

A G E N D A
FORT SMITH PORT AUTHORITY

MEETING
Thursday, January 26, 2023
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. October 27, 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
 - i. Landmark CPA’s for FY2021
 - ii. Studio 6 Architects
5. Operator’s Report/Tonnage Report
6. Business Items for discussion:
 - a. Review FY2021 Financial Statements and consider approval of Engagement Letter from Landmark CPA’s to prepare the Port Authority’s Financial Statements for FY2022.
 - b. Discuss preliminary site plan for Warehouse 4 and planning related to same.
7. Other business
8. Next regular meeting: Thursday, April 27, 2023
9. Adjourn.

City of Fort Smith
Port Authority Meeting
11:30 a.m. Thursday, October 27, 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 Thursday, October 27, 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 11:44 a.m. and a quorum was noted present. Other Port Authority members present were Philip Doss, Dustin Collyge and Eddie Norman. Chad Lane was absent and excused. Others attending included Marty Shell, Cameron Hubbs and Jeff Dingman.

The minutes of the July 21, 2022 regular meeting were presented for approval. Mr. Doss 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 September 30, 2022. As of that date, the operating account balance was \$146,902.82 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 discussed the three Certificates of Deposit, as of September 24 the total combined balance is \$2,004,224.15. The first CD renewed in September for at a higher interest rate of 2.4%. The next CD is eligible for renewal March 1, when interest rates are expected to be well over 3%. Mr. Collyge moved approval of the Treasurer's Report, Mr. Norman seconded and the motion carried four in favor, zero opposed.

Mr. Shell delivered the Operators/Tonnage Report, stating that in the third quarter 2022 the Port of Fort Smith saw a total of 17,774.93 net tons of material, mostly scrap iron by barge. The Port of Van Buren handled 78,416.26 net tons of material, mostly wire rod and bulk agricultural materials by barge. Total for the quarter at both facilities was 96,191.19 net tons. Mr. Collyge asked how close that is to 'normal', pre-flood and pre-pandemic. Mr. Shell replied that good years would see 120,000 net tons combined through both facilities, but the 2nd & 3rd quarter numbers for 2022 he considers good and showing positive improvement. Particularly winter months coming up should see increased activity with bulk material for cattle feed. Currently all warehouses at Port of Fort Smith are full with such material, which should continue through next spring.

Mr. Shell reported that he is discussing a partnership with neighbor Yaffe Iron & Metal, perhaps involving reconfiguring railroad access for Yaffe by using part of the Port Authority property. This is still in early discussion with no clear plan identified as of yet.

The Port Authority generally discussed the status of the Mississippi River and its impact on the Arkansas. Mr. Shell said that there are still problems in some areas, it isn't

yet opened up back to normal conditions. Barges can still travel, but can't be loaded as much as usual as they require less draft than normal to navigate. Freight on the river is currently average \$50/ton, when normal conditions are more like \$30/ton. Mr. Norman moved approval of the Operators/Tonnage report. Mr. Collyge seconded and the motion carried by unanimous vote.

The Port Authority considered Invoice #2267 from Cameron Hubbs Construction in the amount of \$35,389 for material, equipment and labor to repair damaged items caused by the vandalism incident last spring. This was for equipment damage unrelated to building repair, as the Port Authority earlier had reimbursed Five Rive Rivers for building repairs and other damage. This work related to repairing the winches and other equipment. Mr. Doss moved approval of the payment. Mr. Collyge seconded and the motion carried four in favor, zero opposed.

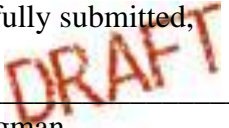
The Port Authority discussed participation in the National Flood Insurance Program (NFIP) to ensure the Port of Fort Smith property is protected with flood insurance, as a prerequisite to obtain FEMA funding in the event of loss by flood. The scalehouse/office building is the structure most in need of protection, and Port Authority agreed to seek quotes on NFIP coverage for the scalehouse based on valuations of \$100,000 - \$150,000 – \$200,000. Mr. Shell agreed to work with Mr. Peters for such quotes to provide back to the Port Authority.

In other discussion items, Mr. Shell presented a check from Five Rivers Distribution to the Port Authority in the amount of \$36,000 representing rent payment for twelve months at the \$3,000 per month as required by the Operator Agreement. The payment covers rent for the months of October 2022 through September 2023.

Mr. Shell asked that the Port Authority consider investment in a concrete slab for outside storage of bulk materials between Dock 2 and Warehouse #1. The slab would be six inch thick concrete with at least a four foot retaining wall, estimated about \$375,000. This would make that area useable for outside storage of bulk materials. Mr. Norman suggested that if such money were to be invested, he would prefer to start investment in Warehouse #4, even if it was just a part of the slab/floor that could be used for this outside storage until such time as the building could be finished. After some discussion, there was consensus among those present to pursue that route, and asked Mr. Shell to seek quotes for design services to start that process. Mr. Norman moved approval of up to \$10,000 for such design services. Mr. Doss seconded, and the motion carried by unanimous vote.

The next regular meeting of the Fort Smith Port Authority is scheduled for Thursday, January 26, 2023. There being no further business, the meeting adjourned at 12:30 pm.

Respectfully submitted,



Jeff Dingman
Deputy City Administrator
City of Fort Smith, Arkansas



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 Email info@ozk.com
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Member FDIC

113718-27B**026045



CITY OF FORT SMITH PORT AUTHORITY
 623 GARRISON AVE
 FORT SMITH AR 72901-2508

Statement Date: 12/24/2022

Account Number: [REDACTED]

As of 12/19/22, our state specific Terms and Conditions have changed. To view these revisions, please go to ozk.com/disclosures.

PUBLIC FUNDS CD CERTIFICATE - [REDACTED]

PREVIOUS STATEMENT BALANCE AS OF 09/24/22:	668,275.11
PLUS 0 DEPOSITS AND OTHER CREDITS:	0.00
LESS 0 WITHDRAWALS AND OTHER DEBITS:	0.00
CURRENT STATEMENT BALANCE AS OF 12/24/22:	668,676.72
NUMBER OF DAYS IN THIS STATEMENT PERIOD:	91

TRANSACTIONS

DATE	DESCRIPTION	DEBITS	CREDITS
09/30/22	INTEREST AT .2410 %		132.37
10/31/22	INTEREST AT .2410 %		136.81
11/30/22	INTEREST AT .2410 %		132.43

BALANCE BY DATE

DATE	AMOUNT	DATE	AMOUNT	DATE	AMOUNT	DATE	AMOUNT
09/30	668,407.48	10/31	668,544.29	11/30	668,676.72		

PAYER FEDERAL ID NUMBER: 71-0130170

INTEREST PAID YEAR TO DATE: 1,472.87

INTEREST EARNED THIS STATEMENT PERIOD

AVERAGE LEDGER BALANCE:	668,408.94
INTEREST EARNED:	401.61
INTEREST PAID THIS PERIOD:	401.61
ANNUAL PERCENTAGE YIELD EARNED:	.24%

00029043



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Member FDIC

113718-27B**026046



CITY OF FORT SMITH PORT AUTHORITY
 623 GARRISON AVE
 FORT SMITH AR 72901-2508

Statement Date: 12/24/2022

Account Number: [REDACTED]

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PUBLIC FUNDS CD CERTIFICATE - [REDACTED]

PREVIOUS STATEMENT BALANCE AS OF 09/24/22:	668,074.69
PLUS 0 DEPOSITS AND OTHER CREDITS:	0.00
LESS 0 WITHDRAWALS AND OTHER DEBITS:	0.00
CURRENT STATEMENT BALANCE AS OF 12/24/22:	668,426.19
NUMBER OF DAYS IN THIS STATEMENT PERIOD:	91

TRANSACTIONS

DATE	DESCRIPTION	DEBITS	CREDITS
09/30/22	INTEREST AT .2110 %		115.86
10/31/22	INTEREST AT .2110 %		119.74
11/30/22	INTEREST AT .2110 %		115.90

BALANCE BY DATE

DATE	AMOUNT	DATE	AMOUNT	DATE	AMOUNT	DATE	AMOUNT
09/30	668,190.55	10/31	668,310.29	11/30	668,426.19		

PAYER FEDERAL ID NUMBER: 71-0130170

INTEREST PAID YEAR TO DATE: 1,289.23

INTEREST EARNED THIS STATEMENT PERIOD

AVERAGE LEDGER BALANCE:	668,191.82
INTEREST EARNED:	351.50
INTEREST PAID THIS PERIOD:	351.50
ANNUAL PERCENTAGE YIELD EARNED:	.21%

00029045



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113718-27B**026047



CITY OF FORT SMITH PORT AUTHORITY
 623 GARRISON AVE
 FORT SMITH AR 72901-2508

Statement Date: 12/24/2022

Account Number: [REDACTED]

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PUBLIC FUNDS CD CERTIFICATE - [REDACTED]

PREVIOUS STATEMENT BALANCE AS OF 09/24/22:	667,874.35
PLUS 0 DEPOSITS AND OTHER CREDITS:	0.00
LESS 0 WITHDRAWALS AND OTHER DEBITS:	0.00
CURRENT STATEMENT BALANCE AS OF 12/24/22:	671,393.90
NUMBER OF DAYS IN THIS STATEMENT PERIOD:	91

TRANSACTIONS

DATE	DESCRIPTION	DEBITS	CREDITS
09/30/22	INTEREST AT 2.1100 %		1,158.26
10/31/22	INTEREST AT 2.1100 %		1,198.94
11/30/22	INTEREST AT 2.1100 %		1,162.35

BALANCE BY DATE

DATE	AMOUNT	DATE	AMOUNT	DATE	AMOUNT	DATE	AMOUNT
09/30	669,032.61	10/31	670,231.55	11/30	671,393.90		

PAYER FEDERAL ID NUMBER: 71-0130170

INTEREST PAID YEAR TO DATE: 4,323.81

INTEREST EARNED THIS STATEMENT PERIOD

AVERAGE LEDGER BALANCE:	669,046.02
INTEREST EARNED:	3,519.55
INTEREST PAID THIS PERIOD:	3,519.55
ANNUAL PERCENTAGE YIELD EARNED:	2.13%

00029047



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114437-02B**088224



CITY OF FORT SMITH PORT AUTHORITY

GRANT ACCOUNT

623 GARRISON AVE

FORT SMITH AR 72901-2508

Statement Date: 12/30/2022

Account Number: [REDACTED]

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PUBLIC FUND CHECKING ACCOUNT - [REDACTED]

PREVIOUS STATEMENT BALANCE AS OF 11/30/22:	1.11
PLUS 1 DEPOSITS AND OTHER CREDITS:	1.00
LESS 1 CHECKS AND OTHER DEBITS:	1.00
CURRENT STATEMENT BALANCE AS OF 12/30/22:	1.11
NUMBER OF DAYS IN THIS STATEMENT PERIOD:	30

OTHER TRANSACTIONS

DATE	DESCRIPTION	DEBITS	CREDITS
12/27	TRANSFER FROM DDA PUBLIC FUNDS INT ACCOUNT [REDACTED]		1.00
12/30	TRANSFER TO DDA PUBLIC FUNDS INT ACCOUNT [REDACTED]	1.00	

BALANCE BY DATE

DATE	AMOUNT	DATE	AMOUNT	DATE	AMOUNT	DATE	AMOUNT
12/27	2.11	12/30	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%

00017347



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Member FDIC

114437-02B**088225



CITY OF FORT SMITH PORT AUTHORITY

OPERATING ACCOUNT

623 GARRISON AVE

FORT SMITH AR 72901-2508

Statement Date: 12/30/2022

Account Number: [REDACTED]

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PUBLIC FUND CHECKING ACCOUNT - [REDACTED]

PREVIOUS STATEMENT BALANCE AS OF 11/30/22:	144,164.28
PLUS 2 DEPOSITS AND OTHER CREDITS:	6.92
LESS 2 CHECKS AND OTHER DEBITS:	251.00
CURRENT STATEMENT BALANCE AS OF 12/30/22:	143,920.20
NUMBER OF DAYS IN THIS STATEMENT PERIOD:	30

CHECK TRANSACTIONS

SERIAL	DATE	AMOUNT
170	12/07	250.00

OTHER TRANSACTIONS

DATE	DESCRIPTION	DEBITS	CREDITS
12/27	TRANSFER TO DDA PUBLIC FUNDS INT ACCOUNT [REDACTED]	1.00	
12/30	TRANSFER FROM DDA PUBLIC FUNDS INT ACCOUNT [REDACTED]		1.00
12/30	INTEREST		5.92

BALANCE BY DATE

DATE	AMOUNT	DATE	AMOUNT	DATE	AMOUNT	DATE	AMOUNT
12/07	143,914.28	12/27	143,913.28	12/30	143,920.20		

PAYER FEDERAL ID NUMBER: 71-0130170

INTEREST PAID YEAR TO DATE: 109.11

INTEREST EARNED THIS STATEMENT PERIOD

AVERAGE LEDGER BALANCE:	143,964.18
INTEREST EARNED:	5.92
INTEREST PAID THIS PERIOD:	5.92
ANNUAL PERCENTAGE YIELD EARNED:	.05%
INTEREST RATE:	.05%



CITY OF FORT SMITH PORT AUTHORITY
 OPERATING ACCOUNT
 523 GARRISON AVE
 FORT SMITH, AR 72903

170
 01-7270225
 1029

11-7-2022

Pay to the Order of AR-OK Port Operators Association \$ 250.00
 Two hundred fifty Dollars

[Signature]
 Philip W. Don

BANK of the OZARKS
 www.bankoftheozarks.com • MEMBER FDIC

For Annual Dues

170 \$250.00 12/07/2022

23021206175000204022FIRSTAR BANK 103101202 LP 04

FOR THE ORDER OF
 FIRSTAR BANK N.A.
 MLSK00EE OKLAHOMA 74401
 12/07/2022
 170 \$250.00
 FORT SMITH, AR

170 \$250.00 12/07/2022



City of Fort Smith Port Authority
 623 Garrison Avenue
 Fort Smith, AR 72903

Date: 11/30/2022
 Invoice Number: 2174939
 Client: NW30455.000
 Invoice Amount: \$1,700.00

Preparation of audited (compiled) financial statements for the period ended December 31, 2021 \$1,700.00

Invoice Total: \$1,700.00

Statement of Open Accounts Receivable

<u>Invoice</u>	<u>Date</u>	<u>Description</u>	<u>Charge</u>	<u>Credit</u>	<u>Balance</u>
		Balance forward as of 11/12/2022			\$0.00
2174939	11/30/2022	Invoice	\$1,700.00		<u>\$1,700.00</u>
				Current Amount Due	<u>\$1,700.00</u>

Balances over 30 days may be subject to an annual finance charge of 6%.
 If you wish to pay by credit/debit card, a 3% convenience fee will be applied.

LANDMARK PLC, CERTIFIED PUBLIC ACCOUNTANTS

3101 S. 70th Street
 Ft. Smith, AR 72903
 (479) 484-5740

2003 S. Horsebarn, Ste. 4
 Rogers, AR 72758
 (479) 636-4461

P.O. Box 11420
 Russellville, AR 72812
 (479) 498-9655

Client #: NW30455.000
 Invoice #: 2174939
 Invoice Date: 11/30/2022



Invoice
22-059-01

INVOICE DATE: 12/20/2022

CLIENT:
Fort Smith Port Authority
P. O. Box 1908
Fort Smith, AR 72901

PROJECT:
Warehouse 4 Addition
Fort Smith, Arkansas

PROJECT NUMBER: 22-059

Description	Hours/Qty	Rate	Amount
Hourly billing for Pre-Development Services / Evaluation of Warehouse 4 Addition.	11	160.00	1,760.00
Reimbursable Expenses: Surveying Services - Anderson Surveying, Inc. Engineering Services - Brown Engineering		1,500.00 500.00	1,500.00 500.00
Total			\$3,760.00
Payments/Credits			\$0.00
Balance Due			\$3,760.00

Invoice

Mail to:

Anderson Surveying, Inc.
 P.O. Box 129
 Van Buren, AR 72957

Phone 479-474-4247
 Fax 479-410-5333

Date	Invoice #
11/3/2022	22-10-26

Due upon receipt

Bill To:

Andy Brown
 Brown Consulting Engineering
 Services, Inc.
 2605 Market Trace
 FORT SMITH, AR 72908

Description	Amount
TOPOGRAPHICAL SURVEY OF BULK STORAGE FACILITY RECONSTRUCTION SECTION 20-8-32, FORT SMITH, ARKANSAS for: The Port Authority of the City of Fort Smith	1,500.00
Balance Due	\$1,500.00
Total	\$1,500.00

Please make checks payable
 to:
 Anderson Surveying, Inc.
 Thank you!

Brown Consulting Engineering Services, Inc.

INVOICE

2605 Market Trace
 Fort Smith, AR 72908
 Phone: (479) 414-6932
AndyBrownPErealitor@gmail.com

Purchase Order No.	DATE
Port of Fort Smith	12/16/22
CUSTOMER ID	TERMS
105	14

BILL TO
 Mr. David Conyers, AIA
 Studio 6 Architects
 1120 Garrison Avenue
 Fort Smith, AR 72901
david@gostudio6.com

DESCRIPTION	QTY	UNIT PRICE	AMOUNT
Preliminary engineering design services to evaluate the addition of Warehouse #4 at the Port of Fort Smith	1	500.00	500.00
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<i>Thank you for your business!</i>	SUBTOTAL	500.00
	TAX RATE	0.000%
	TAX	-
	TOTAL	\$ 500.00

Five Rivers Distribution

4th Quarter Tonnage Report

Van Buren

Truck	2,268.970
Rail	2,252.373
Barge	40,049.399
	<hr/>
	44,570.742

Fort Smith

Truck	3,508.258
Rail	3,163.794
Barge	8,916.316
	<hr/>
	15,588.368

Total	60,159.110
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FIVE RIVERS DISTRIBUTION - PORT OF FORT SMITH TONNAGE REPORT

Date: Oct 2022

PORT	COMMODITY	RECD. VIA	LOAD WT	TONS	#
FSPT	Steel	Truck	1,498,584	749.2920	41
FSPT	Bars	Truck	461,976	230.9880	11
		TOTALS	1,960,560	980.2800	52
FSPT	Corn	Truck	0	0.0000	
		TOTALS	0	0.0000	0
FSPT	Steel	Rail Cars	0	0.0000	
FSPT	Wire Rods	Rail Cars	0	0.0000	
		TOTALS	0	0.0000	0
FSPT	Lumber	Rail Cars	0	0.0000	
		TOTALS	0	0.0000	0
FSPT	LinPro	Rail Cars	600,053	300.0265	3
		TOTALS	600,053	300.0265	3
FSPT	Corn	Truck/Rail	0	0.0000	
		TOTALS	0	0.0000	0
FSPT	Steel Bars	Trucks	0	0.0000	
		TOTALS	0	0.0000	0
FSPT	Hominy	Rail Cars	0	0.0000	
		TOTALS	0	0.0000	0
FSPT	Scrap Iron	Barge	0	0.0000	
		TOTALS	0	0.0000	0
FSPT	Alloys	Truck	0	0.0000	
		TOTALS	0	0.0000	0
FSPT	Alloys	Rail/Barge	0	0.0000	
		TOTALS	0	0.0000	0
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	12,446,606	6,223.3030	4
		TOTALS	12,446,606	6,223.3030	4
FSPT	Coal	Barge	0	0.0000	
		TOTALS	0	0.0000	0
TOTAL TONNAGE				7,503.6095	59

barge	6,223.303	4
rail	300.027	3
truck	980.280	52
	<u>7,503.610</u>	<u>59</u>

FIVE RIVERS DISTRIBUTION - PORT OF FORT SMITH TONNAGE REPORT

Date: Nov 2022

PORT	COMMODITY	RECD. VIA	LOAD WT	TONS	#
FSPT	Steel	Truck	2,735,947	1,367.9735	66
FSPT	Bars	Truck	122,876	61.4380	3
		TOTALS	2,858,823	1,429.4115	69
FSPT	Corn	Truck	0	0.0000	
		TOTALS	0	0.0000	0
FSPT	Steel	Rail Cars	0	0.0000	
FSPT	Wire Rods	Rail Cars	0	0.0000	
		TOTALS	0	0.0000	0
FSPT	Lumber	Rail Cars	0	0.0000	
		TOTALS	0	0.0000	0
FSPT	LinPro	Rail Cars	197,937	98.9685	1
		TOTALS	197,937	98.9685	1
FSPT	Corn	Truck/Rail	0	0.0000	
		TOTALS	0	0.0000	0
FSPT	Steel Bars	Trucks	0	0.0000	
		TOTALS	0	0.0000	0
FSPT	Hominy	Rail Cars	0	0.0000	
		TOTALS	0	0.0000	0
FSPT	Scrap Iron	Barge	0	0.0000	
		TOTALS	0	0.0000	0
FSPT	Alloys	Truck	0	0.0000	
		TOTALS	0	0.0000	0
FSPT	Alloys	Rail/Barge	0	0.0000	
		TOTALS	0	0.0000	0
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	5,386,026	2,693.0130	2
		TOTALS	5,386,026	2,693.0130	2
FSPT	Coal	Barge	0	0.0000	
		TOTALS	0	0.0000	0
TOTAL TONNAGE				4,221.3930	72

barge	2,693.013	2
rail	98.969	1
truck	1,429.412	69
	<u>4,221.393</u>	<u>72</u>

FIVE RIVERS DISTRIBUTION - PORT OF FORT SMITH TONNAGE REPORT

Date: Dec 2022

PORT	COMMODITY	RECD. VIA	LOAD WT	TONS	#
FSPT	Steel	Truck	2,197,132	1,098.5660	52
FSPT	Bars	Truck	0	0.0000	
		TOTALS	2,197,132	1,098.5660	52
FSPT	Corn	Truck	0	0.0000	
		TOTALS	0	0.0000	0
FSPT	Steel	Rail Cars	0	0.0000	
FSPT	Wire Rods	Rail Cars	0	0.0000	
		TOTALS	0	0.0000	0
FSPT	Lumber	Rail Cars	0	0.0000	
		TOTALS	0	0.0000	0
FSPT	LinPro	Truck/Rail	1,387,447	693.7235	7
		TOTALS	1,387,447	693.7235	7
FSPT	Corn	Rail Cars	2,414,650	1,207.3250	13
		TOTALS	2,414,650	1,207.3250	13
FSPT	Steel Bars	Trucks	0	0.0000	
		TOTALS	0	0.0000	0
FSPT	Hominy	Rail Cars	1,727,500	863.7500	9
		TOTALS	1,727,500	863.7500	9
FSPT	Scrap Iron	Barge	0	0.0000	
		TOTALS	0	0.0000	0
FSPT	Alloys	Truck	0	0.0000	
		TOTALS	0	0.0000	0
FSPT	Alloys	Rail/Barge	0	0.0000	
		TOTALS	0	0.0000	0
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	0
FSPT	Grain	Rail Cars	0	0.0000	
		TOTALS	0	0.0000	0
TOTAL TONNAGE				3,863.3645	81

barge	0.000	0
rail	2,764.799	29
truck	1,098.566	52
	<u>3,863.365</u>	<u>81</u>

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

Date: 4th Quarter

PORT	COMMODITY	RECD. VIA	LOAD WT	TONS	#
FSPT	Steel	Truck	6,431,663	3,215.8315	159
FSPT	Bars	Truck	584,852	292.4260	14
		TOTALS	7,016,515	3,508.2575	173
FSPT	Corn	Truck	0	0.0000	0
		TOTALS	0	0.0000	0
FSPT	Steel	Rail Cars	0	0.0000	0
FSPT	Wire Rods	Rail Cars	0	0.0000	0
		TOTALS	0	0.0000	0
FSPT	Lumber	Rail Cars	0	0.0000	0
		TOTALS	0	0.0000	0
FSPT	LinPro	Rail Cars	2,185,437	1,092.7185	11
		TOTALS	2,185,437	1,092.7185	11
FSPT	Corn	Truck/Rail	2,414,650	1,207.3250	13
		TOTALS	2,414,650	1,207.3250	13
FSPT	Steel Bars	Trucks	0	0.0000	0
		TOTALS	0	0.0000	0
FSPT	Hominy	Rail Cars	1,727,500	863.7500	9
		TOTALS	1,727,500	863.7500	9
FSPT	Scrap Iron	Barge	0	0.0000	0
		TOTALS	0	0.0000	0
FSPT	Alloys	Truck	0	0.0000	0
		TOTALS	0	0.0000	0
FSPT	Alloys	Rail/Barge	0	0.0000	0
		TOTALS	0	0.0000	0
FSPT	Urea/Trio/Potash	Barge	0	0.0000	0
FSPT	Mag. Oxide	Barge	0	0.0000	0
FSPT	Magnachem Ore	Barge	0	0.0000	0
FSPT	DDG/Soy Hull/Corn	Barge	17,832,632	8,916.3160	6
		TOTALS	17,832,632	8,916.3160	6
FSPT	Grain	Rail Cars	0	0.0000	0
		TOTALS	0	0.0000	0

TOTAL TONNAGE 15,588.3670 212

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

Date: 4th Quarter

	Total Tons	Barge	Rail	Truck
Oct	7,503.610	6,223.303	300.027	980.280
Nov	4,221.393	2,693.013	98.969	1,429.412
Dec	3,863.365	0.000	2,764.799	1,098.566
	15,588.367	8,916.316	3,163.794	3,508.258

	Total	# of Barge	# of Railcars	# of Truck
Oct	59	4	3	52
Nov	72	2	1	69
Dec	81	0	29	52
	212	6	33	173

FIVE RIVERS DISTRIBUTION - VAN BUREN TONNAGE REPORT

Date: Oct 2022

PORT	COMMODITY	RECD. VIA	LOAD WT	TONS	#
VB	Electrical Coils	Trucks	0	0.0000	
VB	Steel Coils	Trucks	0	0.0000	
VB	Stainless Steel	Trucks	24,381	12.1905	1
VB	Wire Rods	Trucks	1,586,850	793.4250	34
VB	Zinc	Trucks	261,444	130.7220	6
TOTALS			1,872,675	936.3375	41
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	0	0.0000	
TOTALS			0	0.0000	0
VB	Feed Pellets/DDG	Rail Cars	0	0.0000	
VB	Sand	Rail Cars	0	0.0000	
TOTALS			0	0.0000	0
VB	Wire Rods	Barges	12,254,512	6,127.2560	4
VB	Tinplate	Barges	0	0.0000	
VB	Steel Coils	Barges	0	0.0000	
TOTALS			12,254,512	6,127.2560	4
VB	Urea/DFP/Potash/MCP/MgO	Barges	6,160,572	3,080.2860	2
VB	Feed Pellets	Barges	0	0.0000	
VB	Tapioca Starch	Barges	0	0.0000	
VB	Wheat	Barges	0	0.0000	
VB	DDG/Corn Gluten/SBM	Barges	3,260,900	1,630.4500	1
VB	MagnaChem	Barges	0	0.0000	
VB	Aggregate	Barges	0	0.0000	
TOTALS			9,421,472	4,710.7360	3
VB	Corn	Trucks	0	0.0000	
TOTALS			0	0.0000	0
VB	Pig Iron	Barges	0	0.0000	
TOTALS			0	0.0000	0
VB	Scrap	Barges	0	0.0000	
TOTALS			0	0.0000	0
TOTAL TONNAGE				11,774.3295	48

barge	10,837.992	7
rail	0.000	0
truck	936.338	41
11,774.330		48

FIVE RIVERS DISTRIBUTION - VAN BUREN TONNAGE REPORT

Date: Nov 2022

PORT	COMMODITY	RECD. VIA	LOAD WT	TONS	#
VB	Electrical Coils	Trucks	0	0.0000	
VB	Steel Coils	Trucks	0	0.0000	
VB	Stainless Steel	Trucks	0	0.0000	
VB	Wire Rods	Trucks	0	0.0000	
VB	Zinc	Trucks	86,886	43.4430	2
TOTALS			86,886	43.4430	2
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	1,028,514	514.2570	6
TOTALS			1,028,514	514.2570	6
VB	Feed Pellets/DDG	Rail Cars	0	0.0000	
VB	Sand	Rail Cars	0	0.0000	
TOTALS			0	0.0000	0
VB	Wire Rods	Barges	8,243,837	4,121.9185	3
VB	Tinplate	Barges	0	0.0000	
VB	Steel Coils	Barges	0	0.0000	
TOTALS			8,243,837	4,121.9185	3
VB	Urea/DFP/Potash/MCP/MgO	Barges	2,811,770	1,405.8850	1
VB	Feed Pellets	Barges	0	0.0000	
VB	Tapioca Starch	Barges	0	0.0000	
VB	Wheat	Barges	0	0.0000	
VB	DDG/Corn Gluten/SBM	Barges	2,529,767	1,264.8835	1
VB	MagnaChem	Barges	6,350,312	3,175.1560	2
VB	Aggregate	Barges	3,008,000	1,504.0000	1
TOTALS			14,699,849	7,349.9245	5
VB	Potash/Magox	Trucks	0	0.0000	
TOTALS			0	0.0000	0
VB	Pig Iron	Barges	0	0.0000	
TOTALS			0	0.0000	0
VB	Scrap	Barges	0	0.0000	
TOTALS			0	0.0000	0
TOTAL TONNAGE				12,029.5430	16

barge	11,471.843	8
rail	514.257	6
truck	43.443	2
TOTALS		12,029.543

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

PORT	COMMODITY	RECD. VIA	LOAD WT	TONS	#
VB	Electrical Coils	Trucks	0	0.0000	
VB	Steel Coils	Trucks	0	0.0000	
VB	Stainless Steel	Trucks	0	0.0000	
VB	Wire Rods	Trucks	2,578,379	1,289.1895	55
VB	Ingots	Trucks	0	0.0000	
		TOTALS	2,578,379	1,289.1895	55
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	3,476,232	1,738.1160	20
		TOTALS	3,476,232	1,738.1160	20
VB	Feed Pellets/DDG	Rail Cars	0	0.0000	
VB	Sand	Rail Cars	0	0.0000	
		TOTALS	0	0.0000	0
VB	Wire Rods	Barges	15,169,806	7,584.9030	5
VB	Tinplate	Barges	0	0.0000	
VB	Steel Coils	Barges	0	0.0000	
		TOTALS	15,169,806	7,584.9030	5
VB	Urea/DFP/Potash/MCP/MgO	Barges	6,214,146	3,107.0730	2
VB	Feed Pellets	Barges	0	0.0000	
VB	Tapioca Starch	Barges	0	0.0000	
VB	Wheat	Barges	0	0.0000	
VB	DDG/Corn Gluten/SBM	Barges	2,899,958	1,449.9790	1
VB	MagnaChem	Barges	8,187,218	4,093.6090	3
VB	Aggregate	Barges	3,008,000	1,504.0000	1
		TOTALS	20,309,322	10,154.6610	7
VB	Potash/Magox	Trucks	0	0.0000	
			0	0.0000	0
VB	Pig Iron	Barges	0	0.0000	
		TOTALS	0	0.0000	0
VB	Scrap	Barges	0	0.0000	
		TOTALS	0	0.0000	0
TOTAL TONNAGE				20,766.8695	87

barge	17,739.564	12
rail	1,738.116	20
truck	1,289.190	55
	20,766.870	87

FIVE RIVERS DISTRIBUTION - VAN BUREN
TONNAGE REPORT
 Date: 4th Quarter - 2022

PORT	COMMODITY	RECD. VIA	LOAD WT	TONS	#
VB	Electrical Coils	Trucks	0	0.0000	
VB	Steel Coils	Trucks	0	0.0000	
VB	Stainless Steel	Trucks	24,381	12.1905	1
VB	Wire Rods	Trucks	4,165,229	2,082.6145	89
VB	Ingots	Trucks	348,330	174.1650	8
TOTALS			4,537,940	2,268.9700	98
VB	Steel Coils	Rail Cars	0	0.0000	0
VB	Ingots	Rail Cars	0	0.0000	0
VB	Tinplate Coils	Rail Cars	0	0.0000	0
VB	Wire Rods	Rail Cars	4,504,746	2,252.3730	26
TOTALS			4,504,746	2,252.3730	26
VB	Feed Pellets/DDG	Rail Cars	0	0.0000	0
VB	Sand	Rail Cars	0	0.0000	0
TOTALS			0	0.0000	0
VB	Wire Rods	Barges	35,668,155	17,834.0775	12
VB	Tinplate	Barges	0	0.0000	0
VB	Steel Coils	Barges	0	0.0000	0
TOTALS			35,668,155	17,834.0775	12
VB	Urea/DFP/Potash/MCP/MgO	Barges	15,186,488	7,593.2440	5
VB	Feed Pellets	Barges	0	0.0000	0
VB	Tapioca Starch	Barges	0	0.0000	0
VB	Wheat	Barges	0	0.0000	0
VB	DDG/Corn Gluten/SBM	Barges	8,690,625	4,345.3125	3
VB	MagnaChem	Barges	14,537,530	7,268.7650	5
VB	Aggregate	Barges	6,016,000	3,008.0000	2
TOTALS			44,430,643	22,215.3215	15
VB	Potash/Magox	Trucks	0	0.0000	0
TOTALS			0	0.0000	0
VB	Pig Iron	Barges	0	0.0000	0
TOTALS			0	0.0000	0
VB	Scrap	Barges	0	0.0000	0
TOTALS			0	0.0000	0
TOTAL TONNAGE				44,570.7420	151

FIVE RIVERS DISTRIBUTION - VAN BUREN
TONNAGE REPORT
 Date: 4th Quarter - 2022

	Total Tons	Barge	Rail	Truck
Oct	11,774.330	10,837.992	0.000	936.338
Nov	12,029.543	11,471.843	514.257	43.443
Dec	20,766.870	17,739.564	1,738.116	1,289.190
	44,570.742	40,049.399	2,252.373	2,268.970

	Total	# of Barge	# of Railcars	# of Truck
Oct	48	7	0	41
Nov	16	8	6	2
Dec	87	12	20	55
	151	27	26	98

City of Fort Smith Port Authority

**Financial Statements
December 31, 2021 and 2020**

(With Independent Accountant's Compilation Report Thereon)

City of Fort Smith Port Authority

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INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

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

Management is responsible for the accompanying financial statements of **City of Fort Smith Port Authority**, which comprise the statements of net position as of December 31, 2021 and 2020, and the statements of revenues, expenses, and changes in net position for the years then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or the completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit substantially all of the disclosures and the statements of cash flows required by accounting principles generally accepted in the United States of America. If the omitted disclosures and the statements of cash flows were included in the financial statements, they might influence the user's conclusions about the Port Authority's financial position, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

A handwritten signature in black ink that reads "Landmark PLC". The signature is written in a cursive, flowing style.

Fort Smith, Arkansas
November 4, 2022

	<u>2021</u>	<u>2020</u>
ASSETS		
CURRENT ASSETS		
Cash	\$ 286,853	\$ 926,991
Restricted cash	<u>1</u>	<u>1</u>
Total Current Assets	<u>286,854</u>	<u>926,992</u>
INVESTMENTS	<u>2,001,052</u>	<u>-</u>
PROPERTY AND EQUIPMENT		
Construction in progress	-	3,574,997
Buildings	5,736,253	931,097
Machinery and equipment	<u>166,513</u>	<u>116,076</u>
	5,902,766	4,622,170
Less accumulated depreciation	<u>134,221</u>	<u>72,752</u>
	<u>5,768,545</u>	<u>4,549,418</u>
TOTAL ASSETS	<u>\$ 8,056,451</u>	<u>\$ 5,476,410</u>
LIABILITIES AND NET POSITION		
LIABILITIES	\$ -	\$ -
NET POSITION		
Unrestricted	8,056,450	5,476,409
Restricted	<u>1</u>	<u>1</u>
Total	<u>8,056,451</u>	<u>5,476,410</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 8,056,451</u>	<u>\$ 5,476,410</u>

	<u>2021</u>	<u>2020</u>
REVENUES		
Federal and state relief funds	\$ 2,605,658	\$ 310,618
Insurance proceeds	-	3,974,237
Lease income	36,000	-
Miscellaneous income	1,701	6,151
	<u>2,643,359</u>	<u>4,291,006</u>
EXPENSES		
Depreciation	61,468	37,837
Dues and memberships	250	250
Legal and accounting	1,600	1,550
	<u>63,318</u>	<u>39,637</u>
CHANGE IN NET POSITION	2,580,041	4,251,369
NET POSITION, BEGINNING OF YEAR	<u>5,476,410</u>	<u>1,225,041</u>
NET POSITION, END OF YEAR	<u>\$ 8,056,451</u>	<u>\$ 5,476,410</u>

November 21, 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, 2022, 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.
- 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.

You agree that you will not, during the engagement, and for a period of two (2) years after the end of the engagement, solicit any employee of Landmark to leave his or her employment with Landmark for employment with or for hire as a contractor with you or your affiliates without first getting approval in writing for such solicitation from the Landmark engagement partner. If you are determined to have breached this provision, you agree to pay liquidated damages in the amount equal to the greater of (i) \$100,000 or (ii) two hundred percent (200%) of the annual base salary of such Landmark employee. You agree that such liquidated damages are an appropriate and reasonable remedy for such breach.

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,

A handwritten signature in black ink that reads "Landmark PLC". The signature is written in a cursive, slightly slanted style. Above the signature is a thin yellow horizontal line.

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 _____



PROPOSED SITE PLAN - WAREHOUSE 4
 1" = 50'-0"

BASELINE BEARING:
 PARALLEL STATE PLANE NORTH
 BASED ON GNSS OBSERVATION

Scale in Feet

NOTE:
 DRONE IMAGE AND CONTOURS WERE
 FLOW ON OCTOBER 29, 2022.

FLOOD INFORMATION:
 SUBJECT PROPERTY IS LOCATED
 WITHIN THE 100 YEAR FLOOD ZONE.
 MAP NUMBER: 051310110F
 MAP REVISED: MARCH 2, 2012

CA 1691 Expires 12/31/2023

ANDERSON SURVEYING INC.
 Arkansas — Oklahoma
 P.O. Box 129
 Van Buren, AR 72957
 (479) 474-4247
 Fax (479) 410-5333
 e-mail: tony@and-survey.com

FOR THE SURVEY OF
TOPOGRAPHICAL SURVEY OF
 FORT SMITH, SEBASTIAN COUNTY, ARKANSAS
 BULK STORAGE FACILITY RECONSTRUCTION
 SECTION 20, T-8-N, R-32-W

DATE: 11-03-2022
 JOB NO: 22-10-26
 SCALE: 1" = 40'

FOR USE BY:
 THE PORT AUTHORITY OF
 THE CITY OF FORT SMITH

DISCIPLINE - SHEET NUMBER A1.1	OWNER THE PORT AUTHORITY of THE CITY of FORT SMITH	CONSULTANTS 1120 Garrison Avenue Suite 1A Fort Smith, AR 72901 479.782.4085 www.GasStudio.com
PROJECT NO: 22-059	PROJECT BULK STORAGE FACILITY ADDITION WAREHOUSE 4	
DATE: 11.16.2022	LOCATION 200 NAVY ROAD, FORT SMITH, ARKANSAS	
ISSUED		
FOR REVIEW / COMMENT		
SHEET TITLE PROPOSED SITE PLAN - WAREHOUSE 4		
MARK DATE DESCRIPTION		



water resources / environmental consultants

124 W Sunbridge Drive, Suite 3 • Fayetteville, AR 72703 • (479) 571-3334 • FAX (479) 571-3338

November 17, 2022
marty@fiveriversdist.com

Fort Smith Port Authority
c/o Mr. Marty Shell
PO Box 5606
2020 Riverfront Road
Van Buren, AR 72957

RE: Proposal for No-Rise Analysis for Proposed Warehouse at the Port of Fort Smith
Fort Smith, Sebastian County, Arkansas.
FTN No. R22250-3063-001

Dear Mr. Shell:

FTN Associates, Ltd. (FTN) appreciates the opportunity to submit the following proposal to provide floodplain consulting services for the proposed future warehouse (Warehouse No. 4) along Mill Creek in Fort Smith, Arkansas (the Project).

Our Basic Services for the Project will generally consist of performing hydraulic modeling as part of a No-Rise Analysis for the Project, all as set forth in the printed Scope of Work for Basic Services (Exhibit A) and subject to the Standard Terms and Conditions (Exhibit B), which are attached to this letter. We will also furnish such Additional Services as you may request.

You are expected to furnish us with full information as to your requirements including any special or extraordinary considerations for the Project or special services needed and also to make available all pertinent existing data. In addition, we request that you provide information concerning the potential health and/or physical hazards present at the facility to which FTN employees could be exposed. This information (e.g., Safety Data Sheets, etc.) is needed to ensure FTN's compliance with the OSHA Hazard Communication Standard.

Our fee for Basic Services will be based on time and materials using the Client Rates in Exhibit C for services rendered by our principals and employees engaged directly on the Project. The total fee for Basic Services will not exceed \$8,500 without prior approval from you. Any Additional Services will be charged on the basis of time and materials (Exhibit C).

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Mr. Marty Shell
November 17, 2022
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We will bill you monthly for Services and Reimbursable Expenses with invoices to be paid within 30 days. Unless other arrangements are made, invoices will be sent to the Client electronically via email. Payments paid electronically through Automatic Clearing House (ACH) system are preferred, however, other methods will be accepted. The above financial arrangements are on the basis of prompt payment of our bills and the orderly and continuous progress of the Project.

We expect to start our services promptly after receipt of your acceptance of this proposal and all pertinent information (i.e., structure footprint size and location). Additional information regarding the project schedule and deliverables is discussed in Exhibit A.

If there are protracted delays for reasons beyond our control, we would expect to negotiate with you an equitable adjustment of our compensation taking into consideration the impact of such delays, including but not limited to changes in price indices and pay scales applicable to the period when services are in fact being rendered.

This proposal, which includes Exhibits A, B, and C consisting of 7 pages, represents the entire understanding between you and us with respect to the Project and may only be modified in writing signed by both of us. If it satisfactorily sets forth your understanding of our agreement, we would appreciate your printing a complete copy of this letter, signing in the space below and initialing each page, and returning the complete copy back to us. This proposal will be open for acceptance until December 17, 2022, unless changed by us in writing.

Thank you very much for the opportunity to present this proposal. Please do not hesitate to call me or McKenzie Taake, EI, at (479) 571-3334 if you have any questions relating to this proposal or additional services offered by FTN.

Respectfully submitted,
FTN ASSOCIATES, LTD.



Lee Beshoner, PE, CFM
Project Manager

Accepted this _____ day
of _____, 2022

By _____
Authorized Representative
Fort Smith Port Authority

LJB/kae

Attachments

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EXHIBIT A

Scope of Work for Basic Services No-Rise Analysis for Proposed Future Warehouse No. 4 Mill Creek Fort Smith, Arkansas

Attached to and made part of the contract dated November 17, 2022, between FTN Associates, Ltd. (FTN) and Fort Smith Port Authority (the Client) with respect to the project described therein. The specific tasks and assumptions are provided below.

PROJECT DESCRIPTION

The objective is to perform hydraulic modeling to support a No-Rise Analysis for the proposed future warehouse (Warehouse No. 4) within the Zone AE Special Flood Hazard Area (SFHA) and Floodway of Mill Creek in Fort Smith, Arkansas (the Project), as shown on effective panel 05131C0110F for the Sebastian County, AR, Flood Insurance Study, dated March 2, 2012.

TASK 1 — DATA GATHERING AND PROCESSING

- FTN will obtain the effective hydraulic model for Mill Creek, if available. If available, FTN will review the effective hydraulic modeling to confirm that it matches what is shown in the current Flood Insurance Study information for Sebastian County, Arkansas. If no hydraulic model is available at the time of this analysis, FTN will create a replica effective model for the Project area using FEMA Standards and Technical Reference guidelines.
 - The Project area for this hydraulic analysis will be from confluence with the Poteau River (downstream) to effective lettered cross section D (RS 6,594.72) (upstream). Minor adjustments from this extent may be required to achieve adequate tie-in to the effective FEMA Floodplain data.
- FTN will obtain publicly available topographic data for the Project area and will process the data in preparation for further refinement of the existing hydraulic modeling and floodplain mapping.
- It will be the responsibility of the Client to provide proposed development plans for the proposed warehouse scenario project.
- It is not anticipated that survey data will be required, but if required, any necessary survey data will be provided by the Client and shall be certified by a registered Professional Surveyor licensed in the State of Arkansas and shall be provided in a Horizontal Datum of NAD83, Arkansas State Plane North Zone (US Survey Foot) and a Vertical Datum of NAVD 88. FTN will provide coordination with the surveyor to describe the information needed.
- If collection of additional data to extend the model beyond the proposed Project extent or processing of additional datasets is required, these tasks will be considered Additional Services and may extend the timeline.



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- No hydrologic analyses will be performed as part of this scope of work. Should the effective discharge information not be found, tasks to develop applicable discharge values will be considered Additional Services and may extend the timeline.
- For this analysis, only the 1% annual-chance unencroached and floodway events will be evaluated.

TASK 2 — NO RISE ANALYSIS

- FTN will utilize the hydraulic model information from Task 1 as the basis for the hydraulic modeling in the remaining tasks. If no Effective Model is available from the FEMA Engineering Library, FTN will attempt to recreate to the best of its abilities, using FEMA accepted Standards and Guidelines, the Effective Flood Insurance Study (FIS) results using best available data.
- FTN will create a Duplicate Effective Model, which reflects the conversion of the Effective Model into the latest hydraulic modeling software, from either the Effective Model received from the FEMA Library or the replacement Effective Model version. All modeling developed for this Project will use HEC-RAS (version 6.x) for the Project.
- FTN will revise the Duplicate Effective Model to prepare an Existing Conditions Model. using the topographic data obtained in Task 1. FTN will refine the hydraulic modeling to add any additional cross sections or data necessary through the Project location to create the Existing Conditions Model. The Existing Conditions Model will then become the baseline conditions for determining if a No-Rise condition can be achieved for the proposed project scenario.
- FTN will then prepare a Proposed Conditions (Post Project) Model for the Project area to evaluate the impacts of the proposed warehouse on the current Effective Special Flood Hazard Area (SFHA) and floodway (effective panel 05131C0110F for the Sebastian County, AR, Flood Insurance Study, dated March 2, 2012).
- Upon completion of the Proposed Conditions model, FTN will compare the results to the results of the Corrective Effective Model, to determine if a No-Rise condition is met.
- If a No-Rise Condition is achievable, FTN will continue to the Documentation Task. If a No-Rise Condition is not achievable, FTN will coordinate with the Client to perform one additional model scenario. If additional scenarios are required beyond the scope listed above, they will be considered Additional Services and may extend the timeline.

TASK 3 — DOCUMENTATION

- If a No-Rise Condition is achieved, FTN will prepare documentation of the No-Rise Analysis for the proposed development for submittal to the Client.



- If required, FTN will address up to one (1) set of comments provided by the Client within two (2) weeks after receipt. After addressing comments, FTN will finalize the No-Rise Certification and supporting technical documentation. If requested, FTN can provide the final No-Rise documentation to the local Floodplain Administrator for review and approval. Otherwise, delivery of the No-Rise documentation will be the responsibility of the Client.
- This scope does not include coordination, preparation, or submittal of any data to local, state, or federal agencies that may have a regulatory jurisdiction over the Project area, such as the Arkansas Natural Resources Division, USACE, FEMA, etc., unless identified in the Project scope specifically. If required, these tasks may be performed as Additional Services.
- If further floodplain consulting services, such as development of a Floodplain Development Permit, filing of a Conditional Letter of Map Revision (CLOMR), a Letter of Map Revision (LOMR), or other forms of Letter of Map Change are required, such services will be considered Additional Services.

TASK 4 — GENERAL REPORTING AND COORDINATION

- FTN will conduct routine coordination with the Client, including monthly invoicing and associated progress reports.
- This scope does not include coordination with other local, state, or federal agencies that may have a regulatory jurisdiction over the Project area, such as the Arkansas Natural Resources Division, US Fish and Wildlife, USACE, etc. unless identified in the Project scope specifically. If needed, coordination with other agencies may be performed as Additional Services.
- Applications and fees to FEMA for Letters of Map Change, and/or permits, applications, drainage reports, or fees required by local, state, or federal agencies that may have a regulatory jurisdiction over the Project area or on the Property are not within the scope of this Project and will be considered Additional Services, if required.

ASSUMPTIONS

- We anticipate the No-Rise Analysis will be completed within 8 weeks after receipt of the signed proposal and all pertinent information (i.e., structure footprint size and location).
- The periods between November 21 – 25, 2022, and December 19, 2022, to January 3, 2023, are excluded from the performance period.



EXHIBIT B

Standard Terms and Conditions For FTN Contracts

1. Standard of Care The services provided by FTN shall be performed in accordance with generally accepted professional practice at the time when and the place where the services are rendered.
2. Independent Contractor FTN is an independent contractor and not an employee or agent of CLIENT. CLIENT is not responsible for any of its activities. Any taxes, licenses, permits, required filing of forms or any other conditions imposed upon or required to render FTN Services shall be satisfied by FTN at FTN's expense.
3. Insurance FTN shall procure and maintain insurance for protection from claims under workers' compensation acts. FTN shall procure and maintain liability insurance against claims based on FTN's negligence for damages because of bodily injury including personal injury, sickness or disease or death of any and all employees or of any person other than such employees, and from claims or damages based on FTN's negligence because of injury to or destruction of property including loss of use resulting therefrom.
4. Indemnification
 - a. FTN does hereby indemnify and save harmless CLIENT from and against any and all liability and claims of liability of any and every kind and nature, including without limitation bodily injury, death and property damage, arising out of any negligent act by FTN, and FTN, at FTN's sole expense, shall handle all such claims, defend all lawsuits filed against CLIENT therein, and reimburse CLIENT in cash for all reasonable expense incurred by CLIENT on account thereof, provided, that if CLIENT elects to retain independent counsel, FTN shall reimburse CLIENT for all costs reasonably incurred by CLIENT to defend itself through attorneys of CLIENT's choice. There is hereby excepted from the foregoing any and all liability and claims of liability solely attributable to acts of CLIENT's direct payroll employees, and there is hereby further excepted from the foregoing any and all liability and claims of liability for environmental pollution which are not the result of negligence on the part of FTN in FTN's performance of this contract.
 - b. CLIENT does hereby indemnify and save harmless FTN from and against any and all liability and claims of liability of any and every kind and nature including without limitation bodily injury, death, property damage and claims for environmental pollution which are not the result of negligence on the part of FTN in FTN's performance of this contract, and CLIENT, at CLIENT's sole expense, shall handle all such claims, defend all lawsuits filed against FTN on account thereof, pay all judgments rendered against FTN therein, and reimburse FTN in cash for all reasonable expense incurred by FTN on account thereof, provided, that if FTN elects to retain independent counsel, CLIENT shall reimburse FTN for all costs reasonably incurred by FTN to defend itself through attorneys of FTN's choice.

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5. Electronic Deliverables Any use or reuse of original or altered computer files by CLIENT or others without written verification by FTN for purposes other than for the specific purpose intended will be at CLIENT's risk and full legal responsibility. Furthermore, CLIENT will, to the fullest extent permitted by law, indemnify and hold FTN harmless from any and all claims, suits, liability, demands, or costs arising out of or resulting therefrom. Any verification of such adaptation by CLIENT will entitle FTN to additional compensation at the then current rate.

The submitted data files are intended to work only as described. The files are compatible only with the software and operating platform described. FTN makes no warranty as to the compatibility of these files for versions of the software other than for those stated. FTN is not responsible for uses of the data outside of or beyond the scope of the Agreement.

Because data stored on electronic media can deteriorate undetected or can be modified without FTN's knowledge, CLIENT agrees that FTN will not be held liable for the completeness or correctness of the electronic media, with respect to its originally intended use as defined in the agreement, after an acceptance period of 30 days after delivery of the electronic files. FTN stands by the accuracy of sealed drawings that accompany submittals.

The electronic files are submitted to CLIENT for a 30-day Acceptance Period. During this period, CLIENT may review and examine these files; any errors, relative to the intended use of the files, detected during this time will be corrected by FTN as part of the basic agreement. Any changes requested after the Acceptance Period will be considered additional services to be performed on a time and materials basis, at the then current rates plus terms and conditions.

6. Termination This agreement may be terminated at any time, for any cause by either party upon thirty days written notice to the other party. In such event, CLIENT shall forthwith pay FTN in full for all work previously authorized and performed prior to effective date of termination. If no notice of termination is given, relationships and obligations created by this Agreement shall be terminated upon completion of all applicable requirements of this Agreement. Notwithstanding the termination or expiration of this agreement, the indemnities provided in paragraph 4 hereof shall survive and remain in full force and effect.
7. Assignment This Agreement may not be assigned by either party without the prior written consent of the other party, which consent may not be unreasonably withheld or delayed. This Agreement shall be binding upon all parties hereto and their respective heirs, executors, administrators, successors, and assigns.
8. Limit of Liability It is understood that any and all professional liabilities incurred by FTN throughout the course of rendering professional services on this Project shall be limited to a maximum of the net fee received by FTN, not including reimbursable expenses and subconsultants, for all services rendered on the Project.
9. Confidentiality of Information No information concerning this Project shall be released by FTN.

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10. Precedence These Standard Terms and Conditions shall take precedence over any inconsistent or contradictory provisions contained in any proposal, contract, purchase order, requisition notice to proceed, or like document regarding FTN's services.
11. Severability If any of these Standard Terms and Conditions shall be finally determined to be invalid or unenforceable in whole or part, the remaining provisions hereof shall remain in full force and effect, and be binding upon the parties hereto. The parties agree to reform this Agreement to replace any such invalid or unenforceable provision with a valid and enforceable provision that comes as close as possible to the intention of the stricken provision.
12. Survival These Standard Terms and Conditions shall survive the completion of the services under this Agreement and the termination of this Agreement for any cause.
13. Controlling Law This Agreement is to be governed by and construed in accordance with the laws of the State of Arkansas.



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EXHIBIT C

2023 Fee Schedule¹ FTN Associates, Ltd.

<u>Labor Category</u>	<u>Hourly Rate</u>
Professional 7	\$ 240.00
Professional 6	215.00
Professional 5	195.00
Professional 4	175.00
Professional 3	155.00
Professional 2	135.00
Professional 1	125.00
Technician 4	120.00
Technician 3	105.00
Technician 2	95.00
Technician 1	80.00
Executive Assistant	85.00
Word Processing	75.00

Direct Expenses

All direct project expenses will be invoiced at cost plus 10 percent. Direct project expenses include such items as travel, meals, lodging, shipping, supplies, consultants, subcontractors, etc. Vehicle mileage will be charged at standard IRS rates.

A charge of 2 percent is applied to the total labor amount to cover communication charges and computer expenses associated with computer applications, data storage and backup.

Should back-up data be requested for reimbursable expenses, it will be provided for an administrative fee.

Payment Terms

Unless other arrangements are made in writing, invoicing will be monthly for services completed and will be sent via email to the Client. Payment is due in full within 30 days of invoice and are preferred to be paid electronically through Automated Clearing House (ACH) system; however, other methods are acceptable. A service charge of 1.5 percent per month will be charged on all balances over 30 days.



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