

I N D E X
PORT COMMISSION
OF THE
PORT OF HOUSTON AUTHORITY
OF THE PORTS OF HARRIS COUNTY, TEXAS
April 26, 2022

Minute No.

Event/Action

General

Chairman Campo convened the in-person and virtual Port Commission meeting and provided opening remarks along with Port Commissioners

Minutes

2022-0426-01 Approve the minutes of the March 21, 2022 Port Commission meeting

Staff Reports

2022-0426-02 Roger Guenther, Executive Director, presented a summary of selected financial and operational matters

Appearances

2022-0426-03(a) Chairman Campo introduced Dr. Steve Roop, CEO, FSX, LLC, who addressed the Port Commission

2022-0426-03(b) Chairman Campo recognized Stephanie Thomas, Public Citizen, who addressed the Port Commission

2022-0426-03(c) Chairman Campo recognized Kendall David, Goose Creek CISD, who addressed the Port Commission and presented Mr. Guenther the “Goose Creek Giants” award

F. Executive

2022-0426-04 Staff Report – Selected agenda items – Tom Heidt, Chief Operating Officer

2022-0426-05 Approve the actuarial audit of the Port of Houston Authority Restated Retirement Plan August 1, 2021 Actuarial Valuation

2022-0426-06 Adopt the Business Equity Committee Charter to amend and restate the Procurement and Small Business Development Task Force Charter

G. Business Equity (no items)

Minute No.

Event/Action

H. Commercial

- 2022-0426-07 Staff Report – Selected agenda items – John Moseley, Chief Commercial Officer
- 2022-0426-08 Approve an amendment to the lease with Cooper/Ports America, LLC for approximately 3.20 acres out of Block 21 at Northside Turning Basin, to extend the term for one year with four one-year mutual renewal options, effective no earlier than June 1, 2022, at an annual base rent of approximately \$94,329, subject to annual base rent escalation of the greater of 3% or the increase in the Consumer Price Index, upon the election of each one-year mutual renewal option
- 2022-0426-09 Approve an amendment to the lease with Empire Stevedoring (Houston) Inc. for approximately 2.75 acres in Block 11 at the Turning Basin area (West), to extend the term for one year, effective no earlier than June 1, 2022, at an annual base rent of approximately \$64,825
- 2022-0426-10 Approve an amendment to the lease with Empire Stevedoring (Houston) Inc. for approximately 0.74 acres out of Block 1 at the Southside Wharves, to extend the term for one year, effective no earlier than June 1, 2022, at an annual base rent of approximately \$33,879

I. Finance

- 2022-0426-11 Staff Report – Selected agenda items – Tom Heidt, Chief Operating Officer
- 2022-0426-12 Approve the fiscal year 2021 Annual Comprehensive Financial Report

J. Infrastructure

- 2022-0426-13 Staff Report – Selected agenda items – Rich Byrnes, Chief Infrastructure Officer
- 2022-0426-14 Award a construction contract to AAA Asphalt Paving, Inc. for the 2022 annual pavement drainage and dust control work at Turning Basin Terminal
- 2022-0426-15 Amend the Advanced Funding Agreement with the Texas Department of Transportation to increase the funding for drainage improvements connected to the Southbound Loop 610 Feeder Road at the Turning Basin Terminal
- 2022-0426-16 Amend the professional services contract with Lockwood, Andrews & Newnam, Inc. to perform services for additional design for the rail spur at Bayport Container Terminal

<u>Minute No.</u>	<u>Event/Action</u>
2022-0426-17	Approve a change order with George Hedge Contractors, Inc. for ballast material cost escalation associated with construction of the rail spur at Bayport Container Terminal Phase 2
2022-0426-18	Approve a change order with Jerdon Enterprise, Inc. to perform additional work associated with the annual pavement replacement at Barbours Cut Terminal and Bayport Container Terminal 2021-2022
2022-0426-19	Approve an agreement with HGS, LLC d.b.a. RES Environmental Operating Company, LLC to acquire wetland mitigation credits relating to the U.S. Army Corps of Engineers development permit for the Port Authority's 64-acre tract southwest of Bayport Terminal
2022-0426-20	Issue a roadway crossing license to CenterPoint Energy Houston Electric, LLC for improvements to a gate, access road, and pad site at the Clinton Tract
2022-0426-21	Issue a transmission line license to CenterPoint Energy Houston Electric, LLC for two 138kV transmission lines over and across Greens Bayou, approximately 0.63 miles upstream of the Crosby Freeway bridge
2022-0426-22	Issue a transmission line license to Comcast of Houston, LLC for one fiber optic cable line under and across the Port Terminal Railroad Association Southside Mainline railroad right-of-way at the Beltway 8 bridge
2022-0426-23	Amend the barge fleeting lease with and marine construction permit issued to Pelican Marine Services, LLC, to authorize the addition of up to fourteen pilings in the Houston Ship Channel along the southern boundary of the Beltway 8 property
K. Operations	
2022-0426-24	Staff Report – Selected agenda items – Jeff Davis, Chief Operations Officer
2022-0426-25	Approve staff's ranking of vendors and award a contract for the purchase of two loaded-container handling machines for Barbours Cut Terminal and Bayport Container Terminal to the top-ranked proposers: staff ranking - first, Taylor Machine Works, Inc.; and second, Briggs Industrial Solutions Inc. fka Briggs Equipment, Inc. Port Commission adopted the staff-recommended ranking and authorized award
2022-0426-26	Award a two-year contract to Apache Oil Company for the purchase of grease and miscellaneous engine, transmission, and hydraulic oils for

<u>Minute No.</u>	<u>Event/Action</u>
	Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal
2022-0426-27	Award a two-year contract to Paige Electric, LP for the purchase of miscellaneous electrical cables for wharf and rubber-tired gantry cranes at Barbours Cut Terminal and Bayport Container Terminal
2022-0426-28	Issue a purchase order to R.B. Everett & Company for the purchase of one Doosan DL220-5 wheel loader for Turning Basin Terminal, using Local Government Purchasing Cooperative's BuyBoard, a cooperative purchase program
2022-0426-29	Issue a purchase order to Rush Bus Centers for the purchase of two twenty-six passenger buses for Barbours Cut Terminal, using the Houston-Galveston Area Council Cooperative Purchase Program
2022-0426-30	Amend the contract previously awarded to Konecranes, Inc., the sole source provider, for the replacement of festoon system on three wharf cranes at Bayport Container Terminal for a revised contract amount
2022-0426-31	Approve a change order with Rush Truck Center of Texas, LP dba Rush Truck Center Houston for the purchase of Cummins diesel engine parts and related services for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal
2022-0426-32	Approve the lease of approximately 6.5 acres and the Shed No. 3 warehouse at Barbours Cut Terminal to Cooper/Ports America, LLC for a term of ten years at an annual rent of \$224,400, subject to escalation and possible abatement as provided in the lease
2022-0426-33	Approve the Memorandum of Agreement to Reimburse U.S. Customs and Border Protection (CBP), providing for Port Authority responsibility for data cabling and electrical components and for reimbursement of CBP for communications and information technology hardware purchased by CBP for use at Barbours Cut Terminal and Bayport Container Terminal
2022-0426-34	Amend the Section 559 Reimbursable Services Agreement and Memorandum of Understanding with U.S. Customs and Border Protection to cover a projected two years of reimbursement for overtime services

L. People (no items)

M. Security and Emergency Operations (no items)

N. Technology

<u>Minute No.</u>	<u>Event/Action</u>
2022-0426-35	Staff Report – Selected agenda items – Charles Thompson, Chief Information Officer
2022-0426-36	Award a one-year contract to Mythics Inc. for Oracle Cloud Services and Licensing, using Texas Department of Information Resources cooperative purchase program
	Recess Open Meeting and Convene Executive Session
	Reconvene Open Meeting
2022-0426-37	Motion to authorize a change order with Standard Constructors Inc. on the terms discussed in Executive Session, and to authorize the Executive Director to do all things necessary to give effect to the foregoing
2022-0426-38	Motion to authorize the Port Authority to amend the agreements for legal services with (a) Ahmad, Zavitsanos, Anaipakos, Alavi & Mensing P.C. and (b) Baker Botts L.L.P on the terms discussed in Executive Session, and to authorize the Chief Legal Officer to do all things necessary to give effect to the foregoing
2022-0426-39	Motion to authorize the Port Authority to approve an amendment to the employment agreement with Roger Guenther on the terms discussed in Executive Session, and authorize the Chairman and Chief Legal Officer to do any and all things necessary to give effect to the foregoing
	Closing Remarks by Chairman and Commissioners
	Adjourn Meeting

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

**Houston, Texas
April 26, 2022**

A public meeting of the Port Commission of the Port of Houston Authority of Harris County, Texas was convened on April 26, 2022, at 9:15 a.m., at the Port of Houston Authority Executive Offices, Fourth Floor Boardroom, at 111 East Loop North, Houston, Texas 77029, and via Cisco WebEx. The following commissioners, staff, and counsel were present:

Ric Campo, Chairman
Wendy Cloonan, Commissioner
Dean Corgey, Commissioner, via WebEx
Cheryl Creuzot, Commissioner
Stephen DonCarlos, Commissioner
Clyde Fitzgerald, Commissioner
Roy Mease, Commissioner
Roger Guenther, Executive Director
Erik Eriksson, Chief Legal Officer
Tom Heidt, Chief Operating Officer

Chairman Campo began his opening remarks by reporting that the Port Authority had received Section 204(f) approval from the U.S. Army Corps of Engineers (Army Corps) for the assumption of maintenance of Segment 1C of the Houston Ship Channel Expansion Channel Improvement Project (Project 11), and the parties had entered into the associated agreement. As a result, the Army Corps would take responsibility for the maintenance of Segment 1C located between Bayport and Barbours Cut. The agreement also enabled the Port Authority to release an option to Orion Marine for removal of an abandoned pipeline in the segment, and cleared the path for future procurement for Segment 1C dredging in early 2023. Receipt of the 204(f) approval also reduced the Port Authority's 50-year maintenance obligations for the Locally Preferred Plan (LPP) by one-third. This was an outstanding effort by staff in partnership with the Army Corps.

Chairman Campo also reported that Great Lakes Dredge & Dock Company (Great Lakes) had commenced mechanical dredging on April 10 in Segment 1A of Project 11, from Bolivar Roads to Redfish Island. Great Lakes was currently dredging between HSC 94+000 and HSC 98+000 and was expected to complete its first acceptance section within the next two weeks. After installation of Selective Catalytic Reduction equipment for overall air emissions reduction, the hydraulic dredge was expected to arrive in early June 2022.

Chairman Campo continued by announcing that a Project 11 dredging kick-off celebration would be held June 1, 2022 at the Army Corps office in Galveston. Port Commissioners were invited along with elected officials and many others, and the new dredge would be there.

(2022-0426-01) Chairman Campo called for a motion to approve the minutes of the March 21, 2022 Port Commission meeting. Commissioner Mease moved for approval, seconded by Commissioner Corgey. The minutes were approved as written.

(2022-0426-02) Roger Guenther, Executive Director, presented a summary of selected financial and operational matters:

- Cargo volume through all facilities continued to increase significantly.
- Container volume was up 23% over 2021.
- More than 900,000 twenty-foot equivalent units (TEUs) had been handled through March, the Port Authority's largest quarter ever.
- There had been record single-day gate activity through both Barbours Cut and Bayport terminals, for a combined 13,625 interchanges.
- Growth opportunities came with challenges that the Port Authority continued to address, in order to provide efficient service to all of its customers and users.
- Acceleration of capital investments to handle the unprecedented growth was a priority.
- Saturday gate hours were recently announced to better utilize existing assets; it was crucial that the extra day be well utilized by customers and truckers.

Mr. Guenther announced that a guest speaker, Dr. Steve Roop with Freight Shuttle Xpress – FSX, LLC (FSX) – was in attendance. The Port Authority recently entered into a Memorandum of Agreement (MOA) with FSX to pursue opportunities to connect the container facilities to other locations and to explore potential benefits such as improving air quality through lowered emissions, reducing truck miles traveled, enhancing intermodal cargo connectivity, and improving throughput capacity of existing terminals.

Mr. Guenther emphasized that the freight shuttle system was not new to the Port Authority, as there had been an MOA before, and staff would continue to take a hard look at technology that may provide more efficient freight transportation. One quarter of the cargo at the Port Authority – 600,00 TEUs – went to west Chambers County, so a freight shuttle could prove viable, and commissioners discussed a recent tour of west Chambers County.

(2022-0426-03) Appearances

(a) Chairman Campo introduced Dr. Steve Roop, CEO, FSX, LLC, who addressed the Port Commission.

Dr. Roop congratulated the Port Authority for being proactive and forward looking. It had distinguished itself nationally in terms of its anticipation of growth – a tsunami of freight was anticipated in the coming years, and the freight shuttle was a tool that was right for the time. The shuttle was zero emissions, which was important as the public and various stakeholders would embrace such an environmentally safe approach.

Dr. Roop described the freight shuttle as autonomous and operating on its own infrastructure. He did not believe that more roads, trucks, or trains would solve the growth problem, as a point had been reached where roadway expansion was resulting in diminishing returns.

Dr. Roop had served for 30 years as a research scientist at the Texas A&M Transportation Institute and had developed the freight shuttle in anticipation of the pending growth crisis. He welcomed a change to the current status quo as a solution; the freight shuttle system would leverage the assets that were currently in place, move cargo beyond the current congestion, and result in lower costs to customers.

Dr. Roop shared a short visual presentation which portrayed the concept of the freight shuttle system. A container could be loaded onto the system and sent out from the container terminal to an inland facility. The idea would be to build the system at the container facilities and for every box, there would be a freight shuttle; it would not matter if the inland facility were a mile away or a hundred miles away.

The infrastructure would be placed well away from the dock and would use current labor already in place to load the containers to be sent to the inland facility, and every container would still go through a radiological detector. The facility could be two, three, or four lanes wide and could handle upwards of 2,400 containers per day, while the main guideway system could handle 10,000 containers a day in each direction.

Commissioner DonCarlos questioned whether empty containers could be brought back to the terminals; Dr. Roop confirmed that they could.

Dr. Roop noted that the possibility of offloading containers directly to customer locations was also a possibility. He felt that the system could interact effectively with double-stacked rail and could assist the railroads in automating – in a chassis-free manner – the unloading and reloading of double-stacked rail.

Dr. Roop concluded that the freight shuttle had been fully designed, tested, and a full-scale working prototype had been developed at College Station, and he invited the Port Commission to visit and observe the prototype.

Commissioner DonCarlos asked if the system could be implemented to cross the ship channel, and Dr. Roop noted that the possibility of crossing both over and under the channel was being explored.

(b) Chairman Campo recognized Dr. Stephanie Thomas, Public Citizen, who addressed the Port Commission.

Dr. Thomas stated that the Healthy Port Communities Coalition was looking forward to updates from the Port Authority and the Army Corps on Project 11 at the forthcoming community meeting. It was appreciated how the Port Authority had prioritized clean air in the dredging contracts and Dr. Thomas desired to see the Army Corps move forward with a similar mindset.

Dr. Thomas emphasized that healthy air was needed for every community, especially those most burdened by air pollution. The Army Corps needed to adhere to the recommendations of the Texas Commission on Environmental Quality (TCEQ) for cleaner equipment.

Dr. Thomas was excited to hear about Dr. Roop's freight shuttle system and to see what would come from the MOA. She was encouraged that the Port Authority was supporting a Texas-based business that was exploring real solutions for the pollution challenges faced by the region – endless highway expansions could not be relied upon as future solutions for freight mobility.

Lastly, Dr. Thomas questioned Item J2 on the agenda. Communities near I-610 had experienced significant flooding. Addressing drainage issues was critically important. She wanted to know how the investment would improve the drainage for the local neighborhoods.

Mr. Heidt remarked that Item J2 was a project started in 2016 with the Texas Department of Transportation (TxDOT) and was for the feeder road at the main gate of the Turning Basin Terminal. The area was notorious for flooding and the agenda item was for the final payment for the work done to mitigate the flooding.

Chairman Campo asked what the total amount of the contract was, and Richard Byrnes, Chief Infrastructure Officer, said believed it was approximately \$900,000, with TxDOT paying approximately \$200,000.

(c) Chairman Campo recognized Kendall David, Goose Creek CISD, who addressed the Port Commission.

Ms. David recognized Mr. Guenther as the Goose Creek Giants alumnus of the month. Mr. Guenther was nominated by Commissioner DonCarlos for being an exemplary

leader of a multimillion-dollar organization that had an economic impact of over \$800 billion. Mr. Guenther's hard work and dedication had not gone unnoticed as he had been recognized throughout the maritime and business industry which led to his future induction into the International Maritime Hall of Fame.

Commissioner DonCarlos stated that he was pleased to nominate Mr. Guenther. He had engaged with the school district several years ago about a way to determine the worth of the educational system by looking at its products – and Mr. Guenther was a fine example of a terrific Goose Creek alumnus.

(2022-0426-04) Chairman Campo recognized Tom Heidt, Chief Operating Officer, to provide a report of selected Executive agenda items.

Mr. Heidt remarked that there were two items on that agenda, with the first being approval of an actuarial audit. Every five years the Port Authority was required by state statute to perform an audit of the Port Authority's restated retirement plan, and the most recent was presented to the Audit Committee on April 18, 2022 with a clean opinion. The audit would be sent to the State of Texas to show the Port Authority's compliance.

Item F2 was to adopt the Port Authority's Business Equity Committee Charter. The former Procurement and Small Business Development Task Force had been changed to the Business Equity Committee and the charter was updated.

(2022-0426-05) RCA F1 was presented, moved by Commissioner Mease, seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA F1 PASSED.

(2022-0426-06) RCA F2 was presented, moved by Commissioner Mease, seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA F2 PASSED.

Chairman Campo noted that there were no Business Equity agenda items.

(2022-0426-07) Chairman Campo recognized John Moseley, Chief Commercial Officer to provide a report of selected agenda items.

Mr. Moseley remarked that March was a strong month. Port rankings had just been released showing that ports on the east coast grew at a faster pace. As such, carriers had expanded ship capacity on the east coast. Virginia had grown 25% in the past year versus the Port Authority's 15% growth and had claimed the number six spot in the nation, pushing the Port of Houston Authority to number seven.

Mr. Moseley emphasized that customer demand was stronger than ever and tenant occupancy at the Turning Basin Terminal was above 97%, driven primarily by an increase in oil and gas production in Texas. According to Baker Hughes, rig count in the state had increased by 64% with 346 rigs currently operating. Strong drilling activity had increased the demand for tubular goods – basically all the steel pipes currently laid out along the city docks.

Mr. Moseley stated that Target had recently started work on a 340,000 square foot cross dock that was operated by its service provider. Walmart had also announced expansion of its Baytown center by one million square feet, that would bring its total footprint to over five million square feet.

Mr. Moseley announced that the Port Authority had participated in the IHS World Petrochemical Conference the prior month and the University of Houston's Port of the Future Conference. The Port Authority's annual customer appreciation event was also held at the rodeo in collaboration with local sponsored venues to increase engagement and communication with external stakeholders.

Mr. Moseley stated that there were three items on the agenda, all of which were fairly routine amendments to leases at the Turning Basin Terminal.

Commissioner DonCarlos queried what Virginia had done to grow so much, and Mr. Moseley replied that ocean carriers had deployed a lot more service capacity to the east coast, more than the west coast and gulf coast, and the growth in Virginia was a function of capacity.

Mr. Guenther added that there were ports, such as New York and New Jersey, that the Port Authority had gained market share on.

Chairman Campo wondered whether ports such as Norfolk in Virginia could take the larger 1,200-foot ships; Mr. Moseley confirmed that they could, and Commissioner Fitzgerald added that the federal government also helped keep the channel dredged to accommodate naval operations.

(2022-0426-08) RCA H1 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners Cloonan, Corgy, Cruzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA H1 PASSED.

(2022-0426-09) RCA H2 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners

Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA H2 PASSED.

(2022-0426-10) RCA H3 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA H3 PASSED.

(2022-0426-11) Chairman Campo recognized Tim Finley, Chief Financial Officer, to provide a report of selected agenda items.

Mr. Finley explained Item I1 was for approval of the 2021 Annual Comprehensive Financial Report. The report was nearly in final form, as the audit work of the Port Authority's external auditors concluded with a clean opinion on the financial statements, the Promotion and Development Fund, and the single audit associated with grant funds, and had been reviewed by the Audit Committee and integrated into the report. The auditors presented to the Audit Committee and the committee passed a motion recommending full approval by the Port Commission. With its approval, the 2021 financial would be closed out and a report filed with the TCEQ by May 15, 2022.

Mr. Finley recognized the contributions of Curtis Duncan and the financial team on the excellent work they had done throughout the year.

(2022-0426-12) RCA I1 was presented, moved by Commissioner Mease, seconded by Commissioner Creuzot. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA I1 PASSED.

(2022-0426-13) Chairman Campo recognized Rich Byrnes, Chief Infrastructure Officer, to provide a report of selected agenda items.

Mr. Byrnes clarified that the community meeting mentioned by Dr. Thomas was an engagement effort between the Army Corps, the Port Authority, and the community, to assist with various questions the community had regarding port operations in the area. The Port Authority's Environmental and Community Relations departments would also be in attendance.

Mr. Byrnes reported that there were ongoing conversations with the Harris County Flood Control District on a myriad of topics ranging from sediment control in the ship channel to tunnels.

Regarding infrastructure news, Mr. Byrnes observed that Barbours Cut 3 North and Bayport 2 South were delivered ahead of schedule, which helped to alleviate some of the operational intensity. New capacity was being added anywhere possible.

Mr. Byrnes added that the Port of the Future Conference that had previously been mentioned included over 60 speakers. Innovation in technology and transportation were the main topics covering things such as zero emissions in trucks and alternative fuels.

There were ten agenda items for the month. Item J5 was for approval of a change order to increase funding for the annual pavement replacement at the Barbours Cut and Bayport Container Terminals. Typically, a purchase order is put in for the work, but there were more projects needed than the initial purchase order covered, and so the change order would be for a sixth task order and overtime to finish the work more quickly. The vendor was 100% small business.

Mr. Byrnes explained Item J6: a request for wetlands mitigation credits which would allow the Port Authority to develop approximately 64 acres of land in the Bayport area, to accommodate the rapid growth of containers.

Chairman Campo noted that at the next meeting the Port Commission would get an update on infrastructure projects, complete with a timeline schedule and budget overview.

Commissioner Fitzgerald asked if overtime work had been explored on all Port Authority projects, not just Item J5. Mr. Byrnes answered that staff was exploring different ways to accelerate all its projects, and decisions were being made on a project-by-project basis.

(2022-0426-14) RCA J1 was presented, moved by Commissioner Corgey, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Cruzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J1 PASSED.

(2022-0426-15) RCA J2 was presented, moved by Commissioner Corgey, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Cruzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J2 PASSED.

(2022-0426-16) RCA J3 was presented, moved by Commissioner Corgey, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Cruzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J3 PASSED.

(2022-0426-17) RCA J4 was presented, moved by Commissioner Corgey, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J4 PASSED.

(2022-0426-18) RCA J5 was presented, moved by Commissioner Corgey, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J5 PASSED.

(2022-0426-19) RCA J6 was presented, moved by Commissioner Corgey, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J6 PASSED.

(2022-0426-20) RCA J7 was presented, moved by Commissioner Corgey, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Commissioner Cloonan recused herself. Nays none. RCA J7 PASSED.

(2022-0426-21) RCA J8 was presented, moved by Commissioner Corgey, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Commissioner Cloonan recused herself. Nays none. RCA J8 PASSED.

(2022-0426-22) RCA J9 was presented, moved by Commissioner Corgey, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J9 PASSED.

(2022-0426-23) RCA J10 was presented, moved by Commissioner Corgey, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J10 PASSED.

(2022-0426-24) Chairman Campo recognized Jeff Davis, Chief Port Operations Officer, to provide a report of selected agenda items.

Mr. Davis emphasized that bumping up on 14,000 gate moves was very significant. A big part of the increase in TEUs were empty containers, which were up 76%, primarily due to increased trade with Asia – carriers were taking empty containers back to be refilled. There was more value in taking empty containers and turning them into import containers destined for the U.S. than waiting for the container to be filled and shipped back to Asia.

Mr. Guenther reiterated that the ocean carriers were limiting the export bookings back to Asia, which was further challenging the Port Authority's dwell issues at its terminals.

Mr. Davis continued: the increased TEU volume was the result of new services. New ships would be arriving in the forthcoming weeks and would become a significant presence at Bayport Container Terminal. General cargo continued to be strong with steel pipe being the primary driver. The container terminals still handled a high burden of ships with queues of 8-12 ships waiting daily to ingress the channel. Installation of the new cranes would help to reduce the queue of ships.

Container dwell continued to be a challenge. Import dwell was down to six days. Staff was studying different ways to reduce dwell times. More information would be forthcoming. Loaded containers were up 39% at the Barbours Cut Container Terminal, resulting in increased turn times of over 60 minutes (traditional turn times were 45 minutes), and so the new Saturday gate hours were aimed at helping to reduce the turn time. However, heavy promotion of the Saturday hours was needed to help make it work. Attempting to conduct upwards of 14,000 gate transaction during normal working hours was not feasible – the extended hours needed to be used to accommodate demand.

Mr. Davis highlighted Item K1 – the purchase of two loaded container handling machines at the Barbours Cut Container Terminal. The units were used daily to optimize container storage and for lifting/transporting loaded containers. An older model unit from 1995 would be taken out of service as parts were no longer available for it, and it had been unused for several months as a result.

Items K9 and K10 were agreements with the U.S. Customs and Border Protection (CBP). The Port Authority is responsible for paying for the infrastructure required by CBP including IT-related electrical components and communications. The Port Authority was also required to pay for any overtime accrued by CBP due to extended terminal hours. The overtime hours would be accounted for in the next CPB budget. He added that the vast majority of the services was paid for by customers.

Commissioner DonCarlos questioned if the \$1 million budget for Item K10 was to pay for the Saturday gate overtime hours. Mr. Davis confirmed that it was, and would pay for overtime through October when the next budget cycle took place.

(2022-0426-25) RCA K1 was presented. Commissioner Corgey moved for staff's ranking of vendors - first, Taylor Machine Works, Inc.; and second, Briggs Industrial Solutions Inc. fka Briggs Equipment, Inc., seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K1 PASSED.

(2022-0426-26) RCA K2 was presented, moved by Commissioner Corgey, seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K2 PASSED.

(2022-0426-27) RCA K3 was presented, moved by Commissioner Corgey, seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K3 PASSED.

(2022-0426-28) RCA K4 was presented, moved by Commissioner Corgey, seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K4 PASSED.

(2022-0426-29) RCA K5 was presented, moved by Commissioner Corgey, seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K5 PASSED.

(2022-0426-30) RCA K6 was presented, moved by Commissioner Corgey, seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K6 PASSED.

(2022-0426-31) RCA K7 was presented, moved by Commissioner Corgey, seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K7 PASSED.

(2022-0426-32) RCA K8 was presented, moved by Commissioner Corgey, seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K8 PASSED.

(2022-0426-33) RCA K9 was presented, moved by Commissioner Corgey, seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K9 PASSED.

(2022-0426-34) RCA K10 was presented, moved by Commissioner Corgey, seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners Cloonan,

Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K10 PASSED.

Chairman Campo noted that there were no People nor Security and Emergency Operations agenda items.

(2022-0426-35) Chairman Campo recognized Charles Thompson, Chief Information Officer, to provide a report of selected agenda items.

Mr. Thompson explained the single item on the agenda, a contract for cloud services for applications, services, and next generation ERP.

Commissioner Fitzgerald recognized the Houston Pilots for continuing to move ships through the ship channel in a safe and efficient manner.

(2022-0426-36) RCA N1 was presented, moved by Commissioner Mease, seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA N1 PASSED.

Chairman Campo called for an Executive Session and asked Mr. Eriksson to make the following announcement:

It is now 10:17 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 (1) to conduct a private Consultation with Attorneys (Section 551.071, Texas Open Meetings Act), including consultations regarding (i) *Port of Houston Authority v. Louis Dreyfus Company Houston Export Elevator LLC*, in the Southern District of Texas, (ii) *Standard Constructors, Inc. v. Port of Houston Authority*, in the 151st Judicial District Court of Harris County, Texas, (iii) *City of Richmond v. J.A. Croson Company*, 488 U.S. 469 (1989), *Adarand Constructors, Inc. v. Pena*, 515 U.S. 200 (1995), and Texas Government Code Chapter 2254, Professional and Consulting Services, and (iv) proposed amendments to the agreements for legal services with Ahmad, Zavitsanos, Anaipakos, Alavi & Mensing P.C. and Baker Botts L.L.P.; deliberate regarding (2) Real Estate (*Section 551.072, Texas Open Meetings Act*); (3) Economic Development Negotiations or Incentives (*Section 551.087, Texas Open Meetings Act*); (4) Employment and Evaluation of Public Officers and Employees (*Section 551.074, Texas Open Meetings Act*), including deliberation regarding the employment agreement with the Executive Director of the Port Authority; and (5) 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.

At 11:10 a.m., Chairman Campo reconvened the open meeting with the following Commissioners, staff, and counsel in attendance:

Ric Campo, Chairman
Wendy Cloonan, Commissioner
Dean Corgey, Commissioner, via WebEx
Cheryl Creuzot, Commissioner
Stephen DonCarlos, Commissioner
Clyde Fitzgerald, Commissioner
Roy Mease, Commissioner
Roger Guenther, Executive Director
Erik Eriksson, Chief Legal Officer
Tom Heidt, Chief Operating Officer

(2022-0426-37) Commissioner Cloonan moved to authorize a change order with Standard Constructors Inc. on the terms discussed in Executive Session, and to authorize the Executive Director to do all things necessary to give effect to the foregoing, seconded by Commissioner Mease. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. MOTION PASSED.

(2022-0426-38) Commissioner Creuzot moved to authorize the Port Authority to amend the agreements for legal services with (a) Ahmad, Zavitsanos, Anaipakos, Alavi & Mensing P.C. and (b) Baker Botts L.L.P on the terms discussed in Executive Session, and to authorize the Chief Legal Officer to do all things necessary to give effect to the foregoing, seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. MOTION PASSED.

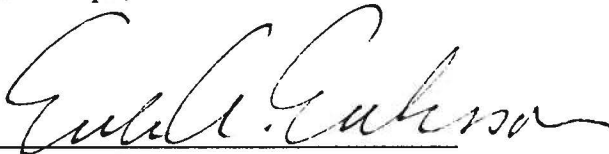
(2022-0426-39) Commissioner Fitzgerald moved to authorize the Port Authority to approve an amendment to the employment agreement with Roger Guenther on the terms discussed in Executive Session, and to authorize the Chairman and Chief Legal Officer to do any and all things necessary to give effect to the foregoing, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. MOTION PASSED.

At 11:11 a.m., Chairman Campo adjourned the Port Commission meeting.

The above is a correct copy of the Minutes of the April 26, 2022 meeting of the Port Commission of the Port of Houston Authority.

A handwritten signature in black ink, appearing to read 'Ric Campo', written over a horizontal line.

Ric Campo, Chairman

A handwritten signature in black ink, appearing to read 'Erik A. Eriksson', written over a horizontal line.

Erik A. Eriksson, Secretary

F. EXECUTIVE

Subject	1. Approve the actuarial audit of the Port of Houston Authority Restated Retirement Plan August 1, 2021 Actuarial Valuation.
Meeting	Apr 26, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 26, 2022 meeting, approve the actuarial audit of the Port of Houston Authority Restated Retirement Plan August 1, 2021 Actuarial Valuation, including the Independent Auditors Report prepared by Gabriel, Roeder, Smith & Company dated March 11, 2022, 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:
Shannon Williams

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, 2021, were valued at \$226 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, 2021 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 11, 2022, opines that the August 1, 2021 Actuarial Valuation of the Pension Plan 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 11, 2022, 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.

F. EXECUTIVE

Subject	2. Adopt the Business Equity Committee Charter to amend and restate the Procurement and Small Business Development Task Force Charter.
Meeting	Apr 26, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 26, 2022 meeting, adopt the Business Equity Committee Charter to amend and restate the Procurement and Small Business Development Task Force Charter.

Category:
General

Department:
Executive

Staff Contact:
Erik Eriksson

Background:

In order to aid the efficient and transparent conduct of Port Authority affairs, at its May 24, 2011 meeting, the Port Commission formally designated five standing Port Commission task forces, including a Procurement and Small Business Development Task Force.

The Port Commission approved and adopted the Procurement and Small Business Development Task Force Charter at its March 26, 2013 meeting, and amended it at its September 27, 2016 meeting.

At its March 23, 2021 meeting, the Port Commission reconstituted the Port Commission's Procurement and Small Business Development Task Force as the Business Equity Committee.

At its October 19, 2021 and January 19, 2022 meetings, the Business Equity Committee considered revising its charter to reflect its focus on Business Equity matters and provide for a new mission statement to align with that focus, as well as its continued work to monitor the Port Authority's procurement activities and create and update relevant policies.

Staff Evaluation/Justification:

Following committee review of the draft amended charter, and its recommendation that the Port Commission approve the updated mission statement, legal staff is now submitting the draft charter, incorporating that mission statement and making other ministerial changes, to the Port Commission for its consideration.

H. COMMERCIAL

Subject	1. Approve an amendment to the lease with Cooper/Ports America, LLC for approximately 3.20 acres out of Block 21 at Northside Turning Basin, to extend the term for one year with four one-year mutual renewal options, effective no earlier than June 1, 2022, at an annual base rent of approximately \$94,329, subject to annual base rent escalation of the greater of 3% or the increase in the Consumer Price Index, upon the election of each one-year mutual renewal option.
Meeting	Apr 26, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 26, 2022 meeting, approve an amendment to the lease with Cooper/Ports America, LLC for approximately 3.20 acres out of Block 21 at Northside Turning Basin, to extend the term for one year with four one-year mutual renewal options, effective no earlier than June 1, 2022, at an annual base rent of approximately \$94,329, subject to annual base rent escalation of the greater of 3% or the increase in the Consumer Price Index, upon the election of the each one-year mutual renewal option, 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 - PARTNERSHIPS (Develop and Strengthen External Partnerships) Strategic Objective 3a. - Cultivate key relationships to accomplish common goals STRATEGIC GOAL #4 - STEWARDSHIP (Create Greater Value for the Region) Strategic Objective 4d. - Support sustainable growth of Port Houston and the greater Port

Category:
Leases

Department:
Real Estate

Staff Contact:
R.D. Tanner

Background:

By Minute No. 2017-0524-06, the Port Commission approved a one-year lease with Cooper/Ports America, LLC for approximately 3.20 acres, which includes (i) a concrete open storage area of approximately 57,210 square feet, (ii) Warehouse 21-A covering approximately 50,000 square feet, (iii) an apron area adjacent to Warehouse 21-A of approximately 12,500 square feet, and (iv) a rail spur of approximately 500 linear feet, out of Block 21 at Northside Turning Basin. This property is used for handling non-hazardous project and break-bulk cargo.

By Minute Nos. 2018-0416-11, 2019-0423-19, 2020-0428-13, and 2021-0427-12, the Port Commission approved multiple amendments to extend the term of the lease by one year in each of 2018, 2019, 2020, and 2021, respectively.

Cooper/Ports America, LLC has requested that the Port Authority extend the term of the lease for an additional one year with four one-year mutual renewal options. The annual base rent would be subject to annual base rent escalation of the greater of 3% or the increase in the Consumer Price Index upon the election of each one-year renewal option.

Staff Evaluation/Justification:

Staff recommends the Port Commission approve the proposed lease amendment and extension with four one-year mutual renewal options.

H. COMMERCIAL

Subject	2. Approve an amendment to the lease with Empire Stevedoring (Houston) Inc. for approximately 2.75 acres in Block 11 at the Turning Basin area (West), to extend the term for one year, effective no earlier than June 1, 2022, at an annual base rent of approximately \$64,825.
Meeting	Apr 26, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 26, 2022 meeting, approve an amendment to the lease with Empire Stevedoring (Houston) Inc. for approximately 2.75 acres in Block 11 at the Turning Basin area (West), to extend the term for one year, effective no earlier than June 1, 2022, at an annual base rent of approximately \$64,825, 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	<p>STRATEGIC GOAL #3 - PARTNERSHIPS (Develop and Strengthen External Partnerships)</p> <p>Strategic Objective 3a. - Cultivate key relationships to accomplish common goals</p> <p>STRATEGIC GOAL #4 - STEWARDSHIP (Create Greater Value for the Region)</p> <p>Strategic Objective 4d. - Support sustainable growth of Port Houston and the greater Port</p>

Category:
Leases

Department:
Real Estate

Staff Contact:
R. D. Tanner

Background:

By Minute No. 2021-0323-33, the Port Commission approved a one-year lease with Empire Stevedoring (Houston) Inc. (Empire Stevedoring) for approximately 2.75 acres out of Block 11 at the Turning Basin area (West). The property is used for handling and storing steel products and general cargo.

Empire Stevedoring has requested that the Port Authority extend the term of the lease for an additional one year and would use the premises for the same purpose as described above.

Empire Stevedoring is also requesting a one-year lease extension under another lease for approximately 0.74 acres out of Block 1 at the Southside Wharves, under a separate agenda item at the April 26, 2022 Port Commission meeting.

Additionally, by Minute No. 2022-0321-32, the Port Commission approved amendments to another lease and an associated freight handling assignment agreement with Empire Stevedoring for approximately 5.08 acres at the Southside Wharves to extend the term for five years each.

Staff Evaluation/Justification:

Staff recommends the Port Commission approve the proposed lease amendment and extension.

H. COMMERCIAL

Subject	3. Approve an amendment to the lease with Empire Stevedoring (Houston) Inc. for approximately 0.74 acres out of Block 1 at the Southside Wharves, to extend the term for one year, effective no earlier than June 1, 2022, at an annual base rent of approximately \$33,879.
Meeting	Apr 26, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 26, 2022 meeting, approve an amendment to the lease with Empire Stevedoring (Houston) Inc. for approximately 0.74 acres out of Block 1 at the Southside Wharves, to extend the term for one year, effective no earlier than June 1, 2022, 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 - PARTNERSHIPS (Develop and Strengthen External Partnerships) Strategic Objective 3a. - Cultivate key relationships to accomplish common goals STRATEGIC GOAL #4 - STEWARDSHIP (Create Greater Value for the Region) Strategic Objective 4d. - Support sustainable growth of Port Houston and the greater Port

Category:
Leases

Department:
Real Estate

Staff Contact:
R. D. Tanner

Background:

By Minute No. 2021-0323-33, the Port Commission approved a one-year lease with Empire Stevedoring (Houston) Inc. (Empire Stevedoring) for approximately 0.74 acres out of Block 1 at the Southside Wharves. The property is used for handling and storing steel products and general cargo.

Empire Stevedoring has requested that the Port Authority extend the term of the lease for an additional one year, and would use the premises for the same purpose as described above.

Empire Stevedoring is also requesting a one-year lease extension under another lease for approximately 2.75 acres out of Block 11 at the Turning Basin area (West), under a separate agenda item at the April 26, 2022 Port Commission meeting.

Additionally, by Minute No. 2022-0321-32, the Port Commission approved amendments to another lease and an associated freight handling assignment agreement with Empire Stevedoring for approximately 5.08 acres at the Southside Wharves to extend the term for five years each.

Staff Evaluation/Justification:

Staff recommends the Port Commission approve the proposed lease amendment and extension.

I. FINANCE

Subject	1. Approve the fiscal year 2021 Annual Comprehensive Financial Report.
Meeting	Apr 26, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 26, 2022 meeting, approve the fiscal year 2021 Annual Comprehensive Financial Report, including the Report of Independent Public Accountants prepared by BKD, LLP dated April 18, 2022, and further authorizes 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 (Create Greater Value for the Region)

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 approve the audit report annually 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. 2020-0730-12, the Port Commission approved staff's ranking of vendors and awarded a professional services contract for professional auditing services for the fiscal year ending 2020, with options to renew for two additional one-year terms, to BKD, LLP.

Staff Evaluation/Justification:

BKD, LLP has completed its audit of the Port Authority's financial statements for the fiscal year ended December 31, 2021, and staff has now provided the Port Commission with the latest draft of the Port Authority's fiscal year 2021 Annual Comprehensive Financial Report (ACFR), which includes the Report of Independent Public Accountants prepared by BKD, LLP dated April 18, 2022.

Staff recommends that the Port Commission formally approve the 2021 ACFR, whereupon the Executive Director of the Port Authority would submit the ACFR, along with the required filing affidavit, to the Executive Director of the TCEQ.

J. INFRASTRUCTURE

Subject	1. Award a construction contract to AAA Asphalt Paving, Inc. for the 2022 annual pavement drainage and dust control work at Turning Basin Terminal in an amount not to exceed \$1,229,865.
Meeting	Apr 26, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 26, 2022 meeting, award a construction contract to AAA Asphalt Paving, Inc. for the 2022 annual pavement drainage and dust control work at Turning Basin Terminal in an amount not to exceed \$1,229,865, 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 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)

Category:

Awards, Amendments & Change Orders

Department:

Project and Construction Management

Staff Contact:

Roger H. Hoh, P.E.

Background:

This project consists of asphalt, pavement, drainage, and dust suppression efforts at Turning Basin Terminal.

The Port Authority notified vendors regarding its request for competitive sealed bids (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. Four vendors downloaded the project materials from BuySpeed.

Staff Evaluation/Justification:

On March 9, 2022, two CSBs were received, opened, and publicly read. The responses were reviewed and evaluated by staff in accordance with the published criteria.

Staff recommends that the Port Authority award a contract to AAA Asphalt Paving, Inc., the responsible bidder submitting the lowest and best bid, for the annual pavement drainage and dust control work at Turning Basin Terminal in 2022.

J. INFRASTRUCTURE

Subject	2. Amend the Advanced Funding Agreement with the Texas Department of Transportation to increase the funding for drainage improvements connected to the Southbound Loop 610 Feeder Road at the Turning Basin Terminal in the amount of \$230,471.
Meeting	Apr 26, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 26, 2022 meeting, amend the existing Advanced Funding Agreement with Texas Department of Transportation Houston District Office to increase the funding for drainage improvements connected to the Southbound Loop 610 Feeder Road at the Turning Basin Terminal in the amount of \$230,471, 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:

Awards, Amendments & Change Orders

Department:

Project and Construction Management

Staff Contact:

Roger H. Hoh, P.E.

Background:

By Minute No. 2016-1213-25, the Port Commission awarded a professional services contract to CivilTech Engineering for drainage improvements connected to the Southbound Loop 610 Feeder Road at the Turning Basin Terminal.

By Minute No. 2017-0926-29, the Port Commission authorized an Advanced Funding Agreement (AFA) with Texas Department of Transportation (TxDOT) in the amount of \$509,788 for these drainage improvements. Pursuant to the AFA, TxDOT agreed to fund up to \$200,000 and perform 100% of the construction management/inspection and material testing, including all environmental permitting in its right-of-way.

By Minute No. 2019-0326-28, the Port Commission authorized an AFA with TxDOT in the amount of \$334,967 due to an expanded scope. The additional work consisted of the removal and installation of a security fence, a traffic control plan, tree planting, supplementary pipe installation, temporary shoring, asphalt pavement, and more signs, barricades, and inlets.

This amendment would consist of nine construction change orders and an increase due to overrun bid items totaling \$230,471.

CivilTech Engineering has reviewed the construction cost estimate and found it to be fair and reasonable.

Staff Evaluation/Justification:

The aforementioned work is necessary, and staff recommends the Port Commission approve the amendment of the AFA with TxDOT.

J. INFRASTRUCTURE

Subject	3. Amend the professional services contract with Lockwood, Andrews & Newnam, Inc. to perform services for additional design for the rail spur at Bayport Container Terminal in an amount not to exceed \$172,710.
Meeting	Apr 26, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 26, 2022 meeting, approve an amendment to the professional services contract with Lockwood, Andrews & Newnam, Inc. to perform services for additional design for the rail spur at Bayport Container Terminal in an amount not to exceed \$172,710, 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:

Awards, Amendments & Change Orders

Department:

Project and Construction Management

Staff Contact:

Roger H. Hoh, P.E.

Background:

This proposed amendment would consist of structural design phase, construction phase services, electrical design phase, subsurface utility engineering (SUE) investigation, permitting, drafting, and surveying.

Staff Evaluation/Justification:

Staff has reviewed Lockwood, Andrews & Newnam, Inc.'s proposal and found it to be fair and reasonable.

Staff recommends the Port Commission approve the amendment of the professional services contract with Lockwood, Andrews & Newnam, Inc.

J. INFRASTRUCTURE

Subject	4. Approve a change order with George Hedge Contractors, Inc. for ballast material cost escalation associated with construction of the rail spur at Bayport Container Terminal Phase 2 in an amount not to exceed \$70,268.
Meeting	Apr 26, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 26, 2022 meeting, approve a change order with George Hedge Contractors, Inc. to perform additional work associated with construction of the rail spur at Bayport Container Terminal Phase 2 in an amount not to exceed \$70,268, 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 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)

Category:

Awards, Amendments & Change Orders

Department:

Project and Construction Management

Staff Contact:

Roger H. Hoh, P.E.

Background:

By Minute No. 2018-0925-28, the Port Commission awarded a construction contract to George Hedge Contractors, Inc. for construction of the rail spur at Bayport Container Terminal Phase 2.

This proposed change order addresses material (ballast) cost escalation. The contractor has requested an increase for the remaining quantity of ballast at the new cost:

<u>Quantity</u>	<u>Unit</u>	<u>Unit Price</u>	<u>Total Amount</u>
9,540	Net Ton	\$7.3656	\$70,268

This is the first change order to this contract for a total change order value to date of \$70,268, which is 14.5% of the total contract value.

Staff Evaluation/Justification:

Port Authority staff has reviewed the proposal submitted by George Hedge Contractors, Inc. and found it to be fair and reasonable.

Therefore, staff recommends that the Port Commission authorize this change order.

J. INFRASTRUCTURE

Subject	5. Approve a change order with Jerdon Enterprise, Inc. to perform additional work associated with the annual pavement replacement at Barbours Cut Terminal and Bayport Container Terminal 2021-2022 in an amount not to exceed \$604,120.
Meeting	Apr 26, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 26, 2022 meeting, approve a change order with Jerdon Enterprise, Inc. to perform additional work associated with the annual pavement replacement at Barbours Cut Terminal and Bayport Container Terminal in 2021-2022 in an amount not to exceed \$604,120, 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 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)

Category:

Awards, Amendments & Change Orders

Department:

Project and Construction Management

Staff Contact:

Roger H. Hoh, P.E.

Background:

By Minute No. 2021-1207-23, the Port Commission awarded a construction contract to Jerdon Enterprise, Inc. for the annual pavement replacement at Barbours Cut Terminal and Bayport Container Terminal in 2021-2022.

This proposed change order addresses two items: overtime and scope increase for Task Order No. 6.

This is the first change order to this contract, for a total change order value to date of \$604,120, which is 22% of the total contract value.

Staff Evaluation/Justification:

Port Authority staff has reviewed the proposal submitted by Jerdon Enterprise, Inc. and found it to be fair and reasonable.

Therefore, staff recommends that the Port Commission authorize this change order.

J. INFRASTRUCTURE

Subject **6. Approve an agreement with HGS, LLC d.b.a. RES Environmental Operating Company, LLC to acquire wetland mitigation credits relating to the U.S. Army Corps of Engineers development permit for the Port Authority's 64-acre tract southwest of Bayport Terminal, in the amount not to exceed \$1,270,000.**

Meeting Apr 26, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its April 26, 2022 meeting, approve an agreement with HGS, LLC d.b.a. RES Environmental Operating Company, LLC to acquire wetland mitigation credits relating to the U.S. Army Corps of Engineers development permit for the Port Authority's 64-acre tract southwest of Bayport Terminal as depicted on the attached, in the amount not to exceed \$1,270,000, 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 Objective 4a. - Implement an innovative environmental leadership strategy

Category:
General

Department:
Environmental Affairs

Staff Contact:
Trae Camble

Background:
The Port Authority is preparing its 64-acre tract south of Port Road and east of the Hwy 146 northbound exit ramp (as shown on the attached) for pre-development activity. This process includes applying for a U.S. Army Corps of Engineers construction permit for properties containing wetlands. As part of the permitting process, the Port Authority is responsible for purchasing credits for wetland mitigation. Securing these mitigation credits is critical to development of the property as the credits are difficult to obtain and are not widely available. HGS, LLC d.b.a. RES Environmental Operating Company, LLC previously worked with the Port Authority for mitigation of the Wah Chang (Greens Bayou Terminal) property.

Staff Evaluation/Justification:
Port Authority staff recommends the Port Commission authorize an agreement with HGS, LLC d.b.a. RES Environmental Operating Company, LLC, in order to secure the necessary wetland mitigation credits needed to develop this property.

J. INFRASTRUCTURE

Subject 7. Issue a roadway crossing license to CenterPoint Energy Houston Electric, LLC for improvements to a gate, access road, and pad site at the Clinton Tract.

Meeting Apr 26, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its April 26, 2022 meeting, authorize a roadway crossing license to CenterPoint Energy Houston Electric, LLC for improvements to a gate, access road, and pad site at the Clinton Tract, 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 Operations

Staff Contact:

Garry McMahan

Background:

CenterPoint Energy Houston Electric, LLC, Port Authority File No. 2022-0045, has applied for a roadway crossing license to improve a gate, access road, and pad site at the Clinton Tract in the Earle Thomas Survey, A-73. These improvements would allow access to existing transmission facilities authorized in Port Authority File No. 2000-0070.

Staff Evaluation/Justification:

The application was reviewed and approved by the Port Authority's Channel Operations department and the Port Terminal Railroad Association. The license is subject to the Port Authority's usual terms and conditions and at a fee of \$8,016. The \$675 application fee and the \$2,500 as-built deposit have been paid.

Staff recommends approval.

AFFIDAVIT OF SUBSTANTIAL INTEREST

STATE OF TEXAS §
 §
COUNTY OF HARRIS §

**Filed with the Port of Houston Authority
In Compliance with Section 171.004 of the Texas Local Government Code**

On this day appeared Wendy Montoya Cloonan, who after being duly sworn, stated as follows:

1. I am twenty-one (21) years of age or over and competent to make this Affidavit of Substantial Interest, based upon facts within my personal knowledge.
2. I am a member of the Port Commission (the “Port Commission”) of the Port of Houston Authority (the “Port Authority”).
3. I am filing this Affidavit with the official record keeper of the Port Authority, pursuant to §171.004 of the Texas Local Government Code, to comply with the provisions of Chapter 171 of the Texas Local Government Code.
4. I have, or may have, a substantial interest in the matters of Item J-7 and Item J-8 as set forth in the agenda for the meeting of the Port Commission scheduled for April 26, 2022:
 - Issue a roadway crossing license to CenterPoint Energy Houston Electric, LLC for improvements to a gate, access road, and pad site at the Clinton Tract.
 - Issue a transmission line license to CenterPoint Energy Houston Electric, LLC for two 138kV transmission lines over and across Greens Bayou, approximately 0.63 miles upstream of the Crosby Freeway bridge.
5. The nature and extent of the substantial interest described above is as follows: my service as a director of CenterPoint Energy Inc., a company affiliated with CenterPoint Energy Houston Electric, LLC. Funds received by me in connection with such employment may exceed 10 percent of my gross income for the previous year.
6. This substantial interest also derives from an interest in CenterPoint Energy Inc., on which the action requested in the above matter will have a special economic effect, distinguished from the effect on the public. This substantial interest derives from possible ownership of \$15,000 or more of the fair market value of such entity.


7. Action on the matter will have a special economic effect on the entities described in the forgoing paragraph that is distinguishable from the effect on the public.
8. By virtue of the foregoing described interest, I have not and will not participate in any consideration, vote, or decision by the Port Commission regarding such matter.



Wendy Montoya Cloonan

SWORN TO AND SUBSCRIBED before me this April 26, 2022.





Notary Public, State of Texas

J. INFRASTRUCTURE

Subject	8. Issue a transmission line license to CenterPoint Energy Houston Electric, LLC for two 138kV transmission lines over and across Greens Bayou, approximately 0.63 miles upstream of the Crosby Freeway bridge.
Meeting	Apr 26, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 26, 2022 meeting, authorize a transmission line license to CenterPoint Energy Houston Electric, LLC for two 138kV transmission lines over and across Greens Bayou, approximately 0.63 miles upstream of the Crosby Freeway bridge, 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 Operations

Staff Contact:

Garry McMahan

Background:

CenterPoint Energy Houston Electric, LLC, Port Authority File No. 2022-0068, has applied for a transmission line license for two 138kV transmission lines over and across Greens Bayou, approximately 0.63 miles upstream of the Crosby Freeway bridge, in the P. Reels and J. Trobough Survey, A-59.

Staff Evaluation/Justification:

The application was reviewed and approved by the Port Authority's Channel Operations department and the Port Terminal Railroad Association. The license is subject to the Port Authority's usual terms and conditions and at a fee of \$4,446. The \$675 application fee and the \$2,500 as-built deposit have been paid.

Staff recommends approval.

J. INFRASTRUCTURE

Subject 9. Issue a transmission line license to Comcast of Houston, LLC for one fiber optic cable line under and across the Port Terminal Railroad Association Southside Mainline railroad right-of-way at the Beltway 8 bridge.

Meeting Apr 26, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its April 26, 2022 meeting, authorize a transmission line license to Comcast of Houston, LLC for one fiber optic cable line under and across the Port Terminal Railroad Association Southside Mainline railroad right-of-way at the Beltway 8 bridge, 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 Operations

Staff Contact:

Garry McMahan

Background:

Comcast of Houston, LLC, Port Authority File No. 2022-0070, has applied for a transmission line license for one fiber optic cable line under and across the Port Terminal Railroad Association Southside Mainline railroad right-of-way at the Beltway 8 bridge, in the Thomas Earle Survey, A-18.

Staff Evaluation/Justification:

The application was reviewed and approved by the Port Authority's Channel Operations department and the Port Terminal Railroad Association. The license is subject to the Port Authority's usual terms and conditions and at a fee of \$1,709. The \$675 application fee and the \$2,500 as-built deposit have been paid.

Staff recommends approval

J. INFRASTRUCTURE

Subject	10. Amend the barge fleeting lease with and marine construction permit issued to Pelican Marine Services, LLC, to authorize the addition of up to fourteen pilings in the Houston Ship Channel along the southern boundary of the Beltway 8 property.
Meeting	Apr 26, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 26, 2022 meeting, authorize the Port Authority to amend the barge fleeting lease with and marine construction permit issued to Pelican Marine Services, LLC, to authorize the addition of up to fourteen pilings in the Houston Ship Channel along the southern boundary of the Beltway 8 property, 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 Operations

Staff Contact:

Garry McMahan

Background:

Pelican Marine Services, LLC, Port Authority File No. 2019-0153 (lease) and 2019-0149 (permit), has applied to add up to fourteen pilings in the Houston Ship Channel along the southern boundary of the Port Authority's Beltway 8 property, in the Richard and Robert Vince Survey, A-76. This project would amend its existing barge fleeting lease and marine construction permit authorized in 2019 by removing two spud barges and adding up to fourteen pilings.

By Minute No. 2019-0729-35, the Port Commission authorized Canal Barge Company, Inc. (Canal) as tenant and by Minute No. 2019-0729-36, the Port Commission authorized Canal as permittee. By Minute No. 2019-1022-30, the Port Commission authorized Pelican Marine Services, LLC (Pelican) to succeed Canal as tenant and permittee. Pelican is a wholly owned subsidiary of Canal. Canal is a family owned, independent marine transportation company headquartered in New Orleans, and was founded in 1933.

Staff Evaluation/Justification:

The application was reviewed and approved by the Port Authority's Channel Operations department. The lease and permit are subject to the Port Authority's usual terms and conditions. The \$675 application fee has been paid. Rent would remain unchanged.

Staff recommends approval.

K. OPERATIONS

Subject 1. Approve staff's ranking of vendors and award a contract in an amount not to exceed \$1,483,000 for the purchase of two loaded-container handling machines for Barbour's Cut Terminal and Bayport Container Terminal to the top-ranked proposers: staff ranking - first, Taylor Machine Works, Inc.; and second, Briggs Industrial Solutions Inc. fka Briggs Equipment, Inc.

Meeting Apr 26, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its April 26, 2022 meeting:

- (a) approve staff's ranking of vendors, based on the selection criteria, in the following order - first, Taylor Machine Works, Inc.; and second, Briggs Industrial Solutions, Inc.;
- (b) award a contract to the top-ranked proposer for the purchase of two loaded-container handling machines for Barbour's Cut Terminal and Bayport Container Terminal in an amount not to exceed \$1,483,000;
- (c) grant authority, if a contract cannot be negotiated with the first-ranked vendor, to formally, and in writing, end negotiations with that vendor and proceed to the next vendor in the order of ranking until a contract is reached or all proposals are rejected; and
- (d) further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing. Goals

Goals STRATEGIC GOAL #2 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)

Category:

Awards, Amendments & Change Orders

Department:

Maintenance

Staff Contact:

Paulo Soares

Background:

The Port Authority currently owns five loaded-container handling machines manufactured by Taylor Machine Works, Inc., including four at Barbour's Cut Terminal and one at Bayport Container Terminal. These units are used daily by the Port Operations Department to optimize container storage and for lifting/transporting loaded containers. Of the four units at Barbour's Cut Terminal, one 1995 unit has been out of service for several months due to the lack of parts availability. Staff recommends this unit be surplus. A second unit is also needed at Bayport Container Terminal to meet growing operational demand.

These new machines requested by staff would be equipped with enhanced safety features, produce fewer emissions, and provide needed coverage in the swing lane.

The Port Authority notified vendors regarding its request for proposals (RFP) using the Port Authority's BuySpeed Eprocurement System and the project was advertised on the Port Authority's website and in a local newspaper. Thirteen vendors downloaded the project materials from BuySpeed.

Staff Evaluation/Justification:

On March 17, 2022, three RFP responses were received and opened. The responses were reviewed and evaluated by staff in accordance with the published selection criteria. One response was deemed unresponsive. Staff identified the following vendors, listed in order of ranking, as most qualified to provide the required product:

- Taylor Machine Works, Inc.
- Briggs Industrial Solutions, Inc.

Following staff Executive Committee review, staff recommends that the Port Commission award a contract to Taylor Machine Works, Inc. and act as otherwise described above.

K. OPERATIONS

Subject	2. Award a two-year contract to Apache Oil Company for the purchase of grease and miscellaneous engine, transmission, and hydraulic oils for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal in an amount not to exceed \$850,000.
Meeting	Apr 26, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 26, 2022 meeting, award a two-year contract to Apache Oil Company for the purchase of grease and miscellaneous engine, transmission, and hydraulic oils for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal in an amount not to exceed \$850,000, 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 #2 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)

Category:

Awards, Amendments & Change Orders

Department:

Maintenance

Staff Contact:

Paulo Soares

Background:

The Port Authority owns numerous equipment items that require grease and miscellaneous oils for daily operations. A reliable supply of these commodities ensures adequate performance and reliability thus minimizing equipment downtime.

By Minute No. 2020-0428-62, the Port Commission awarded a two-year contract to Apache Oil Company, Inc. in an amount not to exceed \$650,000, for the purchase of grease and miscellaneous engine, transmission, and hydraulic oils for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal. Contract funds are nearly depleted.

The Port Authority notified vendors regarding this request for competitive sealed bids (CSB) using the Port Authority's BuySpeed Eprocurement System and the project was advertised on the Port Authority's website and in a local newspaper. Fifteen vendors downloaded the project materials from BuySpeed.

Staff Evaluation/Justification:

On March 9, 2022, five CSB responses were received and opened. The responses were reviewed by staff, and one response was deemed unresponsive.

Following staff Executive Committee review, staff recommends that the Port Commission award a two-year contract to Apache Oil Company, the company submitting the lowest and best bid, for the purchase of miscellaneous engine, transmission, and hydraulic oils for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal.

K. OPERATIONS

Subject	3. Award a two-year contract to Paige Electric, LP for the purchase of miscellaneous electrical cables for wharf and rubber-tired gantry cranes at Barbours Cut Terminal and Bayport Container Terminal in an amount not to exceed \$1,250,000.
Meeting	Apr 26, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 26, 2022 meeting, award a two-year contract to Paige Electric, LP for the purchase of miscellaneous electrical cables for wharf and rubber-tired gantry (RTG) cranes at Barbours Cut Terminal and Bayport Container Terminal in an amount not to exceed \$1,250,000, 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 #2 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)

Category:

Awards, Amendments & Change Orders

Department:

Maintenance

Staff Contact:

Paulo Soares

Background:

By Minute No. 2018-0925-45, the Port Commission awarded a two-year contract to Anixter, Inc. in an amount not to exceed \$1,000,000 for the purchase of miscellaneous electrical cables for wharf and rubber-tired gantry (RTG) cranes at Barbours Cut Terminal and Bayport Container Terminal. Contract funds have been depleted.

The Port Authority currently operates sixteen wharf and fifty RTG cranes at Barbours Cut Terminal and twelve wharf and sixty-six RTG cranes at Bayport Container Terminal. These cranes are fitted with power cables, multi-cable festoon systems, and spreader cables for various functions. The useful life of these cables is often shortened by a combination of exposure to weather elements and heavy traffic conditions during vessel operations. The ability to obtain these cables quickly when failures occur is critical to ensure crane uptime.

The Port Authority notified vendors regarding this request for competitive sealed bids (CSB) using the Port Authority's BuySpeed Eprocurement System and the project was advertised on the Port Authority's website and in a local newspaper. Fifteen vendors downloaded the project materials from BuySpeed.

Staff Evaluation/Justification:

On March 16, 2022, one CSB response was received and opened. The response was reviewed by staff.

Staff recommends that the Port Commission award a two-year contract to Paige Electric, LP, the responsible bidder submitting the only bid, for the purchase of miscellaneous electrical cables for wharf and RTG cranes at Barbours Cut Terminal and Bayport Container Terminal.

K. OPERATIONS

Subject	4. Issue a purchase order to R.B. Everett & Company for the purchase of one Doosan DL220-5 wheel loader for Turning Basin Terminal, using Local Government Purchasing Cooperative's BuyBoard, a cooperative purchase program, in a total amount not to exceed \$176,000.
Meeting	Apr 26, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 26, 2022 meeting, issue a purchase order to R.B. Everett & Company for the purchase of one Doosan DL220-5 wheel loader for Turning Basin Terminal, using Local Government Purchasing Cooperative's BuyBoard, a cooperative purchase program, in a total amount not to exceed \$176,000, 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 #2 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)

Category:

Award, Amendments & Change Orders

Department:

Maintenance

Staff Contact:

Paulo Soares

Background:

The Port Authority currently owns five wheel loaders in operation at Turning Basin Terminal. These units are used daily in wharf clean-up operations. The oldest one, a 2011 Kawasaki machine, has over 10,000 hours of operation and has reached the end of its useful life. The replacement unit would promote both a safe work environment and cost-effective operation.

The Local Government Purchasing Cooperative (Cooperative) is an administrative agency of cooperating local governments and its BuyBoard purchasing program may be used for this purchase.

Staff Evaluation/Justification:

The Director of Procurement Services has determined that procuring these wheel loaders through the BuyBoard program is the method that both satisfies competitive purchase requirements and provides the best value to the Port Authority.

The BuyBoard website lists many pre-approved providers of equipment. Central Maintenance staff looked at several such providers and determined that the Doosan DL220-5 wheel loader is the model that best meets the Port Authority's requirements, and that R.B. Everett & Company is the vendor with the best price for that model, and its pricing for the selected model was reviewed and approved by BuyBoard.

Staff recommends that the Port Commission approve this best value determination and issuance of a purchase order to R.B. Everett & Company for the purchase of one Doosan DL220-5 wheel loader.

K. OPERATIONS

Subject	5. Issue a purchase order to Rush Bus Centers for the purchase of two twenty-six passenger buses for Barbours Cut Terminal, using the Houston-Galveston Area Council Cooperative Purchase Program, in a total amount not to exceed \$230,000.
Meeting	Apr 26, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 26, 2022 meeting, issue a purchase order to Rush Bus Centers for the purchase of two twenty-six passenger buses for Barbours Cut Terminal, using the Houston-Galveston Area Council Cooperative Purchase Program, in an amount not to exceed \$230,000, 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 #2 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)

Category:

Awards, Amendments & Change Orders

Department:

Maintenance

Staff Contact:

Paulo Soares

Background:

The Port Authority currently owns three twenty-six passenger buses in operation at Barbours Cut Terminal. Additionally, the Port Authority is currently renting two shuttle buses. These units are used daily to transport longshoremen to and from parking lots and wharves. These new twenty-six passenger buses are needed to replace 1987 and 2002 model buses, which have reached the end of their useful life.

Staff Evaluation/Justification:

The Director of Procurement Services has determined that procuring this vehicle through the H-GAC cooperative purchase program is the method that both satisfies competitive purchase requirements and provides the best value to the Port Authority.

Staff has compared prices for passenger buses obtained from non-Houston-Galveston Area Council local dealerships and Houston-Galveston Area Council (H-GAC) providers. The H-GAC website lists several pre-approved vendors. Staff has reviewed the passenger bus specifications from H-GAC providers and determined that Rush Bus Centers is the vendor with the best price for this unit that meets the Port Authority's requirements. Rush Bus Centers pricing for the selected model was reviewed and approved by H-GAC.

Staff recommends that the Port Commission approve this best value determination and issuance of a purchase order to Rush Bus Centers for the purchase of two twenty-six passenger buses.

K. OPERATIONS

Subject	6. Amend the contract previously awarded to Konecranes, Inc., the sole source provider, for the replacement of festoon system on three wharf cranes at Bayport Container Terminal for a revised contract amount not to exceed \$2,600,000.
Meeting	Apr 26, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 26, 2022 meeting, amend the amount of the contract previously awarded to Konecranes, Inc., the sole source provider, for the replacement of festoon system on three wharf cranes at Bayport Container Terminal for a revised contract amount not to exceed \$2,600,000, 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 #2 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)

Category:

Awards, Amendments & Change Orders

Department:

Operations

Staff Contact:

Jeff Davis

Background:

By Minute No. 2022-0321-29, the Port Commission approved the award of a contract to Konecranes, Inc., the sole source provider, for the replacement of festoon system on three wharf cranes at Bayport Container Terminal in an amount not to exceed \$2,260,000.

Thereafter, in March 2022, prior to execution of the contract or issuance of a purchase order, Konecranes informed Port Authority staff that the contract amount initially quoted was incorrect and would increase it due to a miscalculation in the original quote provided by Konecranes. Konecranes has provided an updated quotation increasing the original price authorized by the Port Commission by \$340,000 to a total of \$2,600,000.

Staff Evaluation/Justification:

Staff recommends the Port Commission approve the above on the terms described for the replacement of festoon system on three wharf cranes at Bayport Container Terminal.

K. OPERATIONS

Subject **7. Approve a change order with Rush Truck Center of Texas, LP dba Rush Truck Center Houston for the purchase of Cummins diesel engine parts and related services for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal in an amount not to exceed \$110,000.**

Meeting Apr 26, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its April 26, 2022 meeting, approve a change order with Rush Truck Center of Texas, LP dba Rush Truck Center Houston for the purchase of Cummins diesel engine parts and related services for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal in an amount not to exceed \$110,000, 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 #2 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)

Category:

Award, Amendments & Change Orders

Department:

Maintenance

Staff Contact:

Paulo Soares

Background:

By Minute No. 2019-0729-48, the Port Commission awarded a two-year contract to Rush Truck Center of Texas, LP dba Rush Truck Center Houston in an amount not to exceed \$1,200,000 for the purchase of Cummins diesel engine parts and related services for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal. Contract funds have been depleted.

Staff Evaluation/Justification:

Port Authority staff believes that issuing a change order to Rush Truck Center of Texas, LP dba Rush Truck Center Houston to ensure continued operation and servicing of terminal equipment such as rubber-tired gantry (RTG) cranes and yard tractors is the appropriate way to proceed until a new two-year contract has been issued.

Accordingly, staff recommends that a change order for the above-referenced contract in an amount not to exceed \$110,000 be issued to Rush Truck Center of Texas, LP dba Rush Truck Center Houston.

K. OPERATIONS

Subject	8. Approve the lease of approximately 6.5 acres and the Shed No. 3 warehouse at Barbours Cut Terminal to Cooper/Ports America, LLC for a term of ten years at an annual rent of \$224,400, subject to escalation and possible abatement as provided in the lease.
Meeting	Apr 26, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 26, 2022 meeting, approve the lease of approximately 6.5 acres and the Shed No. 3 warehouse at Barbours Cut Terminal to Cooper/Ports America, LLC for a term of ten years, at an annual rent of \$224,400, subject to escalation and possible abatement as provided in the lease, 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:
Operations

Staff Contact:
Jeff Davis

Background:
Cooper/Ports America, LLC has requested that the Port Authority lease it 6.5 acres and the Shed No. 3 warehouse at Barbours Cut Terminal. The tenant would use the leased premises for warehouse operations and freight handling.

The tenant would also be obligated under the proposed lease to make certain improvements to the leased premises:

- Replace the roof and walls of Shed No. 3;
- Replace the concrete of the truck quay/yard; and
- Repair the restroom of Shed 3, including the restroom plumbing.

Tenant would obtain abatement of a portion of the monthly base rent in connection with these improvements, subject to refund if the improvements were not timely completed.

Staff Evaluation/Justification:
Staff has determined that the proposed new lease is an advantageous and effective use of the real property at issue, and recommends the Port Commission approve the lease of approximately 6.5 acres and the warehouse known as Shed No. 3 at Barbours Cut Terminal to Cooper/Ports America, LLC.

K. OPERATIONS

Subject	9. Approve the Memorandum of Agreement to Reimburse U.S. Customs and Border Protection (CBP), providing for Port Authority responsibility for data cabling and electrical components and for reimbursement of CBP for an amount not to exceed \$285,964.90 for communications and information technology hardware purchased by CBP for use at Barbours Cut Terminal and Bayport Container Terminal.
Meeting	Apr 26, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 26, 2022 meeting, approve the Memorandum of Agreement to Reimburse U.S. Customs and Border Protection (CBP), providing for Port Authority responsibility for data cabling and electrical components and for reimbursement of CBP for an amount not to exceed \$285,964.90 for communications and information technology hardware purchased by CBP for use at Barbours Cut Terminal and Bayport Container 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.

Category:
General

Department:
Operations

Staff Contact:
Jeff Davis

Background:
U.S. Customs and Border Protection (CBP) mandates that all import containers exiting United States terminals have Radiation Portal Monitor (RPM) inspections performed by CBP. The Port Authority, in turn, is required to shoulder certain responsibilities in connection with the equipment required to perform such inspections, as set out in the proposed Memorandum of Agreement to reimburse CBP.

The Port Authority would be responsible for the procurement and installation of all data cabling and electrical components required for connectivity of systems and equipment, according to specifications provided by the CBP Office of Information Technology.

The Port Authority would also reimburse for CBP's equipment and connectivity costs, including installation, maintenance, and recurring costs. The term of the agreement between the Port Authority and CBP would be five years, and the annual support cost is included in this reimbursement amount.

Staff Evaluation/Justification:
Staff recommends the Port Commission approve the agreement between the Port Authority and CBP.

K. OPERATIONS

Subject	10. Amend the Section 559 Reimbursable Services Agreement and Memorandum of Understanding with U.S. Customs and Border Protection in an amount not to exceed \$1,000,000 to cover a projected two years of reimbursement for overtime services.
Meeting	Apr 26, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 26, 2022 meeting, authorize amendment of the Section 559 Reimbursable Services Agreement and Memorandum of Understanding with U.S. Customs and Border Protection in an amount not to exceed \$1,000,000 to cover a projected two years of reimbursement for overtime services, 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:

Operations

Staff Contact:

Jeff Davis

Background:

U.S. Customs and Border Protection (CBP) mandates that all import containers exiting United States terminals have Radiation Portal Monitor (RPM) inspections performed by CBP. These inspections are carried out as containers exit Port Authority facilities during normal gate operating hours. Port Authority customers routinely request container deliveries outside CBP's normal operating hours, and the Port Authority also occasionally requests that CBP provide services outside its normal operating hours to improve operational efficiencies. CBP funds a limited number of hours for these operations and allows the industry to fund additional hours through the "Section 559" program.

By Minute No. 2014-1216-56, the Port Commission authorized the Port Authority to enter into a Section 559 Reimbursable Services Agreement (Agreement) and Memorandum of Understanding (MOU) that set forth the terms and conditions relating to the provision of services and reimbursement of CBP for the performance of these services. The Agreement has been standardized by CBP for national use, while the MOU includes operating parameters agreed upon by Port Authority staff and CBP's local port director and staff. CBP's services under the program may include not only additional RPM inspection services but also other container inspection services, such as agriculture and Vehicle and Cargo Inspection System inspections.

By Minute Nos. 2016-0322-40 and 2018-0416-27, the Port Commission approved additional increases of \$150,000 each for reimbursement of CBP overtime services.

By Minute Nos. 2018-1212-34 and 2021-0223-40, the Port Commission approved additional increases of \$400,000 each.

Staff Evaluation/Justification:

The Port Authority frequently receives requests from customers to extend the hours of RPM gate operations at the Port Authority's container handling facilities. Amending the Agreement and the MOU would enable the Port Authority to provide additional CBP services needed by its customers and to obtain additional CBP services when needed for its own operations. If amendment of the agreement is approved by the Port Commission, the Port Authority would continue to pass through CBP's charges to customers requesting the additional services, and pay the costs itself when the services are for the Port Authority's direct benefit. Based on the current usage rate to support the needs of industry partners, staff expects \$1,000,000 to cover the need for two years of CBP's man-hours available under the program.

Staff requests that the Port Commission approve these amendments.

N. TECHNOLOGY

Subject	1. Award a one-year contract to Mythics Inc. for Oracle Cloud Services and Licensing, using Texas Department of Information Resources cooperative purchase program, in an amount not to exceed \$361,598.
Meeting	Apr 26, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 26, 2022 meeting, award a one-year contract to Mythics Inc. for Oracle Cloud Services and Licensing, using Texas Department of Information Resources cooperative purchase program, beginning June 1, 2022, in an amount not to exceed \$361,598, 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 #2 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)

Category:

Awards, Amendments & Change Orders

Department:

Information Technology

Staff Contact:

Christopher Brown

Background:

The Port Authority uses Oracle software services, and Information Technology staff has determined that the services and associated licensing may be obtained through the "cloud". The Texas Department of Information Resources (DIR) is a department of the State of Texas, and has cooperative purchasing programs which may be used by the Port Authority.

Staff Evaluation/Justification:

The Director of Procurement Services has determined that procuring Oracle Cloud Services and Licensing through the Texas Department of Information Resources (DIR) purchasing program is the method that both satisfies competitive purchase requirements and provides best value to the Port Authority.

The Information Technology department has determined that the best availability, price, and contract term for the item needed is provided by Mythics Inc. under the pricing schedule obtained from that vendor's contract with DIR, and is therefore recommending this purchase in an amount not to exceed \$361,598 for Oracle Public Cloud Services (Infrastructure as a Service [IaaS]/Platform as a Service [PaaS]).

Accordingly, staff recommends that the Port Commission approve this best value determination and contract.