

I N D E X

PORT COMMISSION
OF THE
PORT OF HOUSTON AUTHORITY
OF THE PORTS OF HARRIS COUNTY, TEXAS

April 25, 2017

Minute No.

Event/Action

General

Commissioner Kennedy convened the meeting of the Port Commission and provided opening remarks

Minutes

2017-0425-01 Approve the Minutes of the March 21, 2017 Port Commission Meeting

Port Commission Committee Updates

(2017-0425-02A) Commissioner Kennedy noted that the April 18, 2017 Audit Committee report would be presented at the next Port Commission meeting

(2017-0425-02B) Commissioner Fitzgerald reported on the Pension and Benefits Committee Meeting – April 18, 2017

Appearances

(2017-0425-03A) Commissioner Kennedy introduced Ryan Falls, Senior Consultant and Actuary, Gabriel, Roeder and Smith, who addressed the Port Commission

(2017-0425-03B) Commissioner Kennedy recognized Captain Robert Shearon, Presiding Officer, Houston Pilot's Association, who addressed the Port Commission

(2017-0425-03C) Commissioner Kennedy recognized Reginald Moore, who addressed the Port Commission

(2017-0425-03D) Commissioner Kennedy called on Gilda Ramirez, Sr. Director, Small Business & Education Outreach, who addressed the Port Commission

(2017-0425-03E) Commissioner Kennedy recognized Captain Margaret Candler, Sea Star Base, Galveston, who addressed the Port Commission

(2017-0425-03F) Commissioner Kennedy recognized Rosemary Doolin, Doolin Maritime Careers Camp, who addressed the Port Commission

(2017-0425-03G) Commissioner Kennedy recognized Courtney Rose, Chairman, Greater Houston Black Chamber of Commerce, who addressed the Port Commission and

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introduced 2017 Jack Yates High School graduate Jalesha Bass, scholarship recipient, who also addressed the Port Commission

Staff Reports

(2017-0425-04A) Roger Guenther, Executive Director, presented a summary of selected financial and operations matters

(2017-0425-04B) Bruce Birdwell, Director, Risk Management, presented a Total Cost of Risk Annual Update

G. Executive

2017-0425-05 Support the inclusion of a coastal barrier system for the Houston/Galveston bay area in the President's national infrastructure plans

2017-0425-06 Approve the actuarial audit of the August 1, 2016 Actuarial Valuation of the Port of Houston Authority Restated Retirement Plan

H. Commercial

2017-0425-07 Approve a two-year lease agreement with Gulf Winds International, Inc. for approximately 8.58 acres on the south side of Port Road, adjacent to Old Highway 146 near the Bayport Container Terminal effective June 1, 2017 at an annual rental of \$358,076 and with an annual 3% increase

2017-0425-08 Approve the purchase of an approximately 1.27 acre tract of land owned by Ballard Exploration Company, Inc. located at 3300 Penn City Road, Houston, Texas in the amount of \$213,000, with the buyer paying the title insurance policy and other customary closing costs

2017-0425-09 Decline the request of the Houston Maritime Museum (HMM) to forgive reimbursement, following termination of HMM's Turning Basin lease, of the Port Authority's \$45,550.53 lease-related expenses

I. Finance

2017-0425-10 Authorize advertisement and receipt of responses for three formal procurements

2017-0425-10(a) Request for competitive sealed bids for Wharf 27 collision repair at Turning Basin Terminal for Damage Claim 1097

2017-0425-10(b) Request for qualifications for professional services for structural assessment and design of Wharves 1, 2, 3, and Bulkhead at Jacinto Port Terminal

2017-0425-10(c) Request for proposals for promotional items and web-store ordering services

2017-0425-11 Approve the Port Authority's fiscal year 2016 Comprehensive Annual Financial Report

<u>Minute No.</u>	<u>Event/Action</u>
2017-0425-12	Adopt resolutions authorizing the Port Authority's participation in the Local Government Investment Cooperative and the Texas Local Government Investment Pools (TexPool and TexPool Prime), and designate authorized representatives to act on behalf of the Port Authority in all matters in connection with those local government investment pools
	J. Health, Safety, Security & Emergency Management (no items)
2017-0425-13	RCA J1 was tabled
2017-0425-14	Authorize an agreement with the U.S. Coast Guard to host a six to eight week Marine Industry Training Program member
	K. Infrastructure
2017-0425-15	Reject all bids and authorize the re-advertisement of a request for bids for Wharf 42/43 collision repair at Turning Basin Terminal for Damage Claim 997
2017-0425-16	Approve staff's ranking of vendors and award a professional services contract for the container freight station, utilities, and drainage at Bayport Container Terminal to the top-ranked proposer: staff ranking – first, Cobb, Fendley & Associates, Inc.; second, HR Green, Inc.; and third, KIT Professionals, Inc. Port Commission adopted the staff-recommended ranking and authorized award
2017-0425-17	Approve staff's ranking of vendors and award a construction contract for dewatering of the House Tract Placement Area to the top-ranked proposer: staff ranking – first, J. Simmons Group, Inc.; and second, Affolter Contracting Company, Inc. Port Commission adopted the staff-recommended ranking and authorized award
2017-0425-18	Award a three-year environmental services contract to Global Waste Services, LLC for scrap tire removal and disposal services for all Port Authority facilities
2017-0425-19	Approve a change order to McCarthy Building Companies, Inc. to perform additional work associated with the construction of Wharf 2 at Bayport Container Terminal
2017-0425-20	Amend the existing professional services contract with PDG Architects for space allocation planning services for the Port Authority Executive Office Building
2017-0425-21	Enter into a multi-party Interlocal Agreement with Harris County, Galena Park, and Jacinto City for contributions not to exceed the lesser of one third of the cost or \$100,000 for the design and construction of a sidewalk and pedestrian bridges along the east side of Mercury Drive
2017-0425-22	Approve the assignment of the Port Authority Environmental Consulting Agreement with E2 ManageTech, Inc. to EnSafe, Inc.

<u>Minute No.</u>	<u>Event/Action</u>
2017-0425-23	Amend and renew a pipeline license to CenterPoint Energy Resources Corp., dba CenterPoint Energy Texas Gas Operations, to add one 2-inch natural gas pipeline within an existing 4-inch pipeline under and across Northside Mainline railroad right-of-way in Houston
2017-0425-24	Approve the renewal of expiring Port Authority licenses for new ten-year terms: Targa Downstream LLC, Pasadena Cogeneration, L.P., Equistar Chemicals, LP, Kinder Morgan Texas Pipeline Company LLC, HSC Pipeline Partnership, LLC, Shell Oil Company, Shell Pipeline Company LP, and Enterprise Texas Pipeline LLC
2017-0425-25	Issue a pipeline license to Enterprise Houston Ship Channel, L.P. for one 30-inch crude oil pipeline under and across Southside Mainline railroad right-of-way, Vince Bayou, Little Vince Bayou, Pasadena Cut-Off railroad right-of-way, Deer Park Junction railroad right-of-way, Houston Ship Channel, and Beltway 8 property in Houston and Pasadena
2017-0425-26	Issue a pipeline license to Magellan Terminal Company, L.P. for one 36-inch crude oil pipeline under and across Southside Mainline railroad right-of-way in Pasadena
2017-0425-27	Issue a pipeline license to Magellan Pipeline Company, L.P. for two 18-inch crude oil pipelines under and across Pasadena Cut-Off railroad right-of-way and Southside Mainline railroad right-of-way in Pasadena
2017-0425-28	Issue a pipeline license to Houston Fuel Oil Terminal Company for seven pipelines and two fiber optic lines under and across Jacintoport Channel in Houston
2017-0425-29	Amend a pipeline license to Blanchard Pipe Line Company LLC to add two coupon test stations outside of the eastern and western dikes of Spilman Island in La Porte
2017-0425-30	Issue a transmission/distribution line license to AT&T for one fiber optic line under and across Turning Basin Area-West in Houston
2017-0425-31	Issue a transmission/distribution line license to PS Lightwave, Inc. for one fiber optic line within a 4-inch conduit under and across Northside Turning Basin and Cornegie Track railroad right-of-way in Houston
2017-0425-32	Issue a marine construction permit to the Harris County Toll Road Authority to construct two bridges and demolish the existing Sam Houston Tollway (Beltway 8) bridge across the Houston Ship Channel
L. Operations	
2017-0425-33	Approve staff's ranking of vendors and award an annual professional services contract to perform safety inspections and certification services for cranes and terminal equipment at Barbours Cut Terminal, Bayport Container Terminal and Turning Basin Terminal to the top-ranked proposer: staff ranking – first, Kempco Inspection Services, Inc.; and second, International Cargo Gear Bureau Inc.

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Port Commission adopted the staff-recommended ranking and authorized award

2017-0425-34 Issue two purchase orders to Caldwell Country Chevrolet for the purchase of thirty-eight vehicles needed by Barbours Cut and Bayport Container Terminals, Central Maintenance, Security and Port Police departments, using the Houston-Galveston Area Council and the BuyBoard cooperative purchasing programs

2017-0425-35 Amend the Freight Handling Assignment Agreement with Coastal Cargo of Texas, Inc., to extend the term of the agreement through September 30, 2026 to coincide with the term of Coastal Cargo's lease agreement for the Care Terminal Facility and modify the tonnage guarantee

2017-0425-36 Amend the Interim Lease Agreement with Houston Terminal, LLC at Bayport Container Terminal to extend the term for an additional one year through April 30, 2018, increase the monthly base rent by 3%, and add a clause requiring the empty yard operations to mirror terminal operating hours

M. People

2017-0425-37 Reject all proposals and re-advertise a request for proposals for vending services for the Executive Office Building and Port Coordination Center at the Turning Basin Terminal

N. Technology (no items)

O. Recess Open Meeting and Convene Executive Session

P. Reconvene Open Meeting

Q. Infrastructure

2017-0425-38 RCA Q1 was tabled

2017-0425-39 Motion to authorize the Executive Director to settle the claims of the Port Authority against Carl Norman Jr. on the terms discussed in Executive Session, and to do all things reasonable or necessary to give effect to the foregoing

2017-0425-40 Motion to authorize the Port Authority to amend its agreement for legal services with Amy Loeserman Klein on the terms discussed in Executive Session, and authorize the Executive Director to do all things necessary to give effect to the foregoing

2017-0425-41 Motion to authorize the Port Authority to join with Louis Dreyfus Company Houston Export Elevator LLC and affiliates to file suit against the MV ANNA SMILE and related defendants on the terms discussed in Executive Session, and to do all things reasonable or necessary to give effect to the foregoing

Q. Adjourn Meeting

**Port of Houston Authority
Port Commission Public Meeting**

**Houston, Texas
April 25, 2017**

A public meeting of the Port Commission of the Port of Houston Authority of Harris County, Texas was convened on April 25, 2017 at 9:00 a.m., at the Port of Houston Authority Executive Offices, Fourth Floor Boardroom, at 111 East Loop North, Houston, Texas 77029. The following Commissioners and staff were present:

John D. Kennedy, Acting Chairman
Theldon R. Branch, III, Commissioner
Dean E. Corgey, Commissioner
Stephen H. DonCarlos, Commissioner
Clyde E. Fitzgerald, Commissioner
Roy D. Mease, Commissioner
Roger Guenther, Executive Director
Thomas G. Schroeter, Associate General Counsel

Commissioner Kennedy convened the meeting of the Port Commission and welcomed everyone. He announced that today was the 40th anniversary of the opening of Barbours Cut Container Terminal, and that the 10th anniversary of the opening of Bayport Container Terminal occurred in February. Commissioner Kennedy added that the two container terminals handle 68% of all the container activity along the U.S. Gulf Coast, and 95% of the container activity in Texas, and thanked everyone for their dedication and efforts to help the Port Authority grow and prosper.

Commissioner Kennedy reported that on April 24th he attended the U.S. Coast Guard Sector Houston-Galveston Change of Command Ceremony. He commended Captain Peter Martin for his service and leadership as Sector Commander and, on behalf of the Port Commission, wished him well in retirement. Commissioner Kennedy also extended congratulations to the new Captain of the Port, Captain Kevin Oditt and commented that the Port Authority values its partnership with the U.S. Coast Guard and appreciates its dedication and commitment to the safety, security, and environmental stewardship of the Port of Houston.

(2017-0425-01) Commissioner Kennedy called for a motion to approve the minutes of the March 21, 2017 Port Commission meeting. Commissioner Corgey moved for approval, seconded by Commissioner Mease. Commissioners Kennedy, Branch, Corgey, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. MOTION PASSED.

Port Commission Committee Updates

(2016-0425-02A) Commissioner Kennedy noted that the April 18, 2017 Audit Committee report would be presented at the next Port Commission Meeting.

(2016-0425-02B) Commissioner Fitzgerald reported on the Pension and Benefits Committee Meeting held on April 18, 2017.

Commissioner Fitzgerald advised the Port Commission that staff had provided both the Pension and Audit Committees with an update on the Pension Plan actuarial audit, which must be performed every five years for plans with assets exceeding \$100 million.

Gabriel, Roeder, Smith & Company (“GRS”) was engaged to audit the actuarial assumptions and valuation report prepared by the Port Authority’s actuary, Milliman. The final audit report indicates that the valuation prepared by Milliman was a fair and reasonable assessment of the financial position of the Pension Plan.

Commissioner Fitzgerald concluded his remarks by announcing that both the Audit and Pension and Benefits Committees recommend approval of the final actuarial audit report, which is Item G-2 on the Agenda.

(2016-0425-03A) Commissioner Kennedy introduced Ryan Falls, Senior Consultant and Actuary, GRS, who addressed the Port Commission.

Mr. Falls advised the Port Commission and those present that Texas state law requires all public pension plans over \$100 million to obtain an actuarial audit. He added that this was the second actuarial audit performed by GRS, and was pleased to report that the evaluation received from the actuary provided a fair and reasonable assessment of the financial position of the Port of Houston Authority Restated Retirement Pension Plan. Commissioner Kennedy asked if there were any questions; there were none. Commissioner Kennedy thanked Mr. Falls for his report.

Commissioner Kennedy asked Mr. Schroeter to review the rules regarding public comments. Mr. Schroeter advised that if the subject matter of the comment pertains to an item on the agenda, the speaker is permitted three minutes; if the subject matter is not related to an agenda item, the speaker is permitted one minute.

(2016-0425-03B) Commissioner Kennedy recognized Captain Robert Shearon, Presiding Officer, Houston Pilot’s Association, who addressed the Port Commission.

Captain Shearon advised the Port Commission that Friday, April 28th, the Maritime and Logistics Youth Expo would be held at San Jacinto Maritime College.

(2016-0425-03C) Commissioner Kennedy recognized Reginald Moore, who addressed the Port Commission.

Mr. Moore advised all present that Jack Yates Maritime Academy would be holding its graduation ceremonies on May 2nd. He also read a letter from Jack Yates High School thanking International Longshoremen's Association Local Houston 24, Commissioner Fitzgerald, and Mr. Moore for the generous donation of the forklift and certification training for the students.

(2016-0425-03D) Commissioner Kennedy called on Gilda Ramirez, Sr. Director, Small Business and Education Outreach, who addressed the Port Commission.

Ms. Ramirez updated the Port Commission on 2017 maritime education graduation ceremonies.

- Commissioner Corgey spoke at the recent La Porte High School graduation.
- Commissioner Mease spoke at the Pasadena High School ceremony.
- Stephen F. Austin will be holding its graduation ceremony on April 27th with Commissioner Branch as guest speaker.
- Jack Yates High School's ceremony is on May 2nd, with Commissioners Branch and Kennedy as guest speakers.
- Galena Park High School's ceremony would be on May 4th, with Commissioner Kennedy as guest speaker.

Commissioners Kennedy and Corgey commended Ms. Ramirez for the excellent job that she and her staff had done in promoting the maritime program in local high schools.

(2016-0425-03E) Commissioner Kennedy recognized Captain Margaret Candler, Sea Star Base, Galveston, who addressed the Port Commission.

Captain Candler thanked Port Houston and its maritime staff for their support of maritime education and presented a slide show showing students touring the ship channel and receiving hands-on instruction on a motor vessel.

(2016-0425-03F) Commissioner Kennedy recognized Rosemary Doolin, Doolin Maritime Careers Camp, who addressed the Port Commission.

Ms. Doolin thanked the Port Commission and staff for its insight in promoting a maritime program in Houston.

(2016-0425-03G) Commissioner Kennedy recognized Courtney Rose, Chairman, Greater Houston Black Chamber of Commerce, who addressed the Port Commission and introduced 2017 Jack Yates High School graduate Jalesha Bass, who also addressed the Port Commission.

Ms. Rose thanked the Port Commission and Port Houston for their support of the Greater Houston Black Chamber of Commerce and gave a brief overview of the activities they have been involved in. She also remarked that recently the Black Chamber held its 41st scholarship breakfast and awarded a scholarship to Ms. Bass, a graduate of Jack Yates High School, who would be attending the University of Texas at Austin.

Ms. Bass thanked the Port Commission for its support for the maritime program at Jack Yates High School and the opportunities it had afforded her and her fellow students.

(2016-0425-04A) Staff Reports

Mr. Guenther presented a summary of selected financial and operational matters as follows:

- For the quarter ending March 2017, Port Authority facilities handled close to 10 million tons of cargo, an approximately 11% increase from the 1st quarter of 2016. Container volume increased by 18%, followed by some positive signs for steel imports, which increased 11%.
- During the 1st quarter, Port Authority facilities handled 607,500 total twenty-foot equivalent units ("TEUs"), an increase of 19% year to date, including 514,400 loaded TEUs, a 22% increase from 2016.
- Through March, the Port Authority generated operating revenues of \$81 million, an increase of 15%. Operating Expenses and G&A increased slightly but remained in line with revenues, which was indicative of controlled overhead spending. The Port Authority has generated \$34 million in cash flow, an increase of 8%; cash generated year to date is 15% above budgeted cash flow.
- The U.S. Army Corps of Engineers has moved into the mouth of the Bayport Channel, making final improvements for 45 foot access into the Bayport channel, and upon completion will begin the widening of the Bayport Flare.

In conclusion, Mr. Guenther informed the Port Commission that trade development team members attended Breakbulk Europe to promote Port Houston.

Commissioner Kennedy asked if there were any questions. Hearing none, he thanked Mr. Guenther for his report.

(2016-0425-04B) Bruce Birdwell, Director, Risk Management, presented a Total Cost of Risk Annual Update.

Mr. Birdwell noted that the four components to Total Cost of Risk (“TCOR”) are (i) *claim costs* – all retained costs related to workers’ compensation and liability claims; (ii) *insurance* – premiums for all property and casualty coverage; (iii) *administrative costs* – internal costs encompass salaries and benefits and costs of the Risk Management and Safety departments, and external costs include brokers, consultants, claims administrators and actuarial studies (which are included in risk management’s budget); and (iv) *uninsured losses* – active and passive.

There was a slight increase in TCOR dollars, mainly the result of two workers’ compensation claims that accounted for approximately \$900,000 in losses. TCOR remains fairly stable at approximately 2% of operating revenue, which is the established internal goal. Workers’ compensation injuries decreased in 2016 to 3.84 compared to 5.06 in 2015, respectively, per 100 employees. Since 2010, TCOR due to insurance premiums has declined from 1.75% to 1.07% of operating revenue.

The Port Commission then considered each Request for Port Commission Action (“RCA”) attached to these minutes as Exhibit “A.”

(2017-0425-05) RCA G1 was presented, moved by Commissioner Corgey, seconded by Commissioner Branch. Commissioners Kennedy, Branch, Corgey, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA G1 PASSED.

(2017-0425-06) RCA G2 was presented, moved by Commissioner Mease, seconded by Commissioner Branch. Commissioners Kennedy, Branch, Corgey, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA G2 PASSED.

(2017-0425-07) RCA H1 was presented, moved by Commissioner Branch, seconded by Commissioner Mease. Commissioners Kennedy, Branch, Corgey, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA H1 PASSED.

(2017-0425-08) RCA H2 was presented, moved by Commissioner Corgey, seconded by Commissioner Fitzgerald. Commissioners Kennedy, Branch, Corgey, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA H2 PASSED.

(2017-0425-09) RCA H3 was presented, moved by Commissioner Branch, seconded by Commissioner Mease. Commissioners Kennedy, Branch, Corgey, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA H3 PASSED.

(2017-0425-10) RCA I1(a-c) was presented, moved by Commissioner DonCarlos, seconded by Commissioner Fitzgerald. Commissioners Kennedy, Branch, Corgey, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA H1 PASSED.

(2017-0425-11) RCA I2 was presented, moved by Commissioner Mease, seconded by Commissioner Corgey. Commissioners Kennedy, Branch, Corgey, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA I2 PASSED.

(2017-0425-12) RCA I3 was presented, moved by Commissioner Branch, seconded by Commissioner Corgey. Commissioners Kennedy, Branch, Corgey, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA I3 PASSED.

(2017-0425-13) RCA J1 was tabled.

(2017-0425-14) RCA J2 was presented, moved by Commissioner Corgey, seconded by Commissioner Fitzgerald. Commissioners Kennedy, Branch, Corgey, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J2 PASSED.

(2017-0425-15) RCA K1 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Branch. Commissioners Kennedy, Branch, Corgey, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K1 PASSED.

(2017-0425-16) RCA K2 was presented. Commissioner Branch moved for staff recommended ranking – first, Cobb, Fendley & Associates, Inc.; second, HR Green, Inc.; and third, KIT Professionals, Inc., seconded by Commissioner DonCarlos. Commissioners Kennedy, Branch, Corgey, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K2 PASSED.

(2017-0425-17) RCA K3 was presented. Commissioner Corgey moved for staff recommended ranking – first, J. Simmons Group, Inc.; and second, Affolter Contracting Company, Inc., seconded by Commissioner Branch. Commissioners Kennedy, Branch, Corgey, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K3 PASSED.

(2017-0425-18) RCA K4 was presented, moved by Commissioner Branch, seconded by Commissioner DonCarlos. Commissioners Kennedy, Branch, Corgey, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K4 PASSED.

(2017-0425-19) RCA K5 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Branch. Commissioners Kennedy, Branch, Corgey, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K5 PASSED.

(2017-0425-20) RCA K6 was presented, moved by Commissioner Corgey, seconded by Commissioner Branch.

Commissioner Mease inquired as to the area covered by the work. Mr. Guenther responded that the plan is to renovate the whole building to create more efficiency, more capacity, and upgrade the HVAC system. The approval requested today would be for the design phase.

Commissioners Kennedy, Branch, Corgey, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K6 PASSED.

(2017-0425-21) RCA K7 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Fitzgerald. Commissioners Kennedy, Branch, Corgey, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K7 PASSED.

(2017-0425-22) RCA K8 was presented, moved by Commissioner Branch, seconded by Commissioner DonCarlos. Commissioners Kennedy, Branch, Corgey, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K8 PASSED.

(2017-0425-23) RCA K9 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Corgey. Commissioners Kennedy, Branch, Corgey, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K9 PASSED.

(2017-0425-24) RCA K10 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Corgey. Commissioners Kennedy, Branch, Corgey, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K10 PASSED.

(2017-0425-25) RCA K11 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Corgey. Commissioners Kennedy, Branch, Corgey, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K11 PASSED.

(2017-0425-26) RCA K12 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Corgey. Commissioners Kennedy, Branch, Corgey, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K12 PASSED.

(2017-0425-27) RCA K13 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Corgey. Commissioners Kennedy, Branch, Corgey, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K13 PASSED.

(2017-0425-28) RCA K14 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Corgey. Commissioners Kennedy, Branch, Corgey, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K14 PASSED.

(2017-0425-29) RCA K15 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Corgey. Commissioners Kennedy, Branch, Corgey, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K15 PASSED.

(2017-0425-30) RCA K16 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Corgey. Commissioners Kennedy, Branch, Corgey, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K16 PASSED.

(2017-0425-31) RCA K17 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Corgey. Commissioners Kennedy, Branch, Corgey, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K17 PASSED.

(2017-0425-32) RCA K18 was presented, moved by Commissioner Mease, seconded by Commissioner Branch. Commissioners Kennedy, Branch, Corgey, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K18 PASSED.

Commissioner Kennedy asked Mr. Guenther to comment on this item.

Mr. Guenther explained that the Port Authority has been working with the Harris County Toll Road Authority regarding the design of the bridge, to ensure that navigation safety, debris, and any modifications to the Houston Ship Channel and closures necessary as a result of the construction of this bridge are minimized, to make sure that commerce continues to flow through the Port of Houston. The Port Authority is asking for the Port Commission's permission to issue a permit to construct.

Chris Salles, Dannenbaum Engineering, was present and commented that the solicitation for the construction of the new bridges was currently on the street with the expectation that the contract would be awarded in November or December of this year. The phases of construction include the building of a new cable-stayed bridge, demolition of the existing bridge, and construction of an additional cable-stayed bridge to ensure smooth north-south traffic flow. The estimated time of construction is approximately 2,400 days.

Commissioner Kennedy commented that this was a significant item for the county and commerce in our region, and was looking forward to partnering with Harris County and the Harris County Toll Road Authority on this project.

(2017-0425-33) RCA L1 was presented. Commissioner Fitzgerald moved for staff recommended ranking – first, Kempco Inspection Services, Inc.; and second, International Cargo Gear Bureau Inc., seconded by Commissioner Corgey. Commissioners Kennedy, Branch, Corgey, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA L1 PASSED.

(2017-0425-34) RCA L2 was presented, moved by Commissioner Mease, seconded by Commissioner Branch. Commissioners Kennedy, Branch, Corgey, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA L2 PASSED.

(2017-0425-35) RCA L3 was presented, moved by Commissioner Mease, seconded by Commissioner Fitzgerald. Commissioners Kennedy, Branch, Corgey, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA L3 PASSED.

(2017-0425-36) RCA L4 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Branch. Commissioners Kennedy, Branch, Corgey, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA L4 PASSED.

(2017-0425-37) RCA M1 was presented, moved by Commissioner Corgey, seconded by Commissioner Branch. Commissioners Kennedy, Branch, Corgey, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA M1 PASSED.

At 9:54 a.m., Commissioner Kennedy called for a brief recess and advised that the Executive Session would follow.

At 10:05 a.m., Commissioner Kennedy reconvened the public meeting and instructed Mr. Schroeter to make the following announcement:

It is now 10:05 a.m. The Port Commission of the Port of Houston Authority of Harris County, Texas will now convene in a closed meeting, as permitted by the Texas Open Meetings Act and Government Code, (i) to conduct a private Consultation with Attorneys (*Section 551.071, Texas Open Meetings Act*), including consultations regarding claims of Orion Marine Construction, Inc., claims of Trans-Global Solutions, Inc., claims of Blanchard Contractors, Inc., claims of the Port Authority against the M/V ANNA SMILE, claims of the Port Authority against Carl Norman, Jr., and a proposed amendment to the agreement for legal services with Amy Loeserman Klein; deliberate regarding (ii) Real Estate (*Section 551.072, Texas Open Meetings Act*), including deliberation regarding disposition of submerged lands in Burnet Bay; (iii) Economic Development Negotiations or Incentives (*Section 551.087, Texas Open Meetings Act*); (iv) Employment and Evaluation of Public Employees (*Section 551.074, Texas Open Meetings Act*), including deliberations regarding public employees; and (v) Security-Related Matters (*Sections 418.175-418.183 of the Texas Government Code, and Section 551.076, Texas Open Meetings Act*). The Port Commission will reconvene in public session after the closed meeting is adjourned.

Immediately thereafter the Port Commission retired into closed session.

At 11:12 a.m., Commissioner Kennedy reconvened the open meeting at the Port of Houston Authority Executive Office Boardroom, at 111 East Loop North, Houston, Texas 77029, with the following Commissioners, staff, and counsel in attendance:

John D. Kennedy, Acting Chairman
Theldon R. Branch, III, Commissioner
Dean E. Corgey, Commissioner
Stephen H. DonCarlos, Commissioner
Roy D. Mease, Commissioner
Roger Guenther, Executive Director
Thomas G. Schroeter, Associate General Counsel
J. Kent Friedman, Orrick, Herrington & Sutcliffe LLP

(2017-0425-38) Item Q1 was tabled.

(2017-0425-39) Commissioner Corgey moved to authorize the Executive Director to settle the claims of the Port Authority against Carl Norman, Jr. on the terms discussed in Executive Session, and to do all things reasonable or necessary to give effect to the foregoing, seconded by Commissioner Mease. Commissioners Kennedy, Branch, Corgey, DonCarlos, and Mease voted Aye. Nays none. MOTION PASSED.

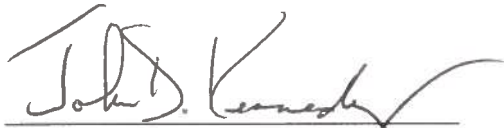
(2017-0425-40) Commissioner Mease moved to authorize the Port Authority to amend its agreement for legal services with Amy Loeserman Klein, on the terms discussed in Executive Session, and authorize the Executive Director to do all things necessary to give effect to the foregoing, seconded by Commissioner Corgey. Commissioners Kennedy, Branch, Corgey, DonCarlos, and Mease voted Aye. Nays none. MOTION PASSED.

(2017-0425-41) Commissioner Branch moved to authorize the Port Authority to join with Louis Dreyfus Company Houston Export Elevator LLC and Affiliates to file suit against the MV ANNA SMILE and related defendants, on the terms discussed in Executive Session, and to do all things reasonable or necessary to give effect to the foregoing, seconded by Commissioner Mease. Commissioners Kennedy, Branch, Corgey, DonCarlos, and Mease voted Aye. Nays none. MOTION PASSED.

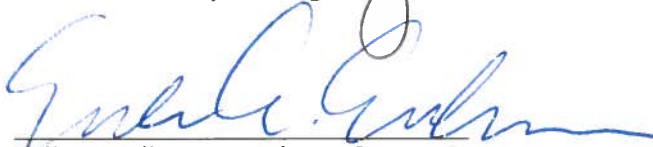
Commissioner Kennedy announced that Chairman Longoria had requested that the next meeting of the Port Commission be moved to Wednesday, May 24, 2017.

At 11:18 a.m., Commissioner Kennedy adjourned the Port Commission meeting.

The above is a correct copy of the Minutes of the April 25, 2017 meeting of the Port Commission of the Port of Houston Authority.



John D. Kennedy, Acting Chairman



Erik A. Eriksson, Assistant Secretary

G. EXECUTIVE

Subject **1. Support the inclusion of a coastal barrier system for the Houston/Galveston bay area in the President's national infrastructure plans.**

Meeting Apr 25, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its April 25, 2017 meeting, authorize the Port Authority to support the inclusion of a coastal barrier system for the Houston/Galveston bay area in the President's national infrastructure plans, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:
General

Department:
Executive

Staff Contact:
Roger Guenther

Background:

Last month, George P. Bush, Texas General Land Office Commissioner, submitted a request to the President, urging him to include a Houston/Galveston bay area coastal barrier system in his "national infrastructure plans" (see attached).

Among other things, Commissioner Bush noted that the Houston/Galveston bay system is responsible for 428 million tons of cargo annually, is home to the Port of Houston, the country's second busiest port (providing over \$600 billion a year in direct output to the U.S. economy), and that the bay's port systems produce over 3 million direct and indirect jobs throughout the nation.

He also pointed out that the bay system is largely unprotected from hurricane-related storm surge – though fortunately Hurricane Ike, a "good miss," changed course and avoided a direct hit to the Port of Houston.

Commissioner Bush concluded by noting that

Building the proposed coastal barrier system is an historic opportunity to safeguard our nation's economy, our national security and millions of citizens' lives and livelihood.

Staff Evaluation/Justification:

Staff concurs with Commissioner Bush's view of the importance of the Port of Houston and the Houston/Galveston bay system, its vulnerability to storm damage, and the importance of addressing that vulnerability.

Staff has monitored the ongoing efforts of our stakeholders and others to support these goals, and believes they should continue their work to implement the means to protect the people and property of the Port of Houston and Galveston Bay from the catastrophe of storm damage.

Accordingly, staff recommends that the Port Commission, at its April 25, 2017 meeting, authorize the Port Authority to support the inclusion of the Houston/Galveston bay area coastal barrier system in the President's national infrastructure plans. This action is expected to include either joining with Commissioner Bush's letter, or separately submitting one on behalf of the Port Authority.

G. EXECUTIVE

Subject **2. Approve the actuarial audit of the August 1, 2016 Actuarial Valuation of the Port of Houston Authority Restated Retirement Plan.**

Meeting Apr 25, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended The Port Commission, at its April 25, 2017 meeting, approve the actuarial audit of the
Action August 1, 2016 Actuarial Valuation of the Port of Houston Authority Restated
Retirement Plan, including the Independent Auditors Report prepared by Gabriel,
Roeder, Smith & Company dated March 22, 2017, and further authorize the Executive
Director to do any and all things in his opinion reasonable or necessary to give effect to
the foregoing.

Category:

General

Department:

Internal Audit

Staff Contact:

Maxine Buckles

Background:

Section 802.1012 of the Texas Government Code requires an actuarial audit of any public retirement system in Texas with total assets of at least \$100 million. The assets in the Port of Houston Authority Restated Retirement Plan (the Pension Plan) as of August 1, 2016 were valued at \$163.3 million, and therefore, the Port Authority engaged Gabriel, Roeder, Smith & Company to perform the required actuarial audit.

The actuarial audit involved an independent verification and analysis of the assumptions, procedures, and methods used by Milliman, Inc., the Port Authority's retained actuary, in its valuation of Pension Plan assets as of August 1, 2016, to ensure that the conclusions were technically sound and conform to the appropriate Standards of Practice as promulgated by the Actuarial Standards Board.

The Independent Auditors Report prepared by Gabriel, Roeder, Smith & Company dated March 22, 2017 opines that the August 1, 2016 Actuarial Valuation prepared by Milliman, Inc. provides a fair and reasonable assessment of the financial position of the Pension Plan.

Staff Evaluation/Justification:

Port Commission members were previously provided a copy of the Independent Auditors Report prepared by Gabriel, Roeder, Smith & Company dated March 22, 2017 and each Commissioner was given the opportunity to discuss it with staff.

Staff recommends that the Port Commission approve the Independent Auditors Report, whereupon the Executive Director of the Port Authority will act to ensure a copy is submitted to the Texas Pension Review Board in compliance with statutory requirements.

H. COMMERCIAL

Subject 1. Approve a two-year lease agreement with Gulf Winds International, Inc. for approximately 8.58 acres on the south side of Port Road, adjacent to Old Highway 146 near the Bayport Container Terminal effective June 1, 2017 at an annual rental of \$358,076 and with an annual 3% increase.

Meeting Apr 25, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its April 25, 2017 meeting, approve a two-year lease agreement with Gulf Winds International, Inc. for approximately 8.58 acres on the south side of Port Road, adjacent to Old Highway 146 near the Bayport Container Terminal effective June 1, 2017 at an annual rental of \$358,076 and with an annual 3% increase, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:
Leases

Department:
Real Estate

Staff Contact:
R.D. Tanner

Background:

Gulf Winds International, Inc.(Gulf Winds) has requested that the Port Authority renew its lease of approximately 8.58 acres for a two-year term for staging trucks awaiting entry into its warehouse at 5300 State Highway 146, Seabrook, Texas. The renewal would include a 3% rental increase over the prior year rate. During the term of this lease, it is likely that the Port Authority will propose to sell a small portion of the Gulf Winds property to provide for an electrical transmission and distribution power easement to a new proposed electrical sub station planned for the area. Should this occur, an amendment to this lease will be presented to the Port Authority for approval at a future date and the lease will incorporate terms for this possibility.

Staff Evaluation/Justification:

Staff recommends approval of a two-year lease to Gulf Winds on the terms described above.

H. COMMERCIAL

Subject **2. Approve the purchase of an approximately 1.27 acres tract of land owned by Ballard Exploration Company, Inc. located at 3300 Penn City Road, Houston, Texas in the amount of \$213,000, with the buyer paying the title insurance policy and other customary closing costs.**

Meeting Apr 25, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its April 25, 2017 meeting, approve the purchase of an approximately 1.27 acres tract of land owned by Ballard Exploration Company, Inc. located at 3300 Penn City Road, Houston, Texas in the amount of \$213,000 with the buyer paying the title insurance policy and other customary closing costs, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Leases

Department:

Real Estate

Staff Contact:

R.D. Tanner

Background:

The Port Authority currently owns over 500 acres north and west of subject property (Wah Chang and the Bulk Materials Handling Plant) and the acquisition of the subject Ballard Exploration site would enable further development of the Port Authority's property. The purchase offer, based on an appraisal, was made and accepted by the property owner.

Staff Evaluation/Justification:

Staff recommends approval for this proposed acquisition.

H. COMMERCIAL

Subject **3. Decline the request of the Houston Maritime Museum (HMM) to forgive reimbursement, following termination of HMM's Turning Basin lease, of the Port Authority's \$45,550.53 lease-related expenses.**

Meeting Apr 25, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its April 25, 2017 meeting, decline the request of the Houston Maritime Museum (HMM) to forgive reimbursement, following termination of HMM's Turning Basin lease, of the Port Authority's \$45,550.53 lease-related expenses, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:
General

Department:
Commercial

Staff Contact:
RD Tanner

Background:

In 2011, the Port Authority entered into a Memorandum of Understanding with HMM to assist with the relocation of HMM's museum to Port Authority property near the M/V Sam Houston Pavilion, and in 2015 the Port Authority leased that site to HMM for a thirty-year term and at an annual rental of \$100.

The lease provided, among other things, that upon termination of the lease, HMM would reimburse the Port Authority for its out-of-pocket lease expenses.

In January 2017 the HMM notified the Port Authority it was terminating the lease.

The Port Authority thereafter invoiced HMM for those expenses, which included Phase 1 and Phase 2 environmental investigations of the leased premises, and roadway planning work required to improve terminal gate access to the leased premises and the terminal, and totaled \$45,550.53.

HMM has now requested that the Port Authority consider "transitioning the amount of the reimbursement...as a donation to [its] capital campaign."

Staff Evaluation/Justification:

Staff recommends that the Port Authority decline HMM's request to forgive the reimbursement of these expenses. The Port Authority will, however, continue to consider further support of the HMM in connection with the Port Authority's regular Promotion and Development Fund procedures, which include the weighing of stewardship priorities as required by the Strategic Plan, and subsequent budgeting and disbursement of those funds.

I. FINANCE

Subject	1. Authorize advertisement and receipt of responses for three formal procurements.
Meeting	Apr 25, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	<p>The Port Commission, at its April 25, 2017 meeting, authorize the Port Authority to advertise and receive responses for three formal procurements, determine that the proposed procurement methods provide the best value to the Port Authority, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing for these procurements.</p> <p>(a) Request for competitive sealed bids for Wharf 27 collision repair at Turning Basin Terminal for Damage Claim 1097</p> <p>(b) Request for qualifications for professional services for structural assessment and design of Wharves 1, 2, 3, and Bulkhead at Jacinto Port Terminal</p> <p>(c) Request for proposals for promotional items and web-store ordering services</p>

Category:

Authority to Obtain Bids, Proposals, or Qualifications

Department:

Procurement Services

Staff Contact:

Yvette Camel-Smith

Background:

In accordance with the Port Authority's Procurement Policy, the Port Commission should approve in advance every Port Authority solicitation for the procurement of goods and services that must be approved by the Port Commission pursuant to Texas Water Code Chapter 60 (Formal Procurements). In addition, Texas Water Code Chapter 60 requires that the Port Commission determine which Formal Procurement purchasing method provides "best value" for the Port Authority.

The Port Commission has established the following purchasing methods provide "best value" to the Port Authority, unless it determines otherwise in conjunction with its approval of the solicitation of a Formal Procurement:

- Solicitation of "Competitive Sealed Proposals" or "Competitive Sealed Bids," for construction, repair, rehabilitation, or alteration of facilities (except as provided below), and for non-construction items;
- Solicitation of "Requests for Proposals," for procurement of high technology items, insurance, services, and other intangible items, other than construction services; and
- Solicitation of "Requests for Qualifications," for the professional services of engineers, architects, and surveyors.

Staff Evaluation/Justification:

Port Authority staff requests approval to advertise three new Formal Procurements. Staff has evaluated and recommends one of the customary best value methods for each procurement.

I. FINANCE

Subject	2. Approve the Port Authority's fiscal year 2016 Comprehensive Annual Financial Report.
Meeting	Apr 25, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 25, 2017 meeting, approve the fiscal year 2016 Comprehensive Annual Financial Report, including the Report of Independent Public Accountants prepared by Grant Thornton, LLP dated April 18, 2017, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:
General

Department:
Accounting

Staff Contact:
Curtis Duncan

Background:

Texas Water Code, Sections 60.002 and 49.191, require the Port Authority to secure an annual audit by a certified public accountant or a public accountant holding a license from the Texas State Board of Public Accountancy. In addition, Texas Water Code, Section 49.194, requires the Port Authority's governing body to annually approve the audit report and ensure that a copy of the report is submitted with an accompanying filing affidavit to the Executive Director of the Texas Commission on Environmental Quality (TCEQ) within 135 days after the close of the Port Authority's fiscal year.

By Minute No. 2015-0728-14, the Port Commission approved staff's ranking of vendors and awarded a professional services contract for professional auditing services for the fiscal year ending 2015, with options to renew for two additional one-year terms to Grant Thornton, LLP. Staff exercised the renewal option for the year 2016.

Staff Evaluation/Justification:

Grant Thornton, LLP completed its audit of the Port Authority's financial statements for the fiscal year ended December 31, 2016, and made a presentation to the Audit Committee on April 18, 2017.

Staff has provided the Port Commission with the latest draft of the Port Authority's fiscal year 2016 Comprehensive Annual Financial Report (CAFR), which includes the Report of Independent Public Accountants prepared by Grant Thornton, LLP dated April 18, 2017.

The Audit Committee and staff recommend that the Port Commission formally approve the 2016 CAFR, whereupon the Executive Director of the Port Authority will submit the CAFR, along with the required filing affidavit, to the Executive Director of the TCEQ.

I. FINANCE

Subject **3. Adopt resolutions authorizing the Port Authority's participation in the Local Government Investment Cooperative and the Texas Local Government Investment Pools (TexPool and TexPool Prime), and designate authorized representatives to act on behalf of the Port Authority in all matters in connection with those local government investment pools.**

Meeting Apr 25, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its April 25, 2017 meeting, adopt resolutions authorizing the Port Authority's participation in the Local Government Investment Cooperative and the Texas Local Government Investment Pools (TexPool and TexPool Prime), designate authorized representatives to act on behalf of the Port Authority in all matters in connection with those local government investment pools, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Goals STRATEGIC GOAL #4 - STEWARDSHIP (Sustain the business for the long-term)

Category:
General

Department:
Treasury

Staff Contact:
Ray Yi

Background:

The Local Government Investment Cooperative (LOGIC) and the Texas Local Government Investment Pools (TexPool and TexPool Prime) operate as public funds investment pools pursuant to provisions of (a) the Interlocal Cooperation Act, Chapter 791, Texas Government Code, (b) the Interagency Cooperation Act, Chapter 771, Texas Government Code, and (c) the Public Funds Investment Act, Chapter 2256, Texas Government Code.

By Minute No. 2016-1025-16, the Port Commission last adopted a revised investment policy for Port Authority funds, including a revised List of Approved Banks, Broker-Dealers, Custodians, Money Market Funds, Commercial Paper Direct Issuers, and Investment Pools. LOGIC, TexPool and TexPool Prime are listed as authorized investment pools under the approved investment policy.

Staff Evaluation/Justification:

As part of the ongoing management of the Port Authority's funds, staff reviews and considers various investment alternatives for its portfolio, and ensures that such investments comply with provisions of the Port Authority's investment policy and the Public Funds Investment Act.

The objectives of LOGIC, TexPool and TexPool Prime (i.e., preservation and safety of principal, liquidity and yield) are consistent with the requirements of the Public Funds Investment Act and the Port Authority's investment policy. Investments in these investment pools are appropriate and provide flexibility for the Port Authority's portfolio.

Staff recommends that the Port Commission adopt resolutions authorizing the Port Authority's participation in LOGIC, TexPool and TexPool Prime, and designate authorized representatives to act on behalf of the Port Authority in all matters in connection with those local government investment pools, including execution of any required related documents.

J. HEALTH, SAFETY, SECURITY & EMERGENCY MANAGEMENT

Subject	1. Award a purchase order to Motorola Solutions for purchase of two Communications on Wheels units and the rental of one Communications on Wheels unit, through the Houston-Galveston Area Council Cooperative Purchasing Program, in an amount not to exceed \$965,000.
Meeting	Apr 25, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its meeting on April 25, 2017, award a purchase order to Motorola Solutions for purchase of two Communications on Wheels units and the rental of one Communications on Wheels unit, through the Houston-Galveston Area Council Cooperative Purchasing Program, in an amount not to exceed \$965,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #4 - STEWARDSHIP (Sustain the business for the long-term) Strategic Objective 4c. - Operate safely and securely

Category:

Awards, Amendments and Change Orders

Department:

Emergency Management

Staff Contact:

Colin Rizzo

Background:

In 2015, Harris County switched its radio system from analog to digital technology, following an FCC mandate.

The Port Authority, which uses the Harris County system for communications, purchased radios capable of handling the new digital technology, and thereafter completed switching to the digital system. Since then, both the Barbours Cut Terminal and Bayport Container Terminal have experienced coverage and capacity issues, which can leave maintenance, operations, police, and fire personnel unable to clearly communicate, and creates potential safety situations. To address the issue, the Port Authority has been utilizing a Harris County Communications on Wheels unit (COWs) and a Pasadena COWs, one at each terminal, for the past nine months. These mobile units are normally utilized following an event that knocks out radio communications, and are not intended as a long-term solution, and each agency intends to recall their units on or before June 1st.

Staff Evaluation/Justification:

Staff has concluded that purchasing two COWs is required to provide a short term solution; long-term solutions continue to be discussed and analyzed.

Once the long term solution is in place, the two Port Authority COWs will remain available for disaster response within the region, including usage at large scale planned events, network outages, post disaster, and/or as requested by other agency partners.

The H-GAC Cooperative Purchasing Program was established in 1973 pursuant to the Texas Interlocal Cooperation Act to enable governmental entities to obtain purchasing services that offer expedited procurement, volume purchasing discounts, contract administration, and research services. All products and services offered by H-GAC have been subjected to competitive procurement processes in accordance with statutory requirements. By Minute No. 99-1129-29, the Port Commission authorized the Port Authority to enter into an Interlocal Agreement with H-GAC to participate in its Cooperative Purchasing Program.

Motorola Solutions is a participant in the Houston-Galveston Area Council (H-GAC) Cooperative Purchasing Program.

The Emergency Management Department requests permission to purchase two COWs for \$850,000 and permission to rent one COW for \$115,000 for five months. The rental is required as delivery time for the new COWs is quoted at 120 days. This procurement should help to ensure the safety of all maintenance, operations, police, and fire personnel assigned to the container terminals.

Accordingly, staff recommends utilizing the H-GAC Cooperative Purchasing Program for this procurement to provide best value to the Port Authority, and Motorola Solutions was determined to provide the product sought using H-GAC pricing.

J. HEALTH, SAFETY, SECURITY & EMERGENCY MANAGEMENT

Subject **2. Authorize an agreement with the U.S. Coast Guard to host a six to eight week Marine Industry Training Program member.**

Meeting Apr 25, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its meeting on April 25, 2017, authorize an agreement with the U.S. Coast Guard to host a Marine Industry Training Program member for six to eight weeks at no cost to the Port Authority, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Goals STRATEGIC GOAL #4 - STEWARDSHIP (Sustain the business for the long-term)
 STRATEGIC GOAL #1 - PEOPLE AND ORGANIZATION (Invest in people and organize for success)

Category:
General

Department:
Health, Safety, Security and Emergency Management Division

Staff Contact:
Marcus Woodring

Background:

The U.S. Coast Guard has established an industry training program, for certain competitively selected members, which allows them to be assigned to a private entity to "further the institutional interests of the Coast Guard". The program is designed to provide high performing U.S. Coast Guard members with an opportunity to work alongside industry personnel to deepen their professional knowledge of the maritime industry. The Port Authority has been requested to sponsor LT Brett Belanger for six to eight weeks in June and July 2017.

The U.S. Coast Guard continues to pay all benefits and salaries during the program, with the Port Authority providing a working space and schedule of activities. Following the requested time at the Port Authority, this officer is seeking to spend additional time at Shell, Kirby Inland Marine, Odjfell, and American Eagle Tankers. Following completion of the Marine Industry Training Program, LT Belanger will be assigned to U.S. Coast Guard Sector Houston-Galveston as a Marine Inspector.

Staff Evaluation/Justification:

This program benefits both the U.S. Coast Guard and the Port Authority by developing a strong relational linkage not only individually but corporately as well. There is minimal cost to the Port Authority which benefits from having a high caliber U.S. Coast Guard officer onboard to share his insights. It also serves to benefit LT Belanger by offering professional development and growth. Should this item be approved, Marcus Woodring has been selected to serve as LT Belanger's sponsor.

Staff recommends the Port Commission authorize the Port Authority to enter into this agreement, which will have full Legal review before execution.

K. INFRASTRUCTURE

Subject	1. Reject all bids and authorize the re-advertisement of a request for bids for Wharf 42/43 collision repair at Turning Basin Terminal for Damage Claim 997.
Meeting	Apr 25, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 25, 2017 meeting, reject all bids and authorize the re-advertisement of a request for bids for Wharf 42/43 Collision Repair at Turning Basin Terminal for Damage Claim 997, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #3 - INFRASTRUCTURE (Provide and facilitate infrastructure to meet demand)

Category:
Reject & Other Actions

Department:
Project and Construction Management

Staff Contact:
Roger H. Hoh, P.E.

Background:
The MV BBC SWEDEN made contact with Wharf 42 & 43 on April 29, 2016, which caused damage to the front face and concrete structural frame of the wharf.

The proposed repair would replace in kind for the damaged concrete and timber fender system.

By Minute No. 2017-0131-18(c), the Port Commission authorized the advertisement and receipt of competitive sealed bids (CSBs) for Wharf 42/43 collision repair at Turning Basin Terminal. The Port Authority notified vendors regarding its request for CSBs using the Port Authority's BuySpeed Eprocurement System and the project was advertised on the Port Authority's website and in a local newspaper. One hundred fifty-eight vendors downloaded the project materials from the system and only one vendor bid on the project.

Staff Evaluation/Justification:

On March 1, 2017, one CSB was received, opened, and publicly read. Only one bid was submitted and staff determined that bid was substantially higher than estimated of the cost for the repair of the dock.

Accordingly, staff recommends that the Port Commission reject the bid and approve re-advertising a request for CSB for Wharf 42/43 collision repair at Turning Basin Terminal for Damage Claim 997.

K. INFRASTRUCTURE

Subject **2. Approve staff's ranking of vendors and award a professional services contract in an amount not to exceed \$175,000 for the container freight station, utilities, and drainage at Bayport Container Terminal to the top-ranked proposer: staff ranking – first, Cobb, Fendley & Associates, Inc.; second, HR Green, Inc.; and third, KIT Professionals, Inc.**

Meeting Apr 25, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its April 25, 2017 meeting:
 (a) approve staff's ranking of the most qualified vendors, based on the selection criteria, in the following order – first, Cobb, Fendley & Associates, Inc.; second, HR Green, Inc.; and third, KIT Professionals, Inc.;
 (b) award a professional services contract to Cobb Fendley for the container freight station, utilities, and drainage at Bayport Container Terminal, in an amount not to exceed \$175,000; and
 (c) further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Goals STRATEGIC GOAL #3 - INFRASTRUCTURE (Provide and facilitate infrastructure to meet demand)

Category:

Awards, Amendments & Change Orders

Department:

Project and Construction Management

Staff Contact:

Roger H. Hoh, P.E.

Background:

The Port Authority is seeking to obtain professional services from a qualified firm to design utilities and supporting drainage system for the Freight Station Road properties at Bayport Container Terminal.

By Minute No. 2016-0927-32(g), the Port Commission authorized the advertisement of a request for qualifications (RFQ) for professional services. The Port Authority notified vendors regarding its RFQ using the Port Authority's BuySpeed Eprocurement System and the project was advertised on the Port Authority's website and in a local newspaper. Thirty-six vendors downloaded the project materials from BuySpeed.

Staff Evaluation/Justification:

On October 19, 2016, ten RFQ responses were received and opened. The responses were reviewed and evaluated by staff in accordance with the selection criteria published in the RFQ. Staff identified the following vendors, listed in order of ranking, as most qualified to provide the required services:

- Cobb, Fendley & Associates, Inc.
- HR Green, Inc.
- KIT Professionals, Inc.

This request is for a partial award of the originally requested scope in the September 2016 solicitation. The balance of the scope and funding for the remainder of the work is expected to be requested as an amendment to this contract at a later date. The balance of the work could include procurement and construction phase services, as well as design development of utility requirements for remaining undeveloped properties at Bayport Terminal.

Staff recommends that the Port Commission award a contract to Cobb, Fendley & Associates, Inc.

K. INFRASTRUCTURE

Subject **3. Approve staff's ranking of vendors and award a construction contract in an amount not to exceed \$1,076,937 for dewatering of the House Tract Placement Area to the top-ranked proposer: staff ranking – first, J. Simmons Group, Inc.; and second, Affolter Contracting Company, Inc.**

Meeting Apr 25, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its April 25, 2017 meeting:
 (a) approve staff's ranking of vendors that offer the best value to the Port Authority, based on the selection criteria, in the following order – first, J. Simmons Group, Inc.; and second, Affolter Contracting Company, Inc.;
 (b) award a construction contract to J. Simmons Group, Inc. for dewatering of the House Tract Placement Area in an amount not to exceed \$1,076,937; and
 (c) further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Goals STRATEGIC GOAL #3 - INFRASTRUCTURE (Provide and facilitate infrastructure to meet demand)

Category:

Awards, Amendments & Change Orders

Department:

Channel Development

Staff Contact:

Mark Vincent, P.E.

Background:

The proposed project consists of ditching and drainage construction work to dewater dredged material placed in the 370-acre House Tract during maintenance of the Houston Ship Channel.

By Minute No. 2016-1213-16(c), the Port Commission authorized the advertisement and receipt of competitive sealed proposals (CSPs) for dewatering of the House Tract Placement Area. The Port Authority notified vendors regarding its request for CSPs using the Port Authority's BuySpeed Eprocurement System and the project was advertised on the Port Authority's website and in a local newspaper. One hundred two vendors downloaded the project materials from BuySpeed.

Staff Evaluation/Justification:

On March 15, 2017, two CSPs were reviewed and opened. The responses were reviewed and evaluated by staff in accordance with the published selection criteria. Staff identified the following vendors, listed in order of ranking, as offering the best value to provide the required services:

- J. Simmons Group, Inc.
- Affolter Contracting Company, Inc.

Staff recommends that the Port Commission award a contract to J. Simmons Group, Inc.

K. INFRASTRUCTURE

Subject	4. Award a three-year environmental services contract to Global Waste Services, LLC for scrap tire removal and disposal services for all Port Authority facilities in an amount not to exceed \$250,000.
Meeting	Apr 25, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 25, 2017, meeting: (a) award a three-year environmental services contract to Global Waste Services, LLC. for scrap tire removal and disposal services for all Port Authority facilities in an amount not to exceed \$250,000; and (b) further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #3 - INFRASTRUCTURE (Provide and facilitate infrastructure to meet demand) Strategic Objective 4a. - Be an environmental leader

Category:

Awards, Amendments & Change Orders

Department:

Environmental Affairs

Staff Contact:

Leah Oberlin

Background:

The Port Authority is seeking to obtain an environmental service provider to pick up, remove, transport, manage, and dispose/recycle scrap tires generated from Port Authority terminals and property locations. These services would include providing scrap tire collection containers at requested locations and transporting the scrap tires to a Texas Commission on Environmental Quality (TCEQ) permitted disposal/recycle facility.

By Minute No. 2016-0927-32, the Port Commission authorized the advertisement of a request for competitive sealed proposals (CSP) for scrap tire removal and disposal services for all Port Authority facilities. The Port Authority notified vendors regarding its CSP using the Port Authority's BuySpeed System, and the project was advertised on the Port Authority's website and in a local newspaper. Four vendors downloaded the project materials from BuySpeed.

Staff Evaluation/Justification:

On March 2, 2017, one CSP was reviewed and opened. The response was reviewed and evaluated by staff in accordance with the published selection criteria. Staff identified the following vendor as offering the best value to provide the required services:

- Global Waste Services, LLC

Staff recommends that the Port Commission award a contract to Global Waste Services, LLC.

K. INFRASTRUCTURE

Subject **5. Approve a change order to McCarthy Building Companies, Inc. to perform additional work associated with the construction of Wharf 2 at Bayport Container Terminal in an amount not to exceed \$52,598.**

Meeting Apr 25, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its April 25, 2017 meeting, approve a change order to McCarthy Building Companies, Inc. to perform additional work associated with the construction of Wharf 2 at Bayport Container Terminal in an amount not to exceed \$52,598, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Goals STRATEGIC GOAL #3 - INFRASTRUCTURE (Provide and facilitate infrastructure to meet demand)

Category:

Awards, Amendments & Change Orders

Department:

Project and Construction Management

Staff Contact:

Roger H. Hoh, P.E.

Background:

By Minute No. 2016-0426-18, the Port Commission awarded a construction contract to McCarthy Building Companies, Inc. for the construction of Wharf 2 at Bayport Container Terminal. The project will provide for a 700-foot extension of the existing containership wharf at the Bayport Terminal. Other components of the project consist of high mast light poles (HMP), utilities, and underground electrical distribution for both the HMPs and wharf cranes.

The wharf is 120 feet wide and performs three primary functions. First, it provides a stable platform against which container ships can be moored. Second, it supports the electric, rail-mounted cranes that transfer containers to and from the ships. Third, it provides a working platform under the cranes for the trucks that bring outgoing containers to the ships and take incoming containers to the container yard adjacent to the wharf.

This change order is required to perform the following work:

Item 1: Adjusting concrete steel reinforcement bar size of the new wharf to match the existing field condition.

Item 2: Modifying concrete steel reinforcement of nine piles that conflict with construction of the new beams these piles will support.

Staff Evaluation/Justification:

Port Authority staff has reviewed the proposal submitted by McCarthy Building Companies, Inc. and found it to be fair and reasonable. Therefore, staff recommends that the Port Commission authorize this change order.

K. INFRASTRUCTURE

Subject	6. Amend the existing professional services contract with PDG Architects for space allocation planning services for the Port Authority Executive Office Building in an amount not to exceed \$400,000.
Meeting	Apr 25, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 25, 2017 meeting, amend the existing professional services contract with PDG Architects for space allocation planning services for the Port Authority Executive Office Building in an amount not to exceed \$400,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #3 - INFRASTRUCTURE (Provide and facilitate infrastructure to meet demand)

Category:

Awards, Amendments & Change Orders

Department:

Project and Construction Management

Staff Contact:

Roger H. Hoh, P.E.

Background:

By Minute No. 2015-0127-29, the Port Commission awarded a professional services contract to PDG Architects for space allocation planning services for the Port Authority Executive Office Building in an amount not to exceed \$145,375. These planning phase services have resulted in a recommended proposal for organizing the building space to meet the needs of today's organization and for flexibility in the years to come. Over a number of years, staff has been located in the building where room was available, but not in locations that are always optimal for workflow, and space is not allocated consistently throughout the building. The recommended proposal is expected to help resolve the inconsistencies and organizes workgroups to increase efficiency.

This amendment includes space planning final design, logistics, construction documents, specifications, and procurement and construction phase services.

Staff Evaluation/Justification:

Staff has reviewed PDG Architects proposal and found it to be fair and reasonable.

Staff recommends that the Port Commission approve the proposed amendment to the existing contract with PDG Architects.

K. INFRASTRUCTURE

Subject **7. Enter into a multi-party Interlocal Agreement with Harris County, Galena Park, and Jacinto City for contributions not to exceed the lesser of one third of the cost or \$100,000 for the design and construction of a sidewalk and pedestrian bridges along the east side of Mercury Drive.**

Meeting Apr 25, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its April 25, 2017 meeting, authorize the Port Authority to enter into a multi-party Interlocal Agreement with Harris County, Galena Park, and Jacinto City for contributions not to exceed the lesser of one third of the cost or \$100,000 for the design and construction of a sidewalk and pedestrian bridges along the east side of Mercury Drive, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Goals STRATEGIC GOAL #3 - INFRASTRUCTURE (Provide and facilitate infrastructure to meet demand)

Category:

General

Department:

Project and Construction Management

Staff Contact:

Roger H. Hoh, P.E.

Background:

This proposed project would consist of a sidewalk, approximately 4,600 feet in length, and associated pedestrian bridges located on the east side of Mercury Drive between Lane Street and the Galena Park Independent School District ball field in Galena Park. There would also be a metal pedestrian bridge constructed on the north end of the sidewalk prior to the intersection with Lane Street. This bridge would span a Harris County Flood Control ditch, and therefore, require that a Harris County-procured design consultant and contractor design and construct it according to the applicable Harris County Flood Control criteria. Two or three other pedestrian bridges would span small drainage ditches.

The Port Authority's contribution to this project would consist of funds for the design and construction of the sidewalk and associated pedestrian bridges as described below. It is anticipated that Harris County will procure both consultant design services and construction services, utilizing Harris County purchase orders and contracts.

Staff Evaluation/Justification:

Staff recommends that the Port Commission approve a multi-party Interlocal Agreement.

K. INFRASTRUCTURE

Subject	8. Approve the assignment of the Port Authority Environmental Consulting Agreement with E2 ManageTech, Inc. to EnSafe, Inc.
Meeting	Apr 25, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at is April 25, 2017 meeting, approve the assignment of the Port Authority's Environmental Consulting Agreement with E2 ManageTech, Inc. to EnSafe, Inc., and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #4 - STEWARDSHIP (Sustain the business for the long-term) Strategic Objective 4a. - Be an environmental leader

Category:

General

Department:

Environmental Affairs

Staff Contact:

Leah Oberlin

Background:

The Port Authority and E2 ManageTech, Inc. (E2) previously entered into an Environmental Consulting Agreement (Agreement) for air quality consulting services in the amount of \$150,000 for an initial term commencing January 14, 2015 and terminating January 13, 2017. By Amendment No. 1 to the Agreement, its term was extended through December 31, 2017. Effective March 10, 2017 pursuant to an Asset Purchase Agreement, EnSafe, Inc. (EnSafe) acquired the assets of E2's Environmental Services Division, comprised predominantly of people and contracts and including the Agreement with the Port Authority.

Staff Evaluation/Justification:

All assets required to serve the Port Authority under the Agreement, including the E2 personnel previously assigned to provide services under the Agreement, have been purchased and transferred to EnSafe. Therefore, Port Authority staff recommends that E2, EnSafe, and the Port Authority enter into an Assignment and Consent to Assignment (Assignment) for E2 to assign and delegate all interests, rights, duties, obligations, and title held by E2 in the Agreement to EnSafe. This Assignment would reflect the business reality that the employees and properties necessary to service the Agreement are now with EnSafe and ensure continuity of service to the Port Authority under the Agreement.

K. INFRASTRUCTURE

Subject **9. Amend and renew a pipeline license to CenterPoint Energy Resources Corp., dba CenterPoint Energy Texas Gas Operations, to add one 2-inch natural gas pipeline within an existing 4-inch pipeline under and across Northside Mainline railroad right-of-way in Houston.**

Meeting Apr 25, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its April 25, 2017 meeting, authorize the Port Authority to amend and renew a pipeline license to CenterPoint Energy Resources Corp., dba CenterPoint Energy Texas Gas Operations, to add one 2-inch natural gas pipeline within an existing 4-inch pipeline under and across Northside Mainline railroad right-of-way in Houston, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Goals STRATEGIC GOAL #3 - INFRASTRUCTURE (Provide and facilitate infrastructure to meet demand)

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Development

Staff Contact:

Mark Vincent, P.E.

Background:

CenterPoint Energy Resources Corp. dba CenterPoint Energy Texas Gas Operations (CenterPoint), Port Authority File No. 1997-0275, has applied to amend and renew a pipeline license to add one 2-inch natural gas pipeline within an existing 4-inch pipeline under and across Northside Mainline railroad right-of-way in Houston, in the John Brown Survey, A-8, in Harris County, Texas.

CenterPoint proposes to use the existing out-of-service 4-inch steel pipeline as a casing for a new 2-inch plastic gas main pipeline.

Staff Evaluation/Justification:

The application was reviewed and approved by the Port Authority's Channel Development department and by the Port Terminal Railroad Association. The license is to be issued subject to the Port Authority's usual terms and conditions and at a fee of \$1,531. The \$675 application fee and \$2,500 as-built deposit have been paid.

K. INFRASTRUCTURE

Subject	10. Approve the renewal of expiring Port Authority licenses for new ten-year terms: Targa Downstream LLC, Pasadena Cogeneration, L.P., Equistar Chemicals, LP, Kinder Morgan Texas Pipeline Company LLC, HSC Pipeline Partnership, LLC, Shell Oil Company, Shell Pipeline Company LP, and Enterprise Texas Pipeline LLC.
Meeting	Apr 25, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 25, 2017 meeting, authorize the Port Authority to approve the renewal of expiring Port Authority licenses for new ten-year terms: Targa Downstream LLC, Pasadena Cogeneration, L.P., Equistar Chemicals, LP, Kinder Morgan Texas Pipeline Company LLC, HSC Pipeline Partnership, LLC, Shell Oil Company, Shell Pipeline Company LP, and Enterprise Texas Pipeline LLC, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #3 - INFRASTRUCTURE (Provide and facilitate infrastructure to meet demand)

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Development

Staff Contact:

Mark Vincent, P.E.

Background:

The pipeline licensees listed below have applied to renew their licenses:

<u>Company</u>	<u>File Number</u>	<u>License Fee</u>
Targa Downstream LLC	2005-0187	\$3,062
Targa Downstream LLC	1998-0254	\$23,457
Targa Downstream LLC	1998-0255	\$1,714
Pasadena Cogeneration, L.P.	1997-0122	\$23,931
Equistar Chemicals, LP	1998-0253	\$3,062
Kinder Morgan Texas Pipeline LLC	2007-0300	\$22,200
HSC Pipeline Partnership, LLC	2007-0154	\$16,510
Shell Oil Company	1998-0162	\$3,062
Shell Pipeline Company LP	1987-0104	\$14,800
Enterprise Texas Pipeline LLC	<u>2007-0258</u>	<u>\$1,744</u>
	Total	\$113,542

Staff Evaluation/Justification:

The applications were reviewed and approved by the Port Authority's Channel Development department and by the Port Terminal Railroad Association when applicable. The licenses are to be renewed subject to the Port Authority's usual terms and conditions.

K. INFRASTRUCTURE

Subject	11. Issue a pipeline license to Enterprise Houston Ship Channel, L.P. for one 30-inch crude oil pipeline under and across Southside Mainline railroad right-of-way, Vince Bayou, Little Vince Bayou, Pasadena Cut-Off railroad right-of-way, Deer Park Junction railroad right-of-way, Houston Ship Channel, and Beltway 8 property in Houston and Pasadena.
Meeting	Apr 25, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 25, 2017 meeting, authorize the Port Authority to issue a pipeline license to Enterprise Houston Ship Channel, L.P. for one 30-inch crude oil pipeline under and across Southside Mainline railroad right-of-way, Vince Bayou, Little Vince Bayou, Pasadena Cut-Off railroad right-of-way, Deer Park Junction railroad right-of-way, Houston Ship Channel, and Beltway 8 property in Houston and Pasadena, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #3 - INFRASTRUCTURE (Provide and facilitate infrastructure to meet demand)

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Development

Staff Contact:

Mark Vincent, P.E.

Background:

Enterprise Houston Ship Channel, L.P.(Enterprise), Port Authority File No. 2017-0071, has applied for a pipeline license for one 30-inch crude oil pipeline under and across Southside Mainline railroad right-of-way, Vince Bayou, Little Vince Bayou, Pasadena Cut-Off railroad right-of-way, Deer Park Junction railroad right-of-way, Houston Ship Channel, and Beltway 8 property in Houston and Pasadena, in the William Vince Survey, A-78, James Seymore Survey, A-698, Thomas Earle Survey, A-18, and Richard & Robert Vince Survey, A-76, in Harris County, Texas.

The proposed pipeline would transport crude oil and other liquefied petroleum products from Enterprise's Crude Houston facility near Ellington Airport to Enterprise's Hydrocarbon Terminal facility along the Houston Ship Channel.

Staff Evaluation/Justification:

The application was reviewed and approved by the Port Terminal Railroad Association and by the Port Authority's Channel Development and Real Estate departments. The license is to be issued subject to the Port Authority's usual terms and conditions and at a fee of \$68,975. The \$675 application fee and \$2,500 as-built deposit have been paid.

K. INFRASTRUCTURE

Subject	12. Issue a pipeline license to Magellan Terminal Company, L.P. for one 36-inch crude oil pipeline under and across Southside Mainline railroad right-of-way in Pasadena.
Meeting	Apr 25, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 25, 2017 meeting, authorize the Port Authority to issue a pipeline license to Magellan Terminal Company, L.P. for one 36-inch crude oil pipeline under and across Southside Mainline railroad right-of-way in Pasadena, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #3 - INFRASTRUCTURE (Provide and facilitate infrastructure to meet demand)

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Development

Staff Contact:

Mark Vincent, P.E.

Background:

Magellan Terminal Company, L.P., Port Authority File No. 2017-0066, has applied for a pipeline license for one 36-inch crude oil pipeline under and across Southside Mainline railroad right-of-way in Pasadena, in the Thomas Earle Survey, A-18, in Harris County, Texas.

Staff Evaluation/Justification:

The application was reviewed and approved by the Port Authority's Channel Development department and by the Port Terminal Railroad Association. The license is to be issued subject to the Port Authority's usual terms and conditions and at a fee of \$5,526. The \$675 application fee and \$2,500 as-built deposit have been paid.

K. INFRASTRUCTURE

Subject	13. Issue a pipeline license to Magellan Pipeline Company, L.P. for two 18-inch crude oil pipelines under and across Pasadena Cut-Off railroad right-of-way and Southside Mainline railroad right-of-way in Pasadena.
Meeting	Apr 25, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 25, 2017 meeting, authorize the Port Authority to issue a pipeline license to Magellan Pipeline Company, L.P. for two 18-inch crude oil pipelines under and across Pasadena Cut-Off railroad right-of-way and Southside Mainline railroad right-of-way in Pasadena, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #3 - INFRASTRUCTURE (Provide and facilitate infrastructure to meet demand)

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Development

Staff Contact:

Mark Vincent, P.E.

Background:

Magellan Pipeline Company, L.P., Port Authority File No. 2017-0048, has applied for a pipeline license for two 18-inch crude oil pipelines under and across Pasadena Cut-Off railroad right-of-way and Southside Mainline railroad right-of-way in Pasadena, in the Thomas Earle Survey, A-18, in Harris County, Texas.

Staff Evaluation/Justification:

The application was reviewed and approved by the Port Authority's Channel Development department and by the Port Terminal Railroad Association. The license is to be issued subject to the Port Authority's usual terms and conditions and at a fee of \$13,404. The \$675 application fee and \$2,500 as-built deposit have been paid.

K. INFRASTRUCTURE

Subject	14. Issue a pipeline license to Houston Fuel Oil Terminal Company for seven pipelines and two fiber optic lines under and across Jacintoport Channel in Houston.
Meeting	Apr 25, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 25, 2017 meeting, authorize the Port Authority to issue a pipeline license to Houston Fuel Oil Terminal Company for seven pipelines and two fiber optic lines under and across Jacintoport Channel in Houston, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #3 - INFRASTRUCTURE (Provide and facilitate infrastructure to meet demand)

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Development

Staff Contact:

Mark Vincent, P.E.

Background:

Houston Fuel Oil Terminal Company (HFOTCO), Port Authority File No. 2017-0069, has applied for a pipeline license for seven pipelines and two fiber optic lines under and across Jacintoport Channel in Houston, in the William Harris & D. Carpenter Survey, A-28, in Harris County, Texas.

HFOTCO proposes to trench across the Jacintoport Channel to install seven pipelines and two fiber optic lines that would extend from the company's marine terminal, on property leased from the Port Authority and permitted under Port Authority File No. 2016-0364 at Care Terminal, to its existing marine terminal facility north of the Jacintoport Channel.

HFOTCO proposes to utilize a temporary work space on the southwest side of the leased property to assemble the pipelines and associated structures on sleds. The sleds would be launched and floated to the proposed trench and placed. Channel closures associated with the proposed work would be coordinated with impacted parties through the U.S. Coast Guard Vessel Traffic Service.

Pipeline specifications: one 36-inch crude oil pipeline, two 24-inch spare pipelines, one 16-inch crude oil pipeline, one 8-inch natural gas pipeline, one 8-inch spare pipeline, one 2-inch potable water pipeline, and two fiber optic lines, each within a 3-inch casing. The 2-inch potable water pipeline and the two fiber optic lines would be encased in a 12-inch casing.

Staff Evaluation/Justification:

The application was reviewed and approved by the Port Authority's Channel Development, Operations, and Real Estate departments. The license is to be issued subject to the Port Authority's usual terms and conditions and at a fee of \$20,096. The \$675 application fee and \$2,500 as-built deposit have been paid.

K. INFRASTRUCTURE

Subject **15. Amend a pipeline license to Blanchard Pipe Line Company LLC to add two coupon test stations outside of the eastern and western dikes of Spilman Island in La Porte.**

Meeting Apr 25, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its April 25, 2017 meeting, authorize the Port Authority to amend a pipeline license to Blanchard Pipe Line Company LLC to add two coupon test stations outside of the eastern and western dikes of Spilman Island in La Porte, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Goals STRATEGIC GOAL #3 - INFRASTRUCTURE (Provide and facilitate infrastructure to meet demand)

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Development

Staff Contact:

Mark Vincent, P.E.

Background:

Blanchard Pipe Line Company LLC, Port Authority File No. 2009-0334, has applied to amend a pipeline license to add two coupon test stations outside of the eastern and western dikes of Spilman Island in La Porte, in the Henry K. Lewis Survey, A-41, in Harris County, Texas.

The coupon test stations would be a component of the cathodic protection system designed to limit future corrosion of an existing 8-inch isobutane pipeline. The proposed location of the stations would be coordinated with the United States Army Corps of Engineers due to its proximity to the placement area dike.

Staff Evaluation/Justification:

The application was reviewed and approved by the Port Authority's Channel Development department. The license is to be issued subject to the Port Authority's usual terms and conditions and at a fee of \$3,958. The \$675 application fee and \$2,500 as-built deposit have been paid.

K. INFRASTRUCTURE

Subject **16. Issue a transmission/distribution line license to AT&T for one fiber optic line under and across Turning Basin Area-West in Houston.**

Meeting Apr 25, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its April 25, 2017 meeting, authorize the Port Authority to issue a transmission/distribution line license to AT&T for one fiber optic line under and across Turning Basin Area-West in Houston, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Goals STRATEGIC GOAL #3 - INFRASTRUCTURE (Provide and facilitate infrastructure to meet demand)

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Development

Staff Contact:

Mark Vincent, P.E.

Background:

AT&T, Port Authority File No. 2017-0039, has applied for a transmission/distribution line license for one fiber optic line under and across Turning Basin Area-West in Houston, in the John Brown Survey, A-8, in Harris County, Texas.

Staff Evaluation/Justification:

The application was reviewed and approved by the Port Authority's Channel Development, Real Estate, Information Technology, Project and Construction Management, and Operations departments. The fiber optic line (in conduit) would provide service to the Port Authority tenant Hansen-Mueller Company; therefore, Channel Development recommends the license fee be waived. The license is to be otherwise issued subject to the Port Authority's usual terms and conditions. The \$675 application fee and \$2,500 as-built deposit have been paid.

K. INFRASTRUCTURE

Subject **17. Issue a transmission/distribution line license to PS Lightwave, Inc. for one fiber optic line within a 4-inch conduit under and across Northside Turning Basin and Cornegie Track railroad right-of-way in Houston.**

Meeting Apr 25, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its April 25, 2017 meeting, authorize the Port Authority to issue a transmission/distribution line license to PS Lightwave, Inc. for one fiber optic line within a 4-inch conduit under and across Northside Turning Basin and Cornegie Track railroad right-of-way in Houston, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Goals STRATEGIC GOAL #3 - INFRASTRUCTURE (Provide and facilitate infrastructure to meet demand)

Category:
Permits/Licenses/Pipeline Easements

Department:
Channel Development

Staff Contact:
Mark Vincent, P.E.

Background:
PS Lightwave, Inc., Port Authority File No. 2017-0061, has applied for a transmission/distribution line license for one fiber optic line within a 4-inch conduit under and across Northside Turning Basin and Cornegie Track railroad right-of-way in Houston, in the John Brown Survey, A-8, in Harris County, Texas.

Staff Evaluation/Justification:
The application was reviewed and approved by the Port Authority's Channel Development, Operations, Project and Construction Management and Information Technology departments, and by the Port Terminal Railroad Association. The license is to be issued subject to the Port Authority's usual terms and conditions and at a fee of \$2,086. The \$675 application fee and \$2,500 as-built deposit have been paid.

K. INFRASTRUCTURE

Subject	18. Issue a marine construction permit to the Harris County Toll Road Authority to construct two bridges and demolish the existing Sam Houston Tollway (Beltway 8) bridge across the Houston Ship Channel.
Meeting	Apr 25, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 25, 2017 meeting, authorize the Port Authority to issue a marine construction permit to the Harris County Toll Road Authority to construct two bridges and to demolish the existing Sam Houston Tollway (Beltway 8) bridge across the Houston Ship Channel, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #3 - INFRASTRUCTURE (Provide and facilitate infrastructure to meet demand)

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Development

Staff Contact:

Mark Vincent, P.E.

Background:

The Harris County Toll Road Authority (HCTRA) plans to replace the existing Sam Houston Toll Way (Beltway 8) bridge across the Houston Ship Channel in the Thomas Earle Survey, A-18, in Harris County, Texas. The project is approximately 4 miles in length and extends from 0.7 miles south of State Highway 225 to 1 mile south of Interstate 10. The project includes the construction of two new bridges and demolition of the existing bridge. The work would occur in three phases, Phase I: Construction of the southbound bridge to the west of the existing bridge, Phase II: Demolition of the existing bridge, and Phase III: Construction of the northbound bridge.

The contractor would submit a demolition and removal plan to HCTRA prior to demolition of the existing bridge. The plan would include a sequence plan, schedule, and expected channel closure details. All closures associated with construction and demolition activities would be coordinated with and approved by the U.S. Coast Guard, then coordinated with the Port Authority, the Houston Pilots, and other waterway users.

The existing bridge foundations would be removed to a depth of -60 feet Mean Lower Low Water.

Port Authority File No. 2017-0026, has applied for a marine construction permit to construct two bridges and demolish the existing bridge.

Staff Evaluation/Justification:

The application was reviewed and approved by the Houston Pilots and the Port Authority's Channel Development, Project and Construction Management, Freight Mobility, Environmental Affairs, and Real Estate departments. The permit is to be issued subject to the Port Authority's usual terms and conditions. The \$675 application fee and \$2,500 as-built deposit have been paid.

L. OPERATIONS

Subject	1. Approve staff's ranking of vendors and award an annual professional services contract in an amount not to exceed \$150,000 to perform safety inspections and certification services for cranes and terminal equipment at Barbours Cut Terminal, Bayport Container Terminal and Turning Basin Terminal to the top-ranked proposer: staff ranking – first, Kempco Inspection Services, Inc.; and second, International Cargo Gear Bureau Inc.
Meeting	Apr 25, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 25, 2017 meeting: (a) approve staff's ranking of the most qualified vendors, based on the selection criteria, in the following order – first, Kempco Inspection Services, Inc.; second International Cargo Gear Bureau Inc.; (b) award a professional services contract to Kempco Inspection Services, Inc. to perform safety inspections and certification services for cranes and terminal equipment at Barbours Cut Terminal, BayPort Container Terminal and Turning Basin Terminal in an amount not to exceed \$150,000; and (c) further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #3 - INFRASTRUCTURE (Provide and facilitate infrastructure to meet demand) Strategic Objective 4c. - Operate safely and securely

Category:

Awards, Amendments & Change Orders

Department:

Maintenance

Staff Contact:

Paulo Soares

Background:

By Minute No. 2016-1213-16(d) the Port Authority authorized the advertisement of a request for qualifications (RFQ) to perform safety inspections and certification services for cranes and terminal equipment at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal. The Port Authority notified vendors regarding its RFQ using the Port Authority's BuySpeed System and the project was advertised on the Port Authority's website and in a local newspaper. Thirty-eight vendors downloaded the project materials from BuySpeed.

Staff Evaluation/Justification:

On February 16, 2017, two RFQ responses were received and opened. The responses were reviewed and evaluated by staff in accordance with the selection criteria published in the RFQ. Staff identified the following vendors, listed in order of ranking, as most qualified to provide the required services:

- Kempco Inspection Services, Inc.
- International Cargo Gear Bureau Inc.

Accordingly, staff recommends that the Port Commission award an annual contract to Kempco Inspection Services, Inc.

L. OPERATIONS

Subject	2. Issue two purchase orders to Caldwell Country Chevrolet for the purchase of thirty-eight vehicles needed by Barbours Cut and Bayport Container Terminals, Central Maintenance, Security and Port Police departments, using the Houston-Galveston Area Council and the BuyBoard cooperative purchasing programs in a total amount not to exceed \$1,240,000.
Meeting	Apr 25, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 25, 2017 meeting, issue to Caldwell Country Chevrolet two purchase orders for the purchase of vehicles: (a) one in an amount not to exceed \$1,128,000 for the purchase of thirty-six (36) Chevrolet vehicles, using the Houston-Galveston Area Council cooperative purchasing program, and (b) one in an amount not to exceed \$103,000 for the purchase of two (2) Ford vehicles, using the BuyBoard cooperative purchasing program; determine that this procurement method provides the best value to the Port Authority, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #3 - INFRASTRUCTURE (Provide and facilitate infrastructure to meet demand)

Category:

Award, Amendments & Change Orders

Department:

Maintenance

Staff Contact:

Paulo Soares

Background:

The Central Maintenance Department, with recommendations from the Barbours Cut and Bayport Container Terminals, Security, and Port Police departments prepared specifications for new and replacement vehicles to promote a safe work environment and cost-effective operations. Staff believes that a total of thirty-eight vehicles will be needed for 2017, including sixteen units for Bayport, ten for Barbours Cut, seven for Port Police, three for Security, and two for Central Maintenance.

By prior actions, the Port Commission authorized the Port Authority to enter into an interlocal agreement with the Houston-Galveston Area Council (H-GAC) to participate in its Cooperative Purchasing Program, and to enter into an interlocal agreement with the Local Government Purchasing Cooperative to use its BuyBoard electronic purchasing application. The cooperative purchasing programs of both H-GAC and BuyBoard offer goods with prices determined by competitive procurement processes that comply with Texas law. Use of these programs enables governmental entities to more efficiently identify qualified vendors, to relieve the burdens of the governmental purchasing function, and to realize various potential economies including administrative cost savings.

Staff Evaluation/Justification:

Staff has compared vehicle prices from local and non-local dealerships, taking into consideration the statutory competitive procurement requirements, and has determined that purchasing these vehicles using the cooperative purchasing programs of H-GAC and BuyBoard both satisfies statutory requirements and provides the best value to the Port Authority. The H-GAC and BuyBoard websites list several pre-approved dealerships. Staff has reviewed the vehicle specifications from these websites and determined that Caldwell Country Chevrolet is the vendor for both H-GAC (for Chevrolet products) and BuyBoard (for Ford products) with the best price for the vehicles meeting the Port Authority's requirements.

L. OPERATIONS

Subject **3. Amend the Freight Handling Assignment Agreement with Coastal Cargo of Texas, Inc., to extend the term of the agreement through September 30, 2026 to coincide with the term of Coastal Cargo's lease agreement for the Care Terminal Facility and modify the tonnage guarantee.**

Meeting Apr 25, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its April 25, 2017 meeting, approve an amendment to the Freight Handling Assignment Agreement with Coastal Cargo of Texas, Inc. to extend the term through September 30, 2016 and modify the tonnage guarantee for the longer term of the agreement, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Goals STRATEGIC GOAL #2 - GROWTH (Grow and diversify the business base)
Strategic Objective 4b. - Cultivate productive relationships with all stakeholders

Category:
General

Department:
General Cargo Terminals

Staff Contact:
Jeff Davis

Background:
Effective June 1, 2012, the Port Authority entered into a five year Lease Agreement (Lease) with Coastal Cargo of Texas, Inc. (Coastal Cargo) for approximately 30.76 acres at Care Terminal and an associated Freight Handling Assignment Agreement (Agreement) for the use of a shed and wharves located adjacent to the leased premises and including a tonnage guarantee for the term of five years. At its September 27, 2016 meeting, the Port Commission approved a lease amendment extending the term of Coastal Cargo's Lease, and effective October 1, 2016, the term of the Lease was extended through September 30, 2026.

The term of the Agreement will expire May 31, 2017 and staff has determined it should be amended to coincide with the term of Coastal Cargo's Lease. Additionally the tonnage guarantee in the Agreement would be amended to take account of the longer term of the Agreement.

Staff Evaluation/Justification:
Staff recommends amending Coastal Cargo's Agreement to extend the term of the Agreement through September 30, 2026 to coincide with the term of Coastal Cargo's Lease and modify the tonnage guarantee for the longer term of the Agreement.

L. OPERATIONS

Subject	4. Amend the Interim Lease Agreement with Houston Terminal, LLC at Bayport Container Terminal to extend the term for an additional one year through April 30, 2018, increase the monthly base rent by 3%, and add a clause requiring the empty yard operations to mirror terminal operating hours.
Meeting	Apr 25, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 25, 2017 meeting, amend the Interim Lease Agreement with Houston Terminal, LLC at the Bayport Container Terminal to extend the terms of this lease for one additional year through April 30, 2018, and increase the monthly base rent to \$132,950.72, and add a clause requiring the empty yard operation to mirror terminal operating hours, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the forgoing.
Goals	STRATEGIC GOAL #2 - GROWTH (Grow and diversify the business base) Strategic Objective 4b. - Cultivate productive relationships with all stakeholders

Category:
Leases

Department:
Bayport Container Terminal

Staff Contact:
Ryan Mariacher

Background:

By Minute No. 2008-0219-28, the Port Commission approved an interim lease agreement with Houston Terminal, LLC (HT) for operation of an empty container depot at the Bayport Container Terminal until such time as development and construction of an empty container depot would be completed by the lessee.

Due to changed circumstances, the originally contemplated construction has not occurred. The terms of this lease have been extended and the monthly rental amounts have been increased from time to time since commencement of this lease.

At this time, HT has agreed to a monthly rental increases of 3%.

Staff Evaluation/Justification:

Staff recommends that the lease be amended to extend the term for one additional year through April 30, 2018, increase the monthly base rent by 3%, and add a clause requiring the empty yard operation to mirror terminal operating hours. The rate increase would align the rental rate of this lease with the rental rates of other comparable leasing agreements with the Port Authority. From a productivity and economic perspective, it is in the best interest of the Port Authority to extend this term through April 30, 2018, to enable HT to continue its operations at the Bayport Container Terminal, and also allow Port Authority staff to reevaluate highest and best use of this property and consider recommendations for future best use of this property.

M. PEOPLE

Subject	1. Reject all proposals and re-advertise a request for proposals for vending services for the Executive Office Building and Port Coordination Center at the Turning Basin Terminal.
Meeting	Apr 25, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 25, 2017 meeting, reject all proposals, re-advertise a request for proposals, and receive responses for the following procurement: a three-year vending services contract with two one-year options for vending services for the Executive Office Building and Port Coordination Center at the Turning Basin Terminal, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #1 - PEOPLE AND ORGANIZATION (Invest in people and organize for success)

Category:

Reject & Other Actions

Department:

Office & Building Services

Staff Contact:

Jessica Shaver / Adrian Price

Background:

By Minute No. 2016-1213-16 (f), the Port Commission authorized the advertisement of a request for proposals (RFP) for a three-year vending services contract with two one-year options for vending services for the Executive Office Building and Port Coordination Center at the Turning Basin Terminal. The Port Authority notified vendors regarding its RFP using the Port Authority's BuySpeed Procurement System, and the project was advertised on the Port Authority's website and in a local newspaper. Five vendors downloaded the project materials from BuySpeed. Three responses to the RFP were received.

The current vendor is Snack, Crackers and Pops, which is under a month-to-month contract that is terminable upon 30-day notice.

Staff Evaluation/Justification:

After further reviewing the proposals, staff determined that small business participation requirements should have been included in the selection criteria. Accordingly, staff recommends that the Port Commission reject all proposals, and authorize the Port Authority to re-advertise a request for proposals for vending services for the Executive Office Building and Port Coordination Center at the Turning Basin Terminal.

Q. INFRASTRUCTURE

Subject **1. Issue a marine construction permit to HMS 850 Holdings, LLC to position 15 spud barges and to dredge to a depth of 12 feet Mean Low Tide within a proposed barge fleeting area located between the Houston Ship Channel and Burnet Bay in Baytown.**

Meeting Apr 25, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its April 25, 2017 meeting, authorize the Port Authority to issue a marine construction permit to HMS 850 Holdings, LLC to position 15 spud barges and to dredge to a depth of 12 feet Mean Low Tide within a proposed barge fleeting area located between the Houston Ship Channel and Burnet Bay in Baytown, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Development

Staff Contact:

Mark Vincent, P.E.

Background:

HMS 850 Holdings, LLC, Port Authority File No. 2016-0319, has applied for a marine construction permit to position 15 spud barges and to dredge to a depth of 12 feet Mean Low Tide within a proposed barge fleeting area between the Houston Ship Channel and Burnet Bay in Baytown, in the Nathaniel Lynch Survey, A-44, in Harris County, Texas.

The proposed 32-acre barge fleeting area would be located approximately 350 feet south of the existing shoreline of the previous Houston Marine Services site and approximately 1,100 feet north of Goat Island, east of the Houston Ship Channel. The spud barges would be utilized to secure barges within the fleeting area.

The fleeting area would be dredged to a depth of 12 feet Mean Low Tide, which would result in the removal of approximately 519,300 cubic yards of material. Dredged material would be placed in a private placement site.

Staff Evaluation/Justification:

The application was reviewed and approved by the Port Authority's Channel Development and Real Estate departments. The permit is to be issued subject to the Port Authority's usual terms and conditions, and in addition, the requirement that a submerged lands lease be entered into with the Port Authority for this area. The \$675 application fee and \$2,500 as-built deposit have been paid.