

I N D E X

PORT COMMISSION
OF THE
PORT OF HOUSTON AUTHORITY
OF THE PORTS OF HARRIS COUNTY, TEXAS
January 26, 2021

<u>Minute No.</u>	<u>Event/Action</u>
	General
	Chairman Campo convened the virtual Port Commission meeting and provided opening remarks
	Minutes
2021-0126-01	Approve the minutes of the November 10, 2020 and December 8, 2020 Port Commission meetings
	Staff Reports
2021-0126-02	Roger Guenther, Executive Director, presented a summary of selected operational matters
	Appearances
2021-0126-03(a)	Chairman Campo recognized Adrian Shelley, Director, Texas Office, Public Citizen, who addressed the Port Commission
2021-0126-03(b)	Chairman Campo recognized Leticia Ablaza, Government Relations Director/Community Outreach, Air Alliance Houston, who addressed the Port Commission
2021-0126-03(c)	Chairman Campo asked if anyone else would like to address the Port Commission; there was no response
	F. Executive
2021-0126-04	Chairman Campo recognized Mr. Heidt to provide a report of selected Executive Division agenda items
2021-0126-05	Public comment, deliberation, and possible actions regarding a proposal by ship channel industry stakeholders to participate in funding the Houston Ship Channel Expansion - Channel Improvement Project (Project 11)

<u>Minute No.</u>	<u>Event/Action</u>
	G. Commercial
2021-0126-06	Chairman Campo recognized Mr. Heidt to provide a report of selected Commercial Division agenda items
2021-0126-07	Approve a one-year advertising and sponsorship agreement with JOC Group Inc.
2021-0126-08	Adopt resolutions adding Waller and Wharton Counties to the service areas of Foreign Trade Zone 84
2021-0126-09	Adopt a resolution approving Grand Parkway West Industrial Complex as a Foreign Trade Zone magnet site in Katy, Texas Business Park
	H. Finance
2021-0126-10	Chairman Campo recognized Mr. Heidt to provide a report of selected Finance Division agenda items
2021-0126-11	Approve the audited financial statements for the Port of Houston Authority Restated Retirement Plan for the fiscal year ended July 31, 2020
	I. Infrastructure
2021-0126-12	Chairman Campo recognized Mr. Heidt to provide a report of selected Infrastructure Division agenda items
2021-0126-13	Approve staff's ranking of vendors and award a professional services contract for the Asset Management Strategic Improvements Initiatives Project to the top-ranked proposer: staff ranking – first, GHD, Inc; second, Hatch Associates Consultants, Inc.; and third, KPMG, LLP Port Commission adopted the staff-recommended ranking and authorized award
2021-0126-14	Approve staff's ranking of vendors and award a professional services contract for the in-depth structural assessment and repair design of Wharves 47, 48, and 1E at Turning Basin Terminal to the top-ranked proposers: staff ranking – first, Dannenbaum Engineering Corporation; second, WSP USA, Inc.; and third, Moffatt & Nichol Port Commission adopted the staff-recommended ranking and authorized award

<u>Minute No.</u>	<u>Event/Action</u>
2021-0126-15	Award a construction contract to Bryant Industrial Services, LLC for the annual fender system maintenance at Barbours Cut Terminal and Bayport Container Terminal for 2021
2021-0126-16	Award a construction contract to Gutier, LLC for the annual pavement replacement at Barbours Cut Terminal and Bayport Container Terminal for 2021
2021-0126-17	Award a construction contract to Gutier, LLC for the annual concrete replacement at Turning Basin Terminal
2021-0126-18	Approve a change order with McCarthy Building Companies, Inc. to perform additional work associated with the rehabilitation of Wharf 3, construction of electrical infrastructure, and lighter aboard ship (LASH) dock demolition at Barbours Cut Terminal
2021-0126-19	Approve a change order with McCarthy Building Companies, Inc. to perform additional work associated with the rehabilitation of Wharves 4 and 5 at Bayport Container Terminal
2021-0126-20	Approve a change order with Forde Construction Company, Inc. to perform additional work associated with the rehabilitation and repair of Wharf 9 at Turning Basin Terminal
2021-0126-21	Authorize a facilities extension agreement for electrical pole relocation with CenterPoint Energy for the Port Road expansion and drainage project at Bayport Container Terminal
2021-0126-22	Authorize the Port Authority to negotiate and enter into a purchase agreement with Gin City Mitigation Bank to purchase wetland mitigation credits, in order to clear and develop the East and West Clinton sites
2021-0126-23	Approve the renewal of the following expiring Port Authority licenses for new ten-year terms: Chevron Phillips Chemical Company LP, ExxonMobil Pipeline Company, Kinder Morgan Texas Pipeline LLC, Kinder Morgan Texas Pipeline LLC, Linde, Inc., Lone Star NGL Mont Belvieu LP, and Pasadena Refining System, Inc.
2021-0126-24	Issue a pipeline license to Sunoco Pipeline L.P. for a 12-inch crude oil pipeline under and across Carpenters Bayou in two locations
2021-0126-25	Renew and amend a pipeline license issued to Enterprise Products Operating LLC to remove the existing pipeline and relocate a new pipeline to a greater depth across Cedar Bayou

<u>Minute No.</u>	<u>Event/Action</u>
2021-0126-26	Amend a pipeline license issued to Easton Energy Pipelines LLC to add an additional crossing of a 6-inch nitrogen pipeline adjacent to Steelman Street north of Rosa Allen
2021-0126-27	Amend a pipeline license issued to Dean Pipeline Company LLC to remove the existing pipeline and relocate a new pipeline to a greater depth across Cedar Bayou
2021-0126-28	Amend a pipeline license issued to Enterprise Products Operating LLC to remove the existing pipeline and relocate a new pipeline to a greater depth across Cedar Bayou
2021-0126-29	Amend a pipeline license issued to Enterprise Products Operating LLC to remove the existing pipeline and relocate a new pipeline to a greater depth across Cedar Bayou
2021-0126-30	Amend a pipeline license issued to Enterprise Intrastate LLC and Houston Pipe Line Company LP to remove the existing pipeline and relocate a new pipeline to a greater depth across Cedar Bayou
2021-0126-31	Consent to the amended sublease agreement between Greens Bayou Fleeting, LLC as sublessor and Cooper's Marine Service, Inc. as sublessee, effective November 1, 2020, for approximately 1.01-acres of upland and shoreline access and approximately 0.87-acres of submerged property at Greens Bayou

J. Operations

2021-0126-32	Chairman Campo recognized Mr. Heidt to provide a report of selected Operations Division agenda items
2021-0126-33	Award a contract to RICO Elevators, Inc. for the purchase of replacement elevators for Stevedoring Support Buildings Nos. 2 and 3 at Bayport Container Terminal
2021-0126-34	Authorize additional purchase order funding for continuing pandemic response services with Workplace Safety Screenings for \$1,100,000, Ambassador Services, LLC for \$750,000, Transportation Rental Solutions LLC for \$20,000, and Interstate Restoration for \$50,000

K. People

2021-0126-35	Chairman Campo recognized Mr. Heidt to provide a report of selected People Division agenda items
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<u>Minute No.</u>	<u>Event/Action</u>
2021-0126-36	Issue a purchase order to Office and Furniture Companies of Texas LLC DBA Greater Houston Office Products for the purchase of office supplies, toner cartridges, and copy machine paper for a 24-month period, using OMNIA Partners, Public Sector, a cooperative purchase program
	L. Port Security and Emergency Operation (no items)
	M. Technology
2021-0126-37	Chairman Campo recognized Mr. Heidt to provide a report of selected Technology Division agenda items
2021-0126-38	Issue a purchase order to CDW Government LLC for purchase of miscellaneous computer parts and accessories, using OMNIA Partners, Public Sector, a cooperative purchase program
	Recess Open Meeting and Convene Executive Session
	Reconvene Open Meeting
2021-0126-39	Authorize the Port Authority to reduce the monthly acreage lease rate for certain month-to-month Turning Basin Terminal leases for the time period and on the other terms discussed in Executive Session, and authorize the Executive Director to do all things necessary to give effect to the foregoing
2021-0126-40	Authorize the Port Authority to act to acquire properties in the vicinity of the Turning Basin Terminal from (a) Ovidio Hernandez Salamanca, (b) My Texas Realty LLC, and (c) J Mena Realty LLC on the terms discussed in Executive Session, and authorize the Executive Director to do all things necessary to give effect to the foregoing
2021-0126-41	Authorize the Port Authority to amend the agreement for legal services with (a) Baker Botts L.L.P., (b) Best Best & Krieger LLP, (c) Copeland & Rice LLP, and (d) Ewell, Brown, Blanke & Knight LLP 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
	Adjourn Meeting

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

**Houston, Texas
January 26, 2021**

A public meeting of the Port Commission of the Port of Houston Authority of Harris County, Texas was convened on January 26, 2021 at 9:15 a.m., via Cisco WebEx. The following commissioners, staff, and counsel were present:

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

Chairman Campo began the meeting by announcing the Port Authority had received a “new start” designation for Project 11. The significance of this was tremendous, as it paved the way to a clearer and smoother path to construction. There was only one “new start” designation for a deep-water port in the United States each year, and industry partners were essential in pushing the decision over the top at the eleventh hour.

Chairman Campo continued by declaring that the Port Authority would keep moving forward with next steps for “turning dirt” on the critical improvement project for the number one port in America and the busiest waterway in the nation. These next steps included the completion of design, negotiating the partnership agreement with the Army Corps of Engineers, and then advertising for and issuing contracts, and beginning construction.

Chairman Campo referred to the presentation given during the recent December 2020 Port Commission meeting regarding the disparity study conducted by Griffin & Strong, PC: following Port Commission direction, staff had been working diligently on the development of numerous measures, to begin making recommendations for a race- and gender-conscious program for consideration by the Port Commission. Initial discussions would begin the following day at the Procurement and Small Business Development Procurement Task Force meeting.

Chairman Campo explained that the process would include creating a policy, identifying resources, developing a budget, and defining the activities of advisory and peer reviews of the program. The Port Authority would push forward to identify steps to successful preparation and implementation of the supplier diversity program by the end of the second quarter of 2021.

Chairman Campo concluded his opening remarks by highlighting the success of the safety culture at the Port Authority. The maritime industry Lost Time Incident Rate was 3.8 while the Port Authority achieved a rate of .25 – an almost 50% decline from the prior year and well below the goal of .95 incidents per 200,000 manhours. Safety could not be optional and needed to be embraced from the top to the bottom across the entire organization.

(2021-0126-01) Chairman Campo called for a motion to approve the minutes of the November 10, 2020 and the December 8, 2020 Port Commission meetings. Commissioner Mease moved for approval, seconded by Commissioner Cloonan. The minutes were approved as written.

(2021-0126-02) Roger Guenther, Executive Director, presented a summary of selected operational matters as follows.

Mr. Guenther highlighted 2020 operating results:

- Overall tonnage across the public wharves reached more than 36 million tons, which was off 4% from the record year of 2019, and was the second highest tonnage ever.
- General cargo and steel imports remained sluggish due to the impact of the soft energy market.
- Container volume rebounded in the last quarter at unprecedented levels to reach a total of 2.99 million twenty-foot equivalent units (TEUs). In fact, 2020 volume fell just 828 TEUs shy of the 2019 record year.
- Even with record volumes in October, November, and December, the Port Authority, together with its stevedoring and ILA partners, delivered continued productivity and truck turn time levels.
- Financially, the overall results of operations and real estate activities contributed to a cash flow of \$166 million that would be invested in Port Authority facilities to stay ahead of the demand through its public terminals.

Mr. Guenther highlighted some of the tremendous achievements aligned with the strategic goals that were made in 2020 by the essential on-site workers who showed up every day to keep commerce moving, and the telecommuters who adjusted to a new environment to sustain the success of the Port Authority.

People

- At the beginning of the pandemic in March 2020, the Port Authority quickly pivoted in approximately 72 hours from working onsite to a distributed workforce, to support the ability of its employees to telecommute and support the critical

business processes for external stakeholders, and staff continued to sustain extraordinary service to customers.

- Enhancements were made to the Defined Contribution Plan, including increasing the contribution rate and shortening the vesting period.
- Two rounds of READY Pay were issued to onsite workers and one round of Employee Recognition Pay to all eligible employees who stayed the course throughout 2020.
- Onsite employees were supported through ongoing COVID-19 safety communications, administration of federal leave offerings, and implementation of an additional COVID-19 leave program for full-time onsite employees, to supplement federally mandated leave offerings.
- To keep its employees as safe as possible, the Port Authority spent more than \$5 million on mitigation measures to protect the onsite workforce, including temperature screenings, sanitization of all terminal buildings in compliance with CDC guidelines, and personal protective equipment (PPE).
- Diversity and Inclusion (D&I) initiatives were launched, including roundtables, formation of a D&I action plan team, developing a training plan, etc.
- The Small Business department worked diligently to complete a disparity study which evaluated the Port Authority's use of minority- and women-owned businesses on contracts. The very successful Small Business Development Program would be reinvented as a supplier diversity program, to address the disparities noted in the study results.

Partnerships

- Staff worked alongside the new Pilot Commission in the transfer of duties and responsibilities.
- The Port Commission Community Advisory Council (PCCAC) was successfully relaunched with 14 members of local communities, including quarterly meetings and informal staff-led discussions to strengthen the Port Authority's community outreach.
- A Community Grants Program was implemented and nine grants, totaling \$250,000, were awarded for projects related to environmental stewardship, community improvement, and workforce development.
- A virtual M/V Sam Houston tour was created to continue the engagement and education of community members.
- Nine new Foreign Trade Zone (FTZ) sub-zones were created in 2020.
- The new Evergreen "CAJ" container service (a Panama, Central America, and Caribbean transshipment service to cover Trans-Pacific Asia and Latin America trades) was started in the second quarter at the Barbours Cut Container Terminal.
- Environmental initiatives were continued in the purchase of:

- 17 hybrid rubber-tired gantry (RTG) cranes at the Barbours Cut and Bayport Container Terminals, in addition to the four existing cranes, for a total of 21. This brought the entire RTG fleet to 107 (20% hybrid); and
- The first fully-electric yard truck was received for evaluation at the Bayport Container Terminal.
- The Port Authority reached substantial completion of the Peninsula Road project, which was sponsored through state funding and partnered with Harris County, to rebuild and improve the busy corridor. This improved the traffic flow and safety of the roadway.

Infrastructure

- The Port Authority obtained approximately \$560,000 in Port Security Grant funding for three security projects, two of which involved new infrastructure.
- Project 11 completed feasibility, received the Chief's Report, met General Conformity requirements, was congressionally authorized by the Water Resources Development Act (WRDA), and received a "new start" designation paving the way to "dig dirt" in 2021.
- The Port Authority's 2040 Plan was developed, disseminated to hundreds of stakeholders, and published. This promoted the four long-term implementation strategies of Channel, Cargo, Community and Change.
- Grant awards exceeding \$100 million, through federal Infrastructure Rebuilding America (INFRA) and Port Infrastructure Development Program (PIDP) grants, were received, supporting construction of a new wharf at Bayport Container Terminal and renovation of 84 acres and 2,700 feet of wharf at Barbours Cut Container Terminal.
- The Port Authority completed the first year of a 10-year renewable electricity contract for 100% asset-backed renewable electricity (not credits), which would save 25,000 tons of carbon emissions and a quarter million dollars per year.
- \$113 million in new investments and redevelopment at Port Authority facilities was awarded to meet demand for continued growth.

Stewardship

- While the maritime industry generally maintained a Lost Time Incident Rate (LTIR) of 3.8, the Port Authority achieved a rate of .25, an almost 50% decline from last year and well below the goal of .95 (incidents per 200,000 manhours).
- The Port Authority was recertified to the ISO 28000 standard for supply chain security, with no non-conformances.
- The new facial recognition program at the Bayport Container Terminal was registered and managed, with more than 5,000 truckers enrolled to date.
- 46 trees and nearly 1,000 pollinator plant seeds were planted around the Turning Basin Terminal, through an employee volunteer event in February.

- The Port Authority led Morgan's Point beach cleanup, where 25 local volunteers collected nearly 1,000 pounds of waste and recyclable material.

Mr. Guenther reviewed some of the early achievements in 2021:

- Container facilities were off to a rapid start and the Port Authority was hopeful that general cargo would rebound, as it emerged from the grips of the pandemic, later in the year.
- Gate activity at the container terminals continued at a high level in January, where staff consistently saw more than 11,000 gate transactions daily.
- THE Alliance would begin a new trans-pacific service at the Port Authority in April, which added capacity for the continued demand for commerce of import and export goods.
- The vessel CMA CGM BIANCA, which worked a couple of weeks ago at the Bayport Container Terminal, was the first ship to use six cranes for more than 5,600 total moves, and was the second largest lift count on a vessel operation at a Port Authority facility. The operation was completed with an average productivity of more than 30 moves per hour per crane, a total of 189 gang hours, 99.6% up time on the cranes, and a total of 43 hours in port.
- There is pent-up demand by carriers to bring even larger vessels as soon as possible, highlighting the urgency of the completion of Project 11.

Chairman Campo added that the Clean Air Strategy Plan was released in 2020 and was in the middle of a 30-day comment period, and a plan in development to set up a task force with community leaders to put the financial weight of the Port Authority behind various environmental initiatives.

Chairman Campo also noted that the new chair of the Pilot Commission was appointed and would be taking over on February 1, 2021. The new Pilot Commission was almost 100% completed.

(2021-0126-03) Appearances

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

Mr. Shelley appreciated the release of the Clean Air Strategy Plan for public comment. He noted that the two main targets in the plan targeted the reduction in pollutants by 2025 over the 2013 baseline levels. He suggested that more detail related to community context and the specific impacts of each pollutant to the area was desired, and added that there was not much detail of the demographics of the neighboring communities, such as employment, income, and healthcare access.

Mr. Shelley felt that such context would be useful in informing the approach to emission reductions. As an example, there was no strategy or targets related to oceangoing vessels and the pollutant emissions they caused. In fact, the strategy for oceangoing vessels focused on greenhouse gases, which was not one of the pollutants that was targeted by the plan.

Mr. Shelley concluded with the thought that there were some missed opportunities in the plan, referencing the lack of strategies pertaining to locomotives and harbor vessels. The Port Authority's stance that the equipment was owned by other parties did not reach the potential that it could have in a strategy plan.

Mr. Guenther thanked Mr. Shelley for his comments and encouraged him to make more during the 30-day public review period.

(b) Chairman Campo recognized Leticia Ablaza, Government Relations Director/Community Outreach, Air Alliance Houston, who addressed the Port Commission.

Ms. Ablaza thanked the Port Authority for the release of the Clean Air Strategy Plan, as she had been advocating for it for quite some time. She emphasized the responsibility the Port Authority has to the community and that it must offset the emissions from Project 11, specifically the thousands of tons of nitrogen oxide. It was not enough to simply comply with the law; the Port Authority needed to demonstrate that it was committed to public health by reducing air pollution.

Ms. Ablaza looked forward to seeing how the plan would develop, based off of comments made by the public. She noted it was just a start and the Port Authority needed to follow through on a lot of promises made to reduce air pollution: action was desired.

Chairman Campo appreciated the comments made on the Clean Air Strategy Plan and felt that a challenge was the differentiation of the Port Authority from the Port of Houston. There were 200 privately held terminals at the Port of Houston that needed to be enlisted as partners, and he committed that the Port Authority would take the lead on such an initiative.

(2021-0126-04) Chairman Campo recognized Mr. Guenther to provide a report of selected Executive agenda items.

Before yielding the floor, Chairman Campo explained that the Port Authority had been in conversation with industry for the past year and a half regarding industry funding its half of Project 11. The current proposal was a fee structure to reimburse the Port Authority for its costs, i.e. the Port Authority would levy a user fee under maritime law.

The proposal by industry would be evaluated by staff and a report as to the legality, fairness, and competitiveness of the user-fee would be made to the Port Commission.

(2021-0126-05) Mr. Guenther explained that the normal process for a deepening and widening project would take ten years to complete. The contributed funds that industry said it would commit to would allow the project to be completed in an accelerated time frame. He emphasized that the Port Authority, as the local sponsor, was committed to its cost share.

Mr. Guenther went on to note that under the current proposal by industry, the Port Authority would collect user fees but the obligation would not be on the Port Authority's balance sheet.

Mr. Guenther added that in order for a harbor fee to be implemented, the Port Commission would have to approve it, and several issues needed to be determined before any recommendation could be made to the Port Commission. Therefore, staff would take the proposal of industry and do its own due diligence, to be certain that, among other things, the fees would be legal and fair and would not harm the competitiveness of the channel.

Commissioner Creuzot asked if the current proposal was the only one given by industry, or if it was just the preferred proposal and Mr. Guenther confirmed that there was only one proposal.

Commissioner Mease clarified that staff would be looking at the proposal to determine if it was legal, and Mr. Guenther confirmed that assessment and assured commissioners that payment of the user fee would be incumbent on any vessel entering the port, regardless of its destination.

Commissioner Corgey remarked that he appreciated the cautious approach taken by staff.

Commissioner DonCarlos emphasized that he remained skeptical of the proposal. He was not clear as to where the immediate money would come from, as the user fee sounded like a reimbursement program, and he strongly opposed the Port Authority issuing any kind of debt. He was also concerned that the proposal would have a negative effect on the competitiveness of the port.

Mr. Guenther assured him that the issue of no debt on the Port Authority's balance sheet had been made very clear. Tim Finley, Chief Financial Officer, added the industry's vision was of a special purpose vehicle that would take out the debt and keep it off the Port Authority's balance sheet. The user fee would be levied by the Port Authority and passed along to the special purpose vehicle for repayment of the debt.

Commissioner DonCarlos asked if the cost to the Port Authority associated with administering such a user fee would be part of the reimbursement, and Mr. Guenther stated that it would be.

Commissioner Corgey asked if a user fee such as the one proposed had ever been implemented elsewhere, and Mr. Guenther admitted that it had not.

Mr. Eriksson remarked that a major issue was the allocation of the benefits of accelerated construction to the fee levied upon vessels, which was not a simple exercise to do, based upon the wording of the statute.

Chairman Campo agreed that there were a lot of issues that needed to be figured out, and if the Port Authority felt comfortable with the proposal, industry and the port community would then have to decide if they were in agreement with the fees.

(2021-0126-06) Chairman Campo recognized Mr. Heidt to provide a report of selected Commercial agenda items.

Mr. Heidt addressed agenda Items G2 and G3 – expansion of the Foreign Trade Zone (FTZ) of Waller and Wharton Counties, along with a magnet site for the Grand Parkway West Industrial Park. These agenda items were very beneficial to the growth of cargo.

(2021-0126-07) RCA G1 was presented, moved by Commissioner Corgey, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, and Mease voted Aye. Nays none. RCA G1 PASSED.

(2021-0126-08) RCA G2 was presented, moved by Commissioner Corgey, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, and Mease voted Aye. Nays none. RCA G2 PASSED.

(2021-0126-09) RCA G3 was presented, moved by Commissioner Corgey, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, and Mease voted Aye. Nays none. RCA G3 PASSED.

(2021-0126-010) Chairman Campo recognized Mr. Heidt to provide a report of selected Finance agenda items.

Mr. Heidt addressed the single item to approve the audited financial statements for the Port Authority's Restated Retirement Plan for the fiscal year ending July 31, 2020.

(2021-0126-11) RCA H1 was presented, moved by Commissioner Creuzot, seconded by Commissioner Mease. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, and Mease voted Aye. Nays none. RCA H1 PASSED.

(2021-0126-12) Chairman Campo recognized Mr. Heidt to provide a report of selected Infrastructure agenda items.

Mr. Heidt remarked that Item I1 was a contract for asset management strategic improvement initiatives. The asset management program was started over seven years ago and a good job had been done moving asset evaluations, including GIS capabilities, forward. The subject contract was to review the strategies and development framework and benchmark it against industry best practices.

Mr. Heidt stated that agenda Items I4 and I5 were for annual concrete replacement programs, for work carried out in small pieces. Mr. Heidt highlighted that the vendor chosen was a first-time small business. Agenda Item I10 was for authorization for the purchase of wetland mitigation credits for Project I1 dredge placement.

Commissioner DonCarlos wanted to know what the impacts to the surrounding communities would be regarding Item I10 and if there had been any outreach done. He was concerned that the Port Authority did not do a good job communicating with the community about the uptick in activity. He also wanted to know what the effect of traffic and construction debris would be to the surrounding community.

Mr. Heidt explained that the topic had been brought up in the Port Commission Community Advisory Council meeting, and Rich Byrnes, Chief Infrastructure Officer, explained that several dredge sties would be upgraded for Project I1. The activity would include truck traffic but it would be out of sight because the berms were off limits. There was a traffic plan for each dredge site, but the details had not yet been prepared as the projects had not been scoped and awarded.

Commissioner DonCarlos understood that there would be traffic plans, but he emphasized that outreach to the affected communities needed to happen to get the word out. He hoped the Port Authority was also cognizant of the fact that the trucks could track mud onto the community streets and create a mess. The contractor should be aware of that and work to maintain the cleanliness of the streets.

Mr. Byrnes agreed with Commissioner DonCarlos. He noted that prior comments made in a Port Commission meeting by a public citizen regarding the issue did not have anything to do with a Port Authority contractor. Staff would continue speaking with the Healthy Port Communities Coalition and its various sub-entities to inform communities about upcoming projects.

Mr. Guenther felt that Commissioner DonCarlos's point was well taken, and staff would reach out and communicate with the impacted communities ahead of time. Commissioner DonCarlos added that communication with local city governments was the best way to get residents informed about any upcoming projects.

(2021-0126-13) RCA 11 was presented. Commissioner Corgey moved for staff's ranking of vendors - first, GHD, Inc; second, Hatch Associates Consultants, Inc.; and third, KPMG, LLP, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, and Mease voted Aye. Nays none. RCA 11 PASSED.

(2021-0126-14) RCA 12 was presented. Commissioner Corgey moved for staff's ranking of vendors - first, Dannenbaum Engineering Corporation; second, WSP USA, Inc.; and third, Moffatt & Nichol, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, and Mease voted Aye. Nays none. RCA 12 PASSED.

(2021-0126-15) RCA 13 was presented, moved by Commissioner Corgey, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, and Mease voted Aye. Nays none. RCA 13 PASSED.

(2021-0126-16) RCA 14 was presented, moved by Commissioner Corgey, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, and Mease voted Aye. Nays none. RCA 14 PASSED.

(2021-0126-17) RCA 15 was presented, moved by Commissioner Corgey, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, and Mease voted Aye. Nays none. RCA 15 PASSED.

(2021-0126-18) RCA 16 was presented, moved by Commissioner Corgey, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, and Mease voted Aye. Nays none. RCA 16 PASSED.

(2021-0126-19) RCA 17 was presented, moved by Commissioner Corgey, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, and Mease voted Aye. Nays none. RCA 17 PASSED.

(2021-0126-20) RCA 18 was presented, moved by Commissioner Corgey, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, and Mease voted Aye. Nays none. RCA 18 PASSED.

(2021-0126-21) RCA I9 was presented, moved by Commissioner Corgey, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, and Mease voted Aye. Nays none. RCA I9 PASSED.

(2021-0126-22) RCA I10 was presented, moved by Commissioner Corgey, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, and Mease voted Aye. Nays none. RCA I10 PASSED.

(2021-0126-23) RCA I11 was presented, moved by Commissioner Corgey, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, and Mease voted Aye. Nays none. RCA I11 PASSED.

(2021-0126-24) RCA I12 was presented, moved by Commissioner Corgey, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, and Mease voted Aye. Nays none. RCA I12 PASSED.

(2021-0126-25) RCA I13 was presented, moved by Commissioner Corgey, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, and Mease voted Aye. Nays none. RCA I13 PASSED.

(2021-0126-26) RCA I14 was presented, moved by Commissioner Corgey, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, and Mease voted Aye. Nays none. RCA I14 PASSED.

(2021-0126-27) RCA I15 was presented, moved by Commissioner Corgey, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, and Mease voted Aye. Nays none. RCA I15 PASSED.

(2021-0126-28) RCA I16 was presented, moved by Commissioner Corgey, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, and Mease voted Aye. Nays none. RCA I16 PASSED.

(2021-0126-29) RCA I17 was presented, moved by Commissioner Corgey, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, and Mease voted Aye. Nays none. RCA I17 PASSED.

(2021-0126-30) RCA I18 was presented, moved by Commissioner Corgey, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, and Mease voted Aye. Nays none. RCA I18 PASSED.

(2021-0126-31) RCA I19 was presented, moved by Commissioner Corgey, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, and Mease voted Aye. Nays none. RCA I19 PASSED.

(2021-0126-32) Chairman Campo recognized Mr. Heidt to provide a report of selected Port Operations agenda items.

Mr. Heidt highlighted agenda Item 2 – the authorization for continuing pandemic response services: temperature screening at the terminals for \$1.1 million, cleaning and sanitation for \$750,000, and transportation services for \$20,000. To date, the Port Authority had obligated \$8.6 million for pandemic issues.

Commissioner Mease remarked that he felt the money was well spent.

Chairman Campo noted that the Port Authority had taken the lead on trying to get vaccines for the Port Authority and port community. Conversations were ongoing at the city, county, state, and federal levels.

Commissioner Corgey stated that the West Gulf Maritime Association was also working on getting the maritime industry classified as essential.

(2021-0126-33) RCA J1 was presented, moved by Commissioner Mease, seconded by Commissioner Corgey. Chairman Campo, and Commissioners Cloonan, Corgey, Cruzot, DonCarlos, and Mease voted Aye. Nays none. RCA J1 PASSED.

(2021-0126-34) RCA J2 was presented, moved by Commissioner Mease, seconded by Commissioner Corgey. Chairman Campo, and Commissioners Cloonan, Corgey, Cruzot, DonCarlos, and Mease voted Aye. Nays none. RCA J2 PASSED.

(2021-0126-35) Chairman Campo recognized Mr. Heidt to provide a report of selected People agenda items.

The one agenda item was a request to issue a purchase order for office supplies, toner cartridges, and copy machine paper for a two-year period using a cooperative purchase program.

(2021-0126-36) RCA K1 was presented, moved by Commissioner Corgey, seconded by Commissioner Mease. Chairman Campo, and Commissioners Cloonan, Corgey, Cruzot, DonCarlos, and Mease voted Aye. Nays none. RCA K1 PASSED.

(2021-0126-37) Chairman Campo recognized Mr. Heidt to provide a report of selected Technology agenda items.

Mr. Heidt noted the item was for the issuance of a purchase order for miscellaneous computer parts and accessories such as keyboards, monitors, mice, etc.

(2021-0126-38) RCA M1 was presented, moved by Commissioner Mease, seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, and Mease voted Aye. Nays none. RCA M1 PASSED.

Chairman Campo called for an Executive Session and Mr. Eriksson made the following announcement:

It is now 10:17 a.m. The Port Commission of the Port of Houston Authority of Harris County, Texas will now convene in a closed meeting, as permitted by the Texas Open Meetings Act and Government Code (1) to conduct a private Consultation with Attorneys (*Section 551.071, Texas Open Meetings Act*), including consultations regarding (a) 33 U.S.C.A. §§5(b) and 2236, (b) contract termination, (c) *Kozlowski, et al v. Buck et al*, and (d) proposed amendments to the agreements for legal services with (i) Baker Botts L.L.P., (ii) Best Best & Krieger LLP, (iii) Copeland & Rice LLP, and (iv) Ewell, Brown, Blanke & Knight LLP; deliberate regarding (2) Real Estate (*Section 551.072, Texas Open Meetings Act*), including disposition of Beltway 8, Barbours Cut Terminal, and Turning Basin Terminal vicinity properties, and Houston Ship Channel Expansion Channel Improvement Project (Project 11) 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 deliberations regarding claims of public employees; 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.

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Immediately thereafter the Port Commission retired into closed session.

At 11:29 a.m., Chairman Campo reconvened the open meeting via Cisco WebEx with the following Commissioners, staff, and counsel in attendance:

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

(2021-0126-39) Commissioner Corgey moved to authorize the Port Authority to reduce the monthly acreage lease rate for certain month-to-month Turning Basin Terminal leases for the time period and on the other terms discussed in Executive Session and authorize the Executive Director to do all things necessary to give effect to the foregoing, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Cruzot, DonCarlos, and Mease voted Aye. Nays none. MOTION PASSED.

(2021-0126-40) Commissioner DonCarlos moved to authorize the Port Authority to act to acquire properties in the vicinity of the Turning Basin Terminal from (a) Ovidio Hernandez Salamanca, (b) My Texas Realty LLC, and (c) J Mena Realty LLC on the terms discussed in Executive Session and authorize the Executive Director to do all things necessary to give effect to the foregoing, seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Cloonan, Corgey, Cruzot, DonCarlos, and Mease voted Aye. Nays none. MOTION PASSED.

(2021-0126-41) Commissioner Cloonan moved to authorize the Port Authority to amend the agreement for legal services with (a) Baker Botts L.L.P., (b) Best Best & Krieger LLP, (c) Copeland & Rice LLP, and (d) Ewell, Brown, Blanke & Knight LLP 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 Corgey. Chairman Campo, and Commissioners Cloonan, Corgey, Cruzot, DonCarlos, and Mease voted Aye. Nays none. MOTION PASSED.

At 11:32 a.m., Chairman Campo adjourned the Port Commission meeting.

The above is a correct copy of the Minutes of the January 26, 2021 meeting of the Port Commission of the Port of Houston Authority.



Ric Campo, Chairman



Erik A. Eriksson, Secretary

F. EXECUTIVE

Subject 1. Public comment, deliberation, and possible actions regarding a proposal by ship channel industry stakeholders to participate in funding the Houston Ship Channel Expansion - Channel Improvement Project (Project 11).

Meeting Jan 26, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its January 26, 2021 meeting, hear public comment, deliberate, and possibly take actions regarding a proposal by ship channel industry stakeholders to participate in funding 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:
General

Department:
Executive

Staff Contact:
Roger Guenther

Background:

Since the spring of 2019, a group of ship channel industry stakeholders (the "Stakeholder Group") has expressed its willingness to contribute half of the estimated \$1 billion cost of Project 11, with the Port Authority funding the remainder.

Details of the group's proposal to fund the industry portion of these construction costs have since been shared with the Port Authority and other maritime interests.

- In November 2019, representatives of the Stakeholder Group first briefed the Port Authority and other industry members regarding its proposal that in order to fund the industry cost, the Port Authority would charge a Project 11 harbor fee for transiting the Houston Ship Channel.
- Since then, staff has met with and discussed the proposed harbor fee in more detail with Vincent DiCosimo and other Stakeholder Group representatives. Stakeholder Group representatives have also met with other ship channel industry members.
- At the February 12, 2020 Port Commission meeting, Mr. DiCosimo provided more detail and analysis regarding the harbor fee proposal, members of the public commented on the matter, the Chief Legal Officer provided a legal overview outlining the federal laws that govern harbor fees, and the Port Commission deliberated regarding the matter.
- At the January 5, 2021 Port Commission meeting, staff provided an update on the progress of Project 11, including the timeframe for securing financing for the work, and the Port Authority's plan to finance half of the total cost with revenue debt.

Staff anticipates that at January 26 meeting Vincent DiCosimo and other Stakeholder Group representatives will provide an update on the status of their efforts to assemble ship channel industry financing for half of the cost of Project 11.

Staff Evaluation/Justification:

Staff requests that the Port Commission deliberate, hear public comment, and consider possible actions regarding a proposal by ship channel industry stakeholders to participate in funding Project 11.

G. COMMERCIAL

Subject 1. Approve a one-year advertising and sponsorship agreement with JOC Group Inc. in an amount not to exceed \$122,000.

Meeting Jan 26, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its January 26, 2021 meeting, authorize the Port Authority to enter into a one-year advertising and sponsorship agreement with JOC Group Inc. in an amount not to exceed \$122,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the following.

Goals STRATEGIC GOAL #3 - PARTNERSHIPS (Develop and Strengthen External Partnerships)
Strategic Objective 3a. - Cultivate key relationships to accomplish common goals
STRATEGIC GOAL #4 - STEWARDSHIP (Create Greater Value for the Region)
Strategic Objective 4d. - Support sustainable growth of Port Houston and the greater Port

Category:

Awards, Amendments & Change Orders

Department:

Marketing & Branding

Staff Contact:

Christine Abbruscato

Background:

The proposed agreement would be part of the Commercial Division's business-to-business events, ad campaign, and promotion strategy.

The total proposed agreement amount can be broken down as follows:

State of the Port event advertisement \$14,000, Sponsorship of Shipper Roundtable \$15,000, TPM Sponsorship \$15,000, and general advertising \$78,000; the all-total amount would not exceed \$122,000.

JOC is an industry leader with its events and publications. The agreement with the Journal of Commerce would include advertising placement in printed publications and digital media to promote our programs and services to customers, as well as sponsorships of JOC Group Inc. conferences and events that target the Port Authority's customer base, including but not limited to beneficial cargo owners, ocean carriers, third-party logistics providers, and various other freight service providers that directly or indirectly generate revenue for the Port Authority.

Staff Evaluation/Justification:

Staff recommends the Port Commission authorize the Port Authority to enter into a one-year advertisement and sponsorship agreement with JOC Group Inc.

G. COMMERCIAL

Subject 2. Adopt resolutions adding Waller and Wharton Counties to the service areas of Foreign Trade Zone 84.

Meeting Jan 26, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its January 26, 2021 meeting, adopt resolutions adding Waller and Wharton Counties to the service areas of Foreign Trade Zone 84, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Goals STRATEGIC GOAL #3 - PARTNERSHIPS (Develop and Strengthen External Partnerships)
STRATEGIC GOAL #4 - STEWARDSHIP (Create Greater Value for the Region)

Category:

General

Department:

Economic Development

Staff Contact:

Shane Williams

Background:

Staff is requesting the Port Authority adopt resolutions adding Waller and Wharton Counties to the service area of Foreign Trade Zone 84 (FTZ 84), for which the Port Authority is Grantee. Currently, the FTZ 84 service area is made up of Harris County, with subzones in Waller County, Brazos County, and Montgomery County. Adding Waller and Wharton Counties to the service area is expected to make the application process easier for companies looking to apply for FTZ status. The initial request for approval by the counties has been made to the FTZ Board by both counties, but needs the Grantee's approval to move forward.

Staff Evaluation/Justification:

It is Grantees role to expand FTZ 84, and adding counties to its service area fits into that responsibility. Both counties believe getting FTZ approval would help them obtain more economic activity and grow their areas. Port Authority assistance aligns with the Strategic Plan, specifically the stewardship goal to create greater value for the Houston region.

Staff recommends the Port Commission adopt resolutions adding Waller and Wharton counties to the FTZ 84 service area.

G. COMMERCIAL

Subject **3. Adopt a resolution approving Grand Parkway West Industrial Complex as a Foreign Trade Zone magnet site in Katy, Texas Business Park.**

Meeting Jan 26, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its January 26, 2021 meeting, adopt a resolution approving Grand Parkway West Industrial Complex as a Foreign Trade Zone magnet site in Katy, Texas Business Park, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Goals STRATEGIC GOAL #3 - PARTNERSHIPS (Develop and Strengthen External Partnerships)
 STRATEGIC GOAL #4 - STEWARDSHIP (Create Greater Value for the Region)

Category:
General

Department:
Economic Development

Staff Contact:
Shane Williams

Background:

Staff requests Port Commission adoption of a resolution approving Grand Parkway West Complex Foreign Trade Zone (FTZ) magnet site in Katy, Texas. An FTZ magnet site is a site in which an entire business park is approved and designated as an FTZ area. This means each building in the business park can get "activated" individually as an FTZ site, rather than going through an entire FTZ process individually.

The Katy Economic Development Council and the business developers of the site have requested this designation and have prepared an application to be considered by the FTZ Board, but they need a Port Commission resolution approving it as Grantee for the application to be complete. There will be no expense to the Port Authority.

Staff Evaluation/Justification:

This would fit exactly to the role as the Grantee of FTZ 84. Furthermore, it fits in the Port Authority's Strategic Plan of creating jobs and greater value for the Houston region. This FTZ designation would help Katy attract more import-centric warehouses and distribution centers which would create jobs, tax revenue, and would possibly bring more cargo over Port Authority docks.

Staff recommends the Port Commission adopt the resolution and allow this magnet site to be approved by the FTZ Board.

H. FINANCE

Subject 1. Approve the audited financial statements for the Port of Houston Authority Restated Retirement Plan for the fiscal year ended July 31, 2020.

Meeting Jan 26, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its January 26, 2021 meeting, approve the audited financial statements for the Port Authority Restated Retirement Plan for the fiscal year ended July 31, 2020, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

Category:
General

Department:
Accounting / Treasury

Staff Contact:
Curtis Duncan / Roland Gonzalez

Background:
Section 802.103, Texas Government Code, states:

"(a) ... the governing body of a public retirement system shall publish an annual financial report showing the financial condition of the system as of the last day of the fiscal year covered in the report. The report must include the financial statements and schedules examined in the most recent audit performed as required by Section 802.102 and must include a statement of opinion by the certified public accountant as to whether or not the financial statements and schedules are presented fairly and in accordance with generally accepted accounting principles.

(b) The governing body of a public retirement system shall, before the 211th day after the last day of the fiscal year under which the system operates, file with the State Pension Review Board a copy of each annual financial report it makes as required by law."

The Port Authority engaged BKD LLP, its external auditing firm, to conduct an audit of the Port of Houston Authority Restated Retirement Plan (Pension Plan) for the fiscal year ended July 31, 2020 in accordance with statutory requirements.

The audited financial statements for the Pension Plan for the fiscal year ended July 31, 2020 included a statement of opinion by BKD LLP, reading as follows:

"In our opinion, the financial statements referred to above present fairly, in all material respects, information regarding the Port of Houston Authority Restated Retirement Plan fiduciary net position as of July 31, 2020, and changes therein for the year then ended in conformity with accounting principles generally accepted in the United States of America."

Staff Evaluation/Justification:

Therefore, staff recommends that the Port Commission approve the audited financial statements for the Pension Plan for the fiscal year ended July 31, 2020, whereupon the Port Authority will file such financial statements with the Texas Pension Review Board.

I. INFRASTRUCTURE

Subject	1. Approve staff's ranking of vendors and award a professional services contract in an amount not to exceed \$183,630 for the Asset Management Strategic Improvements Initiatives Project to the top-ranked proposer: staff ranking – first, GHD, Inc; second, Hatch Associates Consultants, Inc.; and third, KPMG, LLP.
Meeting	Jan 26, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its January 26, 2021 meeting: (a) approve staff's ranking of vendors whose proposals offer the best value to the Port Authority, based on the selection criteria, in the following order – first, GHD, Inc; second, Hatch Associates Consultants, Inc.; and third, KPMG, LLP; (b) award a professional services contract for a term of one year to assist the Asset Management Strategic Initiative project, in short- and long-term planning to further develop the Port Authority Asset Management and Geographic Information System programs professional services in an amount not to exceed \$183,630; (c) grant authority, if a contract cannot be negotiated with the first-ranked vendor, to formally, and in writing, end negotiations with that vendor and proceed to the next vendor in the order of ranking until a contract is reached or all proposals are rejected; and (d) further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Awards, Amendments & Change Orders

Department:

Asset Management

Staff Contact:

Charlie Jenkins

Background:

The Port Authority is seeking to obtain professional services to assist the Port Authority in short and long-term planning to further develop its Asset Management and Geographic Information System (GIS) programs.

The project scope would include a review of the current Asset Management and GIS programs, strategies, project development framework, risk management framework, and benchmark against industry best practices and international standards for these programs. It also includes recommendations for improvements, associated multi-year road maps, and associated business case justifications for implementation.

Pending the performance of the recommended vendor, Port Authority staff anticipates requesting an amendment to this professional services contract to add scope for implementing the recommended actions, improving the Asset Management and GIS programs. The amendment would be Phase II of this project and may be awarded towards the end of the contract term.

By Minute No. 2019-0326-13, the Port Commission most recently determined that advertising solicitations using a request for proposals (RFP) for insurance services, information technology items, "high-technology" items, insurance services, and professional services (other than engineering, architectural, and land surveying) is the customary method that provides best value. The Port Authority notified vendors regarding its RFP using the Port Authority's BuySpeed Eprocurement system. The project was advertised on the Port Authority's website and in a local newspaper. Thirty vendors downloaded the project materials from BuySpeed.

Staff Evaluation/Justification:

On December 2, 2020, nine 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 professional services:

- First, GHD, Inc.
- Second, Hatch Associates Consultants, Inc.
- Third, KPMG, LLP

Following staff Executive Committee review, staff recommends that the Port Commission award a contract to GHD, Inc.

I. INFRASTRUCTURE

Subject	2. Approve staff's ranking of vendors and award a professional services contract in an amount not to exceed \$299,895 for the in-depth structural assessment and repair design of Wharves 47, 48, and 1E at Turning Basin Terminal to the top-ranked proposers: staff ranking – first, Dannenbaum Engineering Corporation; second, WSP USA, Inc.; and third, Moffatt & Nichol.
Meeting	Jan 26, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its January 26, 2021 meeting: (a) approve staff's ranking of the most qualified vendors, based on the selection criteria, in the following order – first, Dannenbaum Engineering Corporation; second, WSP USA, Inc.; and third, Moffatt & Nichol; (b) award a professional services contract to Dannenbaum Engineering Corporation, the top-ranked proposer for the in-depth structural assessment of Wharves 47, 48, and 1E at Turning Basin Terminal in an amount not to exceed \$299,895; (c) grant authority, if a contract cannot be negotiated with the first-ranked vendor, to formally, and in writing, end negotiations with that vendor and proceed to the next vendor in the order of ranking until a contract is reached or all proposals are rejected; and (d) further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing
Goals	STRATEGIC GOAL #2 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)

Category:

Awards, Amendments & Change Orders

Department:

Project and Construction Management

Staff Contact:

Roger H. Hoh, P.E.

Background:

This project includes structural engineering assessment and design for repair of Wharves 47, 48, and 1E to improve efficiencies and reduce costs.

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. Nineteen vendors downloaded the project materials from BuySpeed.

Staff Evaluation/Justification:

On September 23, 2020, 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:

- Dannenbaum Engineering Corporation
- WSP USA, Inc.
- Moffatt & Nichol

Following staff Executive Committee review, staff recommends that the Port Commission award a contract to Dannenbaum Engineering Corporation for the in-depth structural assessment and repair design of Wharves 47, 48, and 1E at Turning Basin Terminal, and act as otherwise described above.

This project does not contain a small business goal.

I. INFRASTRUCTURE

Subject **3. Award a construction contract to Bryant Industrial Services, LLC for the annual fender system maintenance at Barbours Cut Terminal and Bayport Container Terminal for 2021 in an amount not to exceed \$600,000.**

Meeting Jan 26, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its January 26, 2021 meeting, award a construction contract to Bryant Industrial Services, LLC for the annual fender system maintenance at Barbours Cut Terminal and Bayport Container Terminal for 2021 in an amount not to exceed \$600,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Awards, Amendments & Change Orders

Department:

Project and Construction Management

Staff Contact:

Roger H. Hoh, P.E.

Background:

This project consists of surface preparation along with repair and replacement of the fender system elements at these terminals on an as-needed basis.

Staff Evaluation/Justification:

On December 9, 2020, one CSB was received, opened, and publicly read. The response was reviewed and evaluated by staff in accordance with the published selection criteria.

Staff recommends that the Port Authority award a contract to Bryant Industrial Services, LLC, the responsible bidder submitting the only bid, for the annual fender system maintenance at Barbours Cut Terminal and Bayport Container Terminal for 2021.

I. INFRASTRUCTURE

Subject 4. Award a construction contract to Gutier, LLC for the annual pavement replacement at Barbours Cut Terminal and Bayport Container Terminal for 2021 in an amount not to exceed \$1,350,000.

Meeting Jan 26, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its January 26, 2021 meeting, award a construction contract to Gutier, LLC for annual pavement replacement at Barbours Cut Terminal and Bayport Container Terminal for 2021 in an amount not to exceed \$1,350,000, 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 Order

Department:

Project and Construction Management

Staff Contact:

Roger H. Hoh, P.E.

Background:

This project consists of removal and replacement of damaged and deteriorating existing pavement within both Barbours Cut Terminal and Bayport Container Terminal during 2021.

Staff Evaluation/Justification:

On December 16, 2020, three CSBs were received, opened, and publicly read. The responses were reviewed and evaluated by staff in accordance with the published selection criteria.

Staff recommends that the Port Authority award a contract to Gutier, LLC, the responsible bidder submitting the lowest and best bid, for the annual pavement replacement at Barbours Cut and Bayport Container Terminals for 2021.

I. INFRASTRUCTURE

Subject **5. Award a construction contract to Gutier, LLC for the annual concrete replacement at Turning Basin Terminal in an amount not to exceed \$800,000.**

Meeting Jan 26, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its January 26, 2021 meeting, award a construction contract to Gutier, LLC for the annual concrete replacement at Turning Basin Terminal in an amount not to exceed \$800,000, 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:
This project consists of the removal and replacement of damaged and deteriorated existing concrete within Turning Basin Terminal during 2021.

Staff Evaluation/Justification:
On December 16, 2020, three CSBs were received, opened, and publicly read. The responses were reviewed and evaluated by staff in accordance with the published selection criteria.

Staff recommends that the Port Authority award a contract to Gutier, LLC the responsible bidder submitting the lowest and best bid, for the annual concrete replacement at Turning Basin Terminal.

I. INFRASTRUCTURE

Subject **6. Approve a change order with McCarthy Building Companies, Inc. to perform additional work associated with the rehabilitation of Wharf 3, construction of electrical infrastructure, and lighter aboard ship (LASH) dock demolition at Barbours Cut Terminal in an amount not to exceed \$153,937.**

Meeting Jan 26, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its January 26, 2021 meeting, approve a change order with McCarthy Building Companies, Inc. to perform additional work associated with the rehabilitation of Wharf 3, construction of electrical infrastructure, and lighter aboard ship (LASH) dock demolition at Barbours Cut Terminal in an amount not to exceed \$153,937, 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. 2019-0423-21, the Port Commission awarded a construction contract to McCarthy Building Companies, Inc. for the construction of the rehabilitation of Wharf 3, construction of electrical infrastructure, and lighter aboard ship (LASH) dock demolition at Barbours Cut Terminal.

This would be the fifth change order to this contract for a total change order value to date of \$726,097, which represents an increase of 1.09% to the original contract value. The total small business goal for this project is 16%.

This change order includes the following items:

- Additional work on the existing wharf deck drains, which entails extending them below the wharf deck to prevent further delamination and degradation of the concrete structure.
- Additional work to add reinforcement in the existing landside crane beam for a proposed concrete cap.
- Modifications to the Stevedore Support Building (SSB) electrical circuit to accommodate the HVAC system heating and cooling power requirements.
- Purchase and installation of 15kV LED remote fault indicators on the crane loop switches at the Wharf 3 terminal switchyard, matching the functionality in other terminal switchyards.

Staff Evaluation/Justification:

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

I. INFRASTRUCTURE

Subject **7. Approve a change order with McCarthy Building Companies, Inc. to perform additional work associated with the rehabilitation of Wharves 4 and 5 at Bayport Container Terminal in an amount not to exceed \$80,413.**

Meeting Jan 26, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its January 26, 2021 meeting, approve a change order with McCarthy Building Companies, Inc. to perform additional work associated with the rehabilitation of Wharves 4 and 5 at Bayport Container Terminal in an amount not to exceed \$80,413, 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. 2020-0520-21, the Port Commission awarded a construction contract to McCarthy Building Companies, Inc. for the rehabilitation of Wharves 4 and 5 at Bayport Container Terminal.

This would be the third change order to this contract for a total change order value to date of \$391,128.90, which represents an increase of 4.39% to the original contract value. This project has an 18% small business participation goal.

This change order includes unforeseen additional welding of reinforcement steel bars in twenty-four locations.

Staff Evaluation/Justification:

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

I. INFRASTRUCTURE

Subject **8. Approve a change order with Forde Construction Company, Inc. to perform additional work associated with the rehabilitation and repair of Wharf 9 at Turning Basin Terminal in an amount not to exceed \$61,801.**

Meeting Jan 26, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its January 26, 2021 meeting, approve a change order with Forde Construction Company, Inc. to perform additional work associated with the rehabilitation and repair of Wharf 9 at Turning Basin Terminal in an amount not to exceed \$61,801, 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. 2020-0428-19, the Port Commission awarded a construction contract to Forde Construction Company, Inc. for the rehabilitation and repair of Wharf 9 at Turning Basin Terminal.

This \$61,801 change order is the second change order to this contract for a total change order value to date of \$270,810, which represents an increase of 4.63% to the original contract value.

This change order includes additional work due to unforeseen conditions including additional proactive coating for waterside piles, additional concrete for the repair of deck slabs and other concrete structures, mitigation plans for the installation of landside steel piles, and other miscellaneous items.

Staff Evaluation/Justification:

Staff has reviewed Forde Construction Company, Inc.'s proposal and found it to be fair and reasonable and recommends that the Port Commission authorize this change order.

I. INFRASTRUCTURE

Subject **9. Authorize a facilities extension agreement for electrical pole relocation with CenterPoint Energy for the Port Road expansion and drainage project at Bayport Container Terminal in an amount not to exceed \$62,942.**

Meeting Jan 26, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its January 26, 2021 meeting, authorize a facilities extension agreement for electrical pole relocation with CenterPoint Energy for the Port Road expansion and drainage project at Bayport Container Terminal in an amount not to exceed \$62,942, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Awards, Amendments & Change Orders

Department:

Project and Construction Management

Staff Contact:

Roger H. Hoh, P.E.

Background:

This agreement is for the removal and/or relocation of existing CenterPoint poles that are in conflict with, or danger of being undermined during, the construction of the Port Road expansion and drainage at Bayport Container Terminal project.

Staff Evaluation/Justification:

Staff has evaluated the proposal and determined the value is reasonable and fair and recommends that the Port Commission award the agreement to CenterPoint Energy.

I. INFRASTRUCTURE

Subject	10. Authorize the Port Authority to negotiate and enter into a purchase agreement with Gin City Mitigation Bank to purchase wetland mitigation credits, in order to clear and develop the East and West Clinton sites in an amount not to exceed \$1,500,000.
Meeting	Jan 26, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its January 26, 2021, meeting, authorize Port Authority staff to negotiate and enter into a purchase agreement with Gin City Mitigation Bank to purchase wetland mitigation credits, in order to clear and develop the East and West Clinton sites in an amount not to exceed \$1,500,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	Strategic Objective 2a. - Widen, deepen, and maintain the Houston Ship Channel STRATEGIC GOAL #2 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)

Category:

General

Department:

Environmental Affairs

Staff Contact:

Trae Camble

Background:

The Port Authority is seeking to purchase wetland mitigation credits to satisfy federal regulations in order to develop property to receive dredged material for Project 11. This action, along with various others, would bring the property to the pre-development stage.

Staff Evaluation/Justification:

Port Authority staff has been in contact with numerous mitigation banks around the region in order to secure the required credits for this project. Because of the project's location, the number of banks with applicable credits is greatly reduced. Gin City Mitigation Bank had the best options available along with sufficient amounts for specific needs.

Staff recommends the Port Commission authorize staff to negotiate a purchase agreement with Gin City Mitigation Bank.

I. INFRASTRUCTURE

Subject **11. Approve the renewal of the following expiring Port Authority licenses for new ten-year terms: Chevron Phillips Chemical Company LP, ExxonMobil Pipeline Company, Kinder Morgan Tejas Pipeline LLC, Kinder Morgan Texas Pipeline LLC, Linde, Inc., Lone Star NGL Mont Belvieu LP, and Pasadena Refining System, Inc.**

Meeting Jan 26, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its January 26, 2021 meeting, authorize the Port Authority to approve the renewal of the following expiring licenses for new ten-year terms: Chevron Phillips Chemical Company LP, ExxonMobil Pipeline Company, Kinder Morgan Tejas Pipeline LLC, Kinder Morgan Texas Pipeline LLC, Linde, Inc., Lone Star NGL Mont Belvieu LP, and Pasadena Refining System, Inc., and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:
Permits/Licenses/Pipeline Easements

Department:
Channel Operations

Staff Contact:
Garry McMahan

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

Company	File No.	License Fee
Chevron Phillips Chemical Company LP	1990-0272	\$5,302
ExxonMobil Pipeline Company	1999-0059	\$6,943
ExxonMobil Pipeline Company	2000-0326	\$12,726
Kinder Morgan Tejas Pipeline LLC	2001-0002	\$6,363
Kinder Morgan Texas Pipeline LLC	2001-0029	\$34,387
Linde, Inc.	1991-0047	\$87,893
Lone Star NGL Mont Belvieu LP	2010-0190	\$57,571
Pasadena Refining System, Inc.	2000-0298	\$5,302
Total		\$216,487

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

Staff recommends approval.

I. INFRASTRUCTURE

Subject **12. Issue a pipeline license to Sunoco Pipeline L.P. for a 12-inch crude oil pipeline under and across Carpenters Bayou in two locations.**

Meeting Jan 26, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its January 26, 2021 meeting, authorize the Port Authority to issue a pipeline license to Sunoco Pipeline L.P. for a 12-inch crude oil pipeline under and across Carpenters Bayou in two locations, 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:

Sunoco Pipeline L.P., Port Authority File No. 2020-0349, has applied for a pipeline license for a 12-inch crude oil pipeline under and across Carpenters Bayou in two locations, in the T. Patching Survey, A-619.

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 \$12,726. The \$675 application fee and the \$2,500 as-built deposit have been paid.

Staff recommends approval.

I. INFRASTRUCTURE

Subject **13. Renew and amend a pipeline license issued to Enterprise Products Operating LLC to remove the existing pipeline and relocate a new pipeline to a greater depth across Cedar Bayou.**

Meeting Jan 26, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its January 26, 2021 meeting, authorize the Port Authority to renew and amend a pipeline license issued to Enterprise Products Operating LLC to remove the existing pipeline and relocate a new pipeline to a greater depth across Cedar Bayou, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Operations

Staff Contact:

Garry McMahan

Background:

Enterprise Products Operating LLC, Port Authority File No. 2001-0154, has applied to renew and amend a pipeline license to remove the existing pipeline and relocate a new pipeline to a greater depth across Cedar Bayou, in the William Scott Survey, A-65. The new pipeline would follow the same path as the previously authorized pipeline but at a greater depth to accommodate the U.S. Army Corps of Engineers channel improvement project for Cedar Bayou.

Staff Evaluation/Justification:

The application was reviewed and approved by the Port Authority's Channel Operations department. The license is subject to the Port Authority's usual terms and conditions and at a fee of \$5,302. The \$675 application fee and the \$2,500 as-built deposit have been paid.

Staff recommends approval.

I. INFRASTRUCTURE

Subject **14. Amend a pipeline license issued to Easton Energy Pipelines LLC to add an additional crossing of a 6-inch nitrogen pipeline adjacent to Steelman Street north of Rosa Allen.**

Meeting Jan 26, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its January 26, 2021 meeting, authorize the Port Authority to amend a pipeline license issued to Easton Energy Pipelines LLC to add an additional crossing of a 6-inch nitrogen pipeline adjacent to Steelman Street north of Rosa Allen, 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:

Easton Energy Pipelines LLC, Port Authority File No. 2020-0182, has applied to amend a pipeline license to add an additional crossing of a 6-inch nitrogen pipeline adjacent to Steelman Street north of Rosa Allen, in the MA Callahan & Allen Vince Survey, A-9.

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 \$7,488.42. The \$675 application fee and the \$2,500 as-built deposit have been paid.

Staff recommends approval.

I. INFRASTRUCTURE

Subject **15. Amend a pipeline license issued to Dean Pipeline Company LLC to remove the existing pipeline and relocate a new pipeline to a greater depth across Cedar Bayou.**

Meeting Jan 26, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its January 26, 2021 meeting, authorize the Port Authority to amend a pipeline license issued to Dean Pipeline Company LLC to remove the existing pipeline and relocate a new pipeline to a greater depth across Cedar Bayou, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Operations

Staff Contact:

Garry McMahan

Background:

Dean Pipeline Company LLC, Port Authority File No. 1999-0088, has applied to amend a pipeline license to remove the existing pipeline and relocate a new pipeline to a greater depth across Cedar Bayou, in the William Scott Survey, A-65. The new pipeline would follow the same path as the previously authorized pipeline but at a greater depth to accommodate the U.S. Army Corps of Engineers channel improvement project for Cedar Bayou.

Staff Evaluation/Justification:

The application was reviewed and approved by the Port Authority's Channel Operations department. The license is subject to the Port Authority's usual terms and conditions and at no additional fee. The \$675 application fee and the \$2,500 as-built deposit have been paid.

Staff recommends approval.

I. INFRASTRUCTURE

Subject **16. Amend a pipeline license issued to Enterprise Products Operating LLC to remove the existing pipeline and relocate a new pipeline to a greater depth across Cedar Bayou.**

Meeting Jan 26, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its January 26, 2021 meeting, authorize the Port Authority to amend a pipeline license issued to Enterprise Products Operating LLC to remove the existing pipeline and relocate a new pipeline to a greater depth across Cedar Bayou, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Operations

Staff Contact:

Garry McMahan

Background:

Enterprise Products Operating LLC, Port Authority File No. 2004-0237, has applied to amend a pipeline license to remove the existing pipeline and relocate a new pipeline to a greater depth across Cedar Bayou, in the William Scott Survey, A-65. The new pipeline would follow the same path as the previously authorized pipeline but at a greater depth to accommodate the U.S. Army Corps of Engineers channel improvement project for Cedar Bayou.

Staff Evaluation/Justification:

The application was reviewed and approved by the Port Authority's Channel Operations department. The license is subject to the Port Authority's usual terms and conditions and at no additional fee. The \$675 application fee and the \$2,500 as-built deposit have been paid.

Staff recommends approval.

I. INFRASTRUCTURE

Subject **17. Amend a pipeline license issued to Enterprise Products Operating LLC to remove the existing pipeline and relocate a new pipeline to a greater depth across Cedar Bayou.**

Meeting Jan 26, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its January 26, 2021 meeting, authorize the Port Authority to amend a pipeline license issued to Enterprise Products Operating LLC to remove the existing pipeline and relocate a new pipeline to a greater depth across Cedar Bayou, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Operations

Staff Contact:

Garry McMahan

Background:

Enterprise Products Operating LLC, Port Authority File No. 2009-0294, has applied to amend a pipeline license to remove the existing pipeline and relocate a new pipeline to a greater depth across Cedar Bayou, in the William Scott Survey, A-65. The new pipeline would follow the same path as the previously authorized pipeline but at a greater depth to accommodate the U.S. Army Corps of Engineers channel improvement project for Cedar Bayou.

Staff Evaluation/Justification:

The application was reviewed and approved by the Port Authority's Channel Operations department. The license is subject to the Port Authority's usual terms and conditions and at no additional fee. The \$675 application fee and the \$2,500 as-built deposit have been paid.

Staff recommends approval.

I. INFRASTRUCTURE

Subject **18. Amend a pipeline license issued to Enterprise Intrastate LLC and Houston Pipe Line Company LP to remove the existing pipeline and relocate a new pipeline to a greater depth across Cedar Bayou.**

Meeting Jan 26, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its January 26, 2021 meeting, authorize the Port Authority to amend a pipeline license issued to Enterprise Intrastate LLC and Houston Pipe Line Company LP to remove the existing pipeline and relocate a new pipeline to a greater depth across Cedar Bayou, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Operations

Staff Contact:

Garry McMahan

Background:

Enterprise Intrastate LLC and Houston Pipe Line Company LP, Port Authority File No. 2005-0238, have applied to amend a pipeline license to remove the existing pipeline and relocate a new pipeline to a greater depth across Cedar Bayou, in the William Scott Survey, A-65. The new pipeline would follow the same path as the previously authorized pipeline but at a greater depth to accommodate the U.S. Army Corps of Engineers channel improvement project for Cedar Bayou.

Staff Evaluation/Justification:

The application was reviewed and approved by the Port Authority's Channel Operations department. The license is subject to the Port Authority's usual terms and conditions and at no additional fee. The \$675 application fee and the \$2,500 as-built deposit have been paid.

Staff recommends approval.

I. INFRASTRUCTURE

Subject **19. Consent to the amended sublease agreement between Greens Bayou Fleeting, LLC as sublessor and Cooper's Marine Service, Inc. as sublessee, effective November 1, 2020, for approximately 1.01-acres of upland and shoreline access and approximately 0.87-acres of submerged property at Greens Bayou.**

Meeting Jan 26, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its January 26, 2021 meeting, authorize the Port Authority to consent to the sublease agreement between Greens Bayou Fleeting, LLC as sublessor and Cooper's Marine Service, Inc. as sublessee, effective November 1, 2020, for approximately 1.01-acres of upland and shoreline access and approximately 0.87-acres of submerged property at Greens Bayou, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Operations

Staff Contact:

Channel Operations

Background:

Greens Bayou Fleeting, LLC, Port Authority File No. 2019-0056, has requested that the Port Authority consent to minor modifications to the sublease agreement for approximately 1.01-acres of upland and shoreline access and approximately 0.87-acres of submerged property at Greens Bayou to Cooper's Marine Service, Inc. (Cooper's).

Greens Bayou Fleeting, LLC is a subsidiary of Kirby Inland Marine, LP (Kirby). Cooper's has been subleasing this location for approximately 20 years. Cooper's provides essential services to Kirby's customers including the removal and installation of hopper barge covers, cleaning of the open hoppers on barges, and minor topside repair.

Staff Evaluation/Justification:

The request was reviewed and approved by the Port Authority's Channel Operations department.

Staff recommends approval.

J. OPERATIONS

Subject 1. Award a contract to RICO Elevators, Inc. for the purchase of replacement elevators for Stevedoring Support Buildings Nos. 2 and 3 at Bayport Container Terminal in an amount not to exceed \$82,505.

Meeting Jan 26, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its January 26, 2021 meeting, award a contract to RICO Elevators, Inc. for the purchase of replacement elevators for Stevedoring Support Buildings Nos. 2 and 3 at Bayport Container Terminal in an amount not to exceed \$82,505, 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 maintains three Stevedore Support Buildings (SSBs) at Bayport Container Terminal. These buildings are leased by stevedoring companies. The International Longshoremen's Association (ILA) break rooms are located on the first floor and office spaces on the second floor. Each building has one elevator that is used daily by tenant employees and contractors making deliveries. Additionally, they are often used to bring new office equipment and furniture into the building.

The elevators on SSBs Nos. 2 and 3 are approximately ten years old, have become obsolete, and parts availability is a major problem. The inability for these two elevators to be openly serviced by contractors, other than the manufacturer itself, reduces response time and inconveniences tenants. This project would replace all proprietary components and allow future elevator service providers to purchase parts, service, and program these elevators as needed.

The Port Authority notified vendors regarding its request for competitive sealed proposals (CSPs) using the Port Authority's BuySpeed Eprocurement System and the project was advertised on the Port Authority's website and in a local newspaper. Procurement documents were sent to seventy-nine prospective vendors, four downloaded project materials from BuySpeed, and one company responded.

Staff Evaluation/Justification:

On November 18, 2020, one CSP was received and opened. The response was reviewed and evaluated by staff in accordance with the published selection criteria.

Following staff Executive Committee review, staff recommends that the Port Authority award a contract to RICO Elevators, Inc., for replacement elevators for SSBs Nos. 2 and 3 at Bayport Container Terminal, which proposal provides best value to the Port Authority.

J. OPERATIONS

Subject	2. Authorize additional purchase order funding for continuing pandemic response services with Workplace Safety Screenings for \$1,100,000, Ambassador Services, LLC for \$750,000, Transportation Rental Solutions LLC for \$20,000, and Interstate Restoration for \$50,000.
Meeting	Jan 26, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its January 26, 2021 meeting, authorize additional purchase order funding for continuing pandemic response services with Workplace Safety Screenings for \$1,100,000, Ambassador Services, LLC for \$750,000, Transportation Rental Solutions LLC for \$20,000, and Interstate Restoration for \$50,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #1 - PEOPLE AND ORGANIZATION (Be the Best Place to Work)

Category:

Awards, Amendments & Change Orders

Department:

Port Operations/Emergency Management

Staff Contact:

Paulo Soares/Colin Rizzo

Background:

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

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

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

1. Workplace Safety Screenings performs temperature screenings at Port Authority terminals. To provide for and continue these services:

- On April 7 the firm was issued an emergency purchase order for \$310,000;
- At the April 28 meeting the Port Commission approved an additional \$370,000;
- At the May 20 meeting the Port Commission approved an additional \$720,000;
- At the July 30 meeting the Port Commission authorized an additional \$400,000;
- At the September 29 meeting the Port Commission authorized an additional \$650,000; and
- At the November 10 meeting the Port Commission authorized an additional \$850,000.

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

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

3. Transportation Rental Solutions LLC provides four rental vans for terminal workforce transportation. The cumulative amount exceeded \$50,000 last fall, and at the November 10 meeting the Port Commission authorized an additional \$80,000 needed to continue these services.

4. Interstate Restoration provides disinfection and sanitization services at the Turning Basin Terminal as well as other Port Security and Emergency Operations facilities at the container terminals. On March 27 the firm was issued an emergency purchase order for \$55,004 and at the April 28 meeting the Port Commission authorized an additional \$100,000 needed to continue these services.

Staff Evaluation/Justification:

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

- Workplace Safety Screenings - \$1,100,000 for temperature screenings;
- Ambassador Services, LLC - \$750,000 for disinfecting and sanitizing;
- Transportation Rental Solutions LLC - \$20,000 for van rental; and
- Interstate Restoration - \$50,000 for disinfecting and sanitizing.

These requests will help the Port Operations Division and Emergency Management Department continue to procure these emergency services reliably and efficiently through the end of January. However, the nature of emergency management and the duration of this specific pandemic response are unpredictable, hence future requests for additional funding may be required.

K. PEOPLE

Subject	1. Issue a purchase order to Office and Furniture Companies of Texas LLC DBA Greater Houston Office Products for the purchase of office supplies, toner cartridges, and copy machine paper for a 24-month period, using OMNIA Partners, Public Sector, a cooperative purchase program, in an amount not to exceed \$165,000.
Meeting	Jan 26, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its January 26, 2021 meeting, issue a purchase order to Office and Furniture Companies of Texas LLC DBA Greater Houston Office Products for the purchase of office supplies, toner cartridges, and copy machine paper for a 24-month period, using OMNIA Partners, Public Sector, a cooperative purchase program, in an amount not to exceed \$165,000, determine that this procurement method provides the best value to the Port Authority, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Awards, Amendments and Change Orders

Department:

Office Building & Services

Staff Contact:

Adrian Price

Background:

The Port Authority is seeking to obtain office supplies, toner cartridges, and copy machine paper. Standard office supplies are essential for port-wide day-to-day operations. Combining these products in one procurement eliminate the need for three different purchase orders and ensures competitive pricing.

OMNIA Partners, Public Sector (OMNIA) is a corporate purchasing program that the Port Authority is authorized to use. It was formerly known as the National Intergovernmental Purchasing Alliance. Texas Region 4 Education Service Center (ESC) is the local sponsor of OMNIA. ESC has a cooperative purchase contract with Epic Business Essentials (Epic) as the primary vendor. The ESC contract with Epic authorizes Epic to designate one or more third parties to fulfill customers' purchase orders pursuant to conditions set out in the ESC contract; each such third party is defined in the ESC contract as an authorized distributor. Office and Furniture Companies of Texas LLC, doing business as Greater Houston Office Products (OFC), is one such identified third party under the contract between ESC and Epic.

Staff Evaluation/Justification:

The Director of Procurement Services has determined that procuring office supplies, toner cartridges, and copy machine paper through OMNIA is the method that both satisfies competitive purchase requirements and provides best value to the Port Authority.

The Office Services department has determined that the best availability, price, and contract terms for the items needed is provided by OFC under the pricing schedule obtained from the contract with OMNIA, and is therefore recommending this purchase.

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

M. TECHNOLOGY

Subject **1. Issue a purchase order to CDW Government LLC for purchase of miscellaneous computer parts and accessories, using OMNIA Partners, Public Sector, a cooperative purchase program, in an amount not to exceed \$100,000.**

Meeting Jan 26, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its January 26, 2021 meeting, issue a purchase order to CDW Government LLC for purchase of miscellaneous computer parts and accessories, using OMNIA Partners, Public Sector, a cooperative purchase program, in an amount not to exceed \$100,000, determine that this procurement method provides the best value to the Port Authority, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Awards, Amendments & Change Orders

Department:

Information Technology

Staff Contact:

Ron Farrow

Background:

The Port Authority routinely purchases small, low cost technology items such as cables (power, video, and USB), chargers (phone, tablet, and laptop), keyboards, mice, etc., for replacement of these items when damaged or no longer functional. The number and type of items purchased varies depending upon the circumstances; therefore, the Port Authority does not maintain an inventory of these parts and accessories, and purchases the necessary items on an as-needed basis. Liquid Crystal Display (LCD) monitors are also procured using this method, because LCD monitors are not included in the purchase of a new computer, and existing monitors can be reused with a new or replacement computer.

Staff Evaluation/Justification:

The Director of Procurement Services has determined that procuring miscellaneous computer parts and accessories, through OMNIA Partners is the method that both satisfies competitive purchase requirements and provides best value to the Port Authority.

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

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