

# I N D E X

PORT COMMISSION  
OF THE  
PORT OF HOUSTON AUTHORITY  
OF THE PORTS OF HARRIS COUNTY, TEXAS  
February 24, 2022

<u>Minute No.</u>	<u>Event/Action</u>
	<b>General</b>
	Chairman Campo convened the in-person and virtual Port Commission meeting and provided opening remarks along with Port Commissioners
	<b>Minutes</b>
2022-0224-01	Approve the minutes of the January 25, 2022 Port Commission meeting
	<b>Staff Reports</b>
2022-0224-02	Roger Guenther, Executive Director, presented a summary of selected financial and operational matters
	<b>Appearances</b>
2022-0224-03(a)	Chairman Campo recognized Elina “Ellu” Nasser, Environmental Defense Fund, who addressed the Port Commission
2022-0224-03(b)	Chairman Campo recognized Elizabeth Slomba, Houston Healthy Port Communities Coalition, and Public Citizen, who addressed the Port Commission
2022-0224-03(c)	Chairman Campo recognized Reverend James L Caldwell, Coalition of Community Organizations; however, due to a poor audio connection, he was unable to address the Port Commission
	<b>F. Executive</b>
2022-0224-04	Staff Report – Selected agenda item – Tim Finley, Chief Financial Officer
2022-0224-05	Authorize the Port Authority to hire Shannon Williams as its chief audit executive
2022-0224-06	Staff Report – Selected agenda item – Tom Heidt, Chief Operating Officer

<u>Minute No.</u>	<u>Event/Action</u>
2022-0224-07	Enter into an Industrial District Agreement with the City of Morgan's Point and approve a payment to the city under that agreement
	<b>G. Business Equity</b>
2022-0224-08	Staff Report – Selected agenda item – Maxine Buckles, Chief Business Equity Officer
2022-0224-09	Approve a professional services contract with Nursify, LLC D/B/A IMC Culture, for a one year term with two one-year renewal options, to assist with implementation of a Diversity, Equity, and Inclusion plan in alignment with the Strategic Plan objective to foster a culture of diversity and inclusion, innovation, and open communication
	<b>H. Commercial</b>
2022-0224-10	Staff Report – Selected agenda items – John Moseley, Chief Commercial Officer
2022-0224-11	Approve staff's ranking of vendors and award a professional services contract for website redesign to the first-ranked proposer: staff ranking – first, Love Advertising, Inc.; second, MOJO Creative Services; and third, Exemplifi LLC  Port Commission adopted the staff-recommended ranking and authorized award
2022-0224-12	Approve an amendment to the lease with NuStar Logistics, L.P. for approximately 1.24 acres (including 440 ft. of waterfront) adjacent to Wharf 4 at South Side Turning Basin, to extend the term for five years, effective no earlier than September 1, 2022, at a minimum annual base rent of approximately \$60,436.57, subject to annual base rent escalation of the greater of 3% or the increase in the Consumer Price Index
	<b>I. Finance (no items)</b>
	<b>J. Infrastructure</b>
2022-0224-13	Staff Report – Selected agenda items – Rich Byrnes, Chief Infrastructure Officer
2022-0224-14	Approve staff's ranking of vendors and award a professional services contract for structural and repair option analysis for rehabilitation of the roofs of Sheds 20-21 at Turning Basin Terminal and CARE Terminal, to the top-ranked proposer: staff ranking – first, Walter P. Moore; second, Simpson, Gumpertz & Heger; and third, PGAL, Inc.

<u>Minute No.</u>	<u>Event/Action</u>
	Port Commission adopted the staff-recommended ranking and authorized award
2022-0224-15	Approve staff's ranking of vendors and award a professional services contract for the 2022 corrosion on marine assets facility inspection and condition assessment program (FICAP) at Bayport Container Terminal to the top-ranked proposer: staff ranking – first, Wiss, Janey, Elstner Associates, Inc., Moffatt & Nichol; and third, POND & Company
	Port Commission adopted the staff-recommended ranking and authorized award
2022-0224-16	Amend the professional services contract with Hatch Associates Consultants, Inc. to perform additional services for the 2021 electrical and communications facility inspection and condition assessment program (FICAP) Portwide
2022-0224-17	Amend the professional services contract with Hatch Associates Consultants, Inc. to perform services for the design for rehabilitation of Wharves 4, 5, and 6 at Barbours Cut Terminal
2022-0224-18	Amend the professional services contract with AECOM Technical Services, Inc. to perform services for the planning and design for reconstruction of eighty-seven acres of container yards at Barbours Cut Terminal
2022-0224-19	Enter into a Memorandum of Agreement with the U.S. Army Corps of Engineers for maintenance dredging of berths at Turning Basin and Manchester docks
2022-0224-20	Issue a transmission line license to Comcast of Houston, LLC for one fiber optic cable line under and across the Port Terminal Railroad Association Northside Mainline railroad right-of-way near Miles Street
2022-0224-21	RCA J8 was pulled from the agenda
	<b>K. Operations</b>
2022-0224-22	Staff Report – Selected agenda items – Jeff Davis, Chief Operations Officer
2022-0224-23	Award a three-year contract to Alamo Transformer Supply Co. for the inspection, testing, repair, and oil sampling of transformers for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal

<u>Minute No.</u>	<u>Event/Action</u>
2022-0224-24	Award a two-year contract to Konecranes, Inc., the sole source provider, for the purchase of captive replacement parts and repair services for motor control drives for Kone cranes at Barbours Cut Terminal and Bayport Container Terminal
2022-0224-25	Award a three-year contract to Alimak Group USA, Inc., the sole source provider, for the purchase of spare and replacement proprietary parts for wharf crane elevators at Barbours Cut Terminal and Bayport Container Terminal
2022-0224-26	Award a three-year contract to ABB, Inc., the sole source provider, for quarterly inspection services for motor control drives and support services for wharf cranes at Barbours Cut Terminal and Bayport Container Terminal
2022-0224-27	Amend the lease between Terminal Link Texas, LLC and the Port Authority to provide a right of first refusal to lease 22.36 acres at Bayport Container Terminal

#### **L. People**

2022-0224-28	Staff Report – Selected agenda item – Jessica Shaver, Chief People Officer
2022-0224-29	Authorize funding for improvement of public trails in the City of Galena Park as part of the Port Authority’s East Harris County parks and greenspace initiative ( <i>as amended to not be paid from money set aside for East Harris County parks</i> )

#### **Open Hearing**

Erik Eriksson, Chief Legal Officer reported at the hearing

#### **Adjourn Hearing**

2022-0224-30	Amend the wrap-around Plan documents and Summary Plan Descriptions for the Port Authority’s Other Post-Employment Benefits Plan and Group Insurance Plan to incorporate provisions related to the COVID-19 national emergency
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#### **M. Security and Emergency Operations (no items)**

#### **N. Technology (no items)**

#### **Recess Open Meeting and Convene Executive Session**

#### **Reconvene Open Meeting**

<u>Minute No.</u>	<u>Event/Action</u>
2022-0224-31	Motion to authorize the Port Authority to amend the agreement for legal services with Andrews Myers, P.C. on the terms discussed in Executive Session, and to authorize the Chief Legal Officer to do all things necessary to give effect to the foregoing
2022-0224-32	Motion to authorize the Port Authority to take action regarding Port of Houston Authority v. Louis Dreyfus Company Houston Export Elevator LLC on the terms discussed in Executive Session, and authorize the Executive Director to do any and all things necessary to give effect to the foregoing
2022-0224-33	Motion to authorize the Port Authority to take action regarding its employment agreement with Roger Guenther on the terms discussed in Executive Session, and authorize the Chairman and Chief Legal Officer to do any and all things necessary to give effect to the foregoing

**Closing Remarks by Chairman and Commissioners**

**Adjourn Meeting**

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

**Houston, Texas  
February 24, 2022**

A public meeting of the Port Commission of the Port of Houston Authority of Harris County, Texas was convened on February 24, 2022, at 9:15 a.m., at the Port of Houston Authority Executive Offices, Fourth Floor Boardroom, at 111 East Loop North, Houston, Texas 77029, and via Cisco WebEx. The following commissioners, staff, and counsel were present:

Ric Campo, Chairman  
Wendy Cloonan, Commissioner  
Dean Corgey, Commissioner  
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 by recognizing the recent reappointments of three Port Commissioners for new two-year terms:

- Commissioner DonCarlos was reappointed by the Harris County Mayors' and Councils' Association on December 8, 2021;
- Commissioner Creuzot was reappointed by the City Council of the City of Houston on February 2, 2022; and
- Commissioner Cloonan was reappointed by the Harris County Commissioners Court on February 22, 2022.

Chairman Campo remarked that the Compensation Committee had met the previous Tuesday and highlighted the importance of the Port Authority's continued effort to compensate its employees at market rates, in order to attract and retain talent. Recent initiatives included market adjustments, incentives, and merit-based performance increases, and staff would continue to evaluate the market and make adjustments to ensure competitive alignment.

Chairman Campo gave an update on Project 11. Construction of Segment 1A was set to begin mechanical dredging by the end of March, following a 90-day delay to add more environmentally beneficial dredge upgrades. Proposals had also been received for Segments 1B and 2, with contract awards anticipated in the second quarter of 2022.

Chairman Campo explained that the current supply chain issues were due in part to high demand and a many-year lack of infrastructure investment. With regard to the Port Authority, the average container growth rate was projected to be over 7 million twenty-

foot equivalent units (TEUs) by the end of 2032. As a result, the Port Authority has not only had to focus on Project 11 and its projects on the water, but also on its projects on the ground, such as construction of new wharfs and container yards. This continued focus on capacity has been paramount, with the key to make sure the Port Authority has funds and that each project was completed on time.

Chairman Campo recognized February as Black History Month. It was important that the Port Authority honor the legacy and influence of Black people in the country, the region, and within the organization. Black history was American history and included more than just slavery and racism. The Port Authority had been taking steps to celebrate and spotlight the innumerable contributions of Black inventors, authors, artists, politicians, doctors, activists, workers, mothers, fathers, and more.

Chairman Campo voiced the long and storied history of Black excellence in the maritime industry. The SS Booker T. Washington was the first major U.S. oceangoing vessel to be named after a Black leader. The 10,500-ton vessel made its first Transatlantic crossing in 1943 under the command of Captain Hugh Mulzac – the first Black captain to command a ship in the U.S. Merchant Marine.

The theme for Black History Month was health and wellness, which was a major focus at the Port Authority. Caring for all Port Authority people during the pandemic had been critical. Leadership was working to create a workplace that provided psychological safety to Black employees, fostering an environment where everyone could bring their whole self to work and where diversity was celebrated.

Chairman Campo concluded his remarks by recognizing the first Black man to be appointed to the Port Commission, Howard J. Middleton Jr., in 1978, and the first Black woman to be appointed to the Port Commission, Cheryl Creuzot, in 2020. He added that analysis and data showed that more diversity in companies led to better decisions and higher rates of return.

(2022-0224-01) Chairman Campo called for a motion to approve the minutes of the January 25, 2022 Port Commission meeting. Commissioner Mease moved for approval, seconded by Commissioner Creuzot. The minutes were approved as written.

(2022-0224-02) Roger Guenther, Executive Director, presented a summary of selected financial and operational matters:

Mr. Guenther announced that the chief officers would each begin to report to the commission on their division's agenda items, a practice that was paused the past two years while meetings were only held virtually.

Mr. Guenther explained that business on the docks was higher than ever. Overall tonnage was up 19% over January 2021, and though there were still challenges in dealing with dwell times at the container terminals, the supply chain had not stopped.

Mr. Guenther recognized that two-thirds of Port Authority employees never stopped going to work during the pandemic. The staff members who had been working remotely during the pandemic were returning to the executive office in phases, and a flex schedule had been implemented, allowing staff to work remotely a few days of the week while coming into the office the other days.

Commissioner Fitzgerald commended Mr. Guenther and the Operations Division for helping to get cargo in and across the docks. There had been a lot of cargo the previous month and keeping it moving was no small task.

(2022-0224-03)      Appearances

(a)      Chairman Campo recognized Ellu Nasser, Environmental Defense Fund, who addressed the Port Commission.

Ms. Nasser was glad to learn of the updated Clean Air Strategy Plan (CASP) and Goods Movement Emissions Inventory, and written responses to the documents would be forthcoming. Exceptional work was done by the Environmental Affairs department on the emissions inventory, which provided the baseline for Port Authority emissions activities. However, in her estimate the CASP still needed improvement, and emissions goals needed to be substantially more challenging – specifically the 4% NOx emission reduction goal. It did not go far enough to make progress on air quality.

Ms. Nasser observed that the CASP lacked mention of greenhouse gasses along with meaningful goals to reduce them. The Goods Movement Emissions Inventory provided better data and should be integrated into the CASP. She added that consideration of climate impact must be integrated into the Port Authority's daily operations in order to remain competitive on the global market.

Ms. Nasser pointed out that there was no identified budget for the CASP and strongly encouraged a specific earmark equal to 5% of the budget. With the announcement of the \$450 million of port infrastructure funding, exploration of a zero-emissions supply chain to improve goods movement and advance environmental justice should be advocated.

Ms. Nasser desired to see the Port Authority as a leader in climate and racial equity. She offered the expertise and partnership of the Environmental Defense Fund to help make it possible.



Chairman Campo remarked that the Port Authority would be releasing a plan for achieving zero emissions carbon, complete with specific goals. He hoped to work with Ms. Nasser on the project.

(b) Chairman Campo recognized Elizabeth Slomba, Houston Healthy Port Communities Coalition, who addressed the Port Commission.

Ms. Slomba voiced her concern with the dredging responsibility recently assigned by the Port Authority [sic] to the U.S. Army Corps of Engineers (Corps). She felt the Corps did not have the same emissions standards that the Port Authority had adopted for Project 11 and that Segments 4, 5, and 6 of Project 11 would have health impacts as a result. She suggested that the Port Authority urge the Corps to adopt the same standards to protect local communities and the environment.

Chairman Campo hoped to be able to work with the Corps, but federal regulation tended to be more complicated than contracts managed by the Port Authority.

(c) Chairman Campo recognized Reverend James Caldwell, Coalition of Community Organizations; however, due to a poor audio connection he was unable to address the Port Commission.

(2022-0224-04) Chairman Campo recognized Tim Finley, Chief Financial Officer, to report on a selected agenda item.

Mr. Finley explained that Item F1 was for authorization to hire Shannon Williams as chief audit executive. The Port Commission had previously authorized Mr. Guenther to hire the chief audit executive and now staff sought to ratify the action. Ms. Williams was in attendance and Mr. Finley yielded the floor to her.

Ms. Williams thanked the Port Commission for the opportunity and added that she looked forward to working with everyone.

(2022-0224-05) RCA F1 was presented, moved by Commissioner Corgey, seconded by Commissioner Mease. Chairman Campo, and Commissioners Cloonan, Corgey, Cruzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA F1 PASSED.

(2022-0224-06) Chairman Campo recognized Tom Heidt, Chief Operating Officer, to report on a selected agenda item.

Mr. Heidt explained that Item F2 was for an Industrial District Agreement with the City of Morgan's Point that would be similar to what the Port Authority had done with the City of Pasadena at Bayport. The agreement would disannex approximately 445 acres from

the City of Morgan's Point for 15 years. The Port Authority would pay a fee for the disannexation; however, the Port Authority would also sell property on the south side of Barbours Cut Boulevard to the city. Additionally, planting of foliage, yet to be determined, would take place along Barbours Cut Boulevard.

Commissioner Corgey questioned who would be responsible for maintenance of Barbours Cut Boulevard, Mr. Heidt responded that Harris County was responsible, and Mr. Guenther noted that the boulevard was in much better shape after being completely redone about ten years ago.

(2022-0224-07) RCA F2 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Corgey. Chairman Campo, and Commissioners Cloonan, Corgey, Cruzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA F2 PASSED.

(2022-0224-08) Chairman Campo recognized Maxine Buckles, Chief Business Equity Officer, to provide a report of a selected agenda item.

Ms. Buckles addressed Item G1 – a professional services contract to assist with implementation of a diversity, equity, and inclusion (DEI) plan. The plan was developed by a cross-functional team at the Port Authority and was now ready for the implementation phase. The plan included leadership development and communication initiatives, among other items.

Commissioner Mease questioned the amount and the duration of the contract, noting that if the options on the contract were exercised, then the amount would be higher than what was noted in the RCA.

Ms. Buckles responded that at the end of the year staff would reevaluate the contract and determine what services were still needed and then come back to the Port Commission with a recommendation.

Commissioner Mease was skeptical of the lengthy time it would take to implement the plan, and Ms. Buckles responded that culture was hard to change, and she envisioned the effort taking at least five years. Chairman Campo added that DEI was a journey, not a destination.

(2022-0224-09) RCA G1 was presented, moved by Commissioner Corgey, seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Cloonan, Corgey, Cruzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA G1 PASSED.

(2022-0224-10) Chairman Campo recognized John Moseley, Chief Commercial Officer, to provide a report of selected agenda items.

Mr. Moseley explained that agenda Item H1 was a request to award a contract to a local, small, woman-owned business to redesign the Port Authority's website last updated in 2016. There had been significant changes in technology since then, and new updates in functionality along with cyber security concerns would be addressed in the redesign. The website would be redesigned with an emphasis on communication with partners, stakeholders, industry, community, etc., in alignment with the Port Authority's Strategic Plan. Nearly four million visitors had viewed the website in the last two years.

Commissioner Cruzot asked for an explanation as to why there were so many respondents with a wide range of price quotes for the solicitation. Mr. Moseley replied that some proposers had added services that were not included in other bids, and the quality of work had also played a factor in the bid prices.

Commissioner Cloonan remarked that it would be a good time to begin a framework for a database where vendors could upload their information to be kept on file by the Port Authority. Such a database would be helpful when the Port Authority needed to break down larger contracts to reach its small business and minority- and women-owned business enterprises (MWBE) goals.

Mr. Moseley concluded by mentioning that Item H2 was for approval of an amendment to extend the term of a lease for five years.

(2022-0224-11) RCA H1 was presented. Commissioner Mease moved for staff's ranking of vendors - first, Love Advertising, Inc.; second, MOJO Creative Services; and third, Exemplifi LLC, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Cruzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA H1 PASSED.

(2022-0224-12) RCA H2 was presented, moved by Commissioner Cloonan, seconded by Commissioner Cruzot. Chairman Campo, and Commissioners Cloonan, Corgey, Cruzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA H2 PASSED.

Chairman Campo noted that there were no Finance agenda items.

(2022-0224-13) Chairman Campo recognized Rich Byrnes, Chief Infrastructure Officer, to provide a report of selected agenda items.

Mr. Byrnes highlighted Items J4 and J5, design contracts for the rehabilitation of wharves and container yards at the Barbours Cut Container Terminal. This was part of a

larger rehabilitation effort at the terminal supported in part by grant funds. Rehabilitation on the container yards would commence later in the year, while the wharves would wait until the next year, both were projected to be finished by 2027.

The total amount would be greater than the RCA request, since staff did not want to encumber the money by approving the work all at once. It would return to the Port Commission in segments for additional approvals.

Mr. Byrnes stated that Item J6 was to enter into a Memorandum of Agreement with the Corps for maintenance dredging berths in the vicinity of the Turning Basin Terminal, set to begin in the latter half of the year. There would also be additional fees related to the placement of dredged material, but staff was not asking for approval of those fees at this time.

Commissioner DonCarlos asked what needed to be done to the wharves as part of the rehabilitation. Mr. Byrnes answered that the yards needed to be strengthened for stacking containers and the wharves needed to be strengthened for larger cranes. Wharves 1, 2, and 3 had already been rehabilitated.

Commissioner DonCarlos continued, asking if the concrete needed to be taken out and repoured. Mr. Byrnes explained that the process was extensive and included redrilling for bigger and stronger piers.

Commissioner Corgey asked what the rate per cubic yard was for Item J6. Mr. Byrnes answered that it varied based on location and the distance to the dredge placement area. He believed the tipping fees were about \$4.50 and the dredge fees were approximately \$10.

(2022-0224-14) RCA J1 was presented. Commissioner Corgey moved for staff's ranking of vendors - first, Walter P. Moore; second, Simpson, Gumpertz & Heger; and third, PGAL, Inc., seconded by Commissioner Creuzot. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J1 PASSED.

(2022-0224-15) RCA J2 was presented. Commissioner Corgey moved for staff's ranking of vendors - first, Wiss, Janey, Elstner Associates, Inc; second, Moffatt & Nichol; and third, POND & Company, seconded by Commissioner Creuzot. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J2 PASSED.

(2022-0224-16) RCA J3 was presented, moved by Commissioner Corgey, seconded by Commissioner Creuzot. Chairman Campo, and Commissioners Cloonan,

Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J3 PASSED.

(2022-0224-17) RCA J4 was presented, moved by Commissioner Corgey, seconded by Commissioner Creuzot. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J4 PASSED.

(2022-0224-18) RCA J5 was presented, moved by Commissioner Corgey, seconded by Commissioner Creuzot. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J5 PASSED.

(2022-0224-19) RCA J6 was presented, moved by Commissioner Corgey, seconded by Commissioner Creuzot. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J6 PASSED.

(2022-0224-20) RCA J7 was presented, moved by Commissioner Corgey, seconded by Commissioner Creuzot. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J7 PASSED.

(2022-0224-21) RCA J8 was pulled from the agenda.

(2022-0224-22) Chairman Campo recognized Jeff Davis, Chief Port Operations Officer, to provide a report of selected agenda items.

Mr. Davis reported that container volumes were up the prior month by 27% and loads were up 11%. The Port Authority handled 327,000 TEUs in January 2022 which was almost 70,000 more than the previous January, and general cargo was up 127%, with steel, plywood, and cement leading the way.

The unprecedented volumes brought new challenges. General cargo facilities were averaging 19 to 24 ships per day, with another 3 to 6 waiting intermittently at anchor to ingress. In addition, there were currently twelve ships waiting to dock at the container facilities, which additionally totaled approximately 30 ships per day.

Mr. Davis explained that a new record had been set for gate transactions, at 14,000 in one day (the old record was barely over 13,000), and in order to accommodate the surge in transactions the Port Authority had extended its gate hours by opening at 6:00 a.m. instead of 7:00 a.m. The idea was to smooth out some of the hours as drivers were unlikely to start a transaction if they were unable to complete it.

Commissioner DonCarlos asked to confirm whether the gate hours were 6:00 a.m. to 7:00 p.m. at both Bayport and Barbours Cut Terminals, and Mr. Davis responded that was correct, adding that the in-gates closed at 6:00 p.m. to allow all trucks to get out by 7:00 p.m.

Commissioner DonCarlos mentioned that Chambers County was working with the Texas Department of Transportation on a master transportation plan to deal with the increased volume of truck traffic, and asked to be notified when the Port Authority changes its hours.

Mr. Davis responded that Saturday gate hours were also being evaluated but that the Port Authority had not had much success in the past with Saturday hours. A normal hour would provide over 1,000 truck transactions and the Port Authority would consider 1,000 total transactions during an entire Saturday to be a success.

Commissioner Creuzot asked if other ports had second shifts that worked overnight. Mr. Davis confirmed there were other ports that employed overnight shifts, that the Port Authority had tried it, but the night hours were not utilized and so staff concluded it was a waste of resources.

Commissioner Creuzot asked if the new 6:00 a.m. hour was paid in overtime and Mr. Davis confirmed that it was.

Mr. Guenther added that the challenge was the limitation on the numbers of hours a truck driver could drive during a week. The Port Authority would stay open longer if there were enough truck drivers to take advantage of doing so.

Chairman Campo added that human nature played a factor, as many people did not want to work at night.

Mr. Guenther noted that the truck drivers would also need a place to drop off their load after exiting the terminal, which was difficult at night, and added that the hour-early opening was at the direct request of customers.

Commissioner DonCarlos mentioned that the Grand Parkway segment was nearly complete, which would streamline the process.

Mr. Guenther remarked that there was a pilot program to allow container trucks on the toll road, which historically had not been allowed.

Mr. Davis continued his presentation: new ship-to-shore cranes had recently arrived at the Bayport Container Terminal. The cranes could work a 15,000 TEU ship, which was

the size of ships that would be able to enter the Houston Ship Channel once Project 11 was complete. The shorter, smaller cranes would be moved by barge to the Barbour's Cut Container Terminal. The new cranes were 158 feet under the spreader bar and could reach out to the very edge of the channel. Mr. Guenther added that a 15,000 TEU ship translated to 22 containers wide, and was 1,200 feet long.

Mr. Davis announced that four new services would be calling on the Port Authority. Mediterranean Shipping Company and Maersk each had dedicated ships calling Houston from Asia, for a total of ten Asian services. He noted that Houston was expected to be a gateway for Asia for many years to come.

Mr. Davis moved on to highlight agenda Item K2, a sole source contract for captive replacement parts and repair services for motor control drives for 116 yard-cranes. Item K4 pertained to a sole source contract for quarterly inspection services for 18 wharf cranes at the container terminals.

Commissioner DonCarlos asked if any thought had been given to locking up the captive replacement crane parts contract for more than two years. Mr. Guenther replied that he was not sure if the vendor would be willing to lock in more than two years on their pricing.

Commissioner Fitzgerald commended the maintenance department on their job of keeping everything running.

(2022-0224-23) RCA K1 was presented, moved by Commissioner Corgey, seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K1 PASSED.

(2022-0224-24) RCA K2 was presented, moved by Commissioner Corgey, seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K2 PASSED.

(2022-0224-25) RCA K3 was presented, moved by Commissioner Corgey, seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K3 PASSED.

(2022-0224-26) RCA K4 was presented, moved by Commissioner Corgey, seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K4 PASSED.

(2022-0224-27) RCA K5 was presented, moved by Commissioner Corgey, seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K5 PASSED.

(2022-0224-28) Chairman Campo recognized Jessica Shaver, Chief People Officer, to provide a report of selected agenda items.

Ms. Shaver presented an update on the Port Authority's work with surrounding communities and stakeholders. The Port Commission previously approved a multimillion-dollar initiative to help improve parks and greenspaces in Houston and East Harris County, and thereafter members of the Community Relations team reached out to targeted communities in East Harris County to identify various projects. Projects currently under discussion include trail improvements in Galena Park, a community pavilion in Shoreacres, and park improvements in Channelview.

Ms. Shaver explained that Item L1 was a request to fund lighting improvements along public walking trails in the City of Galena Park.

Ms. Shaver outlined the current status of the parks initiative with the City of Houston. A Memorandum of Understanding (MOU) with the city had been signed in October – the sponsorship by the Port Authority targeted two specific parks in the area of the Turning Basin Terminal.

Ms. Shaver also announced that the 2022 Community Grants Program was open. The budget was \$325,000 and staff was currently accepting letters of interest.

Commissioner DonCarlos noted that he had given notice to many communities of the grant program through the Harris County Mayors' and Councils' Association.

Commissioner Fitzgerald asked for an update as to what had happened since the MOU was signed. Ms. Shaver explained that community outreach and listening sessions had been held for each of the two parks, with the intent of taking the input and using it in the design of the parks.

Commissioner Mease was concerned that the money allocated for Item L1 was coming out of a \$1 million fund previously approved by the Port Commission and set aside for parks in East Harris County. While he was very much in favor of the agenda item, he was adamant that the funding not come from the \$1 million since the item was not specifically for a park, but rather for lighting of a trail.



Chairman Campo suggested that the item be voted on and, if approved, a discussion in the Community Relations Committee would be had about where the funds would come from.

Commissioner Fitzgerald suggested amending Item L1 to state that the \$1 million park fund not be used. Commissioner Mease agreed with the suggestion.

Mr. Heidt observed that the Shoreacres pavilion project that Ms. Shaver spoke about earlier was also not a park and that project may have to be amended if the \$1 million fund was not to be used.

Commissioner Corgey moved to amend Item L1 to state that the \$1 million park fund was not to be used when funding the project, seconded by Commissioner Mease.

Commissioner Cloonan wanted to clarify her understanding of the motion. She understood the issue to be that the \$1 million fund set aside for parks would not be used to fund Item L1 since the item was not a park, but rather lighting along a trail. Mr. Guenther and Ms. Shaver confirmed that under understanding was correct.

Commissioner DonCarlos remarked that the Port Authority had worked for years to get a trail that ran alongside the dredged placement area between Jacinto City and Galena Park. There was a school on the Galena Park side that kids from Jacinto City attended and a sidewalk was needed for safety, so the kids did not have to walk on the street.

Chairman Campo stated that Item L1 would not be funded by the \$1 million park fund, and the Community Relations Committee would need to discuss and determine what expenditures qualify to come out of that fund.

(2022-0224-29) RCA L1, *as amended to not be paid from money set aside for East Harris County parks*, was presented, moved by Commissioner Creuzot, seconded by Commissioner Corgey. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA L1 PASSED.

Mr. Eriksson opened a hearing on Item L2 and explained that staff was recommending an amendment to the Port Authority's wrap-around plan documents and the summary plan descriptions for its Other Post-Employment Benefits Plan and Group Insurance Plan, to incorporate provisions related to the COVID-19 national emergency.

Chairman Campo summarized that the amendment was simply technical adjustments to the plan. There were no comments during the hearing and the hearing was subsequently closed.

(2022-0224-30) RCA L2 was presented, moved by Commissioner Corgey, seconded by Commissioner Creuzot. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA L2 PASSED.

Chairman Campo noted that there were no Security and Emergency Operations items and no Technology items on today's agenda.

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

It is now 10:57 a.m. The Port Commission of the Port of Houston Authority of Harris County, Texas will now convene in a closed meeting, as permitted by the Texas Open Meetings Act and Government Code (1) to conduct a private Consultation with Attorneys (*Section 551.071, Texas Open Meetings Act*), including consultations regarding (i) *Port of Houston Authority v. Louis Dreyfus Company Houston Export Elevator LLC*, in the Southern District of Texas, (ii) Extendible Commercial Paper Notes offering, (iii) the Port of Houston Authority Restated Retirement Plan, and (iv) proposed amendment to the agreement for legal services with Andrews Myers, P.C.; deliberate regarding (2) Real Estate (*Section 551.072, Texas Open Meetings Act*), including licensing of miscellaneous Houston Ship Channel and upland properties; (3) Economic Development Negotiations or Incentives (*Section 551.087, Texas Open Meetings Act*); (4) Employment and Evaluation of Public Officers and Employees (*Section 551.074, Texas Open Meetings Act*), including deliberation regarding the employment agreement with the Executive Director of the Port Authority; and (5) Security-Related Matters (*Sections 418.175-418.183 of the Texas Government Code, and Section 551.076, Texas Open Meetings Act*). The Port Commission will reconvene in public session after the closed meeting is adjourned.

At 11:56 a.m., Chairman Campo reconvened the open meeting with the following Commissioners, staff, and counsel in attendance:

Ric Campo, Chairman  
Wendy Cloonan, Commissioner  
Dean Corgey, Commissioner  
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


(2022-0224-31) Commissioner Cloonan moved to authorize the Port Authority to amend the agreement for legal services with Andrews Myers, P.C. on the terms discussed in Executive Session, and to authorize the Chief Legal Officer to do all things necessary to give effect to the foregoing, seconded by Commissioner Fitzgerald, Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. MOTION PASSED.

(2022-0224-32) Commissioner Creuzot moved to authorize the Port Authority to take action regarding *Port of Houston Authority v. Louis Dreyfus Company Houston Export Elevator LLC* on the terms discussed in Executive Session, and authorize the Executive Director to do any and all things necessary to give effect to the foregoing, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. MOTION PASSED.


(2022-0224-33) Commissioner Fitzgerald moved to authorize the Port Authority to take action regarding its employment agreement with Roger Guenther on the terms discussed in Executive Session, and authorize the Chairman and Chief Legal Officer to do any and all things necessary to give effect to the foregoing, seconded by Commissioner Corgey. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. MOTION PASSED.

At 11:58 a.m., Chairman Campo adjourned the Port Commission meeting.

The above is a correct copy of the Minutes of the February 24, 2022 meeting of the Port Commission of the Port of Houston Authority.



\_\_\_\_\_  
Ric Campo, Chairman



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Erik A. Eriksson, Secretary

## F. EXECUTIVE

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**Subject**                    **1. Authorize the Port Authority to hire Shannon Williams as its chief audit executive.**

Meeting                    Feb 24, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access                    Public

Type                    Action

Recommended Action    The Port Commission, at its February 24, 2022 meeting, authorize the Port Authority to hire Shannon Williams as its chief audit executive, ratify and approve its previous actions in connection therewith, 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:**

General

**Department:**

Finance

**Staff Contact:**

Tim Finley

**Background:**

Last year the Chief Audit Executive of the Port Authority, Maxine Buckles, took on the duties of Chief Business Equity Officer, with the intention to step down from her audit duties.

Pursuant to Texas Special District Local Laws Code Section 5007.226(c), the Port Commission hires (and may fire or suspend) the chief audit executive of the Port Authority, who reports to its internal audit task force (currently designated as the Audit Committee). The Audit Committee, in turn, has the authority to meet with and seek any information it requires from employees in conjunction with its duties.

Accordingly, in support of those duties, staff conducted a search for a new chief audit executive, including posting internally and externally for individuals meeting the position requirements and having related experience. Candidates were interviewed over several rounds by the incumbent Chief Audit Executive and the Chief Financial Officer, who provided their recommendation to Port Commissioners deliberating in Executive Session during the meeting of the Audit Committee on January 25, 2022. Following further deliberations during the Executive Session of the Port Commission meeting of the same day, the Port Commission returned to open session and authorized the Port Authority to hire a chief audit executive as discussed therein.

**Staff Evaluation/Justification:**

Staff now recommends that the Port Commission specifically authorize the Port Authority to hire Shannon Williams as its chief audit executive, and take the other actions as set forth above.

## F. EXECUTIVE

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**Subject**                    **2. Enter into an Industrial District Agreement with the City of Morgan's Point and approve a payment to the city under that agreement in the net amount not to exceed [\$1.5 million].**

Meeting                    Feb 24, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access                    Public

Type                    Action

Recommended Action    The Port Commission, at its February 24, 2022 meeting, authorize the Port Authority to enter into an Industrial District Agreement with the City of Morgan's Point and approve a payment to the city under that agreement in the net amount not to exceed [\$1.5 million], and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

**Category:**

General

**Department:**

Executive

**Staff Contact:**

Erik Eriksson

**Background:**

Port Authority representatives have undertaken discussions with the Mayor and City Manager of the City of Morgan's Point to consider whether the city would:

- (i) disannex Barbours Cut Terminal property;
- (ii) enter into an Industrial District Agreement for the disannexed property; and
- (iii) sell miscellaneous properties south of the terminal to the city.

The agreement would provide, among other things, that during its term, the disannexed property would retain its newly-enacted extraterritorial status, be immune from annexation by the city, and remain exempt from various city powers. The agreement would also acknowledge that the city would have no obligation to provide services to the disannexed property, except water supply, waste water treatment, and minor miscellaneous services. Finally, the agreement would provide that the Port Authority pay a net amount not to exceed [\$1.5 million] to the city, after deducting the sales prices for the miscellaneous properties sold to the city, arrange for third party payments to the city in lieu of sales tax, and landscape the north side of Barbours Cut Blvd. from the west terminal line to Wilson, with screening plantings as agreed on by the parties.

Staff anticipates that Morgan's Point City Council will consider these matters early next month.

**Staff Evaluation/Justification:**

Staff recommends that the Port Commission authorize the Port Authority to enter into a Memorandum of Agreement and Industrial District Agreement with the City of Morgan's Point and approve a net payment to the city thereunder in the amount of [\$1.5 million].

## G. BUSINESS EQUITY

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**Subject**                    **1. Approve a professional services contract with Nursify, LLC D/B/A IMC Culture, for a one year term with two one-year renewal options, to assist with implementation of a Diversity, Equity, and Inclusion plan in alignment with the Strategic Plan objective to foster a culture of diversity and inclusion, innovation, and open communication, in an amount not to exceed \$257,500.**

Meeting                    Feb 24, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access                    Public

Type                    Action

Recommended Action    The Port Commission, at its February 24, 2022 meeting, approve a professional services contract with Nursify, LLC D/B/A IMC Culture, for a one year term with two one-year renewal options, to assist with implementation of a Diversity, Equity, and Inclusion plan in alignment with the Strategic Plan objective to foster a culture of diversity and inclusion, innovation, and open communication, in an amount not to exceed \$257,500, 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:**

Business Equity

**Staff Contact:**

Maxine Buckles

**Background:**

By Minute No. 2020-0128-06, the Port Commission approved and adopted the 2020 Strategic Plan which includes the goal to "Be the Best Place to Work," with an objective to foster a culture of diversity and inclusion, innovation, and open communication.

By Minute No. 2021-0521-05, the Port Commission adopted a formal position statement to express the Port Authority's commitment to diversity, equity, and inclusion (DEI), and solidify the organization's pledge to foster a culture of diversity and inclusion:

Diversity, Equity, Inclusion. These principles are interwoven with Port Houston's core values and will become part of our fabric and foundation. We are committed to doing what is right within our organization and throughout our community.

The DEI position statement was one of many steps the Port Authority has taken to and achieve that Strategic Plan goal and carry out the DEI elements of that Strategic Plan objective.

By Minute No. 2021-0720-35, the Port Commission approved a professional services contract with Nursify, LLC D/B/A IMC Culture (IMC) to perform a DEI assessment and assist staff with the development of a DEI plan. IMC has performed a comprehensive organizational analysis, and the DEI plan itself is scheduled to be completed in the near future. IMC is an enrolled Port Authority MBE.

The goal of the DEI plan is to align the Port Authority's internal DEI efforts as well as its external efforts in Business Equity and Community Engagement. This is anticipated to be an ongoing commitment, involving 3 to 5 years of focused actions. The requested contract would continue Port Authority DEI efforts by having

IMC assist staff with the first year of implementation of the DEI Plan, including but not limited to additional analyses and organization-wide assessments as may be required.

**Staff Evaluation/Justification:**

Based on IMC's experience with DEI plan analyses, development, and implementation, in addition to its familiarity with the Port Authority, staff has concluded that IMC is the firm best suited to assist Port Authority staff with the implementation of the DEI plan. Accordingly, staff recommends that the Port Commission approve this contract.

## H. COMMERCIAL

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<b>Subject</b>	<b>1. Approve staff's ranking of vendors and award a professional services contract for website redesign in an amount not to exceed \$340,000 to the first-ranked proposer: staff ranking – first, Love Advertising, Inc.; second, MOJO Creative Services; and third, Exemplifi LLC.</b>
Meeting	Feb 24, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its February 24, 2022 meeting: <ul style="list-style-type: none"> <li>a) approve staff's ranking of vendors, based on the selection criteria, in the following order – first, Love Advertising, Inc.; second, MOJO Creative Services; and third, Exemplifi LLC;</li> <li>b) award a professional services contract to the top-ranked proposer for website redesign in an amount not to exceed \$340,000;</li> <li>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</li> <li>d) further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.</li> </ul>
Goals	<p>STRATEGIC GOAL #3 - PARTNERSHIPS (Develop and Strengthen External Partnerships)</p> <p>Strategic Objective 3b. - Demonstrate transparency and accountability</p> <p>Strategic Objective 3c. - Engage in proactive two-way communication</p> <p>STRATEGIC GOAL #4 - STEWARDSHIP (Create Greater Value for the Region)</p> <p>Strategic Objective 4d. - Support sustainable growth of Port Houston and the greater Port</p>

**Category:**

Awards, Amendments & Change Orders

**Department:**

Marketing, Branding & External Communications

**Staff Contact:**

Christine Abbruscato

**Background:**

The Port Authority's strategic plan includes a focus on partnerships and proactive communications. To assist with achieving that goal, the Commercial Division seeks to redesign the Port Authority website.

That site ([www.porthouston.com](http://www.porthouston.com)) is a major communications tool, with 2,332,247 visitors in 2021, averaging almost 200,000 visitors per month. The site is used by many stakeholders, including customers, community groups, and public entities. A redesigned site would better reflect the Port Authority brand, be more user-friendly, support mobile use, increase staff efficiency, and meet the cyber security requirements of our organization.

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



**Staff Evaluation/Justification:**

On December 15, 2021, thirteen RFP responses were received and opened. The responses were reviewed and evaluated by staff in accordance with the selection criteria published in the RFP. Staff identified the following vendors, listed in order of ranking, as most qualified to provide the required services:

- Love Advertising, Inc.
- MOJO Creative Services
- Exemplifi LLC

Following Staff Executive Committee review, staff recommends that the Port Commission award a contract to Love Advertising, Inc. for the website redesign and to act as otherwise described above.

## H. COMMERCIAL

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**Subject**                    **2. Approve an amendment to the lease with NuStar Logistics, L.P. for approximately 1.24 acres (including 440 ft. of waterfront) adjacent to Wharf 4 at South Side Turning Basin, to extend the term for five years, effective no earlier than September 1, 2022, at a minimum annual base rent of approximately \$60,436.57, subject to annual base rent escalation of the greater of 3% or the increase in the Consumer Price Index.**

Meeting                    Feb 24, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access                    Public

Type                      Action

Recommended Action    The Port Commission, at its February 24, 2022 meeting, approve an amendment to the lease with NuStar Logistics, L.P. for approximately 1.24 acres (including 440 ft. of waterfront) adjacent to Wharf 4 at South Side Turning Basin, to extend the term for five years, effective no earlier than September 1, 2022, at a minimum annual base rent of approximately \$60,436.57, subject to annual base rent escalation 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 Objective 4d. - Support sustainable growth of Port Houston and the greater Port

**Category:**  
Lease

**Department:**  
Real Estate

**Staff Contact:**  
R.D. Tanner

**Background:**

By Minute No. 2015-0728-10, the Port Commission authorized a two-year lease with NuStar Logistics, L.P., commencing September 1, 2015, at an annual base rent of approximately \$47,844, subject to annual base rent escalation of the greater of 3% or the increase in the Consumer Price Index, for approximately 1.24 acres (including 440 ft. of waterfront) adjacent to Wharf 4 at South Side Turning Basin. The property is used for the operation of delivery and redelivery of asphalt and asphalt-related products using trucks, barges, and railcars.

By Minute No. 2017-0627-08, the Port Commission authorized an amendment to the lease to extend it for an additional five-year term, effective August 31, 2017, at an annual base rent of approximately \$50,758, subject to annual base rent escalation of the greater of 3% or the increase in the Consumer Price Index.

NuStar Logistics, L.P. has now requested the Port Authority to extend the term of the lease for an additional five years. The property would be used for the same purpose as stated above. The minimum annual base rent of approximately \$60,436.57 assumes an annual base rent escalation of 3%; however, the annual base rent could be adjusted more based on the annual base rent escalation. The increase in the Consumer Price Index would be determined prior to the annual adjustment date, which is September 1 of each lease year.

**Staff Evaluation/Justification:**

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

## J. INFRASTRUCTURE

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<b>Subject</b>	<b>1. Approve staff's ranking of vendors and award a professional services contract in an amount not to exceed \$64,500 for structural and repair option analysis for rehabilitation of the roofs of Sheds 20-21 at Turning Basin Terminal and CARE Terminal, to the top-ranked proposer: staff ranking – first, Walter P. Moore; second, Simpson, Gumpertz &amp; Heger; and third, PGAL, Inc.</b>
Meeting	Feb 24, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its February 24, 2022 meeting: <ul style="list-style-type: none"> <li>(a) approve staff's ranking of the most qualified vendor, based on the selection criteria, in the following order – first, Walter P. Moore; second, Simpson, Gumpertz &amp; Heger; and third, PGAL, Inc.;</li> <li>(b) award a professional services contract to Walter P. Moore for structural and repair option analysis for rehabilitation of the roofs of sheds 20-21 at Turning Basin Terminal and Care Terminal, in an amount not to exceed \$64,500;</li> <li>(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</li> <li>(d) further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.</li> </ul>
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 the evaluation of the existing structure components of Sheds 20 and 21 at the Turning Basin Terminal and CARE Terminal, to assess the structural integrity and loading capacity of each, for a potential roof overlay system. This evaluation would determine if the existing roof structural components are sufficient to support the additional load and whether they provide adequate anchoring for a new system. The consultant would also assess the economic feasibility of these options and make recommendations on cost effective options needed to replace or repair the existing roofs or substructure. It is anticipated that staff would recommend a future amendment to this contract for final design once staff selects the most cost effective option(s).

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. Eleven vendors downloaded the project materials from BuySpeed.

**Staff Evaluation/Justification:**

On December 8, 2021, seven 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:

- Walter P. Moore
- Simpson, Gumpertz & Heger
- PGAL, Inc.

Following staff Executive Committee review, staff recommends that the Port Commission award a contract to Walter P. Moore for the structural analysis and repair design of rehabilitation of roofs at Sheds 20-21 at Turning Basin Terminal and CARE Terminal and act as otherwise described above.

## J. INFRASTRUCTURE

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<b>Subject</b>	<b>2. Approve staff's ranking of vendors and award a professional services contract in an amount not to exceed \$150,000 for the 2022 corrosion on marine assets facility inspection and condition assessment program (FICAP) at Bayport Container Terminal to the top-ranked proposer: staff ranking – first, Wiss, Janey, Elstner Associates, Inc., Moffatt &amp; Nichol; and third, POND &amp; Company.</b>
Meeting	Feb 24, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its February 24, 2022 meeting: <ul style="list-style-type: none"> <li>(a) approve staff's ranking of the most qualified vendor, based on the selection criteria, in the following order – first, Wiss, Janey, Elstner Associates, Inc.; second, Moffat &amp; Nichol; and third, POND &amp; Company;</li> <li>(b) award a professional services contract to Wiss, Janey, Elstner Associates, Inc. for the 2022 corrosion on marine assets facility inspection and condition assessment program (FICAP) at Bayport Container Terminal in an amount not to exceed \$150,000;</li> <li>(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</li> <li>(d) further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.</li> </ul>
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:**

The ongoing facility inspection and condition assessment program (FICAP) includes performing visual inspections and condition ratings to support the Port Authority's asset management program. The project that is the subject of this item starts the FICAP corrosion program for the Bayport Container Terminal and would primarily consist of the following:

- Site inspection of corrosion protection assets at Bayport Container Terminal;
- Development of corrosion condition ratings for the inspected asset classes broken down by hierarchy;
- Assessment of the condition of assets that require maintenance, repair, or replacement; and
- Entrance of newly collected information into the Geographic Information System (GIS) database registry.

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. Thirteen vendors downloaded the project materials from BuySpeed.

**Staff Evaluation/Justification:**

On November 17, 2021, three 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:

- Wiss, Janey, Elstner Associates, Inc.
- Moffat & Nichol
- POND & Company

Following staff Executive Committee review, staff recommends that the Port Commission award a contract to Wiss, Janey, Elstner Associates, Inc. for the 2022 corrosion on marine assets FICAP at Bayport Container Terminal, and act as otherwise described above.

## J. INFRASTRUCTURE

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**Subject**                    **3. Amend the professional services contract with Hatch Associates Consultants, Inc. to perform additional services for the 2021 electrical and communications facility inspection and condition assessment program (FICAP) Portwide in an amount not to exceed \$92,000.**

Meeting                    Feb 24, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access                    Public

Type                    Action

Recommended Action    The Port Commission, at its February 24, 2022 meeting, approve an amendment to the professional services contract with Hatch Associates Consultants, Inc. to perform additional services for the 2021 electrical and communications facility inspection and condition assessment program (FICAP) Portwide in an amount not to exceed \$92,000, 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:**

Project and Construction Management

**Staff Contact:**

Roger H. Hoh, P.E.

**Background:**

By Minute No. 2021-0525-18, the Port Commission awarded a professional services contract to Hatch Associates Consultants, Inc. to perform services for the 2021 electrical and communications FICAP Portwide.

This first amendment to this contract for a total amendment value of \$92,000 represents an increase of 18.5% over the original contract value.

This proposed amendment would consist of the following:

- Inspection of entry and exit gates at Barbours Cut for two additional weekends;
- Conduct additional research to run the Electrical Transient Analyzer Program (ETAP) modeling software to create the arch flash labels for electrical equipment; and
- Provisions of the on-call inspection team for an additional 60 days of on-call inspection time during normal business hours.

**Staff Evaluation/Justification:**

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

## J. INFRASTRUCTURE

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<b>Subject</b>	<b>4. Amend the professional services contract with Hatch Associates Consultants, Inc. to perform services for the design for rehabilitation of Wharves 4, 5, and 6 at Barbours Cut Terminal in an amount not to exceed \$3,974,415.</b>
Meeting	Feb 24, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its February 24, 2022 meeting, approve an amendment to the professional services contract with Hatch Associates Consultants, Inc. to perform services for the design for rehabilitation of Wharves 4, 5, and 6 at Barbours Cut Terminal in an amount not to exceed \$3,974,415, 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. 2021-0525-17, the Port Commission awarded a professional services contract to Hatch Associates Consultants, Inc. to perform services for the design for rehabilitation of Wharves 4, 5, and 6 at Barbours Cut Terminal. The original contract totaling \$1,116,275 contemplated this amendment to complete the design work.

This proposed amendment would consist of the following:

- Complete 60%, 90%, 100% design for Wharf 6 and Issued for Construction (IFC), Engineering design package
- Bid Phase Services for Wharf 6

**Staff Evaluation/Justification:**

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



## J. INFRASTRUCTURE

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**Subject**                    **5. Amend the professional services contract with AECOM Technical Services, Inc. to perform services for the planning and design for reconstruction of eighty-seven acres of container yards at Barbours Cut Terminal in an amount not to exceed \$3,188,050.**

Meeting                    Feb 24, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access                    Public

Type                    Action

Recommended Action    The Port Commission, at its February 24, 2022 meeting, approve an amendment to the professional services contract with AECOM Technical Services, Inc. to perform services for planning and design for reconstruction of eighty-seven acres of container yards at Barbours Cut Terminal in an amount not to exceed \$3,188,050, 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. 2021-0525-16, the Port Commission awarded a professional services contract to AECOM Technical Services, Inc. to perform additional services for planning and design for reconstruction of eighty-seven acres of container yards at Barbours Cut Terminal. The original contract totaling \$1,095,381 contemplated this amendment to complete additional design work.

This proposed amendment would consist of the following:

- Provide project management for Container Yard 6 and Container Yard 7;
- Environmental and permitting support;
- Grant and MARAD support;
- Complete 60%, 90%, 100% design packages for Container Yard 6 and Container Yard 7, which is scheduled to be advertised for a construction in Q3-Q4 2023; and
- Container Yard 6 and Container Yard 7 site investigation.

**Staff Evaluation/Justification:**

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

## J. INFRASTRUCTURE

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**Subject**                    **6. Enter into a Memorandum of Agreement with the U.S. Army Corps of Engineers for maintenance dredging of berths at Turning Basin and Manchester docks for an amount not to exceed \$5,000,000.**

Meeting                    Feb 24, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access                    Public

Type                        Action

Recommended Action    The Port Commission, at its February 24, 2022 meeting, authorize the Port Authority to enter into a Memorandum of Agreement with the U.S. Army Corps of Engineers for maintenance dredging of berths at Turning Basin and Manchester docks for an amount not to exceed \$5,000,000, 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:**

General

**Department:**

Channel Operations

**Staff Contact:**

Garry McMahan

**Background:**

In mid to late 2022, the U.S. Army Corps of Engineers (Corps) is expected to perform maintenance dredging of the Houston Ship Channel adjacent to the Turning Basin and Manchester docks. Berths at these terminals also require maintenance dredging to remove siltation that has occurred since the last maintenance dredging was completed in 2020. The Corps is authorized to perform berth dredging for the Port Authority on a reimbursable basis.

**Staff Evaluation/Justification:**

Use of the Corps dredging contract for berth maintenance is expected to lower the Port Authority's cost for maintenance, improve navigation and commerce, and reduce impacts to placement areas.

Staff recommends that the Port Commission authorize this agreement.

## J. INFRASTRUCTURE

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**Subject** 7. Issue a transmission line license to Comcast of Houston, LLC for one fiber optic cable line under and across the Port Terminal Railroad Association Northside Mainline railroad right-of-way near Miles Street.

Meeting Feb 24, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its February 24, 2022 meeting, authorize the Port Authority to issue a transmission line license to Comcast of Houston, LLC for one fiber optic cable line under and across the Port Terminal Railroad Association Northside Mainline railroad right-of-way near Miles Street, 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. 2021-0400, has applied for a fiber optic cable line under and across the Port Terminal Railroad Association Northside Mainline railroad right-of-way near Miles Street 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

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**Subject**                    **8. Enter into a pipeline alteration agreement for possible pipeline relocation construction with Kinder Morgan Tejas Pipeline LLC in Segment 1 of the Houston Ship Channel Expansion Channel Improvement project (Project 11).**

Meeting                    Feb 24, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access                    Public

Type                    Action, Information

Recommended Action    The Port Commission, at its February 24, 2022 meeting, authorize the Port Authority to enter into a pipeline alteration agreement for possible pipeline relocation construction with Kinder Morgan Tejas Pipeline LLC in Segment 1 of the Houston Ship Channel Expansion Channel Improvement project (Project 11), 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:**

Kinder Morgan Tejas Pipeline LLC (Kinder Morgan) has an abandoned pipeline adjacent to the Houston Ship Channel that may be in conflict with Project 11. After several attempts to locate line segments, it has been determined that while most of this pipeline was previously removed, some portions of the pipeline that were left in place may impact Project 11.

Kinder Morgan and the Port Authority believe it would be in the best interest of each to enter into an agreement, in the event that the dredger does encounter one of those portions of pipeline. The agreement would allow the dredger to remove the pipeline at the Port Authority's expense, after which Kinder Morgan would be invoiced for those removal costs.

**Staff Evaluation/Justification:**

Channel Operations Department staff worked closely with Kinder Morgan in trying to locate the pipeline. The alteration agreement was determined to be the best alternative to move forward with the dredging.

Therefore, staff recommend that the Port Commission approve the agreement.

## K. OPERATIONS

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**Subject**                    **1. Award a three-year contract to Alamo Transformer Supply Co. for the inspection, testing, repair, and oil sampling of transformers for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal in an amount not to exceed \$400,000.**

Meeting                    Feb 24, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access                    Public

Type                    Action

Recommended Action    The Port Commission, at its February 24, 2022 meeting, award a three-year contract to Alamo Transformer Supply Co. for the inspection, testing, repair, and oil sampling of transformers for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin 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.

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. 2017-0926-40, the Port Commission awarded a three-year contract to Alamo Transformer Supply Company in the amount not to exceed \$300,000 for repair and oil testing of transformers at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal. The terminals have numerous transformers to distribute electrical power to buildings, equipment, lighting, etc., and therefore a testing and repair vendor is necessary to service equipment efficiently, minimize equipment downtime, and ensure efficient terminal operations. Funds for this contract have been depleted.

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

**Staff Evaluation/Justification:**

On January 5, 2022, one CSB response was received and opened. The response was reviewed and evaluated by staff in accordance with the selection criteria published in the CSB.

Staff recommends that the Port Authority award a three-year contract to Alamo Transformer Supply Co., the responsible bidder submitting the only bid, for the inspection, testing, repair, and oil sampling for transformers for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal.

## K. OPERATIONS

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**Subject**                    **2. Award a two-year contract to Konecranes, Inc., the sole source provider, for the purchase of captive replacement parts and repair services for motor control drives for Kone cranes at Barbours Cut Terminal and Bayport Container Terminal in an amount not to exceed \$3,500,000.**

Meeting                    Feb 24, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access                    Public

Type                    Action

Recommended Action    The Port Commission, at its February 24, 2022 meeting, award a two-year contract to Konecranes, Inc., the sole source provider, for the purchase of captive replacement parts and repair services for motor control drives for Kone cranes at Barbours Cut Terminal and Bayport Container Terminal in an amount not to exceed \$3,500,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

**Category:**

Awards, Amendments & Change Orders

**Department:**

Maintenance

**Staff Contact:**

Paulo Soares

**Background:**

The Port Authority currently owns a total of one hundred and twenty Kone cranes, including fifty rubber tired gantry (RTG) and four wharf cranes at Barbours Cut Terminal, and sixty-six RTG cranes at Bayport Container Terminal. These units are used daily by the Port Authority and additionally leased to stevedoring companies for container handling activities. Therefore, the ability to expedite procurement of spare and replacement parts for these cranes is critical to efficient terminal operation.

By Minute No. 2020-0428-63, the Port Commission awarded a two-year contract to Konecranes, Inc. in an amount not to exceed \$3,250,000 for the purchase of captive replacement parts and repair services for motor control drives for Kone cranes at Barbours Cut Terminal and Bayport Container Terminal. This contract is set to expire on April 30, 2022 but funds are nearly depleted.

**Staff Evaluation/Justification:**

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 authorized source of replacement Kone parts in the United States.

Staff recommends that the Port Authority enter into a two-year contract with Konecranes, Inc. for the purchase of captive replacement parts and repair to motor control drives for Kone cranes, beginning on March 1, 2022 and ending on February 29, 2024, and recommends that the new contract amount be increased to \$3,500,000 due to larger volume of control drives to be repaired and to address RTG cranes that would no longer be under warranty during the term of this new contract. Replacement and spare parts would be purchased through this contract as needed to properly maintain these cranes and minimize operational downtime.

## K. OPERATIONS

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**Subject**                    **3. Award a three-year contract to Alimak Group USA, Inc., the sole source provider, for the purchase of spare and replacement proprietary parts for wharf crane elevators at Barbours Cut Terminal and Bayport Container Terminal in an amount not to exceed \$550,000.**

Meeting                    Feb 24, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access                    Public

Type                    Action

Recommended Action    The Port Commission, at its February 24, 2022 meeting, award a three-year contract to Alimak Group USA, Inc., the sole source provider, for purchase of spare and replacement proprietary parts for wharf crane elevators at Barbours Cut Terminal and Bayport Container Terminal in an amount not to exceed \$550,000, 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:**

The Port Authority maintains a total of twenty-five wharf cranes for loading and unloading containers at Barbours Cut Terminal and Bayport Container Terminal. Each of these cranes is equipped with an Alimak elevator, which is used to transport personnel and materials during operation and maintenance activities. To ensure the safety and reliability of these elevators, routine preventive maintenance must be performed, and captive replacement parts frequently procured. Safety devices on these elevators are proprietary and have expiration dates which necessitate periodic replacement.

By Minute No. 2019-0521-29, the Port Authority awarded a two-year contract to Alimak HEK, Inc. for the purchase of spare and replacement proprietary parts for wharf cranes at Barbours Cut Terminal and Bayport Container Terminal in an amount not to exceed \$300,000.

**Staff Evaluation/Justification:**

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 Alimak Group USA, Inc. is the sole source for the purchase of certain elevator components and safety devices in the United States.

Staff recommends that the Port Commission award a three-year contract to Alimak Group USA, Inc. for the purchase of spare and replacement proprietary parts for wharf crane elevators at Barbours Cut Terminal and Bayport Container Terminal.

## K. OPERATIONS

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**Subject**                    **4. Award a three-year contract to ABB, Inc., the sole source provider, for quarterly inspection services for motor control drives and support services for wharf cranes at Barbours Cut Terminal and Bayport Container Terminal in an amount not to exceed \$345,850.**

Meeting                    Feb 24, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access                    Public

Type                    Action

Recommended Action    The Port Commission, at its February 24, 2022 meeting, award a three-year contract to ABB, Inc., the sole source provider, for quarterly inspection services for motor control drives and support services for wharf cranes at Barbours Cut Terminal and Bayport Container Terminal, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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 fifteen wharf cranes that are equipped with ABB motor control drives for gantry, main and boom hoist, and trolley functions. Three additional units, also equipped with ABB drives, were delivered earlier this month. These systems require periodic inspections to ensure optimal performance during vessel operations. Since 2006, the Port Authority has hired ABB, Inc. to perform such inspections on a quarterly basis. As the manufacturer, ABB, Inc. is the authorized company to provide this service.

By Minute No. 2019-0326-33, the Port Commission awarded a two-year contract to ABB, Inc, in the amount not to exceed \$125,000 for quarterly inspection services for motor control drives on wharf cranes at Barbours Cut Terminal and Bayport Container Terminal. Contract funds have been depleted.

**Staff Evaluation/Justification:**

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 ABB, Inc. is the sole authorized source for inspection services for ABB motor control drives in the United States.

Staff recommends that the Port Commission award a three-year contract to ABB, Inc. for quarterly inspection services for motor control drives and support services for wharf cranes at Barbours Cut Terminal and Bayport Container Terminal.



## K. OPERATIONS

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**Subject**                    **5. Amend the lease between Terminal Link Texas, LLC and the Port Authority to provide a right of first refusal to lease 22.36 acres at Bayport Container Terminal.**

Meeting                    Feb 24, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access                    Public

Type                        Action

Recommended Action    The Port Commission, at its February 24 2022 meeting, amend the lease between Terminal Link Texas, LLC and the Port Authority to provide a right of first refusal to lease 22.36 acres at Bayport Container Terminal, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

**Category:**

General

**Department:**

Operations

**Staff Contact:**

Jeff Davis

**Background:**

The Port Authority and Terminal Link Texas, LLC (TLT) previously entered into the amended and restated lease agreement (File No. 2006-0158) dated May 4, 2017. The Port Authority and TLT entered into a first amendment to lease dated October 16, 2019 and a second amendment to lease dated August 29, 2019, granting a right of first refusal to TLT to lease a certain area at the Bayport Container Terminal, with such right of first refusal to expire December 31, 2020. Staff now recommends once again granting this right of first refusal to TLT.

**Staff Evaluation/Justification:**

In order to aid TLT in its planning for future operations in and around the Bayport Container Terminal, which may generate (i) future commercial activity, (ii) the flow of additional cargo into the Bayport Container Terminal, and (iii) additional equipment storage, break bulk storage, laden storage, empty container storage and container freight station space in and around the Bayport Container Terminal, staff recommends amending the lease to give TLT a right of first refusal to a certain 22.36-acre footprint at the Bayport Container Terminal from March 1, 2022 through February 28, 2023.

Staff recommends the Port Commission amend the lease between TLT and the Port Authority for a right of first refusal to lease 22.36 acres at Bayport Container Terminal.

## L. PEOPLE

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<b>Subject</b>	<b>1. Authorize funding for improvement of public trails in the City of Galena Park as part of the Port Authority's East Harris County parks and greenspace initiative, in an amount not to exceed \$145,000.</b>
Meeting	Feb 24, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its February 24, 2022 meeting, authorize funding for improvement of public trails in the City of Galena Park as part of the Port Authority's East Harris County parks and greenspace initiative, in an amount not to exceed \$145,000, 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	<p>STRATEGIC GOAL #3 - PARTNERSHIPS (Develop and Strengthen External Partnerships)</p> <p>STRATEGIC GOAL #4 - STEWARDSHIP (Create Greater Value for the Region)</p>

**Category:**

Awards, Amendments & Change Orders

**Department:**

Community Relations & Events

**Staff Contact:**

Maria Aguirre

**Background:**

By Minute No. 2021-0720-36, the Port Commission approved a multi-year program and funding for the development and improvement of parks and green spaces in East Harris County in a total amount not to exceed \$1,000,000.

Guided by the 2020 Strategic Plan, the Port Authority is committed to strengthening partnerships with surrounding communities and stakeholders and exploring opportunities to work closely with them as a responsible neighbor. In recent years the Port Authority has launched additional outreach initiatives such as the Community Grants Program, focused on investing resources into meaningful programs and projects that support and enhance local communities, serve to develop and strengthen partnerships, and create greater value for the region. The Port Authority is particularly interested in supporting programs or services that align with our current outreach priorities, including parks and green spaces in targeted neighborhoods within close proximity to the Houston Ship Channel.

Since that time, members of the Community Relations and Events Department and other staff have reached out to many of these targeted communities and requested proposals for projects that align with this program and were ready to be implemented.

**Staff Evaluation/Justification:**

The City of Galena Park, which adjoins the Port Authority's Woodhouse Terminal and Industrial Park East facility, has proposed a project to provide lighting improvements along the public walking trail on Main St., extending north to the newly improved Mercury Drive sidewalk/walking trail north of the Galena Park Sports Complex adjoining a dredged material placement area. These improvements will welcome more pedestrians to the trail and provide them with an improved experience.

Staff requests that the Port Commission authorize funding for the improvement of public trails in the City of Galena Park in the total amount of \$145,000.

## L. PEOPLE

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**Subject**                    **2. Hearing and possible action to amend the wrap-around Plan documents and Summary Plan Descriptions for the Port Authority's Other Post-Employment Benefits Plan and Group Insurance Plan to incorporate provisions related to the COVID-19 national emergency.**

Meeting                    Feb 24, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access                    Public

Type                    Action

Recommended Action    The Port Commission, conduct a hearing at its meeting on February 24, 2022, and take action to amend the wrap-around Plan documents and Summary Plan Descriptions for the Port Authority's Other Post-Employment Benefits Plan and Group Insurance Plan to incorporate provisions related to the COVID-19 national emergency, and further authorize the Executive Director to do any and all things in his opinion reasonable and necessary to give effect to the foregoing.

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

**Category:**

General

**Department:**

Human Resources

**Staff Contact:**

Roger Walter

**Background:**

The Port Authority sponsors the Port Authority Other Post-Employment Benefits (OPEB) Plan for the benefit of eligible retirees (and their eligible dependents) and Port Authority Group Insurance Plan for the benefit of eligible employees (and their eligible dependents). By Minute Nos. 2018-1212-38 and 2018-1212-39, the Port Commission adopted wrap-around Plan documents and Summary Plan Descriptions setting forth terms, conditions, and limitations relating to the Plans.

In accordance with Department of Labor and Internal Revenue Service (IRS) changes resulting from the COVID-19 pandemic, the Port Authority has tolled deadlines, relating to the submission of claims and the appeal of denied benefits claims, for employees to notify the Port Authority of a Consolidated Omnibus Budget Reconciliation Act (COBRA) qualifying event, enroll in COBRA, make COBRA premium payments, and request Health Insurance Portability and Accountability Act (HIPAA) special enrollment.

**Staff Evaluation/Justification:**

The Port Authority now seeks to amend the wrap-around Plan documents and Summary Plan Descriptions for its OPEB Plan and Group Insurance Plan to reflect the tolled deadlines as described above.

Port Authority staff and Haynes and Boone, the Port Authority's benefits counsel, have prepared modifications to the wrap-around Plan documents and Summary Plan Descriptions reflecting the above-described changes to the Port Authority's OPEB Plan and Group Insurance Plan.

Subchapter B of Chapter 60 of the Texas Water Code provides that the Port Commission may change the OPEB Plan and Group Insurance Plan. On February 18, 2022, notice was given to employees regarding (i) the proposed amendment of the Plans as described above, and (ii) a Port Commission hearing on the matter scheduled for February 24, 2022.

Staff recommends that the Port Commission adopt the amendments to the OPEB Plan and Group Insurance Plan wrap-around Plans and Summary Plan Descriptions set forth in the Summary of Material Modifications forms on file with the Port Authority.