

I N D E X  
PORT COMMISSION  
OF THE  
PORT OF HOUSTON AUTHORITY  
OF THE PORTS OF HARRIS COUNTY, TEXAS  
April 27, 2021

Minute No.

Event/Action

**General**

Chairman Campo convened the virtual Port Commission meeting

Chairman Campo recognized Commissioner Rodney Ellis, Harris County Precinct 1, who addressed the Port Commission

Chairman Campo recognized Mayor Sylvester Turner, who addressed the Port Commission

Chairman Campo recognized Commissioner Adrian Garcia, who addressed the Port Commission

Chairman Campo provided opening remarks

**Minutes**

2021-0427-01 Approve the minutes of the March 11, 2021 and March 23, 2021 Port Commission meetings

**Staff Reports**

2021-0427-02 Roger Guenther, Executive Director, presented a summary of selected financial and operational matters

**Appearances**

2021-0427-03(a) Chairman Campo recognized Joel DeJean, LaRouche, who addressed the Port Commission

2021-0427-03(b) Chairman Campo recognized Adrian Shelley, Director, Texas Office, Public Citizen, who addressed the Port Commission

2021-0427-03(c) Chairman Campo recognized Rev. James Caldwell, Coalition of Community Organizations, who addressed the Port Commission

<u>Minute No.</u>	<u>Event/Action</u>
2021-0427-03(d)	Chairman Campo recognized Kristine Singleton, Texas Health and Environment Alliance (THEA), who addressed the Port Commission
2021-0427-03(e)	Chairman Campo recognized Ronald Bettag, LaRouche, who addressed the Port Commission
2021-0427-03(f)	Chairman Campo asked if anyone else would like to address the Port Commission; there was no response

#### **F. Executive**

2021-0427-04	Chairman Campo recognized Commissioner Corgey to introduce agenda Item F1
2021-0427-05	Approve a Founding Park Partner sponsorship level of \$250,000 a year to support the Houston Parks Board 50/50 Park Partners Plan
2021-0427-06	Chairman Campo recognized Mr. Heidt to provide a report of selected Executive Division agenda items
2021-0427-07	Enter into a professional services contract with Brown Consulting for state governmental policy consulting and support
2021-0427-08	Enter into a professional services contract with Michael Toomey for state governmental policy consulting and support
2021-0427-09	Amend the professional services agreement with the TC&B/GBA joint venture of AECOM Technical Services Inc. and Gahagan & Bryant Associates, Inc. to perform a supplemental economic study based on the Houston Ship Channel Expansion Channel Improvement Project (Project 11) Final Integrated Feasibility Report and Environmental Impact Statement

Agenda Item F5 was deferred to the end of the meeting

#### **G. Commercial**

2021-0427-10	Chairman Campo recognized Mr. Heidt to provide a report of selected Commercial Division agenda items
2021-0427-11	Authorize a second amendment to the Lease Agreement for an additional three-year term with Cooper/Ports America, LLC, for approximately 15.56 acres out of the Port Authority's Block 19 at Northside Turning Basin effective no earlier than July 1, 2021, at an annual base rent of \$592,608 with a 3% annual increase

<u>Minute No.</u>	<u>Event/Action</u>
2021-0427-12	Authorize a fourth amendment to the Lease Agreement for an additional one-year term with Cooper/Ports America, LLC, for approximately 3.20 acres which includes Warehouse 21-A, the apron adjacent to Warehouse 21-A, an additional open area of approximately 57,210 sq. ft., and a rail spur of approximately 500 linear ft., out of the Port Authority's Block 21 at Northside Turning Basin, effective no earlier than June 1, 2021, at an annual base rent of \$89,837
2021-0427-13	Authorize an amendment to the Lease Agreement for an additional five-year term with Texas Brine Company, LLC, for approximately 2.91 acres out of the Port Authority's Block 5 at Rosa Allen effective no earlier than August 1, 2021, at an annual base rent of \$63,435 with a 3% annual increase
	<b>H. Finance</b>
2021-0427-14	Chairman Campo recognized Mr. Heidt to provide a report of selected Finance Division agenda items
2021-0427-15	Award a three-year contract, with an additional one-year option, to Universal Industrial Supply, to provide safety personal protective equipment (PPE) and vending machines (for dispensing PPE), at Barbour's Cut Terminal, Bayport Container Terminal, and the Turning Basin Terminal, and additional safety equipment
2021-0427-16	Approve the Port Authority's fiscal year 2020 Comprehensive Annual Financial Report
2021-0427-17	Adopt a Statement of Objectives and Policy for the Port Authority 401(a) Defined Contribution and 457(b) Deferred Compensation Plans (DC Plans)
2021-0427-18	Adopt a Revenue Bond Debt Policy and Procedures for the Port Authority ( <i>As amended to term the documents as "Policies"</i> )
2021-0427-19	Adopt a Disclosure Policy and Procedures for the Port Authority ( <i>As amended to term the documents as "Policies"</i> )
	<b>I. Infrastructure</b>
2021-0427-20	Chairman Campo recognized Mr. Heidt to provide a report of selected Infrastructure Division agenda items
2021-0427-21	Approve staff's ranking of vendors and award a professional services contract for the "u-shaped property" pre-development design in the vicinity of the Bayport Container Terminal to the top-ranked proposers: staff ranking – first, Lockwood, Andrews and Newnam, Inc.; second, Halff Associates, Inc.; and third, Cobb, Fendley & Associates, Inc.

<u>Minute No.</u>	<u>Event/Action</u>
	Port Commission adopted the staff-recommended ranking and authorized award
2021-0427-22	Approve staff's ranking of vendors and award a construction contract for Beltway 8 site preparation to the top-ranked proposer: staff ranking - first, R & T Ellis Excavating, Inc.; second, Spaw Glass Civil Construction, Inc.; and third, Standard Constructors, Inc.  Port Commission adopted the staff-recommended ranking and authorized award
2021-0427-23	Award an environmental consulting services agreement to InControl Technologies, LLC, the sole source provider, to conduct a non-aqueous phase liquid recovery operation at Port Authority property at the Turning Basin Terminal
2021-0427-24	Amend the professional services contract with Lockwood, Andrews & Newnam, Inc. for re-design services and construction/bid phase services for the rail spur at Bayport Container Terminal Phase 2
2021-0427-25	Amend a professional services contract with HDR Engineering, Inc. for construction management services for the Beltway 8 site preparation project for the Houston Ship Channel Expansion Channel Improvement Project
2021-0427-26	Amend the professional services contract with CAVU International 1, LLC for continuous improvement, process execution checklists development, and operational excellence facilitation
2021-0427-27	Approve a change order with McCarthy Building Companies, Inc. to perform additional work associated with the rehabilitation of Wharf 3, construction of electrical infrastructure, and lighter aboard ship (LASH) dock demolition at Barbours Cut Terminal
2021-0427-28	Enter into a purchase agreement with Lower Brazos River Mitigation Bank to purchase wetland mitigation credits in order to satisfy mitigation requirements for property on the north side of the Bayport Channel
2021-0427-29	Provide the Port Authority's required cost share and amend the Project Management Plan to support the U.S. Army Corps of Engineers for (i) construction of the Dollar Reef oyster mitigation feature, and (ii) construction oversight of the Port Authority-led construction packages for the Houston Ship Channel Expansion Channel Improvement Project
2021-0427-30	Authorize an agreement with CenterPoint Energy to sell surplus equipment to the Port Authority for an amount not to exceed \$8,000; and reconstruct

Minute No.

Event/Action

electrical infrastructure for an amount not to exceed \$42,611 at Barbours Cut Terminal

- 2021-0427-31 Approve the renewal of the following expiring Port Authority licenses for new ten-year terms: CenterPoint Energy Houston Electric, LLC, CenterPoint Energy Intrastate Pipeline, Inc, CenterPoint Energy Resources Corp, CenterPoint Energy Resources Corp d/b/a CenterPoint Energy Texas Gas Operations, ExxonMobil Pipeline Company, Kinder Morgan 2-Mile, LLC, Kinder Morgan Crude & Condensate LLC, Kinder Morgan Tejas Pipeline LLC, Kinder Morgan Texas Pipeline LLC, and Lone Star NFL Mont Belvieu LP
- 2021-0427-32 Issue a transmission line license to Southwestern Bell Telephone Company for one telecommunication cable over the railroad line adjacent to George Altwater Boulevard at Barbours Cut Terminal
- 2021-0427-33 Issue a marine construction permit to Timtom Land Holdings, LLC to perform dock rehabilitation on an existing structure to remove existing monopiles and add new monopiles in the San Jacinto River
- 2021-0427-34 Issue a marine construction permit to Cargill, Inc. to deepen its existing berths to -46.5 feet Mean Lower Low Water and authorize the rehabilitation of its existing dock structure in the Houston Ship Channel
- 2021-0427-35 Amend a pipeline license issued to Equistar Chemicals, LP to remove the existing pipeline and relocate a new pipeline to a greater depth across Cedar Bayou
- 2021-0427-36 Amend a transmission line license to CenterPoint Energy Houston Electric, LLC to add an additional fiber optic line over the Southside Mainline railroad right-of way
- 2021-0427-37 Approve a private adjacency barge fleeting lease agreement with and issue a marine construction permit to SJI Group, LLC for approximately 12.95 acres of submerged lands in the Alexander Island Barge Channel at a monthly rental amount of \$3,885 for a ten-year term

**J. Operations**

- 2021-0427-38 Chairman Campo recognized Mr. Heidt to provide a report of selected Operations Division agenda items
- 2021-0427-39 Award a contract to Davey Coach Sales, Inc. for the purchase of two used shuttle buses for Bayport Container Terminal

<u>Minute No.</u>	<u>Event/Action</u>
2021-0427-40	Award a two-year contract to Marine Tekno Services LLC for repair services to radiators, air, and fuel coolers for terminal equipment at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal
2021-0427-41	Award a three-year contract to Bubenzer Bremsen America, LLC dba Pintsch Bubenzer USA, the sole source provider, for the purchase of spare and replacement Pintsch Bubenzer brake parts for wharf and rubber tyred gantry cranes at Barbours Cut Terminal and Bayport Container Terminal
2021-0427-42	4.Issue a purchase order to Caldwell Country Chevrolet for the purchase of forty-five vehicles needed by the Barbours Cut Terminal, Bayport Container Terminal, Central Maintenance, Safety, Project and Construction Management, Security, and Port Police departments, using Local Government Purchasing Cooperative's BuyBoard, a cooperative purchase program
2021-0427-43	Authorize additional purchase order funding for continuing pandemic response services with Ambassador Services, LLC
2021-0427-44	Ratify emergency purchase orders to Anixter, Inc. for purchase of electrical cables in an amount not to exceed \$1,036,020 for Bayport Container Terminal and to Power Line Solutions, Inc. for purchase of installation and electrical contracting work at Bayport Container Terminal in an amount not to exceed \$1,000,936
2021-0427-45	Authorize payment to Navis LLC for annual maintenance services for the Marine Terminal Management Software System for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal
2021-0427-46	Approve a new Subrule 118 to Tariff 14 for a charge of \$65.74 for every container lifted at the ramp point from or to a rail car to or from a chassis
2021-0427-47	Approve a twenty-year lease with C&C Houston Bayport of a 21.53-acre parcel of land at Bayport Container Terminal Complex south of Port Road for a rental amount of \$36,687.12 per month with a right of first refusal for the adjacent 8.29 acre tract
2021-0427-48	Approve a ten-year lease with CMC Americas LLC of a 22.52-acre parcel of land at Bayport Container Terminal Complex south of Port Road for a rental amount of \$ 38,374.08 per month, with two options each to extend the term five years, exercisable at Tenant's sole option
2021-0427-49	Approve a second amendment to the lease between the Port Authority and Lansing Trade Group, LLC for the Houston Public Grain Elevator No. 2,

Minute No.

Event/Action

for an extension term of one-year to commence no earlier than June 1, 2021, for a rental rate of \$103,000 per month

**K. People (no items)**

**L. Port Security and Emergency Operation**

2021-0427-50 Chairman Campo recognized Mr. Heidt to provide a report of selected Port Security and Emergency Operations Division agenda items

2021-0427-51 Amend the existing purchase order to Motorola Solutions for the purchase of land mobile radio equipment including radios, batteries, chargers, related hardware, and accessories for the Operations, Port Security, and Emergency Operations Departments using the Houston-Galveston Area Council's cooperative purchase program

**M. Technology**

2021-0427-52 Chairman Campo recognized Mr. Heidt to provide a report of selected Technology Division agenda items

2021-0427-53 Issue a purchase order to Netsync Network Solutions for purchase of VMware annual software licensing and software support to the Port Authority's existing Information Technology infrastructure, using Texas Department of Information Resources' cooperative purchase program

**Executive**

2021-0427-54 Chairman Campo recognized Commissioner Cloonan to introduce agenda Item F5

2021-0427-55 Approve the new Minority- and Woman-Owned Business Enterprise Development Policy and the Amended and Restated Small Business Development Policy (*As amended to reflect that the policy "Marketplace" includes the eight county area: Harris, Montgomery, Fort Bend, Galveston, and Brazoria AND Chambers, Liberty, and Waller; and to authorize the Chief Legal Officer to incorporate, as he considers reasonable or necessary, non-substantive comments provided by outside counsel, and notify the commission as to those*)

Chairman Campo provided closing remarks

**Adjourn Meeting**

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

**Houston, Texas  
April 27, 2021**

A public meeting of the Port Commission of the Port of Houston Authority of Harris County, Texas was convened on April 27, 2021 at 9:15 a.m., via Cisco WebEx. The following commissioners, staff, and counsel were present:

Ric Campo, Chairman  
Wendy Cloonan, Commissioner  
Dean Corgey, Commissioner  
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  
J. Kent Friedman, outside counsel

Chairman Campo began the meeting by recognizing Commissioner Rodney Ellis, Harris County Precinct 1, who addressed the Port Commission.

Commissioner Ellis stated that he was in favor of agenda Item F5 to reorganize the Port Authority's Small Business department and was very proud of the decision to conduct a disparity study. Commissioner Ellis emphasized that he and others were trying to do as much as possible to bring minority- and women-owned businesses into the mainstream of economic life, even before the racial reckoning brought about by the death of George Floyd. He noted that the State of Texas had adopted a minority- and women-owned business enterprises (MWBE) program, and he was glad that the Port Authority was doing the same.

Commissioner Ellis recognized Commissioners Cloonan and Creuzot for putting a lot of effort into the program, and added that he was excited about the creation of the Business Equity division to report directly to the Executive Director. Commissioner Ellis continued by expressing that he was pleased with the 30% goal, which should not be treated as a floor or ceiling, and was looking forward to seeing the results, and he emphasized that he would do anything possible to assist.

Chairman Campo thanked Commissioner Ellis for his comments and noted that the Port Authority would communicate to the public on progress of the new MWBE program.

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\* Commissioner Creuzot indicated that while she could hear and see the proceedings, because of technical issues her comments were not heard by the participants, and accordingly she wanted to go on record for thanking Commissioners Ellis and Garcia and Mayor Turner for their time and support, and in support all of the Port Commission votes, especially RCA F5 regarding Business Equity policy matters.



Commissioner Fitzgerald also addressed Commissioner Ellis, emphasizing the importance of Project 11 and his hope that the county would help if needed. Commissioner Ellis acknowledged the importance of Project 11 and stressed that the support of the entire county would be needed. Chairman Campo additionally observed that previous ad valorem tax finance transactions had created a revenue stream for the Port Authority, which put it in a sound financial situation, and that industry had also promised its support of Project 11.

Chairman Campo then recognized Mayor Sylvester Turner, who addressed the Port Commission.

Mayor Turner echoed Commissioner Ellis's remarks. He stressed that the region was very diverse – one of the most diverse in the country, and it was important for that diversity to be reflected at all levels. He thanked the Port Commission for conducting the disparity study and was excited about the new MWBE program.

Mayor Turner pointed out that the City of Houston had a MWBE program in place for a while, which had been highly successful and demonstrated that the city could be diverse and inclusive simultaneously. The certification program had been well received and recognized beyond the MWBE community.

Mayor Turner supported the 30% goal as a “good goal,” one that was similar to what METRO had done, and concluded by acknowledging his support for Project 11 and congratulated the Port Authority on becoming the busiest waterway in the nation.

Chairman Campo next recognized Commissioner Adrian Garcia, Harris County Precinct 2, who addressed the Port Commission.

Commissioner Garcia applauded the Port Authority on its initiative with the MWBE program, and added that its creation of a new division spoke highly of the leadership at the Port Authority. He was very glad to see the Port Authority follow the example of the county and the city by conducting its own disparity study.

Commissioner Garcia observed that there was capacity in the community to strengthen and broaden the regional economy, if businesses were given the opportunity to apply, compete, and demonstrate the ability to perform. All government needed to be inclusive and welcome people to the table, with a fair and equitable process.

Commissioner Garcia concluded by acknowledging Commissioners Cloonan and Creuzot for their leadership and voiced his support for Project 11.

Commissioner Corgey thanked Commissioner Garcia for his work to get vaccines distributed throughout the community, and Commissioners Cloonan and Fitzgerald additionally each thanked Commissioner Garcia for that work.

Chairman Campo moved on to his opening remarks. He explained that the Port Authority recently celebrated Earth Day and would recognize and celebrate the following observations in the coming month: National Small Business Week, National Infrastructure Week, and National Maritime Day. Each of these would reflect the priorities of the Port Authority's future: providing support and opportunities for local small businesses to thrive; investing in infrastructure to enable the over 200 businesses along the ship channel to keep growing and providing over 1.35 million family-sustaining jobs for Texans; and conducting operations and growth with an eye on environmental sustainability.

Chairman Campo specified that, since its inception, the Small Business Development Program had generated over \$600 million for local community-based small businesses. The Port Authority was also reducing air emissions by expanding efficiencies for vessel operations, creating new bird islands, and replacing oystereries through Project 11. At the Port Commission Community Advisory Council meeting the previous day, the details of a sustainability action team had been framed, to engage stakeholders across the port community and industry with the goal of discussing ideas and identifying potential projects that were meaningful and valuable to the region.

Chairman Campo emphasized that this effort was just another example of the Port Authority's commitment and strategic goal to improve its leadership in environmental sustainability. He encouraged everyone to follow the Port Authority's social media channels, as staff highlighted the important work done to further the pillars of growth.

Chairman Campo noted that National Infrastructure Week was May 10, 2021 through May 14, 2021, signifying the important role infrastructure played in daily life. Infrastructure was key to a healthy and vibrant society, from providing mobility to people and goods to providing essential cargos across the world. The Port Authority was an example of the incredible benefits that infrastructure investment could bring to a community. The Port Authority understood that investing in infrastructure in the present meant that it could accommodate the vessels and cargos of the future.

Chairman Campo announced a significant milestone: the award of the first contract in the construction phase of Project 11 was on the agenda, for Beltway 8 site preparation, representing the first shovels in the ground for the deepening and widening of the ship channel. Each step forward in the project represented the future prosperity of over 3.2 million Americans who relied on the channel for their livelihoods and the future generations who would benefit from the investments.

Chairman Campo thanked the many stakeholders for collaboration and continued support as the project was brought to fruition. The Port Authority looked forward to celebrating more milestones in-person with its stakeholders, businesses, advocates, and partners who continued to make the project a reality. It was truly a pivotal project.

Commissioner Fitzgerald emphasized that Port Authority funding looked good for Project 11, but nobody had come forth with additional funds to help. He stressed that the Port Authority should not close the door on any additional methods of funding should that be needed, and Chairman Campo stated that he agreed completely. Business at the Port Authority was thriving due to past investment success, and if in fact a problem was to arise, the door was not shut on any additional funding mechanisms.

(2021-0427-01) Chairman Campo called for a motion to approve the minutes of the March 11, 2021 and March 23, 2021 Port Commission meetings. Commissioner Mease moved for approval, seconded by Commissioner Cloonan. The minutes were approved as written.

(2021-0427-02) Roger Guenther, Executive Director, presented a summary of selected operational matters as follows.

Mr. Guenther highlighted selected March 2021 operating results:

- March 2021 was the Port Authority's highest month ever in terms of container activity: volume exceeded last March by 20%, when the pandemic first started.
- Cargo volumes had dipped in February due to the winter ice storm but recovered strongly. More than 297,000 twenty-foot equivalent units (TEUs) were handled in March 2021.
- Container volume was just 3% shy of 1<sup>st</sup> quarter 2020.
  - Import loads continued to pour in at a rapid pace (up more than 20% during the first quarter).
  - Demand for retail goods and e-commerce was expected to remain solid through the forthcoming quarter.
  - The Port Authority would get an additional boost with the start of another weekly service by The Alliance consortium. Its maiden call from East Asia would be made beginning in June 2021.
  - Export container volume remained soft, down about 16% year-to-date (petrochemical products, namely polyethylene and other polymers, drove a large portion of export containers).
  - While the domestic market for plastic resins remained flat, global demand was still solid, especially for East Asia (the recent downturn in exports had been on the supply side).

- Winter Storm Uri accounted for 77% of U.S. polyethylene (PE) production going offline, which was much more impactful than the previous hurricane-related events in Southeast Texas and Southwest Louisiana.
- Truck gate moves remained strong through April 2021.
- The Port Authority handled the growth efficiently with high levels of service to customers and without congestion at its facilities.
- In addition to containerized cargo, steel saw a turnaround in March 2021, up 13%, putting it up 2% year-to-date.
- Total tonnage for the first quarter 2021 was 10.1 million tons, 3% shy of budget.
- Cargo activity had generated just over \$100 million in total revenue, 1% higher than budget year to date.
- Cash generated from operations would continue to fund the Port Authority's capital plan as it invested in the future, not only for its facilities, but for the Houston Ship Channel expansion and the greater good of the region, state, and nation.
- There were \$24 million in contract awards on the agenda for consideration, more than half of which were for developments supporting the initial stages of Project 11.

Mr. Guenther gave a brief overview of the return to the executive office building beginning in the forthcoming week: a careful phased approach would be taken with sensitivity to safe social distancing protocols.

Mr. Guenther remarked that the "Navigating the Future" presentation would be taking place during the week and invited everyone to attend the virtual event.

(2021-0427-03)      Appearances

(a)      Chairman Campo recognized Joel DeJean, LaRouche, who addressed the Port Commission.

Mr. DeJean noted that he represented the LaRouche organization and the Schiller Institute. He commented on the great importance of the Houston Ship Channel and that it was in danger of environmental action. He stressed that the implementation of nuclear power was paramount and that renewable energy such as windmills were useless. The future of the Port Authority and the Houston Ship Channel was nuclear power.

(b)      Chairman Campo recognized Adrian Shelley, Director, Texas Office, Public Citizen, who addressed the Port Commission.

Mr. Shelley highlighted the sustainability action team that had recently been announced at the Port Commission Community Advisory Council meeting. He was pleased to see it taking shape and the attempt to include stakeholders with diverse

perspectives. The framing of the team as looking for actionable activities was appreciated as efforts at sustainability and moving into the modern era was a financial opportunity. Framing such opportunities as collaborative efforts had the potential to benefit the tenants and communities around the port.

Mr. Shelley looked forward to working on the Port Authority's sustainability effort. He pointed out a few specifics: the opportunity at the federal and state level for funding; Diesel Emissions Reduction Act (DERA) funding; and environmental justice, which should be the focus of the sustainability action team and the Port Authority as a whole.

(c) Chairman Campo recognized Rev. James Caldwell, Coalition of Community Organizations, who addressed the Port Commission.

Rev. Caldwell appreciated the Port Authority's focus on environmental leadership and sustainability. He informed the Port Authority of an opportunity for a community air monitoring network. He believed the Port Authority could plug into the network easily and it might require little monetary commitment. The project aligned with two of the Port Authority's "four-C" strategies: community and change.

Rev. Caldwell invited the Port Authority to join in the endeavor. It was an opportunity for the Port Authority to celebrate its role as an environmental leader.

Chairman Campo remarked that he and staff had heard of the project and hoped that it could be added to the list for the sustainability task force.

(d) Chairman Campo recognized Kristine Singleton, Texas Health and Environment Alliance (THEA), who addressed the Port Commission.

Ms. Singleton praised the creation of the sustainability action team. Clean air and water were important and often the communities most impacted by pollution and toxic chemical spills were the ones with the least resources. Texas led the way as the worst state in health insurance rates, and the state had failed to protect the families that would benefit from expanded health coverage. Although the Port Authority did not have input in health insurance rates, it did impact many ways in which quality of life could be improved.

Chairman Campo thanked Ms. Singleton for her remarks. He mentioned a member of the Port Commission Community Advisory Council who had asked how he could help. Chairman Campo suggested that having a voice and speaking up was very important regardless of one's qualifications.

(e) Chairman Campo recognized Ronald Bettag, LaRouche, who addressed the Port Commission.

Mr. Bettag emphasized the adoption of the American system approach to credit for physical and scientific development and cooperation with other nations. He mentioned a report put out by LaRouche which refuted the Green New Deal and outlined a new course for the future under a new paradigm of peace and development outlined by Lyndon LaRouche.

(2021-0427-04) Chairman Campo recognized Commissioner Corgey to introduce agenda Item F1.

Commissioner Corgey explained that Mayor Turner had made the Founding Park Partnership a top priority, and was looking to the private sector for help due to revenue caps currently in place. Commissioner Corgey felt that there was no better way to advance the environment than creating a clean area for citizens to visit and there was no better way to help a minority area than to have a safe area for children to play.

Commissioner Mease remarked that he was initially against the item due to its cost, adding that he did not believe that the city or the county would be putting money into Project 11. However, he recently received an email provided by a constituent from the Houston Parks Board explaining a project for a park in the City of Pasadena. He emphasized that as a result he had changed his mind and supported the item but would be back with a proposal for the aforementioned Pasadena park project.

Commissioner Mease noted that there were quite a few parks in east Harris County, outside of Houston, which could also use help. He suggested that over 70% of the money given by the Port Authority was going into the City of Houston, not the city itself, but the businesses and communities within it.

Commissioner Fitzgerald agreed that the agenda item was expensive and was thankful for Commissioner Mease's support. He agreed that money should be equally given to smaller communities, especially since the Port Authority directly affected the lives of the people in those communities.

Commissioner Corgey agreed and gave his support as chairman of the Community Relations Committee to projects throughout the region. He noted that many projects were inter-related, as they spanned outside the City of Houston into other communities.

Chairman Campo thought the conversation was good and was glad to see the commissioners in agreement. He felt it was a good subject for the sustainability action team, as parks were a huge part of a long-term sustainability effort.

Commissioner Fitzgerald requested that Mr. Guenther and his staff investigate and report back with an estimate of funds which could be spent in communities in east Harris County.

Chairman Campo agreed and directed staff to do so and bring the results before the Community Relations Committee.

(2021-0427-05) RCA F1 was presented, moved by Commissioner Corgey, seconded by Commissioner Mease. Chairman Campo, and Commissioners Cloonan, Corgey, Cruzot, Fitzgerald, and Mease voted Aye. Nays none. MOTION PASSED.

(2021-0427-06) Chairman Campo recognized Mr. Heidt to provide a report of selected Executive Division agenda items.

Mr. Heidt addressed Item F4 to amend the professional services agreement with AECOM to perform a supplemental economic study for an industry harbor fee structure. Since the fee structure was required to show benefits, AECOM would investigate and show which ships would benefit from a deeper and wider channel.

Chairman Campo deferred agenda Item F5 to the end of the meeting as Commissioner DonCarlos had to temporarily leave the meeting and was unavailable to discuss it.

(2021-0427-07) RCA F2 was presented, moved by Commissioner Corgey, seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners Cloonan, Corgey, Cruzot, Fitzgerald, and Mease voted Aye. Nays none. RCA F2 PASSED.

(2021-0427-08) RCA F3 was presented, moved by Commissioner Corgey, seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners Cloonan, Corgey, Cruzot, Fitzgerald, and Mease voted Aye. Nays none. RCA F3 PASSED.

(2021-0427-09) RCA F4 was presented, moved by Commissioner Corgey, seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners Cloonan, Corgey, Cruzot, Fitzgerald, and Mease voted Aye. Nays none. RCA F4 PASSED.

(2021-0427-10) Chairman Campo recognized Mr. Heidt to provide a report of selected Commercial agenda items.

Mr. Heidt explained that all three agenda Items in Commercial were for lease renewals. Two were for Cooper/Ports America and one for Texas Brine Company.

(2021-0427-11) RCA G1 was presented, moved by Commissioner Mease, seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Cloonan, Corgey, Cruzot, Fitzgerald, and Mease voted Aye. Nays none. RCA G1 PASSED.

(2021-0427-12) RCA G2 was presented, moved by Commissioner Mease, seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Cloonan, Corgey, Cruzot, Fitzgerald, and Mease voted Aye. Nays none. RCA G2 PASSED.

(2021-0427-13) RCA G3 was presented, moved by Commissioner Mease, seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Cloonan, Corgey, Cruzot, Fitzgerald, and Mease voted Aye. Nays none. RCA G3 PASSED.

(2021-0427-14) Chairman Campo recognized Mr. Heidt to provide a report of selected Finance agenda items.

Mr. Heidt remarked on agenda Item H2, the approval of the Port Authority's 2020 CAFR, as previously discussed at the Audit Committee meeting: no material weaknesses were found in the audit.

Mr. Heidt also spoke on Items H3, H4, and H5 – the adoption of three policies important to obtaining outside revenue bonds. Item H3 related to the Port Authority's defined contribution plan and deferred compensation plan, Item H4 was a policy for revenue bonds and the establishment of guidelines, and Item H5 was for a disclosure policy.

Chairman Campo commented that the decision-making would be brought to the Port Commission, and staff would keep the Port Commission updated. He asked staff to do an analysis on interest rate predictions and when the best time to issue bonds would be, as the volatility of interest rates presented a challenge.

Mr. Eriksson asked that Items H4 and H5 be called policies to conform with existing nomenclature. He added that these were considered best practices: the Port Commission relied on staff actions to reach a judgment, which process was protective of the legislative actions taken.

(2021-0427-15) RCA H1 was presented, moved by Commissioner Mease, seconded by Commissioner Corgey. Chairman Campo, and Commissioners Cloonan, Corgey, Cruzot, Fitzgerald, and Mease voted Aye. Nays none. RCA H1 PASSED.

(2021-0427-16) RCA H2 was presented, moved by Commissioner Mease, seconded by Commissioner Corgey. Chairman Campo, and Commissioners Cloonan, Corgey, Cruzot, Fitzgerald, and Mease voted Aye. Nays none. RCA H2 PASSED.

(2021-0427-17) RCA H3 was presented, moved by Commissioner Mease, seconded by Commissioner Corgey. Chairman Campo, and Commissioners Cloonan, Corgey, Cruzot, Fitzgerald, and Mease voted Aye. Nays none. RCA H3 PASSED.



(2021-0427-18) RCA H4 was presented, moved by Commissioner Mease, seconded by Commissioner Corgey. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, Fitzgerald, and Mease voted Aye. Nays none. RCA H4 PASSED.

(2021-0427-19) RCA H5 was presented, moved by Commissioner Mease, seconded by Commissioner Corgey. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, Fitzgerald, and Mease voted Aye. Nays none. RCA H5 PASSED.

(2021-0427-20) Chairman Campo recognized Mr. Heidt to provide a report of selected Infrastructure agenda items.

Mr. Heidt explained agenda Item I1, a professional services agreement for pre-development design work for the Port Authority's U-shaped property. Item I2 related to a project for the Beltway 8 property, including the clearing and grubbing of vegetative materials and demolition of existing concrete bunkers and roadways.

Mr. Heidt continued: Item I6 was an amendment of a professional services contract with CAVU International for continuous improvement, process execution, and operational excellence. The Port Authority began the program in 2018 with the intent to develop employees and improve processes.

Mr. Heidt explained Item I9 pertained to the Port Authority's required cost share with the U.S. Army Corps of Engineers (Army Corps) for construction of the Dollar Reef oyster mitigation and construction oversight of the Port Authority-led construction packages for Project 11.

Commissioner Fitzgerald asked if there was any interest in the Beltway 8 property. Mr. Heidt replied that the property would be used as a one-time disposal area for Project 11 and then would be leased.

(2021-0427-21) RCA I1 was presented. Commissioner Fitzgerald moved for staff's ranking of vendors - first, Lockwood, Andrews and Newnam, Inc.; second, Halff Associates, Inc.; and third, Cobb, Fendley & Associates, Inc., seconded by Commissioner Corgey. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, Fitzgerald, and Mease voted Aye. Nays none. RCA I1 PASSED.

(2021-0427-22) RCA I2 was presented. Commissioner Fitzgerald moved for staff's ranking of vendors - first, R & T Ellis Excavating, Inc.; second, Spaw Glass Civil Construction, Inc.; and third, Standard Constructors, Inc., seconded by Commissioner Corgey. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, Fitzgerald, and Mease voted Aye. Nays none. RCA I2 PASSED.

(2021-0427-23) RCA I3 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Corgey. Chairman Campo, and Commissioners Cloonan, Corgey, Cruzot, Fitzgerald, and Mease voted Aye. Nays none. RCA I3 PASSED.

(2021-0427-24) RCA I4 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Corgey. Chairman Campo, and Commissioners Cloonan, Corgey, Cruzot, Fitzgerald, and Mease voted Aye. Nays none. RCA I4 PASSED.

(2021-0427-25) RCA I5 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Corgey. Chairman Campo, and Commissioners Cloonan, Corgey, Cruzot, Fitzgerald, and Mease voted Aye. Nays none. RCA I5 PASSED.

(2021-0427-26) RCA I6 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Corgey. Chairman Campo, and Commissioners Cloonan, Corgey, Cruzot, Fitzgerald, and Mease voted Aye. Nays none. RCA I6 PASSED.

(2021-0427-27) RCA I7 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Corgey. Chairman Campo, and Commissioners Cloonan, Corgey, Cruzot, Fitzgerald, and Mease voted Aye. Nays none. RCA I7 PASSED.

(2021-0427-28) RCA I8 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Corgey. Chairman Campo, and Commissioners Cloonan, Corgey, Cruzot, Fitzgerald, and Mease voted Aye. Nays none. RCA I8 PASSED.

(2021-0427-29) RCA I9 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Corgey. Chairman Campo, and Commissioners Cloonan, Corgey, Cruzot, Fitzgerald, and Mease voted Aye. Nays none. RCA I9 PASSED.

(2021-0427-30) RCA I10 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Corgey. Chairman Campo, and Commissioners Corgey, Cruzot, Fitzgerald, and Mease voted Aye. Commissioner Cloonan recused herself. Nays none. RCA I10 PASSED.

(2021-0427-31) RCA I11 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Corgey. Chairman Campo, and Commissioners Corgey, Cruzot, Fitzgerald, and Mease voted Aye. Commissioner Cloonan recused herself. Nays none. RCA I11 PASSED.

(2021-0427-32) RCA I12 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Corgey. Chairman Campo, and Commissioners Cloonan, Corgey, Cruzot, Fitzgerald, and Mease voted Aye. Nays none. RCA I12 PASSED.

(2021-0427-33) RCA I13 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Corgey. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, Fitzgerald, and Mease voted Aye. Nays none. RCA I13 PASSED.

(2021-0427-34) RCA I14 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Corgey. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, Fitzgerald, and Mease voted Aye. Nays none. RCA I14 PASSED.

(2021-0427-35) RCA I15 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Corgey. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, Fitzgerald, and Mease voted Aye. Nays none. RCA I15 PASSED.

(2021-0427-36) RCA I16 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Corgey. Chairman Campo, and Commissioners Corgey, Creuzot, Fitzgerald, and Mease voted Aye. Commissioner Cloonan recused herself. Nays none. RCA I16 PASSED.

(2021-0427-37) RCA I17 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Corgey. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, Fitzgerald, and Mease voted Aye. Nays none. RCA I17 PASSED.

(2021-0427-38) Chairman Campo recognized Mr. Heidt to provide a report of selected Port Operations agenda items.

Mr. Heidt explained that Item J3 was for a three-year contract for the purchase of replacement brake parts for wharf and rubber-tired gantry (RTG) cranes at Barbours Cut and Bayport Container Terminals, and Item J4 was for the annual purchase of 45 vehicles through a cooperative purchase program; the Port Authority would be trading in 25 vehicles.

Mr. Heidt remarked that Item J5 was an authorization for additional purchase order funding for container terminal cleaning related to the pandemic, for continuation through July. To date, \$7.7 million had been spent on pandemic-related items including temperature screening, cleaning, and supplies.

Mr. Heidt highlighted agenda Item J6, which was a ratification of emergency purchase orders for the purchase and installation of electrical cables at the Bayport Container Terminal, due to damage resulting from the winter storm. Items J9 and J10 were for leases with container companies for the storage of equipment and chassis.

Finally, Mr. Heidt noted that Item J11 was for approval of an amendment with Lansing Trade Group to extend its lease term by one year with a one-year option. Claims against the previous tenant necessitated the current short-term lease arrangement.

Commissioner Mease asked Mr. Heidt to address Item J8. Mr. Heidt explained that the item related to the previous approval by the Port Commission of a service agreement for the marketing of the rail ramp at the Barbours Cut Container Terminal. Item J8 was a fee for the lifting of containers off the rail ramp.

(2021-0427-39) RCA J1 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Corgey. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, Fitzgerald, and Mease voted Aye. Nays none. RCA J1 PASSED.

(2021-0427-40) RCA J2 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Corgey. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, Fitzgerald, and Mease voted Aye. Nays none. RCA J2 PASSED.

(2021-0427-41) RCA J3 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Corgey. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, Fitzgerald, and Mease voted Aye. Nays none. RCA J3 PASSED.

(2021-0427-42) RCA J4 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Corgey. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, Fitzgerald, and Mease voted Aye. Nays none. RCA J4 PASSED.

(2021-0427-43) RCA J5 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Corgey. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, Fitzgerald, and Mease voted Aye. Nays none. RCA J5 PASSED.

(2021-0427-44) RCA J6 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Corgey. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, Fitzgerald, and Mease voted Aye. Nays none. RCA J6 PASSED.

(2021-0427-45) RCA J7 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Corgey. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, Fitzgerald, and Mease voted Aye. Nays none. RCA J7 PASSED.

(2021-0427-46) RCA J8 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Corgey. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, Fitzgerald, and Mease voted Aye. Nays none. RCA J8 PASSED.

(2021-0427-47) RCA J9 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Corgey. Chairman Campo, and Commissioners Cloonan, Corgey, Cruzot, Fitzgerald, and Mease voted Aye. Nays none. RCA J9 PASSED.

(2021-0427-48) RCA J10 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Corgey. Chairman Campo, and Commissioners Cloonan, Corgey, Cruzot, Fitzgerald, and Mease voted Aye. Nays none. RCA J10 PASSED.

(2021-0427-49) RCA J11 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Corgey. Chairman Campo, and Commissioners Cloonan, Corgey, Cruzot, Fitzgerald, and Mease voted Aye. Nays none. RCA J11 PASSED.

(2021-0427-50) Chairman Campo recognized Mr. Heidt to provide a report of selected Port Security and Emergency Operations agenda items.

Mr. Heidt explained that Item L1 was an amendment to purchase radio equipment such as radios, batteries, chargers, and related hardware. The amount was slightly higher than average, due to a higher headcount and new RTG vehicles and software.

(2021-0427-51) RCA L1 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Cloonan, Corgey, Cruzot, Fitzgerald, and Mease voted Aye. Nays none. RCA L1 PASSED.

(2021-0427-52) Chairman Campo recognized Mr. Heidt to provide a report of selected Technology agenda items.

Mr. Heidt remarked that the single agenda item was to authorize a purchase order for VMware annual software licensing and software support.

(2021-0427-53) RCA M1 was presented, moved by Commissioner Mease, seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners Cloonan, Corgey, Cruzot, Fitzgerald, and Mease voted Aye. Nays none. RCA M1 PASSED.

Chairman Campo asked for an update from staff on the status of the proposal by industry to fund its share of Project 11.

Mr. Eriksson provided an update on the fee structure being evaluated by the Port Authority. The Joint Venture was assisting in the analysis, which would be more granular than had previously been done.

Data from the Army Corps had been obtained to assist with the work, and while the Port Authority did not agree with all the conclusions that the Army Corps reached, the data itself was the raw information that would allow the Port Authority to calculate a fee. These variables were being used to create a dynamic model, and once the model was analyzed, a potential fee could be determined, and staff would then bring the potential fee structure to the Port Commission for its review.

At the end of the day, a judgement would have to be made regarding how the benefits of Project 11 could determine a fee – and the fee needed to be for the benefit of the greater port and not suppress the economic impact of widening and deepening.

Chairman Campo emphasized that the Port Authority would move forward with its share of Project 11. If industry funding could not be accomplished, then the only difference would be the timing of the project – it would take longer.

(2021-0427-54) Chairman Campo recognized Commissioner Cloonan to introduce agenda Item F5.

Commissioner Cloonan explained that Item F5 was something the Business Equity Committee had been working on since the diversity study findings were received. She and Mr. Guenther had recently presented on this before Harris County Commissioners Court and obtained support in response.

Commissioner Cloonan stated that the updated Minority- and Woman-Owned Business Enterprise Development Policy and restated Small Business Development Policy would create a new Business Equity Division under the purview of the Executive Director.

Commissioner Cloonan offered an amendment to Item F5, to reflect that the Minority- and Woman-Owned Business Enterprise Development Policy “Marketplace” as approved include the eight-county area: Harris, Montgomery, Fort Bend, Galveston, and Brazoria, and Chambers, Liberty, and Waller, and to authorize the Chief Legal Officer to incorporate, as he considered reasonable or necessary, non-substantive comments provided by outside counsel, and notify the Port Commission as to those.

Commissioner Mease supported the agenda item but questioned why a separate division was needed. He had faith in staff to abide by the policy and did not think a new division was needed to oversee it. However, Mr. Guenther supported the item, and so he would support it.

Chairman Campo was in favor of the program. The idea behind the creation of a new division was about raising the profile of the group. Chairman Campo noted that Commissioner DonCarlos was in favor of the Item but did not like the creation of the new division.

Mr. Guenther stated that the new program was a strategic objective, and the Port Authority would be successful.

(2021-0427-55) RCA F5 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Corgy. Chairman Campo, and Commissioners Cloonan, Corgy, Cruzot, Fitzgerald, and Mease voted Aye. Nays none. RCA F5 PASSED.

Chairman Campo remarked that the next Port Commission meeting would be on May 25, 2021.

At 11:00 a.m., Chairman Campo adjourned the Port Commission meeting.

The above is a correct copy of the Minutes of the April 27, 2021 meeting of the Port Commission of the Port of Houston Authority.



Ric Campo, Chairman



Erik A. Eriksson, Secretary

## F. EXECUTIVE

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<b>Subject</b>	<b>1. Consideration and possible action to approve a Founding Park Partner sponsorship level of \$250,000 a year to support the Houston Parks Board 50/50 Park Partners Plan, in a total amount not to exceed \$1,000,000.</b>
Meeting	Apr 27, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 27, 2021 meeting, consideration and possible action to approve a Founding Park Partner sponsorship level of \$250,000 a year to support the Houston Parks Board 50/50 Park Partners Plan, in a total amount not to exceed \$1,000,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #4 - STEWARDSHIP (Create Greater Value for the Region) STRATEGIC GOAL #3 - PARTNERSHIPS (Develop and Strengthen External Partnerships)

**Category:**  
Awards, Amendments & Change Orders

**Department:**  
Executive

**Staff Contact:**  
Leslie Herbst

**Background:**  
Led by the Office of the Mayor, Houston Parks & Recreation Department, Greater Houston Partnership, and Houston Parks Board, the mission of the 50/50 Park Partners plan is to improve City of Houston neighborhood parks. This initiative brings together fifty private businesses through monetary contributions, in-kind support, ideas, and volunteers, for improvements to fifty neighborhood parks, and seeks to create long-term relationships for sustained impact between businesses, communities, and parks, and improve the quality of life for Houstonians for decades to come.

50/50 Park Partners is based on three founding principles:

1. Park Equity: Neighborhood parks are selected and improved based on need and citywide distribution.
2. Community Engagement: Improvements, projects, and volunteer support are responsive to the community and focus on existing parks.
3. Long-term Sustainable Impact: The 50/50 Park Partners initiative provides a multi-year investment, starting a long-term partnership between businesses, neighborhood parks and the community.

Representatives of the Houston Parks Board gave a formal presentation to the Community Relations Committee at its March 23, 2021 meeting and requested funding, to support the development and improvement of Houston parks, greenways, and public spaces. The Port Authority's sponsorship of the 50/50 Park Partners Plan would specifically support parks within the City of Houston that are in the vicinity of Port Authority facilities.

**Staff Evaluation/Justification:**  
Accordingly, staff requests that the Port Commission consider support for the Houston Parks Board 50/50 Park Partners Plan at the Founding Park Partner sponsorship level of \$250,000 a year in a total amount not to exceed \$1,000,000.



## **F. EXECUTIVE**

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**Subject**                    **2. Enter into a professional services contract with Brown Consulting for state governmental policy consulting and support in an amount not to exceed \$66,000.**

**Meeting**                    Apr 27, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

**Access**                    Public

**Type**                      Action

**Recommended Action** The Port Commission, at its April 27, 2021 meeting, authorize the Port Authority to enter into a one year professional services contract with Brown Consulting in an amount not to exceed \$66,000, effective April 1, 2021, and further authorize the Executive Director to do any and all things in his opinion reasonable for necessary to give effect to the foregoing.

**Category:**

Awards, Amendments & Change Orders

**Department:**

Government Relations

**Staff Contact:**

Cam Spencer

**Background:**

The Port Authority currently contracts with Brown Consulting to consult on state policy priorities, assist in developing strategic plans and objectives, and facilitate effective communication with government officials and their staffs.

**Staff Evaluation/Justification:**

Staff recommends that the Port Commission authorize a new twelve-month contract with Brown Consulting for continued state consulting and support services.

## **F. EXECUTIVE**

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**Subject**                    **3. Enter into a professional services contract with Michael Toomey for state governmental policy consulting and support in an amount not to exceed \$66,000.**

**Meeting**                    Apr 27, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

**Access**                    Public

**Type**                      Action

**Recommended Action** The Port Commission, at its April 27, 2021 meeting, authorize the Port Authority to enter into a one year professional services contract with Michael Toomey in an amount not to exceed \$66,000, effective April 1, 2021, and further authorize the Executive Director to do any and all things in his opinion reasonable for necessary to give effect to the foregoing.

**Category:**

Awards, Amendments & Change Orders

**Department:**

Government Relations

**Staff Contact:**

Cam Spencer

**Background:**

The Port Authority currently contracts with Michael Toomey to consult on state policy priorities, assist in developing strategic plans and objectives, and facilitate effective communication with government officials and their staffs.

**Staff Evaluation/Justification:**

Staff recommends that the Port Commission authorize a new twelve-month contract with Mr. Toomey for continued state consulting and support services.

## F. EXECUTIVE

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**Subject** 4. Amend the professional services agreement with the TC&B/GBA joint venture of AECOM Technical Services Inc. and Gahagan & Bryant Associates, Inc. to perform a supplemental economic study based on the Houston Ship Channel Expansion Channel Improvement Project (Project 11) Final Integrated Feasibility Report and Environmental Impact Statement, in an amount not to exceed \$125,000.

**Meeting** Apr 27, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

**Access** Public

**Type** Action

**Recommended Action** The Port Commission, at its April 27, 2021 meeting, authorize the Port Authority to amend the professional services agreement with the TC&B/GBA joint venture of AECOM Technical Services Inc. and Gahagan & Bryant Associates, Inc. to perform a supplemental economic study based on the Houston Ship Channel Expansion Channel Improvement Project (Project 11) Final Integrated Feasibility Report and Environmental Impact Statement, in an amount not to exceed \$125,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

**Category:**

Awards, Amendments & Change Orders

**Department:**

Executive

**Staff Contact:**

Erik Eriksson

**Background:**

Following the Port Commission meeting of January 5, 2021, the Port Authority intensified its analysis of the proposal by ship channel industry members to finance the promised industry portion of the Project 11 local cost share. Industry has proposed a harbor fee assessed by the Port Authority and paid by vessels transiting the ship channel to generate these funds.

The Port Authority has retained outside counsel to provide detailed legal guidance on the requirements of 33 U.S.C.A. §2236, which would govern such a harbor fee. In particular, the statute requires that the fee be proportional to the benefit each vessel receives from the project. To comply with that requirement, a supplemental economic study has been started, to help gauge the benefits each vessel receives from Project 11.

Port Authority staff has hired the TC&B/GBA joint venture to assist with the initial work of this study, based on the existing 2019 U.S. Army Corps of Engineers Feasibility Study for Project 11. The joint venture economic staff has extensive experience working with the Army Corps of Engineers HarborSym model, and in 2019 and 2020 performed several Project 11 analyses on behalf of the Port Authority using the HarborSym tool.

**Staff Evaluation/Justification:**

Staff has determined that the funding requested is required to continue the study. Accordingly, staff recommends approval.

## **F. EXECUTIVE**

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<b>Subject</b>	<b>5. Approve the new Minority- and Woman-Owned Business Enterprise Development Policy and the Amended and Restated Small Business Development Policy.</b>
Meeting	Apr 27, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 27, 2021 meeting, approve the new Minority- and Woman-Owned Business Enterprise Development Policy and the Amended and Restated Small Business Development Policy, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

**Category:**  
General

**Department:**  
Executive

**Staff Contact:**  
Erik Eriksson

**Background:**

The Port Commission, at its March 23, 2021 meeting, reorganized the Port Commission's Procurement and Small Business Development Task Force and renamed it as the Business Equity Committee (Committee). Among other duties, the Committee has the responsibility to: (i) evaluate and advise on updates of the Port Authority Small Business Development Program policies and procedures as necessary; (ii) recommend and assist in the adoption of business equity measures in Port Authority contracting, beyond the existing Small Business Development Program; and (iii) advise regarding other small business development and procurement matters.

The Small Business Development Program (the "Small Business Program") adopted in 2001 provided for a coordinated plan of activities and procedures to encourage local small business participation, and created opportunities in Port Authority procurement and contracting. The Small Business Program's guiding document, the "Port of Houston Authority Small Business Development Program Policy and Procedures," was issued in 2001. Although that document has been updated several times, the Port Authority desires to update Small Business Program documents and bring them into compliance with current Port Authority standards for policy material; the first step in this process is to establish a separate and clear policy.

At the direction of the Port Commission, the Port Authority, also desiring to include race- and gender-conscious elements in its contracting process when appropriate, is taking measures that are narrowly tailored to help ameliorate disparities in the participation of minority- and woman-owned business enterprises in Port Authority contracting.

Based on best practices the Port Authority would adopt a new Minority-and Woman owned Business Enterprise initiative maintain its Small Business Program at least for the near future. To assure transparency each program would have separate and distinct participation goals.

**Staff Evaluation/Justification:**

At its March 31, 2021 meeting, the Committee considered action authorizing a new Minority- and Woman-Owned Business Enterprise Development Policy and updating the Small Business Development Program policy documents.

The proposed new Minority- and Woman-Owned Business Enterprise Development Policy (the "MWBE Policy") sets out the purpose for and background of the policy, establishes a program to administer the

## "Exhibit A"

policy, and provides enforcement mechanisms to ensure compliance. The MWBE Policy sets thirty percent as an initial overall total aspirational goal for the participation of MWBEs in eligible contracts.

The proposed Amended and Restated Small Business Development Policy (the "Small Business Policy") reaffirms or sets out the principles by which the Small Business Program shall be guided, assigns responsibilities based on recent staff reorganizations, revises terminology, and aligns with the Port Authority mission statement and current Port Authority policy management.

Following its review and discussion, the Committee acted to recommend that the Port Commission approve the amended Small Business Policy and to instruct staff to bring to the Port Commission a request to consider and approve the MWBE Policy. Accordingly, staff recommends that the Port Commission approve the Amended and Restated Small Business Development Policy in substantively the form attached as Exhibit B and Minority- and Woman-Owned Business Enterprise Development Policy in substantively the form attached as Exhibit A.

**I. Purpose.**

The purpose of this Minority- and Woman-Owned Business Enterprise Development Policy (the "Policy") is to establish the Port of Houston Authority Minority- and Woman-Owned Business Enterprise Development Program (the "Program"), set out principles guiding the Program, and authorize and assign responsibilities for carrying out its requirements.

**II. Policy Statements.**

A. It is the long-standing policy of the Port of Houston Authority (the "Non-Discrimination Mandate") to prohibit discrimination based on race, color, sex, religion, national or ethnic origin, age, or disability, and including any other status protected by applicable law, in all operations at the Port Authority, including the award of, or participation in, Port Authority contracts.

B. The Port Authority is committed to equal opportunity for small, minority- and woman-owned businesses to participate in the award and performance of Port Authority contracts.

C. It is the policy of the Port Authority to ensure competitive business opportunities for small, minority- and woman-owned business enterprises in the award and performance of Port Authority contracts and abolish barriers to full participation in Port Authority contracts by all persons, regardless of race, ethnicity, or sex.

D. It is the policy of the Port Authority to promote commerce and business diversity by supporting the development of small, minority- and woman-owned businesses.

**III. Background.**

A. The Port of Houston Authority Small Business Development Program, effective January 1, 2002, was adopted by the Port Commission as the coordinated program of activities and procedures for encouraging local small business participation and creating opportunities in Port Authority procurement and contracting.

B. The Port Commission, in furtherance of the policies and commitments as set forth in its Policy Statements above and desiring to include race- and gender-conscious elements to the Port Authority's contracting process, if appropriate, awarded to Griffin & Strong, P.C., a contract to perform disparity study research to meet the requirements of strict constitutional scrutiny required by the United States Supreme Court in *City of Richmond v. J.A. Croson Co.*, 488 U.S. 469 (1989).

C. A summary of research conducted in connection with the "Port of Houston

Authority 2020 Disparity Study” prepared by Griffin & Strong, P.C. (the “Draft Disparity Study”) was presented to the Port Commission, the governing body of the Port Authority, on December 8, 2020, and among other things the draft research indicated disparities between the availability of minority- and woman-owned business enterprises (“M/WBEs”), and the utilization by the Port Authority of those M/WBEs seeking to do business with the Port Authority.

D. The Draft Disparity Study recommended measures to assist the Port Authority’s efforts to help ensure that all qualified firms within the Port Authority’s relevant marketplace would be given the opportunity to successfully conduct business with the Port Authority.

E. The State of Texas, Harris County, and the City of Houston have also conducted disparity studies which have established that M/WBEs or historically underutilized businesses in the applicable jurisdiction’s market area experience disparities in access to the jurisdiction’s contracts.

F. These studies have each recommended that the applicable jurisdiction employ measures to address their findings, and each jurisdiction has adopted programs to do so.

G. The Port Authority is similarly committed to implementing and maintaining a contracting program in conformance with the *City of Richmond v. J.A. Croson Co.* decision and applicable law, including employing measures that are narrowly tailored to help ameliorate disparities in the participation of minority- and woman-owned business enterprises in Port Authority contracting.

#### **IV. Definitions.**

When used in this Policy, the following terms shall have the following meanings:

A. “Aspirational Goal” means the Port Authority’s overall total target for the participation of M/WBEs in Eligible Contracts, as determined by the Port Commission from time to time, expressed as the percentage that the Port Authority strives to achieve, of Contract amounts awarded and committed to M/WBEs *compared to* total amounts awarded in Eligible Contracts.

B. “Availability” means the pool of Businesses ready, willing, and able to perform the applicable Contract or Commercially Useful Function, including, where special qualifications are necessary, qualified to undertake the particular portion of the work of the Contract task or Commercially Useful Function.

C. “Bid” means a Bidder’s response to a solicitation for bids, proposals, or statements of qualifications for a Contract that is at least partially funded by the Port Authority.

D. “Bidder” means an individual, a business enterprise, including a sole proprietorship, a partnership, a corporation, a not-for-profit corporation, a limited liability

company, or any other entity which has submitted a Bid in response to a Port Authority solicitation, regardless of the procurement method employed by the Port Authority or the type of goods or services sought.

E. "Business," or "Business Enterprise" means a for-profit (i) sole proprietorship or (ii) entity, with a place of business located in the United States.

F. "Business Equity Division" means the Port Authority division or the successor Port Authority division responsible for the Program.

G. "Business Equity Division Head" means the senior-most staff leader of the Business Equity Division.

H. "Certified" means a MBE, WBE, or DBE (as each such group is defined herein) that has the applicable certification from an authorized certifying agency as recognized and approved by the Port Authority from time to time.

I. "Commercially Useful Function" means Contract work that a Business controls and executes or for which it is directly responsible for executing by actually performing, managing, and supervising the work, including negotiating price, determining quality and quantity, ordering, installing, and paying for materials, supplies, and services as applicable.

J. "Committee" means the Port Commission Business Equity Committee, or the successor Port Commission committee or task force carrying out Program responsibilities as provided herein.

K. "Compliance" means that the applicable Port Authority department, or Business, properly implements the requirements of this Policy and the Program.

L. "Contract" means a mutually-binding legal relationship, or any modification thereof, obligating the vendor to furnish services and/or materials and supplies to the Port Authority and the Port Authority to pay for them, and excluding any lease of real property, agreement with or payment to other governmental entity (including any cooperative purchase program purchase), employer/employee relationship, utility agreement, settlement agreement, or agreement with any not-for-profit entity.

M. "Contract Goal" means the goal or requirement for participation of MBEs and/or WBEs applicable to a specific Eligible Contract solicitation, based on the percentage Availability of MBEs and/or WBEs to perform the specific weighted scopes of work of the entire Contract, the Port Authority's utilization of MBEs and WBEs to date, the Port Authority's progress towards meeting the Aspirational Goal, and other relevant factors.

N. "Contractor" means any Business that enters into a Contract with the Port



Authority, and includes members of any Joint Venture comprising such Business.

O. “DBE” means a Business as defined in the regulations governing the federal Disadvantaged Business Enterprise program, currently set forth in 49 C.F.R. Part 26, as amended.

P. “Draft Disparity Study” means the draft report titled “Port of Houston Authority 2020 Disparity Study” prepared by Griffin & Strong, P.C.

Q. “Eligible Contract” means a Contract, in an amount expected to exceed \$50,000 (or any other amount as currently authorized under Texas Water Code Section 60.403(a) for routine purchases or contracts) (i) subject to the requirements of this Program and to which a Contract Goal may be applied, and (ii) not including Excluded Contracts and Exempted Contracts, as defined herein.

R. “Enrolled M/WBE” means a Certified MBE, WBE, or DBE that has completed the Port Authority’s Enrollment Process and has received a confirmation from the Port Authority of its status as an Enrolled M/WBE in the Program.

S. “Enrollment Process” means the process by which a Certified MBE, WBE, or DBE becomes an Enrolled M/WBE, permitting its participation in an Eligible Contract to be counted toward the Aspirational Goal and a Contract Goal.

T. “Excluded Contract” is a Contract not subject to this Policy because it is:

- Purchase of an item that can be obtained only from one source, as provided under the Texas Water Code Section 60.412(a)(7);
- All or partially state- or federally-funded, and may be subject to other requirements in connection with such funding;
- Awarded pursuant to a procurement for which consideration of such status is prohibited by law; or
- Not a Contract as defined herein.

M/WBEs are encouraged to Bid on an Excluded Contract, but there is no individual participation Contract Goal for such Excluded Contract.

U. “Exempted Contract” is a Contract for which the owner’s status as an MBE, WBE, or DBE is not considered as a selection criterion because the Business Equity Division Head, in consultation with the User Group, has determined that it meets one or more of the following criteria:

- A public or administrative emergency exists that requires the goods or services to be provided with unusual immediacy;

- The goods or services are of such a specialized, technical, or unique nature that the pool of qualified contractors is so limited (and there is not reasonable opportunity for subcontracting) that a selection process that formally considers the Bidder's status as an MBE, WBE, or DBE is not reasonable;
- A selection process that considers the Bidder's status as an MBE, WBE, or DBE would:
  - Impose an unwarranted economic burden or risk on the Port Authority;
  - Unduly delay acquisition of the goods or services; or
  - Otherwise not be in the best interest of the Port Authority (e.g. purchases for which the Port Authority intends to seek reimbursement from a third party); or
  - Market research, past experience, or the Availability of local, qualified MBEs, WBEs, or DBEs for providing the goods or services indicate that negligible or no such Bidder participation would be obtained.

M/WBEs are encouraged to Bid on an Exempted Contract, but there is no individual participation Contract Goal for such Exempted Contract.

V. "Good Faith Efforts" means efforts to achieve an MBE or WBE participation goal which efforts, by their scope, intensity, and appropriateness, can reasonably be expected to fulfill the applicable Program requirement.

W. "Joint Venture" means an association of an MBE and/or WBE and one or more other firms to carry out a single, for-profit business enterprise, for which the parties combine their property, capital, efforts, skills, and/or knowledge, and in which the MBE or WBE is wholly responsible for a distinct, clearly defined portion of the work of the Contract or Commercially Useful Function, and the share of which in the capital contribution, control, management, risks, and profits of the joint venture are commensurate with its ownership interest.

X. "Manual" means the Port Authority Minority- and Woman-Owned Business Enterprise Program Standards and Procedures Manual, detailing the Program and the standards and procedures for implementation of the Policy and the Program.

Y. "Marketplace" means Harris, Montgomery, Fort Bend, Galveston, and Brazoria counties.

Z. "Minority Person" means a citizen or lawful permanent resident of the United States who is a member of one of the following socially and economically-disadvantaged groups:

1. "Black Americans," which includes persons having origins in any of the Black racial groups of Africa;

2. "Hispanic Americans," which includes persons of Mexican, Puerto Rican, Cuban, Dominican, Central or South American, or other Spanish or Portuguese culture or origin, regardless of race;

3. "Native Americans," which includes persons who are enrolled members of a federally or State recognized Indian tribe, Alaska Natives, or Native Hawaiians; or

4. "Asian Americans," which includes "Asian-Pacific Americans," i.e. persons whose origins are from Japan, China, Taiwan, Korea, Burma (Myanmar), Vietnam, Laos, Cambodia (Kampuchea), Thailand, Malaysia, Indonesia, the Philippines, Brunei, Samoa, Guam, the U.S. Trust Territories of the Pacific Islands (Republic of Palau), Republic of the Northern Marianas Islands, Samoa, Macao, Fiji, Tonga, Kiribati, Tuvalu, Nauru, Federated States of Micronesia, or Hong Kong; or "Subcontinent Asian Americans," i.e. persons whose origins are from India, Pakistan, Bangladesh, Bhutan, the Maldives Islands, Nepal, or Sri Lanka.

AA. "MBE" (Minority-Owned Business Enterprise) means a Business that is at least 51% Owned by one or more Minority Persons, or for which at least 51% of the equity is Owned by one or more Minority Persons, and both the management and daily business operations are carried out and controlled by one or more of the Minority Persons who own it.

BB. "M/WBEs" means MBEs and WBEs.

CC. "Owned" means the status of having all the customary incidents of ownership of a Business, including control and disposition and sharing in all risks and profits commensurate with the degree of ownership interest.

DD. "Port Authority" means the Port of Houston Authority of Harris County, Texas, a political subdivision.

EE. "Port Commission" means the governing body of the Port Authority.

FF. "Prime Contractor" means a Contractor that is awarded a Contract and is obligated to perform the Contract, including coordinating all the work of that Contract and purchasing all materials and performing services required thereunder, or contracting with Subcontractors to do so.

GG. "Procurement Services" means the Port Authority department generally responsible for acquiring goods and services for the Port Authority.

HH. "Program" means the Minority- and Woman-Owned Business Enterprise Program established by this Policy.

II. "SBDP" means the Port of Houston Authority Small Business Development Program.

JJ. "Subcontractor" means a party that enters into a subcontract agreement with a

Prime Contractor to perform work or provide materials under a Contract.

KK. "User Group" means the Port Authority division, department, or other staff group that has or shares responsibility for the procuring and administering of a Contract subject to the Program.

LL. "Utilization Plan" means the plan, in the form specified by the Port Authority, which must be submitted by a Bidder listing the M/WBEs that the Bidder intends to use in the performance of a Contract, the scopes of the work of such M/WBEs, and the dollar values and/or the percentages of the work to be performed by such M/WBEs.

MM. "WBE" (Woman-Owned Business Enterprise) means a Business that is at least 51% Owned by one or more female American citizens, or for which at least 51% of the equity is Owned by one or more female American citizens, and both the management and daily business operations are carried out and controlled by one or more of the female American citizens who own it.

**V. Program Established.**

A. The Port Commission hereby adopts the Program and directs the Port Authority to designate the Business Equity Division responsible for carrying out the Program as described herein. Such Business Equity Division shall also be responsible for carrying out the Port Authority's SBDP in conjunction with the Program.

B. The Port Commission finds that the Program supports (i) the Port Authority's statutory mandates to acquire, construct, operate, and develop waterways, facilities, and other aids, for the operation, development, or in aid of navigation and commerce of the ports and waterways within its jurisdiction, (ii) the Port Authority's mission to "*Move the world and drive regional prosperity,*" and (iii) the Port Authority's strategic objectives to "*Develop and Strengthen External Partnerships*" and "*Create Better Value for the Region.*"

C. It is the responsibility of all Port Authority employees, divisions, departments, and groups to be aware of this Policy and Program, and to support the Policy and Program to the greatest extent appropriate to the role of such employee, division, department, and group.

**VI. Aspirational Goal.**

The Port Authority hereby establishes the following Aspirational Goal for the Program:

30% of all Eligible Contract amounts should be paid to Enrolled M/WBEs by the Port Authority.

The Port Commission reserves the right to amend or update such Aspirational Goal from time to time.

**VII. Program Administration.**

**A. Business Equity Division Responsibilities.**

1. The Business Equity Division shall have primary responsibility for the implementation and administration of the Program and all other Port Authority contracting diversity, equity, and training programs, including without limitation working with User Groups to implement the goals and objectives of the Program. In the absence of a contrary directive by the Executive Director, the Business Equity Division Head is responsible for this Policy's implementation and interpretation.

2. The Business Equity Division shall formulate, propose, and implement the Manual, setting forth rules and regulations for the development, implementation, administration, and monitoring of the Program, and may prepare and update other standards and procedures consistent with this Policy for administration of staff services related to the Program. The Manual and all other standards and procedures developed by staff shall not contain restrictions on the authority of the Port Commission or impose obligations on the Port Commission.

3. The Business Equity Division Head or his or her designee shall periodically report to the Port Commission and Committee regarding the operations and achievements of the Program.

4. The Business Equity Division Head or his or her designee shall periodically evaluate the effectiveness of this Policy and the Program and recommend updates as needed to the Port Commission and Committee.

5. The Business Equity Division shall work in cooperation with the Port Authority's Grants Programs Manager in administering or partially administering state- or federally-funded contracts, including United States Department of Transportation-assisted contracts incorporating the requirements of the DBE program pursuant to 49 C.F.R. Part 26, where the Port Authority is either a direct recipient of United States Department of Transportation funds or is a subrecipient of such funding through another entity.

**B. Program Roles and Responsibilities for User Groups.**

1. Each User Group is particularly responsible for promoting, supporting, and assisting in carrying out the Program, in addition to the general responsibility of Port Authority staff to do so, and for exercising specific functions in support of the Program, as well as any other function(s) deemed necessary by the Business Equity Division to implement the goals and objectives of the Program.

2. To reduce barriers to MBE and WBE participation in Port Authority

procurements, all User Groups requesting Bids on behalf of the Port Authority shall:

a. Designate a departmental coordinator or designee, or multiple coordinators or designees, who shall be the point of contact for monitoring and reporting Compliance in the Business Equity Division.

Evaluate anticipated solicitations to unbundle items or services, where feasible, to permit Bids on quantities or scopes of work less than the total, or the performance of discreet portions of the project. "Unbundling" means a process whereby a Contract is divided into smaller parts to provide Enrolled M/WBEs better access and reduce barriers to Port Authority procurement opportunities. Unbundling can be divided into two types, horizontal and vertical. Horizontal unbundling divides the Contract into multiple lots. Vertical unbundling divides each lot into different phases of the procurement process, where each of the phases offers new opportunity for M/WBE participation.

b. Establish schedules for submitting Bids with adequate time frames for identifying and contacting M/WBEs qualified to submit Bids or participate in Contracts.

c. Arrange time schedules for Bid response due dates and presentations to facilitate the participation of Prime Contractors and Subcontractors qualified to submit Bids or participate in Contracts.

d. Review insurance, experience, and other award evaluations factors to facilitate the participation by M/WBEs and other small firms, while no more burdensome than necessary to protect the Port Authority's interests.

e. Manage Contracts in a consistent manner, to assure Compliance with the Program.

f. Assist in the compilation of Contract data for M/WBE Availability and utilization.

g. Assist and support the Business Equity Division by helping ensure that the Prime Contractor provides all necessary documents and information to close out the Contract in order to provide a final accounting for Subcontractor participation on the Contract, including M/WBE participation.

h. Assist and participate in training on the Program (including User Group leadership, project managers, buyers, and Program coordinators).

i. Assist and participate in workshops, trade fairs, outreach seminars, and other efforts organized by the Business Equity Division and others to help identify and increase the participation of M/WBEs in Contracts.

j. Assist and participate in classes, training programs, and other efforts organized by the Business Equity Division and others to help to increase Availability and train and mentor M/WBEs to help increase their participation in Contracts.

**VIII. Race- and Gender-Neutral Measures to Ensure Equal Opportunities for all Contractors and Subcontractors.**

A. Suggested Measures. In order to implement the Program, the Port Authority shall develop and use race- and gender-neutral measures to the maximum feasible extent. These measures may include, but are not limited to:

1. Providing timely information, including through the Port Authority's electronic procurement system and social media, on Port Authority contracting procedures, Bid preparation, specific Contract opportunities, and competencies sought in Port Authority Contract solicitations.

2. Holding pre-Bid conferences, where appropriate, to explain Contract opportunities and to encourage Prime Contractors to use available qualified MBEs and WBEs.

3. Arranging time schedules for Bid response due dates and presentations to facilitate the participation of Prime Contractors and Subcontractors qualified to submit Bids or participate in Contracts.

4. Establishing schedules for submitting Bids with adequate time frames for Bidders to identify and contact M/WBEs and other small businesses qualified to participate in the procurement, and for non-Certified Bidders to solicit quotes from MBE and WBE Subcontractors.

5. Segmenting procurements, where feasible, to facilitate the participation of MBEs, WBEs, and other small businesses.

6. Reviewing retainage, bonding, and insurance requirements and their application to Bid evaluations, to eliminate unnecessary barriers to contracting with the Port Authority.

7. Authorizing, where appropriate, mobilization payments to Prime Contractors and requiring that Subcontractors be remitted their proportionate share of mobilization funds, to eliminate unnecessary barriers to contracting with the Port Authority.

8. Adopting prompt payment procedures, including contractually requiring that Prime Contractors promptly pay Subcontractors, investigating complaints or charges of excessive delay in payments, and enforcing statutory and contractual prompt payment provisions.

9. Reaching out to and providing training, mentorship, and development assistance to M/WBEs and other small businesses, to increase their Availability and the number of Enrolled M/WBEs, and support their maximum participation in Contracts.

10. Providing training seminars on the technical aspects of preparing a Bid in response to a Port Authority solicitation, and education and other assistance in areas that may provide barriers to participation, such as obtaining bonding and financing, bid estimation, safety requirements, and quality control.

11. Collecting information from all Prime Contractors on applicable Contracts, detailing the quotes received from all Subcontractors for such Contracts and the payments to Subcontractors utilized by Prime Contractors on such Contracts.

12. Investigating complaints of discrimination against M/WBEs and/or referring them to the appropriate authorities for investigation.

B. Additional Measures. The Business Equity Division Head should work with User Groups to adopt additional measures as warranted.

#### **IX. Race- and Gender-Conscious Measures to Implement the Program.**

A. Eligibility. To be eligible to be counted as an MBE or WBE towards a Contract Goal, the firm must be Certified at the time of Bid submission and become an Enrolled M/WBE no later than the date of award. The Port Authority shall make available on its website and through other means a list of certifying agencies recognized and approved by the Port Authority from time to time.

B. Contract Goals. The Business Equity Division Head, in consultation with the applicable User Group, shall establish a Contract Goal for each Eligible Contract. Such determination shall be made in accordance with governing law and the Port Authority's Procurement Policy, and shall be based upon the Availability of at least three Enrolled MBEs or three Enrolled WBEs to perform the anticipated scopes of work of the entire Contract, the Port Authority's utilization of MBEs and WBEs to date, the Port Authority's progress towards meeting the Aspirational Goal, and other relevant factors including the type of commodity or service procured, the procurement method used, and other Port Authority requirements.

#### C. Counting MBE and WBE Participation Towards Contract Goals.

1. A Bidder may achieve the Contract Goal by: (i) its own status as an MBE or WBE; (ii) entering into a Joint Venture with one or more MBEs and/or WBEs; (iii) subcontracting, at any tier, a portion of the work to one or more MBEs and/or WBEs; (iv) directly purchasing materials or services from one or more MBEs and/or WBEs; or (v) any combination of the above.



2. When the Port Authority solicits Eligible Contracts using a procurement method with goal- (or target-) oriented scoring of M/WBE participation, the solicitation document should provide that each proposer is awarded points based upon its proposed level of M/WBE participation, as compared to the Contract Goal.

3. When the Port Authority solicits Eligible Contracts using a request for competitive sealed bid or other procurement method with a "pass/fail" Contract Goal, the solicitation document should provide that a bidder or proposer must meet the Contract Goal or its Bid will be considered non-responsive.

4. When an MBE or WBE participates in a Contract, the Port Authority shall count only the payment for the work actually performed by the MBE or WBE toward the Contract Goal.

5. Only payments to an MBE or WBE that is performing a Commercially Useful Function shall be counted towards the Contract Goal.

6. Procedures and standards for counting the participation of qualified MBEs and WBEs towards a Contract Goal may additionally be provided for in the Manual.

D. Utilization Plans.

1. Utilization Plans and other Compliance documents must be submitted as provided in the procurement solicitation, and the failure to do so may render the Bid non-responsive. The Business Equity Division shall review each Bid submission to determine if it meets the Program and applicable solicitation requirements.

2. Each Bidder shall submit with its Bid a completed Utilization Plan, affirmed as correct and identifying the Businesses proposed to participate in the Contract in order to meet the Contract Goal, the type of work or service each Business would perform, the Contract amount to be paid to each Business, and such other information as provided for in the Manual.

3. The Utilization Plan shall include each Bidder's commitment to (i) meeting or exceeding the Contract Goal set forth in the solicitation or (ii) demonstrating its Good Faith Efforts to do so.

4. Each Bidder shall submit at the time specified in the solicitation, a letter of intent for each MBE and WBE firm specified in the Bid response, affirmed as correct by the parties thereto, and evidence that each such MBE and WBE is Certified.

5. A Bidder may request a partial or total reduction of the Contract Goal, in the manner and form as specified in the Manual, based on its Good Faith Efforts to meet the

Contract Goal. In the event a non-M/WBE Business was selected by a Bidder for work on the Contract instead of an MBE or WBE, the documentation of Good Faith Efforts shall include evidence of each non-M/WBE, MBE, and WBE Business proposal quote submitted to the Bidder in connection with the Bid.

6. In the event any non-M/WBE, or purported MBE or WBE other than those listed on the Utilization Plan, is performing work or providing materials and/or equipment in place of those listed on the applicable Utilization Plan, following notice to the Prime Contractor, the Port Authority may exercise remedies and penalties as provided by the Program and Manual.

E. Additional Performance Compliance Measures.

1. The successful Bidder shall submit reports of its progress towards meeting the Contract Goal and Compliance with other Program requirements, in the form and at the time specified in the solicitation or as otherwise directed by the Port Authority.

2. Subject to amendments as approved by the Port Authority, the Contract Goal obligation extends to all Contract work covered by change orders regardless of the contracting tier, and the obligation to make Good Faith Efforts to meet the Contract Goal extends to the entire performance of the Contract.

3. Port Authority Program contract compliance analysts and auditors, or their designees, should have reasonable access to the Contractor's and Subcontractor's books and records to help determine Compliance with the Contract Goal commitment and other Policy and Program requirements.

**X. Enforcement and Sanctions for Non-Compliance.**

A. Operational Integrity. The Program shall maintain a high level of operational integrity. The Port Authority does not allow violations of policies, standards, or procedures that harm the integrity of the Program, and may enforce sanctions to address such violations.

B. Authorization. The Port Commission authorizes sanctions against any Business that violates the provisions of this Policy, the Manual, its Contract(s), or any other document adopted to implement this Policy or Program.

1. Such violations shall include, but are not limited to, violation of the Port Authority's Non-Discrimination Mandate, falsification or misrepresentation of a Business as Certified or as an Enrolled M/WBE, failure of a Business to perform a Commercially Useful Function in connection with the applicable Contract, or any other violation of the terms of the Contract, this Policy, the Manual, or applicable Port Authority requirement.

2. Such sanctions may consist of measures up to and including Contract

Termination, suspension from status as an Enrolled M/WBE for a period of up to three (3) years, and debarment from contracting with the Port Authority for a period of up to two (2) years.

3. The Port Authority may determine that sanctions imposed against a Business shall also apply personally to all those persons with control or knowledge of the acts and omissions that give rise to the sanctions.

C. Enforcement and Investigation Provisions.

1. The Port Authority should include, in each applicable solicitation and/or Contract, provisions stating that the failure by the Business to carry out the requirements of the Program may: (i) be a breach of the Contract; (ii) result in termination of the Contract; (iii) result in denying or limiting credit towards the Contract Goal; (iv) result in withholding progress payments; (v) trigger required payment of liquidated damages; (vi) result in debarment or suspension from future Contract opportunities; and/or (vii) result in other remedies.

2. Solicitations and/or Contracts should additionally provide for reasonable access to books and records of Contractors, and require Contractors to provide reasonable access to books and records of Subcontractors, to support the Port Authority's investigations, determinations, and enforcement of Compliance with the Program.

D. Hearings. The Manual shall provide for the Port Authority to conduct a hearing to consider whether the alleged misconduct provides grounds for the Port Authority to sanction a Business participating in the Program, and to issue sanctions if appropriate.

1. The Port Commission hereby delegates authority to the Executive Director to select a hearing officer to conduct any such hearing and impose appropriate sanctions.

2. The Manual shall provide for the details of the processes and procedures for such hearings, including but not limited to notice, conduct, issuance of decisions, and appeals.

E. Appeals.

1. Any sanction hereunder may be appealed to the Executive Director.

2. A sanction hereunder that involves suspension from status as an Enrolled M/WBE may be appealed to the Committee. The Committee may require that the appeal be heard by the Executive Director before being brought before the Committee.

3. A sanction that involves debarment may be appealed to the Port Commission. The Port Commission may require that the appeal be heard by either the Executive Director or the Committee before being brought before the Port Commission.

4. Appeals before the Executive Director, Committee, or Port Commission shall be limited to determining whether the sanctions imposed should be upheld based on evidence presented at the initial hearing.

**XI. Port Commission Authority Reserved.**

Port Authority procurement, including the consideration of M/WBE participation as a selection criterion, is under the sole control of the Port Commission, which approves and oversees Port Authority expenditures in conformity with Texas law, including the Texas Water Code and adopted policies. This Policy does not constrain the discretion and authority of the Port Commission, which may amend this Policy at any time for any reason.

**XII. Policy and Program Authority.**

A. Statutory Authority.

1. Texas Water Code, Chapters 60, 61, and 62
2. Texas Government Code, Chapter 2254
3. Texas Special District Local Laws Code, Chapter 5007

B. Port Commission Policies.

1. Amended and Restated Bylaws of the Port Commission
2. Second Amended and Restated Code of Ethics
3. Charter of the Procurement and Small Business Development Task Force
4. Procurement Policy
5. The Strategic Plan of the Port Authority as in effect from time to time

C. Savings Clause. If any provision of this Policy is inconsistent in whole or in part with Texas or federal law, then such provision shall be deemed to be modified or restricted to the extent and in the manner necessary to render the same valid and enforceable or shall be deemed excised from this Policy as may be required, and this Policy shall be deemed restated as if such provision had been originally incorporated herein as so modified or restricted or excised.

**XIII. Non-binding Statement of Intent.**

This Policy, the Program, and any standards and procedures established to implement them, are

nonbinding statements of intent, which do not create in any person a property interest in a potential award or contract, do not constitute a contractual obligation of the Port Authority to others, and do not waive any of the Port Authority's immunities under law, including the Port Authority's immunity from suit and its immunity from liability. Nothing in this Policy or in the Program prohibits the Port Authority from rejecting any and/or all Bids received in response to a procurement solicitation. The Port Authority reserves the right to assert every defense to any claim that is available to it under law.

**XIV. Adoption and Review.**

A. This Policy was adopted by the Port Commission on \_\_\_\_\_, 2021, as evidenced by Minute Number 2021-\_\_\_\_\_-\_\_\_\_\_, and is effective as of the date of adoption.

B. The Committee or the Port Commission may, from time to time, evaluate the effectiveness of this Policy and the Program and recommend updates as needed.

Policy Owner: Executive  
Policy Version: Original

**Port of Houston Authority**  
**Amended and Restated Small Business Development Policy**  
**2021**



**I. Purpose.**

The Port of Houston Authority of Harris County, Texas (the "Port Authority") desires to continue its previously-authorized small business development program (the "Program"). The purpose of this Amended and Restated Small Business Development Policy (the "Policy") is to restate and reaffirm the principles and policy by which the Program shall be guided, and to amend and restate Program authority and responsibilities.

**II. Policy Statements.**

A. It is the long-standing policy of the Port Authority (the "Non-Discrimination Mandate") to prohibit discrimination based on race, color, sex, religion, national or ethnic origin, age, or disability, and including any other status protected by applicable law, in all operations at the Port Authority including the award of, or participation in, Port Authority contracts.

B. It is the policy of the Port Authority to ensure competitive business opportunities for small and local business enterprises in the award and performance of Port Authority contracts and abolish barriers to full participation in Port Authority contracts by all persons, regardless of race, ethnicity, or sex.

C. The Port Authority is committed to equal opportunity for small and local businesses to participate in the award and performance of Port Authority contracts.

D. It is the policy of the Port Authority to promote commerce and business diversity by supporting the development of small businesses.

**III. Background; Superseding Effect.**

A. The Port of Houston Authority Small Business Development Program (the "Program") effective January 1, 2002 was adopted by the Port Commission as the coordinated program of activities and procedures for encouraging local small business participation and creating opportunities in Port Authority procurement and contracting.

B. The Port Commission finds that the Program supports (i) the Port Authority's statutory mandates to acquire, construct, operate, and develop waterways, facilities, and other aids, for the operation, development, or in aid of navigation and commerce of the ports and waterways within its jurisdiction, (ii) the Port Authority's mission to "*Move the world and drive regional prosperity,*" and (iii) the Port Authority's strategic objectives to "*Develop and Strengthen External Partnerships*" and "*Create Better Value for the Region.*"

C. The Program's original guiding document, the "Port of Houston Authority Small Business Development Program Policy and Procedures" was issued in 2001 and subsequently

updated several times (as amended, the "Port of Houston Authority Small Business Development Program Policy and Procedures (Revised)").

D. In order to carry out the purposes described above, this Policy shall supersede the policy measures set forth in the Port of Houston Authority Small Business Development Program Policy and Procedures (Revised), and Port Authority staff is hereby authorized to prepare the Manual (as defined below) to supersede the procedural measures set forth in the Port of Houston Authority Small Business Development Program Policy and Procedures (Revised) and bring them into compliance with current Port Authority standards.

#### **IV. Definitions.**

A. "Certified Small Business" means a business that meets small business requirements as certified by a Port Authority-approved entity applying the same .

B. "Commercially Useful Function" means contract work that a business controls and executes or for which it is directly responsible for executing, by actually performing, managing, and supervising the work, including negotiating price, determining quality and quantity, ordering, installing, and paying for materials, supplies, and services as applicable.

C. "Committee" means the Port Commission Business Equity Committee, or the successor Port Commission committee or task force carrying out Program responsibilities as provided herein.

D. "Contract" means a mutually-binding legal relationship, or any modification thereof, obligating the vendor to furnish services and/or materials and supplies to the Port Authority and the Port Authority to pay for them, and excluding any lease of real property, agreement with or payment to other governmental entity (including any cooperative purchase program purchase), employer/employee relationship, utility agreement, settlement agreement, or agreement with any not-for-profit entity.

E. "Contract Goal" means the goal or requirement for participation of Enrolled Small Businesses applicable to a specific solicitation, the Port Authority's utilization of Enrolled Small Businesses to date, the Port Authority's progress towards meeting the Organizational Program Goal (as described in Section VI), and other relevant factors.

F. "Division" means the Port Authority division responsible for the Program.

G. "Enrolled Small Business" means a Certified Small Business that meets the additional small (revenue, number of employees, owner net worth) and local business presence requirements set out in the Manual (as defined below), has completed the Port Authority's enrollment process, and has received a confirmation from the Port Authority of its status as an Enrolled Small Business in the Port Authority's Program.

H. "Manual" means the Port Authority Small Business Development Program Standards and Procedures Manual, detailing the Program and the standards and procedures for implementation of the Policy and the Program. The Manual, when adopted, shall replace and supersede the document titled "Port of Houston Authority Small Business Development Program Policy and Procedures (Revised)."

I. "Organizational Program Goal" means the Port Authority's overall total target for the participation of small business in Port Authority Contracts, as determined by the Port Commission from time to time, expressed as the percentage that the Port Authority strives to achieve, of Contract amounts awarded and committed or paid to Enrolled Small Businesses *compared to* the total amounts awarded in Program eligible Contracts.

**V. Program Principles.**

A. Race- and Gender-Neutral. The Program shall operate in a race- and gender-neutral manner.

B. Nondiscrimination Mandate. It is the policy of the Port Authority to enforce the Non-Discrimination Mandate and prohibit discrimination, as set out in Section II(A) above. Contractors and/or Enrolled Small Businesses that violate this Non-discrimination Mandate in Port Authority procurements or other operations of the Program shall be subject to sanctions.

C. Operational Integrity. The Program shall maintain a high level of operational integrity. The Port Authority does not allow violations of policies, standards, or procedures that harm the integrity of the Program, and may enforce sanctions to address such violations.

D. Dispute Resolution. The Program shall include procedures for dispute resolution, including grievance procedures and procedures for resolution of disputes between a contractor and a small business.

**VI. Organizational Program Goal.**

The Port Commission hereby establishes the Organizational Program Goal of thirty-five (35%) percent. The Port Commission reserves the right to amend or update such Organizational Program Goal from time to time.

**VII. Staff Responsibilities.**

A. The Port Commission directs the Port Authority to designate the Division responsible for carrying out the Program as described herein. Such Division shall also be responsible for carrying out the Port Authority's Minority- and Woman-Owned Business Enterprise Development Program in conjunction with the Program.



B. Delegation. The Division shall have primary responsibility for the implementation and administration of the Program. In the absence of a contrary directive by the Executive Director, the senior-most staff leader of the Division is responsible for this Policy's implementation and interpretation.

C. Standards and Procedures. The Division shall formulate, propose, and implement the Manual, setting forth rules and regulations for the development, implementation, administration, and monitoring of the Program, and may prepare and update other standards and procedures consistent with this Policy for administration of staff services related to the Program. The Manual and all other standards and procedures developed by staff shall not contain restrictions on the authority of the Port Commission or impose obligations on the Port Commission.

D. Periodic Small Business Development Reports. The senior-most staff leader of the Division or his or her designee shall periodically (i) report to the Port Commission regarding the operations and achievements of the Program, and (ii) evaluate the effectiveness of this Policy and the Program and recommend updates as needed to the Port Commission and the Committee.

### **VIII. Small Business Participation in Procurements.**

A. Determination of Participation. The determination of whether small business participation will be considered in a specific procurement, and the manner in which such small business participation will be considered, shall be made in accordance with governing law, the Port Authority's Procurement Policy, and Port Authority requirements. Such determination of whether a Contract is Program-eligible is based on all relevant factors including the type of commodity or service procured, the procurement method used, and the availability of Enrolled Small Businesses.

B. Evaluation of Participation.

1. When the Port Authority solicits Program-eligible Contracts using a procurement method with goal- (or target-) oriented scoring of small business participation, the solicitation document should provide that each proposer is awarded points based upon its proposed level of small business participation.

2. When the Port Authority solicits Program-eligible Contracts using a request for competitive sealed bid or other procurement method with a "pass/fail" small business requirement, the solicitation document should provide that a bidder or proposer must meet the required level of small business participation or its bid will be considered non-responsive.

3. Notwithstanding Sections VIII(B)(1) and (2), the Port Commission delegates to the Executive Director or his designee the authority to determine specific procedures and standards for whether and how small business participation may be evaluated in particular

procurements.

**IX. Enforcement and Sanctions for Non-Compliance.**

A. Authorization. The Port Commission authorizes sanctions against any business participating in the Program that violates the provisions of this Policy, the Manual, its Contract(s), or any other document adopted to implement this Policy or Program.

1. Such violations shall include, but are not limited to, violation of the Port Authority's Non-Discrimination Mandate, falsification or misrepresentation of a business as a Certified or an Enrolled Small Business, failure of a business to perform a Commercially Useful Function in connection with the applicable Contract, or any other violation of the terms of the Contract, this Policy, the Manual, or applicable Port Authority requirement.

2. Such sanctions may consist of measures up to and including Contract termination, suspension from status as an Enrolled Small Business for a period of up to three (3) years, and debarment from contracting with the Port Authority for a period of up to two (2) years.

3. The Port Authority may determine that sanctions imposed against a business shall also apply personally to all those persons with control or knowledge of the acts and omissions that give rise to the sanctions.

B. Enforcement and Investigation Provisions.

1. The Port Authority should include, in each applicable solicitation and/or Contract, provisions stating that the failure by the business to carry out the requirements of the Program may: (i) be a breach of the Contract; (ii) result in termination of the Contract; (iii) result in denying or limiting credit towards the Contract Goal; (iv) result in withholding progress payments; (v) trigger required payment of liquidated damages; (vi) result in debarment or suspension from future contract opportunities; and/or (vii) result in other remedies.

2. Solicitations and/or Contracts should additionally provide for reasonable access to books and records of contractors, and require contractors to provide reasonable access to books and records of subcontractors, to support the Port Authority's investigations, determinations, and enforcement of compliance with the Program.

C. Hearings. The Manual shall provide for the Port Authority to conduct a hearing to consider whether the alleged misconduct provides grounds for the Port Authority to sanction a business participating in the Program, and to issue sanctions if appropriate.

1. The Port Commission hereby delegates authority to the Executive Director to select a hearing officer to conduct any such hearing and impose appropriate sanctions.

2. The Manual shall provide for the details of the processes and procedures for such hearings, including but not limited to notice, conduct, issuance of decisions, and appeals.

D. Appeals.

1. Any sanction hereunder may be appealed to the Executive Director.

2. A sanction hereunder that involves suspension from status as an Enrolled Small Business may be appealed to the Committee. The Committee may require that the appeal be heard by the Executive Director before being brought before the Committee.

3. A sanction that involves debarment may be appealed to the Port Commission. The Port Commission may require that the appeal be heard by either the Executive Director or the Committee before being brought before the Port Commission.

4. Appeals before the Executive Director, Committee, or Port Commission shall be limited to determining whether the sanctions imposed should be upheld based on evidence presented at the initial hearing.

**X. Port Commission Authority Reserved.**

Port Authority procurement, including the consideration of small business participation as a selection criterion, is under the sole control of the Port Commission, which approves and oversees Port Authority expenditures in conformity with the Texas law, including the Texas Water Code and adopted policies. This Policy does not constrain the discretion and authority of the Port Commission, which may amend this Policy at any time for any reason.

**XI. Policy and Program Authority.**

A. Statutory.

1. Texas Water Code, Chapters 60, 61, and 62
2. Texas Government Code, Chapter 2254
3. Texas Special District Local Laws Code, Chapter 5007

B. Port Commission-enacted.

1. Amended and Restated Bylaws of the Port Commission
2. Second Amended and Restated Code of Ethics

3. Charter of the Procurement and Small Business Development Task Force
4. Procurement Policy
5. Local Preference Procurement Program and Policy
6. Local Preference Standards
7. Approval of a Small Business Development Program, described in Minute No. 2001-0529-35

C. Savings Clause. If any provision of this Policy is inconsistent in whole or in part with Texas or federal law, then such provision shall be deemed to be modified or restricted to the extent and in the manner necessary to render the same valid and enforceable or shall be deemed excised from this Policy as may be required, and this Policy shall be deemed restated as if such provision had been originally incorporated herein as so modified or restricted or excised.

D. Supersedes Prior Policies.

1. This Policy supersedes and replaces any prior policies adopted by the Port Commission regarding participation by small business enterprises in Port Authority procurements and contracts, including prior Small Business Development and Local Preference Procurement Program policies, and including any policies contained in prior Program documents.

2. This Policy does not supersede or replace the Port Authority Minority and Women-Owned Business Enterprise Policy adopted by the Port Commission by Minute Number 2021-\_\_\_\_\_-\_\_\_\_\_.

**XII. Non-binding Statement of Intent.**

This Policy, the Program, and any standards and procedures established to implement them, are nonbinding statements of intent, which do not create in any person a property interest in a potential award or contract, do not constitute a contractual obligation of the Port Authority to others, and do not waive any of the Port Authority's immunities under law, including the Port Authority's immunity from suit and its immunity from liability. Nothing in this Policy or in the Program prohibits the Port Authority from rejecting any and/or all proposals or bids received in response to a procurement solicitation. The Port Authority reserves the right to assert every defense to any claim that is available to it under law.

**XIII. Adoption and Review.**

A. This Policy was adopted by the Port Commission on \_\_\_\_\_, 2021, as evidenced by Minute Number 2021-\_\_\_\_\_-\_\_\_\_\_, and is effective as of the date of adoption.

B. The Committee or the Port Commission may, from time to time, evaluate the effectiveness of this Policy and the Program and recommend updates as needed.

Policy Owner: Executive

Policy Version: Original

## G. COMMERCIAL

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**Subject** 1. Authorize a second amendment to the Lease Agreement for an additional three-year term with Cooper/Ports America, LLC, for approximately 15.56 acres out of the Port Authority's Block 19 at Northside Turning Basin effective no earlier than July 1, 2021, at an annual base rent of \$592,608 with a 3% annual increase.

**Meeting** Apr 27, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

**Access** Public

**Type** Action

**Recommended Action** The Port Commission, at its April 27, 2021 meeting, authorize a second amendment to the Lease Agreement for an additional three-year term with Cooper/Ports America, LLC, for approximately 15.56 acres out of the Port Authority's Block 19 at Northside Turning Basin effective no earlier than July 1, 2021, at an annual base rent of \$592,608 with an annual 3% increase, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

**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. 2016-0628-13, the Port Commission authorized the Port Authority and Shippers Stevedoring Company to enter into a five-year lease term of approximately 15.56 acres at the Northside Turning Basin. Subsequently, by Minute No. 2016-0927-57, the Port Commission authorized a change of control from Shippers Stevedoring Co. to Cooper/Ports America, LLC. Cooper/Ports America, LLC has now requested that the Port Authority extend the lease for a three-year term. The rate would include an annual 3% rental increase over the prior year rate.

Cooper/Ports America, LLC and its predecessor has been on the property since 2006. The property is used for container and chassis operations and other services related to handling of general cargo including wind power equipment that crosses Port Authority docks.

**Staff Evaluation/Justification:**

Staff recommends approval of the proposed Second Amendment to the lease agreement.

## G. COMMERCIAL

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**Subject**                    **2. Authorize a fourth amendment to the Lease Agreement for an additional one-year term with Cooper/Ports America, LLC, for approximately 3.20 acres which includes Warehouse 21-A, the apron adjacent to Warehouse 21-A, an additional open area of approximately 57,210 sq. ft., and a rail spur of approximately 500 linear ft., out of the Port Authority's Block 21 at Northside Turning Basin, effective no earlier than June 1, 2021, at an annual base rent of \$89,837.**

**Meeting**                    Apr 27, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

**Access**                    Public

**Type**                      Action

**Recommended Action** The Port Commission, at its April 27, 2021 meeting, authorize a fourth amendment to the Lease Agreement for an additional one-year term with Cooper/Ports America, LLC, for approximately 3.20 acres which includes Warehouse 21-A, the apron adjacent to Warehouse 21-A, an additional open area of approximately 57,210 sq. ft., and a rail spur of approximately 500 linear ft., out of the Port Authority's Block 21 at Northside Turning Basin, effective no earlier than June 1, 2021, at an annual base rent of \$89,837, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

**Goals**                      STRATEGIC GOAL #4 - STEWARDSHIP (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. 2020-0428-13, the Port Commission authorized the Port Authority and Cooper/Ports America, LLC to enter into a third amendment to the lease of approximately 3.20 acres at the Northside Turning Basin Block 21, which includes Warehouse 21-A (approximately 50,000 sq. ft.), the apron area adjacent to Warehouse 21-A (approximately 12,500 sq. ft.), an additional open area (approximately 57,210 sq. ft.), and a rail spur (approximately 500 linear ft.), for an additional one-year term. The property is used for handling project and break-bulk cargo.

CT Stevedoring Inc. d/b/a Cooper/T. Smith Stevedoring Company and its successor Cooper/Ports America, LLC have leased the property since 2011.

**Staff Evaluation/Justification:**

Staff recommends approval of the proposed fourth amendment to the lease agreement.

## G. COMMERCIAL

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**Subject**                    **3. Authorize an amendment to the Lease Agreement for an additional five-year term with Texas Brine Company, LLC, for approximately 2.91 acres out of the Port Authority's Block 5 at Rosa Allen effective no earlier than August 1, 2021, at an annual base rent of \$63,435 with a 3% annual increase.**

**Meeting**                    Apr 27, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

**Access**                    Public

**Type**                    Action

**Recommended Action** The Port Commission, at its April 27, 2021 meeting, authorize an amendment to the Lease Agreement for an additional five-year term with Texas Brine Company, LLC, for approximately 2.91 acres out of the Port Authority's Block 5 at Rosa Allen effective no earlier than August 1, 2021, at an annual base rent of \$63,435 with a 3% annual increase, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

**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. 2016-0628-14, the Port Commission authorized the Port Authority and Texas Brine Company, LLC to enter into a five-year lease term of approximately 2.91 acres out of the Port Authority's Block 5 at Rosa Allen. Texas Brine Company, LLC has now requested that the Port Authority extend the lease for a five-year term. The rate would include an annual 3% rental increase over the prior year rate.

Texas Brine Company, LLC has been on the property since 1976. The property is used for a brine transfer pit and tank for brine pipeline operations.

**Staff Evaluation/Justification:**  
Staff recommends approval of the proposed amendment to the lease agreement.



## H. FINANCE

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**Subject** 1. Award a three-year contract, with an additional one-year option, to Universal Industrial Supply, to provide safety personal protective equipment (PPE) and vending machines (for dispensing PPE), at Barbours Cut Terminal, Bayport Container Terminal, and the Turning Basin Terminal, and additional safety equipment, in an amount not to exceed \$400,000.

**Meeting** Apr 27, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

**Access** Public

**Type** Action

**Recommended Action** Recommended Action The Port Commission, at its April 27, 2021 meeting, award a three-year contract, with an additional one-year option, to Universal Industrial Supply, to provide safety personal protective equipment (PPE) and vending machines (for dispensing PPE) at Barbours Cut Terminal, Bayport Container Terminal, and the Turning Basin Terminal, and additional safety equipment, in an amount not to exceed \$400,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

**Goals** STRATEGIC GOAL #4 - STEWARDSHIP (Create Greater Value for the Region)

**Category:**

Awards, Amendments & Change Orders

**Department:**

Risk Management

**Staff Contact:**

Norma Essary

**Background:**

The Port Authority notified vendors regarding its request for proposals (RFPs) for PPE and vending machines for Barbours Cut Terminal, Bayport Container Terminal, and the Turning Basin Terminal, and the purchase of additional safety equipment, using the Port Authority's BuySpeed Eprocurement System, and the project was advertised on the Port Authority's website and in a local newspaper. Twenty-three vendors downloaded the project materials from BuySpeed.

**Staff Evaluation/Justification:**

On January 11, 2021, four RFP responses were received and opened. The responses were reviewed and evaluated by staff in accordance with the selection criteria published in the RFP. Staff identified Universal Industrial Supply as providing best value for the required services.

Following staff Executive Committee review, staff recommends that the Port Commission award a contract to Universal Industrial Supply as described above.

## H. FINANCE

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**Subject**                    **2. Approve the Port Authority's fiscal year 2020 Comprehensive Annual Financial Report.**

Meeting                    Apr 27, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access                    Public

Type                    Action

Recommended Action    The Port Commission, at its April 27, 2021 meeting, approve the fiscal year 2020 Comprehensive Annual Financial Report, including the Report of Independent Public Accountants prepared by BKD, LLP dated April 26, 2021, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

**Category:**  
General

**Department:**  
Accounting

**Staff Contact:**  
Curtis Duncan

**Background:**

Texas Water Code, Sections 49.191 and 60.002, requires 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 to conduct that audit.

**Staff Evaluation/Justification:**

BKD, LLP has now completed its audit of the Port Authority's financial statements for the fiscal year ended December 31, 2020.

Staff has provided the Port Commission with the latest draft of the Port Authority's fiscal year 2020 Comprehensive Annual Financial Report, which includes the Report of Independent Public Accountants prepared by BKD, LLP dated April 26, 2021.

The Audit Committee and staff recommend that the Port Commission formally approve the 2020 Comprehensive Annual Financial Report, whereupon the Executive Director of the Port Authority would submit the report, along with the required filing affidavit, to the Executive Director of the TCEQ.

## H. FINANCE

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<b>Subject</b>	<b>3. Adopt a Statement of Objectives and Policy for the Port Authority 401(a) Defined Contribution and 457(b) Deferred Compensation Plans (DC Plans).</b>
Meeting	Apr 27, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 27, 2021 meeting, adopt a Statement of Objectives and Policy for the Port of Houston Authority 401(a) Defined Contribution and 457(b) Deferred Compensation Plans, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #4 - STEWARDSHIP (Create Greater Value for the Region)

**Category:**

General

**Department:**

Treasury

**Staff Contact:**

Roland Gonzalez

**Background:**

By adoption of the 457(b) National Association of Counties Deferred Compensation Plan (Minute No. 1982-0510-36), and Minute Nos. 2012-0404-02 and 2012-0724-25, the Port Commission has authorized the establishment of Defined Contribution 401(a) and Deferred Compensation 457(b) Plans (Plans) for Port Authority employees.

As the combined balances within the 401(a) and 457(b) plans total \$5.6 million and \$59.0 million respectively as of December 31, 2020, and, as the Port Commission endeavors to at least annually review the Investment Policy for the pension and OPEB plans, a similar "best practice" should be implemented for the Plans.

**Staff Evaluation/Justification:**

Staff, the Port Authority's pension consultant, AndCo Consulting, LLC, and the Port Authority's outside retirement counsel, Haynes and Boone, LLP, propose adopting a Statement of Objectives and Policy for the Plans (Policy) for the following reasons:

- Adopting the Policy is considered a best practice.
- Administration of many of the provisions of the Plans is intended to be guided by the provisions of the Texas Government Code which, in Section 802.203, includes fiduciary requirements that are drafted and interpreted in parallel with the fiduciary requirements in ERISA Section 404.
- The Department of Labor (DOL) states in Interpretive Bulletin (IB) 2016-1 that, "the maintenance by an employee benefit plan of a statement of investment policy designed to further the purposes of the plan and its funding policy is consistent with the fiduciary obligations [in ERISA Section 404]."
- The purpose of the Policy is to establish the investment structure for the Plans and to adopt a set of guidelines for the selection and periodic evaluation and monitoring of each Plan's investment options, per best practice.

The proposed Policy complies with applicable statutes, including all applicable state and federal laws and regulations governing Internal Revenue Code (IRC) §457(b) and IRC §401(a) plans, including Chapter 802 of the Texas Government Code, to the extent applicable.

The Pension and Benefits Committee and staff recommend that the Port Commission adopt a Statement of Objectives and Policy for the Port of Houston Authority 401(a) Defined Contribution and 457(b) Deferred Compensation Plans, as proposed.

## H. FINANCE

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**Subject** 4. Adopt a Revenue Bond Debt Policy and Procedures for the Port Authority.

**Meeting** Apr 27, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

**Access** Public

**Type** Action

**Recommended Action** The Port Commission, at its April 27, 2021 meeting, adopt a Revenue Bond Debt Policy and Procedures for the Port of Houston Authority, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

**Goals** STRATEGIC GOAL #4 - STEWARDSHIP (Create Greater Value for the Region)

**Category:**

General

**Department:**

Treasury

**Staff Contact:**

Roland Gonzalez / Tim Finley

**Background:**

The Port Authority is committed to best practices in financial management, transparency, and maintaining the financial strength and flexibility of the Port Authority as it relates to full and timely repayment of all financial obligations.

By Minute No. 2018-1113-03, the Port Commission approved a Master Resolution establishing a financing system, authorizing the issuance of Port Authority senior lien obligations and junior lien obligations, granting security and establishing funds and accounts for the payment of obligations' and approved a First Supplemental Resolution establishing the Port Authority Senior Lien Variable Rate Revolving Note Program.

**Staff Evaluation/Justification:**

Staff anticipates that the Port Commission may authorize and approve the issuance of revenue-supported debt to finance construction and other related costs associated with Project 11. Accordingly, the purpose of this proposed policy is to establish guidelines and a framework for the issuance and management of the Port Authority's operating revenue debt; this policy would not address ad valorem tax debt. This policy is intended to lend assurance to rating agencies, investors and lenders that the Port Authority is well managed and therefore more likely to meet its debt obligations.

The proposed debt policy would address all potential Port Authority funding needs including those for capital equipment, port facility improvements, and channel improvement projects through the issuance of long-term, medium term, and short term revenue-supported financing vehicles. Staff, the Port Authority's financial advisor (PFM Financial Advisors LLC) and bond counsel (Bracewell LLP) drafted this debt policy. The Audit Committee and staff recommend that the Port Commission adopt a debt policy, as proposed.

## H. FINANCE

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<b>Subject</b>	<b>5. Adopt a Disclosure Policy and Procedures for the Port Authority.</b>
Meeting	Apr 27, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 27, 2021 meeting, adopt a Disclosure Policy and Procedures for the Port Authority, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #4 - STEWARDSHIP (Create Greater Value for the Region)

**Category:**  
General

**Department:**  
Treasury

**Staff Contact:**  
Roland Gonzalez / Tim Finley

**Background:**  
By Minute Nos. 2009-1215-27, 2011-0823-10, 2015-0623-19, 2018-0517-13, and 2020-0520-15 the Port Commission has most recently approved orders authorizing the sale of Port of Houston Authority of Harris County, Texas Unlimited Tax Refunding Bonds, and the current outstanding principal outstanding for all remaining Port of Houston Authority of Harris County, Texas unlimited tax refunding bonds is \$492.4 million.

Staff currently tracks, reports, and files disclosure events regarding this debt, however without current formal delegation of authority by the Port Commission.

**Staff Evaluation/Justification:**  
Staff and the Port Authority's bond counsel (Bracewell LLP) and financial advisor (PFM Financial Advisors LLC) drafted this Disclosure Policy to:

- Formally delegate authority to staff for required disclosure compliance with adequate procedures in place to do so;
- Provide specific requirements for the Port Authority to speak with the "market" to comply with federal securities law,
- Organize and formalize offering documents and Comprehensive Annual Financial Report (CAFR) disclosure review and approval by staff,
- Establish a working group to facilitate disclosure across the Port Authority,
- Help satisfy all obligations undertaken pursuant to the Port Authority's continuing disclosure agreements, and
- Promote recognized disclosure best practices for the Port Authority.

The Audit Committee and staff recommend that the Port Commission adopt a Disclosure Policy and Procedures as proposed.

## **I. INFRASTRUCTURE**

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<b>Subject</b>	<b>1. Approve staff's ranking of vendors and award a professional services contract in an amount not to exceed \$460,900 for the "u-shaped property" pre-development design in the vicinity of the Bayport Container Terminal to the top-ranked proposers: staff ranking – first, Lockwood, Andrews and Newnam, Inc.; second, Halff Associates, Inc.; and third, Cobb, Fendley &amp; Associates, Inc.</b>
<b>Meeting</b>	Apr 27, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
<b>Access</b>	Public
<b>Type</b>	Action
<b>Recommended Action</b>	The Port Commission, at its April 27, 2021 meeting: (a) approve staff's ranking of vendors, based on the selection criteria, in the following order – first, Andrews and Newnam, Inc.; second, Halff Associates, Inc.; and third, Cobb, Fendley & Associates, Inc.; (b) award a professional services contract to Lockwood, Andrews and Newnam, Inc., the top-ranked proposer for the "u-shaped property" pre-development design in the vicinity of the Bayport Container Terminal in an amount not to exceed \$460,900; (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.
<b>Goals</b>	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 the following:

1. Produce plans and specifications required to develop approximately 64 acres of the "u-shaped property" (near the southeast corner of the intersection of Hwy 146 and Port Road in the vicinity of the Bayport Container Terminal).
2. Address storm water mitigation/detention, as well as site drainage requirements.
3. Prepare a drainage analysis in accordance with requirements of the Harris County Flood Control District, the City of Pasadena Department of Public Works Design Manual, and any other applicable jurisdictions.
4. Prepare an interim grading and drainage plan with temporary storm water drainage features, based on an geotechnical recommendation for fill placement strategy, compaction, and possible stabilization.

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

**Staff Evaluation/Justification:**

On November 11, 2020, nine RFQ responses were received and opened. The responses were reviewed and evaluated by staff in accordance with the selection criteria published in the RFQ. Staff identified the following vendors, listed in order of ranking, as most qualified to provide the required analysis and design services:

- Lockwood, Andrews, and Newnam, Inc.
- Halff Associates, Inc.
- Cobb, Fendley & Associates, Inc.

Following staff Executive Committee review, staff recommends that the Port Commission award a contract to Lockwood, Andrews and Newnam, Inc. for the "u-shaped property" pre-development design in the vicinity of the Bayport Container Terminal, and act as otherwise described above.

## **I. INFRASTRUCTURE**

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**Subject**                    **2. Approve staff's ranking of vendors and award a construction contract in an amount not to exceed \$5,950,000 for Beltway 8 site preparation to the top-ranked proposer: staff ranking - first, R & T Ellis Excavating, Inc.; second, Spaw Glass Civil Construction, Inc.; and third, Standard Constructors, Inc.**

**Meeting**                    Apr 27, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

**Access**                    Public

**Type**                      Action

**Recommended Action** The Port Commission, at its April 27, 2021 meeting:  
(a) approve staff's ranking of the vendors providing best value to the Port Authority, based on the selection criteria, in the following order - first, R & T Ellis Excavating, Inc.; second, Spaw Glass Civil Construction, Inc.; and third, Standard Constructors, Inc.;  
(b) award a construction contract to R & T Ellis Excavating, Inc. for Beltway 8 site preparation, in an amount not to exceed \$5,950,000;  
(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.

**Category:**

Awards, Amendments & Change Orders

**Department:**

Channel Improvement

**Staff Contact:**

Lori Brownell

**Background:**

This project would prepare the Port Authority's Beltway 8 site for use as a one-time dredged materials placement area to support deepening and widening of the Houston Ship Channel Expansion Channel Improvement Project (Project 11). The project includes construction of a temporary access road, clearing and grubbing of vegetative materials, and demolition of existing concrete structures and roadways.

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

**Staff Evaluation/Justification:**

On March 17, 2021, six CSPs were received, opened, and publicly read. The responses were reviewed and evaluated by staff in accordance with the published selection criteria. Following staff Executive Committee review, staff identified the following vendors, listed in order of ranking, as providing the best value for the required services:

- R & T Ellis Excavating, Inc.
- Spaw Glass Civil Construction, Inc.
- Standard Constructors, Inc.

Staff recommends that the Port Commission award a contract to R & T Ellis Excavating, Inc. and act as otherwise described above.



## **I. INFRASTRUCTURE**

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<b>Subject</b>	<b>3. Award an environmental consulting services agreement to InControl Technologies, LLC, the sole source provider, to conduct a non-aqueous phase liquid recovery operation at Port Authority property at the Turning Basin Terminal in an amount not to exceed \$299,685.</b>
Meeting	Apr 27, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 27, 2021 meeting, award an environmental consulting services agreement to InControl Technologies, LLC, the sole source provider, to conduct a non-aqueous phase liquid (NAPL) recovery operation at Port Authority property at the Turning Basin Terminal in an amount not to exceed \$299,685, 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:**

Awards, Amendments & Change Orders

**Department:**

Environmental Affairs

**Staff Contact:**

Trae Camble

**Background:**

A 4.48 acre property located on the south side of the Turning Basin is a leased Port Authority property with a legacy contaminated groundwater plume, generated from underground storage fuel tanks. Since December 2014, the Port Authority and InControl Technologies LLC, have worked on site delineation of the contamination plume and developed the appropriate Texas Commission on Environmental Quality (TCEQ) action plans for the non-aqueous phase liquid (NAPL) recovery. The objective of this project would be to address NAPL groundwater contamination at the 4.48-acre property by installing additional monitoring wells and recovery wells; conducting mobile dual phase extraction events; conducting field sampling and analyzing data; and submitting semi-annual reports to the TCEQ.

Section 60.412 of the Water Code provides that a purchase for an item that can be obtained only from one source is exempt from certain procurement requirements of the Water Code. Port Authority staff has received a written statement from the consulting service and InControl Technologies, LLC is the sole source to conduct a NAPL recovery at the 4.48 acre Port Authority property at the Turning Basin Terminal.

**Staff Evaluation/Justification:**

Based on the size and thickness of the plume, the Port Authority would address the TCEQ's recommendations to take a more aggressive approach to recover the NAPL contamination to the maximum practical extent. InControl Technologies, LLC, has continued to be the site subject-matter experts with ongoing TCEQ required monitoring, NAPL plume delineation, and correspondences with TCEQ on behalf of the Port Authority.

Staff recommends the Port Commission award an environmental consulting services agreement to InControl Technologies, LLC to conduct a NAPL recovery at the 4.48 acre Port Authority property located at the Turning Basin Terminal.

## **I. INFRASTRUCTURE**

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**Subject**                    **4. Amend the professional services contract with Lockwood, Andrews & Newnam, Inc. for re-design services and construction/bid phase services for the rail spur at Bayport Container Terminal Phase 2 in an amount not to exceed \$243,260.**

**Meeting**                    Apr 27, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

**Access**                    Public

**Type**                      Action

**Recommended Action** The Port Commission, at its April 27, 2021 meeting, approve an amendment to the professional services contract with Lockwood, Andrews & Newnam, Inc. for continued re-design services and construction/bid phase services for the rail spur at Bayport Container Terminal Phase 2 in an amount not to exceed \$243,260, and 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. 2021-0223-22, the Port Commission awarded a professional services contract to Lockwood, Andrews & Newnam, Inc. for preliminary re-design services for the rail spur at Bayport Container Terminal Phase 2.

This is the first amendment to this re-design contract.

This proposed amendment would consist of:

- Complete the re-design package to construct the Rail Spur at Bayport Phase 2
- Construction Phase Services

**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.

## **I. INFRASTRUCTURE**

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**Subject**                    **5. Amend a professional services contract with HDR Engineering, Inc. for construction management services for the Beltway 8 site preparation project for the Houston Ship Channel Expansion Channel Improvement Project in an amount not to exceed \$55,000.**

**Meeting**                    Apr 27, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

**Access**                    Public

**Type**                      Action

**Recommended Action** The Port Commission, at its April 27, 2021 meeting, authorize the Port Authority to amend a professional services contract with HDR Engineering, Inc. for construction management services of the Beltway 8 site preparation project for the Houston Ship Channel Expansion Channel Improvement Project (Project) in an amount not to exceed \$55,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

**Category:**

General

**Department:**

Channel Improvement

**Staff Contact:**

Lori Brownell

**Background:**

By Minute No. 2019-1111-06, the Port Commission awarded a contract under Port Authority File No. 2019-0349, to HDR Engineering, Inc. (HDR) to perform professional services for engineering, design, project coordination, and other general assistance for the Houston Ship Channel Expansion Channel Improvement Project (Project 11). The site would be prepared for eventual construction of the dredged material placement area and receipt of material from the Project 11.

This proposed scope amendment would (1) add professional engineering services for construction management of the Beltway 8 site preparation project (i.e., clearing, grubbing, and concrete demolition) and (2) increase the total contract in an amount not to exceed \$55,000.

**Staff Evaluation/Justification:**

As the Engineer of Record, HDR prepared the design and bid package for the Beltway 8 site preparation project and accordingly is the most qualified firm to provide the professional services to manage and support the site preparation activities.

Staff has reviewed the amendment, found it to be fair and reasonable, and recommends approval.

## **I. INFRASTRUCTURE**

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<b>Subject</b>	<b>6. Amend the professional services contract with CAVU International 1, LLC for continuous improvement, process execution checklists development, and operational excellence facilitation in an additional amount not to exceed \$276,000.</b>
Meeting	Apr 27, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 27, 2021 meeting, award a professional services contract to CAVU International 1, LLC for continuous improvement, process execution checklists development, and operational excellence facilitation in an additional amount not to exceed \$276,000, 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:**

Infrastructure

**Staff Contact:**

Rich Byrnes

**Background:**

In December 2017, the Port Authority issued a purchase order for \$23,250 to CAVU International 1, LLC (CAVU) for diagnostic work, which engaged senior leadership and staff in Project and Construction Management (PCM) and other departments, to define priorities for continuous improvement. The diagnostic focused on PCM's team, major job functions, and key processes, and identified opportunities for better standardization, usability, quality, discipline, and reliability.

By Minute No. 2018-0518-00, the Port Commission approved an amendment with CAVU to perform additional services for the Infrastructure Division and PCM department, which manage about 115 projects at any given time, which are in various phases of development from conceptual design through construction and hand-over, and which involve approximately \$100-200 million in total contract value. The stated aspirations of those groups include delivering superior capital efficiency and effectiveness by developing "world-class" skilled people and efficient processes and systems. This goal requires continuous improvement and diligent focus on execution.

This contract is intended to accelerate progress through active facilitation, identification, and prioritization of process improvements and associated behaviors, and implementation of the same.

By Minute No. 2020-0128-28, the Port Commission approved an amendment with CAVU for additional services including infrastructure and commercial divisions Continuous performance improvement.

The prior engagements have been deemed to succeed in improving ownership, accountability, and measurement of work processes as well as a positive influence on company culture and common vocabulary of continuous improvement. Continuous improvement is a port-wide organizational goal, and therefore expanding these techniques to other divisions is the logical next step, thus this current amendment is to extend effort to be applied in the Infrastructure, Commercial, People, and Finance Divisions.

## "Exhibit A"

CAVU is a global provider of services applying proven leadership and operational excellence fundamentals from military and industrial frameworks to complex operating teams, to improve their process performance, compliance, and execution.

Based on the initial diagnostic, CAVU has designed a continuous performance improvement solution that combines:

- Expectations setting and alignment,
- Continuous improvement prioritization, process refinement, and application of "LEAN-Sigma" principles,
- Process execution critical checklist development and performance indicators,
- Situation awareness teamwork and related team behavior's development, and
- Sustaining support and execution mentoring.

**Staff Evaluation/Justification:**

This program is expected to result in a more resilient, collaborative, and effective organization fueled by a strong focus on accountability and ownership.

Staff recommends that the Port Commission authorize the Port Authority to continue to engage the services of CAVU for the next phase of this continuous improvement program.

## **I. INFRASTRUCTURE**

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<b>Subject</b>	<b>7. Approve a change order with McCarthy Building Companies, Inc. to perform additional work associated with the rehabilitation of Wharf 3, construction of electrical infrastructure, and lighter aboard ship (LASH) dock demolition at Barbours Cut Terminal in an amount not to exceed \$73,835.</b>
Meeting	Apr 27, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 27, 2021 meeting, approve a change order with McCarthy Building Companies, Inc. to perform additional work associated with the rehabilitation of Wharf 3, construction of electrical infrastructure, and lighter aboard ship (LASH) dock demolition at Barbours Cut Terminal in an amount not to exceed \$73,835, 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. 2019-0423-21, the Port Commission awarded a construction contract to McCarthy Building Companies, Inc. for the construction of the rehabilitation of Wharf 3, construction of electrical infrastructure, and lighter aboard ship (LASH) dock demolition at Barbours Cut Terminal.

This \$73,835 change order is the sixth change order to this contract for a total change order value to date of \$799,932, which represents an increase of 1.21% to the original contract value. The total small business goal for this project is 16%.

This change order includes the following items:

- Additional work to accommodate proposed fiber optic installation in an existing conduit pathway at the C6 Gate Operations building.
- Additional work to install multi-mode fiber optic infrastructure needed to accommodate the future wharf cranes that will be relocated from Bayport Container Terminal.
- Additional work to remove blockages in an existing communication manhole to allow for the proposed fiber optic installation.
- Purchase and installation of updated network equipment that aligns with current Port Authority Information Technology standards.
- Purchase and installation of a potable water flushing device for the wharf utility vault, for periodic flushing and maintaining water quality.
- Additional work to demolish and reconstruct an existing access manhole, which is original to the wharf structure and no longer structurally sound.

**Staff Evaluation/Justification:**

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

## I. INFRASTRUCTURE

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<b>Subject</b>	<b>8. Enter into a purchase agreement with Lower Brazos River Mitigation Bank to purchase wetland mitigation credits in order to satisfy mitigation requirements for property on the north side of the Bayport Channel in an amount not to exceed \$200,000.</b>
Meeting	Apr 27, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 27, 2021 meeting, authorize the Port Authority to negotiate and enter into a purchase agreement with Lower Brazos River Mitigation Bank to facilitate the purchase of wetland mitigation credits in order to satisfy mitigation requirements for property on the north side of the Bayport Channel in an amount not to exceed \$200,000, 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:**  
General

**Department:**  
Environmental Affairs

**Staff Contact:**  
Trae Camble

**Background:**  
The Port Authority is seeking to purchase wetland mitigation credits to satisfy federal regulations in order to impact Port Authority-owned property in association with The Houston Ship Channel Expansion Channel Improvement Project (Project 11). This action, along with various others, would allow the property to be utilized as necessary as part of the overall Project 11 design.

**Staff Evaluation/Justification:**  
Port Authority staff has been in contact with numerous mitigation banks around the region in order to secure the required credits for this project. The Lower Brazos River Mitigation Bank had the best options available along with a sufficient amount for specific needs. Because of the project's location, the number of banks with applicable credits is greatly reduced.

Staff recommends the Port Commission authorize the Port Authority to negotiate and enter into a Purchase Agreement with Lower Brazos River Mitigation Bank for mitigation credits.

## **I. INFRASTRUCTURE**

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**Subject** 9. Provide the Port Authority's required cost share, in an amount not to exceed of \$7,500,000, and amend the Project Management Plan to support the U.S. Army Corps of Engineers for (i) construction of the Dollar Reef oyster mitigation feature, and (ii) construction oversight of the Port Authority-led construction packages for the Houston Ship Channel Expansion Channel Improvement Project.

**Meeting** Apr 27, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

**Access** Public

**Type** Action

**Recommended Action** The Port Commission, at its April 27, 2021 meeting, authorize staff to provide the Port Authority's required cost share, in an amount not to exceed of \$7,500,000, and amend the Project Management Plan to support the U.S. Army Corps of Engineers for (i) construction of the Dollar Reef oyster mitigation feature, and (ii) construction oversight of the Port Authority-led construction packages for the Houston Ship Channel Expansion Channel Improvement Project (Project), 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:**

Channel Improvement

**Staff Contact:**

Lori Brownell

**Background:**

The Water Resources Development Act of 2020, passed by Congress in December 2020, authorized the Houston Ship Channel Expansion Channel Improvement Project (Project 11). In January 2021, the federal government appropriated \$19.5 million in funding for construction of the first federal contract, for Dollar Reef oyster mitigation. This contract includes the necessary oyster reef mitigation for the National Economic Development portion — Segments 1A, 2, and 3 — of Project 11.

With the federal appropriation of funds for \$19.5 million, a 75% (federal) and 25% (non-federal) cost share requirement, and an engineer's cost estimate now prepared at the 100% design stage, the Port Authority's cost share total is an amount expected not to exceed of \$7,500,000.

The U.S. Army Corps of Engineers (USACE) and the Port Authority are working to amend the July 2020 project management plan (PMP) to include the (i) USACE-led construction and Port Authority cost share for Dollar Reef oyster mitigation and (ii) USACE construction oversight of the Port Authority-led construction packages for Project 11.

**Staff Evaluation/Justification:**

To maintain an accelerated project schedule, it is important to execute this authorization for the required USACE cost share (limited to the Dollar Reef oyster mitigation work) and necessary modifications to the PMP as soon as possible.

Staff recommends the Port Commission authorize the Port Authority to support the required cost share and amended PMP with the USACE, as described above.



## **I. INFRASTRUCTURE**

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**Subject**                    **10. Authorize an agreement with CenterPoint Energy to sell surplus equipment to the Port Authority for an amount not to exceed \$8,000; and reconstruct electrical infrastructure for an amount not to exceed \$42,611 at Barbours Cut Terminal, for a total amount not to exceed \$50,611.**

Meeting                    Apr 27, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access                    Public

Type                      Action

Recommended Action    The Port Commission, at its April 27, 2021 meeting, authorize an agreement with CenterPoint Energy to sell surplus equipment to the Port Authority for an amount not to exceed \$8,000; and reconstruct electrical infrastructure for an amount not to exceed \$42,611 at Barbours Cut Terminal, for a total amount not to exceed \$50,611, 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:**

Channel Improvement

**Staff Contact:**

Lori Brownell

**Background:**

The Water Resources Development Act of 2020, passed by Congress in December 2020, authorized the Houston Ship Channel Expansion Channel Improvement Project (Project 11).

CenterPoint Energy (CenterPoint) provides the electrical supply infrastructure to the Port Authority. Some of the CenterPoint infrastructure (specific to Morgan's Point) will need to be reconfigured to allow Project 11 to proceed, while continuing electrical service to Barbours Cut Terminal, including the fire barracks.

This project includes purchase of CenterPoint infrastructure by the Port Authority, to be reconfigured for Port Authority use. The project also includes services and equipment necessary for CenterPoint to properly terminate existing infrastructure and reconfigure existing and new equipment to assure continued electrical service to the Port Authority. Once reconfiguration is complete, the existing easement will be released by CenterPoint to allow Project 11 to proceed in this vicinity.

Providing lands and easements for Project 11 implementation is a Port Authority responsibility.

**Staff Evaluation/Justification:**

Staff has reviewed the proposed scope and price and found it fair and reasonable.

**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 I-10, Item I-11, and Item I-16, as set forth in the agenda for the meeting of the Port Commission scheduled for April 27, 2021:

Authorize an agreement with CenterPoint Energy to sell surplus equipment to the Port Authority for an amount not to exceed \$8,000; and reconstruct electrical infrastructure for an amount not to exceed \$42,611 at Barbours Cut Terminal, for a total amount not to exceed \$50,611;

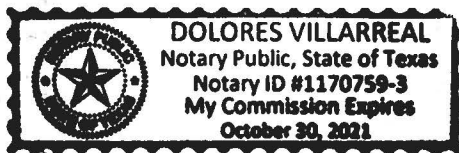
Approve the renewal of the following expiring Port Authority licenses for new ten-year terms: CenterPoint Energy Houston Electric, LLC, CenterPoint Energy Intrastate Pipeline, Inc, CenterPoint Energy Resources Corp, CenterPoint Energy Resources Corp d/b/a CenterPoint Energy Texas Gas Operations, ExxonMobil Pipeline Company, Kinder Morgan 2-Mile, LLC, Kinder Morgan Crude & Condensate LLC, Kinder Morgan Tejas Pipeline LLC, Kinder Morgan Texas Pipeline LLC, and Lone Star NFL Mont Belvieu LP; and

Amend a transmission line license to CenterPoint Energy Houston Electric, LLC to add an additional fiber optic line over the Southside Mainline railroad right-of way.

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, CenterPoint Energy Intrastate Pipeline, Inc, and CenterPoint Energy Resources Corp. d/b/a CenterPoint Energy Texas Gas Operations. 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, 2021.



  
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Notary Public, State of Texas

**I. INFRASTRUCTURE**

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**Subject** 11. Approve the renewal of the following expiring Port Authority licenses for new ten-year terms: CenterPoint Energy Houston Electric, LLC, CenterPoint Energy Intrastate Pipeline, Inc, CenterPoint Energy Resources Corp, CenterPoint Energy Resources Corp d/b/a CenterPoint Energy Texas Gas Operations, ExxonMobil Pipeline Company, Kinder Morgan 2-Mile, LLC, Kinder Morgan Crude & Condensate LLC, Kinder Morgan Tejas Pipeline LLC, Kinder Morgan Texas Pipeline LLC, and Lone Star NFL Mont Belvieu LP.

**Meeting** Apr 27, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

**Access** Public

**Type** Action

**Recommended Action** The Port Commission, at its April 27, 2021 meeting, authorize the Port Authority to approve the renewal of the following expiring licenses for new ten-year terms: CenterPoint Energy Houston Electric, LLC, CenterPoint Energy Intrastate Pipeline, Inc, CenterPoint Energy Resources Corp, CenterPoint Energy Resources Corp d/b/a CenterPoint Energy Texas Gas Operations, ExxonMobil Pipeline Company, Kinder Morgan 2-Mile, LLC, Kinder Morgan Crude & Condensate LLC, Kinder Morgan Tejas Pipeline LLC, Kinder Morgan Texas Pipeline LLC, and Lone Star NFL Mont Belvieu LP, 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:**

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

Company	File No.	License Fee
CenterPoint Energy Houston Electric, LLC	2000-0221	\$1,709
CenterPoint Energy Intrastate Pipeline, Inc	2000-0216	\$6,363
CenterPoint Energy Resources Corp	2001-0054	\$0
CenterPoint Energy Resources Corp d/b/a CenterPoint Energy Texas Gas Operations	2000-0220	\$5,302
CenterPoint Energy Resources Corp d/b/a CenterPoint Energy Texas Gas Operations	2000-0251	\$0
ExxonMobil Pipeline Company	1992-0092	\$5,302
ExxonMobil Pipeline Company	1997-0190	\$1,018,363
Kinder Morgan 2-Mile, LLC	2001-0106	\$15,200
Kinder Morgan Crude & Condensate LLC	2011-0376	\$161,005
Kinder Morgan Tejas Pipeline LLC	2001-0345	\$135,696
Kinder Morgan Tejas Pipeline LLC	2001-0394	\$6,363
Kinder Morgan Texas Pipeline LLC	2001-0208	\$8,837
Kinder Morgan Texas Pipeline LLC	2007-0429	\$165,529
Lone Star NGL Mont Belvieu LP	2001-0182	\$83,662
<b>Total</b>		<b>\$1,613,331</b>

**Staff Evaluation/Justification:**

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

Staff recommends approval.

## **I. INFRASTRUCTURE**

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**Subject**                    **12. Issue a transmission line license to Southwestern Bell Telephone Company for one telecommunication cable over the railroad line adjacent to George Altvater Boulevard at Barbours Cut Terminal.**

**Meeting**                    Apr 27, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

**Access**                    Public

**Type**                    Action

**Recommended Action** The Port Commission, at its April 27, 2021 meeting, authorize the Port Authority to issue a transmission line license to Southwestern Bell Telephone Company for one telecommunication cable over the railroad line adjacent to George Altvater Boulevard at Barbours Cut 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:**

Permits/Licenses/Pipeline Easements

**Department:**

Channel Operations

**Staff Contact:**

Garry McMahan

**Background:**

Southwestern Bell Telephone Company, Port Authority File No. 2021-0068, has applied for a transmission line license for one telecommunication cable over the railroad line adjacent to George Altvater Boulevard at Barbours Cut Terminal, in the John Hunter Survey, A-35.

**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. The \$675 application fee and the \$2,500 as-built deposit have been paid. Staff recommends the license fee be waived since this project would provide service to a Port Authority's tenant, Texas Stevedoring Services.

Staff recommends approval.

## **I. INFRASTRUCTURE**

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**Subject**                    **13. Issue a marine construction permit to Timtom Land Holdings, LLC to perform dock rehabilitation on an existing structure to remove existing monopiles and add new monopiles in the San Jacinto River.**

**Meeting**                    Apr 27, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

**Access**                    Public

**Type**                      Action

**Recommended Action** The Port Commission, at its April 27, 2021 meeting, authorize the Port Authority to issue a marine construction permit to Timtom Land Holdings, LLC to perform dock rehabilitation on an existing structure remove existing monopiles and add new monopiles in the San Jacinto River, 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:**

Timtom Land Holdings, LLC, Port Authority File No. 2021-0071, has applied for a marine construction permit to perform dock rehabilitation on an existing structure to remove existing monopiles and add new monopiles in the San Jacinto River, in the J. Harrell Survey, A-330. The existing dock/deck would be rebuilt to the same specifications as the existing facility. Ten monopiles are proposed to be installed and over 100 monopiles would be removed. No dredging or grading activities are proposed at this time.

**Staff Evaluation/Justification:**

The application was reviewed and approved by the Port Authority's Channel Operations department. The permit is subject to the Port Authority's usual terms and conditions. The \$675 application fee and the \$2,500 as-built deposit have been paid.

Staff recommends approval.

## **I. INFRASTRUCTURE**

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**Subject** 14. Issue a marine construction permit to Cargill, Inc. to deepen its existing berths to -46.5 feet Mean Lower Low Water and authorize the rehabilitation of its existing dock structure in the Houston Ship Channel.

**Meeting** Apr 27, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

**Access** Public

**Type** Action

**Recommended Action** The Port Commission, at its April 27, 2021 meeting, authorize the Port Authority to issue a marine construction permit to Cargill, Inc. to deepen its existing berths to -46.5 feet Mean Lower Low Water and authorize the rehabilitation of its existing dock structure in the Houston Ship Channel, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

**Category:**

Permits/Licenses/Pipeline Easements

**Department:**

Channel Operations

**Staff Contact:**

Garry McMahan

**Background:**

Cargill Inc., Port Authority File No. 2021-0089, has applied for a marine construction permit to deepen its existing berths to -46.5 feet Mean Lower Low Water (MLLW) and authorize the rehabilitation of its existing dock structure in the Houston Ship Channel, in the William Harris and D. Carpenter Survey, A-28. The rehabilitation of the existing dock was started in June 2016 and was completed in September 2017. The existing berths will be deepened from -43.5 feet MLLW to -46.5 feet MLLW to support larger vessels and shipping operations

**Staff Evaluation/Justification:**

The application was reviewed and approved by the Port Authority's Channel Operations department. The permit is subject to the Port Authority's usual terms and conditions. The \$675 application fee and the \$2,500 as-built deposit have been paid.

Staff recommends approval.



## **I. INFRASTRUCTURE**

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**Subject**                    **15. Amend a pipeline license issued to Equistar Chemicals, LP to remove the existing pipeline and relocate a new pipeline to a greater depth across Cedar Bayou.**

Meeting                    Apr 27, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access                    Public

Type                    Action

Recommended Action    The Port Commission, at its April 27, 2021 meeting, authorize the Port Authority to amend a pipeline license issued to Equistar Chemicals, LP to remove the existing pipeline and relocate a new pipeline to a greater depth across Cedar Bayou, 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:**

Equistar Chemicals, LP, Port Authority File No. 1999-0055, has applied to amend a pipeline license to remove the existing pipeline and relocate a new pipeline to a greater depth across Cedar Bayou, in the William Scott Survey, A-65.

The new pipeline would follow the same path as the previously authorized pipeline but at a greater depth, to accommodate the U.S. Army Corps of Engineers channel improvement project for Cedar Bayou.

**Staff Evaluation/Justification:**

The application was reviewed and approved by the Port Authority's Channel Operations department. The license is subject to the Port Authority's usual terms and conditions and at a fee of \$419. The \$675 application fee and the \$2,500 as-built deposit have been paid.

Staff recommends approval.

## **I. INFRASTRUCTURE**

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**Subject** 16. Amend a transmission line license to CenterPoint Energy Houston Electric, LLC to add an additional fiber optic line over the Southside Mainline railroad right-of way.

**Meeting** Apr 27, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

**Access** Public

**Type** Action

**Recommended Action** The Port Commission, at its April 27, 2021 meeting, authorize the Port Authority to amend a transmission line license to CenterPoint Energy Houston Electric, LLC to add an additional fiber optic line over the Southside Mainline railroad right-of-way, 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 (CenterPoint), Port Authority File No. 2013-0013, has applied to amend a transmission line license to add an additional fiber optic line over the Southside Mainline railroad right-of-way, in the GM Patrick Survey, A-624. The new fiber line would be used for CenterPoint operations and reliability purposes.

**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 \$328. The \$675 application fee and the \$2,500 as-built deposit have been paid.

Staff recommends approval.

## **I. INFRASTRUCTURE**

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**Subject**                    **17. Approve a private adjacency barge fleeting lease agreement with and issue a marine construction permit to SJI Group, LLC for approximately 12.95 acres of submerged lands in the Alexander Island Barge Channel at a monthly rental amount of \$3,885 for a ten-year term.**

**Meeting**                    Apr 27, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

**Access**                    Public

**Type**                      Action

**Recommended Action** The Port Commission, at its April 27, 2021 meeting, authorize the Port Authority to approve a private adjacency barge fleeting lease agreement and a marine construction permit with SJI Group, LLC for approximately 12.95 acres of submerged lands in the Alexander Island Barge Channel at a monthly rental amount of \$3,885 for a ten-year term, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

**Category:**

Leases

**Department:**

Channel Operations

**Staff Contact:**

Garry McMahan

**Background:**

SJI Group, LLC, Port Authority File No. 2019-0255, has applied for a private adjacency submerged lands lease agreement and a marine construction permit for approximately 12.95 acres of barge fleeting in the Alexander Island Barge Channel.

**Staff Evaluation/Justification:**

The application was reviewed and approved by the Port Authority's Channel Operations department. The lease would be entered into pursuant to the Port Authority's submerged lands lease terms and conditions for a rental amount of \$3,885 per month for a ten-year term, pursuant to the fee schedule for private adjacency submerged lands leases set by the Port Commission. The lease agreement is to be issued subject to the Port Authority's usual terms and conditions.

Staff recommends approval.

## **J. OPERATIONS**

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**Subject**                    **1. Award a contract to Davey Coach Sales, Inc. for the purchase of two used shuttle buses for Bayport Container Terminal in an amount not to exceed \$87,100.**

**Meeting**                    Apr 27, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

**Access**                    Public

**Type**                      Action

**Recommended Action** The Port Commission, at its April 27, 2021 meeting, award a contract to Davey Coach Sales, Inc. for the purchase of two used shuttle buses for Bayport Container Terminal in the amount not to exceed \$87,100, 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 two 15-passenger vans operating at Bayport Container Terminal. These vans are 2011 and 2016 models and have limited useful life remaining, needing much maintenance to maintain their functionality. These vehicles transport 10 to 15 operators to/from the Administration building and rubber tyred gantry (RTG) cranes three times daily, resulting in a high level of wear to the vehicle engine and interior. According, staff recommends that these vans be replaced with shuttle vans, to allow for easier entry/exit by users.

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. Ten vendors downloaded the project materials from BuySpeed.

**Staff Evaluation/Justification:**  
On April 27, 2021, three RFPs were received. The responses were reviewed and evaluated by staff in accordance with the published selection criteria.

Following staff Executive Committee review, staff recommends that the Port Authority award a contract to Davey Coach Sales, Inc. and act as otherwise described above.

## J. OPERATIONS

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<b>Subject</b>	<b>2. Award a two-year contract to Marine Tekno Services LLC for repair services to radiators, air, and fuel coolers for terminal equipment at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal in an amount not to exceed \$300,000.</b>
Meeting	Apr 27, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 27, 2021 meeting, award a two-year contract to Marine Tekno Services LLC for repair services for radiators, air, and fuel coolers for terminal equipment at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal in an amount not to exceed \$300,000, 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. 2019-0129-27, the Port Commission awarded a two-year contract to DWGSR, Inc. dba Don's Radiator Shop in the amount of \$200,000 for repair services to radiator, air, and fuel coolers for terminal equipment at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal. Repairs to radiators, air, and fuel coolers are needed to maintain Port Authority assets and meet operational demands at all three facilities. The Port Authority currently owns one-hundred and seven rubber tyred gantry (RTG) cranes and hundreds of terminal equipment items that periodically require repair services under this contract.

The Port Authority notified vendors regarding its request for competitive sealed bids (CSBs) using the Port Authority's BuySpeed Procurement System, and the project was advertised on the Port Authority's website and in a local newspaper. Five vendors downloaded the project materials from BuySpeed.

**Staff Evaluation/Justification:**

On March 17, 2021, three CSB responses were received and opened. The responses were reviewed and evaluated by staff in accordance with the published selection criteria in the CSB.

Following staff Executive Committee review, staff recommends that the Port Authority award a two-year contract to Marine Tekno Services LLC, the responsible bidder submitting the lowest and best bid, for repair services to radiators, air, and fuel coolers for terminal equipment at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal.

## J. OPERATIONS

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<b>Subject</b>	<b>3. Award a three-year contract to Bubenzer Bremsen America, LLC dba Pintsch Bubenzer USA, the sole source provider, for the purchase of spare and replacement Pintsch Bubenzer brake parts for wharf and rubber tyred gantry cranes at Barbours Cut Terminal and Bayport Container Terminal in an amount not to exceed \$1,500,000.</b>
Meeting	Apr 27, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 27, 2021 meeting, award a three-year contract to Bubenzer Bremsen America, LLC dba Pintsch Bubenzer USA, the sole source provider, for the purchase of spare and replacement Pintsch Bubenzer brake parts for wharf and rubber tyred gantry (RTG) cranes at Barbours Cut Terminal and Bayport Container Terminal, in an amount not to exceed \$1,500,000, 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. 2018-0130-39, the Port Commission awarded a three-year contract to Bubenzer Bremsen America, LLC dba Pintsch Bubenzer USA in the amount of \$1,200,000 for the purchase of spare and replacement Pintsch Bubenzer brake parts for wharf and rubber tyred gantry (RTG) cranes at Barbours Cut Terminal and Bayport Container Terminal. The Port Authority currently owns twenty-four wharf and one hundred and seven RTG cranes in operation at both terminals that are equipped with Pintsch Bubenzer brakes for various crane functions such as gantry, trolley, main hoist, and boom hoist.

Additionally, three wharf and nine RTG cranes are scheduled to arrive at Bayport Container Terminal in 2021. These cranes are also equipped with Pintsch Bubenzer brakes.

The ability to expedite procurement of spare and replacement brake parts for these cranes is critical to efficient terminal operations. Replacement and spare parts would be purchased through this contract as needed to properly maintain these cranes and minimize operational downtime.

Section 60.412 of the Water Code provides that a purchase for an item that can be obtained only from one source is exempt from certain procurement requirements of the Water Code. Port Authority staff has received a written statement from the manufacturer confirming that Bubenzer Bremsen America, LLC dba Pintsch Bubenzer USA is the sole authorized source of replacement Pintsch Bubenzer brake parts in the United States.

**Staff Evaluation/Justification:**

Staff recommends the Port Commission approve entering into a new three-year contract with Bubenzer Bremsen America, LLC dba Pintsch Bubenzer USA for the purchase of spare and replacement Pintsch Bubenzer brake parts for wharf and RTG cranes effective May 1, 2021.

## **J. OPERATIONS**

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**Subject** 4. Issue a purchase order to Caldwell Country Chevrolet for the purchase of forty-five vehicles needed by the Barbours Cut Terminal, Bayport Container Terminal, Central Maintenance, Safety, Project and Construction Management, Security, and Port Police departments, using Local Government Purchasing Cooperative's BuyBoard, a cooperative purchase program, in a total amount not to exceed \$1,448,000.

**Meeting** Apr 27, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

**Access** Public

**Type** Action

**Recommended Action** The Port Commission, at its April 27, 2021 meeting, issue a purchase order to Caldwell Country Chevrolet for the purchase of forty-five vehicles needed by the Barbours Cut Terminal, Bayport Container Terminal, Central Maintenance, Safety, Project and Construction Management, Security, and Port Police departments, using Local Government Purchasing Cooperative's BuyBoard, a cooperative purchase program, in a total amount not to exceed \$1,448,000, 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.

**Category:**

Award, Amendments & Change Orders

**Department:**

Maintenance

**Staff Contact:**

Paulo Soares

**Background:**

The Central Maintenance department, with recommendations from the Barbours Cut Terminal, Bayport Container Terminal, Safety, Project and Construction Management, Security, and Port Police departments has prepared specifications for new and replacement vehicles to promote a safe work environment and cost-effective operations. Staff believes that a total of forty-five vehicles will be needed for 2021, including twenty-two units for Barbours Cut Terminal (depts. 127 and 128), eight for Bayport Container Terminal (dept. 131), five for Central Maintenance, one for Safety, four for Project and Construction Management, two for Security, and three for Port Police.

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.

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

**Staff Evaluation/Justification:**

Staff has compared vehicle prices obtained from local and non-local dealerships, taking into consideration the statutory competitive procurement requirements, and has also determined that purchasing these vehicles using the cooperative purchasing program of BuyBoard provides the best value to the Port Authority. BuyBoard websites list several pre-approved dealerships, and staff has reviewed the vehicle specifications from these providers, and determined that Caldwell Country Chevrolet is the vendor with the best price for vehicles and meets the Port Authority's requirements.

Staff recommends that the Port Commission approve a purchase order to Caldwell Country Chevrolet for the purchase of forty-five Chevrolet vehicles.

## **J. OPERATIONS**

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<b>Subject</b>	<b>5. Authorize additional purchase order funding for continuing pandemic response services with Ambassador Services, LLC for \$720,000.</b>
Meeting	Apr 27, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 27, 2021 meeting, authorize additional purchase order funding for continuing pandemic response services with Ambassador Services, LLC for \$720,000, 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:**

Port Operations

**Staff Contact:**

Paulo Soares

**Background:**

The COVID-19 pandemic continues to impact Port Authority operations and employees and require staff to make emergency purchases.

Water Code Section 60.4035(a)(1) permits the Executive Director and authorized officers to make emergency purchases and contracts in amounts that exceed \$50,000 if necessary to, among other things, "to preserve or protect the public health and safety of the residents of the district." As the Port Commission has been advised, Port Authority staff has concluded that this statute permits these COVID-19 procurements without the customary competitive procedures or prior to Port Commission approval, and staff has endeavored to notify the Port Commission within forty-eight hours of such purchases as required.

At its April and May 2020 meetings, the Port Commission ratified previous COVID-19 emergency procurements that totaled more than \$50,000. Additional emergency funding has followed.

Ambassador Services, LLC provides general cleaning services at the container terminals pursuant to two contracts totaling \$800,000 that were previously approved by the Port Commission. Since mid-March 2020, additional services have been provided by the firm on a weekly basis, for disinfecting and sanitizing both facilities. To continue these services:

- At the May 20, 2020 meeting the Port Commission approved an additional \$560,000;
- At the July 30, 2020 meeting the Port Commission authorized an additional \$450,000;
- At the September 29, 2020 meeting the Port Commission authorized an additional \$600,000;
- At the November 10, 2020 meeting the Port Commission authorized an additional \$450,000; and
- At the January 26, 2021 meeting the Port Commission authorized an additional \$750,000.

**Staff Evaluation/Justification:**

Accordingly, with the continuing need for emergency services related to the Port Authority's COVID-19 response efforts, staff requests that the Port Commission authorize the following additional purchase order amount:

- Ambassador Services, LLC - \$720,000 for disinfecting and sanitizing.



## "Exhibit A"

This request would help Port Operations continue to procure these emergency services reliably and efficiently through the end of July. However, the nature of emergency management and the duration of this specific pandemic response are unpredictable, hence future requests for additional funding may be required.

## J. OPERATIONS

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**Subject**                    **6. Ratify emergency purchase orders to Anixter, Inc. for purchase of electrical cables in an amount not to exceed \$1,036,020 for Bayport Container Terminal and to Power Line Solutions, Inc. for purchase of installation and electrical contracting work at Bayport Container Terminal in an amount not to exceed \$1,000,936.**

**Meeting**                    Apr 27, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

**Access**                    Public

**Type**                      Action

**Recommended Action** The Port Commission, at its April 27, 2021 meeting, ratify emergency purchase orders to Anixter, Inc. for purchase of electrical cables in an amount not to exceed \$1,036,020 for Bayport Container Terminal and to Power Line Solutions, Inc. for purchase of installation and electrical contracting work at Bayport Container Terminal in an amount not to exceed \$1,000,936, 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:**  
Port Operations

**Staff Contact:**  
Paulo Soares

**Background:**  
Water Code Section 60.4035 permits the Executive Director and authorized officers to make emergency purchases and contracts in amounts that exceed \$50,000 without the customary competitive procedures or prior to Port Commission approval if necessary to, among other things, preserve the property of the district in the case of a public calamity and repair unforeseen damage to the property of the district, provided that staff has endeavored to notify the Port Commission within forty-eight hours of such purchases as required.

Bayport Container Terminal was designed with three electrical loops that supply power to wharf cranes (six cranes per loop) and two electrical loops that supply power to all terminal buildings, gates, and high mast lighting. These five loops originate at the 138KV substation in the vicinity and are routed underground to various electrical switches throughout the terminal. These loops, when in operation, provide redundancy to power distribution at Bayport.

Prior to the winter storm that took place in February 2021, the Port Authority had lost use of one loop supplying power to the wharf cranes and one loop supplying power to the terminal buildings, due to damage to the underground cables. Without such redundancy, terminal operation became significantly exposed to power outages.

As Texas faced record-low temperatures this February, unanticipated blackouts afflicted millions of Texans, including the Port Authority. During the winter storm, a second of the three crane loops was lost due to a short circuit. As a result, six wharf cranes were without power from February 16 through March 1, severely impacting the Port Authority's ability to provide service to its customers.

The unprecedented February 2021 power crisis alerted staff to the possibility of an unanticipated power outage outside of hurricane season and the need to immediately restore redundancy in the electrical loops

## "Exhibit A"

servicing the wharf cranes and buildings at Bayport Container Terminal. Following this event, staff worked quickly and diligently to verify the proper route of the necessary replacement loops and the amount of cable required for purchase.

Port Authority staff obtained estimates both for electrical contractor work, and to purchase an electrical cable. As a result, staff arranged for Anixter, Inc. to supply the needed electrical cable for a proposed amount of \$1,036,020, and for Power Line Solutions, Inc. to do the necessary installation and electrical contracting work at a proposed amount of \$1,000,936. Staff contacted these vendors because they currently have formal contracts with the Port Authority, competitively bid and previously approved by the Port Commission by Minutes Nos. 2018-0925-45 (Anixter, Inc.) and 2020-0128-45 (Power Line Solutions, Inc.).

### **Staff Evaluation/Justification:**

Staff informs the Port Commission that purchase orders to Anixter, Inc. in the total amount of \$1,036,020, to supply the Port Authority with electrical cables, and to Power Line Solutions, Inc. in the total amount of \$1,000,939, for electrical contracting have been issued in accordance with Water Code Section 60.4035. Accordingly, staff requests that the Port Commission ratify these purchase orders.

## J. OPERATIONS

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**Subject** 7. Authorize payment to Navis LLC for annual maintenance services for the Marine Terminal Management Software System for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal in an amount not to exceed \$773,268.

**Meeting** Apr 27, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

**Access** Public

**Type** Action

**Recommended Action** The Port Commission, at its April 27, 2021 meeting, authorize payment to Navis LLC for annual maintenance services for the Marine Terminal Management Software System for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal pursuant to the current contract between Navis LLC and the Port Authority, for a one-year term beginning July 1, 2021 in an amount not to exceed \$773,268, 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:**

Operations

**Staff Contact:**

Jeff Davis

**Background:**

By Minute No. 2001-0326-32, a contract (Contract) was awarded to Navis LLC to provide for the implementation and maintenance of a marine terminal management software system (Management Software System) for use at Port Authority terminals. The Management Software System is currently used by the Operations Department to manage the Port Authority's Barbours Cut Terminal, Bayport Container Terminal, Turning Basin Terminal, and by the Accounting Department for billing at these terminals. Since expiration of the initial one-year maintenance term, the Port Commission has approved each subsequent annual maintenance renewal. The current annual maintenance term is due to expire on June 30, 2021.

**Staff Evaluation/Justification:**

The Contract describes the year-to-year maintenance services that are required to be performed and sets forth the maintenance fee for each one-year maintenance term. The maintenance fee for each one-year term is based upon the combined annual through-put (TEU) at the container terminals and tonnage for the general cargo facilities for the immediately preceding year, plus six fixed amounts associated to additional licensed software modules. Staff has been advised that based upon the through-put for the immediately preceding year, the maintenance fee for July 1, 2021 through June 30, 2022 will be in an amount not to exceed \$773,268.

Staff recommends the Port Commission authorize payment to Navic LLC for annual maintenance services for the Marine Terminal Management Software System for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal.

## **J. OPERATIONS**

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**Subject**                    **8. Approve a new Subrule 118 to Tariff 14 for a charge of \$65.74 for every container lifted at the ramp point from or to a rail car to or from a chassis.**

**Meeting**                    Apr 27, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

**Access**                    Public

**Type**                      Action

**Recommended Action** The Port Commission, at its April 27, 2021 meeting, approve a new Subrule 118 to Tariff 14 for a charge of \$65.74 for every container lifted at the ramp point from or to a rail car to or from a chassis and make related adjustments to Subrule 104 to delete obsolete language, 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:**

General

**Department:**

Operations

**Staff Contact:**

Jeff Davis

**Background:**

In connection with the intended future development of intermodal rail service at Barbours Cut Terminal, staff recommends a charge of \$65.74 for every container lifted at the ramp point from or to a rail car to or from a chassis. The chassis shall be supplied by the party ordering the service.

**Staff Evaluation/Justification:**

Staff recommends the Port Commission approve the above on the terms described.

## **J. OPERATIONS**

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**Subject** 9. Approve a twenty-year lease with C&C Houston Bayport of a 21.53-acre parcel of land at Bayport Container Terminal Complex south of Port Road for a rental amount of \$36,687.12 per month with a right of first refusal for the adjacent 8.29 acre tract.

**Meeting** Apr 27, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

**Access** Public

**Type** Action

**Recommended Action** The Port Commission, at its April 27, 2021 meeting, approve a twenty-year lease with a commencement date of May 1, 2021 with C&C Houston Bayport (Tenant) of a 21.53-acre parcel of land at Bayport Container Terminal Complex south of Port Road for a rental amount of \$36,687.12 per month (\$1,704 per acre per month), with a right of refusal for the adjacent 8.29 acre 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.

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

**Category:**

General

**Department:**

Operations

**Staff Contact:**

Jeff Davis

**Background:**

Tenant would use the leased premises to serve as an empty handling container/chassis and maintenance and repair yard.

A future amendment to this lease is expected to be presented to the Port Commission for connection of utilities by C&C Bayport Houston, with reimbursement by the Port Authority.

**Staff Evaluation/Justification:**

Staff recommends the Port Commission approve the above on the terms described.

## **J. OPERATIONS**

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**Subject**                    **10. Approve a ten-year lease with CMC Americas LLC of a 22.52-acre parcel of land at Bayport Container Terminal Complex south of Port Road for a rental amount of \$ 38,374.08 per month, with two options each to extend the term five years, exercisable at Tenant's sole option.**

**Meeting**                    Apr 27, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

**Access**                     Public

**Type**                        Action

**Recommended Action** The Port Commission, at its April 27, 2021 meeting, approve a ten-year lease with CMC Americas LLC (Tenant) of a 22.52-acre parcel of land at Bayport Container Terminal Complex south of Port Road for a rental amount of \$ 38,374.08 per month, and with two options each to extend the term five years, exercisable at the Tenant's sole 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.

**Category:**

General

**Department:**

Operations

**Staff Contact:**

Jeff Davis

**Background:**

Tenant would use the leased premises to serve as an empty handling container/chassis and maintenance and repair yard.

A future amendment to this lease is expected to be presented to the Port Commission for connection of utilities by CMC Americas LLC with reimbursement by the Port Authority.

**Staff Evaluation/Justification:**

Staff recommends the Port Commission approve the above on the terms described.

## **J. OPERATIONS**

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**Subject**                    **11. Approve a second amendment to the lease between the Port Authority and Lansing Trade Group, LLC for the Houston Public Grain Elevator No. 2, for an extension term of one-year to commence no earlier than June 1, 2021, for a rental rate of \$103,000 per month.**

Meeting                    Apr 27, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access                    Public

Type                    Action

Recommended Action    The Port Commission, at its April 27, 2021 meeting, approve a second amendment to the lease between the Port Authority and Lansing Trade Group, LLC, for the Houston Public Grain Elevator No. 2, extending the lease for an additional one-year term to commence no earlier than June 1, 2021, for a rental rate of \$103,000 per month, providing for payment by the Port Authority of up to \$500,000 per year for certain capital improvements, providing for an abatement of \$30,000 per month for certain capital improvements, updating the list of capital improvements listed in the lease, and providing for an optional one-year extension option (with a rental rate of \$106,090 per month), 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:**  
The lease (Port Authority File No. 2018-0150) was previously amended on June 1, 2020, and is currently scheduled to expire on May 31, 2021.

**Staff Evaluation/Justification:**  
Staff recommends the Port Commission approve the above amendment on the terms described.



## **L. PORT SECURITY AND EMERGENCY OPERATIONS**

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<b>Subject</b>	<b>1. Amend the existing purchase order to Motorola Solutions for the purchase of land mobile radio equipment including radios, batteries, chargers, related hardware, and accessories for the Operations, Port Security, and Emergency Operations Departments using the Houston-Galveston Area Council's cooperative purchase program, in an amount not to exceed \$150,000.</b>
Meeting	Apr 27, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 27, 2021 meeting, amend a purchase order to Motorola Solutions for purchase of land mobile radio equipment including radios, batteries, chargers, related hardware, and accessories for the Operations, Port Security, and Emergency Operations Departments using the Houston-Galveston Area Council's cooperative purchase program, in an amount not to exceed \$150,000, 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 Objective 2c. - Enhance efficiency and resilience through innovative technology and other means STRATEGIC GOAL #4 - STEWARDSHIP (Create Greater Value for the Region) Strategic Objective 4b. - Prepare for disruptive events and mitigate their impact

**Category:**

Awards, Amendments, & Change Orders

**Department:**

Emergency Management

**Staff Contact:**

Colin Rizzo

**Background:**

Motorola Land Mobile Radio (LMR) equipment, including handheld, mobile, and base stations, are used daily by Port Authority maintenance and operations personnel, crane operators, and clerks to accomplish their tasks in a safe and efficient manner. The Port Security and Emergency Operations division, including contract security, police, and fire departments, also use Motorola LMR equipment to maintain security at all terminals and respond to incidents and other emergencies. As the vast majority of the approximately 1,000 radios are Motorola products, Motorola parts and accessories are required to service the LMR equipment.

**Staff Evaluation/Justification:**

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

The Director of Procurement Services has determined that using H-GAC cooperative purchasing program for this procurement provides best value to the Port Authority, and Motorola Solutions was determined by staff to best provide the products sought using H-GAC pricing. This equipment will be provided by Motorola Solutions under the pricing schedule obtained from that vendor's contract RA05-18.

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

## **M. TECHNOLOGY**

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**Subject** 1. Issue a purchase order to Netsync Network Solutions for purchase of VMware annual software licensing and software support to the Port Authority's existing Information Technology infrastructure, using Texas Department of Information Resources' cooperative purchase program, in an amount not to exceed \$125,000.

**Meeting** Apr 27, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

**Access** Public

**Type** Action

**Recommended Action** The Port Commission, at its April 27, 2021 meeting, issue a purchase order to Netsync Network Solutions for the purchase and renewal of a one-year contract for annual VMware licensing and support, using Texas Department of Information Resources' cooperative purchase program, in an amount not to exceed \$125,000, 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 Objective 4d. - Support sustainable growth of Port Houston and the greater Port  
Strategic Objective 2c. - Enhance efficiency and resilience through innovative technology and other means

**Category:**

Awards, Amendments & Change Orders

**Department:**

Information Technology

**Staff Contact:**

Ron Farrow

**Background:**

The Port Authority is seeking to obtain renewal of licenses and maintenance for VMware, a software for server and client virtualization. Virtualization allows the Information Technology (IT) Department to reduce hardware expenses and benefit from centralized management of servers that the Port Authority relies on to complete its daily tasks. This includes Navis (N4), automated gate operating system and OCR portal, SharePort, and many other business critical services. IT has been utilizing VMware software for over ten years in support of the Port Authority's virtual technology environment and considers the technology reliable and proven. It is critical to renew these licenses (and maintenance/support) in order to minimize business disruptions.

**Staff Evaluation/Justification:**

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, and the Director of Procurement Services has determined that procuring VMWare licences and maintenance through the DIR purchasing program is the method that both satisfies competitive purchase requirements and provides best value to the Port Authority.

The IT department has determined that the best availability, price, and contract term for the item needed is provided by Netsync Network Solutions under the pricing schedule obtained from that vendor's contract with DIR, and is therefore recommending this purchase.

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