

I N D E X

PORT COMMISSION
OF THE
PORT OF HOUSTON AUTHORITY
OF THE PORTS OF HARRIS COUNTY, TEXAS
December 7, 2021

Minute No.

Event/Action

General

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

Minutes

2021-1207-01 Approve the minutes of the October 26, 2021 Port Commission meeting

Staff Reports

2021-1207-02 Roger Guenther, Executive Director, presented a summary of selected financial and operational matters

Appearances

2021-1207-03 Chairman Campo introduced Captain Jason Smith, U.S. Coast Guard Captain of the Port, who addressed the Port Commission

F. Executive

2021-1207-04 Chairman Campo recognized Tom Heidt to provide a report of selected Executive Division agenda items

2021-1207-05 Enter into a service agreement with the Greater Houston Port Bureau, Inc. to provide vessel traffic movement data (real-time and historical) for a one-year period in the amount of \$80,000, and subscribe to PortXchange Synchronizer for ten users in the amount of \$15,000

2021-1207-06 Approve the Port Authority's membership in the National Association of Waterfront Employers and payment of dues for a period of one year

2021-1207-07 Approve and adopt the proposed Internal Audit 2022 Annual Audit Plan

2021-1207-08 Approve the Internal Audit Charter, effective December 7, 2021

Minute No.

Event/Action

G. Business Equity (no items)

H. Commercial

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| 2021-1207-09 | Chairman Campo recognized Tom Heidt to provide a report of selected Commercial Division agenda items |
| 2021-1207-10 | Approve a lease for a three-year term with Houston Refining LP for approximately 24.7 acres at Block 1, Rosa Allen, effective no earlier than January 1, 2022, at an annual base rent of approximately \$993,532.80 subject to annual escalation of the greater of 3% or the increase in the Consumer Price Index |
| 2021-1207-11 | Approve a lease for a one-year term with a one-year mutual renewal option with Cooper/Ports America, LLC for approximately 9.136 acres at Block 12, Industrial Park East, effective no earlier than January 1, 2022, at an annual base rent of approximately \$248,206.84, subject to annual base rent escalation of 3% |
| 2021-1207-12 | Approve a lease with Cooper/Ports America, LLC for approximately 7.62 acres, at Block 4, Turning Basin Terminal including 33,342 square feet of warehouse space for a one-year term with four consecutive one- year renewal options, effective no earlier than January 1, 2022, at an annual base rent of approximately \$246,116.40, subject to annual escalation of the greater of 3% or the increase in the Consumer Price Index |
| 2021-1207-13 | Approve an amendment to the lease with R. Warehousing & Port Services, Inc. for approximately 8.32 acres at Block 20A, Clinton Drive, to extend the term for one year, effective no earlier than January 1, 2022, at an annual base rent of approximately \$199,601.64, subject to annual escalation of 3% |
| 2021-1207-14 | Approve a revision to the previously-approved amendment to the lease with SESCO Terminals Corp. to change the term from five years to two years |
| 2021-1207-15 | Approve the change of control of South Coast Terminals, LP, a tenant under a lease with the Port Authority |

I. Finance

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| 2021-1207-16 | Chairman Campo recognized Tim Finley to provide a report of selected Finance Division agenda items |
| 2021-1207-17 | Award a five-year contract for third party administration services for the Port Authority's self-insured workers' compensation and liability claims program to AS&G Claims Administration, Inc. |

<u>Minute No.</u>	<u>Event/Action</u>
2021-1207-18	Authorize payment to the Harris County Appraisal District for appraisal services to be provided to the Port Authority for fiscal year 2022 in an amount not to exceed \$405,000, and authorize payment to the Harris County Tax Assessor-Collector for collection services for the 2021 tax year in an amount not to exceed \$1,100,000
	J. Infrastructure
2021-1207-19	Chairman Campo recognized Mr. Heidt to provide a report of selected Infrastructure Division agenda items
2021-1207-20	Approve staff's ranking of vendors and award a professional services contract for condition assessment and planning of water line replacement at South Turning Basin Terminal to the top-ranked proposer: staff ranking – first, RPS Group; second, Freese and Nichols, Inc.; and third, DE Corporation Port Commission adopted the staff-recommended ranking and authorized award
2021-1207-21	Award a construction contract to Dowley Security Systems, Inc. to construct security improvements in connection with the expansion of gate facilities at Barbours Cut Terminal
2021-1207-22	Award a construction contract to Dowley Security System, Inc. to construct security improvements for Container Yard 2 South at Bayport Container Terminal
2021-1207-23	Award a construction contract to Prestique Inc. dba Ranger Roofing for the rehabilitation of Transit Sheds 30-31 at Turning Basin Terminal
2021-1207-24	Award a construction contract to Jerdon Enterprise, LP for annual pavement replacement at Barbours Cut Terminal and Bayport Container Terminal for 2021 and 2022
2021-1207-25	Amend the professional services contract with HDR Architecture, Inc. to perform services for the design of the maintenance complex at Barbours Cut Terminal
2021-1207-26	Amend the professional services contract with Lockwood, Andrews, and Newnam, Inc. for additional Container Yard 1 design services at Bayport Container Terminal
2021-1207-27	Approve a change order with McCarthy Building Companies, Inc. to perform additional work associated with the construction of Wharf 6 at Bayport Container Terminal

<u>Minute No.</u>	<u>Event/Action</u>
2021-1207-28	Amend a professional services contract to PricewaterhouseCoopers Advisory Services, LLC to provide continued strategic decision support and implementation planning for the Houston Ship Channel Expansion Channel Improvement Project
2021-1207-29	Enter into a Memorandum of Understanding and a temporary license with the U.S. Army Corps of Engineers for the placement of maintenance-dredged material from berths at Woodhouse Terminal and Sims Terminal into a federally managed dredged material placement area at a cost of \$312,000 and approve any over-dredge cost at \$3.12 per cubic yard in an amount not to exceed \$62,400
2021-1207-30	Enter into a Memorandum of Understanding and a temporary license with the U.S. Army Corps of Engineers for the placement of maintenance-dredged material from berths at Barbours Cut Terminal into a federally managed dredged material placement area at an estimated cost of \$1,504,000 and approve any over-dredge cost at \$3.76 per cubic yard in an amount not to exceed \$300,800
2021-1207-31	Amend the pipeline relocation reimbursement agreement with Kinder Morgan Texas Pipeline LP (two pipelines) located in Segment 4 of the Houston Ship Channel Expansion Channel Improvement Project to add an additional \$1.9 million in estimated total cost, for which the Port Authority would be responsible for one half the cost
2021-1207-32	Approve the transfer from ExxonMobil Pipeline Company to Enercoast Midstream LLC of a twenty-inch crude oil pipeline license under and across the San Jacinto River
2021-1207-33	Issue a pipeline license to Intercontinental Terminals Company LLC for one 12-inch methanol pipeline under and across the Port Terminal Railroad Association's Southside Mainline railroad right-of-way
2021-1207-34	Issue a transmission line license to Comcast of Houston, LLC for one fiber optic cable line inside Gate 18 near the Southside Wharves
2021-1207-35	Issue a transmission line license to Comcast of Houston, LLC for one fiber optic cable line crossing over the Southside Turning Basin, Block 7, leased to Jacob Stern and Sons, Inc.
2021-1207-36	Issue a transmission line license to Comcast of Houston, LLC for one fiber optic cable line under and across the Port Terminal Railroad Association's Northside Mainline railroad right-of-way

<u>Minute No.</u>	<u>Event/Action</u>
2021-1207-37	Amend a transmission line license to Level 3 Communications, LLC for one fiber optic cable line over the Port Authority's Southside Mainline railroad right-of-way
2021-1207-38	Approve a ten-year Port Authority adjacency barge fleeting lease agreement and a marine construction permit to Albatross Industrial Houston Fund, LP for approximately 11.9 acres of submerged lands in Old River, at an initial monthly base rent of \$3,290, beginning at full operations no later than 18 months after the commencement date and subject to an annual increase of the greater of 3% or the Consumer Price Index

J. Operations

2021-1207-39	Chairman Campo recognized Mr. Heidt to provide a report of selected Operations Division agenda items
2021-1207-40	<p>Approve staff's ranking of vendors and award a two-year contract for purchase of structural inspection services for wharf cranes at Barbours Cut Terminal and Bayport Container Terminal to the top-ranked proposer: staff ranking – first, World International Testing, Inc.; and second, Sparrows Offshore, LLC</p> <p>Port Commission adopted the staff-recommended ranking and authorized award</p>
2021-1207-41	<p>Approve staff's ranking of vendors and award a two-year contract for the purchase of machining services for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal to the top-ranked proposer: staff ranking – first, GearTec, Inc.; and second, Houston Pump and Gear (HPGR), LLC</p> <p>Port Commission adopted the staff-recommended ranking and authorized award</p>
2021-1207-42	Award a two-year contract to Graco Mechanical, Inc. for the purchase of heating, ventilation, air conditioning, plumbing services, and related parts for Barbours Cut Terminal and Bayport Container Terminal
2021-1207-43	Award a two-year contract to A.J. Hurt, Jr., Inc. dba Reladyne for the purchase of unleaded gasoline and ultra-low sulfur diesel for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal
2021-1207-44	Award a two-year contract to Southern Tire Mart for the purchase of rubber-tired gantry (RTG) crane tires and related items for Barbours Cut Terminal and Bayport Container Terminal

<u>Minute No.</u>	<u>Event/Action</u>
2021-1207-45	Award a contract to Power Line Solutions to perform electrical repair services at Bayport Container Terminal
2021-1207-46	Award a contract to Id Solutions, the sole source provider, for equipment, software licensing, and installation services to expand the Transportation Worker Identification Credential (TWIC) reader application to five additional lanes at Barbours Cut Terminal, inclusive of one-year maintenance and support
2021-1207-47	Award a contract to Konecranes, Inc., the sole source provider, for purchase and installation of Konecranes DynAC/DynaHoist Vector II drives and control systems retrofit for four rubber-tired gantry (RTG) cranes at Bayport Container Terminal
2021-1207-48	Approve an amendment with Kalmar, the sole source provider, to authorize payment for annual maintenance services for the Marine Terminal Position Detection Software System for Barbours Cut Terminal and Bayport Container Terminal
2021-1207-49	Issue a purchase order to Rush Bus Centers for the purchase of one 26-passenger bus for Bayport Container Terminal, using the Houston-Galveston Area Council Cooperative Purchase Program
	RCA K11 was amended and approved by Minute Number 2021-1207-
2021-1207-50	Recommendation to issue Stevedore Licenses for one-year terms commencing January 1, 2022, to Agri American Stevedores, LLC; APS Stevedoring, LLC; BBM Terminals Corp.; Ceres Gulf, Inc.; Cooper/Ports America; Gulf Stream Marine, Inc.; Jacintoport International, LLC; Kinder Morgan, Inc.; Marine Terminal Corporation East; Richardson Stevedoring, and Logistics Services, Inc.; Schroder Marine Service; and Suderman Contracting Stevedores, Inc., upon each applicant's satisfactory completion of all requirements and obligations for license issuance
2021-1207-51	Reissue and amend Port Authority Tariff Nos. 8, 14, and 15 covering the Turning Basin Terminals, Barbours Cut Terminal, and Bayport Container Terminal, all effective January 1, 2022 (<i>as amended to remove export storage charges</i>)

K. People

2021-1207-52	Chairman Campo recognized Mr. Heidt to provide a report of selected People Division agenda items
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<u>Minute No.</u>	<u>Event/Action</u>
2021-1207-53	Authorize funding for calendar year 2022, for the payment of claims from the Port Authority's self-funded group medical benefits program for active employees, retirees who are not Medicare-eligible, and eligible dependents
2021-1207-54	Authorize renewal of the agreement with PlanSource Benefits Administration, for employee and retiree benefits and payroll integration services, for an additional one-year period
2021-1207-55	Authorize renewal of the agreement with LinkedIn Corporation, a sole source provider, to provide recruiting and trade marketing access and services for a three-year period
2021-1207-56	Enter into a one-year agreement with the Houston International Seafarers' Center to provide humanitarian services to seafarers whose vessels call at the terminals of the Port Authority, effective January 1, 2022

L. Security and Emergency Operations

2021-1207-57	Chairman Campo recognized Mr. Heidt to provide a report of selected SEO Division agenda items
2021-1207-58	Issue a purchase order to Motorola Solutions for the purchase of land mobile radio equipment including radios, batteries, chargers, related hardware, and accessories for the Operations Division and Port Security and Emergency Operations Division, using the Houston-Galveston Area Council's cooperative purchase program

M. Technology

2021-1207-59	Chairman Campo recognized Mr. Heidt to provide a report of selected Technology Division agenda items
2021-1207-60	Issue a purchase order to Xennex LLC for purchase of Veeam licensing and software renewal, using the United States General Services Administration, an agency of the United States
2021-1207-61	Ratify an emergency purchase order to CDW Government LLC for the purchase of approximately forty printers for Bayport Container Terminal and Barbours Cut Terminal

Recess Open Meeting and Convene Executive Session

Reconvene Open Meeting

2021-1207-62	Motion to authorize the Port Authority to amend the agreements for legal services with (a) Ahmad, Zavitsanos, Anaipakos, Alavi & Mensing P.C.
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Minute No.

Event/Action

(AZA), and (b) J. Kent Friedman, on the terms discussed in Executive Session, and to authorize the Chief Legal Officer to do all things necessary to give effect to the foregoing

Closing Remarks by Chairman and Commissioners

Adjourn Meeting

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

**Houston, Texas
December 7, 2021**

A public meeting of the Port Commission of the Port of Houston Authority of Harris County, Texas was convened on December 7, 2021, at 9:15 a.m., at the Port of Houston Authority Executive Offices, Fourth Floor Boardroom, at 111 East Loop North, Houston, Texas 77029, and via Cisco WebEx. The following commissioners, staff, and counsel were present:

Ric Campo, Chairman
Wendy Cloonan, Commissioner, via WebEx
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 his opening remarks stating that the U.S. Army Corps of Engineers recently issued its 2020 port statistics, and the Houston Ship Channel (HSC) was still number one in total tonnage in the U.S. The HSC handled more than 275 million short tons of cargo in 2020, which exceeded the next largest port by more than 50 million tons. Commerce that flowed through the greater Port of Houston continued to provide tremendous economic impact and jobs for the entire nation.

The ranking highlighted the need to continue making improvements and expediting Project 11 through the widening and deepening of the HSC to ensure sustainable opportunities for the community and industry for generations to come.

Chairman Campo congratulated the Houston Pilots Association for its 100-year anniversary – over the last century the pilots had provided services to foreign and domestic vessels entering and departing the Port of Houston. With 21,000 commercial vessels and more than 247 million tons of cargo in transit each year, the HSC was the busiest waterway in the U.S., provided 3.2 million jobs and contributed \$802 billion to America's yearly economy, and the Houston Pilots were responsible for maneuvering vessels safely and efficiently to and from docks along the ship channel.

Chairman Campo continued: the Port of Houston, and the millions of Americans who relied on the ship channel for their economic livelihood, depended on the pilots to safely and effectively navigate the waters. The origin of the pilots dated back to 1916 when L. Fred Allen and J. William Laughton received gubernatorial appointments as pilots for the Port of Houston and Galveston Bay. The official formation of the Houston Pilots Association occurred five years later in 1921, when four more men were appointed to ensure the safety of ships and their crews traversing the channel.

Chairman Campo offered his thanks to the generations of pilots for their service to the port, the state, and the nation. He specifically congratulated Capt. Robert Thompson who had been re-elected as Presiding Officer for 2022 along with Capt. Clint Winegar and Capt. Stephen Jewell, who would serve as members of its executive committee. The Port Authority appreciated the Houston Pilots and looked forward to continuing a strong working relationship.

Chairman Campo noted that the U.S. Coast Guard had recently hosted its foundation gala in Houston with the commandant and vice commandant in attendance. Over \$1 million was raised for various scholarships and non-funded equipment.

Chairman Campo concluded by emphasizing that Project 11, although an important ongoing project totaling \$1 billion in cost, was not the only project the Port Authority was engaged in. A total of \$1.1 billion was in the budget for investments at the various terminals in order to accommodate the expected future surge in business. Although the cost would be written as Port Authority expense, it would translate into revenue for the region.

Commissioner Corgey noted that he felt that the U.S. Coast Guard was very underappreciated and was happy that the Port Authority supported the foundation.

(2021-1207-01) Chairman Campo called for a motion to approve the minutes of the October 26, 2021 Port Commission meeting. Commissioner DonCarlos moved for approval, seconded by Commissioner Corgey. The minutes were approved as written.

(2021-1207-02) Roger Guenther, Executive Director, presented a summary of selected operational matters.

Mr. Guenther highlighted selected 2021 operating results:

- After a slow start to the year, steel was moving through at a rapid pace with 400,000 tons in November.
- The Port Authority had already exceeded 3 million tons for the year, along with continued imports of commodities like cement, lumber, and containers on general cargo ships.
- Container volume year-to-date was up at the container terminals by more than 16% through November – well beyond the 3 million twenty-foot equivalent unit (TEU) mark for the year.
- Business remained strong with gate transaction records being set:
 - There was a combined container terminal record of 12,205 gate transactions on November 18, 2021.
 - Gate activity remained high with a very reasonable turn time for truckers.

- Dwell times had been reduced from upwards of nine to ten days down to about seven days on import containers.
- Three new ship-to-shore cranes had been loaded on a ship for transit with an anticipated arrival of mid-February 2022.

Mr. Guenther explained that the READY program was the Port Authority's employee recognition program designed to reward employees who demonstrate its core values of Respect, Excellence, Accountability, Diligence, and You, as they incorporated those values into everyday work. The program was designed to reinforce the Port Authority's core values based on peer recognition – employees could be nominated for Respect, Excellence, Accountability or Diligence. Anyone who received awards for all four categories would then receive the "You" award and the letter Y.

Mr. Guenther emphasized that two Port Authority employees recently achieved the "You" designation: Angela Drisdale and Colin Rizzo had each been awarded it along with R, E, A, and D awards. Their achievements were recognized at the meeting by presentations of the Y, the first employees to earn the accomplishment.

Mr. Guenther gave background on each employee and how they received the first four letters of recognition.

- Angela Drisdale (Project & Document Controls Analyst, Technical & Business Analytics Department) was nominated for:
 - Respect by Bridget Elmore in October of 2021, for assisting and helping with the recent Federal Emergency Management Agency (FEMA) audit;
 - Excellence by Bruce Mann in February of 2020, for her commitment to the Port Authority at the Union Pacific's Joint Dispatch Center for the Freight Mobility Externship;
 - Accountability by Lori Brownell in April of 2021, for her assistance with Project 11 bi-weekly meetings by following up on action items, gathering input, and providing overall updates; and
 - Diligence by Brenda Trevino in January of 2019, for the Procurement team's diligent work and positive attitude on the renovation project for the Executive Office Building.
- Colin Rizzo (Manager, Emergency Management Department) was nominated for:
 - Respect by Margot Campbell in April of 2019 for communications from the Port Alert system and caring for the safety of all employees;
 - Excellence by Daniel Spiers in September of 2021 for the Emergency Management team's responses to COVID-19;

- Accountability by Marcus Woodring in April of 2019 for his accountability and immediate response to a critical safety issue after a cell on wheels (COW) at the Barbours Cut Container Terminal quit working; and
- Diligence by Jessica Shaver in April of 2021, for participation on the “Reunited Team,” an internal committee helping lead the effort to return telecommuting employees back to work on site.

(2021-1207-03) Chairman Campo introduced Captain Jason Smith, U.S. Coast Guard Captain of the Port, who addressed the Port Commission.

Capt. Smith thanked the Port Authority for its attendance and participation at the annual gala; it had exceeded all expectations. He wished happy holidays to everyone in attendance and thanked the Port Authority for helping make the Port of Houston a success. Overall, 2021 was a successful year even with increased traffic on the waters. The maritime environment had become increasingly more complex with the supply chain backlog.

Capt. Smith highlighted recent achievements including the Memorandum of Understanding (MOU) with the Port Authority that provided safe harbor to fishing vessels during storms, addressing cybersecurity concerns, and pushing for national best practices in the field, and partnerships with maritime high schools.

Capt. Smith closed by stating that the common theme in the past year had been partnerships, and he thanked the Port Commission for promoting strong cooperation between the Port Authority and the Coast Guard.

(2021-1207-04) Chairman Campo recognized Mr. Heidt to provide a report of selected Executive agenda items.

Mr. Heidt presented Item F1, a service agreement with the Greater Houston Port Bureau to provide vessel traffic movement data. The data was used to bill harbor fees, and the item also included the purchase of PortXchange access, which was used to track vessels at any given time in the channel.

Mr. Heidt proceeded to explain Item F2: the approval of the Port Authority’s membership in the National Association of Waterfront Employers. The association represented U.S. marine terminal operators and the stevedoring industry and provided strong advocacy efforts in Washington which would be beneficial to the Port Authority.

(2021-1207-05) RCA F1 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Cruzot. Chairman Campo, and Commissioners Cloonan,

Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA F1 PASSED.

(2021-1207-06) RCA F2 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Creuzot. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA F2 PASSED.

(2021-1207-07) RCA F3 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Creuzot. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA F3 PASSED.

(2021-1207-08) RCA F4 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Creuzot. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA F4 PASSED.

Mr. Guenther noted that there were no items on the Business Equity agenda.

(2021-1207-09) Chairman Campo recognized Mr. Heidt to provide a report of selected Commercial agenda items.

Mr. Heidt explained that agenda Item H1 was for the approval of a three-year lease with Houston Refining for approximately 24.7 acres that would be used as a parking lot. The Port Authority had a history of leasing the property to Houston Refining for the same purpose, but the proposed three-year term was shorter than in the past, due to the potential for the property to be used in conjunction with Project 11 in the future.

Commissioner Corgey questioned why some of the lease escalations in the agenda items were listed at a flat 3% while others reflected the greater of 3% or the increase in the Consumer Price Index.

Robert Tanner, Senior Director - Real Estate clarified that any of the items that had a flat 3% increase were only for a one-year extension; the multi-year leases reflected an increase of the greater of 3% or the consumer price index (CPI) increase.

Chairman Campo asked which CPI was used when calculating the escalation. Mr. Tanner responded that CPI adjustment was based on a measurement date 90 days prior to the rent adjustment date, and the Atlanta Federal Reserve CPI index was used.

(2021-1207-10) RCA H1 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Creuzot. Chairman Campo, and Commissioners

Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none.
RCA H1 PASSED.

(2021-1207-11) RCA H2 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Creuzot. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none.
RCA H2 PASSED.

(2021-1207-12) RCA H3 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Creuzot. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none.
RCA H3 PASSED.

(2021-1207-13) RCA H4 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Creuzot. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none.
RCA H4 PASSED.

(2021-1207-14) RCA H5 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Creuzot. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none.
RCA H5 PASSED.

(2021-1207-15) RCA H6 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Creuzot. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none.
RCA H6 PASSED.

(2021-1207-16) Chairman Campo recognized Mr. Finley to provide a report of selected Finance agenda items.

Mr. Heidt noted that Item I1 was for the award of a five-year contract for third party administration services for the Port Authority's self-insured workers' compensation and liability program. Item I2 was for an authorization of payment to the Harris County Appraisal District and the Harris County Tax Assessor-Collector for services related to the collection of taxes and the Port Authority's outstanding general obligation bonds.

Commissioner Creuzot noted that AS&G Claims, the vendor for Item I1, had been contracting with the Port Authority since 2010, and questioned why so few responses had been received for the contract bid.

Mr. Heidt explained that there was more than medical cost containment included in the contract; AS&G included the additional services in its bid. Staff would be re-evaluating

the contract before putting it out to bid in the future, to determine how best to receive additional responses.

Chairman Campo stated that breaking contracts up into smaller ones was one way to increase the potential for more responses, although sometimes doing so could be detrimental.

Mr. Heidt explained that many of the services contained within the contract were interconnected, which would mean that, if the contracts were broken up, the various vendors would need to be in constant communication with one another. He questioned if that was the best way to proceed but promised that staff would look into it.

(2021-1207-17) RCA 11 was presented, moved by Commissioner Mease, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgay, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA 11 PASSED.

(2021-1207-18) RCA 12 was presented, moved by Commissioner Mease, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgay, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA 12 PASSED.

(2021-1207-19) Chairman Campo recognized Mr. Heidt to provide a report of selected Infrastructure agenda items.

Mr. Heidt highlighted Item J1: the approval of staff's ranking of vendors for a contract for condition assessment and planning of water line replacement on the southside of the Turning Basin Terminal. This was the next step of the Facility Inspection and Condition Assessment Program (FICAP) process that the Port Authority had been conducting over the past few years. The contract was for a more in-depth assessment of what needed to be done.

Mr. Heidt continued: Item J4 was to award a contract for the rehabilitation of Transit Sheds 30 and 31 at the Turning Basin Terminal: the roofs of the two sheds were leaking and in need of repair.

Item J5 was to award a contract for annual pavement replacement at the Barbours Cut and Bayport Container Terminals; a similar contract was approved previously for the Turning Basin Terminal, and the services were not for paving but rather for patchwork repairs on an as-needed basis.

Mr. Heidt spoke about Items J10 and J11 concurrently. The items pertained to MOUs with the U.S. Army Corps of Engineers for the placement of maintenance-dredged

material from Port Authority berths. The two items were for different Port Authority locations.

In response to Commissioner Creuzot's question about reaching aspiration goals related to the bids for Item J4, Mr. Eriksson suggested that the use of requests for competitive sealed proposals was a better approach than a request for bids. Additionally, as more data was gathered as to the availability of minority- and woman-owned business enterprises (M/WBEs), better goals could be factored into the process.

Mr. Heidt added that the solicitation response was in the form of a bid that had a small business goal of 20%, and the winning vendor was a small business, and Mr. Eriksson added that having a set goal, as in this instance, instead of a weighted goal was another way to configure the solicitation.

In response to Commissioner Mease's question, Mr. Heidt clarified that Item J4 was for the repair of missing sections of roof and not the replacement of the entire roof. Rich Byrnes, Chief Infrastructure Officer, added that replacement of the missing sections was the most cost-effective option.

Commissioner Cloonan commented that Items J2 and J3 were excluded contracts, but the companies awarded the contracts did have M/WBE components. She wanted to see training implemented, and competitive sealed proposals separated out so that data could be obtained.

Mr. Heidt noted that the security aspects of the items made it difficult, as a special license was needed in order to qualify, but the Port Authority wanted to work with M/WBEs to help them get the licenses so that the companies could bid.

(2021-1207-20) RCA J1 was presented. Commissioner Corgie moved for staff's ranking of vendors - first, RPS Group; second, Freese and Nichols, Inc.; and third, DE Corporation, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgie, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J1 PASSED.

(2021-1207-21) RCA J2 was presented, moved by Commissioner Corgie, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgie, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J2 PASSED.

(2021-1207-22) RCA J3 was presented, moved by Commissioner Corgie, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgie, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J3 PASSED.

(2021-1207-23) RCA J4 was presented, moved by Commissioner Corgey, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J4 PASSED.

(2021-1207-24) RCA J5 was presented, moved by Commissioner Corgey, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J5 PASSED.

(2021-1207-25) RCA J6 was presented, moved by Commissioner Corgey, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J6 PASSED.

(2021-1207-26) RCA J7 was presented, moved by Commissioner Corgey, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J7 PASSED.

(2021-1207-27) RCA J8 was presented, moved by Commissioner Corgey, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J8 PASSED.

(2021-1207-28) RCA J9 was presented, moved by Commissioner Corgey, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J9 PASSED.

(2021-1207-29) RCA J10 was presented, moved by Commissioner Corgey, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J10 PASSED.

(2021-1207-30) RCA J11 was presented, moved by Commissioner Corgey, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J11 PASSED.

(2021-1207-31) RCA J12 was presented, moved by Commissioner Corgey, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan,

Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J12 PASSED.

(2021-1207-32) RCA J13 was presented, moved by Commissioner Corgey, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J13 PASSED.

(2021-1207-33) RCA J14 was presented, moved by Commissioner Corgey, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J14 PASSED.

(2021-1207-34) RCA J15 was presented, moved by Commissioner Corgey, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J15 PASSED.

(2021-1207-35) RCA J16 was presented, moved by Commissioner Corgey, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J16 PASSED.

(2021-1207-36) RCA J17 was presented, moved by Commissioner Corgey, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J17 PASSED.

(2021-1207-37) RCA J18 was presented, moved by Commissioner Corgey, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J18 PASSED.

(2021-1207-38) RCA J19 was presented, moved by Commissioner Corgey, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J19 PASSED.

(2021-1207-39) Chairman Campo recognized Mr. Heidt to provide a report of selected Port Operations agenda items.

Mr. Heidt noted that Item K11 would be discussed and voted on separately. He began with Item K1 which was a contract for the purchase of structural inspection services

for wharf cranes. The services were required by the manufacturer to maintain the warranty on the cranes.

Item K4 was for approval of a contract to provide unleaded gasoline and ultra-low sulfur diesel for Barbours Cut and Bayport Container Terminals and the Turning Basin Terminal. The estimate was for 4.3 million gallons of diesel fuel and 1 million of unleaded gasoline.

Item K8 was for the purchase and installation of new hoist drives and control system retrofits on four rubber-tired gantry (RTG) cranes. The Port Authority contracted annually for the services for four different cranes each year, and the cranes needed to be taken out of service each time, and the old parts would be kept as spares should they be needed. Mr. Guenther emphasized that the retrofits were expected to extend the life of the cranes by ten to fifteen years.

Commissioner DonCarlos asked if the retrofits would improve the emissions of the cranes. Mr. Guenther explained that the upgrades would reduce fuel consumption. Separately, the Port Authority was purchasing RTGs with more efficient hybrid technology, and there were opportunities for grant funds as well, related to emissions reduction.

Mr. Heidt explained that Item K11 was for revisions in language to the Port Authority's tariffs. One revision, language related to export storage, was not yet ready. Mr. Heidt asked that Item K11 be amended to remove the export storage portion from the proposed changes to the Port Authority's tariffs.

Commissioner Fitzgerald asked what cargo was affected. Jeff Davis, Chief Port Operations Officer, explained that the bunching of ships caused the Port Authority to receive multiple weekly exports for the same service all at once. This caused freight to dwell at the terminals. More due diligence with the ocean carriers and shippers was required before the language could be revised in the tariff.

(2021-1207-40) RCA K1 was presented. Commissioner Fitzgerald moved for staff's ranking of vendors - first, World International Testing, Inc.; and second, Sparrows Offshore, LLC, seconded by Commissioner Mease. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K1 PASSED.

(2021-1207-41) RCA K2 was presented. Commissioner Fitzgerald moved for staff's ranking of vendors - first, GearTec, Inc.; and second, Houston Pump and Gear (HPGR), LLC, seconded by Commissioner Mease. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K2 PASSED.

(2021-1207-42) RCA K3 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Mease. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K3 PASSED.

(2021-1207-43) RCA K4 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Mease. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K4 PASSED.

(2021-1207-44) RCA K5 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Mease. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K5 PASSED.

(2021-1207-45) RCA K6 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Mease. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K6 PASSED.

(2021-1207-46) RCA K7 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Mease. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K7 PASSED.

(2021-1207-47) RCA K8 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Mease. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K8 PASSED.

(2021-1207-48) RCA K9 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Mease. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K9 PASSED.

(2021-1207-49) RCA K10 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Mease. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K10 PASSED.

RCA K11 was amended and approved by Minute Number 2021-1207-51.

(2021-1207-50) RCA K12 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K12 PASSED.

(2021-1207-51) RCA K11 was presented, as amended, moved by Commissioner Fitzgerald, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K11 PASSED.

(2021-1207-52) Chairman Campo recognized Mr. Heidt to provide a report of selected People agenda items.

Mr. Heidt stated that Item L1 was to authorize funding for the payment of claims from the Port Authority's self-funded group medical benefits program for active employees, retirees who were not Medicare-eligible, and eligible dependents. This was the final step in the ongoing process of the Port Authority's self-funded medical program.

(2021-1207-53) RCA L1 was presented, moved by Commissioner Corgey, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA L1 PASSED.

(2021-1207-54) RCA L2 was presented, moved by Commissioner Corgey, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA L2 PASSED.

(2021-1207-55) RCA L3 was presented, moved by Commissioner Corgey, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA L3 PASSED.

(2021-1207-56) RCA L4 was presented, moved by Commissioner Corgey, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA L4 PASSED.

(2021-1207-57) Chairman Campo recognized Mr. Heidt to provide a report of selected Security and Emergency Operations agenda items.

Mr. Heidt remarked that the single item was for the purchase of land mobile radio equipment including radios, batteries, chargers, related hardware, and accessories for the Port Operations and Port Security and Emergency Operations Divisions.

(2021-1207-58) RCA M1 was presented, moved by Commissioner Mease, seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA M1 PASSED.

(2021-1207-59) Chairman Campo recognized Mr. Heidt to provide a report of selected Technology agenda items.

Mr. Heidt asked for approval of Item N1, the purchase of Veeam licensing and software renewal which was the software used to back up the 341 servers the Port Authority used. Item N2 was for the ratification of an emergency purchase order for the purchase of approximately 40 printers for the Barbours Cut and Bayport Container Terminals.

(2021-1207-60) RCA N1 was presented, moved by Commissioner Mease, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA N1 PASSED.

(2021-1207-61) RCA N2 was presented, moved by Commissioner Mease, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA N2 PASSED.

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

It is now 10:08 a.m. The Port Commission of the Port of Houston Authority of Harris County, Texas will now convene in a closed meeting, as permitted by the Texas Open Meetings Act and Government Code (1) to conduct a private Consultation with Attorneys (*Section 551.071, Texas Open Meetings Act*), including consultations regarding proposed amendments to the agreements for legal services with (a) Ahmad, Zavitsanos, Anaipakos, Alavi & Mensing P.C. and (b) J. Kent Friedman; deliberate regarding (2) Real Estate (*Section 551.072, Texas Open Meetings Act*); (3) Economic Development Negotiations or Incentives (*Section 551.087, Texas Open Meetings Act*); (4) Employment and Evaluation of Public Officers and Employees (*Section 551.074, Texas Open Meetings Act*); and (5) Security-Related Matters (*Sections 418.175-418.183 of the Texas Government Code*,

and Section 551.076, Texas Open Meetings Act). The Port Commission will reconvene in public session after the closed meeting is adjourned.


At 10:22 a.m., Chairman Campo reconvened the open meeting with the following Commissioners, staff, and counsel in attendance:

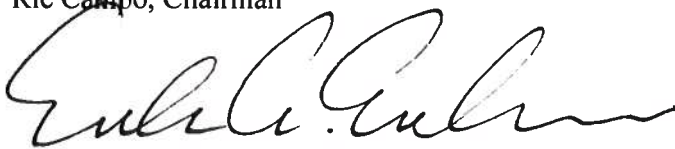
Ric Campo, Chairman
Dean Corgey, Commissioner
Cheryl Creuzot, Commissioner
Stephen DonCarlos, Commissioner
Clyde Fitzgerald, Commissioner
Roy Mease, Commissioner
Roger Guenther, Executive Director
Erik Eriksson, Chief Legal Officer
Tom Heidt, Chief Operating Officer
J. Kent Friedman, outside counsel

(2021-1207-62) Commissioner Corgey moved to authorize the Port Authority to amend the agreements for legal services with (a) Ahmad, Zavitsanos, Anaipakos, Alavi & Mensing P.C., and (b) J. Kent Friedman, on the terms discussed in Executive Session, and to authorize the Chief Legal Officer to do all things necessary to give effect to the foregoing, seconded by Commissioner Mease. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. MOTION PASSED.

At 10:23 a.m., Chairman Campo adjourned the Port Commission meeting.

The above is a correct copy of the Minutes of the December 7, 2021 meeting of the Port Commission of the Port of Houston Authority.



Ric Campo, Chairman

Erik A. Eriksson, Secretary

F. EXECUTIVE

Subject **1. Enter into a service agreement with the Greater Houston Port Bureau, Inc. to provide vessel traffic movement data (real-time and historical) for a one-year period in the amount of \$80,000, and subscribe to PortXchange Synchronizer for ten users in the amount of \$15,000, for a total of \$95,000.**

Meeting Dec 7, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 7, 2021 meeting, enter into a service agreement with the Greater Houston Port Bureau, Inc. to provide vessel traffic movement data (real-time and historical) for a one-year period in the amount of \$80,000, and subscribe to PortXchange Synchronizer for ten users in the amount of \$15,000, for a total of \$95,000, 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 #1 - PEOPLE AND ORGANIZATION \(Be the Best Place to Work\)](#)

Category:

Awards, Amendments & Change Orders

Department:

Executive

Staff Contact:

Tom Heidt

Background:

By Minute No. 2020-1208-06, the Port Commission authorized a service agreement with the Greater Houston Port Bureau, Inc. (GHPB), which expires December 31, 2021.

The GHPB is the non-profit agency representing over 800 organizations in the Texas Gulf maritime community. The GHPB generally serves as one of the Port Authority's links to those member businesses, acts as an advocate on behalf of the Port Authority and its other members, and provides other services to its members.

Staff Evaluation/Justification:

Staff recommends that in 2022 the Port Authority continue to use GHPB services, by entering into a one-year contract to provide vessel traffic movement data (real-time and historical), and subscription services to PortXchange Synchronizer, and when appropriate, to assist the Port Authority in regulatory and economic development matters. These services may also include advice on safety, security, and environmental response issues provided by a prior U.S. Coast Guard Captain of the Port, who now heads up the GHPB.

Separately, staff proposes to continue as a member of the GHPB, and participate in other activities on an individual basis.

F. EXECUTIVE

Subject **2. Approve the Port Authority's membership in the National Association of Waterfront Employers and payment of dues for a period of one year in the amount of \$65,000.**

Meeting Dec 7, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 7, 2021 meeting, authorize the Port Authority's membership in the National Association of Waterfront Employers and payment of dues for a period of one year in the amount of \$65,000, 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:

Government and Public Relations

Staff Contact:

Kerrick Henny

Background:

The National Association of Waterfront Employers (NAWE) is the representative of U.S. marine terminal operators and the stevedoring industry in Washington, D.C., promoting marine cargo efficiency, security and health, a clean environment, international trade, and economic growth through advocacy, education, and industry cooperation. As a port authority and a marine terminal operator, our engagement and alignment with other port authorities and waterfront employers on common interests and issues through NAWE should strengthen needed advocacy at the federal level.

Staff Evaluation/Justification:

Staff recommends that the Port Commission approve a one-year membership in the organization to support the Port Authority's mission.

F. EXECUTIVE

Subject **3. Approve and adopt the proposed Internal Audit 2022 Annual Audit Plan.**

Meeting Dec 7, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 7, 2021 meeting, approve and adopt the proposed 2022 Annual Audit Plan, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

General

Department:

Internal Audit

Staff Contact:

Maxine Buckles

Background:

Section 5007.226(e) of the Texas Special District Local Laws Code requires that the Port Commission "create, approve, and make available on the Port Authority's website a risk-based annual audit plan."

During the third quarter of 2021, the Port Authority's Internal Audit group updated the Annual Risk Assessment (ARA) in accordance with applicable professional auditing standards. Based on the ARA results and input from the Audit Committee and Port Authority staff, Internal Audit drafted a proposed Annual Audit Plan to serve as the primary guide to carry out its audit responsibilities in an efficient manner for the 2022 fiscal year.

Staff Evaluation/Justification:

The proposed Annual Audit Plan was presented to the Audit Committee at its meeting on October 25, 2021.

The plan focuses on the following key areas:

- Infrastructure (e.g., project and construction management);
- Administration and governance (e.g., information security);
- Information Technology (e.g., cybersecurity governance, and inventory management);
- Finance and Accounting (e.g., OPEB, contract compliance, and investments);
- Procurement (e.g., policies and procedures, and interlocal co-op agreements); and
- Entity compliance (e.g., federal regulations, statutes, tariffs, and internal policies).

The plan is a flexible commitment and may be revised during the year with guidance and input from the Audit Committee, input from Port Authority staff based on audit results and findings, and consideration of internal control procedures and assessment of high-risk areas.

Following review of and discussion regarding the draft plan with the Audit Committee, staff recommends the Port Commission approve and adopt the proposed Internal Audit 2022 Annual Audit Plan.

F. EXECUTIVE

Subject 4. Approve the Internal Audit Charter, effective December 7, 2021.

Meeting Dec 7, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 7, 2021 meeting, approve the Internal Audit Charter, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

General

Department:

Internal Audit

Staff Contact:

Maxine Buckles

Background:

The Audit Committee Charter requires that the Audit Committee conduct an annual review of the Internal Audit Charter supporting the Audit Committee and the Port Authority Internal Audit function.

By Minute No. 2021-0928-06, the Port Commission last approved the Port Authority's Internal Audit Charter.

The Internal Audit Charter sets forth the purpose, authority, and responsibilities of the Internal Audit department relating to Port Authority systems and business processes, risk management practices, interaction with the Port Authority's independent auditor, internal control structure, accounting policy, and internal Audit matters, compliance, and reporting.

During the year the incumbent Chief Audit Officer transitioned to a new position within Port Houston. In connection with that, and in conjunction with the process of identifying a new Chief Audit Officer, the Executive Director determined that an administrative reporting change to the Chief Financial Officer (CFO) was prudent. The draft charter reflects that change.

Staff Evaluation/Justification:

The Audit Committee completed its review of the Internal Audit Charter during the October 25, 2021 meeting. The proposed change to the Internal Audit Charter updates the administrative reporting change for the Chief Audit Executive from the Executive Director to the CFO.

The Audit Committee and staff request that the Port Commission approve this modification to the Internal Audit Charter, to reflect this administrative reporting change.

H. COMMERCIAL

Subject **1. Approve a lease for a three-year term with Houston Refining LP for approximately 24.7 acres at Block 1, Rosa Allen, effective no earlier than January 1, 2022, at an annual base rent of approximately \$993,532.80 subject to annual escalation of the greater of 3% or the increase in the Consumer Price Index.**

Meeting Dec 7, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 7, 2021 meeting, approve a lease for a three-year term with Houston Refining LP for approximately 24.7 acres at Block 1, Rosa Allen, effective no earlier than January 1, 2022, at an annual base rent of approximately \$993,532.80, subject to annual escalation of the greater of 3% or the increase in the Consumer Price Index, 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)
STRATEGIC GOAL #4 - STEWARDSHIP (Create Greater Value for the Region)
STRATEGIC GOAL #3 - PARTNERSHIPS (Develop and Strengthen External Partnerships)

Category:
Leases

Department:
Real Estate

Staff Contact:
R.D. Tanner

Background:
Houston Refining LP has requested that the Port Authority lease approximately 24.7 acres at Block 1, Rosa Allen for a three-year term. Houston Refining LP plans to lease the property for parking of employee and contractor vehicles and staging of equipment related to plant turnaround improvements.

Staff Evaluation/Justification:
Staff recommends the Port Commission approve the proposed lease with Houston Refining LP under the terms described above.

H. COMMERCIAL

Subject **2. Approve a lease for a one-year term with a one-year mutual renewal option with Cooper/Ports America, LLC for approximately 9.136 acres at Block 12, Industrial Park East, effective no earlier than January 1, 2022, at an annual of approximately \$248,206.84, subject to annual base rent escalation of of 3%.**

Meeting Dec 7, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 7, 2021 meeting, approve a lease for a one-year term with a one-year mutual renewal option with Cooper/Ports America, LLC for approximately 9.136 acres, which does not include or permit the access or use of Building 55, at Block 12, Industrial Park East, effective no earlier than January 1, 2022, at an annual base rent of approximately \$248,206.84, subject to annual escalation of 3%, 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)
STRATEGIC GOAL #4 - STEWARDSHIP (Create Greater Value for the Region)
STRATEGIC GOAL #3 - PARTNERSHIPS (Develop and Strengthen External Partnerships)

Category:
Leases

Department:
Real Estate

Staff Contact:
R.D. Tanner

Background:
Cooper/Ports America, LLC has requested that the Port Authority lease approximately 9.136 acres at Block 12, Industrial Park East without access or use of Building 55 for a one-year term with a one-year mutual renewal option. Cooper/Ports America, LLC has leased this property since October 1, 2021 under a month-to-month lease, for storage and handling of FAK (Freight All Kinds) cargoes and general cargoes. Cooper/Ports America, LLC plans to use this property for the same purpose under the proposed term lease.

Staff Evaluation/Justification:
Staff recommends the Port Commission approve the proposed lease with Cooper/Ports America, LLC under the terms described above.

H. COMMERCIAL

Subject **3. Approve a lease with Cooper/Ports America, LLC for approximately 7.62 acres, at Block 4, Turning Basin Terminal including 33,342 square feet of warehouse space for a one-year term with four consecutive one-year renewal options, effective no earlier than January 1, 2022, at an annual base rent of approximately \$246,116.40, subject to annual escalation of the greater of 3% or the increase in the Consumer Price Index.**

Meeting Dec 7, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 7, 2021 meeting, approve a lease with Cooper/Ports America, LLC for approximately 7.62 acres, at Block 4, Turning Basin Terminal including 33,342 square feet of warehouse space for a one-year term with four consecutive one-year renewal options, effective no earlier than January 1, 2022, at an annual base rent of approximately \$246,116.40, subject to annual escalation of the greater of 3% or the increase in the Consumer Price Index, 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:
Lease

Department:
Real Estate

Staff Contact:
R.D. Tanner

Background:
Cooper/Ports America, LLC has requested that the Port Authority lease approximately 7.62 acres, with 33,342 square feet of warehouse space, at Block 4, Turning Basin for a one-year term with four consecutive one-year renewal options to be exercised at the discretion of Cooper/Ports America, LLC. Cooper/Ports America, LLC has leased this property since August 6, 2021 under a month-to-month lease for storing and handling of cement sacks and general cargo and desires to convert to a term lease. Cooper/Ports America, LLC plans to use this property for the same purpose under the proposed term lease and has agreed to invest a minimum of \$500,000 in improvements to this property, including grading, stabilization materials, asphaltting of transit buildings floors, building roof, and transit building siding repairs.

Staff Evaluation/Justification:
Staff recommends the Port Commission approve the proposed lease with Cooper/Ports America, LLC under the terms described above.

H. COMMERCIAL

Subject 4. Approve an amendment to the lease with R. Warehousing & Port Services, Inc. for approximately 8.32 acres at Block 20A, Clinton Drive, to extend the term for one year, effective no earlier than January 1, 2022, at an annual base rent of approximately \$199,564.56, subject to annual escalation of 3%.

Meeting Dec 7, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 7, 2021 meeting, approve an amendment to the lease with R. Warehousing & Port Services, Inc. for approximately 8.32 acres at Block 20A, Clinton Drive, to extend the term for one year, effective no earlier than January 1, 2022, at an annual base rent of approximately \$199,564.56, subject to annual escalation of 3%, 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:
Leases

Department:
Real Estate

Staff Contact:
R.D. Tanner

Background:
By Minute No. 2020-1208-10, the Port Commission authorized a one-year lease with R. Warehousing & Port Services, Inc. for approximately 8.32 acres at Block 20A, Clinton Drive. The current lease expires December 31, 2021. The property is used for steel storage and handling.

Staff Evaluation/Justification:
Staff recommends the Port Commission approve the proposed lease amendment and extension.

H. COMMERCIAL

Subject **5. Approve a revision to the previously-approved amendment to the lease with SESCO Terminals Corp. to change the term from five years to two years.**

Meeting Dec 7, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 7, 2021 meeting, approve a revision to the previously-approved amendment to the lease with SESCO Terminals Corp. to change the term from five years to two years, 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)
STRATEGIC GOAL #4 - STEWARDSHIP (Create Greater Value for the Region)
STRATEGIC GOAL #3 - PARTNERSHIPS (Develop and Strengthen External Partnerships)

Category:
Leases

Department:
Real Estate

Staff Contact:
R.D. Tanner

Background:
By Minute No. 2021-0223-07, the Port Commission authorized a one-year lease with SESCO Terminals Corp. (SESCO) for approximately 20,817 square feet out of the Wharf 1 warehouse located at Turning Basin West. The warehouse is used for storage of cement in super sacks or other bagged cement.

By Minute No. 2021-1026-10, the Port Commission authorized an amendment to the lease with SESCO to (i) increase the leased premises to approximately 41,634 square feet and (ii) extend the term for an additional five years. Following the Port Commission's authorization of the amendment, the requested term changed from five years to two years. Due to this change, the amendment did not take effect and staff is re-submitting this recommended action to reflect the change in the requested term.

This amendment with the revised term of two years continues to provide for the new monthly base rent of \$6,939 to retroactively begin on November 1, 2021, which was the effective date of the prior authorized amendment described above.

Staff Evaluation/Justification:
Staff recommends the Port Commission approve the proposed lease amendment to extend the term for an additional two years.

I. FINANCE

Subject **1. Award a five-year contract for third party administration services for the Port Authority's self-insured workers' compensation and liability claims program to AS&G Claims Administration, Inc., in an amount not to exceed \$542,438.**

Meeting Dec 7, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 7, 2021 meeting, award a five-year contract to AS&G Claims Administration, Inc. for third party administration (TPA) services for the Port Authority's self-insured workers' compensation and liability claims program, in an amount not to exceed \$542,438, 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 3b. - Demonstrate transparency and accountability
Strategic Objective 4b. - Prepare for disruptive events and mitigate their impact
STRATEGIC GOAL #4 - STEWARDSHIP (Create Greater Value for the Region)

Category:

Awards, Amendments & Change Orders

Department:

Risk Management

Staff Contact:

Norma Essary

Background:

By Minute No. 2014-1216-24, the Port Commission awarded a contract to AS&G Claims Administration, Inc. (AS&G) to provide TPA services for the Port Authority's self-insured workers' compensation and liability claims program. Services provided under the contract include: (1) administration of workers' compensation, liability, subrogation, and litigation management programs, (2) acting as the Port Authority's workers' compensation agent in Austin for purposes of complying with Chapter 406 of the Texas Labor Code, and (3) risk management, loss prevention, and safety consulting services.

The Port Authority notified vendors regarding its request for proposals (RFPs) for the Port Authority's self-insured workers' compensation and liability claims program using the Port Authority's BuySpeed Eprocurement 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 October 20, 2021, three RFP responses were received and opened. The responses were reviewed and evaluated by staff in accordance with the selection criteria published in the RFP. Two out of the three proposals only provided proposals for Medical Cost Containment services, and the pricing provided was not comprehensive, and only included a pre-authorization review nurse.

Staff identified the following vendors, listed in order of ranking, as most qualified to provide the required services:

- AS&G Claims Administration, Inc. (Full Services - Third Party Administration and Medical Cost Containment)
- Innovative Claims Strategies, LLC (Medical Cost Containment Only)
- MedicusRX (Medical Cost Containment Only)

Following staff Executive Committee review, staff recommends that the Port Commission award a contract to AS&G Claims Administration, Inc. for third party claims administration services for the Port Authority's self-insured workers' compensation and liability program, and act as otherwise described above. AS&G Claims Administration, Inc. is also the incumbent.

I. FINANCE

Subject **2. Authorize payment to the Harris County Appraisal District for appraisal services to be provided to the Port Authority for fiscal year 2022 in an amount not to exceed \$405,000, and authorize payment to the Harris County Tax Assessor-Collector for collection services for the 2021 tax year in an amount not to exceed \$1,100,000.**

Meeting Dec 7, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 7, 2021 meeting, (a) authorize payment to the Harris County Appraisal District for appraisal services to be provided to the Port Authority for fiscal year 2022 in an amount not to exceed \$405,000, (b) authorize payment to the Harris County Tax Assessor-Collector for tax collection services for the 2021 tax year in an amount not to exceed \$1,100,000, and (c) further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Goals [STRATEGIC GOAL #4 - STEWARDSHIP \(Create Greater Value for the Region\)](#)

Category:

General

Department:

Controller

Staff Contact:

Curtis Duncan

Background:

The Harris County Appraisal District provides appraisal services to the Port Authority in connection with its ad valorem taxes. As provided in Section 6.06(d), Texas Property Tax Code, "each taxing unit [e.g., the Port Authority] participating in the [appraisal] district is allocated a portion of the amount of the budget equal to the proportion that the total dollar amount of property taxes imposed in the [appraisal] district by the unit for the tax year in which the budget proposal is prepared bears to the sum of the total dollar amount of property taxes imposed in the [appraisal] district by each participating unit for that year."

In addition, pursuant to statute, the Harris County Tax Assessor-Collector is charged with the assessment and collection of taxes levied on behalf of the Port Authority within the Port Authority's jurisdiction, and receives compensation for such services as agreed to by the Port Commission and Harris County Commissioners Court. In July 2007, the Harris County Commissioners Court adopted a fee schedule, which remains in use at the present time, such that each taxing unit is charged property tax collection fees at the rate of \$1.10 per parcel plus \$0.0275 per hundred dollars of taxable valuation.

Staff Evaluation/Justification:

The Harris County Appraisal District has indicated that the estimated cost allocation to the Port Authority for appraisal services to be provided for fiscal year 2022 is under \$405,000. Staff recommends that the Port Commission authorize payment of such expense, which is usually invoiced and paid in four quarterly installments, the first of which is due by December 31, 2021, in the not to exceed amount referenced above.

The Harris County Tax Assessor-Collector notified the Port Authority that the estimated preliminary property tax collection fees for the 2021 tax year is under \$1,100,000. This fee is normally withheld at the rate of 2.5% from all Port Authority tax collections starting July 2021 until the full amount is collected.

Staff recommends Port Commission authorization of such collection fees, in the not to exceed amount referenced above.

J. INFRASTRUCTURE

Subject **1. Approve staff's ranking of vendors and award a professional services contract in an amount not to exceed \$422,775 for condition assessment and planning of water line replacement at South Turning Basin Terminal to the top-ranked proposer: staff ranking – first, RPS Group; second, Freese and Nichols, Inc.; and third, DE Corporation.**

Meeting Dec 7, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 7, 2021 meeting:
 (a) approve staff's ranking of the most qualified vendor, based on the selection criteria, in the following order – first, RPS Group; second, Freese and Nichols, Inc.; and third, DE Corporation;
 (b) award a professional services contract to RPS Group for condition assessment and planning of water line replacement at South Turning Basin Terminal in an amount not to exceed \$422,775;
 (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:

Project and Construction Management

Staff Contact:

Roger H. Hoh, P.E.

Background:

The scope of work for this project includes:

- Comprehensive review and evaluation of the existing water distribution system along the Southside wharves at Turning Basin Terminal;
- Modeling, field-testing, and engineering analysis to provide design recommendations and construction cost estimates for the Port Authority's consideration; and
- Other specialized tasks to support rehabilitation of the water system, to achieve adequate potable water services and fire protection needs at the wharves.

Staff may request Port Commission authorization at a later date to amend this contract to include detailed design and construction phase services.

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-four vendors downloaded the project materials from BuySpeed.

Staff Evaluation/Justification:

On September 22, 2021, eight 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:

- RPS Group
- Freese and Nichols, Inc.

- DE Corporation

Following staff Executive Committee review, staff recommends that the Port Commission award a contract to RPS Group for the planning and design of water line replacement at South Turning Basin Terminal, and act as otherwise described above.

J. INFRASTRUCTURE

Subject **2. Award a construction contract to Dowley Security Systems, Inc. to construct security improvements in connection with the expansion of gate facilities at Barbours Cut Terminal in an amount not to exceed \$189,406.**

Meeting Dec 7, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 7, 2021 meeting, award a construction contract to Dowley Security Systems, Inc. to construct security improvements in connection with the expansion of gate facilities at Barbours Cut Terminal in an amount not to exceed \$189,406, 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 & Construction Management

Staff Contact:

Roger H. Hoh, P.E.

Background:

This project consists of installation of surveillance cameras, data cabling, and support hardware on high mast poles at the new entry gate and Transportation Worker Identification Credential (TWIC) areas, as well as installation of access security controls in connection with the expansion of gate facilities at Barbours Cut Terminal.

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

Staff Evaluation/Justification:

On November 3, 2021, one CSP was received, opened, and publicly read. The response was reviewed and evaluated by staff in accordance with the published selection criteria.

Following staff Executive Committee review, staff recommends that the Port Commission award a contract to Dowley Security Systems, Inc. and as described above.

J. INFRASTRUCTURE

Subject	3. Award a construction contract to Dowley Security System, Inc. to construct security improvements for Container Yard 2 South at Bayport Container Terminal in an amount not to exceed \$53,157.
Meeting	Dec 7, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its December 7, 2021 meeting, award a construction contract to Dowley Security System, Inc. to construct security improvements for Container Yard 2 South at Bayport Container Terminal in an amount not to exceed \$53,157, 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 & Construction Management

Staff Contact:

Roger H. Hoh, P.E.

Background:

This project consists of installation of surveillance cameras, fiber optic cables, and support hardware on existing poles along the east side of Container Yard 2 South at Bayport Container Terminal.

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

Staff Evaluation/Justification:

On October 27, 2021, one CSP was received, opened, and publicly read. The response was reviewed and evaluated by staff in accordance with the published criteria.

Following staff Executive Committee review, staff recommends that the Port Authority award a contract to Dowley Security System, Inc., as described above.

J. INFRASTRUCTURE

Subject **4. Award a construction contract to Prestique Inc. dba Ranger Roofing for the rehabilitation of Transit Sheds 30-31 at Turning Basin Terminal in an amount not to exceed \$2,460,000.**

Meeting Dec 7, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 7, 2021 meeting, award a construction contract to Prestique Inc. dba Ranger Roofing for the rehabilitation of Transit Sheds 30-31 at Turning Basin Terminal in an amount not to exceed \$2,460,000, 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:

Project & Construction Management

Staff Contact:

Roger H. Hoh, P.E.

Background:

This project consists of repairing damaged and replacing missing sections of roof, and installing an overlay roofing system to the existing roof.

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

Staff Evaluation/Justification:

On October 27, 2021, four CSBs were received, opened, and publicly read. The responses were reviewed and evaluated by staff in accordance with the published criteria.

Staff recommends that the Port Authority award a contract to Prestique Inc. dba Ranger Roofing, the responsible bidder submitting the lowest and best bid, for the rehabilitation of Transit Sheds 30-31 at Turning Basin Terminal.

J. INFRASTRUCTURE

Subject **5. Award a construction contract to Jerdon Enterprise, LP for annual pavement replacement at Barbours Cut Terminal and Bayport Container Terminal for 2021 and 2022 in an amount not to exceed \$2,700,000.**

Meeting Dec 7, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 7, 2021 meeting, award a construction contract to Jerdon Enterprise, LP for annual pavement replacement at Barbours Cut Terminal and Bayport Container Terminal for 2021 and 2022 in an amount not to exceed \$2,700,000, 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:

Project and Construction Management

Staff Contact:

Roger H. Hoh, P.E.

Background:

This project consists of replacing damaged and deteriorating concrete at Barbours Cut Terminal and Bayport Container Terminal for 2021 and 2022.

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

Staff Evaluation/Justification:

On October 20, 2021, four CSBs were received, opened, and publicly read. The responses were reviewed and evaluated by staff in accordance with the published criteria.

Staff recommends that the Port Authority award a contract to Jerdon Enterprise, LP, the responsible bidder submitting the lowest and best bid, for annual pavement replacement at Barbours Cut Terminal and Bayport Container Terminal for 2021 and 2022

J. INFRASTRUCTURE

Subject **6. Amend the professional services contract with HDR Architecture, Inc. to perform services for the design of the maintenance complex at Barbours Cut Terminal in an amount not to exceed \$175,860.**

Meeting Dec 7, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 7, 2021 meeting, approve an amendment to the professional services contract with HDR Architecture, Inc. to perform services for the design of the maintenance complex at Barbours Cut Terminal in an amount not to exceed \$175,860, 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. 2019-0129-15, the Port Commission awarded a professional services contract with HDR Architecture, Inc. to perform services for the design of building program development of the maintenance and administration complex at Barbours Cut Terminal. The option to amend for full design of the maintenance complex was awarded by Minute No. 2019-1022-14 in the amount of \$1,867,017.

This proposed amendment would consist of:

- Additional design services to support the maintenance complex including facility reduction, floor plan modifications, guardhouse and entry gate modifications, fire suppression water tank, and other associated items

Staff Evaluation/Justification:

Staff has reviewed HDR Architecture, Inc.'s proposal and found it to be fair and reasonable and recommends that the Port Commission approve the proposed amendment.

J. INFRASTRUCTURE

Subject **7. Amend the professional services contract with Lockwood, Andrews, and Newnam, Inc. for additional Container Yard 1 design services at Bayport Container Terminal in an amount not to exceed \$308,763.**

Meeting Dec 7, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 7, 2021 meeting, approve an amendment to the professional services contract with Lockwood, Andrews, and Newnam, Inc. for additional Container Yard 1 design services at Bayport Container Terminal in an amount not to exceed \$308,763, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

Category:

Awards, Amendments & Change Orders

Department:

Project and Construction Management

Staff Contact:

Roger H. Hoh, P.E.

Background:

By Minute No. 2018-0925-26, the Port Commission awarded a professional services contract to Lockwood, Andrews & Newnam, Inc. for the plan and design of the construction of the East End at Bayport Container Terminal.

This third amendment of \$308,763 represents an increase of 5.2% over the original contract value.

This proposed amendment would consist of:

- Design services for an additional 15.5 acres at Container Yard 1

Staff Evaluation/Justification:

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

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

J. INFRASTRUCTURE

Subject	8. Approve a change order with McCarthy Building Companies, Inc. to perform additional work associated with the construction of Wharf 6 at Bayport Container Terminal in an amount not to exceed \$72,692.
Meeting	Dec 7, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its December 7, 2021, meeting, approve a change order with McCarthy Building Companies, Inc. to perform additional work associated with the construction of Wharf 6 at Bayport Container Terminal in an amount not to exceed \$72,692, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #2 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)

Category:

Awards, Amendments & Change Orders

Department:

Project and Construction Management

Staff Contact:

Roger H. Hoh, P.E.

Background:

By Minute No. 2021-0223-16, the Port Commission awarded a construction contract to McCarthy Building Companies, Inc. for the construction of Wharf 6 at Bayport Container Terminal.

This is the third change order to this contract for a total change order value to date of \$72,692, 0.98% of the total contract value.

This change order addresses demolition of a discovered concrete drainage swale, compensation for a force majeure event (Hurricane Nicholas), and a constructability issue, by using permanent casing.

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.

J. INFRASTRUCTURE

Subject **9. Amend a professional services contract in an amount not to exceed \$60,000 to PricewaterhouseCoopers Advisory Services, LLC to provide continued strategic decision support and implementation planning for the Houston Ship Channel Expansion Channel Improvement Project.**

Meeting Dec 7, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 7, 2021 meeting, amend a professional services contract in an amount not to exceed \$60,000 for a total of \$429,547 to PricewaterhouseCoopers Advisory Services, LLC to provide continued strategic decision support and implementation planning for the Houston Ship Channel Expansion Channel Improvement 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:

Awards, Amendments & Change Orders

Department:

Channel Improvement

Staff Contact:

Lori Brownell, PE

Background:

Project 11 is the eleventh major Houston Ship Channel (HSC) improvement project and is referred to as the Houston Ship Channel Expansion Channel Improvement Project (HSC ECIP).

By Minute No. 2020-0730-26, the Port Commission authorized the Port Authority to award a professional services consulting contract to provide strategic decision support and implementation planning for the HSC ECIP to PricewaterhouseCoopers Advisory Services, LLC (PWC) in an amount not to exceed \$324,547. An additional amount of \$45,000 for continued services was added to the contract on June 9, 2021, for a total of \$369,547.

Staff Evaluation/Justification:

In the judgment of Port Authority staff, PWC is the most highly qualified consultant to provide continued strategic decision support and implementation planning during the procurement phase for the HSC ECIP to maintain dynamic bidder response framework evaluation, prepare bidder response comparisons and summary level reports, and support project and procurement teams, as needed.

Staff recommends the Port Commission amend the contract in amount not to exceed \$60,000 to PWC.

J. INFRASTRUCTURE

Subject **10. Enter into a Memorandum of Understanding and a temporary license with the U.S. Army Corps of Engineers for the placement of maintenance-dredged material from berths at Woodhouse Terminal and Sims Terminal into a federally-managed dredged material placement area at a cost of \$312,000 and approve any over-dredge cost at \$3.12 per cubic yard in an amount not to exceed \$62,400.**

Meeting Dec 7, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 7, 2021 meeting, authorize the Port Authority to enter into a Memorandum of Understanding and a temporary license with the U.S. Army Corps of Engineers for the placement of maintenance-dredged material from berths at Woodhouse Terminal and Sims Terminal into a federally-managed dredged material placement area at a cost of \$312,000 and approve any over-dredge cost at \$3.12 per cubic yard in an amount not to exceed \$62,400, 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 Operations

Staff Contact:

Garry McMahan

Background:

The U.S. Army Corps of Engineers (Corps) is expected to perform maintenance dredging of the Houston Ship Channel adjacent to Woodhouse Terminal and Sims Terminal in late 2021. Berths at these terminals also require maintenance dredging, to remove siltation since the last maintenance dredging was completed in 2019. The Corps is authorized to perform berth dredging for the Port Authority on a reimbursable basis.

By Minute No. 2021-0525-22, the Port Commission authorized the Port Authority to enter into a Memorandum of Agreement with the Corps to perform this maintenance dredging. The action now requested is to authorize the placement of that dredged material into a dredged material placement area and pay the appropriate fees. The dredged material is expected to be placed into Rosa Allen at a cost of \$312,000. Dredged quantities are estimated and may differ from the actual quantity at the time dredging occurs, due to additional siltation and processing time of the Corps application. This request for Port Commission action is also to authorize the cost, at 3.12 per cubic yard, for quantities over the initial estimated quantity, in an amount not to exceed 62,400.

Staff Evaluation/Justification:

Section 217(b) of the Water Resources Development Act of 1996 (33 U.S.C. 2326a(b)) authorizes the Secretary of the Army to permit the use of dredged material placement facilities under the Secretary's jurisdiction by "Non-Federal Interests" and to impose fees to recover capital, operation, and maintenance costs associated with such use. Use of the Corps dredged material placement area under section 217(b) would significantly reduce placement area federal fees and allow federal fees collected to be returned to the Corps for use on the Houston Ship Channel placement areas.

Staff recommends that the Port Commission authorize this agreement and license.

J. INFRASTRUCTURE

Subject **11. Enter into a Memorandum of Understanding and a temporary license with the U.S. Army Corps of Engineers for the placement of maintenance-dredged material from berths at Barbours Cut Terminal into a federally managed dredged material placement area at an estimated cost of \$1,504,000 and approve any over-dredge cost at \$3.76 per cubic yard in an amount not to exceed \$300,800.**

Meeting Dec 7, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 7, 2021 meeting, authorize the Port Authority to enter into a Memorandum of Understanding and temporary license with the U.S. Army Corps of Engineers for the placement of maintenance dredged material from berths at the Barbours Cut Terminal into a federally managed dredged material placement area at a cost of \$1,504,000 and approve any over-dredge cost at \$3.76 per cubic yard in an amount not to exceed \$300,800, 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 Operations

Staff Contact:

Garry McMahan

Background:

The U.S. Army Corps of Engineers (Corps) is expected to begin maintenance dredging of the Bayport to Morgan's Point reach of the Houston Ship Channel in late 2021. Berths at Barbours Cut Terminal also require maintenance dredging, to remove siltation that has occurred since the last maintenance dredging was completed in 2019. The Corps is authorized to perform berth dredging for the Port Authority on a reimbursable basis.

By Minute No. 2021-0525-21, the Port Commission authorized the Port Authority to enter into a Memorandum of Agreement with the Corps to perform this maintenance dredging. The action now requested is to authorize the placement of that dredged material into a dredged material placement area and pay the appropriate fees. The material is expected to be placed into Placement Area 14 at a cost of \$1,504,000. Dredged quantities are estimated and may differ from the actual quantity at the time dredging occurs, due to additional siltation and processing time of the Corps application. This request for Port Commission action is also to authorize the cost, at \$3.76 per cubic yard, for quantities over the initial quantity, in an amount not to exceed \$300,800.

Staff Evaluation/Justification:

Section 217(b) of the Water Resources Development Act of 1996 (33 U.S.C. 2326a(b)) authorizes the Secretary of the Army to permit the use of dredged material placement facilities under the Secretary's jurisdiction by "Non-Federal Interests" and to impose fees to recover capital, operation, and maintenance costs associated with such use. Use of the Corps dredged material placement area under 217(b) would significantly reduce placement area federal fees and allow federal fees collected to be returned to the Corps for use on the Houston Ship Channel placement areas.

Staff recommends that the Port Commission authorize these agreements.

J. INFRASTRUCTURE

Subject **12. Amend the pipeline relocation reimbursement agreement with Kinder Morgan Texas Pipeline LP (two pipelines) located in Segment 4 of the Houston Ship Channel Expansion Channel Improvement Project to add an additional \$1.9 million in estimated total cost, for which the Port Authority would be responsible for one half the cost, in an amount not to exceed an additional \$950,000.**

Meeting Dec 7, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 7, 2021 meeting, authorize the Port Authority to amend the pipeline relocation reimbursement agreement with Kinder Morgan Texas Pipeline LP (two pipelines) located in Segment 4 of the Houston Ship Channel Expansion Channel Improvement Project to add an additional \$1.9 million, for which the Port Authority would be responsible for one half the cost, in an amount not to exceed an additional \$950,000 in estimated total cost, 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:

Project 11

Department:

Channel Operations

Staff Contact:

Garry McMahan

Background:

As part of Houston Ship Channel Expansion Channel Improvement Project (HSC ECIP), pipelines in conflict with upcoming dredging must be removed and relocated (generally by a lower placement in the channel) in order to meet U.S. Army Corps of Engineers safety requirements. Federal requirements obligate the Port Authority, as the local sponsor, to pay half of the costs of these pipeline relocations.

By Minute No. 2021-0928-30, the Port Commission authorized a reimbursement agreement for pipeline relocation construction with multiple pipeline companies for pipelines in Segment 4 of the HSC ECIP. That action included an amount of \$5.5 million for the estimated cost of relocation construction of two pipelines owned by Kinder Morgan Texas Pipeline LP (Kinder Morgan); the Port Authority would be responsible for half this cost. Additional due diligence and evaluation by Kinder Morgan has resulted in a revised estimate of the construction relocation costs for these two pipelines in an additional \$1.9 million, of which the Port Authority is responsible for half, or an additional \$950,000. Because this amount is an estimate of the construction costs, if the actual amount is higher, Port Authority staff will seek approval for the higher amount, and the Port Authority would be responsible for a smaller amount if the cost is lower than the estimate.

Staff Evaluation/Justification:

Channel Operations department staff recommends the Port Commission approve this amendment of the Kinder Morgan pipeline relocation reimbursement agreement to facilitate continued accelerated progress on the HSC ECIP project.

J. INFRASTRUCTURE

Subject **13. Approve the transfer from ExxonMobil Pipeline Company to Enercoast Midstream LLC of a twenty-inch crude oil pipeline license under and across the San Jacinto River.**

Meeting Dec 7, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 7, 2021 meeting, authorize the Port Authority to approve the transfer from ExxonMobil Pipeline Company to Enercoast Midstream LLC of a twenty-inch crude oil pipeline license under and across 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:

Enercoast Midstream LLC has applied to the Port Authority for transfer from ExxonMobil Pipeline Company of a twenty-inch crude oil pipeline license, Port Authority File No. 2004-0332, under and across the San Jacinto River, in the Josiah T. Harrell Survey, A-330 and the Nathaniel Lynch Survey, A-44.

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 no additional license fee will be charged for this project. The \$675 application fee has been paid.

Staff recommends approval.

J. INFRASTRUCTURE

Subject **14. Issue a pipeline license to Intercontinental Terminals Company LLC for one 12-inch methanol pipeline under and across the Port Terminal Railroad Association's Southside Mainline railroad right-of-way.**

Meeting Dec 7, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 7, 2021 meeting, authorize the Port Authority to issue a pipeline license to Intercontinental Terminals Company LLC for one 12-inch methanol pipeline under and across the Port Terminal Railroad Association's 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:

Intercontinental Terminals Company LLC, Port Authority File No. 2021-0077, has applied for a pipeline license for one 12-inch methanol pipeline under and across the Port Terminal Railroad Association's Southside Mainline railroad right-of-way, west of Independence Parkway, in the George Ross Survey, A-646.

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 \$52,494.50. The \$675 application fee and the \$2,500 as-built deposit have been paid.

Staff recommends approval.

J. INFRASTRUCTURE

Subject **15. Issue a transmission line license to Comcast of Houston, LLC for one fiber optic cable line inside Gate 18 near the Southside Wharves.**

Meeting Dec 7, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 7, 2021 meeting, authorize the Port Authority to issue a transmission line license to Comcast of Houston, LLC for one fiber optic cable line inside Gate 18 near the Southside Wharves, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Operations

Staff Contact:

Garry McMahan

Background:

Comcast of Houston, LLC, Port Authority File No. 2021-0264, has applied for a transmission line license for one fiber optic cable inside Gate 18 near the Southside Wharves, in the John R. Harris Survey, A-27.

Staff Evaluation/Justification:

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

Staff recommends approval.

J. INFRASTRUCTURE

Subject **16. Issue a transmission line license to Comcast of Houston, LLC for one fiber optic cable line crossing over the Southside Turning Basin, Block 7, leased to Jacob Stern and Sons, Inc.**

Meeting Dec 7, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 7, 2021 meeting, authorize the Port Authority to issue a transmission line license to Comcast of Houston, LLC for one fiber optic cable line crossing over the Southside Turning Basin, Block 7, leased to Jacob Stern and Sons, Inc, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Operations

Staff Contact:

Garry McMahan

Background:

Comcast of Houston, LLC, Port Authority File No. 2021-0319, has applied for a transmission line license for one fiber optic cable line crossing over the Southside Turning Basin, Block 7, leased to Jacob Stern and Sons, Inc, in the John R. Harris Survey, A-27.

Staff Evaluation/Justification:

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

Staff recommends approval.

J. INFRASTRUCTURE

Subject **17. Issue a transmission line license to Comcast of Houston, LLC for one fiber optic cable line under and across the Port Terminal Railroad Association's Northside Mainline railroad right-of-way.**

Meeting Dec 7, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 7, 2021 meeting, issue a transmission line license to Comcast of Houston, LLC for one fiber optic cable line under and across the Port Terminal Railroad Association's Northside 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:

Comcast of Houston, LLC, Port Authority File No. 2021-0360, has applied for a transmission line license for one fiber optic cable line under and across the Port Terminal Railroad Association's Northside Mainline railroad right-of-way, east of Federal Road, in the William P Harris & Robert Wilson Survey, A-31.

Staff Evaluation/Justification:

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

Staff recommends approval.

J. INFRASTRUCTURE

Subject **18. Amend a transmission line license to Level 3 Communications, LLC for one fiber optic cable line over the Port Authority's Southside Mainline railroad right-of-way.**

Meeting Dec 7, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 7, 2021 meeting, authorize the Port Authority to amend a transmission line license to Level 3 Communications, LLC for one fiber optic cable line over the Port Authority's 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:

Level 3 Communications, LLC (Level 3), Port Authority File No. 2021-0026, has applied to amend a transmission line license for one fiber optic cable line over the Port Authority's Southside Mainline railroad right-of-way, at Channel City Road, in the Thomas Earle Survey, A-18. This project was previously approved by the Port Commission by Minute No. 2021-0323-20. This amendment would shift the proposed line slightly eastward and elevate the line over the railroad right-of-way.

Level 3 was founded in 1985 and is a communications service provider delivering network and media over a fiber optic content delivery network. Staff is informed that Level 3 ranks as the third (out of six) internet traffic carrier in the world, and is one of the largest internet protocol transit networks in North America and Europe.

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 no additional fee. The \$675 application fee and the \$2,500 as-built deposit have been paid.

Staff recommends approval.

J. INFRASTRUCTURE

Subject **19. Approve a ten-year Port Authority adjacency barge fleeting lease agreement and a marine construction permit to Albatross Industrial Houston Fund, LP for approximately 11.9 acres of submerged lands in Old River, at an initial monthly base rent of \$3,290, beginning at full operations no later than 18 months after the commencement date and subject to an annual increase of the greater of 3% or the Consumer Price Index.**

Meeting Dec 7, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 7, 2021 meeting, authorize the Port Authority to approve a ten-year Port Authority adjacency barge fleeting lease agreement and a marine construction permit to Albatross Industrial Houston Fund, LP for approximately 11.9 acres of submerged lands in Old River, at an initial monthly base rent of \$3,290, beginning at full operations no later than 18 months after the commencement date and subject to an annual increase of the greater of 3% or the Consumer Price Index, 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:

Albatross Industrial Houston Fund, LP (Albatross), Port Authority File No. 2021-0150 (lease), and Port Authority File No. 2020-0151 (marine construction permit), submitted a proposal for a Port Authority adjacency submerged lands lease and marine construction permit to lease 11.9 acres of submerged lands for barge fleeting in Old River, adjacent to the Lost Lake Dredged Material Placement Area.

Albatross proposes a ten-year lease with estimated improvement costs of \$2,700,000 for dredging and mooring structures. Albatross has owned upland property in the vicinity for approximately two years and is currently leasing its upland property to Orion Construction.

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 an initial rental amount of \$3,290 per month for a ten-year term for the Port Authority adjacency lease (negotiated fees). The permit is to be issued subject to the Port Authority's usual terms and conditions.

Staff recommends approval.

K. OPERATIONS

Subject **1. Approve staff's ranking of vendors and award a two-year contract in an amount not to exceed \$793,500 for purchase of structural inspection services for wharf cranes at Barbours Cut Terminal and Bayport Container Terminal to the top-ranked proposer: staff ranking – first, World International Testing, Inc.; and second, Sparrows Offshore, LLC.**

Meeting Dec 7, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 7, 2021 meeting:

- (a) approve staff's ranking of the most qualified vendor, based on the selection criteria, in the following order – first, World International Testing, Inc.; and second, Sparrows Offshore, LLC;
- (b) award a two-year contract to World International Testing, Inc. for structural inspection services for wharf cranes at Barbours Cut Terminal and Bayport Container Terminal in an amount not to exceed \$793,500;
- (c) grant authority, if a contract cannot be negotiated with the first-ranked vendor, to formally, and in writing, end negotiations with that vendor and proceed to the next vendor in the order of ranking until a contract is reached or all proposals are rejected; and
- (d) further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

Category:

Awards, Amendments & Change Orders

Department:

Maintenance

Staff Contact:

Paulo Soares

Background:

By Minute No. 2018-0925-40, the Port Commission awarded a two-year contract to World International Testing, Inc., in the amount not to exceed \$505,000 for structural inspection services for seventeen wharf cranes at Barbours Cut Terminal and Bayport Container Terminal. This contract expired on September 30, 2021.

The Port Authority owns a total of twenty-five wharf cranes currently operating at Barbours Cut Terminal and Bayport Container Terminal that must undergo periodic structural inspections as recommended by the manufacturers: Shanghai Zhenhua Heavy Industries Co. Ltd. (ZPMC), Paceco Corp., and Konecranes. These inspections are intended to ensure the overall integrity and readiness for container handling operations of the crane. A total of twenty-three cranes will be inspected twice during this contract.

The Port Authority notified vendors regarding its request for competitive sealed proposals (CSP) for structural inspection services for wharf cranes at Barbours Cut Terminal and Bayport Container Terminal using the Port Authority's BuySpeed Eprocurement System and the project was advertised on the Port Authority's website and in a local newspaper. Eight vendors downloaded the project materials from BuySpeed.

Staff Evaluation/Justification:

On August 4, 2021, two CSP responses were received and opened. The responses were reviewed and evaluated by staff in accordance with the selection criteria published in the CSP. Staff identified the following vendors, listed in order of ranking, as most qualified to provide the required services:

- World International Testing, Inc.
- Sparrows Offshore, LLC

Following staff Executive Committee review, staff recommends that the Port Commission award a two-year contract to World International Testing, Inc. and act as otherwise described above.

K. OPERATIONS

Subject	2. Approve staff's ranking of vendors and award a two-year contract in an amount not to exceed \$500,000 for the purchase of machining services for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal to the top-ranked proposer: staff ranking – first, GearTec, Inc.; and second, Houston Pump and Gear (HPGR), LLC.
Meeting	Dec 7, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its December 7, 2021 meeting: <ul style="list-style-type: none"> (a) approve staff's ranking of the most qualified vendors, based on the selection criteria, in the following order - first, GearTec, Inc.; and second, Houston Pump and Gear (HPGR), LLC; (b) award a two-year contract to the top-ranked proposer for the purchase of machining services for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal in an amount not to exceed \$500,000; (c) grant authority, if a contract cannot be negotiated with the first-ranked vendor, to formally, and in writing, end negotiations with that vendor and proceed to the next vendor in the order of ranking until a contract is reached or all proposals are rejected; and (d) further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	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. 2020-0623-38, the Port Commission awarded a two-year contract to GearTec, Inc. in the amount not to exceed \$150,000 for the purchase of machining services for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal. Contract funds have been depleted.

The Port Authority owns one hundred and sixteen rubber-tired gantry (RTG) cranes and twenty-five wharf cranes in operation at Barbours Cut Terminal and Bayport Container Terminal, and other large equipment located at Turning Basin Terminal. Additionally, three wharf cranes are expected to arrive at Bayport Container Terminal in January 2022. This new two-year contract for machining services would be used as needed to fabricate replacement gears and pinions and provide heat treatment to minimize equipment downtime.

The Port Authority notified vendors regarding its request for competitive sealed proposals (CSPs) for the purchase of machining services for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal 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 October 27, 2021, two CSP responses were received and opened. The responses were reviewed and evaluated by staff in accordance with the selection criteria published in the CSP. Staff identified the following vendors, listed in ranking order, as most qualified to provide the required service:

- GearTec, Inc.
- Houston Pump and Gear (HPGR), LLC

Following staff Executive Committee review, staff recommends that the Port Commission award a two-year contract to GearTec, Inc. and act as otherwise described above.

K. OPERATIONS

Subject **3. Award a two-year contract to Graco Mechanical, Inc. in an amount not to exceed \$160,000 for the purchase of heating, ventilation, air conditioning, plumbing services, and related parts for Barbours Cut Terminal and Bayport Container Terminal.**

Meeting Dec 7, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 7, 2021 meeting, award a two-year contract to Graco Mechanical, Inc. in an amount not to exceed \$160,000 for the purchase of heating, ventilation, air conditioning, plumbing services, and related parts for Barbours Cut Terminal and Bayport Container Terminal, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

Category:

Awards, Amendment & Change Orders

Department:

Maintenance

Staff Contact:

Paulo Soares

Background:

The Port Authority owns over eight hundred air conditioning and heating units in operation at Barbours Cut Terminal and Bayport Container Terminal. They are installed on buildings, wharf and RTG cranes, gate services, and stevedoring support buildings. Occasionally, assistance from outside contractors is needed to expedite repairs and minimize disruption to staff and customers.

By Minute No. 2016-0726-31, the Port Commission awarded a two-year contract in the amount not to exceed \$100,000 for the purchase of the required heating, ventilation, and air conditioning services and parts for Bayport Container Terminal. This contract has expired.

The Port Authority notified vendors regarding its request for proposals (RFPs) for the purchase of heating, ventilation, air conditioning, plumbing services, and related parts for Barbours Cut Terminal and Bayport Container Terminal using the Port Authority's BuySpeed Eprocurement 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 October 27, 2021, three RFP responses were received and opened. The responses were reviewed and evaluated by staff in accordance with the criteria published in the RFP. Two responses were deemed non-responsive.

Following staff Executive Committee review, staff recommends that the Port Commission award a two-year contract to Graco Mechanical, Inc. and act as otherwise described above.

K. OPERATIONS

Subject	4. Award a two-year contract to A.J. Hurt, Jr., Inc. dba Reladyne for the purchase of unleaded gasoline and ultra-low sulfur diesel for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal in an amount not to exceed \$14,159,310.
Meeting	Dec 7, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its December 7, 2021 meeting, award a contract to A.J. Hurt, Jr., Inc. dba Reladyne for the purchase of unleaded gasoline and ultra-low sulfur diesel for Barbour Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal in an amount not to exceed \$14,159,310, 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. 2018-1212-28, the Port Commission awarded a two-year contract to A.J. Hurt, Jr. Inc. dba Reladyne in the amount not to exceed \$11,500,000 for the purchase of unleaded gasoline and ultra-low sulfur diesel fuel for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal; this contract expires on December 31, 2021. A new two-year contract will be used by all departments port-wide to fulfill their daily demand for fuel.

The Port Authority notified vendors regarding its request for competitive sealed bids (CSBs) for the purchase of unleaded gasoline and ultra-low sulfur diesel for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal using the Port Authority's BuySpeed Eprocurement System and the project was advertised on the Port Authority's website and in a local newspaper. Fifteen vendors downloaded the project materials from BuySpeed.

Staff Evaluation/Justification:

On October 27, 2021, seven CSB responses were received and opened. The responses were reviewed and evaluated by staff in accordance with the selection criteria published in the CSB. One response was deemed non-responsive.

Following staff Executive Committee review, staff recommends that the Port Authority award a two-year contract to A.J. Hurt Jr., Inc. dba Reladyne, the responsible bidder submitting the lowest and best bid, for the purchase of unleaded gasoline and ultra-low sulfur diesel fuel for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal.

K. OPERATIONS

Subject **5. Award a two-year contract to Southern Tire Mart for the purchase of rubber-tired gantry (RTG) crane tires and related items for Barbours Cut Terminal and Bayport Container Terminal in an amount not to exceed \$1,000,000.**

Meeting Dec 7, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 7, 2021 meeting, award a two-year contract to Southern Tire Mart for the purchase of rubber-tired gantry (RTG) crane tires and related items for Barbours Cut Terminal and Bayport Container Terminal in an 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.

Category:

Awards, Amendments & Change Orders

Department:

Maintenance

Staff Contact:

Paulo Soares

Background:

By Minute No. 2019-0521-28, the Port Commission awarded a two-year contract to Southern Tire Mart in the amount not to exceed \$1,000,000 for the purchase of RTG crane tires for Barbours Cut Terminal and Bayport Container Terminal. Contract funds have been depleted. The Port Authority currently owns one hundred and sixteen RTG cranes in operation at these facilities. A total of 1,856 tires would be maintained during this two-year contract to meet terminal demands.

The Port Authority notified vendors regarding its request for competitive sealed bids (CSBs) for RTG crane tires and related items for Barbours Cut Terminal and Bayport Container Terminal using the Port Authority's BuySpeed Eprocurement System and the project was advertised on the Port Authority's website and in a local newspaper. Eight vendors downloaded the project materials from BuySpeed.

Staff Evaluation/Justification:

On October 20, 2021, three CSB responses were received and opened. The responses were reviewed and evaluated by staff in accordance with the selection criteria published in the CSB.

Following staff Executive Committee review, staff recommends that the Port Authority award a two-year contract to Southern Tire Mart, the responsible bidder submitting the lowest and best bid, for the purchase of RTG crane tires and related items for Barbours Cut Terminal and Bayport Container Terminal.

K. OPERATIONS

Subject **6. Award a contract to Power Line Solutions to perform electrical repair services at Bayport Container Terminal in an amount not to exceed \$400,000.**

Meeting Dec 7, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 7, 2021 meeting, award a contract to Power Line Solutions to perform electrical repair services at Bayport Container Terminal 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.

Category:

Awards, Amendments & Change Orders

Department:

Maintenance

Staff Contact:

Paulo Soares

Background:

Terminal lighting is critical to vessel operations and an adequate level of illumination must be maintained to ensure compliance with certain regulatory standards. Third-party assistance is also needed occasionally to repair crane power and ground cables before problems occur, and terminal operation is affected. Since most of the electrical infrastructure in this facility is underground, specialized equipment is needed to pull and replace long cable runs. Contractors own and maintain this specialized equipment and can assist maintenance staff with their work. Ensuring power to high-mast poles also ensures power to wireless networks and cameras for operations and security use. This work requires a dedicated work force to minimize disruptions to operations.

By Minute No. 2020-0128-45, the Port Commission awarded an annual contract to Power Line Solutions in the amount of \$150,000 to perform the required electrical repair services to high mast poles at Bayport Container Terminal. Contract funds have been depleted.

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

Staff Evaluation/Justification:

On October 27, 2021, one CSB was received and opened. The response was reviewed and evaluated by staff in accordance with the selection criteria published in the CSB.

Following staff Executive Committee review, staff recommends that the Port Authority award an annual contract to Power Line Solutions, a responsible bidder, to perform electrical repair services at Bayport Container Terminal.

K. OPERATIONS

Subject **7. Award a contract to Id Solutions, the sole source provider, for equipment, software licensing, and installation services to expand the Transportation Worker Identification Credential (TWIC) reader application to five additional lanes at Barbours Cut Terminal in an amount not to exceed \$122,000, inclusive of one-year maintenance and support.**

Meeting Dec 7, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 7, 2021 meeting, award a contract to Id Solutions, the sole source provider, for equipment, software licensing, and installation services to expand the Transportation Worker Identification Credential (TWIC) reader application to five additional lanes at Barbours Cut Terminal in an amount not to exceed \$122,000, inclusive of one-year maintenance and support, 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:

Operations

Staff Contact:

Jeff Davis

Background:

This application enables the automation of the Transportation Worker Identification Credential (TWIC) verification process and is considered a security enhancement. IdSoftware uses facial matching as the primary biometric measure, fingerprinting as secondary, and remote vetting via live camera feed as a final method.

By Minute 2018-1030-40, the Port Commission awarded a contract to Id Solutions for a TWIC Reader Software Application to be used at Bayport Container Terminal and Barbours Cut Terminal Truck Gates. The original contract provided equipment for a total of five truck lanes at Bayport Container Terminal and two at Barbours Cut Terminal. The Barbours Cut Terminal gate has recently undergone an expansion and additional TWIC reader lane equipment is needed to provide for a total of five lanes at Barbours Cut Terminal that would utilize the TWIC Reader Software at its truck gates.

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 Id Solutions is the sole source for equipment, software licensing, and installation services to expand the TWIC reader application.

Staff Evaluation/Justification:

The use of the TWIC Reader Software Application provides an automated process to validate a TWIC card and/or the ability to manually validate from a remote location, thereby eliminating the need to have a physical guard in each TWIC truck lane. In addition, the software provides additional security checks resulting in an enhanced TWIC screening process.

Staff recommends the Port Commission approve a contract with Id Solutions for equipment, software licensing, and installation services to expand the TWIC reader application.

K. OPERATIONS

Subject **8. Award a contract to Konecranes, Inc., the sole source provider, for purchase and installation of Konecranes DynAC/DynaHoist Vector II drives and control systems retrofit for four rubber-tired gantry (RTG) cranes at Bayport Container Terminal in an amount not to exceed \$2,152,824.**

Meeting Dec 7, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 7, 2021 meeting, award a contract to Konecranes, Inc., the sole source provider, for purchase and installation of Konecranes DynAC/DynaHoist Vector II drives and control systems retrofit for four rubber-tired gantry (RTG) cranes at Bayport Container Terminal in an amount not to exceed \$2,152,824, 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 a total of one hundred and sixteen Kone RTG cranes, including sixty-six at Bayport Container Terminal and fifty at Barbours Cut Terminal. The motor control drives for hoist, gantry, and trolley functions on thirty-five of these units, commissioned between 2003 and 2009, have been discontinued. These older motor control drives are becoming more costly to repair and replacement parts are no longer available. As a result, RTG cranes may experience longer downtime for repairs.

Staff recommends that four RTG cranes at Bayport Container Terminal be retrofitted with new DynAC/DynaHoist Vector II drives and control systems, which is expected to extend the useful life of the cranes. Ten RTG cranes have been successfully retrofitted in this way since 2015, improving RTG performance. The reclaimed drives are retained as well to provide spare parts for remaining units operating with older technology.

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 Konecranes, Inc. is the sole source for purchase of DynAC/DynaHoist Vector II drives and control systems in the United States.

Staff Evaluation/Justification:

Staff recommends the Port Commission approve a contract with Konecranes, Inc. for purchase and installation of Konecranes DynAC/DynaHoist Vector II drives and control systems on four RTG cranes at Bayport Container Terminal.

K. OPERATIONS

Subject **9. Approve an amendment with Kalmar, the sole source provider, to authorize payment for annual maintenance services for the Marine Terminal Position Detection Software System for Barbours Cut Terminal and Bayport Container Terminal in an amount not to exceed \$181,189.**

Meeting Dec 7, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 7, 2021 meeting, authorize payment to Kalmar for annual maintenance & support services for the Marine Terminal Position Detection Software System for Barbours Cut Terminal and Bayport Container Terminal pursuant to the current contract between Kalmar and the Port Authority, for a one-year term beginning Jan 1, 2022 in an amount not to exceed \$181,189, 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:

Operations

Staff Contact:

Jeff Davis

Background:

By Minute No. 2019-0924-45, a contract was awarded to Kalmar to provide for the implementation and maintenance of a marine terminal position detection software system for use at Port Authority Container terminals. The Position Detection Software System improves operator efficiency by automating container location position updates, eliminating the need to stop operating the crane and manually input container position updates. Ongoing maintenance and support of the Kalmar Position Detection System can only be provided by Kalmar and therefore the procurement method is sole source.

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 obtained a written statement from Kalmar confirming that it is the sole source for these services.

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 total amount of cranes using the Position Detection System. The maintenance fee for Jan 1, 2022 through December 31, 2022 would be in an amount not to exceed \$181,189.

Staff recommends the Port Commission approve this amendment with Kalmar.

K. OPERATIONS

Subject **10. Issue a purchase order to Rush Bus Centers for the purchase of one 26-passenger bus for Bayport Container Terminal, using the Houston-Galveston Area Council Cooperative Purchase Program, in an amount not to exceed \$108,776.**

Meeting Dec 7, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 7, 2021 meeting, issue a purchase order to Rush Bus Centers for the purchase of one 26-passenger bus for Bayport Container Terminal, using the Houston-Galveston Area Council Cooperative Purchase Program, in an amount not to exceed \$108,776, 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 one 26-passenger bus and one 12-passenger bus in operation at Bayport Container Terminal. A new unit, purchased in May 2021, will arrive later this month. Additionally, the Port Authority is currently renting two 26-passenger buses. These units are used daily to transport longshoremen to and from parking lots and wharves. This new 26-passenger bus is needed to replace the 2001 model 12-passenger bus. Once this new unit has been delivered one rental unit will be returned.

Staff Evaluation/Justification:

Staff has compared prices for passenger buses obtained from non-Houston-Galveston Area Council local dealerships and Houston-Galveston Area Council (H-GAC) providers. The Director of Procurement Services has determined that procuring this vehicle through the H-GAC cooperative purchase program is the method that both satisfies competitive purchase requirements and provides the best value to the Port Authority.

The H-GAC website lists several pre-approved vendors. Staff has reviewed the passenger bus specifications from H-GAC providers and determined that Rush Bus Centers is the vendor with the best price for this unit that meets the Port Authority's requirements. Rush Bus Centers pricing for the selected model was reviewed and approved by H-GAC.

Accordingly, staff requests the Port Commission approve this best value determination and purchase.

K. OPERATIONS

Subject **11. Reissue and amend Port Authority Tariff Nos. 8, 14, and 15 covering the Turning Basin Terminals, Barbours Cut Terminal, and Bayport Container Terminal, all effective on or around January 1, 2022.**

Meeting Dec 7, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 7, 2021 meeting, authorize the re-issuance and amendment of Port Authority Tariff Nos. 8, 14, and 15, to amend certain subrules, including subrules relating to:

- (a) Import storage free time charges;
- (b) Requirements for loaded reefers on terminal;
- (c) Import units required to re-export;
- (d) Export storage;
- (e) Exports containing hazardous cargo;
- (f) Definitions for "Terminal Services Fee" and "Through Containers"; and
- (g) further authorize the Executive Director to do any and all things reasonable or necessary to give effect to the foregoing.

Category:

General

Department:

Operations

Staff Contact:

Jeff Davis

Background:

The Port Authority has reissued its Tariff Nos. 8, 14, and 15 each calendar year since 2008 and staff requests that these tariffs be again reissued effective on or about January 1, 2022.

Staff Evaluation/Justification:

Recommended revisions to Tariff Nos. 8, 14, and 15 include amending subrules relating to:

- Import Storage free time charges
- Requirements for Loaded Reefers on Terminal
- Import Units required to re-export
- Export Storage
- Exports containing Hazardous cargo
- Definitions for "Terminal Services Fee" and "Through Containers"

The recommended revisions also include other minor clarifications, corrections, and updates of Tariff Nos. 8, 14, and 15.

Staff proposes that these changes become effective as set forth above, and therefore recommends that the Port Commission approve this item.

K. OPERATIONS

Subject **12. Recommendation to issue Stevedore Licenses for one-year terms commencing January 1, 2022, to Agri American Stevedores, LLC; APS Stevedoring, LLC; BBM Terminals Corp.; Ceres Gulf, Inc.; Cooper/Ports America; Gulf Stream Marine, Inc.; Jacintoport International, LLC; Kinder Morgan, Inc.; Marine Terminal Corporation East; Richardson Stevedoring, and Logistics Services, Inc.; Schroder Marine Service; and Suderman Contracting Stevedores, Inc., upon each applicant's satisfactory completion of all requirements and obligations for license issuance.**

Meeting Dec 7, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission at its December 7, 2021 meeting, grant authority to issue Stevedore Licenses for one-year terms commencing January 1, 2022, to Agri American Stevedores, LLC; APS Stevedoring, LLC; BBM Terminals Corp.; Ceres Gulf, Inc.; Cooper/Ports America; Gulf Stream Marine, Inc.; Jacintoport International, LLC; Kinder Morgan, Inc.; Marine Terminal Corporation East; Richardson Stevedoring and Logistics Services, Inc.; Schroder Marine Service; and Suderman Contracting Stevedores, Inc., upon each applicant's satisfactory completion of all requirements and obligations for license issuance, 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:

By Minute No. 2020-1208-36, the Port Commission awarded certain stevedore licenses for one-year terms expiring December 31, 2021.

Staff Evaluation/Justification:

Staff is currently receiving stevedore license applications from companies interested in being licensed to work at Port Authority facilities during 2022 and is in the process of reviewing those applications.

Staff recommends that the Port Commission authorize licenses to be issued to the applicants as set forth above for such Port Authority facilities as determined by staff; provided however, that issuance be conditioned upon the applicant's satisfactory completion of outstanding license requirements and obligations, if any, and satisfaction of current license requirements.

L. PEOPLE

Subject **1. Authorize funding, in an amount not to exceed \$17,000,000 for calendar year 2022, for the payment of claims from the Port Authority's self-funded group medical benefits program for active employees, retirees who are not Medicare-eligible, and eligible dependents.**

Meeting Dec 7, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 7, 2021, meeting, authorize funding in an amount not to exceed \$17,000,000 for calendar year 2022, for the payment of claims from the Port Authority's self-funded group medical benefits program for active employees, retirees who are not Medicare-eligible, and eligible dependents, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Goals **STRATEGIC GOAL #1 - PEOPLE AND ORGANIZATION (Be the Best Place to Work)**

Category:

Agreements, Amendments & Change Orders

Department:

Human Resources

Staff Contact:

Roger Walter

Background:

By Minute No. 2018-0130-43, the Port Commission awarded a five-year contract to Lockton Companies LLC (Lockton), to serve as the Port Authority's broker of record and provide consulting services relating to the Port Authority's group health and welfare benefits.

In September 2018, after having reviewed proposals and analyzed the costs of a self-funded program compared to a fully insured medical program, the Port Authority proceeded with the implementation of a self-funded group medical benefits program administered with Aetna as the Third-Party Administrator (TPA).

The Pension & Benefits Committee reviewed a report on the status of the 2021 medical program including the comparison to the 2019 and 2020 medical program at its September 21, 2021 meeting. Lockton and staff recommended, and the Pension and Benefits Committee concurred, that the Port Authority continue with the self-funded program for calendar year 2022.

Staff Evaluation/Justification:

The Port Authority's open enrollment period for calendar year 2022 occurred from November 1 – November 15, 2021. Based upon the enrollment information and the review of historical claims data, staff and Lockton recommends that \$17,000,000 be reserved for the self-insurance account to pay for all covered claims for calendar year 2022 from the Port Authority's self-funded group medical insurance program for active employees, retirees who are not Medicare-eligible, and their dependents.

The payment of covered claims from the dedicated funds would be administered by Aetna pursuant to its third-party administration services agreement with the Port Authority.

Staff recommends the Port Commission approve the above funding request.

L. PEOPLE

Subject **2. Authorize renewal of the agreement with PlanSource Benefits Administration, for employee and retiree benefits and payroll integration services, for an additional one-year period in an amount not to exceed \$75,000.**

Meeting Dec 7, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 7, 2021 meeting:
 (a) authorize renewal of the agreement with PlanSource Benefits Administration, Inc., for employee and retiree benefits and payroll integration services, for an additional one-year period in an amount not to exceed \$75,000;
 (b) authorize renewal negotiations with the PlanSource Benefits Administration, Inc. prior to contract expiration; and
 (c) further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Goals [STRATEGIC GOAL #1 - PEOPLE AND ORGANIZATION \(Be the Best Place to Work\)](#)

Category:

Awards, Amendments & Change Orders

Department:

Human Resources

Staff Contact:

Roger Walter

Background:

By Minute No. 2019-07-29-55, the Port Commission authorized an agreement with PlanSource Benefits Administration, Inc. for employee and retiree benefits and payroll integration services. The technology and services provided under this contract assist the Port Authority with benefits enrollment, administration, and reporting (including federal reporting requirements under the Affordable Care Act (ACA), including the Form 1095-C employee documents and electronic Internal Revenue Service reporting).

The initial term of the contract with PlanSource Benefits Administration, Inc. was from August 6, 2019 until December 31, 2020 for an amount not to exceed \$87,460. It provided for two one-year renewals, at the option of the Port Authority, at an estimated amount of \$75,000 per year. By Minute No. 2020-1028-49, the Port Commission authorized renewal of the first of two one-year renewal agreements with PlanSource Benefits Administration, Inc. for employee and retiree benefits and payroll integration services.

Staff Evaluation/Justification:

PlanSource Benefits Administration, Inc. has continually met its obligations under the agreement and exceeded expectations since the start of the contract.

Staff recommends the Port Commission approve the second one-year option with PlanSource Benefits Administration.

L. PEOPLE

Subject **3. Authorize renewal of the agreement with LinkedIn Corporation, a sole source provider, to provide recruiting and trade marketing access and services for a three year period, in a total amount not to exceed \$99,429.**

Meeting Dec 7, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 7, 2021 meeting:
 (a) authorize the renewal of the agreement with LinkedIn Corporation, a sole source provider, to provide recruiting and trade marketing access and services for a three year period in an amount not to exceed \$99,429;
 (b) authorize renewal negotiations with the LinkedIn Corporation prior to contract expiration; and
 (c) further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Goals [STRATEGIC GOAL #1 - PEOPLE AND ORGANIZATION \(Be the Best Place to Work\)](#)

Category:

Awards, Amendments & Change Orders

Department:

Human Resources

Staff Contact:

Roger Walter

Background:

By Minute No. 2017-1023-48, the Port Commission authorized a two-year agreement with LinkedIn Corporation for recruiting and trade marketing access and services. By Minute No. 2020-0128-49, the Port Commission authorized the renewal of a two-year agreement with LinkedIn Corporation for recruiting and trade marketing access and services.

LinkedIn provides visibility to what it claims to be the world's largest professional network, with over 740 million users worldwide.

The Port Authority has utilized LinkedIn for the past eight years as a personnel outreach and recruitment tool. The Port Authority has received thousands of applications through LinkedIn, resulting in approximately 40% of its professional hires through this network.

The Port Authority's existing agreement with LinkedIn allows the Port Authority to post jobs, customize content on the Port Authority's LinkedIn webpage, and use recruiting tools for finding, connecting with, and managing candidates. The Port Authority currently has over 28,000 LinkedIn Followers.

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 LinkedIn confirming that it is the sole source for access to LinkedIn's professional network.

Staff Evaluation/Justification:

LinkedIn Corporation is offering through its platform and services Career Pages (Enterprise Basic Package) custom content on the LinkedIn profile page and preferred placement on company page, seven preferred Job Slots at a time, and Corporate Recruiter, which allows for 150 InMails per month and unlimited network searches.

In comparing LinkedIn Corporation results with the results of other recruiting sites, staff believes LinkedIn Corporation has performed very well and is well worth the investment.

Staff recommends the Port Commission approve renewal of the contract with LinkedIn Corporation.

L. PEOPLE

Subject **4. Enter into a one-year agreement with the Houston International Seafarers' Center to provide humanitarian services to seafarers whose vessels call at the terminals of the Port Authority, effective January 1, 2022, in an amount not to exceed \$90,000.**

Meeting Dec 7, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 7, 2021 meeting, enter into a one-year agreement with the Houston International Seafarers' Center to provide humanitarian services to seafarers whose vessels call at the terminals of the Port Authority, effective January 1, 2022, in an amount not to exceed \$90,000, 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:

Community Relations & Events

Staff Contact:

Maria Aguirre

Background:

The Houston International Seafarers' Center (Seafarers' Center) is internationally recognized for its outstanding services and facilities for visiting seafarers. By providing a positive social, recreational, and ecumenical spiritual environment, the Seafarers' Center is an asset to both the Port Authority and the communities surrounding the port.

This agreement with the Port Authority would permit the Seafarers' Center to continue to provide the following services on a non-discriminatory basis to seafarers from all commercial vessels that call on the public and private terminals in the Port of Houston: operations, transportation services, safety functions, communications, banking, emergency accommodations, recreational facilities, commissary facilities, a restaurant, mail and courier services, counseling services, and other services mutually deemed necessary. In addition, the Port Authority will also continue to invoice vessels docking at Port Authority terminals for the \$98 voluntary fee supporting the operations of the Seafarers' Center and further remit that payment within thirty days upon receipt to the Seafarers' Center. The current service agreement with the Seafarers' Center expires December 31, 2021.

Staff Evaluation/Justification:

Staff recommends that the Port Commission authorize a new agreement with the Seafarers' Center for one year. Pursuant to the services agreement, the Seafarers' Center would submit its annual report for the past year, along with support materials, as requested by the Port Authority.

M. SECURITY AND EMERGENCY OPERATIONS

Subject **1. Issue a purchase order to Motorola Solutions for the purchase of land mobile radio equipment including radios, batteries, chargers, related hardware, and accessories for the Operations Division and Port Security and Emergency Operations Division, using the Houston-Galveston Area Council's cooperative purchase program, in an amount not to exceed \$250,000.**

Meeting Dec 7, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 7, 2021 meeting, issue a purchase order to Motorola Solutions for purchase of land mobile radio equipment including radios, batteries, chargers, related hardware, and accessories for the Operations Division and Port Security and Emergency Operations Division, using the Houston-Galveston Area Council's cooperative purchase program, in an amount not to exceed \$250,000, determine that this procurement method provides the best value to the Port Authority, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Goals STRATEGIC GOAL #4 - STEWARDSHIP (Create Greater Value for the Region)
Strategic Objective 4d. - Support sustainable growth of Port Houston and the greater Port
Strategic Objective 4b. - Prepare for disruptive events and mitigate their impact
Strategic Objective 2c. - Enhance efficiency and resilience through innovative technology and other means

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 Operations Division maintenance and operations personnel, crane operators, and clerks to help accomplish their tasks in a safe and efficient manner. The Port Security and Emergency Operations Division, including the Police Department, Fire Department, Emergency Management, and contract security personnel, also use Motorola LMR equipment to help maintain security at all terminals and respond to incidents and other emergencies. As the vast majority of the approximately 1,400 radios are Motorola products, Motorola parts and accessories are required to service the LMR equipment.

Staff Evaluation/Justification:

By Minute No. 99-1129-29, the Port Commission authorized the Port Authority to enter into an Interlocal Agreement with the Houston-Galveston Area Council (H-GAC) to participate in its cooperative purchasing program, and the Director of Procurement Services has determined that procuring these items through the H-GAC cooperative purchase program is the method that both satisfies competitive purchase requirements and provides the best value to the Port Authority.

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

N. TECHNOLOGY

Subject **1. Issue a purchase order to Xennex LLC for purchase of Veeam licensing and software renewal, using the United States General Services Administration, an agency of the United States, in an amount not to exceed \$90,000.**

Meeting Dec 7, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 7, 2021 meeting, issue a purchase order to Xennex LLC for purchase of Veeam licensing and software renewal, using the United States General Services Administration, an agency of the United States, in an amount not to exceed \$90,000, 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:

Awards, Amendments & Change Orders

Department:

Information Technology

Staff Contact:

Charles Thompson

Background:

The Port Authority is seeking to obtain the renewal of Veeam licensing (software) currently utilized to back up the Ports Server and Virtual Desktop Infrastructure (VDI) at both Data Centers.

Staff Evaluation/Justification:

The Director of Procurement Services has determined that procuring the renewal of Veeam licensing (software) currently utilized to backup the Ports Server and VDI at both Data Centers through the United States General Services Administration (GSA), an agency of the United States, is the method that both satisfies competitive purchase requirements and provides best value to the Port Authority. The Port Authority, as a political subdivision of the State of Texas, is authorized to use GSA for the procurement of certain items (primarily technology, security, and fire/police items).

The Information Technology Department has determined that the best availability, price, and contract term for the item needed is provided by Xennex LLC under the pricing schedule obtained from that vendor's contract with the GSA, and is therefore recommending this purchase.

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

N. TECHNOLOGY

Subject **2. Ratify an emergency purchase order to CDW Government LLC in the total amount not to exceed \$70,000 for the purchase of approximately forty printers for Bayport Container Terminal and Barbours Cut Terminal.**

Meeting Dec 7, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 7, 2021 meeting, ratify an emergency purchase order to CDW Government LLC in the total amount not to exceed \$70,000 for the purchase of approximately forty printers for Bayport Container Terminal and 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:

Awards, Amendments & Change Orders

Department:

Information Technology

Staff Contact:

Charles Thompson

Background:

The operation of the Port Authority's container terminal truck lanes require complex software, specific to the terminal operating system, and they operate in conjunction with specialized printers. These printers go out of service and require replacement on a regular basis due to the industrial environment and high ticket volume.

- Printer failure reduces the number of truck lanes available at the terminals and leads to congestion and delays, which in turn places increased strain upon the region and its infrastructure, at a time when the supply chain at large and the maritime transport industry is experiencing unprecedented conditions.
- These delays may impact the distribution of consumer goods needed for medical care, public health, and to address the ongoing COVID-19 pandemic.

Currently, the Port Authority has four printers in reserve in case of printer failure. In the past several weeks staff has encountered significant difficulty in sourcing printer replacements. As a result, staff is concerned that the supply chain may degenerate into a worse condition, making the purchase of printers in coming months increasingly slow and difficult, risking multiple extended lane closures and the effects described above.

Accordingly, Port Authority staff has concluded that it was in the best interest of the Port Authority and the region to make an emergency purchase of approximately forty printers while a formal solicitation is prepared, advertised, evaluated, and awarded as a longer term solution (mindful that printers purchased by a formal award may not arrive for many months after the award, due to the unpredictability of the supply chain).

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, (1) preserve or protect the public health and safety of the residents of the district; (2) preserve the property of the district in the case of a public calamity; or (3) 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.