

Minutes of Port Commission Regular Meeting  
June 8, 2023  
In Person & Videoconference

A Regular Meeting of the Port Commission of Port Freeport was held June 8, 2023, beginning at 1:09 PM at the Administration Building, 1100 Cherry Street, Freeport, Texas.

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

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

The videoconference is available online as follows:

Join Zoom Meeting

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Commissioners present in person:

Mr. Rudy Santos, Vice Chairman  
Mr. Dan Croft, Secretary  
Mr. Rob Giesecke, Asst. Secretary  
Mr. Ravi Singhanian, Commissioner  
Ms. Barbara Fratila, Commissioner  
Mr. Kim Kincannon, 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. Mike Wilson, Director of Economic Development & Freight Mobility  
Mr. Chris Hogan, Director of Protective Services  
Mr. Jason Hull, Director of Engineering  
Mr. Jason Miura, Director of Business & Economic Development  
Mr. Brandon Robertson, Director of Information Technology  
Ms. Missy Bevers, Executive Assistant  
Ms. Mary Campus, Controller  
Mr. Jesse Hibbetts, Operations Manager  
Mr. Cecil Booth, Project Engineer  
Mr. Nick Malambri, Engineering Specialist

Ms. Christine Lewis, Safety Coordinator  
Ms. Tricia Vela, Public Affairs Assistant  
Ms. Emily Henderson, Sales & Marketing Specialist

Also, present:

Mr. Corey Lewis, McCarthy  
Mr. Stuart Herbst, Terracon  
Mr. Chris Moore, Texas Port Ministry  
Mr. Stephen Whalley, Arthur J. Gallagher  
Mr. Jason Foltyn, HDR  
Mr. Rick Stephanow, Gulf LNG Services  
Ms. Brandei Goolsby, Gulf Coast Employee Benefit Services  
Mr. Nick Fratila  
Mr. Kyle Plaisance

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 Santos noted that all Commissioners were present in the Board Room.
5. Safety Briefing – Ms. Christine Lewis provided a safety moment with regard to summer safety tips.
6. Call to identify and discuss any conflicts of interest that may lead to a Commissioner abstaining from voting on any posted agenda item.

There were no conflicts noted by Commissioners.

7. Public Comment – There was no public comment.
8. Public Testimony – There were no public testimony.
9. Approval of minutes from the Regular Meeting held May 30, 2023.

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

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

Ms. Saathoff reported she recently gave a presentation at the BayTran group meeting and will be giving a port update to the Fort Bend Economic Development Corporation June 22. The Port's CAP held its quarterly meeting June 6<sup>th</sup> with McCarthy giving a presentation on the recently completed Berth 8. Ms. Saathoff will be attending the Change of Command Ceremony on June 9<sup>th</sup> for Captain Smith who is retiring. She will also attend the Change of Command in New Orleans June 23<sup>rd</sup> for Rear Admiral Timme. Brazoria County will be submitting an application for a grant for repairs at Surfside Beach Jetty Park and has asked the Port to submit a letter of support for the grant application.

11. Approval of Oath of Office and Surety Bonds for Newly Elected Commissioner Barbara Fratila and Newly Elected Commissioner Kim Kincannon.

A motion was made by Commissioner Croft to approve the oaths and surety bonds. The motion was seconded by Commissioner Singhanian with all Commissioners present voting in favor of the motion.

12. Election of Officers for the Port Commission for the period of June, 2023 – May 2025.

Commissioner Santos noted that since the election of officers will be a new process for the Port Commission, he gave the following synopsis of how it will be conducted.

*The election of offices will be conducted according to the election procedure adopted at the January 12, 2023, Port Commission meeting. I will review these procedures now.*

*As a Commissioner and Chairman, I shall preside over the election until all open offices have been voted upon and filled.*

*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.*

*Election of each office will be handled separately beginning with the office of Chair.*

*I will start the election of each office by asking if any commissioner wants to recuse himself or herself from consideration for that office. 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.*

*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. Individual ballots will be provided to the Members so that they may write in their selection for the office being considered at that time.*

*General Counsel will collect the ballots and tally the results.*

*If no simple majority is received, a run-off election shall occur between the two candidates receiving the most votes using the same voting procedures.*

*In the case of a tie vote, meaning two or more candidates have received the same number of votes, a vote shall be taken again. If this is again a tie between the same candidates, then the tie shall be broken and the office filled by a random drawing from the names of the candidates receiving the same number of votes.*

*This process shall be repeated, office-by-office, until all open offices have been filled.*

*Once the elections for all positions have been completed, I will cede the office and the newly elected Chair shall assume office and preside over the rest of the meeting. At that point we will take a short break and adjust seating before continuing with the agenda.*

The election process began with the election for the office of Chair.

Commissioner Santos stated that there is no current Chair office holder, so all commissioners are eligible. He then asked if any commissioner wanted to recuse himself or herself from consideration for the office of Chair.

Commissioner Santos and Commissioner Giesecke recused themselves from consideration for the office of Chair.

Commissioner Santos then called the vote asking Commissioners to write in their selection for Chair on the ballot provided.

Mr. Randle collected the ballots, tallied the votes and announced the following results...

2 votes – Dan Croft

4 votes – Ravi Singhania

Commissioner Singhania received a simple majority of the votes and was elected to the office of Chair.

The process continued with the election for the office of Vice Chair and Commissioner Santos noting that since he is the current Vice Chair, he is not eligible for said office, and asked if any commissioner wanted to recuse himself or herself from consideration for the office of Vice Chair. Commissioner Singhania noted that since he was elected to the office of Chair and accepts it, he will recuse himself.

Commissioner Santos then called the vote asking Commissioners to write in their selection for Vice Chair on the ballot provided.

Mr. Randle collected the ballots, tallied the votes and announced a tie vote for the following...

3 votes – Dan Croft

3 votes – Rob Giesecke

Commissioner Santos reminded the Commission that because there is a tie vote (two or more candidates have received the same number of votes), a vote shall be taken again between

Commissioner Croft and Commissioner Giesecke with each receiving 3 votes. He then called the vote asking Commissioners to write in their selection for Vice Chair on the ballot provided.

Mr. Randle collected the ballots, tallied the votes and announced the following results for the run-off..

2 votes – Dan Croft

4 votes – Rob Giesecke

Commissioner Giesecke received a simple majority of the votes and was elected to the office of Vice Chair.

The process continued for the office of Secretary with Commissioner Santos noting that Commissioner Croft is the current Secretary and is not eligible for said office. He further noted that Commissioner Singhanian and Commissioner Giesecke were elected to the positions of Chair and Vice Chair and are not eligible. Commissioner Santos then asked if any commissioner wanted to recuse himself or herself from consideration for the office of Secretary. Hearing no responses, Commissioner Santos called the vote and asked that selections be written on the ballot provided.

Mr. Randle collected the ballots, tallied the votes and announced the following results...

2 votes – Rudy Santos

4 votes – Barbara Fratila

Commissioner Fratila received a simple majority of the votes and was elected to the office of Secretary.

The process continued with the office of Asst. Secretary with Commissioner Santos noting that Commissioner Giesecke is the current Asst. Secretary (and Vice Chair) and is not eligible for said office. He further noted that Commissioner Singhanian and Commissioner Fratila were elected to the positions of Chair and Secretary and are not eligible adding those who are eligible for consideration are Commissioner Kincannon, Commissioner Croft and himself. He then asked if any commissioner wanted to recuse himself or herself from consideration for the office of Asst. Secretary. Hearing no responses, Commissioner Santos called the vote and asked that selections be written on the ballot provided.

Mr. Randle collected the ballots, tallied the votes and announced the following results...

1 vote – Dan Croft

2 votes – Rudy Santos

3 votes – Kim Kincannon

Since no Commissioner received a majority vote, a run-off election will be conducted between two Commissioners with the highest number of votes, Commissioner Santos and Commissioner Kincannon. Commissioner Santos called the vote and asked that selections be written on the ballot provided.

Mr. Randle collected the ballots, tallied the votes and announced the following results...

2 votes – Rudy Santos

4 votes – Kim Kincannon

Commissioner Kincannon received a simple majority of the votes and is elected to the office of Asst. Secretary.

Commissioner Santos stated that the election of officers is completed and cedes the office of Chair to Commissioner Singhanian to preside over the remainder of the meeting.

At this time, the Port Commission recessed at 1:41 p.m.

The Port Commission reconvened at 1:47 p.m. with Commissioner Singhanian presiding over the meeting.

Commissioner Singhanian thanked all the Commissioners for entrusting him with the job of Chairman stating that being a Chair does not give him any more responsibility but to conduct the meeting and to be the spokesman in the face of the public. He further stated that he considers them all to be equal to him, not any different. He also noted that at one time he did not think he would consider being Chairman again but with the changes that have happened, he felt like it would be a good transition. Additionally, he hopes the Commission will continue to work as a team and remain committed to why they were elected as well as to take care of the citizens who put their trust in them. He also noted that committee assignments will be forthcoming and thank Commissioner Santos who filled in as Chair at times and for his role as Vice Chairman. Commissioner Santos commented that being a Chair of the Commission is a big responsibility with the dynamics that have happened in Port Freeport, the state and the nation, it means a lot.

13. Approval of a Construction Contract with McCarthy Building Companies, In. for the Port Wide Pavement Repairs 2023 project.

Mr. Hull stated that bids were opened for this project May 31st with one bid submitted. An additional bid was submitted late and not accepted. Staff advertised the project as required and sent out invitations to contractors who are in the area or who have previously done work with the Port. McCarthy Building Companies submitted a bid that included a base bid and two alternates. It is the recommendation of staff and that of the Strategic Planning Advisory Committee to award all components of the project for a total of \$4,728,599.00 which includes an omnibus of pavement repairs throughout the port. He further stated that that the scope for Alternate 1 is in the amount of \$238,711.00 and scope for Alternate 2 is \$151,388.00. He also noted the budget for this project was \$3.4 million and did not include the alternates. The engineering staff then explained the scope of the project associated with each alternate. Alternate 1 is the non-TWIC yard across from Gate 8 and includes adding more flexible limestone base and grating for proper drainage. Alternate 2 is an old, unused railroad inside the Port that was once used to load trains directly off of Docks 1 and 2 and has not been used since 2011 or before. The work involves removing all the wooden ties, steel rail, asphalt and ballasts, and replacing them with reinforced concrete. Mr. Cecil Booth then explained the first six areas and repairs associated with the base bid. These areas include Pete Schaff Boulevard, Turning Basin Road, west side of Building 51 that includes pavement

repair and an erosion issue, and the west corner of Parcel 19. Mr. Nick Malambri explained the remaining areas and repairs of the project which includes a trench drain system at Velasco Terminal, expansion joints at Docks 1 and 2, south end of Dock 5, asphalt repairs to the west of the gate as well as to the area north of Gate 4B. Mr. Hull recommends award of the base bid and alternates in the amount of \$4,728,599.00 to McCarthy Building Companies, Inc. Commissioner Santos stated that this was brought to the Strategic Planning Committee for review and even though only one bid was received, it's from a qualified bidder that meets all expectations. Commissioner Giesecke inquired how long it will be until the next round of repairs are needed, noting that the committee discussed that last time a project of this scope was done was in 2019. Mr. Hull stated that he estimates other areas will need to be repaired in approximately 4 years. The estimated time to complete the project is 250 days. Commissioner Singhania noted the committee requested staff to discuss with McCarthy (after the award of contract) why the budget number and bid amount were so different.

A motion was made by Commissioner Santos to accept the bid from McCarthy Building Companies, Inc. in the amount not to exceed \$4,728,599.00. The motion was seconded by Commissioner Kincannon with all Commissioners present voting in favor of the motion.

#### 14. Approval of liability insurance through broker Arthur J. Gallagher & Co.

Mr. Lowe began by introducing Stephen Whalley with Arthur J. Gallagher (AJG), the Port's broker, who was in the audience and available for questions. Staff met with the Finance Advisory Committee earlier to discuss the renewal and while all incumbents are lined up to receive coverage for the following year, AJG does go back to market every year but there is a level of credibility and comfort on the bids (knowing who they're insuring) so it is often the incumbent coming back to insure their customers. The brokers do work with various carriers for the different policies. The total liability premium is \$219,925 which is a 10.98% increase over last year. Mr. Lowe stated that although commercial auto coverage represents only 20% of the total package, it increased 26.93%. He also noted the current auto rate is the same rate it was in 2019. In 2020, the port received a significant decrease with Nationwide offering a favorable bid. Subsequently, it has built back up. Staff spent a good amount of time working with the brokers asking for additional information which is included in the Executive Summary. Mr. Lowe pointed out there has been a lot of pressure in the market for the last five years and read the following note indicated in the summary for the record...*Although carriers have taken significant actions to improve their performance, many will report combined ratios in excess of 100% for 2022, primarily due to CAT losses led by Hurricane Ian and Winter Storm Elliott.* Mr. Lowe stated that even though this is liability coverage vs. property, the carriers still have an overall portfolio as a company, and it does influence market as a total. An additional note within the summary was made with regard to challenges facing the industry with third-party litigation funds with the elements most impacted being commercial auto, general liability, Directors & Officers (D&O) and umbrella/excess insurance lines (bumpershoot). Mr. Lowe noted the elements of the premium include marine general liability, hull & machinery/protection indemnity, commercial auto, maritime employers' liability, bumpershoot, public officials and excess public officials. Staff recommends approval of the liability package in the amount of \$219,925. Commissioner Croft stated the Finance Committee reviewed the proposal noting that while it is unfortunate prices are increasing, the committee is comfortable with the proposal and recommends approval. Mr. Lowe added that staff inquired about potentially increasing deductibles on auto. The results were minimal and did not make financial sense to move forward with it.

Mr. Stephen Whalley with AJG spoke on the tough year in the market, adding that while there isn't much they can do to change the market, they can work to get the port the best coverage and best price possible.

A motion was made by Commissioner Croft to approve the insurance through broker Arthur J. Gallagher. The motion was seconded by Commissioner Giesecke with all Commissioners present voting in favor of the motion.

15. Adoption of a Resolution approving amendments to the Port Freeport Investment Policy.

Ms. Campus stated the Public Funds Investment Act requires an annual review of the investment policy and strategies noting there were no legislative changes to the Public Funds Investment Act nor were there any changes or recommendations to the procedures, therefore only the dates were changed. As part of the annual review, a list of brokers is required to be approved as well as staff training and training sources. Ms. Campus has completed her training, and Mr. Lowe is on the list to complete his. Staff recommends approval. Commissioner Croft noted the Finance Advisory Committee met earlier to review and discuss stating that this portion of what the Port does is highly restrictive and strictly enforced which comes to light in the audit. He also noted that everything is in compliance.

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

16. Discuss and consider the elimination of eligibility of commissioners for employee medical, dental and vision benefits.

Commissioner Giesecke stated that this policy was put in place in 2017 and in talking to the members of the community, it's a very unpopular policy for commissioners to receive employee health benefits. He has done a survey of other deepwater ports in Texas and Port Freeport is the only deepwater port in Texas who offers this benefit to commissioners. Commissioner Singhania commented that this topic was very controversial when it was passed, adding it was also brought up repeatedly during the last two elections. Furthermore, the Port Policy states employees must work a minimum of 32 hours per week to be eligible for the benefit. Having said that, he feels very justified in supporting the elimination of this benefit July 1, 2023. Commissioner Croft commented that he would ask management to clarify that by excluding this benefit from Commissioners, they are not breaking any federal law. Mr. Lowe responded that he is not aware of any issue with regard to federal law. As a matter of state law, the benefit would not be offered (to commissioners) if it wasn't approved at the state level to be offered. Staff will follow up on the federal level. Commissioner Giesecke argued the idea that they are considered employees citing Chapter 62 of the Water Code, that you can provide this benefit to officers of the board and wouldn't be breaking any new ground if they did not allow this eligibility because other ports do not provide this. Commissioner Croft again asked that staff research the federal law addressing employees be addressed. Mr. Randle commented that state law under Local Government Code 172 allows a political subdivision (if it wants to) to provide its elected officials with the same health benefits as provided to its full-time employees. Commissioner Fratila commented that just because it is allowed, doesn't mean the Commission has to do it noting when she was running for office, this was a major topic for the public and feels they should look into it.



Commissioner Singhania added that even if they are considered an employee, current employees do not receive this benefit unless they work 32 hours per week adding that the law allows the port to provide but the Commission does not have to allow it, meaning if the commission decides to discontinue eligibility, they can. Mr. Randle commented that his question or concern would be that if anyone currently has insurance, less than 30 days might not be enough time to switch insurance with a July 1 cutoff date. Commissioner Giesecke has spoken with others in the insurance business, and they tell him the loss of eligibility is considered a life qualifying event in terms of enrolling into another plan, so you don't have to wait until the open enrollment period. Commissioner Santos commented that this was a controversial issue when it was previously discussed and approved by the sitting Commission at the time. He does fall into the category of those affected by the elimination of the benefits, but it can be taken care of with a little legwork by staff. He added that a future Commission may bring this topic up again but for now, with a motion and second, he asked the Chairman to call the vote.

A motion was made by Commissioner Giesecke to eliminate eligibility of commissioners for this benefit (medical, dental and vision), effective July 1, 2023. The motion was seconded by Commissioner Kincannon with all Commissioners present voting in favor of the motion.

17. Discuss and consider directing staff to develop two plans as follows with regard to the 2023 Tax Rate:
- 1) Total Tax Rate of \$0.00.
  - 2) Maintenance and Operations Tax Rate of \$0.00 and a Total Tax Rate that is 50% less than the No New Revenue Tax Rate.

At this time, Commissioner Singhania stepped out of the meeting at 2:41 p.m.

Commissioner Giesecke stated that he has talked about this topic for over two years in getting the port self-sufficient adding that there are benefits to doing so in terms of public opinion as well as obviously impacting revenues and capital expansion plans. He wanted to begin the discussion to have staff show the commission what it will look like if they go to a zero tax this year and totally self-sufficient this year, what do the numbers and the impact look like. Likewise, what would a 50% reduction do to the numbers. This would allow the Commission to evaluate it and make an informed decision. Mr. Lowe stated that staff will work on the calculations but inquired about timing. Mr. Lowe reminded the Commission that because the tax roll has a huge impact on the calculations, and documentation isn't received from the County until late July/early August, staff typically presents the No New Revenue Rate at the first meeting in August (as information), the second meeting staff presents its recommendation (with alterations by Commission, if needed) followed by a formal recommendation to the Commission at the first meeting in September. Should the calculations be folded into this schedule, or should something be presented prior to that? Commissioner Giesecke stated that he just wanted to discuss and have the commission direct staff to proceed with looking at the numbers and not wait until the regular budgeting process. He added that with regard to the New No Revenue Rate, staff should be able to get an idea of the rate as he's not looking for an exact number. Mr. Lowe stated that what might be useful for the board to see are the projections of what the tax roll will be through 2030 (that staff prepares annually). Knowing what the debt service is, staff could create a grid to show what a \$22, \$23 or \$24 million tax roll will be, and then show what the debt service will be at \$2 or \$3 million worth of collection, the result of the tax rate. Presenting it for a period of time out

to 2030 will provide a long-range look at what the debt actually is and what the decisions made would equate to. Commissioner Giesecke responded saying he would prefer to look at it in terms of tax revenue vs. a specific tax rate. Additionally, how would it impact capital expansion and obligations under the leases by going to a zero-tax rate self-sufficiency in a judicious manner without getting the Port in a bind. Commissioner Fratila added that she would also like staff to note any potential impacts to bond ratings. Mr. Lowe stated that it will have an impact from the revenue side, adding that if the Commission, at any time, adopts a total tax rate of zero, it is only adopted for that year. The Port is not allowed to do that with outstanding General Obligation bonds. The Port has an obligation from when the bonds were sold in that they were backed by the vote that authorized the Port to do that (issue the bonds and repay them with ad valorem taxes). The investors in Port Freeport General Obligation Bonds did so based on the fact that we had a tax base that supported those bonds. What we are allowed to do is, in a given year (2024), if we know what the debt service payment will be that year, the Commission could instruct staff to take money from the general fund and put it in the I&S reserve designating it for the debt service for 2024 only. Staff would then report that to the County who would then calculate the Port's tax rate to be zero because the monies have already been set aside for 2024. This process would be repeated in 2025 and any subsequent years while the bonds are outstanding. With regard to M&O, staff is still consulting with legal as it's a completely different process. Staff will, however, prepare documents for the Commission to review and have bond counsel, financial advisors and legal available for questions. On the subject of the bond ratings, Commissioner Giesecke clarified that this shouldn't have any impact to GO Bonds because they have already been issued, it would be the M&O rate that would have impact. Mr. Lowe responded stating that historically, even though the M&O was not pledged to revenue bonds, the bond rating agencies gave credit for whatever that number of guaranteed revenues coming into the port. As rates got really low, the financial advisors advised that the ratings impact is nominal, however, if you eventually take \$7 million of the Port operating income and annually paying down the following years debt service by having a total debt rate of zero, now you're taking \$7 million worth of revenue off the table that would be considered for future revenue bonds. Mr. Lowe further stated the debt service coverage would have to be monitored as it most likely would impact future ratings if it was demonstrated as a normal routine. Commissioner Singhania requested staff look at other gulf coast ports that do not have an M&O taxing ability, how they handle revenue bonds. All implications should be considered and not taken lightly. Mr. Lowe made a further point stating that whatever the debt service is next year, the Port would not go back to the voters as it's already been approved through the 2018 bond election. The debt service is an equation of how much is owed vs. the tax roll. If the Commission voted to go to zero and in 3 years, the Commission voted to go to three cents to cover the debt payment, it would just be three cents.

Noted for the record, Commissioner Singhania rejoined the meeting during discussion at 2:49 p.m.

18. Discuss and consider establishing a policy to address when newly elected commissioners take office after election results are canvassed.

Commissioner Giesecke stated that in talking with other elected officials in the community, he noticed that those offices, once elected, take office immediately whereas Port Commissioners do not take office until June questioning why the port waits a month before new commissioners are sworn in and take office. Additionally, he noted election procedure

also states the following in the first paragraph, *“The first meeting after each general election the board canvasses the general votes, declares winners and any new commissioners take their seat.”* Mr. Randle stated that new commissioners can assume office whenever they decide, there is no right or wrong time, noting the state does not specify a time to take office, only *“at an appropriate time after the election.”* The only stipulation is it has to be done after the election has been canvassed. After discussing further, the Commission agreed that new commissioners will take office at the first meeting following the canvass of the election.

A motion was made by Commissioner Giesecke that new commissioners will take office at the first called meeting following the canvass of election (and swearing in). The motion was seconded by Commissioner Santos with all Commissioners present voting in favor of the motion.

19. Discuss and consider appointing a liaison to the City Council of Freeport.

Commissioner Giesecke stated that he has taken on this role (on an ad hoc basis) but given where the Port is with the City of Freeport, he would like this to be an official liaison role. He noted a suggestion made that it be part of other liaison assignments, but he feels it's important to extend a hand to the city letting them know it's a priority of the Commission to handle this at the first meeting. Ms. Saathoff noted that it has been the Commission's practice to have two liaisons appointed. Commissioner Singhanian stated that he has no issue with this request and appoints Commissioner Giesecke and Commissioner Kincannon as liaisons between Port Freeport and the City of Freeport. The Commission agreed. Commissioner Santos also added that he would also like to see a relationship development with first responders and law enforcement in Freeport.

20. Discuss and consider establishing a standard procedure that meeting agendas will be posted and board packets, including staff reports, will be distributed to commissioners by the end of business on Friday before each Thursday meeting.

Commissioner Giesecke stated this is something he has brought up before with staff to consider getting additional time (the weekend) to receive board packets for a meeting to have more time to prepare, understanding there may be items that break late and may be submitted prior to the meeting. Commissioner Singhanian agreed stating that he too would like the weekend to review material, and especially for those still working, and feels this is a fair request adding that he would like to see material pushed out by Friday evening noting that they are flexible if something urgent should come in late. Commissioner Fratila commented that additional time would be helpful understanding that not everything falls into place by the Friday deadline. Commissioner Kincannon also agreed that it would be helpful to have more time to review the material, especially since he is a new member of the board. Commissioner Croft commented that it appears the policy is already in place, calling for the deadline to be Friday at noon. Upon further review, the Friday noon deadline is for staff to submit their documentation to the Executive Assistant for inclusion in BoardPak. Commissioner Singhanian stated that it is the Commission's desire to have material in BoardPak available the Friday before a Thursday meeting. Ms. Saathoff asked for clarification regarding postings noting that the legal requirement for posting an agenda is 72 hours prior to the meeting however; is it the Commission's desire for staff to also post the agenda and packets to the public on Friday as well. It was further clarified that if an agenda is posted on Friday, a change could be made to the agenda on Monday should something develop over the

weekend, as long as the revised agenda was posted prior to the 72-hour deadline. Ms. Saathoff also asked about references made to procedure and policy stating that if a policy is adopted to post agendas by 5:00 on Friday and something changes, staff will be breaking policy. Commissioner Singhania suggested adding wording to the policy to allow the flexibility of adding an item to the agenda after posting on Friday but before the 72-hour deadline. It was also suggested to push out the backup documentation to the commissioners only on Friday and keep the legal posting on Monday. Transparency to the public was also discussed stating that the public posting should be done on Friday as well to allow the public additional time to review material. Commissioner Santos commented that moving the deadline up to Friday puts a burden on staff to have everything ready in time, especially with two meetings a month, asking if its possible to go to one meeting a month. Additionally, if new business arises that needs attention/action, a special meeting could be called. After further discussion, the Commission agreed to go to one meeting per month on the 4<sup>th</sup> Thursday with the 2<sup>nd</sup> Thursday available for a special meeting if needed. A schedule will also be developed for committee meetings. Ms. Saathoff did note there will be some staff out in August noting that we may be asking for a special meeting with regard to budget discussion. Commissioner Giesecke requested that moving forward the Commission get more visibility of the flow of meetings and what may be coming up on the agenda.

A motion was made by Commissioner Santos to set a calendar for Commissioner meetings with the 2<sup>nd</sup> Thursday of every month to be flexible for a special meeting if needed and the 4<sup>th</sup> Thursday of every month to be the regular commission meeting. The motion was seconded by Commissioner Croft with all Commissioners present voting in favor of the motion.

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

- A. Under authority of Section 551.071 (Consultation with Attorney) for discussion regarding:
  - 1. Consultation with attorney under Government Code Section 551.071(1) (to seek or receive attorney's advice on pending or contemplated litigation or a settlement offer).
  - 2. Consultation with attorney under Government Code Section 551.071(2) (to seek or receive attorney's advice on legal matters that are not related to litigation).
- B. Under authority of Section 551.072 (Deliberation Concerning Real Property Matters) for discussion regarding:
  - 1. Discussion regarding the potential exchange, lease, or value of real property located in Freeport, Texas, including but not limited to the area known as the East End of Freeport and bordered by or adjacent to the following streets: FM1495; East 2<sup>nd</sup> Street; Terminal Street and East 8<sup>th</sup> Street in Freeport, Texas.
  - 2. The potential purchase, exchange, lease, or value of real property located at Port Freeport, including but not limited to the real property located at and contiguous to Berths 1, 2, 5, 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.

22. RECONVENE OPEN SESSION:

23. Adjourn.

With no further business before the Commission, the meeting adjourned at 4:26 PM.