

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.

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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 Singhanian and Kincannon followed by the AAPA Legislative Summit, also in Washington, DC with Commissioners Singhanian, 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 Singhanian 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 Singhanian 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.