

I N D E X
PORT COMMISSION
OF THE
PORT OF HOUSTON AUTHORITY
OF THE PORTS OF HARRIS COUNTY, TEXAS
July 20, 2021

<u>Minute No.</u>	<u>Event/Action</u>
	General
	Chairman Campo convened the virtual Port Commission meeting and provided opening remarks
	Mr. Guenther recognized Congresswoman Sheila Jackson Lee, who addressed the Port Commission
	Executive
2021-0720-01	Endorse the observance of Juneteenth as an annual holiday for employees
	Minutes
2021-0720-02	Approve the minutes of June 14, 2021 and June 22, 2021 Port Commission meetings
	Staff Reports
2021-0720-03(a)	Roger Guenther, Executive Director, presented a summary of selected financial and operational matters
2021-0720-03(b)	Rich Byrnes, Chief Infrastructure Officer, presented a Sustainability Action Team update
	Appearances
2021-0720-04(a)	Chairman Campo recognized Juan Flores, Air Alliance Houston, who addressed the Port Commission
2021-0720-04(b)	Chairman Campo recognized Stephanie Thomas, Public Citizen, who addressed the Port Commission
2021-0720-04(c)	Chairman Campo asked if anyone would like to address the Port Commission; there was no response

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G. Commercial

- 2021-0720-05 Chairman Campo recognized Mr. Heidt to provide a report of selected Commercial Division agenda items
- 2021-0720-06 Approve a sponsorship with Breakbulk Events and Media for the 2021 Breakbulk Americas Conference
- 2021-0720-07 Approve a third amendment to the Lease Agreement with Terminal Link Texas, LLC for an additional three- year term for approximately 1,394 sq. ft. in the Berth 5 Stevedore Support Building in Harris County, effective no earlier than October 1, 2021, at an annual base rent of \$45,708, and subject to an annual increase of 3%
- 2021-0720-08 Approve a lease agreement for a ten-year term with Conestoga Supply, LLC for approximately 106,813 sq. ft. out of the Port Authority's Block 22 of Building 50 in Industrial Park East in Harris County, effective no earlier than August 1, 2021, at an annual base rent of \$192,263.40, subject to an annual increase of the greater of 3% or increase in the Consumer Price Index

H. Finance

- 2021-0720-09 Chairman Campo recognized Mr. Heidt to provide a report of selected Finance Division agenda items
- 2021-0720-10 Authorize the Port Authority to (a) plan and prepare for the future issuance of revenue bonds for long-term financing to fund a portion of the Port Authority's share of Project 11 construction costs; (b) appoint PFM Financial Advisors LLC as financial advisor, and Siebert Williams Shank & Co., LLC (senior manager), Academy Securities, Inc., Morgan Stanley, Raymond James & Associates, Inc., and RBC Capital Markets, LLC as underwriters, to assist in the bond issuance; (c) appoint Orrick, Herrington & Sutcliffe LLP as bond counsel, West and Associates, L.L.P. as co-bond counsel, Bracewell LLP as disclosure counsel, and Hardwick Law Firm, LLC as co-disclosure counsel; and (d) prepare documentation authorizing the issuance of revenue bonds
- 2021-0720-11 Authorize the Port Authority to (a) negotiate a renewal or new flexible rate revolving note programs or such other debt financing agreements with financial institutions for such amounts and terms as deemed necessary or advantageous, with all proposed debt financing subject to final approval by the Port Commission (b) engage Masterson Advisors LLC as financial advisor with advisory, fees not to exceed \$150,000, (c) approve reimbursement to financial institution for upfront costs associated with the financing arrangement not to exceed \$150,000, and (d) engage credit rating

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	agencies at a cost not to exceed \$225,000 to obtain ratings for the new financing as may be necessary
2021-0720-12	Adopt an amended investment policy for the Port of Houston Authority Other Post-Employment Benefit (OPEB) Plan, an irrevocable trust established for other post-employment benefits
2021-0720-13	Adopt an amended investment policy for the Port of Houston Authority Restated Retirement Plan (Pension Plan)
2021-0720-14	Approve Pacific Life Funds Advisors as new investment manager for the Port of Houston Authority Restated Retirement Plan (Pension Plan) and the Port of Houston Authority Other Post-Employment Benefit (OPEB) Plan
	I. Infrastructure
2021-0720-15	Chairman Campo recognized Mr. Heidt to provide a report of selected Infrastructure Division agenda items
2021-0720-16	Approve staff's ranking of vendors and award a two-year environmental consulting agreement for the monitoring and maintenance of the Bayport Container Terminal sound monitoring system to the top ranked proposer: staff ranking - first, SLR International Corporation; and second, Collaboration in Science and Technology, Inc dba CSTI Acoustics Port Commission adopted the staff-recommended ranking and authorized award
2021-0720-17	Approve staff's ranking of vendors and award a construction contract to Four Seasons Development Company for the annual perimeter security fence replacement at Turning Basin Terminal for 2021
2021-0720-18	Amend the professional services contract with AECOM Technical Services, Inc. to perform services for rehabilitation and repair design of Wharf Nos. 20, 21, 24, 25, and 26 at Turning Basin Terminal
2021-0720-19	Approve a change order with Archer Western Construction, LLC. to perform additional work associated with the expansion of gate facilities at Barbours Cut Terminal
2021-0720-20	Approve the purchase of supplies needed by the U.S. Coast Guard to relocate channel markers to be removed during dredging of the segment of the Houston Ship Channel included in Contract Package 3/4a
2021-0720-21	Enter into a Memorandum of Understanding and temporary license with the U.S. Army Corps of Engineers for the placement of maintenance

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dredged material from berths at the Bayport Container Terminal into a federally managed dredged material placement area for \$582,800 and approve any over dredge cost at \$3.76 per cubic yard in an amount not to exceed \$116,560

2021-0720-22 Approve the renewal of the following expiring Port Authority licenses for new ten-year terms: ExxonMobil Pipeline Company and Targa Downstream LLC

2021-0720-23 Issue a marine construction permit to and approve a private adjacency barge fleeting lease agreement with Turn Services, LLC for approximately 16.39 acres of submerged lands in the Alexander Island Barge Channel at a monthly rental amount of \$4,917 for a ten-year term

J. Operations

2021-0720-24 Chairman Campo recognized Mr. Heidt to provide a report of selected Operations Division agenda items

2021-0720-25 Award a gate-ticket printing contract to Southland Printing Company for a term of five years to supply 50,000,000 gate interchange cards for Barbours Cut Terminal and Bayport Container Terminal

2021-0720-26 Approve staff's ranking of vendors and award a two-year contract to perform occupational and safety inspection services for equipment at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal to the top-ranked proposers: staff ranking - first, Pattie Services, LLC dba Patriot Specialty Services; and second, Kempco Inspection Services, Inc.

Port Commission adopted the staff-recommended ranking and authorized award

2021-0720-27 Award a two-year contract to Southern Tire Mart for the purchase of miscellaneous tires for trucks, passenger vehicles, and yard tractors at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal

2021-0720-28 Award a three-year contract to Cole Technology for the purchase of new and repaired J.R. Merritt master control switches for wharf and rubber-tired gantry cranes at Barbours Cut Terminal and Bayport Container Terminal

2021-0720-29 Award a two-year contract for preventative maintenance and inspection services to Vertiv Corporation, the sole source service provider, for Liebert Uninterruptible Power Supply batteries, static transfer switches, power

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distribution units, and monitoring products at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal

2021-0720-30 Award an annual contract to AssetWorks, LLC, the sole source provider, for software maintenance, support, and extended hardware warranty of Fleet Focus M5, Enterprise Asset Management System, and Fuel Focus software, the Port Authority's fueling and fleet management system

2021-0720-31 Award a three-year contract to Yard Mule Specialists, Inc., the sole source provider, for purchase of spare and replacement Capacity brand parts for yard tractors at Barbours Cut Terminal and Bayport Container Terminal

2021-0720-32 Issue a purchase order to Siddons Martin Emergency Group, LLC for the purchase of one Ford F-350 Rescue HAZMAT Truck, using the Houston-Galveston Area Council Cooperative Purchasing Program

2021-0720-33 Award a three-year contract to Automated Logic Contracting Services, Inc., the sole source provider, for maintenance and support of building automation systems at Bayport Container Terminal and Turning Basin Terminal

K. People

2021-0720-34 Chairman Campo recognized Mr. Heidt to provide a report of selected People Division agenda items

2021-0720-35 Approve a professional services contract with IMC Culture to perform a Diversity, Equity, and Inclusion (DEI) assessment and assist staff to develop a DEI Plan in alignment with the Strategic Plan objective to foster a culture of diversity and inclusion, innovation, and open communication

2021-0720-36 Authorize approval of a multi-year program and funding for the development and improvement of parks and green spaces in East Harris County and authorize the Community Relations Committee to review staff recommendations and approve awards under this program

L. Port Security and Emergency Operation

M. Technology

2021-0720-37 Chairman Campo recognized Mr. Heidt to provide a report of selected Technology Division agenda items

2021-0720-38 Approve the purchase of annual software subscription and support services for Cognos budgeting software from Mark III Systems, Inc., using a State

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of Texas Department of Information Resources cooperative purchase contract, for one year

2021-0720-39

Approve the purchase of annual software subscription and support services for ManageEngine Service Desk ticketing software from CDWG LLC, using a State of Texas Department of Information Resources cooperative purchase contract, for one year

2021-0720-40

Issue a purchase order to Solid Border Inc. for purchase of select updated firewalls along with software, subscriptions, and maintenance for all Port Authority firewalls at each Port Authority location, using Local Government Purchasing Cooperative's BuyBoard, a cooperative purchase program

2021-0720-41

Issue a purchase order to Prescriptive for purchase of the annual hardware maintenance and support for the Port Authority's NetApp data storage environment, using the Texas Department of Information Resources cooperative purchase program

2021-0720-42

Issue a purchase order to CDWG LLC for purchase of Absolute software and service that monitors the location of the Port Authority's laptops and tablets, and ensures they are trackable and protected, using the National Intergovernmental Purchasing Alliance, a cooperative purchase program, for a five-year term

2021-0720-43

Issue a purchase order to Critical Start for purchase of Mimecast annual software licensing and software support to the Port Authority's existing Information Technology infrastructure, using Texas Department of Information Resources' cooperative purchase program

Recess Open Meeting and Convene Executive Session

Reconvene Open Meeting

2021-0720-44

Authorize the Port Authority to amend the agreements for legal services with (a) the AZA law firm, and (b) the Bracewell LLP law firm 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
July 20, 2021**

A public meeting of the Port Commission of the Port of Houston Authority of Harris County, Texas was convened on July 20, 2021, at 9:15 a.m., via Cisco WebEx. The following commissioners, staff, and counsel were present:

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

Chairman Campo began his opening remarks by reminding those in attendance that there would be a Port Commission Community Advisory Council (PCCAC) meeting later in the day, with discussions covering several issues including ongoing outreach activities, the Community Grants Program, the status of the Sustainability Action Team, and an update on the Port Authority's Business Equity Program.

Chairman Campo gave an update on Project 11 and the Project Partnership Agreement (PPA). On July 6, 2021, the Port Authority and the Army Corps of Engineers (Army Corps) agreed on language which covered the elements of Project 11 that the Port Commission had approved and the Army Corps notified Congress on July 19. The PPA was on track to be signed once the seven-day congressional notification period concluded.

Chairman Campo explained that a breakthrough on the last remaining issue had occurred when the Army Corps agreed to shift \$103 million from the Locally Preferred Plan (LPP) element 1B, which was the Port Authority's responsibility, to the National Economic Development (NED) element 2, which was cost-shared. This provided the Port Authority with approximately \$26 million in additional credit for its work constructing elements 1B and 2. Once the PPA was signed, the Port Authority would work to gain approval from the Assistant Secretary of the Army to maintain element 1C, when it was constructed.

Bids were advertised on the design package for elements 3 and 4A starting July 2, 2021, and a pre-proposal meeting was held on July 12, 2021; bids were due on August 4, 2021.

Chairman Campo moved on to report that transit of the channel had been approved for ships of up to 1,120 feet. This would maintain efficient and safe travel while expanding

the opportunity for the shipping industry to operate larger and more efficient ships. This would result in more cargo coming through the port, allowing Houston to maintain its position as the number one port in America.

Chairman Campo commended Congresswoman Shelia Jackson Lee and Senator John Cornyn for their leadership as primary sponsors of the legislation which made Juneteenth a (long-overdue) federal holiday. Juneteenth, and what it represented, was not only important to Texans but to all Americans, and the Port Authority was grateful for it becoming law and receiving the recognition it deserved. Agenda Item F1 was for endorsement of the Juneteenth holiday by the Port Authority.

Finally, Chairman Campo noted that Governor Abbott's office approved a request by the Office of the Attorney General to lift the suspension of certain provisions of the Open Meetings Act. The suspension would lift at 12:01 a.m. on September 1, 2021, and therefore the Port Authority's September 29 Port Commission meeting would be held in person at its Executive Office Building.

Chairman Campo recognized Congresswoman Shelia Jackson Lee, who addressed the Port Commission.

Congresswoman Jackson Lee thanked the Port Authority and the Port Commission for their work and promised to continue to provide funding as she had done over the years. She would be announcing another contribution in the forthcoming months. She was thankful that the Port Authority would recognize Juneteenth as it was a holiday seeded in Texas, and she had worked on its recognition for the past ten years.

Congresswoman Jackson Lee felt it was important to recognize the original sin: slavery. Juneteenth had a very national tone, spoke to what America was, and represented a unifying moment. Juneteenth also had an economic impact as people flooded to Galveston to celebrate.

Chairman Campo thanked Congresswoman Jackson Lee for her contributions and service to the Port Authority, her congressional district, the City of Houston, and the State of Texas.

Commissioner Corgey emphasized that nobody worked harder in Congress than Congresswoman Jackson Lee and it was much appreciated.

Commissioner Cruzot added that Congresswoman Jackson Lee worked tirelessly and thanked her for all her efforts. Congresswoman Jackson Lee responded that the Port Authority contributed to the life and economy of Houston and was well respected.

Commissioner Fitzgerald emphasized that there would be lots of hard work in the future as the channel needed to be deepened and widened. He thanked Congresswoman Jackson Lee for everything she had done, and noted that the longshoreman also celebrated Juneteenth.

Commissioner DonCarlos recalled the work he and Congresswoman Jackson Lee had done for the Harris County Hospital District. He appreciated Congresswoman Jackson Lee's attention to the Port Authority's issues and assistance.

Commissioner Cloonan thanked Congresswoman Jackson Lee for everything she had done.

Commissioner Mease added that Congresswoman Jackson Lee had done a wonderful job in her 27 years of service, recalling their time together on the Rainbow Commission.

(2021-0720-01) RCA F1 was presented, moved by Commissioner Corgey, seconded by Commissioner Mease. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. MOTION PASSED.

(2021-0720-02) Chairman Campo called for a motion to approve the minutes of the June 14, 2021, and June 22, 2021, Port Commission meetings. Commissioner Fitzgerald moved for approval, seconded by Commissioner Corgey. The minutes were approved as written.

(2021-0720-03) Staff Reports

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

Mr. Guenther highlighted selected June 2021 operating results:

- There was a 39% increase in twenty-foot equivalent units (TEUs) over June 2020.
- The Port Authority was up 13% for the year with more than 1.6 million container TEUs at the midpoint of 2021.
- Imports continued to pour into Houston and record highs were reached for gate moves and single vessel moves.
- Barbours Cut Terminal had six Asian vessels from two services bunch together over nine days.
- To encourage movement for the peak in inbound cargo and to assist truckers and importers, the Port Authority offered extended hours of gate service free of charge.

- Barbour Cut Terminal had a record day with more than 4,900 gate transactions.
- The Port Authority had 52,000 gate moves in the prior week. For the first time ever, Barbour Cut Terminal outpaced Bayport Terminal in loaded container gate moves (15,000 vs 14,000).
- The new EC6 service of THE ALLIANCE made its maiden call a few weeks prior, with the ONE MODERN that had nearly 5,600 vessel lifts.
- The ONE MATRIX, which had just finished the previous day, set a new record for Barbour Cut Terminal with 5,687 moves.
- The Port Authority continued to make investments to handle the continued increase in volume. Bayport Terminal recently received five new RTG cranes when the SAIMAAGRACHT arrived the previous Thursday. Four additional cranes were due to arrive in August.
- Construction of Berth 6 at Bayport Terminal had begun in June 2021 and would take nearly two years to complete.
- Three new ship-to-shore cranes were due to arrive at Bayport Terminal in early November 2021.
- General cargo was up 8% across the multipurpose facilities at the Turning Basin.
 - Steel imports remained flat.
 - More than 300 tons were expected at the facilities in July of 2021.
 - Cement and plywood had recently increased.

Mr. Guenther highlighted the recent visit by President Laurentino Cortizo of the Republic of Panama, along with the Panamanian ambassador and leaders of the Panama Canal. Commissioners Fitzgerald, Corgey, and Cruzot joined the discussion, which highlighted the significance of the relationship with Panama and the positive impact the expansion of the Panama Canal has had on the Port of Houston.

Mr. Guenther explained how President Cortizo emphasized that Houston was important, as four out of ten ships that passed through the canal were bound for Houston. The Port Authority recently renewed its memorandum of understanding with the Panama Canal Authority and would continue the partnership as the two entities grew together in the future.

Mr. Guenther concluded by noting that the Army Corps permit which authorized the Port Authority to construct the Bayport Terminal was recently renewed for another five years; the original permit was issued in 2004. This extension would allow the Port Authority to continue its master plan for construction and building out of the container terminal.

Mr. Guenther thanked Ilana Harris, the project manager for the initiative, and the staffs of the Environmental Affairs, Technical and Business Analytics, Project and Construction Management, Legal, GIS, Channel Operations, Operations, and Facility

Planning departments, Louis Bergman, Chief Surveyor, Charlie Jenkins, Senior Director, Strategic Programs, Rich Byrnes, Chief Infrastructure Officer, and others.

Commissioner DonCarlos referenced a meeting he attended in Chambers County with Mr. Guenther the previous week, regarding ongoing infrastructure projects and issues. Port of Houston business had increased in West Chambers County, primarily centered around the export of plastics through Port Authority terminals; Walmart, Floor and Décor, Ikea, and Katoen Natie all had operations in the area. The companies wanted to work with the Port Authority for an efficient flow of traffic.

Mr. Guenther recognized the important role of freight mobility in response to Commissioner DonCarlos' comments: the Port Authority was anticipating a 50% increase in business in the region.

Commissioner Fitzgerald questioned if there had been any talk about cargo movements via barge, to take the traffic off the roads.

Commissioner DonCarlos answered that barges were a long-term goal. There were currently two or three barge terminals near the industrial park, and it was a matter of how to accomplish it efficiently; it was not currently feasible on a large scale. Capacity on the part of the Port Authority was also needed.

Mr. Guenther added that the Cedar Bayou Navigation District had received authorization to modify the depth and width of the Cedar Bayou Channel.

Commissioner DonCarlos echoed Mr. Guenther, stating that federal money had been received. The section of Cedar Bayou known as "Devils Elbow" would also be improved as part of the project, which would improve navigation and drainage.

Mr. Guenther remarked on the importance of the 11,000 acres of property to be developed in the area. Import distribution centers and export resign packaging were on the rise there, and the Port Authority needed to be part of future freight mobility to the area.

Commissioner DonCarlos emphasized that the area could not become congested like areas of the West Coast, and if the infrastructure could be worked out, it would be a great route to I-10.

(b) Rich Byrnes, Chief Infrastructure Officer, presented a Sustainability Action Team update.

Mr. Byrnes began by describing why sustainability was important at the Port Authority. It was a corporate imperative set by the Port Commission that aligned with the Port Authority's Vision, Mission, and Strategic Goals. Two initiatives associated with

sustainability were the publication of the Port Authority's Sustainability Report and the launch of the Sustainability Action Team (SAT). The idea of sustainability was framed with four areas in mind: environmental, social, safety, and governance.

Mr. Byrnes reviewed the SAT execution plan, which had been presented to the Port Commission in April 2021. Workshops were held in June and July of 2021 to engage stakeholders and the resulting ideas for projects would be incorporated into the upcoming budget cycle. If projects could be started sooner, they would be.

Mr. Byrnes recognized the stakeholder participants that attended the workshops. A special advisory board had been invited to participate in the third round of workshops to allow those with a circumspect view of the Port Authority and its role in the ecosystem of the economy and community.

Mr. Byrnes recapped the SAT process: there had been three rounds with approximately half of the 140 stakeholders in attendance, and the outputs, conclusions, and a draft plan were validated by the advisory board. Priority areas included clean energy, air quality, community, the circular economy, and transparency. Action imperatives recognized that the projects should be closer to home rather than global; have near-, mid-, and long-term impacts; collaborations and partnerships with others were critical; the results needed to be measurable, and alignment was needed with the region and community. The action plan identified 27 initiatives: eight for the Port Authority to take the lead on, ten where it could partner with others, and nine where it would offer its support.

Mr. Byrnes reviewed some of the initiatives such as clean energy and air quality among others. Nothing was easy or simple, and many would take years to implement, but there was strong stakeholder alignment. Different stakeholders wanted different impacts. There was no single silver bullet to accomplish everything at once, a multi-year focus was needed.

Mr. Byrnes concluded by noting that a more in-depth presentation would be given later in the day at the PCCAC meeting.

(2021-0720-04) Appearances

(a) Chairman Campo recognized Juan Flores, Air Alliance Houston, who addressed the Port Commission.

Mr. Flores stated that he was a resident of Galena Park and referenced a recent incident of an emissions leak at LyondellBasell. The leak was very bad, and the resulting odor was quite pungent. People in the area got sick.

Mr. Flores explained how his throat hurt for two days following the leak. While he understood that the Port Authority was not responsible for it, he hoped it could work together with industry on a better alert system. Many residents did not know what was going on – they could only detect the odor of the chemicals in the air. The Healthy Port Communities Coalition would continue to push for a better clean air strategy.

Chairman Campo emphasized that part of the sustainability group was to create air monitoring projects and bring in industry. Industry was being pushed by its shareholders to be more responsive on environmental, social, and governance issues. It would take time to marshal the resources. But it was unacceptable for such an incident as the one Mr. Flores described to take place.

Commissioner DonCarlos inquired as to whether there was an alert system in place to notify residents of such leaks. Chairman Campo remarked that, based upon Mr. Flores's comments, it did not sound like there was.

Commissioner DonCarlos felt there should be a way to communicate with the local governments at the very least so that information could be disseminated to residents.

Commissioner Corgey noted that he had experienced the same thing when working on tugboats and emphasized just how bad odors along the channel could be. He would support the Port Authority taking an active role and working with the Texas Commission on Environmental Quality to prevent such odors from being released.

Chairman Campo felt the topic should be part of the sustainability group. He noted that discussions were had in the groups regarding communication.

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

Ms. Thomas congratulated Mr. Guenther on his appointment to the Gulf Coast Protection District. She was thankful for her invitation to be part of the SAT and emphasized that aggressive emission reduction needed to be a large part of the discussion and action. Having the team recognize the impacts to the community was important.

Additionally, Ms. Thomas remarked that she hoped to see updates to the Port Authority's outdated and unreliable equipment in favor of cleaner and more reliable, infrastructure vehicles. Emissions mitigation from Project 11 was also a very high priority.

(c) Chairman Campo asked if anyone else would like to address the Port Commission; there was no response.

(2021-0720-05) Chairman Campo recognized Mr. Heidt to provide a report of selected Commercial agenda items.

Mr. Heidt explained that Item G1 was for the approval of a sponsorship to the 2021 Breakbulk Americas Conference in September 2021, the largest conference for breakbulk and project cargo, and the Port Authority has been given high prominence in the past as the host sponsor.

(2021-0720-06) RCA G1 was presented, moved by Commissioner Corgey, seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA G1 PASSED.

(2021-0720-07) RCA G2 was presented, moved by Commissioner Corgey, seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA G2 PASSED.

(2021-0720-08) RCA G3 was presented, moved by Commissioner Corgey, seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA G3 PASSED.

(2021-0720-09) Chairman Campo recognized Mr. Heidt to provide a report of selected Finance agenda items.

Mr. Heidt explained that Item H1 was to authorize the financial and legal teams for the upcoming revenue bond issuance related to Project 11, and preparation of all documents required to issue said bonds. The financial team would be led by Siebert Williams Shank & Company while the legal team would be led by Orrick, Herrington & Sutcliffe LLP as bond counsel and West and Associates, L.L.P. as co-bond counsel, and Bracewell LLP as disclosure counsel with Hardwick Law Firm, LLC as co-disclosure counsel.

Mr. Heidt reported that agenda Item H2 was to negotiate a renewal or new flexible rate revolving note program. The Port Authority currently had a \$100 million flexible rate revolving note program with Regions Bank as lender, but the Project 11 revenue bond would change the lien status of that program from senior to level three. The agenda item would also approve the engagement of Masterson Advisors LLC as financial advisor for the program. Finally, the item would approve reimbursements to financial institutions for upfront costs and engage credit rating agencies to obtain ratings for the new financing as may be necessary.

Mr. Heidt remarked that Items H3 and H4 were similar. Item H3 was an amendment to the OPEB Plan while H4 was an amendment to the Pension Plan. The items were to change the target asset allocation to decrease the fixed income category by 5% and add a new category of bank loans at the same 5%; both items had been approved by the Pension and Benefits Committee. Item H5 was to approve a new investment manager for the loans.

Commissioner Corgey inquired if Item H1 cemented revenue bonds as the path forward or if general obligation (GO) bonds were still an option.

Chairman Campo explained that Item H1 positioned the Port Authority to do revenue bonds when it wanted to. Ultimately, the Port Commission would have to approve revenue bonds, or any other bonds. GO bonds required a much longer lead time as they would have to be approved by taxpayers. The bonds were two different paths but neither option was off the table.

Commissioner Fitzgerald asked if staff knew the timing of when the Port Authority would have to move forward with bonds.

Chairman Campo answered that the team was watching the market carefully. Pulling the trigger on the bonds would be a function of when the money was needed and the status of the bond market, but from a financing perspective, the bond market was currently very strong. If the Port Authority decided to move forward with the bonds, it would be able to do so in the fall.

Commissioner Fitzgerald wanted to keep options open. He emphasized that business would continue to grow, and he was not sure the Port Authority would have enough terminals in the next five to ten years to handle the increase. It was exciting the Port Authority could self-fund its portion of Project 11, but it could not tie its hands as revenue would also be needed for expansion.

Commissioner Corgey referenced Commissioner DonCarlos' comments from earlier about expansion in Chambers County. The space was being built with the intention to fill it.

Commissioner Mease agreed. It was easier to get bonds to widen the channel than it would be to get bonds to expand capacity.

Chairman Campo felt that it was wise of staff to bring various options to the Port Commission so that it could choose the best path forward. Staff would put forth a projection of cash flow over the forthcoming years before any decision would be made.

(2021-0720-10) RCA H1 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Mease. Chairman Campo, and Commissioners Corgey, DonCarlos, Fitzgerald, and Mease voted Aye. Commissioner Cloonan and Creuzot abstained. Nays none. RCA H1 PASSED.

(2021-0720-11) RCA H2 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Mease. Chairman Campo, and Commissioners Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Commissioner Cloonan abstained. Nays none. RCA H2 PASSED.

(2021-0720-12) RCA H3 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Mease. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA H3 PASSED.

(2021-0720-13) RCA H4 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Mease. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA H4 PASSED.

(2021-0720-14) RCA H5 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Mease. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA H5 PASSED.

(2021-0720-15) Chairman Campo recognized Mr. Heidt to provide a report of selected Infrastructure agenda items.

Mr. Heidt highlighted Item I1 – the ranking of vendors to award a two-year environmental consulting agreement for the monitoring and maintenance of the Bayport Container Terminal sound monitoring system. Item I3 pertained to an amendment with AECOM to perform services for the rehabilitation and repair design of Wharf Nos. 20, 21, 24, 25, and 26 at the Turning Basin Terminal. Wharf 20 and a portion of 21 were built in the 1950s and there were structural issues that needed to be dealt with after the design. Staff would return to the Port Commission for approval of the construction contract after the design was finished.

Mr. Heidt concluded with agenda Item I6, which was approval to enter into a Memorandum of Understanding and temporary license with the Army Corps for the placement of maintenance dredged material from berths at the Bayport Container Terminal. The dredged material would be placed into a federally-managed placement area.

Commissioner Mease, referencing Item I2 as an example, reiterated that the requirements placed on a \$200,000 bid should not be the same as those put on a \$10 million bid. He felt that the stringent requirements on the smaller bids drove up the contract price.

(2021-0720-16) RCA I1 was presented. Commissioner Corgey moved for staff's ranking of vendors- first, SLR International Corporation; and second, Collaboration in Science and Technology, Inc dba CSTI Acoustics, seconded by Commissioner Creuzot. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA I1 PASSED.

(2021-0720-17) RCA I2 was presented, moved by Commissioner Corgey, seconded by Commissioner Creuzot. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA I2 PASSED.

(2021-0720-18) RCA I3 was presented, moved by Commissioner Corgey, seconded by Commissioner Creuzot. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA I3 PASSED.

(2021-0720-19) RCA I4 was presented, moved by Commissioner Corgey, seconded by Commissioner Creuzot. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA I4 PASSED.

(2021-0720-20) RCA I5 was presented, moved by Commissioner Corgey, seconded by Commissioner Creuzot. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA I5 PASSED.

(2021-0720-21) RCA I6 was presented, moved by Commissioner Corgey, seconded by Commissioner Creuzot. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA I6 PASSED.

(2021-0720-22) RCA I7 was presented, moved by Commissioner Corgey, seconded by Commissioner Creuzot. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA I7 PASSED.

(2021-0720-23) RCA I8 was presented, moved by Commissioner Corgey, seconded by Commissioner Creuzot. Chairman Campo, and Commissioners Cloonan,

Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA I8 PASSED.

(2021-0720-24) Chairman Campo recognized Mr. Heidt to provide a report of selected Port Operations agenda items.

Mr. Heidt began with Item J1 for the award of a gate-ticket printing contract to supply 50,000,000 gate interchange cards for the Barbours Cut and Bayport Container Terminals. The amount would supply the Port Authority for approximately the next five years.

Mr. Heidt continued: agenda Item J3 was for a contract for the purchase of miscellaneous tires for trucks, passenger vehicles, and yard tractors at the Barbours Cut, Bayport, and Turning Basin Terminals. Item J8 was for the purchase of a fire rescue HAZMAT truck; hazardous materials were often moved at the container terminals and the trucks would be used daily.

Commissioner Mease queried whether changes to gate operations would make the interchange cards obsolete before the supply was exhausted.

Mr. Heidt admitted that staff was trying to make the system fully electronic so that it could be done on phones, which would be a hard sell to some of the truckers, but the ultimate goal was to move away from the use of the cards. The timing of the implementation was uncertain.

Commissioner Mease asked what could be done with the cards if the system was changed and they were no longer needed. Mr. Heidt promised to find an answer to the question and report back.

(2021-0720-25) RCA J1 was presented, moved by Commissioner Corgey, seconded by Commissioner Mease. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J1 PASSED.

(2021-0720-26) RCA J2 was presented. Commissioner Corgey moved for staff's ranking of vendors - first, Pattie Services, LLC dba Patriot Specialty Services; and second, Kempco Inspection Services, Inc., seconded by Commissioner Mease. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J2 PASSED.

(2021-0720-27) RCA J3 was presented, moved by Commissioner Corgey, seconded by Commissioner Mease. Chairman Campo, and Commissioners Cloonan,

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

(2021-0720-28) RCA J4 was presented, moved by Commissioner Corgey, seconded by Commissioner Mease. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J4 PASSED.

(2021-0720-29) RCA J5 was presented, moved by Commissioner Corgey, seconded by Commissioner Mease. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J5 PASSED.

(2021-0720-30) RCA J6 was presented, moved by Commissioner Corgey, seconded by Commissioner Mease. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J6 PASSED.

(2021-0720-31) RCA J7 was presented, moved by Commissioner Corgey, seconded by Commissioner Mease. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J7 PASSED.

(2021-0720-32) RCA J8 was presented, moved by Commissioner Corgey, seconded by Commissioner Mease. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J8 PASSED.

(2021-0720-33) RCA J9 was presented, moved by Commissioner Corgey, seconded by Commissioner Mease. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J9 PASSED.

(2021-0720-34) Chairman Campo recognized Mr. Heidt to provide a report of selected People agenda items.

Mr. Heidt began with agenda Item K1, a professional services contract to perform a Diversity, Equity, and Inclusion (DEI) assessment and assist staff to develop a DEI Plan in alignment with the Strategic Plan. This would give staff a baseline and help set priorities. Item K2 pertained to a multi-year program and funding for the development and improvement of parks and green spaces in East Harris County and to give the Community Relations Committee oversight and approval authorization.

Commissioner Mease inquired as to whether the oversight for Item K2 would be similar to the Community Grants Program. Mr. Guenther confirmed that was correct.

Chairman Campo noted that the program would have a streamlined process so that awards would not have to be taken back to the Port Commission.

Commissioner DonCarlos asked that the program be no more than four years in term so that it aligned with the City of Houston program previously approved by the Port Commission. He did not want to see it dragged out over ten years. Mr. Guenther remarked that he foresaw the program being completed within four years.

(2021-0720-35) RCA K1 was presented, moved by Commissioner Corgey, seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K1 PASSED.

(2021-0720-36) RCA K2 was presented, moved by Commissioner Corgey, seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K2 PASSED.

(2021-0720-37) Chairman Campo recognized Mr. Heidt to provide a report of selected Technology agenda items.

Mr. Heidt remarked that all six items were for either hardware or software support services. Item M1 was for the Cognos budgeting software; Item M2 was for ManageEngine, an IT service desk ticketing and inventory software program; Item M3 was for the Port Authority's firewalls; Item M4 was for data storage at the terminals and offsite locations; Item M5 was for monitoring of all Port Authority laptops and other equipment; and Item M6 was for the Mimecast software that supported email information security and email archiving for records retention, historical searches, and public record requests.

(2021-0720-38) RCA M1 was presented, moved by Commissioner Mease, seconded by Commissioner Corgey. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA M1 PASSED.

(2021-0720-39) RCA M2 was presented, moved by Commissioner Mease, seconded by Commissioner Corgey. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA M2 PASSED.

(2021-0720-40) RCA M3 was presented, moved by Commissioner Mease, seconded by Commissioner Corgy. Chairman Campo, and Commissioners Cloonan, Corgy, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA M3 PASSED.

(2021-0720-41) RCA M4 was presented, moved by Commissioner Mease, seconded by Commissioner Corgy. Chairman Campo, and Commissioners Cloonan, Corgy, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA M4 PASSED.

(2021-0720-42) RCA M5 was presented, moved by Commissioner Mease, seconded by Commissioner Corgy. Chairman Campo, and Commissioners Cloonan, Corgy, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA M5 PASSED.

(2021-0720-43) RCA M6 was presented, moved by Commissioner Mease, seconded by Commissioner Corgy. Chairman Campo, and Commissioners Cloonan, Corgy, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA M6 PASSED.

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

It is now 10:37 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) City of Richmond v. J.A. Croson Company, 488 U.S. 469 (1989), Adarand Constructors, Inc. v. Pena, 515 U.S. 200 (1995), and Texas Government Code Chapter 2254, Professional and Consulting Services, and (b) proposed agreements or amendments to agreements for legal services with Ahmad, Zavitsanos, Anaipakos, Alavi & Mensing P.C., Bracewell LLP, Orrick, Herrington & Sutcliffe LLP, West and Associates, L.L.P., and Hardwick Law Firm, LLC; deliberate regarding (2) Real Estate (*Section 551.072, Texas Open Meetings Act*), including deliberations regarding disposition including (a) leasing of Scott Bay submerged lands and (b) disposition of Barbour's Cut Terminal and Beltway 8 vicinity properties; (3) Economic Development Negotiations or Incentives (*Section 551.087, Texas Open Meetings Act*); (4) Employment and Evaluation of Public Employees (*Section 551.074, Texas Open Meetings Act*); and (5) Security-Related Matters (*Sections 418.175-418.183 of the Texas Government Code, and Section 551.076, Texas Open Meetings*

Act). The Port Commission will reconvene in public session after the closed meeting is adjourned.

At 11:19 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
Clyde Fitzgerald, Commissioner
Roy Mease, Commissioner
Roger Guenther, Executive Director
Erik Eriksson, Chief Legal Officer
Tom Heidt, Chief Operating Officer
J. Kent Friedman, outside counsel

(2021-0720-44) Commissioner Cloonan moved to authorize the Port Authority to amend the agreements for legal services with (a) the AZA law firm, and (b) the Bracewell LLP law firm on the terms discussed in Executive Session, and to authorize the Chief Legal Officer to do all things necessary to give effect to the foregoing, seconded by Commissioner Mease. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. MOTION PASSED.

Chairman Campo informed everyone that the next Port Commission meeting would be on September 29, 2021 and would be an in-person meeting. He noted that it would be likely that there would be some sort of virtual component.

Commissioner Corgey commented he felt the grant process was working well and it was a real positive.

At 11:23 a.m., Chairman Campo adjourned the Port Commission meeting.

The above is a correct copy of the Minutes of the July 20, 2021 meeting of the Port Commission of the Port of Houston Authority.

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

Ric Campo, Chairman

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

Erik A. Eriksson, Secretary

F. EXECUTIVE

Subject	1. Endorse the observance of Juneteenth as an annual holiday for employees.
Meeting	Jul 20, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its July 20, 2021 meeting, endorse the Port Authority's observance of Juneteenth as an approved annual holiday for employees, 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) Strategic Objective 1b. - Foster a culture of diversity and inclusion, innovation, and open communication

Category:
General

Department:
People

Staff Contact:
Jessica Shaver

Background:

The Port Authority's 2020 Strategic Plan includes the goal to "Be the Best Place to Work," with an objective to foster a culture of diversity and inclusion, innovation, and open communication.

Since that time, numerous efforts have been undertaken by the Port Authority to carry out the diversity, equity, and inclusion (DEI) elements of that objective. Most recently, on the recommendation of the DEI Action Plan Team, the Port Commission adopted a formal position statement to express the Port Authority's commitment to DEI, and solidify the organization's pledge to foster a culture of diversity and inclusion:

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

Staff Evaluation/Justification:

Thanks in great part to the congressional leadership of Sen. John Cornyn and Rep. Sheila Jackson Lee, last month Juneteenth National Independence Day was adopted as a federal holiday, to commemorate the end of slavery in the United States.

- On June 19, 1865, Union Army Major General Gordon Granger issued General Order No. 3 in Galveston, Texas, which announced that in accordance with the Emancipation Proclamation, "all slaves are free," and on that date, enslaved Black people in Galveston first learned of that presidential proclamation and executive order issued by President Abraham Lincoln on September 22, 1862.

Following adoption of this federal holiday, staff now recommends that the Port Commission endorse the Port Authority's observance of Juneteenth as an approved holiday for employees each year.

G. COMMERCIAL

Subject **1. Approve a sponsorship with Breakbulk Events and Media for the 2021 Breakbulk Americas Conference in an amount not to exceed \$55,000.**

Meeting Jul 20, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action, Information

Recommended Action The Port Commission, at its July 20, 2021 meeting, approve a sponsorship with Breakbulk Events and Media for the 2021 Breakbulk Americas Conference in an amount not to exceed \$55,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Goals STRATEGIC GOAL #3 - PARTNERSHIPS (Develop and Strengthen External Partnerships)
Strategic Objective 3a. - Cultivate key relationships to accomplish common goals
Strategic Objective 3c. - Engage in proactive two-way communication
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:

Commercial

Staff Contact:

Christine Abbruscato

Background:

Sponsorship at Breakbulk Americas Conference has allowed Port Authority staff to market its general cargo facilities to potential new customers. It is a forum for face-to-face networking and promotion of Port Authority services, and has historically been beneficial to Port Authority business growth by facilitating networking opportunities. The Port Authority is also given high prominence as the Host Port Sponsor.

Staff Evaluation/Justification:

Staff recommends the Port Commission authorize entering into a sponsorship agreement with Breakbulk Events and Media for the 2021 Breakbulk Americas Conference.

G. COMMERCIAL

Subject **2. Approve a third amendment to the Lease Agreement with Terminal Link Texas, LLC for an additional three-year term for approximately 1,394 sq. ft. in the Berth 5 Stevedore Support Building in Harris County, effective no earlier than October 1, 2021, at an annual base rent of \$45,708, and subject to an annual increase of 3%.**

Meeting Jul 20, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its July 20, 2021 meeting, approve a third amendment to the Lease Agreement with Terminal Link Texas, LLC for an additional three-year term for approximately 1,394 sq. ft. in the Berth 5 Stevedore Support Building in Harris County, effective no earlier than October 1, 2021, at an annual base rent of \$45,708, and subject to an annual increase of 3%, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

Category:

Leases

Department:

Real Estate

Staff Contact:

R. D. Tanner

Background:

By Minute No. 2015-0929-22, the Port Commission approved the Port Authority lease with Terminal Link Texas, LLC to enter for a two-year term for approximately 1,394 sq. ft. in the Berth 5 Stevedore Support Building in Harris County. Subsequently, by Minute Nos. 2017-0926-13 and 2019-0924-19, the Port Commission approved a first amendment to the Lease Agreement for an additional two-year term extension and a Second Amendment to the Lease Agreement for an additional two-year term extension, respectively. Terminal Link Texas, LLC has now requested that the Port Authority extend the lease for an additional three-year term. The base rent would include an annual increase of 3% over the prior year rate.

Terminal Link Texas, LLC has leased this property of approximately 1,394 sq. ft. as a stevedore and shipping business office since 2009.

Staff Evaluation/Justification:

Staff recommends approval for this proposed third amendment to the Lease Agreement.

G. COMMERCIAL

Subject **3. Approve a lease agreement for a ten-year term with Conestoga Supply, LLC for approximately 106,813 sq. ft. out of the Port Authority's Block 22 of Building 50 in Industrial Park East in Harris County, effective no earlier than August 1, 2021, at an annual base rent of \$192,263.40, subject to an annual increase of the greater of 3% or increase in the Consumer Price Index.**

Meeting Jul 20, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its July 20, 2021 meeting, approve a lease agreement for a ten-year term with Conestoga Supply, LLC for approximately 106,813 sq. ft. out of the Port Authority's Block 22 of Building 50 in Industrial Park East in Harris County, effective no earlier than August 1, 2021, at an annual base rent of \$192,263.40, subject to an annual increase of the greater of 3% or increase in the Consumer Price Index, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Goals STRATEGIC GOAL #3 - PARTNERSHIPS (Develop and Strengthen External Partnerships)

Category:
Leases

Department:
Real Estate

Staff Contact:
R.D. Tanner

Background:
By Minute No. 2019-0423-17, the Port Commission approved the Port Authority lease with Conestoga Supply, LLC (Conestoga) for a one-year term, with a two-year mutual extension option, for approximately 0.87 acres of land out of the Port Authority's Block 24 in Industrial Park East. Subsequently, on May 21, 2020, the Port Authority approved the exercise of the two-year mutual extension option by Conestoga. The permitted use is for future storing and sorting steel and bulk-material cargo.

Conestoga has now requested that the Port Authority approve its expansion into 106,813 sq. ft. out of the Port Authority's Block 22 of Building 50 in Industrial Park East under a separate ten-year lease term, for storing and handling steel products. The annual base rent would include an annual increase of the greater of 3% or the Consumer Price Index.

Staff Evaluation/Justification:
Staff recommends approval of this proposed lease agreement with Conestoga under the terms described above.

H. FINANCE

Subject 1. Authorize the Port Authority to (a) plan and prepare for the future issuance of revenue bonds for long-term financing to fund a portion of the Port Authority's share of Project 11 construction costs; (b) appoint PFM Financial Advisors LLC as financial advisor, and Siebert Williams Shank & Co., LLC (senior manager), Academy Securities, Inc., Morgan Stanley, Raymond James & Associates, Inc., and RBC Capital Markets, LLC as underwriters, to assist in the bond issuance; (c) appoint Orrick, Herrington & Sutcliffe LLP as bond counsel, West and Associates, L.L.P. as co-bond counsel, Bracewell LLP as disclosure counsel, and Hardwick Law Firm, LLC as co-disclosure counsel; and (d) prepare documentation authorizing the issuance of revenue bonds.

Meeting Jul 20, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its July 20, 2021 meeting, authorize the Port Authority to (a) plan and prepare for the future issuance of revenue bonds for long-term financing to fund a portion of the Port Authority's share of Project 11 construction costs; (b) appoint PFM Financial Advisors LLC as financial advisor, and Siebert Williams Shank & Co., LLC (senior manager), Academy Securities, Inc., Morgan Stanley, Raymond James & Associates, Inc., and RBC Capital Markets, LLC as underwriters, to assist in the bond issuance; (c) appoint Orrick, Herrington & Sutcliffe LLP as bond counsel, West and Associates, L.L.P. as co-bond counsel, Bracewell LLP as disclosure counsel, and Hardwick Law Firm, LLC as co-disclosure counsel; and (d) prepare documentation authorizing the issuance of revenue bonds, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

Category:

General

Department:

Treasury and Legal

Staff Contact:

Roland Gonzalez/Tim Finley/Erik Eriksson

Background:

The Port Authority has planned for the construction of Project 11 and prepared liquidity projections for the level of expected investment in the construction project. The substantial level of capital investment requires issuance of revenue bonds as a source of funding. Revenue bond issuance also avoids the potential for impairment of other operating equipment and infrastructure capital investments. Liquidity projections show the need to issue revenue bonds in 2022, or possibly earlier, depending on the financial market environment, requiring preparation for issuance to begin in 2021.

The Port Authority last issued revenue bonds in 2002 (pass-through funding which has since been retired) and also last issued unlimited tax (GO) port improvement bonds for new funding in 2010.

Staff Evaluation/Justification:

The proposed team is comprised of firms previously approved by Minute Nos. 2021-0525-14 and 2021-0525-07 to participate in a "pool" of underwriters and legal firms to assist with future debt financing and public finance needs.

"Exhibit A"

Staff evaluated proposals received as responses to the request for qualifications (RFQs) for bond underwriting and public finance and bond counsel services and has selected financial advisor and underwriting firms from the approved pool who were considered to provide the highest benefit to the Authority and law firms from the approved pool who were considered most qualified to provide the required services.

Staff recommends that the Port Commission authorize staff to proceed with preparations, planning, and development of necessary documentation for the future issuance of revenue bonds, which includes creation of financing teams, including revenue bond underwriters, financial advisors, and legal counsel, and will include professional services, including rating agencies, and further authorizes the finance working group to assist the Port Authority in preparing for this important effort.

Request for revenue bond issuance is expected to be presented to the Port Commission for action at a future meeting for the purpose of securing sufficient liquidity for Port Commission construction package awards for various segments of Project 11.

H. FINANCE

Subject **2. Authorize the Port Authority to (a) negotiate a renewal or new flexible rate revolving note programs or such other debt financing agreements with financial institutions for such amounts and terms as deemed necessary or advantageous, with all proposed debt financing subject to final approval by the Port Commission (b) engage Masterson Advisors LLC as financial advisor with advisory, fees not to exceed \$150,000, (c) approve reimbursement to financial institution for upfront costs associated with the financing arrangement not to exceed \$150,000, and (d) engage credit rating agencies at a cost not to exceed \$225,000 to obtain ratings for the new financing as may be necessary.**

Meeting Jul 20, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its July 20, 2021 meeting, authorize the Port Authority to (a) negotiate a renewal or new flexible rate revolving note programs or such other debt financing agreements with financial institutions for such amounts and terms as deemed necessary or advantageous, with all proposed debt financing subject to final approval by the Port Commission (b) engage Masterson Advisors LLC as financial advisor with advisory, fees not to exceed \$150,000, (c) approve reimbursement to financial institution for upfront costs associated with the financing arrangement not to exceed \$150,000, and (d) engage credit rating agencies at a cost not to exceed \$225,000 to obtain ratings for the new financing as may be necessary, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

Category:
General

Department:
Treasury

Staff Contact:
Roland Gonzalez / Tim Finley

Background:
By Minute No. 2018-1113-03, the Port Commission approved resolutions, agreements, and documents necessary to give effect to a \$100,000,000 Flexible Rate Revolving Note Program. The Note Program closed on December 4, 2018 with Regions Capital Advantage, Inc. and Regions Commercial Equipment Finance, LLC (collectively, Regions Bank) as lenders.

The Note Program expires on December 4, 2023.

Staff Evaluation/Justification:
The Port Authority has generated healthy cash flows in recent years. However, based on various scenario planning and liquidity forecasts, the Port Authority would likely need additional access to short term liquidity for Port Commission award capacity in years 2021-2025.

This proposed access to additional financing would provide liquidity to the Port Commission to award capital investments and improvements, including construction packages for Project 11.

"Exhibit A"

Staff requests authorization to negotiate a renewal or new note programs and/or explore other debt financing alternatives for such amounts and terms as deemed necessary or advantageous to the Port Authority, and also seeks approval to engage professionals to assist with such debt financing efforts.

H. FINANCE

Subject **3. Adopt an amended investment policy for the Port of Houston Authority Other Post-Employment Benefit (OPEB) Plan, an irrevocable trust established for other post-employment benefits.**

Meeting Jul 20, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its July 20, 2021 meeting, adopt an amended investment policy for the Port of Houston Authority Other Post-Employment Benefit (OPEB) Plan, an irrevocable trust established for other post-employment benefits, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

Category:
General

Department:
Treasury

Staff Contact:
Roland Gonzalez

Background:

By Minute No. 2020-1208-18, the Port Commission last adopted an amended investment policy for the Pension Plan, which states:

To assure continued relevance of the guidelines, objectives, financial status and capital markets expectations as established in this statement of investment policy...for the OPEB Trust...the Port Commission of the Port of Houston Authority of Harris County, Texas...will endeavor to review the Policy at least annually.

Staff Evaluation/Justification:

Staff and the Port Authority's pension consultant, AndCo Consulting, LLC, propose a revision to the investment policy, including:

- Adding one asset class a bank loan portfolio
- Revisions to the Target Asset Allocations resulting from the addition of the above asset class:
 - Reducing Fixed Income to 35.0% from 40.0%
 - Adding Bank Loans to 5.0% from 0.0%

the proposed bank loan strategy invests predominantly in floating rate corporate fixed income securities.

The proposed Policy changes comply with applicable statutes, including Chapter 802, Texas Government Code. The Pension and Benefits Committee and staff recommend that the Port Commission adopt an amended investment policy for the OPEB Plan, as proposed.

Staff recommends the Port Commission approve the adoption of the amended investment policy for the Port of Houston Authority OPEB Plan.

H. FINANCE

Subject 4. Adopt an amended investment policy for the Port of Houston Authority Restated Retirement Plan (Pension Plan).

Meeting Jul 20, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its July 20, 2021 meeting, adopt an amended investment policy for the Port of Houston Authority Restated Retirement Plan (Pension Plan), and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

Category:
General

Department:
Treasury

Staff Contact:
Roland Gonzalez

Background:

By Minute No. 2020-1208-17, the Port Commission last adopted an amended investment policy for the Pension Plan, which states:

To assure continued relevance of the guidelines, objectives, financial status and capital markets expectations as established in this statement of investment policy...for the Port of Houston Authority Restated Retirement Plan...the Port Commission of the Port of Houston Authority of Harris County, Texas...will endeavor to review the Policy at least annually.

Staff Evaluation/Justification:

Staff and the Port Authority's pension consultant, AndCo Consulting, LLC, propose a revision to the investment policy, including:

- Adding one asset class a bank loan portfolio
- Revisions to the Target Asset Allocations resulting from the addition of the above asset class:
 - Reducing Fixed Income to 35.0% from 40.0%
 - Adding Bank Loans to 5.0% from 0.0%

The proposed bank loan strategy invests predominantly in floating rate corporate fixed income securities.

The proposed Policy changes comply with applicable statutes, including Chapter 802, Texas Government Code. The Pension and Benefits Committee and staff recommend that the Port Commission adopt an amended investment policy for the Pension Plan, as proposed.

Staff recommends the Port Commission approve adoption of the amended investment policy for the Port of Houston Authority Pension Plan.

H. FINANCE

Subject 5. Approve Pacific Life Funds Advisors as new investment manager for the Port of Houston Authority Restated Retirement Plan (Pension Plan) and the Port of Houston Authority Other Post-Employment Benefit (OPEB) Plan.

Meeting Jul 20, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its July 20, 2021 meeting, approve Pacific Life Funds Advisors as new investment manager for the Port of Houston Authority Restated Retirement Plan (Pension Plan) and the Port of Houston Authority Other Post-Employment Benefit (OPEB) Plan, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

Category:
General

Department:
Treasury

Staff Contact:
Roland Gonzalez

Background:
The Port Commission is asked to adopt an amended investment policy for the Pension Plan and OPEB Plan at this July 20, 2021 meeting to accommodate the asset allocation changes and new investment manager and new investment fund.

By Minute No. 2019-0729-18, the Port Commission approved an extension of the contract with AndCo Consulting, LLC for investment advisory services related to the Pension Plan, the OPEB Plan, the 401(a) Defined Contribution Plan, and the 457(b) Deferred Compensation Plan. AndCo Consulting, LLC has assisted with other efforts.

Staff Evaluation/Justification:
As part of the ongoing review of Pension Plan and OPEB Plan investments, staff and AndCo Consulting recently recommended to the Pension and Benefits Committee a change to the asset allocation and investment managers. The goal of this change include further diversifying investments, enhancing returns on the portfolios, and minimize losses due to a potential rising interest rate environment. Such proposed changes are in full compliance with the investment policies for the Pension Plan and OPEB Plan.

The following possible investment managers/funds were presented for Committee review and evaluation at its July 13, 2021 meeting:

Bank Loan Portfolio

- Credit Suisse Asset Management: Credit Suisse Floating Rate High Income Instl (CSHIX)
- Loomis Sayles & Company: Loomis Sayles Senior Floating Rate and Fixed Income N (LSFNX)
- Pacific Life Fund Advisors: Pacific Funds Floating Rate Income I (PLFRX)

Staff recommends that the Port Commission approve Pacific Life Fund Advisors as the new investment manager for the Pension Plan and OPEB Plan, as selected and recommended by staff and the Pension and Benefits Committee from the above lists of managers.

"Exhibit A"

Staff and AndCo Consulting will then reallocate assets to the new investment manager and fund, in accordance with the asset allocation and other parameters specified in the investment policies.

I. INFRASTRUCTURE

Subject	1. Approve staff's ranking of vendors and award a two-year environmental consulting agreement in an amount not to exceed \$100,000 for the monitoring and maintenance of the Bayport Container Terminal sound monitoring system to the top ranked proposer: staff ranking - first, SLR International Corporation; and second, Collaboration in Science and Technology, Inc dba CSTI Acoustics.
Meeting	Jul 20, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its July 20, 2021, meeting: (a) approve staff's ranking of the most qualified vendors, based on the selection criteria, in the following order - first, SLR International Corporation; and second, Collaboration in Science and Technology, Inc dba CSTI Acoustics; (b) award a two-year environmental consulting agreement to SLR International Corporation for the monitoring and maintenance of the Bayport Container Terminal sound monitoring system in an amount not to exceed \$100,000; (c) grant authority, if a contract cannot be negotiated with the first-ranked vendor, to formally, and in writing, end negotiations with that vendor and proceed to the next vendor in the order of ranking until a contract is reached or all proposals are rejected; and (d) further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #4 - STEWARDSHIP (Create Greater Value for the Region) Strategic Objective 4a. - Implement an innovative environmental leadership strategy

Category:

Awards, Amendments & Change Orders

Department:

Environmental Affairs

Staff Contact:

Trae Camble

Background:

The sound monitoring system for Bayport Container Terminal construction has been used to demonstrate compliance with sound limitations in the Department of the Army Permit SWG-1998-01818 (Permit). However, in the recently approved extension of the Permit effective July 1, 2021, these sound limitations were removed. Although no longer required, staff has determined that the Port Authority should continue to monitor Bayport Terminal construction sound levels. The selected firm would monitor and maintain the sound monitoring system, collect and analyze data from the monitors, and provide professional acoustical services as requested by the Port Authority in order to assist Port Authority staff in limiting noise from construction.

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

Staff Evaluation/Justification:

On June 16, 2021, two RFPs responses were received and opened. The responses were reviewed and evaluated by staff in accordance with the selection criteria published in the RFP. Staff identified the following

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

- SLR International Corporation
- Collaboration in Science and Technology, Inc dba CSTI Acoustics

Following staff Executive Committee review, staff recommends that the Port Commission award a contract to SLR International Corporation for an environmental consulting agreement in this matter, and act as otherwise described above.

I. INFRASTRUCTURE

Subject	2. Approve staff's ranking of vendors and award a construction contract to Four Seasons Development Company for the annual perimeter security fence replacement at Turning Basin Terminal for 2021 in an amount not to exceed \$201,000.
Meeting	Jul 20, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its July 20, 2021 meeting, award a construction contract to Four Seasons Development Company for the annual perimeter security fence replacement at Turning Basin Terminal for 2021 in an amount not to exceed \$201,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #2 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)

Category:

Awards, Amendments & Change Orders

Department:

Project and Construction Management

Staff Contact:

Roger H. Hoh, P.E.

Background:

The Port Authority is seeking to award a construction contract for annual perimeter security fence replacement. This year's projects will be for the removal and replacement of deteriorated or damaged perimeter security fencing at Barbour's Cut Terminal and Turning Basin Terminal. The existing 6-foot perimeter fencing that will be replaced with 8-foot fencing and three strands of barbed wire along the security perimeter of the terminals, to comply with United States Homeland Security requirements. The contract will include the following:

- Removal of 6-foot fencing and barbed wire
- Removal of existing footings
- Replacement of 6,500 linear feet of perimeter fencing
- Placement of 8-foot fencing with three strands of barbed wire
- Installation of new concrete footings
- Installation of 20-foot swing gate with custom flaps

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

Staff Evaluation/Justification:

On June 23, 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 Four Seasons Development Company, the responsible bidder submitting the lowest and best bid, for the annual perimeter security fence replacement at Turning Basin Terminal for 2021.

I. INFRASTRUCTURE

Subject **3. Amend the professional services contract with AECOM Technical Services, Inc. to perform services for rehabilitation and repair design of Wharf Nos. 20, 21, 24, 25, and 26 at Turning Basin Terminal in an amount not to exceed \$1,286,829.**

Meeting Jul 20, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its July 20, 2021 meeting, approve an amendment to the professional services contract with AECOM Technical Services, Inc. to perform services for rehabilitation and repair design of Wharf Nos. 20, 21, 24, 25, and 26 at Turning Basin Terminal in an amount not to exceed \$1,286,829, and 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. 2020-0623-16, the Port Commission awarded a professional services contract with AECOM Technical Services, Inc. to perform additional services for the in-depth structural assessment and development of repair options of Wharves 20, 21, 24, 25, and 26 at Turning Basin Terminal

The first phase was \$394,266 and the second phase is \$1,286,829. This amendment for the planned-for second phase is the first amendment to this contract for a total amendment value to date of \$1,286,829, which represent an increase of 326% over the original contract value for the first phase.

This proposed amendment would consist of preparing the rehabilitation design documentation for Wharf 20 and 90ft of Wharf 21 and the repair design for Wharves 21, 24, 25, and 26. The scope includes but not limited to: bid documentations, drawings, specifications, and cost estimation, as well as construction phase support.

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

I. INFRASTRUCTURE

Subject	4. Approve a change order with Archer Western Construction, LLC. to perform additional work associated with the expansion of gate facilities at Barbours Cut Terminal in an amount not to exceed \$133,500.
Meeting	Jul 20, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its July 20, 2021 meeting, authorize a change order with Archer Western Construction, LLC to perform additional work associated with the expansion of gate facilities at Barbours Cut Terminal in an amount not to exceed \$133,500, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #2 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)

Category:
Awards, Amendments & Change Orders

Department:
Project and Construction Management

Staff Contact:
Roger H. Hoh, P.E.

Background:
By Minute No. 2019-0729-24, the Port Commission awarded a construction contract to Archer Western Construction, LLC for the expansion of gate facilities at Barbours Cut Terminal.

This change order for \$133,500 is the fourth change order to this contract, for a total amended value to date of -\$75,973, which represents a decrease of -0.19% over the original contract value.

The change order proposed by the contractor includes the following items:

- Updated light fixtures with battery backup power, additional concrete pavement removal, replacement, and storm water drainage improvements.
- Modified drainage system for the truck table scales and additional galvanized steel embeds for the truck scale foundations.
- Additional concrete pavement for the truck table scale frames.
- Additional infrastructure at the TWIC Checkpoint Canopy, needed for manned guard booths.
- Addition of concrete pads at each ladder platform location, to provide better access to the lane kiosks.

Staff Evaluation/Justification:
Staff has reviewed Archer Western Construction, LLC proposal and found it to be fair and reasonable and recommends that the Port Commission authorize this change order.

I. INFRASTRUCTURE

Subject **5. Approve the purchase of supplies needed by the U.S. Coast Guard to relocate channel markers to be removed during dredging of the segment of the Houston Ship Channel included in Contract Package 3/4a in an amount not to exceed \$100,000.**

Meeting Jul 20, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its July 20, 2021 meeting, approve the purchase of supplies needed by the U.S. Coast Guard to relocate channel markers to be removed during dredging of the segment of the Houston Ship Channel included in Contract Package 3/4a in an amount not to exceed \$100,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:
General

Department:
Project 11

Staff Contact:
Garry McMahan

Background:
In approximately September or October 2021, the Port Authority expects to award a construction project contract to dredge segments 3 and 4a of the Houston Ship Channel Expansion Channel Improvement Project (Project 11). To facilitate this dredging, the U.S. Coast Guard (USCG) needs to relocate the channel markers located along these channel segments. Due to the speed of development of Project 11, the USCG did not have sufficient time to integrate this work into its current budget. In an effort to aid the USCG in completing this work ahead of dredging, USCG has requested that the Port Authority supply materials needed to relocate the channel markers.

Staff Evaluation/Justification:
Staff has determined that additional funding is necessary to procure these materials for the USCG in order to maintain the aggressive schedule for Project 11.

I. INFRASTRUCTURE

Subject **6. Enter into a Memorandum of Understanding and temporary license with the U.S. Army Corps of Engineers for the placement of maintenance dredged material from berths at the Bayport Container Terminal into a federally managed dredged material placement area for \$582,800 and approve any over dredge cost at \$3.76 per cubic yard in an amount not to exceed \$116,560.**

Meeting Jul 20, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its July 20, 2021 meeting, authorize the Port Authority to enter into a Memorandum of Understanding and temporary license with the U.S. Army Corps of Engineers for the placement of maintenance dredged material from berths at the Bayport Container Terminal into a federally managed dredged material placement area for \$582,800 and approve any over dredge cost at \$3.76 per cubic yard in an amount not to exceed \$116,560, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

General

Department:

Channel Operations

Staff Contact:

Garry McMahan

Background:

The U.S. Army Corps of Engineers (Corps) is expected to perform maintenance dredging of the Houston Ship Channel and Bayport Ship Channel adjacent to Bayport Container Terminal. Berths in mid 2021 at the terminal also require maintenance dredging, to remove siltation that has occurred since the last maintenance dredging was completed in 2019. The Corps is authorized to perform berth dredging for the Port Authority on a reimbursable basis.

By Minute No. 2021-0525-21, the Port Commission authorized the Port Authority to enter into a Memorandum of Agreement with the Corps to perform this maintenance dredging. This action is to authorize the placement of that material into a dredged material placement area and pay the appropriate fees. The material is expected to be placed into Placement Area 14 for \$582,800. Dredge quantities are estimated and may differ from the actual quantity at the time dredging occurs due to additional siltation and processing time of the Corps application. This action is to also authorize the cost for quantities over the initial quantity we applied for at \$3.76 per cubic yard in an amount not to exceed \$116,560.

Staff Evaluation/Justification:

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

Staff recommends that the Port Commission authorize these agreements.

I. INFRASTRUCTURE

Subject **7. Approve the renewal of the following expiring Port Authority licenses for new ten-year terms: ExxonMobil Pipeline Company and Targa Downstream LLC.**

Meeting Jul 20, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its July 20, 2021 meeting, authorize the Port Authority to approve the renewal of the following expiring licenses for new ten-year terms: ExxonMobil Pipeline Company and Targa Downstream LLC, 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
ExxonMobil Pipeline Company	1999-0268	\$13,711
Targa Downstream LLC	2001-0070	\$499,103
Targa Downstream LLC	2003-0234	\$100,246
Targa Downstream LLC	2019-0155	\$10,546
Total		\$623,606

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 **8. Issue a marine construction permit to and approve a private adjacency barge fleeting lease agreement with Turn Services, LLC for approximately 16.39-acres of submerged lands in the Alexander Island Barge Channel at a monthly rental amount of \$4,917 for a ten-year term.**

Meeting Jul 20, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its July 20, 2021 meeting, authorize the Port Authority to issue a marine construction permit to and approve a private adjacency barge fleeting lease agreement with Turn Services, LLC for approximately 16.39-acres of submerged lands in the Alexander Island Barge Channel at a monthly rental amount of \$4,917 for a ten-year term, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Leases

Department:

Channel Operations

Staff Contact:

Garry McMahan

Background:

Turn Services, LLC, Port Authority File No. 2021-0184, has applied for a private adjacency submerged lands lease agreement and a marine construction permit for approximately 16.39-acres of barge fleeting in the Alexander Island Barge Channel.

Staff Evaluation/Justification:

The application was reviewed and approved by the Port Authority's Channel Operations department. The lease would be entered into pursuant to the Port Authority's submerged land lease terms and conditions for a rental amount of \$4,917 per month for a ten-year term. The fee schedule for private adjacency submerged land leases have been set by the Port Commission, and the lease agreement would be issued subject to the Port Authority's usual terms and conditions.

Staff recommends approval.

J. OPERATIONS

Subject 1. Award a gate-ticket printing contract to Southland Printing Company for a term of five years to supply 50,000,000 gate interchange cards for Barbours Cut Terminal and Bayport Container Terminal in an amount not to exceed \$425,000.

Meeting Jul 20, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its July 20, 2021 meeting, award a gate-ticket printing contract to Southland Printing Company for a term of five years to supply 50,000,000 gate interchange cards for Barbours Cut Terminal and Bayport Container Terminal in an amount not to exceed \$425,000, 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:

Operations

Staff Contact:

Jeff Davis

Background:

The Port Authority is seeking to obtain 50,000,000 gate interchange cards for Barbours Cut Terminal and Bayport Container Terminal. The gate cards are used to document the transfer of custody of intermodal equipment entering and exiting the Terminals.

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

Staff Evaluation/Justification:

On June 23, 2021, four CSB responses were received and opened. The responses were reviewed and evaluated by staff in accordance with the published selection criteria.

Staff recommends that the Port Authority award a five-year contract to Southland Printing Company, the responsible bidder submitting the lowest and best bid, for gate interchange cards for Barbours Cut Terminal and Bayport Container Terminal.

J. OPERATIONS

Subject	2. Approve staff's ranking of vendors and award a two-year contract in an amount not to exceed \$400,000 to perform occupational and safety inspection services for equipment at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal to the top-ranked proposers: staff ranking - first, Pattie Services, LLC dba Patriot Specialty Services; and second, Kempco Inspection Services, Inc.
Meeting	Jul 20, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its July 20, 2021 meeting: (a) approve staff's ranking of the most qualified vendors, based on the selection criteria, in the following order – first, Pattie Services, LLC dba Patriot Specialty Services; and second, Kempco Inspection Services, Inc.; (b) award a two-year contract to Pattie Services, LLC dba Patriot Specialty Services to perform occupational and safety inspection services for equipment at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal in an amount not to exceed \$400,000; (c) grant authority, if a contract cannot be negotiated with the first-ranked vendor, to formally, and in writing, end negotiations with that vendor and proceed to the next vendor in the order of ranking until a contract is reached or all proposals are rejected; and (d) further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #2 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)

Category:

Awards, Amendments & Change Orders

Department:

Maintenance

Staff Contact:

Paulo Soares

Background:

The Port Authority currently owns twenty-five wharf cranes, one hundred and seven rubber-tired gantry cranes (RTG), one hundred and seventy-five spreaders, and fourteen over-height attachments operating at Barbours Cut Terminal and Bayport Container Terminal. Nine RTG and three wharf cranes are to be delivered later this year. Additional equipment at all three terminals includes empty handlers, top loaders, JLG lift equipment, and forklifts. They are required to be annually inspected for visual and operating functions and load tested once every four years.

By Minute No. 2018-0925-43, the Port Commission awarded a two-year service contract to Kempco Inspection Services, Inc. to perform these occupational and safety inspection services for equipment at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal in an amount not to exceed \$300,000.

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

Staff Evaluation/Justification:

On June 16, 2021, two 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 as qualified to provide the required services:

- Pattie Services, LLC dba Patriot Specialty Services
- Kempco Inspection Services, Inc.

Following staff Executive Committee Review, staff recommends that the Port Commission award a two-year contract to Pattie Services, LLC dba Patriot Specialty Services and act as otherwise described above.

J. OPERATIONS

Subject	3. Award a two-year contract to Southern Tire Mart for the purchase of miscellaneous tires for trucks, passenger vehicles, and yard tractors at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal in an amount not to exceed \$800,000.
Meeting	Jul 20, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its July 20, 2021 meeting, award a two-year contract to Southern Tire Mart for the purchase of miscellaneous tires for trucks, passenger vehicles, and yard tractors at Barbours Cut Terminal, Bayport Container Terminal, and 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.
Goals	STRATEGIC GOAL #2 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)

Category:

Awards, Amendments & Change Orders

Department:

Maintenance

Staff Contact:

Paulo Soares

Background:

The Port Authority owns hundreds of vehicles and industrial equipment requiring tires of various sizes and capacities. This includes 1,856 tires for the RTG fleet, 420 for yard tractors, nearly 800 for chassis, and over 1,200 for light vehicles for clerks, operations, and other light vehicle users.

By Minute No. 2019-0521-28, the Port Commission awarded a two-year contract to T&W Tire, LLC for the purchase of miscellaneous tires for trucks and passenger vehicles at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal in an amount not to exceed \$550,000; awarded a two-year contract to Beasley Tire Service for the purchase of tires for yard tractors for Barbours Cut Terminal and Bayport Container Terminal in an amount not to exceed \$200,000; and awarded a two-year contract to Southern Tire Mart for the purchase of RTG tires for Barbours Cut Terminal and Bayport Container Terminal in an amount not to exceed \$1,000,000.

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

Staff Evaluation/Justification:

On June 16, 2021, two CSB responses were received and opened for items 1 through 44 specified in the request. The responses were reviewed and evaluated by staff in accordance with the published selection criteria.

Staff recommends that the Port Authority award a two-year contract to Southern Tire Mart, the responsible bidder submitting the lowest and best bid, for the purchase of miscellaneous tires for trucks, passenger vehicles, and yard tractors at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal.

J. OPERATIONS

Subject	4. Award a three-year contract to Cole Technology for the purchase of new and repaired J.R. Merritt master control switches for wharf and rubber-tyred gantry cranes at Barbours Cut Terminal and Bayport Container Terminal in an amount not to exceed \$350,000.
Meeting	Jul 20, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its July 20, 2021 meeting, award a three-year contract to Cole Technology for the purchase of new and repaired J.R. Merritt master control switches for wharf and rubber-tyred gantry (RTG) cranes at Barbours Cut Terminal and Bayport Container Terminal in an amount not to exceed \$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.
Goals	STRATEGIC GOAL #2 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)

Category:

Awards, Amendments & Change Orders

Department:

Maintenance

Staff Contact:

Paulo Soares

Background:

By Minute No. 2017-0926-39, the Port Commission awarded a two-year contract to Northline NC, LLC in an amount not to exceed \$350,000 for the purchase of new and repaired J.R. Merritt master control switches for wharf and rubber-tyred gantry (RTG) cranes at Barbours Cut Terminal and Bayport Container Terminal.

These master control switches are necessary for the routine operation of all wharf and RTG cranes at the container terminals. Funds for this contract have been depleted.

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

Staff Evaluation/Justification:

On May 19, 2021, three CSB responses were received and opened. These responses were reviewed and evaluated by staff in accordance with the published selection criteria.

Staff recommends that the Port Commission award a three-year contract to Cole Technology, the responsible bidder submitting the lowest and best bid, for the purchase of new and repaired J.R. Merritt master control switches for wharf and RTG cranes at Barbours Cut Terminal and Bayport Container Terminal.

J. OPERATIONS

Subject **5. Award a two-year contract for preventative maintenance and inspection services to Vertiv Corporation, the sole source service provider, for Liebert Uninterruptible Power Supply batteries, static transfer switches, power distribution units, and monitoring products at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal in an amount not to exceed \$150,000.**

Meeting Jul 20, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its July 20, 2021 meeting, award a two-year contract for preventative maintenance and inspection services to Vertiv Corporation, the sole source service provider, for Liebert Uninterruptible Power Supply batteries, static transfer switches, power distribution units, and monitoring products at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal in an amount not to exceed \$150,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

Category:

Award, Amendments & Change Orders

Department:

Maintenance

Staff Contact:

Paulo Soares

Background:

By Minute No. 2019-0924-52, the Port Commission awarded a two-year contract to Vertiv Corporation in the amount not to exceed \$130,000 for preventive maintenance and inspection services for Liebert Uninterruptible Power Supply (UPS) batteries, static transfer switches, power distribution units, and monitoring products at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal. Staff believes it is advantageous to have Vertiv Corporation, the original equipment manufacturer, perform such work due to the firm's access to proprietary information, troubleshooting information, and technical and parts support.

Staff Evaluation/Justification:

Section 60.412 of the Water Code provides that a purchase for an item that can be obtained only from one source is exempt from certain procurement requirements of the Water Code. Port Authority staff has received a written statement from Vertiv Corporation confirming that Vertiv Corporation is the sole-authorized service provider for the Liebert Power product line.

Staff recommends the Port Commission approve a two-year contract for preventative maintenance and inspection services with Vertiv Corporation, the sole source service provider, for Liebert Uninterruptible Power Supply UPS batteries, static transfer switches, power distribution units, and monitoring products at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal.

J. OPERATIONS

Subject **6. Award an annual contract to AssetWorks, LLC, the sole source provider, for software maintenance, support, and extended hardware warranty of Fleet Focus M5, Enterprise Asset Management System, and Fuel Focus software, the Port Authority's fueling and fleet management system, in an amount not to exceed \$80,000.**

Meeting Jul 20, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its July 20, 2021 meeting, award an annual contract to AssetWorks, LLC, the sole source provider, for software maintenance, support, and extended hardware warranty of Fleet Focus M5, Enterprise Asset Management System, and Fuel Focus software, the Port Authority's fueling and fleet management system, in an amount not to exceed \$80,000, 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:

Maintenance

Staff Contact:

Paulo Soares

Background:

By Minute No. 2020-1027-28, the Port Commission awarded a one-year contract to AssetWorks, LLC for its fueling/fleet management system. This contract is due to expire on September 1, 2021. AssetWorks, LLC holds all rights to sales, distribution, implementation, and development services to Fleet Focus M5 and Fuel Focus, which includes, but are not limited to, software licenses, maintenance, and support of the latter intellectual property.

Staff Evaluation/Justification:

Section 60.412 of the Water Code provides that a purchase for an item that can be obtained only from one source is exempt from certain procurement requirements of the Water Code. Port Authority staff has received a written statement from AssetWorks, LLC confirming that AssetWorks, LLC is the sole authorized sole provider of Fleet Focus M5, Enterprise Asset Management System, and Fuel Focus.

Staff recommends the Port Commission approve an annual contract with AssetWorks, LLC, for software maintenance, support, and extended hardware warranty of Fleet Focus M5, Enterprise Asset Management System, and Fuel Focus software, the Port of Houston Authority's fueling and fleet management system.

J. OPERATIONS

Subject	7. Award a three-year contract to Yard Mule Specialists, Inc., the sole source provider, for purchase of spare and replacement Capacity brand parts for yard tractors at Barbours Cut Terminal and Bayport Container Terminal in an amount not to exceed \$250,000.
Meeting	Jul 20, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its July 20, 2021 meeting, award a three-year contract to Yard Mule Specialists, Inc. for the purchase of spare and replacement Capacity brand parts for yard tractors at Barbours Cut Terminal and Bayport Container Terminal in an amount not to exceed \$250,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #2 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)

Category:

Awards, Amendments & Change Orders

Department:

Maintenance

Staff Contact:

Paulo Soares

Background:

By Minute No. 2018-0130-40, the Port Commission awarded a two-year contract to Yard Mule Specialists, Inc. in the amount not to exceed \$250,000 for the purchase of spare and replacement Capacity brand parts for yard tractors at Barbours Cut Terminal and Bayport Container Terminal. The Port Authority currently owns a total of thirty-five yard tractors operating at these facilities manufactured by Capacity Trucks. These units require a large number of spare parts for preventive maintenance and repairs and are used daily to transport containers to rail ramp, USDA inspection ramps, fumigation areas, and other areas of the facilities. Replacement and spare parts would be purchased through this contract as needed to properly maintain these cranes and minimize operational downtime.

Staff Evaluation/Justification:

Section 60.412 of the Water Code provides that a purchase for an item that can be obtained only from one source is exempt from certain procurement requirements of the Water Code. Port Authority staff has received a written statement from the manufacturer confirming that Yard Mule Specialists, Inc. is the sole authorized source of replacement Capacity parts in the Houston metropolitan area.

Staff recommends the Port Commission approve entering into a three-year contract with Yard Mule Specialists, Inc. for the purchase of spare and replacement Capacity brand parts for yard tractors effective July 1, 2021.

J. OPERATIONS

Subject **8. Issue a purchase order to Siddons Martin Emergency Group, LLC for the purchase of one Ford F-350 Rescue HAZMAT Truck, using the Houston-Galveston Area Council Cooperative Purchasing Program, in an amount not to exceed \$160,000.**

Meeting Jul 20, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its July 20, 2021 meeting, issue a purchase order to Siddons Martin Emergency Group, LLC for the purchase of one Ford F-350 Rescue HAZMAT Truck, using the Houston-Galveston Area Council Cooperative Purchasing Program, in an amount not to exceed \$160,000, determine that this procurement method provides the best value to the Port Authority, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Award, Amendments & Change Orders

Department:

Maintenance

Staff Contact:

Paulo Soares

Background:

The Central Maintenance department, with recommendations from the Fire Department, has prepared specifications for a Ford F-350 Rescue HAZMAT truck to promote a safe work environment and cost-effective operations. This new unit would replace the existing 2016 Ford F-350 HAZMAT truck (unit 2704).

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

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

Staff Evaluation/Justification:

Staff has compared Ford F-350 Rescue HAZMAT vehicle prices obtained from non-H-GAC local dealerships and H-GAC providers. Procuring a Ford F-350 Rescue HAZMAT through the H-GAC, using its Cooperative Purchasing Program, is the method that both satisfies competitive purchase requirements and provides the best value to the Port Authority.

The H-GAC website lists several pre-approved vendors. Staff has reviewed the Ford F-350 Rescue HAZMAT specifications from H-GAC providers and determined that Siddons Martin Emergency Group, LLC is the vendor with the best price for the Ford F-350 Rescue HAZMAT truck and meets the Port Authority's requirements. Siddons Martin Emergency Group, LLC pricing for the selected model was reviewed and approved by H-GAC.

Accordingly, staff requests the Port Commission approve this purchase and procurement method.

J. OPERATIONS

Subject **9. Award a three-year contract to Automated Logic Contracting Services, Inc., the sole source provider, for maintenance and support of building automation systems at Bayport Container Terminal and Turning Basin Terminal in an amount not to exceed \$110,000.**

Meeting Jul 20, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its July 20, 2021 meeting, award a three-year contract to Automated Logic Contracting Services, Inc., the sole source provider, for maintenance and support of building automation systems at Bayport Container Terminal and Turning Basin Terminal in an amount not to exceed \$110,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

Category:
Awards, Amendments & Change Orders

Department:
Maintenance

Staff Contact:
Paulo Soares

Background:
By Minute No. 2018-0731-37, the Port Commission awarded a three-year contract to Automated Logic Contracting Services, Inc. for maintenance and support of building automation systems at Bayport Container Terminal in an amount not to exceed \$88,000. These systems use sensors, timers, and software to anticipate heating, cooling, and lighting needs based on operational hours and room occupation. Regular adjustments and calibration need to occur for the system to function properly. Contract funds for these services have now been depleted.

The Port Authority is seeking to obtain a new three-year maintenance and support services contract for the automation systems of the Operations and M&R buildings at Bayport Container Terminal and the one-story annex of the Executive Building at Turning Basin Terminal.

Staff Evaluation/Justification:
Section 60.412 of the Water Code provides that a purchase for an item that can be obtained only from one source is exempt from certain procurement requirements of the Water Code. Port Authority staff has received a written statement from Automated Logic Contracting Services, Inc. confirming they are the sole source for maintenance and support of their building automation system.

Staff recommends that the Port Commission award a three-year contract to Automated Logic Contracting Services, Inc. for maintenance and support of building automation systems at Bayport Container Terminal and Turning Basin Terminal.

K. PEOPLE

Subject	1. Approve a professional services contract with IMC Culture, in an amount not to exceed \$145,500, to perform a Diversity, Equity, and Inclusion (DEI) assessment and assist staff to develop a DEI Plan in alignment with the Strategic Plan objective to foster a culture of diversity and inclusion, innovation, and open communication.
Meeting	Jul 20, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its July 20,2021 meeting, approve a professional services contract with IMC Culture, in an amount not to exceed \$145,500, to perform a Diversity, Equity, and Inclusion (DEI) assessment and assist staff to develop a DEI Plan in alignment with the Strategic Plan objective to foster a culture of diversity and inclusion, innovation, and open communication, 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) Strategic Objective 1b. - Foster a culture of diversity and inclusion, innovation, and open communication

Category:

Awards, Amendments & Change Orders

Department:

People

Staff Contact:

Jessica Shaver

Background:

By Minute No. 2020-0128-06, the Port Commission approved and adopted the 2020 Strategic Plan, and further authorized the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing. The Port Authority's 2020 Strategic Plan includes the goal to "Be the Best Place to Work," with an objective to foster a culture of diversity and inclusion, innovation, and open communication.

Since that time, numerous efforts have been undertaken by the Port Authority to carry out the diversity, equity, and inclusion (DEI) elements of that objective. Most recently, on the recommendation of the DEI Action Plan Team, the Port Commission adopted a formal position statement to express the Port Authority's commitment to DEI, and solidify the organization's pledge to foster a culture of diversity and inclusion:

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

The DEI Position Statement was only the first of many steps the Port Authority has taken to achieve the Strategic Plan DEI goals, which also includes a comprehensive organization assessment and the development of a comprehensive DEI plan. The goal of the DEI Plan is to align the Port Authority's internal DEI efforts as well as the external efforts in Business Equity and Community Engagement. Following adoption of the DEI position statement, the DEI Action Plan Team solicited proposals to conduct a deep institutional analysis and work with the DEI team in development of the DEI plan.

Staff Evaluation/Justification:

Port Authority staff has solicited proposals from four professional services consulting firms to conduct a comprehensive current state assessment of the organization's DEI performance, identify key improvement opportunities and gaps, and support the DEI Action Team with building a DEI strategic plan that aligns with the organization's Mission, Vision, Values, and Strategic Goals.

After staff research and interviews, and in consideration of IMC Culture's M/WBE certification and references, staff has determined the subject firm has best demonstrated the competence and relevant expertise to perform the services for a fair and reasonable price. Accordingly, staff recommends that the Port Commission approve this contract.

K. PEOPLE

Subject	2. Authorize approval of a multi-year program and funding for the development and improvement of parks and green spaces in East Harris County in a total amount not to exceed \$1,000,000 and authorize the Community Relations Committee to review staff recommendations and approve awards under this program.
Meeting	Jul 20, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its July 20, 2021 meeting, authorize approval of a multi-year program and funding for the development and improvement of parks and green spaces in East Harris County in a total amount not to exceed \$1,000,000 and authorize the Community Relations Committee to review staff recommendations and approve awards under this program, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #4 - STEWARDSHIP (Create Greater Value for the Region) STRATEGIC GOAL #3 - PARTNERSHIPS (Develop and Strengthen External Partnerships)

Category:

Awards, Amendments & Change Orders

Department:

Community Relations & Events

Staff Contact:

Maria Aguirre

Background:

Guided by the 2020 Strategic Plan, the Port Authority is committed to strengthening partnerships with its surrounding communities and stakeholders and exploring opportunities to work closely with them to be a responsible neighbor. The Port Authority launched new outreach initiatives focused on investing resources into meaningful programs and projects that support and enhance local communities, such as the Community Grants Program, which serve to develop and strengthen partnerships and create greater value for the region.

The Port Authority is particularly interested in supporting programs or services that align with our current outreach priorities, including parks and green spaces in targeted neighborhoods within a proximity to the Houston Ship Channel.

By Minute No. 2021-0427-05, the Port Commission approved a Founding Park Partner sponsorship level of \$250,000 a year to support the Houston Parks Board 50/50 Park Partners Plan, in a total amount not to exceed \$1,000,000. This sponsorship supports the development and improvement of Houston parks, green ways, and public spaces within the City of Houston that are in the vicinity of Port Authority facilities.

Port Authority facilities and the Houston Ship Channel are also adjacent to other communities outside the City of Houston. As a responsible and equitable neighbor, the Port Authority is proposing to also invest in parks and green spaces in East Harris County.

Staff Evaluation/Justification:

Staff now requests that the Port Commission authorize approval of a multi-year program and funding for the development and improvement of parks and green spaces in East Harris County in a total amount not to exceed \$1,000,000.

"Exhibit A"

The Amended and Restated Bylaws of the Port Authority provides that Port Commission committees may supervise or control Port Authority matters, if delegated by the Port Commission to do so.

Accordingly, in order to provide a focused "workshop" opportunity to review program recommendations and facilitate community participation in the process, staff also recommends that the Port Commission formally delegate to the Community Relations Committee the authority to review staff's recommendations and approve awards (including those greater than \$50,000), under this new program.

M. TECHNOLOGY

Subject	1. Approve the purchase of annual software subscription and support services for Cognos budgeting software from Mark III Systems, Inc., using a State of Texas Department of Information Resources cooperative purchase contract, for one year in an amount not to exceed \$104,822.
Meeting	Jul 20, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its July 20, 2021 meeting, approve the purchase of annual software subscription and support services for Cognos budgeting software from Mark III Systems, Inc., using a State of Texas Department of Information Resources cooperative purchase contract, for one year in an amount not to exceed \$104,822, find that this purchasing method provides the best value to the Port Authority for this item, 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:

Christopher Brown

Background:

The Port Authority uses IBM's Cognos software as a tool for budget preparation, reporting, and analysis, and compilation of the Port Authority's cargo statistics. Annual renewals offer support services to provide for software revision upgrades and technical support.

The Port Authority is seeking approval to continue to secure these support services using the Texas Department of Information Resources (DIR), a department of the State of Texas that has cooperative purchasing programs available to the Port Authority.

Staff Evaluation/Justification:

The Director of Procurement Services has determined that procuring Cognos budgeting software annual subscription and support services through the DIR cooperative purchasing program is the method that both satisfies competitive purchase requirements and provides best value to the Port Authority.

Accordingly, staff recommends that the Port Commission approve this purchase of such services from Mark III Systems, Inc. through the DIR cooperative purchasing program, and determine that this procurement method provides best value to the Port Authority.

M. TECHNOLOGY

Subject **2. Approve the purchase of annual software subscription and support services for ManageEngine Service Desk ticketing software from CDWG LLC, using a State of Texas Department of Information Resources cooperative purchase contract, for one year in an amount not to exceed \$60,000.**

Meeting Jul 20, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its July 20, 2021 meeting, approve the purchase of annual software subscription and support services for ManageEngine Service Desk ticketing software from CDWG LLC, using a State of Texas Department of Information Resources cooperative purchase contract, for one year in an amount not to exceed \$60,000, 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 uses ManageEngine software as a tool for tracking Information Technology Service Desk tickets as well as for tracking and reporting of technology assets. Annual renewals offer support services to provide for software revision upgrades and technical support.

The Port Authority is seeking approval to secure these support services using the Texas Department of Information Resources (DIR) a department of the State of Texas, tha has cooperative purchasing programs which may be used by the Port Authority.

Staff Evaluation/Justification:

The Director of Procurement Services has determined that procuring MangeEngine software annual subscription and support services through the DIR purchasing program is the method that both satisfies competitive purchase requirements and provides best value to the Port Authority.

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

Accordingly, staff recommends that the Port Commission approve this purchase of such services from CDWG LLC through the DIR cooperative purchasing program, and determine that this procurement method provides best value to the Port Authority.

M. TECHNOLOGY

Subject **3. Issue a purchase order to Solid Border Inc. for purchase of select updated firewalls along with software, subscriptions, and maintenance for all Port Authority firewalls at each Port Authority location, using Local Government Purchasing Cooperative's BuyBoard, a cooperative purchase program, in an amount not to exceed \$150,000.**

Meeting Jul 20, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its July 20, 2021 meeting, issue a purchase order to Solid Border Inc. for purchase of select updated firewalls along with software, subscriptions, and maintenance for all Port Authority firewalls at each Port Authority location, using Local Government Purchasing Cooperative's BuyBoard, a cooperative purchase program, in an amount not to exceed \$150,000, determine that this procurement method provides the best value to the Port Authority, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:
Awards, Amendments & Change Orders

Department:
Information Technology

Staff Contact:
Ron Farrow

Background:
The Port Authority is seeking to obtain approval for the purchase of select updated firewalls along with software, subscriptions, and maintenance for all Port Authority firewalls at each Port Authority location.

Staff Evaluation/Justification:
The Director of Procurement Services has determined that procuring the purchase of additional data storage through the Local Government Purchasing Cooperative's (LGPC) BuyBoard is the method that both satisfies competitive purchase requirements and provides best value to the Port Authority. This cooperative is administered by the Texas Association of School Boards (TASB).

The Information Technology (IT) Department has determined that the best availability, price, and contract term for the item needed is provided by Solid Border, Inc. under the pricing schedule obtained from that vendor's contract with Local Government Purchasing Cooperative's BuyBoard, and is therefore recommending this purchase.

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

M. TECHNOLOGY

Subject **4. Issue a purchase order to Prescriptive for purchase of the annual hardware maintenance and support for the Port Authority's NetApp data storage environment, using the Texas Department of Information Resources cooperative purchase program, in an amount not to exceed \$170,000.**

Meeting Jul 20, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its July 20, 2021, meeting, issue a purchase order to Prescriptive for purchase of the annual hardware maintenance and support for the Port Authority's NetApp data storage environment, using the Texas Department of Information Resources cooperative purchase program, in an amount not to exceed \$170,000, 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 is seeking to obtain approval for the annual hardware maintenance and support for the Port Authority's NetApp data storage environment. The Texas Department of Information Resources (DIR) is a department of the State of Texas and has cooperative purchasing programs which may be used by the Port Authority.

Staff Evaluation/Justification:

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

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

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

M. TECHNOLOGY

Subject	5. Issue a purchase order to CDWG LLC for purchase of Absolute software and service that monitors the location of the Port Authority's laptops and tablets, and ensures they are trackable and protected, using the National Intergovernmental Purchasing Alliance, a cooperative purchase program, in an amount not to exceed \$95,000 for a five-year term.
Meeting	Jul 20, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its July 20, 2021 meeting, issue a purchase order to CDWG LLC for purchase of Absolute software and service that monitors the location of the Port Authority's laptops and tablets, and ensures they are trackable and protected, using the National Intergovernmental Purchasing Alliance, a cooperative purchase program, in an amount not to exceed \$95,000 for a five-year term, 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 is seeking to obtain approval for the purchase of Absolute software and service that monitors the location of the Port Authority's laptops and tablets, and ensures they are trackable and protected.

Staff Evaluation/Justification:

The Director of Procurement Services has determined that procuring Absolute software and services that monitors the location of the Port's laptops and tablets, and ensures they are trackable and protected, through the National Intergovernmental Purchasing Alliance (IPA) 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 CDWG LLC under the pricing schedule obtained from that vendor's contract with the National Intergovernmental Purchasing Alliance and is therefore recommending this purchase.

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

M. TECHNOLOGY

Subject **6. Issue a purchase order to Critical Start for purchase of Mimecast annual software licensing and software support to the Port Authority's existing Information Technology infrastructure, using Texas Department of Information Resources' cooperative purchase program, in an amount not to exceed \$74,000.**

Meeting Jul 20, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its July 20, 2021 meeting, issue a purchase order to Critical Start for purchase of Mimecast annual software licensing and software support to the Port Authority's existing Information Technology (IT) infrastructure, using Texas Department of Information Resources' cooperative purchase program, in an amount not to exceed \$74,000, determine that this procurement method provides the best value to the Port Authority, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Awards, Amendments & Change Orders

Department:

Information Technology

Staff Contact:

Charles Thompson

Background:

The Port Authority is seeking to obtain renewal of licenses and maintenance for Mimecast products. Mimecast software provides the Port Houston Authority with email information security and email archiving for record retention, historical searches, and public record requests. The Port Authority has been utilizing the Mimecast application and services for almost five years.

The Texas Department of Information Resources (DIR) is a department of the State of Texas, and has cooperative purchasing programs which may be used by the Port Authority.

Staff Evaluation/Justification:

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

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

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