remedies are given in addition to any other rights the Parties may have by law, statute, ordinance, or otherwise.

13.9 Continuation of Service: In the event of any dispute arising out of this agreement PROMILES agrees it shall in good faith continue performance of this agreement unless otherwise waived in writing by PORT FREEPORT or the dispute has been fully and finally determined by a court of competent jurisdiction. In the event of any such dispute and continued performance by PROMILES, PORT FREEPORT shall be required to maintain payments of the permitting fee as set forth herein.

13.10 Notices: All notices required or permitted by this agreement, unless otherwise provided, shall be given by certified mail or registered mail at the following addresses:

PORT FREEPORT
Attn: Executive Director
200 W. Second St.,
Third Floor
Freeport, Texas 77541

With copy to:
The Randle Law Office
Attn: J. Grady Randle,
820 Gessner, Suite 1570
Houston, Texas 77024

ProMiles Software Development
Corporation Attn: Tim Pilcher
1900 Texas Avenue
Bridge City, Texas 77611

[remainder of page intentionally left blank]

IN WITNESS WHEREOF, the Parties hereto set their hands and seals as of the date first written above.

PORT FREEPORT:

Date: April ____, 2024

By: _____
Phyllis Saathoff
Executive Director

ATTEST:

By: _____
Michaela Bevers, *Port Secretary*

PROMILES:

Date: April 18, 2024

By: _____
Name: Tim Pilcher
Title: President of Dev and Gov't Contracts

ATTEST:

By: _____
Michelle Pilcher
Name: Michelle Pilcher

RESOLUTION
COMMITTING MATCHING FUNDS TO SUPPORT A GRANT AWARDED
THROUGH THE TEXAS DEPARTMENT OF TRANSPORTATION
SEAPORT CONNECTIVITY PROGRAM (SCP88) FOR THE
“EAST 5TH STREET RECONSTRUCTION PROJECT”

At a regular meeting of the Port Commission of Port Freeport of Brazoria County, Texas (“Port”) held at the office of the Port at 1100 Cherry Street, Freeport, Texas, on the 25th day of April 2024, among other business, on motion duly made and seconded, the following Resolution was passed and adopted:

FINDINGS

WHEREAS, the General Appropriations Act of the 88th Legislature of the State of Texas, Regular Session, contained a budget rider not to not to exceed \$20 million in each fiscal year of the biennium from any available funds and/or the Texas Mobility Fund (TMF) to fund public roadway projects that will improve connectivity to Texas ports.; and

WHEREAS, the Texas Department of Transportation (“TXDOT”) distributes these funds through the Seaport Connectivity Program (“Program”), which provides grants to ports and other entities for projects that will improve connectivity, enhance safety, and relieve congestion in communities around the state’s maritime ports; and

WHEREAS, The Port is eligible for grant funds under the Program and identified its proposed East 5th Street Reconstruction Project (“Project”), identified in TXDOT's Program as the “East 5th Street Reconstruction Project” as an eligible project for support through said Program; and

WHEREAS, the Port submitted said Project to the Program and on September 28, 2023 the Texas Transportation Commission awarded the Port a grant under the Program in the amount of \$3,802,189 from the Texas Mobility Fund to be used for construction and other expenses related to the Project; and

NOW THEREFORE, BE IT RESOLVED and ordered that Phyllis Saathoff, Executive Director / CEO, for Port Freeport, is authorized and designated as the Port’s representative to take all steps necessary to finalize, accept, and modify as needed all instruments, documents, agreements, and/or contracts necessary to memorialize and/or formalize the Port’s acceptance of the approved grant funds and the terms and conditions related to same, and is further authorized to execute all documents necessary to accomplish same, including those necessary to accept any funds received through said

Program on behalf of the Port; and

BE IT FURTHER RESOLVED that the Port hereby acknowledges and accepts responsibility for payment of any construction expenses, cost overruns, or additional expenses associated with the Project which are in excess of the cumulative total of the Program grant amount and the Port's committed matching funds.

Barbara Fratila
Port Commission Secretary

THE STATE OF TEXAS §
 §
COUNTY OF BRAZORIA §

This instrument was acknowledged before me on this 25th day of April 2024, by Barbara Fratila, Port Commission Secretary, of Port Freeport, a political subdivision of the State of Texas, on behalf of said political subdivisions.

NOTARY PUBLIC, STATE OF TEXAS

RESOLUTION
COMMITTING MATCHING FUNDS TO SUPPORT A GRANT AWARDED
THROUGH THE TEXAS DEPARTMENT OF TRANSPORTATION
SEAPORT CONNECTIVITY PROGRAM (SCP88) FOR THE
“GATE 4 ACCESS ROAD WIDENING PROJECT”

At a regular meeting of the Port Commission of Port Freeport of Brazoria County, Texas (“Port”) held at the office of the Port at 1100 Cherry Street, Freeport, Texas, on the 25th day of April 2024, among other business, on motion duly made and seconded, the following Resolution was passed and adopted:

FINDINGS

WHEREAS, the General Appropriations Act of the 88th Legislature of the State of Texas, Regular Session, contained a budget rider not to not to exceed \$20 million in each fiscal year of the biennium from any available funds and/or the Texas Mobility Fund (TMF) to fund public roadway projects that will improve connectivity to Texas ports.; and

WHEREAS, the Texas Department of Transportation (“TXDOT”) distributes these funds through the Seaport Connectivity Program (“Program”), which provides grants to ports and other entities for projects that will improve connectivity, enhance safety, and relieve congestion in communities around the state’s maritime ports; and

WHEREAS, The Port is eligible for grant funds under the Program and identified its proposed Gate 4 Access Road Widening Project (“Project”), identified in TXDOT's Program as the “Gate 4 Access Road Widening Project” as an eligible project for support through said Program; and

WHEREAS, the Port submitted said Project to the Program and on September 28, 2023 the Texas Transportation Commission awarded the Port a grant under the Program in the amount of \$950,547.00 from the Texas Mobility Fund to be used for construction and other expenses related to the Project; and

NOW THEREFORE, BE IT RESOLVED and ordered that Phyllis Saathoff, Executive Director / CEO, for Port Freeport, is authorized and designated as the Port’s representative to take all steps necessary to finalize, accept, and modify as needed all instruments, documents, agreements, and/or contracts necessary to memorialize and/or formalize the Port’s acceptance of the approved grant funds and the terms and conditions related to same, and is further authorized to execute all documents necessary to accomplish same, including those necessary to accept any funds received through said

Program on behalf of the Port; and

BE IT FURTHER RESOLVED that the Port hereby acknowledges and accepts responsibility for payment of any construction expenses, cost overruns, or additional expenses associated with the Project which are in excess of the cumulative total of the Program grant amount and the Port's committed matching funds.

Barbara Fratila
Port Commission Secretary

THE STATE OF TEXAS §
 §
COUNTY OF BRAZORIA §

This instrument was acknowledged before me on this 25th day of April 2024, by Barbara Fratila, Port Commission Secretary, of Port Freeport, a political subdivision of the State of Texas, on behalf of said political subdivisions.

NOTARY PUBLIC, STATE OF TEXAS

**RESOLUTION AFFIRMING PORT FREEPORT'S PAYMENT FOR OUTSTANDING
CITY OF FREEPORT LABORERS LIEN ON 503 E. 6TH STREET, BLOCK 6 LOT 1,
FREEPORT TOWNSITE**

At a regular meeting of the Port Commission of Port Freeport at the office of said District at 1100 Cherry Street, Freeport, Texas, on the 25th day of April 2024, among other business came on to be considered the following resolution, which, upon motion duly made and seconded, was adopted by vote of all Commissioners present:

F I N D I N G S

WHEREAS, 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.

WHEREAS, by Deed dated January 1, 1920 recorded in Volume 169, Page 595 of the Deed Records of Brazoria County, Texas, (the "1920 Deed") the property located at Block 6 Lot 1, Freeport Town Site and commonly known as 503 E. 6th Street, Freeport, Texas 77541 (the "Subject Property") was conveyed by the Freeport Townsite Company to Willie Reedy, Isiah Allen and Albert Young, trustees of the First Missionary Baptist Church (the "Church"). The 1920 Deed included the following provision (the "Reversionary Interest"):

It is especially provided that the property hereinbefore described is conveyed unto the said Willis Reedy, Isiah Allen and Albert Young, as trustees of the First Missionary Baptist church worshipping in Freeport, Brazoria County, Texas, for the purposes of erecting and maintaining a house of divine worship for the said congregation on said property. It is hereby especially stipulated and by the acceptance of this deed agreed that should said property be abandoned at any time as a place of divine worship for said congregation that the said property shall revert to and the title thereto shall vest in the grantor herein, said Freeport Town Site Co.

WHEREAS, by Deed dated December 18, 1936, recorded in Volume 283, Page 554 of the Deed Records of Brazoria County, Texas, (the "1936 Deed") the Freeport Town Site Company conveyed all property that it owned to Freeport Sulphur Company, a Delaware corporation. The 1936 Deed conveyed:

All property of the Grantor wheresoever situated, of every kind and nature, real, personal, and mixed, movable and immovable, corporeal and incorporeal, whether now owned or hereafter acquired, including but without limitation all of the right, title and interest of the Grantor in and to: ...

WHEREAS, by Certificate of Amendment to Certificate of Incorporation dated April 22, 1971, filed with the Delaware Secretary of State, Freeport Sulphur Company changed its name to "Freeport Minerals Company."

WHEREAS, by Special Warranty Deed dated August 27, 1982, recorded in Volume 1663, Page 22, of the Real Property Records of Brazoria County, Texas, (the "1982 Deed") Freeport

Minerals Company conveyed all property that it owned in Brazoria County, Texas to the Brazos River Harbor Navigation District (now known as Port Freeport). The 1982 Deed included the following provision:

It is the intention of Grantor to convey to Grantee all of the real estate, mineral rights, easements, rights, interests and appurtenance of every kind situated in Brazoria County, Texas, owned by Grantor, regardless of whether the same are correctly and sufficiently described herein in the attached Exhibits "A" and "B."

WHEREAS, on or about March 8, 1983, the Church acquired certain property located at 131 West 4th Street in the City of Freeport, Texas (the "New Church Property"). A copy of the Deed to the New Church Property, is recorded in Volume 1699, Page 545 of the Real Property Records of Brazoria County, Texas.

WHEREAS, based on an Affidavit of Fact from Bishop J. V. Williams, a Pastor of the Church, dated January 14, 2024, on or about June 29, 1983, the Church relocated its house of divine worship from the Subject Property to the New Church Property and stopped using the original church on the Subject Property (the "Original Church") as a place of divine worship, thereby triggering the Reversionary Interest clause in the 1920 Deed, causing the reversion of the Subject Property to the Brazos River Harbor Navigation District (now known as Port Freeport).

WHEREAS, in 1985 it was not known to all parties that the Subject Property had reverted to the Brazos River Harbor Navigation District (now known as Port Freeport) on or about June 29, 1983.

WHEREAS, on September 10, 1985, the Original Church was demolished by the City of Freeport and a Laborers Lien in the amount of \$3,256.49 was filed of record on December 20, 1985, on the Subject Property, at 1985044738 in the Lien Records of Brazoria County, Texas (the "Lien").

WHEREAS, Port Freeport requested a lien payoff calculation as of February 26, 2024, from the City of Freeport.

WHEREAS, the lien payoff calculation on the Subject Property for the Lien included the original lien amount of \$3,256.49 plus accrued interest of \$12,534.36 for a total lien payoff amount of \$15,790.85.

WHEREAS, on February 26, 2024, Port Freeport issued check number 94352 in the amount of \$15,790.85 payable to the City of Freeport, to settle the Lien.

WHEREAS, said debt, lien and obligation was satisfied, the City of Freeport released and discharged the lien heretofore existing upon the Subject Property, and declared such lien released and cancelled pursuant to the Release of Lien recorded in the Lien Records of Brazoria County, Texas, at clerk's file number 2024008069.

WHEREAS, it is recommended by staff that the Port Commission to affirm the payment and settlement of the outstanding lien plus accrued interest;

NOW, THEREFORE, BE IT RESOLVED, that the payment made by Port Freeport check number 94352 on February 26, 2024, in the amount of \$15,790.85, to the City of Freeport, to settle the Lien plus the accrued interest owed for the Subject Property, is hereby affirmed.



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

MEMORANDUM

TO: Port Commissioners
Chief Executive Officer

FROM: Rob Lowe

DATE: April 16, 2024

SUBJECT: Brazoria Co. Tax Collection Agreement

Kristin Bulanek, Brazoria County Tax Assessor-Collector, is working on a project to update interlocal agreements for the collection of taxes for all taxing units that utilizes the county in that capacity. Port Freeport currently pays a percentage of collection while the new agreement will be based on the number of parcels taxed in our district. This new approach will be uniformly applied across all taxing entities that utilize the county.

PORT COMMISSION

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



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MEMORANDUM

TO: Commissioners
Chief Executive Officer

FROM: Rob Lowe

DATE: April 16, 2024

SUBJECT: Policy Updates

This month there are six policies that staff is recommending to be updated. These policies have been reviewed with either legal counsel, the appropriate committee, or the full board at our April 11th workshop. Below is a broad recap of proposed change for each while BoardPaq includes a redline copy with all recommended changes.

2.1 – Commission Officers and Organization – changes include updating the Port Commission committees to the current structure which includes combining of the Operations Committee and the Safety and Security Committee while also adding the ESGS committee. Clarifying wording is added to the Election of Officers to highlight the timing difference between the canvassing of elections and the subsequent meeting actions of electing new officers. The policy also incorporates into the policy the Port Freeport Election Policy, Rules of Order and Rules of Order resource.

2.4 – Executive Director/CEO – added statement noting that the CFO and Executive Assistant also report to the Port Commission.

2.8 – Legal Defense for Commissioners – this policy was updated to reflect that both the commissioners and employee are eligible for defense. Differentiation between civil and criminal cases was added as was clarifying language on the Port Commissions owning approval of certain defense reimbursements.

2.9 - Benefits for Commissioners – this policy is recommended to be eliminated as the Port Commission voted on June 8, 2023 to eliminate their eligibility for benefits.

3.4 – Conflicts of Interest – updating the policy to be in line with state statute updates. Section 176.003 of the Local Government Code replaced references to a “person” with “vendor” and also lowered the threshold of reporting on aggregate gifts given from a vendor from \$250 to \$100 in a 12-month period. The policy was also updated to follow the language of the statute in regards to what is not required to be disclosed. Also added an administrative step for all Port Commissioners and employees to sign an

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

7.2 – Smoke Free Work Environment – updating to expand the terminology from electronic cigarettes to electronic smoking devices to capture the expanded options of available options since the policy was last updated in 2019.

The following four policies were also reviewed, and no changes are being recommended.

2.5 – Press Releases/Statements of Official Viewpoint – reviewed in public workshop on April 11 and no changes are recommended.

2.7 – Legislative Action - reviewed in public workshop on April 11 and no changes are recommended.

7.1 – Security/Safety regulations – reviewed with OSS and no changes are recommended.

7.3 – Hurricane Preparedness – reviewed with OSS and no changes are recommended.

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ORGANIZATION

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

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

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

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

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

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

OFFICERS TERMS OF OFFICES

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

No officer may succeed himself in the next succeeding officer election, but may be again elected to the same office after retiring for one, two-year term.

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

ELECTION OF OFFICERS

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

All Port Commission officer elections shall follow the procedures set forth in *Robert's Rules of*

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

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

ADVISORY COMMITTEES

FORMATION AND FUNCTION

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

FINANCE AND AUDIT ~~ADVISORY~~ COMMITTEE

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

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projects ~~for and make~~ recommendations to the full Port Commission.

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

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

~~OPERATIONS, SECURITY AND SAFETY ADVISORY COMMITTEE~~

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

~~PERSONNEL ADVISORY COMMITTEE~~

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

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The Committee will also serve as the Commission's official forum to review and evaluate all personnel grievances that have been or can be appealed beyond the level of the Port Executive Director/CEO and to share its findings and recommendations report back to the full Commission ~~its findings and recommendations~~.

~~SECURITY AND SAFETY ADVISORY COMMITTEE~~

~~Primary responsibilities shall include the review of matters relating to the programs, policy, practices and compliance as they pertain to the safety and security of the Port's cyber systems, facilities, harbor complex and navigational channel. The Committee through the Port's management will coordinate with external safety and security organizations to ensure the integrity of the established maritime security zone, its operation and related public safety. The committee will review all procurements of safety and security equipment and services. The Committee will also serve as the Commission's official forum to review and evaluate all violations of the Port's Tariff safety provisions as directed and report back ~~share its findings and recommendations~~ to the full Commission its findings and recommendations.~~

ENVIRONMENTAL, SOCIAL AND CORPORATE GOVERNANCE AND SUSTAINABILITYSGS COMMITTEE

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

ADDITIONAL OR OTHER ADVISORY COMMITTEE FUNCTIONS

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

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Exhibit A

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Election of Officers

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Policy:

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

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Procedure:

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

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

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

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

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eligible Members. Office elections shall be held, in succession, one-by-one, in the following order: 1. Chair

1. Vice-Chair

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3. Secretary

4. Assistant Secretary

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

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

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

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Exhibit B

PORT FREEPORT RULES OF ORDER

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

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

1. **These Rules should establish order.** The first purpose of these Rules is to establish a framework for the orderly conduct of Meetings.

2. **These Rules should be clear.** Simple rules lead to wider understanding and participation. Complex rules create two classes: those who understand and participate; and those who do not fully understand and do not fully participate.

3. **These Rules should be user friendly.** That is, these Rules must be simple enough that the public is invited into the Port Commission and feels that it has been able to adequately observe the process.

4. **These Rules should enforce the will of the majority while protecting the rights of the minority.** The ultimate purpose of these Rules is to encourage discussion and to facilitate decision making by the Port Commission. In a democracy, majority rules. These Rules must enable the majority to express itself and fashion a result, while permitting the minority to also express itself, but not dominate, while fully participating in the process.

ESTABLISHING A QUORUM

Sec. 1.01 Establishing a Quorum.

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

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

Sec. 1.02 Absence or Loss of a Quorum.

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

----- *Rules of Order – Port Freeport 2 of 8*

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

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

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

ROLE OF THE CHAIR

Sec. 2.01 General.

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

Sec. 2.02 Agenda Item Discussion.

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

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

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

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

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----- *Rules of Order – Port Freeport 3 of 8* -----

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

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

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

the name of the Port Commissioner who seconds the Motion.

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

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

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

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

MAKING AND RESPONDING TO MOTIONS

Sec. 3.01 Motions.

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

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

(b) Suggesting a Motion to the Port Commissioners.

(c) Making the Motion.

Sec. 3.02 Simple Majority; Super Majority.

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

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PORT FREEPORT POLICY MANUAL

PORT COMMISSION OF PORT FREEPORT COMMISSION OFFICERS AND ORGANIZATION

SECTION 2.1

Sec. 3.03 Counting Votes.

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

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

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

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

Sec. 3.04 Making a Motion.

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

Sec. 3.05 Basic Motions.

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

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

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

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**PORT COMMISSION OF PORT FREEPORT
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SECTION 2.1

----- *Rules of Order – Port Freeport 5 of 8* -----

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**PORT FREEPORT
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Sec. 3.06 Amendment to the Original Motion.

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

Sec. 3.07 Multiple Motions Before the Body.

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

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

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

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

3.08 Failed Original Motion

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

Sec. 3.09 Motions Not Subject to Debate.

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

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**PORT FREEPORT
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**PORT COMMISSION OF PORT FREEPORT
COMMISSION OFFICERS AND ORGANIZATION**

SECTION 2.1

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

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

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

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

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

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

Sec. 3.10 Motions Requiring a Super Majority.

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

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**PORT COMMISSION OF PORT FREEPORT
COMMISSION OFFICERS AND ORGANIZATION**

SECTION 2.1

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**PORT FREEPORT
POLICY MANUAL**

**PORT COMMISSION OF PORT FREEPORT
COMMISSION OFFICERS AND ORGANIZATION**

SECTION 2.1

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

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

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

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

3.11 Motion to Reconsider.

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

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

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

COURTESY AND DECORUM

Sec. 4.01 General.

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

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SECTION 2.1

Sec. 4.02 Interrupting the Speaker.

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

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

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

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

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

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

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PORT FREEPORT POLICY MANUAL

PORT COMMISSION OF PORT FREEPORT COMMISSION OFFICERS AND ORGANIZATION

SECTION 2.1

Exhibit C

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

**PORT FREEPORT
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**PORT COMMISSION OF PORT FREEPORT
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SECTION 2.1

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

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

(Corresponding Practices & Procedures - Sections 2.1, 4.1)

PORT FREEPORT POLICY MANUAL

EMPLOYMENT

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

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

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

ASSISTANTS AND OTHER EMPLOYEES

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

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

PORT FREEPORT POLICY MANUAL

PORT COMMISSION OF PORT FREEPORT LEGAL DEFENSE

SECTION 2.8

~~It is the intent of the~~ Port shall maintain an errors and omissions policy, or such other liability insurance policies covering to protect its Port Commissioners and Port employees from defense expense and legal liability against claims for acts or omissions arising from the scope and official duties of a Port Commissioner or an employee. The Port will pay the deductibles under the policies as well as other expenses as long as the acts or omissions were made in good faith, through the purchase of appropriate public officials liability insurance, and such other liability insurance as the Port obtains and maintains in force and effect, including the payment of any deductible thereof.

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

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

In the event of ~~an~~ civil investigation, legal claim, demand, lawsuit, arbitration, administrative proceeding, or any other civil legal proceeding against a Commissioner or employee, the Port may reimburse a Commissioner's or employee's legal expenses and other costs incurred related to said actions ~~in the event they are not covered by an applicable liability insurance policy, until such time the above mentioned liability policies enter into the defense.~~ In cases where a Port Commissioner or employee desires to maintain retain legal counsel outside of that other than the counsel appointed through pursuant to the above-mentioned insurance policies, the Port Commission in its sole discretion will determine if those legal expenses will be eligible for reimbursement. The reimbursement as well as reimbursement for payment of deductible expenses may take place during the pendency of the action, but in no event later than when the ~~only~~ after an action is completed and the Commission's assessment of causation of liability.

In the event of a criminal investigation, legal claim, demand, lawsuit, arbitration, administrative proceeding, or any other criminal legal proceeding against a Commissioner or employee, the Port may reimburse a Commissioner's or employee's legal expenses incurred related to said actions only after an action is completed and the Commission makes the good faith determination that payment of the legal fees serves a public interest and not merely the Commissioner's or employee's private interest, the Commissioner or employee acted in good faith, and the action was within the scope of the Commissioner or employee's official duties. The Port Commission is prohibited from paying legal expenses if the Commissioner or employee is found innocent guilty of the criminal charges.

~~A Commissioner shall not vote on the issue of whether to pay his or her own legal fees or the legal fees of another Commissioner or employee indicted on the same facts or for the same offense. The Port shall have sole authority to select legal counsel for a Commissioner or employee and as may be permitted by the insurance policy then in effect.~~

Commented [HC1]: Question for the Commission: does the Port want to be able to pay during pendency of the action or wait to reimburse after the action determination is final?

**PORT FREEPORT
POLICY MANUAL**

**PORT COMMISSION OF PORT FREEPORT
LEGAL DEFENSE**

SECTION 2.8

The Port shall not protect Port Commissioners or employees against legal liability for:

- Any payment that is illegal or prohibited by law;
- Claims or suits brought by the Port;
- Matters resulting from:
 - (1) an intentional or knowing violation of a penal law (including an administrative agency rule having the force and effect of law) committed by, or with the knowledge and consent of, the Port Commissioner;
 - (2) an act of fraud committed by, or at the direction of the Port Commissioner or employee;
 - (3) official misconduct, a willful or wrongful act or omission, or an act or omission constituting gross negligence committed by, or at the direction of, the Port Commissioner or employee;
 - (4) an act of conspiracy or collusion by the Port Commissioner or employee against the Port; (5) knowing or intentional violation by the Port Commissioner or employee of any written employment rules, policies or procedures of the Port; or
 - (6) an intentional or knowing violation of the lawful orders, instructions or directives of Port management; and
 - (7) claims for exemplary, punitive, multiplied, or enhanced damages.

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

Commented [HC2]: It is important to specify what will not be covered. I stole this language from the Port of Houston, so let if know if any of it is helpful or desired. Here is a link to their much more robust policy if we want to consider any other relevant provisions. <https://porthouston.com/wp-content/uploads/2022/11/Second-Amended-Insurance-Program-and-Indemnification-Policy-March-2018-FINAL.pdf>

Also need to decide if employees will be added here as well.

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PORT FREEPORT POLICY MANUAL

PORT COMMISSION OF PORT FREEPORT BENEFITS FOR COMMISSIONERS

SECTION 2.9

BENEFIT SUMMARY

Commissioners

~~Pursuant to Chapter 172 of the Texas Local Government Code and Chapter 60 of the Texas Water Code, all current Port Commissioners (“Commissioners”), in recognition of their service to Port Freeport, are eligible for benefits as provided by Texas law, including but not limited to “health and accident, group dental, accidental death and dismemberment, and hospital, surgical and medical expense” (see Tex. Loc. Gov’t Code §172.004(b); coverage for dependents (see Tex. Loc. Gov’t Code §172.004(c); “hospitalization and medical benefits” (Tex. Water Code §60.014(a)); “retirement, disability, and death compensation fund for district officers and employees” (Tex. Water Code §60.011(a)).~~

New Commissioners

~~For new Commissioners, benefits permitted by this policy and authorized by Chapter 172 of the Texas Local Government Code and Chapter 60 of the Texas Water Code go into effect on the first of the month following 30 days of continuous service after the date of taking sworn oath of assuming office.~~

Benefits Afforded Commissioners

~~While Texas law provides Commissioners, as public officials, are entitled to several forms of benefits, Commissioners may participate in Port Freeport’s dental, vision and health insurance plan.~~

Spouses

~~Spouses of Commissioners who have access to dental, vision and/or health insurance benefits through their employers are required to participate in such benefit programs provided by their employers.~~

Dependents

~~Dependents of Commissioners are eligible for dental, vision and health insurance benefits.~~

~~All benefits may be limited by plan or future policy amendments.~~

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EMPLOYMENT

CONFLICT OF INTEREST

SECTION 3.4

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Exhibits

“A” Acknowledgment and Acceptance Form

“B” Disclosure of Substantial Interest Form

“C” Texas Ethics Commission Local Government Officer Conflicts Disclosure Statement (Form CIS)

“D” Texas Ethics Commission Conflict of Interest Questionnaire (Form CIQ)

“E” “Conflicts of Interest” Section for Port Freeport Contracts

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**EMPLOYMENT
CONFLICT OF INTEREST**

SECTION 3.4

Conflict of Interest Policy

I. Preamble

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

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

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

II. General Policy Considerations

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

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

**PORT FREEPORT
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CONFLICT OF INTEREST**

SECTION 3.4

- negatively affect or compromise the Port’s interests or public trust; or
- compromise objectivity in carrying out the responsibilities of the Commissioners, officers or employees of the Port; or
- otherwise compromise the performance of Port responsibilities.

III. Chapter 171 of the Texas Local Government Code

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

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

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

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

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

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

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effect on the business entity that is distinguishable from the effect on the public.

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

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the Port commission or his or her parent, spouse, child, father-in-law, mother-in-law, son-in-law or daughter-in-law have an interest as described in paragraphs 1 through 10 above. The involved Port Commissioner may not participate in the separate vote.

12. A voting violation does not render an action of the Port Commissioners voidable unless the vote of the Port Commissioner with the conflict of interest was necessary for the action to pass.
13. A Port Commissioner or other officer of the Port ~~can~~ shall not act as a surety for a business that has work, business, or a contract with the Port.
14. A Port Commissioner or other officer of the Port ~~can~~ shall not act as a surety on any official bond required of a Port Commissioner or other officer of the Port.
15. A violation of the provisions of Chapter 171 of the Texas Local Government Code is a Class A misdemeanor punishable by a fine not to exceed \$4,000.00, ~~or~~ confinement in jail for a term not to exceed one year, or both such fine and confinement.
16. ~~_____~~ ~~16.~~ The provisions of Chapter 171 of the Texas Local Government Code preempt ~~and supercede~~ the common law of conflicts of interests as ~~might otherwise apply~~ applied to Port Commissioners and other Port officials.

C. Notation of Conflict of Interest for Record

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

IV. Section 131.903 of the Texas Local Government Code

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

V. Chapter 39 of the Texas Penal Code. Abuse of ~~office~~official capacity.

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

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3. Pursuant to the law, a discount or award given for travel, such as frequent flyer miles, rental car or hotel discounts, or food coupons, are not things of value belonging to the government for purposes of this section due to the administrative difficulty and cost involved in recapturing the discount or award for a governmental entity.

VI. Section 572.051 of the [Texas](#) Government Code

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

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

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

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VII. Confidential Information

See policy section 3.9.

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

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

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

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

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

the person vendor has given ~~one or more gifts~~ to the Local Government Officer or a family member of the Local Government Officer one or more gifts “that have an

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aggregate value of more than ~~\$250-100~~ in the 12-month period preceding the date the Local Government Officer becomes aware that the ~~person~~ has signed ~~vendor~~ has signed a contract with the Port or that the Port is considering ~~doing business~~ entering into a contract with that ~~person~~ vendor.

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

- ~~• given by a family member of the person accepting the gift;~~
- a political contribution as defined by Title 35, Election Code; or
- food, ~~lodging, transportation or entertainment~~ accepted as a guest.

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

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

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

IX. Acceptance of Gifts

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

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

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

X. Modification of Prior Policy

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

XI. Acknowledgment and Acceptance

Each Commissioner, officer, and employee of the Port shall be required to execute an Acknowledgment and Acceptance [of this Conflict of Interest Policy](#) in the form attached hereto as Exhibit “A-” [bi-annually coinciding with Commissioner elections](#).

LOCAL GOVERNMENT OFFICER CONFLICTS DISCLOSURE STATEMENT

FORM CIS

(Instructions for completing and filing this form are provided on the next page.)

This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session.

This is the notice to the appropriate local governmental entity that the following local government officer has become aware of facts that require the officer to file this statement in accordance with Chapter 176, Local Government Code.

OFFICE USE ONLY

Date Received

1 Name of Local Government Officer

2 Office Held

3 Name of vendor described by Sections 176.001(7) and 176.003(a), Local Government Code

4 Description of the nature and extent of each employment or other business relationship and each family relationship with vendor named in item 3.

5 List gifts accepted by the local government officer and any family member, if aggregate value of the gifts accepted from vendor named in item 3 exceeds \$100 during the 12-month period described by Section 176.003(a)(2)(B).

Date Gift Accepted _____ Description of Gift _____

Date Gift Accepted _____ Description of Gift _____

Date Gift Accepted _____ Description of Gift _____

(attach additional forms as necessary)

6 SIGNATURE

I swear under penalty of perjury that the above statement is true and correct. I acknowledge that the disclosure applies to each family member (as defined by Section 176.001(2), Local Government Code) of this local government officer. I also acknowledge that this statement covers the 12-month period described by Section 176.003(a)(2)(B), Local Government Code.

Signature of Local Government Officer

Please complete either option below:

(1) Affidavit

NOTARY STAMP / SEAL

Sworn to and subscribed before me by _____ this the _____ day of _____,
20 _____, to certify which, witness my hand and seal of office.

Signature of officer administering oath

Printed name of officer administering oath

Title of officer administering oath

OR

(2) Unsworn Declaration

My name is _____, and my date of birth is _____.

My address is _____, _____, _____, _____, _____.
(street) (city) (state) (zip code) (country)

Executed in _____ County, State of _____, on the _____ day of _____, 20_____.
(month) (year)

Signature of Local Government Officer (Declarant)

LOCAL GOVERNMENT OFFICER CONFLICTS DISCLOSURE STATEMENT

Section 176.003 of the Local Government Code requires certain local government officers to file this form. A "local government officer" is defined as a member of the governing body of a local governmental entity; a director, superintendent, administrator, president, or other person designated as the executive officer of a local governmental entity; or an agent of a local governmental entity who exercises discretion in the planning, recommending, selecting, or contracting of a vendor. This form is required to be filed with the records administrator of the local governmental entity not later than 5 p.m. on the seventh business day after the date on which the officer becomes aware of the facts that require the filing of this statement.

A local government officer commits an offense if the officer knowingly violates Section 176.003, Local Government Code. An offense under this section is a misdemeanor.

Refer to chapter 176 of the Local Government Code for detailed information regarding the requirement to file this form.

INSTRUCTIONS FOR COMPLETING THIS FORM

The following numbers correspond to the numbered boxes on the other side.

- 1. Name of Local Government Officer.** Enter the name of the local government officer filing this statement.
- 2. Office Held.** Enter the name of the office held by the local government officer filing this statement.
- 3. Name of vendor described by Sections 176.001(7) and 176.003(a), Local Government Code.** Enter the name of the vendor described by Section 176.001(7), Local Government Code, if the vendor: a) has an employment or other business relationship with the local government officer or a family member of the officer as described by Section 176.003(a)(2)(A), Local Government Code; b) has given to the local government officer or a family member of the officer one or more gifts as described by Section 176.003(a)(2)(B), Local Government Code; or c) has a family relationship with the local government officer as defined by Section 176.001(2-a), Local Government Code.
- 4. Description of the nature and extent of each employment or other business relationship and each family relationship with vendor named in item 3.** Describe the nature and extent of the employment or other business relationship the vendor has with the local government officer or a family member of the officer as described by Section 176.003(a)(2)(A), Local Government Code, and each family relationship the vendor has with the local government officer as defined by Section 176.001(2-a), Local Government Code.
- 5. List gifts accepted, if the aggregate value of the gifts accepted from vendor named in item 3 exceeds \$100.** List gifts accepted during the 12-month period (described by Section 176.003(a)(2)(B), Local Government Code) by the local government officer or family member of the officer from the vendor named in item 3 that in the aggregate exceed \$100 in value.
- 6. Signature.** Signature of local government officer. Complete this section after you finish the rest of this report. You have the option to either: (1) take the completed form to a notary public where you will sign above the first line that says "Signature of Local Government Officer" (an electronic signature is not acceptable) and your signature will be notarized, or (2) sign above both lines that say "Signature of Local Government Officer (Declarant)" (an electronic signature is not acceptable), and fill out the unsworn declaration section.

Local Government Code § 176.001(2-a): "Family relationship" means a relationship between a person and another person within the third degree by consanguinity or the second degree by affinity, as those terms are defined by Subchapter B, Chapter 573, Government Code.

Local Government Code § 176.003(a)(2)(A):

- (a) A local government officer shall file a conflicts disclosure statement with respect to a vendor if:

- (2) the vendor:

(A) has an employment or other business relationship with the local government officer or a family member of the officer that results in the officer or family member receiving taxable income, other than investment income, that exceeds \$2,500 during the 12-month period preceding the date that the officer becomes aware that:

- (i) a contract between the local governmental entity and vendor has been executed; or
- (ii) the local governmental entity is considering entering into a contract with the vendor.

CONFLICT OF INTEREST QUESTIONNAIRE

For vendor doing business with local governmental entity

FORM CIQ

This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session.

This questionnaire is being filed in accordance with Chapter 176, Local Government Code, by a vendor who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the vendor meets requirements under Section 176.006(a).

By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the vendor becomes aware of facts that require the statement to be filed. See Section 176.006(a-1), Local Government Code.

A vendor commits an offense if the vendor knowingly violates Section 176.006, Local Government Code. An offense under this section is a misdemeanor.

OFFICE USE ONLY

Date Received

1 Name of vendor who has a business relationship with local governmental entity.

2 Check this box if you are filing an update to a previously filed questionnaire. (The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date on which you became aware that the originally filed questionnaire was incomplete or inaccurate.)

3 Name of local government officer about whom the information is being disclosed.

Name of Officer

4 Describe each employment or other business relationship with the local government officer, or a family member of the officer, as described by Section 176.003(a)(2)(A). Also describe any family relationship with the local government officer. Complete subparts A and B for each employment or business relationship described. Attach additional pages to this Form CIQ as necessary.

A. Is the local government officer or a family member of the officer receiving or likely to receive taxable income, other than investment income, from the vendor?

Yes No

B. Is the vendor receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer or a family member of the officer AND the taxable income is not received from the local governmental entity?

Yes No

5 Describe each employment or business relationship that the vendor named in Section 1 maintains with a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership interest of one percent or more.

6 Check this box if the vendor has given the local government officer or a family member of the officer one or more gifts as described in Section 176.003(a)(2)(B), excluding gifts described in Section 176.003(a-1).

7

Signature of vendor doing business with the governmental entity

Date

CONFLICT OF INTEREST QUESTIONNAIRE

For vendor doing business with local governmental entity

A complete copy of Chapter 176 of the Local Government Code may be found at <http://www.statutes.legis.state.tx.us/Docs/LG/htm/LG.176.htm>. For easy reference, below are some of the sections cited on this form.

Local Government Code § 176.001(1-a): "Business relationship" means a connection between two or more parties based on commercial activity of one of the parties. The term does not include a connection based on:

- (A) a transaction that is subject to rate or fee regulation by a federal, state, or local governmental entity or an agency of a federal, state, or local governmental entity;
- (B) a transaction conducted at a price and subject to terms available to the public; or
- (C) a purchase or lease of goods or services from a person that is chartered by a state or federal agency and that is subject to regular examination by, and reporting to, that agency.

Local Government Code § 176.003(a)(2)(A) and (B):

(a) A local government officer shall file a conflicts disclosure statement with respect to a vendor if:

(2) the vendor:

(A) has an employment or other business relationship with the local government officer or a family member of the officer that results in the officer or family member receiving taxable income, other than investment income, that exceeds \$2,500 during the 12-month period preceding the date that the officer becomes aware that

(i) a contract between the local governmental entity and vendor has been executed;
or

(ii) the local governmental entity is considering entering into a contract with the vendor;

(B) has given to the local government officer or a family member of the officer one or more gifts that have an aggregate value of more than \$100 in the 12-month period preceding the date the officer becomes aware that:

(i) a contract between the local governmental entity and vendor has been executed; or

(ii) the local governmental entity is considering entering into a contract with the vendor.

Local Government Code § 176.006(a) and (a-1)

(a) A vendor shall file a completed conflict of interest questionnaire if the vendor has a business relationship with a local governmental entity and:

(1) has an employment or other business relationship with a local government officer of that local governmental entity, or a family member of the officer, described by Section 176.003(a)(2)(A);

(2) has given a local government officer of that local governmental entity, or a family member of the officer, one or more gifts with the aggregate value specified by Section 176.003(a)(2)(B), excluding any gift described by Section 176.003(a-1); or

(3) has a family relationship with a local government officer of that local governmental entity.

(a-1) The completed conflict of interest questionnaire must be filed with the appropriate records administrator not later than the seventh business day after the later of:

(1) the date that the vendor:

(A) begins discussions or negotiations to enter into a contract with the local governmental entity; or

(B) submits to the local governmental entity an application, response to a request for proposals or bids, correspondence, or another writing related to a potential contract with the local governmental entity; or

(2) the date the vendor becomes aware:

(A) of an employment or other business relationship with a local government officer, or a family member of the officer, described by Subsection (a);

(B) that the vendor has given one or more gifts described by Subsection (a); or

(C) of a family relationship with a local government officer.

PORT FREEPORT POLICY MANUAL

WORK ENVIRONMENT

SMOKE-FREE WORK ENVIRONMENT

SECTION 7.2

To protect and enhance the Port's workspace air quality and to contribute to the health and well-being of all employees, the Port facilities shall be entirely smoke free. Additionally, the use of all tobacco and smoking products, including chewing tobacco and electronic ~~cigarettes~~ smoking devices (E-cigarettes, vape pens, etc), is banned from the Port workplace, except as designated in this policy.

Smoking is prohibited in all areas within the Port's work sites, without exception. This includes common work areas both inside and outside, conference and meeting rooms, private offices, hallways, breakrooms, stairs, restrooms, employer owned or leased vehicles, and all other facilities. The only exception to this rule are officially designated smoking areas as approved by the Executive Director/CEO.

Additionally, employees may smoke in their personal vehicles, but the smoke and tobacco products must be completely contained within the vehicle. It is not acceptable that either smoking or non-smoking employees are subjected to smoke that they must walk through to reach their vehicle or any other destination on the Port's premises.

While the Port may make designated areas available to smokers, it in no way has any legal responsibility to do so. Employees who choose to use designated smoking areas do so at their own risk.

No additional breaks are allowed to any employee who smokes.

Smokers and users of tobacco products must dispose of the remains in the proper containers. This helps to keep a neat and clean environment for all employees and our visiting partners and customers.

Failure to comply with any provisions of this policy will result in disciplinary action up to and include employment termination.



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

MEMORANDUM

TO: Port Commissioners
Chief Executive Officer

FROM: Rob Lowe

DATE: April 17, 2024

SUBJECT: Port Credit Card Issuance and Limit

Port Policy 8.8 calls for the Port Commission to authorize the issuance and credit limits of port credit cards. To that end, I am seeking authorization to issue a new credit card to Jesse Hibbetts, Director of Operations, with a credit limit of \$5,000. The primary use of this card would be for Operations related travel and minor M &R purchases. I would also recommend the authorization of a new credit card for Emily Henderson, Sales & Marketing Specialist, with a credit limit of \$5,000. The primary use of this card would be Business Development sales and promotional activities and associated travel.

PORT COMMISSION

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



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

MEMORANDUM

TO: Port Commissioners
Chief Executive Officer

FROM: Rob Lowe

DATE: April 19, 2024

SUBJECT: Professional Services Agreement

Port staff is pursuing an agreement with Al Durel to provide consulting services for significant ongoing Port projects and operations. The agreement will run April 25, 2024 through April 24, 2025 with activities directed by Port executive staff.

PORT COMMISSION

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