

A G E N D A
FORT SMITH PORT AUTHORITY

MEETING
Thursday, July 21, 2022
Port of Fort Smith, 200 Navy Road
Fort Smith, Arkansas

TIME: 11:30 a.m.

1. Call to order – Larry Combs, Chair
2. Roll Call
3. Approve minutes of:
 - a. April 19, 2022 regular meeting
4. Treasurer’s Report – Philip Doss, Treasurer
 - a. Port Authority Bank activity and current balances
 - b. Ratification of payments made to date
 1. Ratify payment of Invoice #2200 from Cameron Hubbs Construction in the amount of \$4,950 for equipment & labor for clearing area at Mill Creek. This project was previously approved and is complete.
 2. Ratify payment of Invoice #2201 from Cameron Hubbs Construction in the amount of \$19,800 for material, equipment & labor for final clearing at Mill Creek and ground improvements (gravel placement). This project was previously approved and is complete.
5. Operator’s Report/Tonnage Report
6. Business Items for discussion:
 - a. Update regarding insurance matters at the Port of Fort Smith
 - b. Consider engagement of Landmark CPA’s to prepare the Port Authority’s financial statements for FY2021 for a fee of \$1,700.
7. Next regular meeting: Thursday, October 20, 2022
8. Adjourn.

City of Fort Smith
Port Authority Meeting
11:30 a.m. Tuesday, April 19, 2022
Port of Fort Smith, 200 Navy Road
Fort Smith, Arkansas

MINUTES

The Fort Smith Port Authority scheduled a regular meeting at 11:30 a.m. on Tuesday, April 19, 2022 at the Port of Fort Smith, 200 Navy Road, Fort Smith.

After a box lunch provided by Bank OZK and arranged by Philip Doss, the meeting was called to order by chairman Larry Combs at 11:45 a.m. and a quorum was noted present. Other Port Authority members present were Dustin Collyge, Chad Lane and Eddie Norman. Philip Doss was absent and excused. Others attending included Marty Shell, Cameron Hubbs and Jeff Dingman.

The minutes of the January 20, 2022 regular meeting were presented for approval. Mr. Collyge moved approval of the minutes. Mr. Norman seconded, and the motion carried by unanimous vote.

The Port Authority reviewed the Port Authority's bank account statements and disbursements as of March 31, 2022. As of that date, the operating account balance was \$188,329.34 with no outstanding disbursements. Also as of that date, the balance of the grant project account was \$1.11 with no outstanding disbursements. The Port Authority also reviewed the statements for the three Certificates of Deposit. Total balance for all three CD's as of March 24, 2022 was \$2,002,093.59.

Total for all Port Authority funds as of March 31, 2022 is \$2,190,422.93. In addition, the Port Authority received a reimbursement for funds spent on flood mitigation projects from FEMA/ADEM on April 1, 2022 in the amount of \$226,611.75, which increased the Operating Fund balance to \$414,941.09 and increased the total to \$2,417,034.68 as of this date, April 19.

Mr. Lane moved that the Port Authority ratify payment of Invoice #2146 dated February 28, 2022 from Cameron Hubbs Construction in the amount of \$55,000 for Building A East Side – Concrete Apron & Ramp. This project was previously approved by the Port Authority, and was completed and paid with Check #150 dated March 14, 2022, which has cleared and is reflected in the totals above. Mr. Collyge seconded the motion, and the motion carried by unanimous vote.

Mr. Norman moved that the Port Authority ratify payment of Invoice #2152 dated February 28, 2022 from Cameron Hubbs Construction in the amount of \$4,752 for Building A West Side – South Corner Concrete Apron. This project was previously approved by the Port Authority, and was completed and paid with Check #151 dated March 14, 2022, which has cleared and is reflected in the totals above. Mr. Collyge seconded the motion, and the motion carried unanimously.

Mr. Shell delivered the Operators/Tonnage Report, stating that in the first quarter 2022 the Port of Fort Smith saw a total of 9,002 net tons of material, mostly corn for ag feed. The Port of Van Buren handled 55,999 net tons of material, mostly urea, potash, & steel rod. Total for the quarter at both facilities was 65,001 net tons. Mr. Norman moved approval of the Operators/Tonnage Report. Mr. Collyge seconded and the motion carried by unanimous vote.

Mr. Shell reviewed the impact of the vandalism that occurred at the Port of Fort Smith on

Sunday, April 10, 2022 (approximately 4:30 pm to 6:30 pm). Two youths entered Port property, broke into Building B and used a loader owned by Five Rivers to facilitate damage to Port property. Such damage included ripping the sidewall and endwall of Building B, damaging the winches and pumps at both docks, damaging the railroad track (with the loader), damaging the loader itself, popping several fire extinguishers on the property, and other nefarious acts captured on video. The individuals have been identified and arrests are pending, but as the offenders are juveniles there is likely not going to be much in the way of restitution.

Mr. Hubbs added that the winches were reversed to pull against themselves and left on, damaging the cable ends and also burning up the reverse contactors until the breakers tripped. It will be at least three months for replacement reverse contactors.

Mr. Shell has obtained a quote from Legacy Building for repairing the damaged panels on Building B in the amount of \$63,175.18. Mr. Hubbs estimated the damage to Dock 1 equipment at \$15,000 and the damage to Dock 2 equipment at \$20,000. Other damage to property from this incident is estimated at \$10,000 to \$12,000, putting the total estimated damage at about \$110,000, all to be confirmed. It was noted that the current property insurance deductible for perils including vandalism is \$100,000 per occurrence.

Mr. Shell specifically asked the Port Authority to authorize the work from Legacy Building, as their crew had a short opening at the end of the month where they could fix Building B. The Port Authority consented and agreed that Mr. Shell should schedule the repairs and that it would provide the funds to repair the building. The Port Authority also directed Mr. Hubbs to order the needed parts to repair the winch, cable, & pump equipment.

Next was a discussion related to property insurance coverage at the Port of Fort Smith, such discussion already scheduled for this meeting due to recent action by the City of Fort Smith. The City elected to change its property insurance coverage from the Arkansas Municipal League's Municipal Property Program to a policy provided by Traveler's through the city's insurance broker, First Western effective April 1, 2022. As noted above, the city's deductible under the policy is \$100,000 per occurrence.

The Port Authority's Operator Agreement with Five Rivers requires the Operator to provide property/casualty insurance on the premises. Due to favorable premium amounts, and the AML's agreement to include Port Authority property under the city's coverage, the Port Authority paid the portion of the city's premiums for coverage of Port Property, and Five Rivers reimbursed the Port Authority for that expense as a means to meet its obligation to provide property coverage. As the city's new coverage with Traveler's brings the city's insurable interest in the Port Authority property into question, Mr. Dingman recommended that the Port Authority direct Mr. Shell to seek other coverage for property insurance including all perils other than flood insurance.

Mr. Shell invited Mr. Nick Peters, his insurance agent for other Fiver Rivers property, to attend the meeting and speak as to insurance coverage. Mr. Peters noted that some adjustment to the language in the agreement is needed to clarify agreed coverage values (not 100% replacement values) and specify responsibility for property insurance coverage and flood insurance coverage. Flood insurance is available through the National Flood Insurance Program, but there are limits that apply to specific facilities.

After discussion with Mr. Peters, the Port Authority asked Mr. Dingman to review and work on such an amendment to the agreement regarding insurance coverage to present to the Port Authority & Mr. Shell for approval.

The Port Authority reviewed invoices submitted by Cameron Hubbs Construction related to three other specific projects previously approved, as follows:

1. Invoice No. 2171 for material, equipment and labor for Lay Down area fill between Building A & the river in the amount of \$27,500. This project was previously approved and is now complete.
2. Invoice No. 2172 for material, equipment and labor related to the creation of a drainage swale between Dock 2 and Building B in the amount of \$57,685. This project is now complete.
3. Invoice No. 2173 for material, equipment and labor for Dirt Pad at the site of the 4th warehouse building in the amount of \$91,000. Total for this project is \$96,000 but \$5,000 was previously authorized as partial payment. This project is now complete and the balance is due.

Mr. Norman moved approval of all three invoices. Mr. Lane seconded, and the motion carried by a vote of four in favor, zero opposed. It was noted that after payment of such invoices the Port Authority would have a balance of \$238,756.09 in its Operating Account, part of which will be used to pay for the repairs to Building B and the dock equipment as noted above.

Mr. Shell noted that \$5,000 has been previously approved to go toward clearing trees & underbrush on Port Authority property, specifically the portions outside of the fenced area that are attracting homeless camps and other unwanted activity. He also would like to add some additional slag to the area to stabilize the ground in a small section. He asked the Port Authority to provide an additional \$20,000 for such work, which would enhance the security of the entire property and provide better visibility from Wheeler Avenue. Mr. Norman moved approval of such request not to exceed a combined total of \$25,000, Mr. Lane seconded, and the motion carried unanimously.

The next regular meeting of the Fort Smith Port Authority is scheduled for Thursday, July 21, 2022. There being no further business, the meeting adjourned at 1:00 pm.

Respectfully submitted,



Jeff Dingman
Deputy City Administrator
City of Fort Smith, Arkansas



Cameron Hubbs Construction, Inc

3409 Owen Street

Van Buren, AR 72956

Phone: (479) 262-6905

Fax: (479) 262-6908

INVOICE

Invoice Number: 2200

Invoice Date: 5/31/2022

Page: Page 1 of 1

BILL TO:			
Port Authority of City of FS 200 Navy Road			
Fort Smith	AR	72901	

JOB LOCATION:	
PFS-ClearingArea@MillCreek	
200 Navy Road	
Fort Smith	AR

Customer ID	Customer PO	Attention	Job Number
279			22-060
Due Date	Payment Terms	Discount Amount	Discount if paid by:
6/30/2022	Net 30 Days	0.00	5/31/2022

Quantity	Description	Unit Price	Amount
1.00	Equipment and Labor for clearing area at Mill Creek	4,950.00	4,950.00

*Unless noted, excludes any state sales tax if required. Customer must report if required to remit

Subtotal	\$	4,950.00
Sales Tax (if applicable)	\$	0.00
Retainage	\$	0.00
Total Invoice Amount	\$	4,950.00
Previous Payments/Credit Applied	\$	0.00
TOTAL		4,950.00



Cameron Hubbs Construction, Inc

3409 Owen Street
Van Buren, AR 72956
Phone: (479) 262-6905
Fax: (479) 262-6908

INVOICE

Invoice Number: 2201
Invoice Date: 5/31/2022
Page: Page 1 of 1

BILL TO:			
Port Authority of City of FS 200 Navy Road			
Fort Smith	AR	72901	

JOB LOCATION:	
PFS-FinalClrng&Imprmnts@MllCrk	
200 Navy Road	
Fort Smith	AR

Customer ID	Customer PO	Attention	Job Number
279			22-061
Due Date	Payment Terms	Discount Amount	Discount if paid by:
6/30/2022	Net 30 Days	0.00	5/31/2022

Quantity	Description	Unit Price	Amount
1.00	Material, Equipment, and Labor for final clearing at Mill Creek and ground improvements (gravel placement)	19,800.00	19,800.00

*Unless noted, excludes any state sales tax if required. Customer must report if required to remit

Subtotal	\$	19,800.00
Sales Tax (if applicable)	\$	0.00
Retainage	\$	0.00
Total Invoice Amount	\$	19,800.00
Previous Payments/Credit Applied	\$	0.00
TOTAL		19,800.00



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CITY OF FORT SMITH PORT AUTHORITY

GRANT ACCOUNT

623 GARRISON AVE

FORT SMITH AR 72901-2508

Statement Date: 04/29/2022

Account Number: [REDACTED]

As of October 25, 2021, our Terms and Conditions Addendum has been updated with additional provisions regarding Large Cash Withdrawal requests. To view this revision, please go to ozk.com/disclosures.

Safety Link is now a FREE service that automatically transfers funds from a linked savings, checking, money market, or line of credit Bank OZK account to cover insufficient items presented for payment. Visit your local branch to enroll or ozk.com/personal/checking-accounts to learn more!

PUBLIC FUND CHECKING ACCOUNT - [REDACTED]

PREVIOUS STATEMENT BALANCE AS OF 03/31/22:	1.11
PLUS 1 DEPOSITS AND OTHER CREDITS:	1.00
LESS 1 CHECKS AND OTHER DEBITS:	1.00
CURRENT STATEMENT BALANCE AS OF 04/29/22:	1.11
NUMBER OF DAYS IN THIS STATEMENT PERIOD:	29

OTHER TRANSACTIONS

DATE	DESCRIPTION	DEBITS	CREDITS
04/27	TRANSFER FROM DDA PUBLIC FUNDS INT ACCOUNT [REDACTED]		1.00
04/29	TRANSFER TO DDA PUBLIC FUNDS INT ACCOUNT [REDACTED]	1.00	

BALANCE BY DATE

DATE	AMOUNT	DATE	AMOUNT
04/27	2.11	04/29	1.11

PAYER FEDERAL ID NUMBER: 71-0130170

INTEREST EARNED THIS STATEMENT PERIOD

AVERAGE LEDGER BALANCE:	1.17
INTEREST EARNED:	0.00
INTEREST PAID THIS PERIOD:	0.00
ANNUAL PERCENTAGE YIELD EARNED:	.00%
INTEREST RATE:	.05%





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CITY OF FORT SMITH PORT AUTHORITY

OPERATING ACCOUNT

623 GARRISON AVE

FORT SMITH AR 72901-2508

Statement Date: 04/29/2022

Account Number: [REDACTED]

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PUBLIC FUND CHECKING ACCOUNT - [REDACTED]

PREVIOUS STATEMENT BALANCE AS OF 03/31/22:	188,329.34
PLUS 3 DEPOSITS AND OTHER CREDITS:	226,629.23
LESS 1 CHECKS AND OTHER DEBITS:	1.00
CURRENT STATEMENT BALANCE AS OF 04/29/22:	414,957.57
NUMBER OF DAYS IN THIS STATEMENT PERIOD:	29

OTHER TRANSACTIONS

DATE	DESCRIPTION	DEBITS	CREDITS
04/01	DIRECT PAY STATE OF ARK 22*A*XXXXXX6950 *0995		226,611.75
04/27	TRANSFER TO DDA PUBLIC FUNDS INT ACCOUNT [REDACTED]	1.00	
04/29	TRANSFER FROM DDA PUBLIC FUNDS INT ACCOUNT [REDACTED]		1.00
04/29	INTEREST		16.48

BALANCE BY DATE

DATE	AMOUNT	DATE	AMOUNT	DATE	AMOUNT	DATE	AMOUNT
04/01	414,941.09	04/27	414,940.09	04/29	414,957.57		

PAYER FEDERAL ID NUMBER: 71-0130170

INTEREST PAID YEAR TO DATE: 48.34

INTEREST EARNED THIS STATEMENT PERIOD

AVERAGE LEDGER BALANCE:	414,941.02
INTEREST EARNED:	16.48
INTEREST PAID THIS PERIOD:	16.48
ANNUAL PERCENTAGE YIELD EARNED:	.05%
INTEREST RATE:	.05%





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CITY OF FORT SMITH PORT AUTHORITY

GRANT ACCOUNT

623 GARRISON AVE

FORT SMITH AR 72901-2508

Statement Date: 05/31/2022

Account Number: [REDACTED]

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PUBLIC FUND CHECKING ACCOUNT - [REDACTED]

PREVIOUS STATEMENT BALANCE AS OF 04/29/22:	1.11
PLUS 1 DEPOSITS AND OTHER CREDITS:	1.00
LESS 1 CHECKS AND OTHER DEBITS:	1.00
CURRENT STATEMENT BALANCE AS OF 05/31/22:	1.11
NUMBER OF DAYS IN THIS STATEMENT PERIOD:	32

OTHER TRANSACTIONS

DATE	DESCRIPTION	DEBITS	CREDITS
05/27	TRANSFER FROM DDA PUBLIC FUNDS INT ACCOUNT [REDACTED]		1.00
05/31	TRANSFER TO DDA PUBLIC FUNDS INT ACCOUNT [REDACTED]	1.00	

BALANCE BY DATE

DATE	AMOUNT	DATE	AMOUNT	DATE	AMOUNT	DATE	AMOUNT
05/27	2.11	05/31	1.11				

PAYER FEDERAL ID NUMBER: 71-0130170

INTEREST EARNED THIS STATEMENT PERIOD

AVERAGE LEDGER BALANCE:	1.23
INTEREST EARNED:	0.00
INTEREST PAID THIS PERIOD:	0.00
ANNUAL PERCENTAGE YIELD EARNED:	.00%
INTEREST RATE:	.05%





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47425 0.6580 AV 0.426 144 1 12



CITY OF FORT SMITH PORT AUTHORITY

OPERATING ACCOUNT

623 GARRISON AVE

FORT SMITH AR 72901-2508

Statement Date: 05/31/2022

Account Number: [REDACTED]

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PUBLIC FUND CHECKING ACCOUNT - [REDACTED]

PREVIOUS STATEMENT BALANCE AS OF 04/29/22:	414,957.57
PLUS 2 DEPOSITS AND OTHER CREDITS:	13.64
LESS 4 CHECKS AND OTHER DEBITS:	176,186.00
CURRENT STATEMENT BALANCE AS OF 05/31/22:	238,785.21
NUMBER OF DAYS IN THIS STATEMENT PERIOD:	32

CHECK TRANSACTIONS

SERIAL	DATE	AMOUNT	SERIAL	DATE	AMOUNT
162	05/09	27,500.00	164	05/09	91,000.00
163	05/09	57,685.00			

OTHER TRANSACTIONS

DATE	DESCRIPTION	DEBITS	CREDITS
05/27	TRANSFER TO DDA PUBLIC FUNDS INT ACCOUNT [REDACTED]	1.00	
05/31	TRANSFER FROM DDA PUBLIC FUNDS INT ACCOUNT [REDACTED]		1.00
05/31	INTEREST		12.64

BALANCE BY DATE

DATE	AMOUNT	DATE	AMOUNT	DATE	AMOUNT	DATE	AMOUNT
05/09	238,772.57	05/27	238,771.57	05/31	238,785.21		

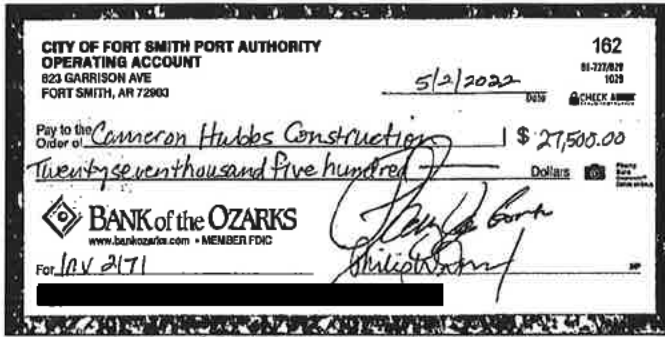
PAYER FEDERAL ID NUMBER: 71-0130170

INTEREST PAID YEAR TO DATE: 60.98

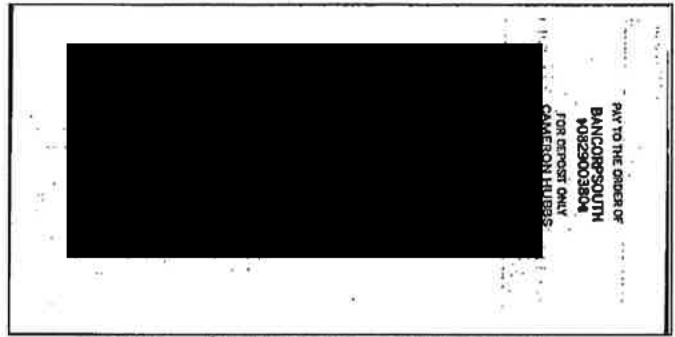
INTEREST EARNED THIS STATEMENT PERIOD

AVERAGE LEDGER BALANCE:	288,324.47
INTEREST EARNED:	12.64
INTEREST PAID THIS PERIOD:	12.64
ANNUAL PERCENTAGE YIELD EARNED:	.05%
INTEREST RATE:	.05%

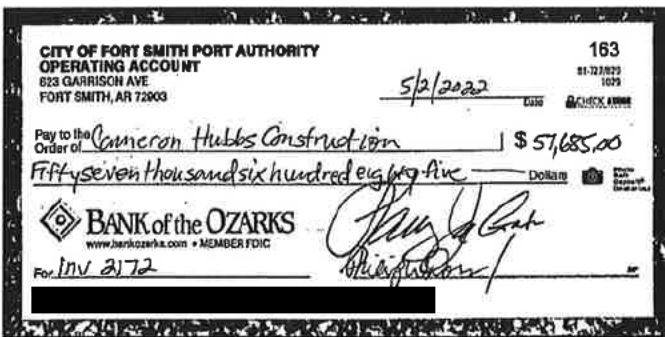




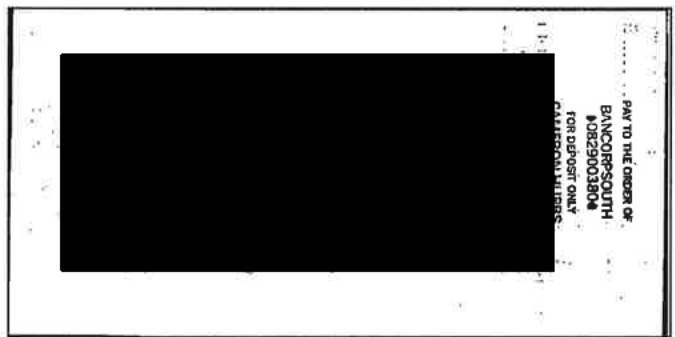
162 \$27500.00 05/09/2022



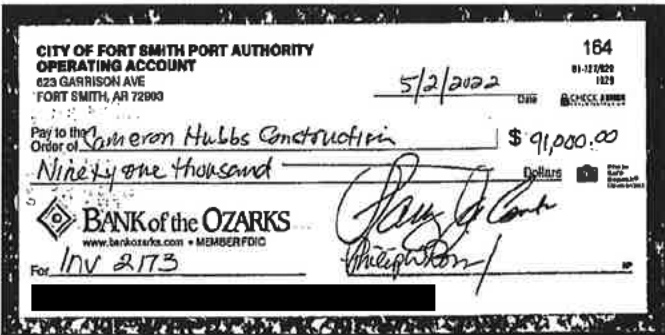
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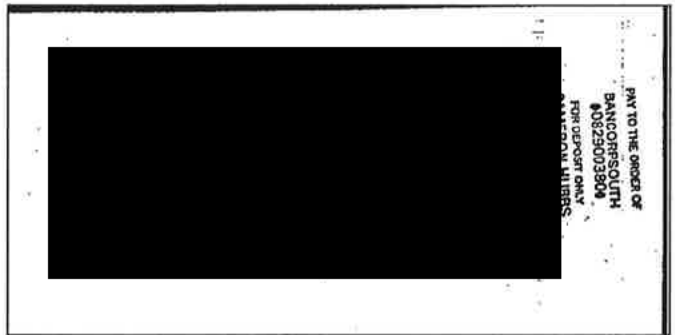
163 \$57685.00 05/09/2022



163 \$57685.00 05/09/2022



164 \$91000.00 05/09/2022



164 \$91000.00 05/09/2022





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CITY OF FORT SMITH PORT AUTHORITY

GRANT ACCOUNT

623 GARRISON AVE

FORT SMITH AR 72901-2508

Statement Date: 06/30/2022

Account Number: [REDACTED]

Attention Business Customers: Our Schedule of Fees is changing. On July 1, 2022, we will begin charging Change Order Fees for Non-Analysis Business accounts. The fee for Coin Rolls will be \$0.10 per roll after the first 15 rolls. Currency Straps will incur a fee of \$0.25 per strap after the first five straps. Fee is charged on the second business day of the month for all change orders from the previous month.

As of July 1, 2022, our Terms and Conditions Addendum has been updated. To view this revision, please go to ozk.com/disclosures.

PUBLIC FUND CHECKING ACCOUNT - [REDACTED]

PREVIOUS STATEMENT BALANCE AS OF 05/31/22:	1.11
PLUS 1 DEPOSITS AND OTHER CREDITS:	1.00
LESS 1 CHECKS AND OTHER DEBITS:	1.00
CURRENT STATEMENT BALANCE AS OF 06/30/22:	1.11
NUMBER OF DAYS IN THIS STATEMENT PERIOD:	30

OTHER TRANSACTIONS

DATE	DESCRIPTION	DEBITS	CREDITS
06/27	TRANSFER FROM DDA PUBLIC FUNDS INT ACCOUNT [REDACTED]		1.00
06/30	TRANSFER TO DDA PUBLIC FUNDS INT ACCOUNT [REDACTED]	1.00	

BALANCE BY DATE

DATE	AMOUNT	DATE	AMOUNT	DATE	AMOUNT	DATE	AMOUNT
06/27	2.11	06/30	1.11				

PAYER FEDERAL ID NUMBER: 71-0130170

INTEREST EARNED THIS STATEMENT PERIOD

AVERAGE LEDGER BALANCE:	1.21
INTEREST EARNED:	0.00
INTEREST PAID THIS PERIOD:	0.00
ANNUAL PERCENTAGE YIELD EARNED:	.00%
INTEREST RATE:	.05%





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CITY OF FORT SMITH PORT AUTHORITY

OPERATING ACCOUNT

623 GARRISON AVE

FORT SMITH AR 72901-2508

Statement Date: 06/30/2022

Account Number: [REDACTED]

Attention Business Customers: Our Schedule of Fees is changing. On July 1, 2022, we will begin charging Change Order Fees for Non-Analysis Business accounts. The fee for Coin Rolls will be \$0.10 per roll after the first 15 rolls. Currency Straps will incur a fee of \$0.25 per strap after the first five straps. Fee is charged on the second business day of the month for all change orders from the previous month.

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PUBLIC FUND CHECKING ACCOUNT - [REDACTED]

PREVIOUS STATEMENT BALANCE AS OF 05/31/22:	238,785.21
PLUS 2 DEPOSITS AND OTHER CREDITS:	10.30
LESS 3 CHECKS AND OTHER DEBITS:	24,751.00
CURRENT STATEMENT BALANCE AS OF 06/30/22:	214,044.51
NUMBER OF DAYS IN THIS STATEMENT PERIOD:	30

CHECK TRANSACTIONS

SERIAL	DATE	AMOUNT	SERIAL	DATE	AMOUNT
165	06/16	19,800.00	166	06/16	4,950.00

OTHER TRANSACTIONS

DATE	DESCRIPTION	DEBITS	CREDITS
06/27	TRANSFER TO DDA PUBLIC FUNDS INT ACCOUNT [REDACTED]	1.00	
06/30	TRANSFER FROM DDA PUBLIC FUNDS INT ACCOUNT [REDACTED]		1.00
06/30	INTEREST		9.30

BALANCE BY DATE

DATE	AMOUNT	DATE	AMOUNT	DATE	AMOUNT	DATE	AMOUNT
06/16	214,035.21	06/27	214,034.21	06/30	214,044.51		

PAYER FEDERAL ID NUMBER: 71-0130170

INTEREST PAID YEAR TO DATE: 70.28

INTEREST EARNED THIS STATEMENT PERIOD

AVERAGE LEDGER BALANCE:	226,410.11
INTEREST EARNED:	9.30
INTEREST PAID THIS PERIOD:	9.30
ANNUAL PERCENTAGE YIELD EARNED:	.05%
INTEREST RATE:	.05%



Five Rivers Distribution

Second Quarter Tonnage Report

Van Buren

Truck	956.85
Rail	1,894.85
Barge	56,047.19
	<hr/>
	58,898.89

Fort Smith

Truck	5,584.66
Rail	2,597.55
Barge	2,989.80
	<hr/>
	11,172.02

Total	70,070.91
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**FIVE RIVERS DISTRIBUTION - PORT OF FORT SMIT
TONNAGE REPORT**

Date: April 2022

Pay to: City of Fort Smith

PORT	COMMODITY	RECD. VIA	LOAD WT	TONS
FSPT	Steel	Truck	4,195,684	2,097.8420
FSPT	Bars	Truck	0	0.0000
		TOTALS	4,195,684	2,097.8420
FSPT	Potash/Trio	Truck	0	0.0000
		TOTALS	0	0.0000
FSPT	Steel	Rail Cars	103,300	51.6500
FSPT	Wire Rods	Rail Cars	713,496	356.7480
		TOTALS	816,796	408.3980
FSPT	Lumber	Rail Cars	0	0.0000
		TOTALS	0	0.0000
FSPT	Phosphate	Rail Cars	0	0.0000
		TOTALS	0	0.0000
FSPT	Soy Bean Meal	Truck/Rail	199,650	99.8250
		TOTALS	0	99.8250
FSPT	Bar	Trucks	0	0.0000
		TOTALS	0	0.0000
FSPT	Potash	Rail Cars	0	0.0000
		TOTALS	0	0.0000
FSPT	Scrap Iron	Barge	2,925,896	1,462.9480
		TOTALS	2,925,896	1,462.9480
FSPT	Alloys	Truck	0	0.0000
		TOTALS	0	0.0000
FSPT	Alloys	Rail/Barge	0	0.0000
		TOTALS	0	0.0000
FSPT	Urea/Trio/Potash	Barge	0	0.0000
FSPT	Mag. Oxide	Barge	0	0.0000
FSPT	Magnachem Ore	Barge	0	0.0000
FSPT	DDG/Soy Hull/Corn	Barge	0	0.0000
		TOTALS	0	0.0000
FSPT	Coal	Barge	0	0.0000
		TOTALS	0	0.0000
TOTAL TONNAGE			4,069.0130	

**FIVE RIVERS DISTRIBUTION - PORT OF FORT SMITH
TONNAGE REPORT**

Date: May 2022

Pay to: City of Fort Smith

PORT	COMMODITY	RECD. VIA	LOAD WT	TONS
FSPT	Steel Bars	Truck	3,449,059	1,724.5295
FSPT		Truck	773,442	386.7210
		TOTALS	4,222,501	2,111.2505
FSPT	Potash/Trio	Truck	0	0.0000
		TOTALS	0	0.0000
FSPT	Steel Wire Rods	Rail Cars	0	0.0000
FSPT		Rail Cars	0	0.0000
		TOTALS	0	0.0000
FSPT	Lumber	Rail Cars	115,000	57.5000
		TOTALS	115,000	57.5000
FSPT	Phosphate	Rail Cars	0	0.0000
		TOTALS	0	0.0000
FSPT	Soy Bean Meal	Truck/Rail	2,407,900	1,203.9500
		TOTALS	0	1,203.9500
FSPT	Bar	Trucks	0	0.0000
		TOTALS	0	0.0000
FSPT	Scrap Iron	Rail Cars	690,440	345.2200
		TOTALS	690,440	345.2200
FSPT	Scrap Iron	Barge	3,053,708	1,526.8540
		TOTALS	3,053,708	1,526.8540
FSPT	Alloys	Truck	0	0.0000
		TOTALS	0	0.0000
FSPT	Alloys	Rail/Barge	0	0.0000
		TOTALS	0	0.0000
FSPT	Urea/Trio/Potash	Barge	0	0.0000
FSPT	Mag. Oxide	Barge	0	0.0000
FSPT	Magnachem Ore	Barge	0	0.0000
FSPT	DDG/Soy Hull/Corn	Barge	0	0.0000
		TOTALS	0	0.0000
FSPT	Coal	Barge	0	0.0000
		TOTALS	0	0.0000
TOTAL TONNAGE			5,244.7745	

**FIVE RIVERS DISTRIBUTION - PORT OF FORT SMIT
TONNAGE REPORT**

Date: June 2022

Pay to: City of Fort Smith

PORT	COMMODITY	RECD. VIA	LOAD WT	TONS
FSPT	Steel	Truck	2,264,886	1,132.4430
FSPT	Bars	Truck	486,252	243.1260
		TOTALS	2,751,138	1,375.5690
FSPT	Potash/Trio	Truck	0	0.0000
		TOTALS	0	0.0000
FSPT	Steel	Rail Cars	0	0.0000
FSPT	Wire Rods	Rail Cars	0	0.0000
		TOTALS	0	0.0000
FSPT	Lumber	Rail Cars	0	0.0000
		TOTALS	0	0.0000
FSPT	Phosphate	Rail Cars	0	0.0000
		TOTALS	0	0.0000
FSPT	Soy Bean Meal	Truck/Rail	764,900	382.4500
		TOTALS	0	382.4500
FSPT	Bar	Trucks	0	0.0000
		TOTALS	0	0.0000
FSPT	Potash	Rail Cars	0	0.0000
		TOTALS	0	0.0000
FSPT	Scrap Iron	Barge	0	0.0000
		TOTALS	0	0.0000
FSPT	Alloys	Truck	0	0.0000
		TOTALS	0	0.0000
FSPT	Alloys	Rail/Barge	0	0.0000
		TOTALS	0	0.0000
FSPT	Urea/Trio/Potash	Barge	0	0.0000
FSPT	Mag. Oxide	Barge	0	0.0000
FSPT	Magnachem Ore	Barge	0	0.0000
FSPT	DDG/Soy Hull/Corn	Barge	0	0.0000
		TOTALS	0	0.0000
FSPT	Grain	Rail Cars	200,422	100.2110
		TOTALS	200,422	100.2110
TOTAL TONNAGE			1,858.2300	

**FIVE RIVERS DISTRIBUTION - VAN BUREN
 TONNAGE REPORT
 Date: April 2022**

PORT	COMMODITY	RECD. VIA	LOAD WT	TONS
VB	Electrical Coils	Trucks	0	0.0000
VB	Steel Coils	Trucks	0	0.0000
VB	Tinplate Coils	Trucks	0	0.0000
VB	Wire Rods	Trucks	0	0.0000
VB	Zinc	Trucks	175,234	87.6170
TOTALS			175,234	87.6170
VB	Steel Coils	Rail Cars	0	0.0000
VB	Ingots	Rail Cars	0	0.0000
VB	Tinplate Coils	Rail Cars	0	0.0000
VB	Wire Rods	Rail Cars	2,380,744	1,190.3720
TOTALS			2,380,744	1,190.3720
VB	Feed Pellets/DDG	Rail Cars	0	0.0000
VB	Sand	Rail Cars	0	0.0000
TOTALS			0	0.0000
VB	Wire Rods	Barges	26,516,917	13,258.4585
VB	Tinplate	Barges	0	0.0000
VB	Steel Coils	Barges	0	0.0000
TOTALS			26,516,917	13,258.4585
VB	Urea/DFP/Potash/MCP/MgO	Barges	9,268,426	4,634.2130
VB	Feed Pellets	Barges	0	0.0000
VB	Phosphate	Barges	0	0.0000
VB	Wheat	Barges	2,657,158	1,328.5790
VB	DDG/Corn Gluten/SBM	Barges	0	0.0000
VB	MagnaChem	Barges	0	0.0000
VB	Aggregate	Barges	0	0.0000
TOTALS			11,925,584	5,962.7920
VB	Potash/Magox	Trucks	0	0.0000
			0	0.0000
VB	Pig Iron	Barges	0	0.0000
TOTALS			0	0.0000
VB	Scrap	Barges	0	0.0000
TOTALS			0	0.0000

TOTAL TONNAGE 20,499.2395

FIVE RIVERS DISTRIBUTION - VAN BUREN TONNAGE REPORT

Date: May 2022

PORT	COMMODITY	RECD. VIA	LOAD WT	TONS
VB	Electrical Coils	Trucks	0	0.0000
VB	Steel Coils	Trucks	0	0.0000
VB	Tinplate Coils	Trucks	0	0.0000
VB	Wire Rods	Trucks	1,477,058	738.5290
VB	Zinc	Trucks	261,401	130.7005
		TOTALS	1,738,459	869.2295
VB	Steel Coils	Rail Cars	0	0.0000
VB	Ingots	Rail Cars	0	0.0000
VB	Tinplate Coils	Rail Cars	0	0.0000
VB	Wire Rods	Rail Cars	536,994	268.4970
		TOTALS	536,994	268.4970
VB	Feed Pellets/DDG	Rail Cars	0	0.0000
VB	Sand	Rail Cars	0	0.0000
		TOTALS	0	0.0000
VB	Wire Rods	Barges	5,116,482	2,558.2410
VB	Tinplate	Barges	0	0.0000
VB	Steel Coils	Barges	0	0.0000
		TOTALS	5,116,482	2,558.2410
VB	Urea/DFP/Potash/MCP/MgO	Barges	8,764,100	4,382.0500
VB	Feed Pellets	Barges	0	0.0000
VB	Aggregate	Barges	3,272,000	1,636.0000
VB	DDG/Corn Gluten/SBM	Barges	0	0.0000
VB	MagnaChem	Barges	0	0.0000
VB	Tapioca Starch	Barges	2,726,760	1,363.3800
		TOTALS	14,762,860	7,381.4300
VB	Potash/Magox	Trucks	0	0.0000
			0	0.0000
VB	Pig Iron	Barges	0	0.0000
		TOTALS	0	0.0000
VB	Scrap	Barges	0	0.0000
		TOTALS	0	0.0000
TOTAL TONNAGE				11,077.3975

**FIVE RIVERS DISTRIBUTION - VAN BUREN
 TONNAGE REPORT
 Date: June 2022**

PORT	COMMODITY	RECD. VIA	LOAD WT	TONS
VB	Electrical Coils	Trucks	0	0.0000
VB	Steel Coils	Trucks	0	0.0000
VB	Tinplate Coils	Trucks	0	0.0000
VB	Wire Rods	Trucks	0	0.0000
VB	Ingots	Trucks	0	0.0000
TOTALS			0	0.0000
VB	Steel Coils	Rail Cars	0	0.0000
VB	Ingots	Rail Cars	0	0.0000
VB	Tinplate Coils	Rail Cars	0	0.0000
VB	Wire Rods	Rail Cars	871,956	435.9780
TOTALS			871,956	435.9780
VB	Feed Pellets/DDG	Rail Cars	0	0.0000
VB	Sand	Rail Cars	0	0.0000
TOTALS			0	0.0000
VB	Wire Rods	Barges	34,816,761	17,408.3805
VB	Tinplate	Barges	0	0.0000
VB	Steel Coils	Barges	0	0.0000
TOTALS			34,816,761	17,408.3805
VB	Urea/DFP/Potash/MCP/MgO	Barges	9,281,128	4,640.5640
VB	Feed Pellets	Barges	0	0.0000
VB	Phosphate	Barges	0	0.0000
VB	DDG/Corn Gluten/SBM	Barges	0	0.0000
VB	MagnaChem	Barges	0	0.0000
VB	Tapioca Starch	Barges	0	0.0000
vb	Aggregate	Barges	6,623,340	3,311.6700
TOTALS			15,904,468	7,952.2340
VB	Potash/Magox	Trucks	0	0.0000
			0	0.0000
VB	Pig Iron	Barges	3,051,406	1,525.7030
TOTALS			3,051,406	1,525.7030
VB	Scrap	Barges	0	0.0000
TOTALS			0	0.0000

TOTAL TONNAGE 27,322.2955

DRAFT

LEASE AGREEMENT AMENDMENT No. 2

THIS LEASE AGREEMENT AMENDMENT (“**Amendment**”) is entered into this ___ day of July, 2022, to be effective as of October 1, 2022, by and between the **CITY OF FORT SMITH PORT AUTHORITY**, a public body corporate and municipal port authority created by City of Fort Smith Ordinance No. 2736, dated May 19, 1969, hereinafter referred to as the “**Port Authority**” or “Lessor”, and Five Rivers Distribution, LLC, an Arkansas Limited Liability Company, hereinafter referred to as the “**Lessee.**”

WITNESSETH:

WHEREAS, the Port Authority and the Lessee entered into a Lease Agreement effective January 1, 2017 for the approximately 24.7 acres of real property upon which is located the Fort Smith public port facility, a river terminal located on the Poteau River, in close proximity to the Arkansas River, and part of the McClellan Kerr Arkansas River Navigation System (MKARNS), located at 200 Navy Road in Fort Smith (the “**Leased Premises**”); and

WHEREAS, the Port Authority and the Lessee amended the original Lease Agreement by entering into a Lease Agreement Amendment related to specific terms as approved on September 27, 2021, and

WHEREAS, the Port Authority and Lessee have determined that a second amendment to the original Lease Agreement is necessary in order to specify specific terms related to Insurance.

NOW, THEREFORE, the Port Authority and the Lessee wish to formalize this Lease Agreement Amendment No. 2 to clarify the remaining term and payment of rents due under the Lease Agreement as follows:

Section 1. Section 10 of the Lease Agreement is hereby replaced as follows:

10. Insurance. Lessee agrees to carry, maintain and continue in force at its sole expense, throughout the performance of this Agreement, insurance in duly qualified companies as follows:

- a. Worker’s Compensation insurance in amounts required by the laws of the State of Arkansas covering all operations in connection with the performance of this Agreement.
- b. Automobile Liability insurance covering all operations in connection with the performance of this Agreement (including coverage on owned and non-owned automotive equipment) with bodily injury limits of not less than \$1,000,000.00 for injuries to, or death of, any one person, not less than \$2,000,000.00 for injuries to, or death of, more than any one person resulting from any one accident, property damage limit of not less than \$1,000,000.00, and \$2,000,000.00 aggregate insurance.
- c. General liability insurance covering all operations in connection with the performance of this Agreement with bodily injury limits of not less than \$1,000,000.00 for injuries to, or death of, any one person and not less than \$2,000,000.00 for injuries to, or death of, more than one person resulting from any one accident, and property damage limit of not less than \$1,000,000.00, and \$2,000,000.00 aggregate insurance.
- d. Hazard insurance covering all losses (except flooding), such as fire and extended coverage risks in an amount equal to 100% of the replacement cost of all improvements at the Leased Premises. Lessee’s interest in the proceeds of hazard insurance shall be

limited to actual mortgage indebtedness of any new improvement caused to be constructed subsequent to the Effective Date, and all other proceeds shall be the property of the Port Authority and used for purposes of restoration of the damage or loss

e. Lessee agrees to furnish a certificate or certificates of insurance under all such policies which certificates shall provide that prior written notice of material change in, or cancellation of, the policies shall be sent to the Port Authority at the address set forth herein. The Port Authority shall be named an "Additional Insured" and/or "Loss Payee" in all such policies. Copies of said certificates are attached hereto and incorporated herein by this reference as Exhibit "C."

f. Flood Insurance via the National Flood Insurance Program shall be secured for each identifiable insurable structure on the Leased Premises by the _____, with costs for such premiums split evenly between the parties. The Lessee shall secure such Flood Insurance, b

Section 2. All other terms, provisions and obligations of the Lease Agreement, as previously amended, remain in effect.

IN WITNESS WHEREOF, the parties hereto have duly executed this Lease Agreement as of the date first written above.



LESSOR:

CITY OF FORT SMITH PORT AUTHORITY, a public body corporate and municipal port authority

By: _____
Larry Combs, Chairman
Board of Directors

LESSEE:

FIVE RIVERS DISTRIBUTION, LLC, an Arkansas Limited Liability Company

By: _____
Nathan M. Shell, III
President

STATE OF ARKANSAS)
) ss.
COUNTY OF SEBASTIAN)

ACKNOWLEDGMENT

On this day the ___ day of _____, 20__, before me, _____ the undersigned officer, personally appeared _____, who acknowledged himself to be the _____ of the City of Fort Smith Port Authority Board of Directors, a public body corporate and municipal authority of the City of Fort Smith, and that he, as such _____, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself as _____.

In witness whereof, I hereunto set my hand and official seal.

NOTARY PUBLIC

My commission expires:

STATE OF ARKANSAS)
) ss.
COUNTY OF SEBASTIAN)

ACKNOWLEDGMENT

On this day the ___ day of _____, 20__, before me, _____ the undersigned officer, personally appeared _____, who acknowledged himself to be the _____ of Five Rivers Distribution, LLC, a Limited Liability Company in the State of Arkansas, and that he, as such _____, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself as _____.

In witness whereof, I hereunto set my hand and official seal.

NOTARY PUBLIC

My commission expires:



June 29, 2022

To the Board of Directors
City of Fort Smith Port Authority
Fort Smith, Arkansas

You have requested that we prepare the financial statements of **City of Fort Smith Port Authority** (the "Port Authority"), which comprise the Statement of Net Position as of December 31, 2021, and the Statement of Revenues, Expenses, and Changes in Net Position, and perform a compilation engagement with respect to those financial statements. Management has elected to omit substantially all of the disclosures and the Statement of Cash Flows required by accounting principles generally accepted in the United States of America. We are pleased to confirm our acceptance and our understanding of this engagement by means of this letter.

Our Responsibilities

The objective of our engagement is to:

- Prepare the financial statements in accordance with accounting principles generally accepted in the United States of America based on information provided by you; and
- Apply accounting and financial reporting expertise to assist you in the presentation of the financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements in order for it to be in accordance with accounting principles generally accepted in the United States of America.

We will conduct our compilation engagement in accordance with Statements on Standards for Accounting and Review Services (SSARS) promulgated by the Accounting and Review Services Committee of the AICPA and comply with the AICPA's Code of Professional Conduct, including the ethical principles of integrity, objectivity, professional competence, and due care.

We are not required to, and will not, verify the accuracy or completeness of the information you will provide to us for the engagement or otherwise gather evidence for the purpose of expressing an opinion or a conclusion. Accordingly, we will not express an opinion or a conclusion nor provide any assurance on the financial statements.

Our engagement cannot be relied upon to identify or disclose any financial statements misstatements, including those caused by fraud or error, or to identify or disclose any wrongdoing within the Port Authority or noncompliance with laws and regulations.

Your Responsibilities

The engagement to be performed is conducted on the basis that you acknowledge and understand that our role is to prepare financial statements in accordance with accounting principles generally accepted in the United States of America and assist you in the presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America. You have the following overall responsibilities that are fundamental to our undertaking the engagement in accordance with SSARS:



- The selection of accounting principles generally accepted in the United States of America as the financial reporting framework to be applied in the preparation of the financial statements.
- The preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and the inclusion of all informative disclosures that are appropriate for accounting principles generally accepted in the United States of America.
- The design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.
- The prevention and detection of fraud.
- To ensure that the Port Authority complies with the laws and regulations applicable to its activities.
- The accuracy and completeness of the records, documents, explanations, and other information, including significant judgments, you provide to us for the engagement.
- To provide us with:
 - Access to all information of which you are aware is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
 - Additional information that we may request from you for the purpose of the compilation engagement.
 - Unrestricted access to persons within the Port Authority of whom we determine it necessary to make inquiries.

You are responsible for all management decisions and responsibilities, and for designating an individual with suitable skills, knowledge, and experience to oversee our preparation of your financial statements. You are responsible for evaluating the adequacy and results of services performed and accepting responsibility for sure services.

Our Report

As part of our engagement, we will issue a report that will state that we did not audit or review the financial statements and that, accordingly, we do not express an opinion, a conclusion, nor provide any assurance on them. Circumstances may arise in which it is necessary for us to modify our report or withdraw from the engagement.

Our report will disclose that management has elected to omit the statement of cash flows and substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the statement of cash flows and omitted disclosures were to be included in the financial statements, they might influence the user's conclusions about the Company's financial position, results of operations, and cash flows. Accordingly, the financial statements will not be designed for those who are not informed about such matters.

You agree to include our accountant's compilation report in any document containing the financial statements that indicates that we have performed a compilation engagement on such financial statements and, prior to inclusion of the report, to ask our permission to do so.

Other Relevant Information

As part of our engagement, we will also perform the following:

- Propose adjusting or correcting journal entries to be reviewed and approved by management.
- Prepare a trial balance based on the adjusted general ledger.
- Prepare a draft of the Port Authority's financial statements.
- Update the Port Authority's depreciation schedule(s) for management's review and approval, including proper application of capitalization policy and estimated useful lives.

With respect to any nonattest services we perform:

- We will not assume management responsibilities on behalf of the Port Authority. However, we will provide advice and recommendations to assist management of the Port Authority in performing its responsibilities.
- The Port Authority's management is responsible for (a) making all management decisions and performing all management functions; (b) assigning a competent individual to oversee the services; (c) evaluating the adequacy of the services performed; (d) evaluating and accepting responsibility for the results of the services performed; and (e) establishing and maintaining internal controls, including monitoring ongoing activities.

Our responsibilities and limitations of the engagement are as follows:

- We will perform the services in accordance with applicable professional standards.
- This engagement is limited to the services previously outlined. Our firm, in its sole professional judgment, reserves the right to refuse to do any procedure or take any action that could be construed as making management decisions or assuming management responsibilities, including determining account coding and approving journal entries. Our firm will advise the Organization with regard to tax positions taken in the preparation of the tax return, but the Company must make all decisions with regard to those matters.

If, for any reason, we are unable to complete the compilation of your financial statements, we will not issue a report on such statements as a result of this engagement.

Christopher Cluck is the engagement member for the services specified in this letter. His responsibilities include supervising Landmark's services performed as part of this engagement and signing or authorizing another qualified firm representative to sign the accountant's report.

To ensure that Landmark PLC, Certified Public Accountants' independence is not impaired under the *AICPA Code of Professional Conduct*, you agree to inform the engagement partner before entering into any substantive employment discussions with any of our personnel.

We may from time to time, and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential

information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

With regard to the electronic dissemination of financial statements, including financial statements published electronically on your Internet website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

Our proposed fees for these services will be \$1,700 and is based on the estimated hours to complete the engagement. We may bill you on an interim basis prior to the completion of this engagement. Invoices are payable upon receipt, and finance charges will be assessed monthly on any unpaid balance. If your account is past-due for two months, we may cease work until your account is current or until payment arrangements have been agreed upon.

You agree to release, indemnify, defend, and hold us harmless from any liability or costs, including attorney's fees, resulting from management's knowing misrepresentations to us or resulting from any actions against us by third parties relying on the financial statements described herein except for our own intentional wrongdoing.

You agree that any dispute (other than our efforts to collect an outstanding invoice) that may arise regarding the meaning, performance or enforcement of this engagement or any prior engagement that we have performed for you, will, prior to resorting to litigation, be submitted to mediation, and that the parties will engage in the mediation process in good faith once a written request to mediate has been given by any party to the engagement. Any mediation initiated as a result of this engagement shall be administered within the county of Sebastian, Arkansas, according to its mediation rules, and any ensuing litigation shall be conducted within said county, according to Arkansas law. The results of any such mediation shall be binding only upon agreement of each party to be bound. The costs of any mediation proceeding shall be shared equally by the participating parties.

This engagement letter is contractual in nature, and includes all of the relevant terms that will govern the engagement for which it has been prepared. The terms of this letter supersede any prior oral or written representations or commitments by or between the parties. Any material changes or additions to the terms set forth in this letter will only become effective if evidenced by a written amendment to this letter, signed by all of the parties.

Landmark is not acting as your securities advisor under the Securities Act of 1933 or the Investment Advisors Act of 1940, as amended. As such, we are not recommending any action to you and do not owe you a fiduciary duty with respect to any information or communications regarding securities. You should discuss such information or communications with any and all internal or external advisors and experts you deem appropriate before acting on any such information or material provided by Landmark.

We look forward to a continued relationship with your organization, and we are available to discuss the contents of this letter or other professional services you may desire. If you request us to perform additional services not contemplated or described in this engagement letter, we will provide you with a separate agreement describing those additional services and fees.

If you agree with the terms of our engagement as described in this letter and our respective responsibilities, please sign the enclosed copy and return it to us.

Sincerely,

Landmark PLC
Certified Public Accountants

RESPONSE:

This letter correctly sets forth the understanding of **City of Fort Smith Port Authority**. We have designated _____ as the individual who possesses suitable skill, knowledge, or experience to oversee the services outlined in the engagement letter.

Signature _____

Title _____