

Minutes of Port Commission Regular Meeting
June 27, 2024
In Person & Videoconference

A Regular Meeting of the Port Commission of Port Freeport was held June 27, 2024, beginning at 1:03 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.

Missy Bevers is inviting you to a scheduled Zoom meeting.

Join Zoom Meeting

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Commissioners present in person:

Mr. Rob Giesecke, Vice Chairman
Ms. Barbara Fratila, Secretary
Mr. Rudy Santos, Commissioner
Mr. Dan Croft, Commissioner

Staff Members Present:

Mr. Grady Randle, Randle Law Firm
Ms. Phyllis Saathoff, Executive Director/CEO
Mr. Rob Lowe, Director of Administration/CFO
Mr. Jason Hull, Director of Engineering
Mr. Chris Hogan, Director of Protective Services
Mr. Jason Miura, Director of Business & Economic Development
Mr. Brandon Robertson, Director of Information Technology
Mr. Jesse Hibbetts, Director of Operations
Ms. Missy Bevers, Executive Assistant
Mr. Jason Caywood, System Administrator
Mr. Rico Arbolante, Help Desk Technician
Ms. Mary Campus, Controller
Ms. Amy O'Brien, Controller
Ms. Christine Lewis, Safety Coordinator
Mr. Cecil Booth, Project Engineer
Mr. Chas Gryseels, Engineering Specialist
Ms. Holly Soria, Operations Coordinator
Ms. Emily Henderson, Sales & Marketing Specialist

Ms. Annika Wreford, Operations Intern
Ms. Bailee Anderson, Accounting Analyst
Ms. Tricia Vela, Public Affairs Assistant
Ms. Angela Lewis, Receptionist

Absent:

Mr. Ravi Singhania, Chairman
Mr. Kim Kincannon, Asst. Secretary

Also, present:

Mr. Geoff Bowman, Van Scoyoc Associates
Mr. Mike Hayes, Texas Port Ministry
Mr. David Garcia, Arthur J. Gallagher
Ms. Sarah Bagwell

1. CONVENE OPEN SESSION in accordance with Texas Government Code Section 551.001, et. seq., to review and consider the following:
2. Invocation – Mr. Mike Hayes, Texas Port Ministry
3. Pledge of Allegiance – U.S. Flag and Texas Flag
4. Roll Call – Commissioner Giesecke noted that Commissioner Singhania and Commissioner Kincannon were both absent from the meeting. All other Commissioners were present in the Board Room.
5. Safety Briefing – Ms. Christine Lewis announced that Port Freeport employees are currently at 2000 days without a time loss injury. She also noted that the month of June is National Safety Month and provided 5 essential safety tips. Commissioner Giesecke recognized the recent passing of Ms. Lewis's father.
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 no public comments
8. Public Testimony – There was no public testimony.
9. Receive update from Van Scoyoc Associates regarding federal matters.

Mr. Geoff Bowman with Van Scoyoc Associates joined the meeting via zoom to give an update on federal matters. He began stating it's a very challenging and difficult Congress at the moment with the first speaker of the house (McCarthy) deposed after nine months, midsession resignations, a House member expelled, two senators changing parties, starting to see the committee processes stall in both the House and Senate and there is a low inventory of legislation being considered. He noted they have seen last of the big infrastructure bills before the election. The House and Senate will consider the Water Resources Act of 2024 with no direct play for Port Freeport. The House is expected to bring its version to the floor

the week of July 8 with the Senate timing uncertain. He noted the victory in March with the additional \$10 million in funding for the Velasco Terminal Project with the help of Congressman Weber and Senators Cruz and Cornyn. The funding will come through MARAD's Port Infrastructure Development Program (PIDP). For FY 2025, will be working on grant request through federal agencies discretionary funding pool. Congress continues to make its way through the FY 2025 appropriations bills. Those pertinent to Port Freeport include the Transportation Housing Urban Development bills and Energy & Water Development bills which will be marked up this week and passed by the House before the August break. Senate timing is uncertain. With regard to regulatory issues, Van Scoyoc anticipates a critical habitat designation and final rule making on Rice's Whale. They are also working with Ms. Saathoff on the comments to be submitted regarding the proposed 25% tariff on all foreign-manufactured ship to shore cranes which will impact Port Freeport. They will also engage the congressmen and senators to let them know Port Freeport's position. Lastly, Mr. Bowman commented on the bipartisan infrastructure law funds expiring in two years with programs at the U.S. Department of Transportation going back to pre-2021 appropriate levels. With this in mind, funding will get tighter in the out years. Other big changes will be in Congress with 60 members of the House and Senate retiring or leaving (before the election) as well as 5 House committee chairs leaving post-election Congress in January. As a bi-partisan firm, Van Scoyoc is well positioned to take care of Port Freeport moving into the next Congress. Commissioner Giesecke inquired about the possible number of turnovers that will take place post-election. Mr. Bowman stated they are beginning to track but do not have a firm number at this time. He added that regardless of what will happen with the presidential election and even if the House flips or Republicans keep the majority, there will not be a big difference in terms of the numbers, adding it will be about the same for the next Congress.

10. Approval of minutes from the following meetings held...

April 25, 2024 Regular Meeting
May 23, 2024 Regular Meeting
May 23, 2024 Regular Meeting – Supplemental Agenda
June 13, 2024 Special Meeting

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

11. 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 noted that this would be Ms. Campus' last meeting as she will be retiring and expressed her gratitude for all years they have worked together. Ms. Saathoff reported on the arrival of the first Del Monte vessel earlier in the week noting the temporary cross dock facility is working well and Port Freeport is now home to the top three green fruit carriers in the United States. She commended the entire Port team for assisting Del Monte to make their first arrival a success. She also noted that beginning July 5, Chiquita will be back on a Friday vessel call which will help take pressure off of Mondays as they had been temporarily calling on Saturdays. TxDOT notified the Port they did not receive grant funding through the RAISE Grant Program which would be

used to improve the non-TWIC yard. There is still opportunity to receive funding through the Rural Program, but staff does not know when it will be announced. Ms. Saathoff stated the American Association of Port Authorities sent out a summary of the WRDA package that passed through the House Transportation & Infrastructure Committee noting a change in the harbor deepening and maintenance cost share thresholds from 50 to 55 feet which would have a direct impact to Port Freeport. Staff will continue to monitor. Ms. Saathoff reported on a recent trip to Panama she and Commissioners Singhania and Giesecke made as part of a delegation for the Texas-Panama Trade Mission. She also shared pictures from the trip to the Panama Canal and MIT Terminal. Commissioner Giesecke also reported on their time at the Canal and visit to the MIT Terminal.

B. Director of Engineering

Mr. Hull reported the Liberty Island dredge is currently doing maintenance work in the channel sharing a photo of the dredge. He also mentioned the change order on the agenda for the underwater sheet pile repair project to remove debris that was identified.

C. Director of Operations

Mr. Hibbetts reported that May was a good month and shared graphics depicting vessel calls, tonnage and rail car counts. He noted there were 53 vessel calls for May and tonnage has doubled where it was the previous year with steel and LNG leading the numbers. He also shared an overview of the rail car counts by commodity. Lastly, he noted that June will be another busy month with the new customer coming on board. He thanked the operations staff, security and safety for all their time and effort getting ready for new customers, making their arrival as seamless as possible. He also introduced Annika Wreford who is the summer intern for operations and then shared photos of Del Monte's first vessel arrival in the Port.

D. Director of Business & Economic Development

In addition to his written report, Mr. Miura had nothing further to report but noted that it is a very exciting time for the Port to see all the deals come to fruition the team has worked tirelessly over the last few years to put together.

E. Chief Financial Officer

Mr. Lowe began by introducing Amy O'Brien who is the new Controller for the finance department. He also noted Ms. Campus' last in person meeting stating she has agreed to continue to support the Port virtually for some additional time. Mr. Lowe expressed his gratitude to Ms. Campus for everything she has assisted him with since his arrival five years ago and for her 31 years of service to the Port. Mr. Lowe then gave a presentation regarding the financial results for the month of May. He also gave an update on the real estate sale noting the signs have been picked up and will be put out on the properties in the days ahead. He is working on a timing schedule. A log will be created to track inquiries on the properties with staff returning calls to explain the formality process the Port must follow per state guidelines and when it will take place.

12. Approval of financial report presented for the period ending May 31, 2024.

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

13. Receive report from Commissioners on matters related to:

- A. June 13 Finance Committee Meeting – Commissioner Giesecke reported the committee reviewed the investment policy which is on the agenda for approval. Liability insurance was also reviewed and on the agenda for approval. Tax abatement guidelines were given a first look as they are due for an update in the coming months. Annual tariff adjustments were also discussed with the committee and an executive session discussion was held to discuss matters to a port tenant.
- B. Port Commission related meetings or conferences, Port presentations and other Port related matters.

Commissioner Croft reported attending Brazoria County Economic Alliance Port Tour and Meeting and the plaque presentation for Del Monte's first vessel. He also participated in the Market Study Ad Hoc Committee meetings/interviews of potential firms.

Commissioner Fratila reported attending the Friends of the River Breakfast, Boy Scout Breakfast, Port CAP Meeting, Brazoria No Name Festival, Beneficial Use Group Zoom Meeting and she also participated in the Brazosport Chamber Shop Local Weekend Kick-Off.

Commissioner Giesecke report attending the monthly Freeport City Council meetings, Boy Scout Breakfast, LJ Business Association Luncheon, BCCA Meeting, plaque presentation for the Del Monte's first vessel and attended Monday lunch at Texas Port Ministry.

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

Mr. Lowe stated that staff reviewed the liability insurance with the Finance Committee noting that David Garcia and Stephen Whalley with Arthur J. Gallagher had a challenging market with the auto renewal portion. Since the committee meeting, staff and Gallagher looked at several options with one being a hybrid approach to only insuring liability on certain segment of autos. The Port has 22 vehicles that are insured with only 10 vehicles being 10 years old or newer. Based on what the deductible would be and the value of the vehicles, it would be a \$4500 savings to not add comprehensive and collision to the older vehicles, choosing only liability coverage for this year only. Mr. Lowe went on to state that Nationwide chose not to renew as they are exiting the maritime industry. Mr. Garcia went to 28 different underwriters for quotes with 20 choosing not to pursue. Mr. Lowe then presented the summary for the total liability premium of \$235,617. He noted the average rate increase for the market is 8.7% while Port Freeport's increase came in at 7.14% which includes the hybrid approach to the auto. Marine general liability increased \$4,500, auto \$3,850 and bumbershoot (umbrella) \$4,700 for an overall increase of \$15,692. He stated that outside of the challenging auto industry, all the incumbent carriers chose to renew bids with staff recommending those bids. Mr. Lowe shared a graphic of the averages for the last four quarters of the market noting it has stabilized overall. Finally, he shared a chart depicting total costs for each category of the insurances adding that staff recommends approval of the total premium cost of \$235,617. Commissioner Croft inquired if all vehicles were permitted to go on state highways/public roads or if some were domicile within the fence. Mr. Hibbetts stated the vehicles go outside the fence line. Commissioner Fratila asked for clarification on

the coverage of the vehicles regarding liability insurance. Mr. Lowe explained that all vehicles have liability coverage, the Port chose not to add comprehensive and collision to the older vehicles. Commissioner Giesecke also mentioned the non-owned auto portion that added a layer of complexity. Mr. Lowe explained that if any staff was going to a community event, meeting, etc. in their personal vehicle, that vehicle was previously covered under the Port's auto insurance for non-owned vehicles; however, RISCUM's quote did not include non-owned vehicles. Mr. Garcia was able to add that coverage to the Marine General Liability carrier, so the coverage is still available, just under a different manner.

A motion was made by Commissioner Croft to approve the liability insurances as presented. The motion was seconded by Commissioner Fratila with all Commissioners voting in favor of the motion.

15. Approval of Change Order No. 1 with Saltwater Salvage for the Docks 1, 2, 3 & 5 Sheet Pile Repair 2024 project, for removal of an old fender piling submerged near Dock 2 that was discovered in a recent hydrographic survey, for an amount not to exceed \$12,023.00.

Mr. Hull stated that in a previous meeting, he explained that while performing the routine hydrographic survey, debris was found in the harbor near Dock 2. Divers confirmed the debris to be an old fender piling that was attached to the quay as part of the original fendering system. The change order is to have the debris removed and disposed of in the amount of \$12,023.80.

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

16. Approval of a Professional Services Agreement with Baker and Lawson for the 5th Street Topographic Surveying – SCP, for an amount not to exceed \$46,700.00.

Mr. Hull stated this grant funded project is to rebuild East 5th Street in the Expansion Area (as noted on the drawing included) and requires topographic surveying and geotechnical work. The agreement with Baker and Lawson will be to perform the surveying of East 5th Street in the amount of \$46,700. Staff recommends approval.

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

17. Approval of a Professional Services Agreement with Baker and Lawson for the Gate 4 Entrance Topographic Surveying – SCP, for an amount not to exceed \$23,300.00.

Mr. Hull stated this grant funded project is to widen the approach to Gate 4 from 2 lanes to 4 (as noted on the drawing included) that also requires topographic surveying. The agreement with Baker and Lawson will be to perform the surveying of this entrance in the amount of \$23,300. Staff recommends approval.

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

18. Approval of a Professional Services Agreement with CMT Technical Services for the East 5th Street Geotechnical and Materials Testing – SCP, for an amount not to exceed \$37,572.00.

As previously mentioned, part of the East 5th Street rebuild will require geotechnical sampling and testing to make sure materials meet TxDOT requirements. CMT has given a proposal of \$37,572.00 for this work. Staff recommends approval. Commissioner Fratila asked for confirmation that CMT is on the TxDOT approved list of vendors. Mr. Hull stated that the laboratories have to be certified by TxDOT who will send people out the companies to ensure their laboratory equipment is calibrated periodically. CMT has previously done work for TxDOT.

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

19. Approval of a Professional Services Agreement with CMT Technical Services for the Gate 4 Entrance Geotechnical and Materials Testing – SCP, for an amount not to exceed \$18,482.00.

Mr. Hull stated that while CMT is doing work for the East 5th Street rebuild, they will also conduct geotechnical sampling and testing for the Gate 4 Entrance for an amount not to exceed \$18,482.00.

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

20. Approval of proposal submitted by Network Cabling Services, Inc. for the Network Switch Replacement.

Mr. Robertson stated there are two parts to this project which was discussed with the OSS Committee and had a budget of \$180,000. A summary of the project includes the following...

- replacing end of life network switches with industrial wide temperature range switches
- upgrade existing enclosures to meet standards by implementing power and ethernet surge suppression and protection
- provide a means to remotely power cycle equipment both manually and automatically and install 12 new enclosures

He explained the RFP (request for proposals) was for installation and allowed more favorable bids to be submitted since staff will procure the hardware. The two bids received were from reliable companies who have done previous work for the Port. Mr. Robertson recommends approving the low bid from Network Cabling Services in the amount of \$40,568. He added that he will bring the second piece of the project to the Commission for approval in July which will include procurement of the hardware for the project.

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

21. Approval of a Master Services Agreement with Hot Dog Marketing for the redevelopment of Port Freeport's website and ancillary marketing services.

Mr. Miura stated that staff begin the process for website redevelopment requesting bids from qualified firms. The proposals were reviewed with the Ad Hoc Committee and staff is recommending Hot Dog Marketing to redevelop the website. Mr. Miura explained the proposal submitted was for \$111,000; however, since Hot Dog Marketing is a full service marketing agency, staff inquired about other potential services they could provide. Additional services would include new ad material, new professional presentation for visiting customers, new trade show material and messaging as well as creating a temporary logo for the Port's centennial anniversary next year. Hot Dog prepared an addendum proposal to the agreement in the amount of \$27,000 for the additional services. Staff recommends Port Freeport enter into Master Services Agreement with Hot Dog Marketing for the redevelopment of the website and additional services for a total not to exceed \$150,000. Mr. Miura explained \$150,000 is the budgeted amount for the project and gives some flexibility should staff have an additional request above the quoted amount of \$138,000 by the agency. Commissioner Giesecke clarified the centennial logo would only be temporary to celebrate the 100th anniversary, not a permanent change. Mr. Miura also stated the current website was redeveloped 8 years ago. The expected life of the new website will be about the same with staff receiving appropriate training to update the website in house, unless there has to be a new page creation, as was the case with Public Information Request page. He also noted the platform is HubSpot based which is the current platform staff uses for updates. IT is in support of the firm and confident they will follow what staff asks for.

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

22. Discuss and consider selection of firm to perform Port Freeport Market Study and authorize Executive Director/CEO to execute contract with selected firm.

This item was tabled.

23. Discuss and consider 1) filing comments regarding the proposed 25% Section 301 tariff on the importation of Chinese-built ship-to-shore cranes directly with the Office of the United States Trade Representative and other relevant offices and 2) joining with port associations and coalitions in expressing concerns about the proposed tariff.

Ms. Saathoff stated she wanted to brief the Commission and get consensus on the Port filing comments regarding the proposed 25% Section 301 tariff on the importation of Chinese-built ship-to-shore cranes, with the Port filing directly to highlight specific items to Port Freeport in their comments. The Port would also join other port associations and coalitions to file comments jointly. The proposed tariff is expected to go into effect August 1 and be applied to any Chinese built ship to shore cranes delivered after that date. The Port made decisions based on price, funding and approval last year for their cranes receiving one bid from ZPMC to construct the cranes as specified by Port Freeport, which was included in the contract without any knowledge a 25% tariff would be implemented. Staff strongly believes this tariff is unfair to those who already have cranes under contract to be constructed or are in construction as you cannot withdraw from the contract. For a \$25 million project, the tariff will add an additional \$6 million to the cost of the cranes if it has to be paid. Ms. Saathoff stated the Port is seeking relief on the basis that a process was followed with designating ABB to install the operating system under the Port's direction once the cranes (structures) have been delivered. In addition, the Port specified certain equipment that is U.S./Europe

manufactured to be included on the cranes will still have the tariff applied. She noted that not everyone will have the extra \$6 million needed to pay the tariff therefore, funds will have to be redirected or more debt will have to be issued so overall cost are increased with the potential for adding additional debt service or delaying projects. Staff has a letter drafted from the Port outlining specifics mentioned earlier, a coalition letter which includes AAPA, Gulf Ports Association, Texas Ports Association, Ports Association of Louisiana, World Trade Center of New Orleans, New Orleans Board of Trade and is signed on by Port Houston, Georgia Ports Authority, South Carolina Ports, Port of Virginia and Port of New Orleans. Staff is seeking authorization to add Port Freeport. Ms. Saathoff noted the National Association of Workers is also signing on. She also mentioned another letter is being drafted for the congressional delegations to join together to sign with Congressman Weber's office heavily engaged in the coalition. Ms. Saathoff shared the drafted letter from Port Freeport and asked for authorization to submit the letter as well as sign on with the coalition and continue to engage with the delegation offices to support the Port's position on this.

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

24. Adoption of a Resolution declaring items surplus and ordered sold separately for cash, after notice of sale and receipt of bids to the highest bidder; destroyed or otherwise disposed of if no bids are received; or offered as trade-in for new property of the same general type.

Mr. Hibbetts stated that staff wants to surplus the first rescue container that was built 7-8 years ago, sharing a picture of its current condition. Staff's recommendation is to scrap the container after going through the process of declaring it surplus. Commissioner Giesecke noted a minor edit to the resolution stating the word *if* was missing under item d (in two places), and should read, "donated to a civic or charitable organization in Brazoria County, *if* it would likely receive no bids or the expenses of sale would be greater than the bid price, and the donation serves a public purpose, and the charitable organization will incur the expenses for transportation or disposal." Staff will make the correction.

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

25. 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 this property is not in the Port's area of interest and recommends approval.

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

26. Adoption of a Resolution approving the Port Freeport Investment Policy including any required updates.

Ms. Campus stated the Public Funds Investment Act requires an annual review of the investment policy in addition to the list of brokers set in the policy, the strategies and staff

training. Ms. Campus noted there were no changes in the last legislative session to amend the Act therefore, there are no changes or recommendations to the procedures. Staff met with the Finance Committee June 13, and it is their recommendation to approve the policy.

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

27. Approval of updates to the following Port Policies...

- 3.1 – Equal Employment Opportunity
- 3.3 – Immigration Law Compliance
- 3.5 – Outside Employment
- 3.6 – Physical Examination
- 3.8 – Drug Screening/Testing
- 3.10 – Acceptance of Personal Gifts

Mr. Lowe stated that staff met with the Personnel Committee to review the six policies, noting Policies 3.1 and 3.3 were vetted and had recommended changes by legal counsel. Mr. Lowe then noted the following changes to each policy...

3.1 – Equal Employment Opportunity – expanded language acknowledging guidelines provided by the EEOC.

3.3 – Immigration Law Compliance – strengthened language regarding non-discrimination practices in line with the Immigration Reform and Control Act of 1986. Also made non substantive administrative changes.

3.5 – Outside Employment – added statement requiring Port Commission approval for the CEO to be employed in a second job outside of the port. This policy existed for employees with the CEO's authorization but no provision for the CEO.

3.6 – Physical Examinations – deleted redundant section now covered in Policy 3.8 for new employees and left what applied for existing employees.

3.8 – Drug Screening/Testing – recommendations reflecting the transition of this policy to establish pre-employment drug and health testing as well as background checks. Policy 8.1 was previously updated to capture drug screening activities of existing employees thus the redundant statements found in 3.8 are recommended to be deleted.

3.10 – Acceptance of Personal Gifts – eliminated individual amounts and raised aggregate amounts of gift receipt allowances to reflect current pricing of customary meals, entertainment, and gifts. Also included requirements that the Port Commission must approve exceptions for the CEO or individual Port Commissioners.

Commissioner Giesecke inquired whether there was a statutory limit on gifts for public officials. Mr. Randle stated it general says "de minimis," adding that Supreme Court stated (yesterday) that \$13,000 given to an elected official after they make a decision is not a bribe but if you give it to them before, it would be. Mr. Lowe added the majority of what the Port sees comes in during the holiday season with pecans and pears among the gifts which is typically shared with all employees. With regard to Policy 3.3 - Immigration Law

Compliance, Commissioner Giesecke suggested that since the Port already employs E-Verify to screen new applicants, he would like to see it added as part of this policy to state the Port will use E-Verify or similar successor program. Staff will add a line at the end of the last paragraph to read “For pre-employment screening, Port Freeport will use E-Verify or similar successor federal program.”

A motion was made by Commissioner Giesecke to amend Policy 3.3 to read “Port Freeport will use E-Verify or similar successor federal program.” The motion was seconded by Commissioner Fratila with all Commissioners present voting in favor of the motion.

A motion was made by Commissioner Croft to approve staff’s recommendations on the policies presented under section 27 of the agenda. The motion was seconded by Commissioner Santos with all Commissioners present voting in favor of the motion.

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

- A. Under authority of Section 551.071 (Consultation with Attorney) for discussion regarding:
 - 1. Consultation with attorney under Government Code Section 551.071(1) (to seek or receive attorney’s advice on pending or contemplated litigation).
 - 2. Consultation with attorney under Government Code Section 551.071(2) (to seek or receive attorney’s advice on legal matters that are not related to litigation).
- B. Under authority of Section 551.076 (Deliberation of Security Matters) for discussion regarding:
 - 1. Discussion regarding issues related to the deployment, or specific occasions for implementation of security personnel or devices or security audit and services.
- C. Under authority of Section 551.087 (Economic Development Negotiations or Incentives):
 - 1. To discuss or deliberate regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations.
 - i. Business and Economic Development Reports.
 - 2. To deliberate the offer of a financial or other incentive to a business prospect described by Subdivision (1).
- D. Under authority of Section 551.072 (Deliberation Concerning Real Property Matters) for discussion regarding:
 - 1. The potential lease, or value of real property located at Port Freeport, including but not limited to 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.
- 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.

29. RECONVENE OPEN SESSION to review and consider the following:

30. Approval of a Second Amendment to Terminal Use Agreement between Port Freeport and Cemex, Inc.

This item was tabled.

31. Adjourn.

With no further business before the Commission, the meeting adjourned at 5:13 PM.