

I N D E X

PORT COMMISSION
OF THE
PORT OF HOUSTON AUTHORITY
OF THE PORTS OF HARRIS COUNTY, TEXAS
July 30, 2020

<u>Minute No.</u>	<u>Event/Action</u>
	General
	Chairman Campo convened the virtual Port Commission meeting and provided opening remarks
	Minutes
2020-0730-01	Approve the minutes of the June 23, 2020 Port Commission meeting
	Staff Reports
2020-0730-02	Roger Guenther, Executive Director, presented a summary of selected operational matters
	Appearances
2020-0730-03(a)	Chairman Campo introduced Captain Jason Smith, Sector Commander, Houston-Galveston, who addressed the Port Commission
2020-0730-03(b)	Chairman Campo introduced Roland Garcia, Board of Pilot Commissioners for Harris County Ports, who addressed the Port Commission
2020-0730-03(c)	Chairman Campo recognized Bridgette Murray, Healthy Port Communities Coalition, and Port Community Advisory Council, who addressed the Port Commission
2020-0730-03(d)	Chairman Campo recognized Leticia Ablaza, Air Alliance Houston, who addressed the Port Commission
	F. Executive
2020-0730-04	Chairman Campo recognized Mr. Heidt to provide a report of selected Executive Division agenda items
2020-0730-05	Approve and reaffirm the Audit Committee Charter, Internal Audit Charter, and Internal Audit Policies, effective July 30, 2020

<u>Minute No.</u>	<u>Event/Action</u>
2020-0730-06	Amend the Travel, Meals & Business Entertainment Authorization and Expense Reimbursement Policy
	G. Commercial
2020-0730-07	Chairman Campo recognized Mr. Heidt to provide a report of selected Commercial Division agenda items
2020-0730-08	Approve a five-year lease with Houston Terminal LLC for approximately 2,007 square feet of office space in Stevedore Support Buildings No. 2 and 3 at Bayport Container Terminal, effective no earlier than September 1, 2020, at an annual rent of \$62,603 with a 3% annual increase
2020-0730-09	Approve a five-year four-month lease with Kinder Morgan Petcoke, L.P. for approximately 14.21 acres at Sims Bayou, effective no earlier than September 1, 2020, at an annual rent of \$471,302 subject to annual base rent escalation of the greater of 3% or the increase in the Consumer Price Index
2020-0730-10	Approve an agreement with Third Texas Resources to acquire wetland mitigation credits relating to the U.S. Army Corps of Engineers development permit for the Port Authority's Greens Bayou Terminal located at Interstate 10 and Penn City Road
	H. Finance
2020-0730-11	Chairman Campo recognized Mr. Heidt to provide a report of selected Finance Division agenda items
2020-0730-12	Approve staff's ranking of vendors and award a professional services contract for professional auditing services for the fiscal year ending 2020, with options to renew for two additional one-year terms, to the top-ranked responder: staff ranking – first, BKD LLP; second, Deloitte & Touche LLP; and third, RSM, LLP
	Port Commission adopted the staff-recommended ranking and authorized award
2020-0730-13	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
2020-0730-14	Approve extension of the contract with AndCo Consulting LLC for investment advisory services related to the Port Authority Pension Plan, Port Authority Other Post-Employment Benefits (OPEB) Plan, and defined

<u>Minute No.</u>	<u>Event/Action</u>
	contribution and deferred compensation plans, for an additional and final one-year period
2020-0730-15	Adopt resolutions to amend the Port of Houston Authority Other Post-Employment Benefits (OPEB) Trust Agreement
	I. Infrastructure
2020-0730-16	Chairman Campo recognized Mr. Heidt to provide a report of selected Infrastructure Division agenda items
2020-0730-17	Approve staff's ranking of vendors and award a professional services contract for the design to construct Container Yard 3 at Barbours Cut Terminal to the top-ranked proposers: staff ranking – first, RPS Infrastructure, Inc.; second, Hatch Associates Consultants, Inc.; and third, Lockwood, Andrews, and Newnam, Inc.
	Port Commission adopted the staff-recommended ranking and authorized award
2020-0730-18	Approve staff's ranking of vendors and award a construction contract for the construction of Container Yard 2 South at Bayport Container Terminal to the top- ranked proposer: staff ranking - first, Satterfield & Pontikes Construction, Inc.; second, McCarthy Building Company, Inc.; and third, Archer Western Construction, LLC
	Port Commission adopted the staff-recommended ranking and authorized award
2020-0730-19	Approve staff's ranking of vendors and award a professional services contract to perform construction material testing for the construction of Container Yard 2 South at Bayport Container Terminal to the top-ranked proposers: staff ranking - first, Terracon Consultants, Inc.; second, Aviles Engineering Corp.; and third, Raba Kistner, Inc.
	Port Commission adopted the staff-recommended ranking and authorized award
2020-0730-20	Approve staff's ranking of vendors and award a construction contract to construct a security system at Container Yard 7 and the west empty yard at Bayport Container Terminal to the top-ranked proposer: staff ranking – first, Tekplan Solutions Texas, LLC; and second, Dowley Security Systems, Inc.
	Port Commission adopted the staff-recommended ranking and authorized award

<u>Minute No.</u>	<u>Event/Action</u>
2020-0730-21	<p>Approve staff's ranking of vendors and award a construction contract for trench drain repairs at Bayport Container Terminal to the top-ranked proposer: staff ranking – first, Jerdon Enterprise, L.P.; second, McCarthy Building Companies, Inc.; and third, Forde Construction Company, Inc.</p> <p>Port Commission adopted the staff-recommended ranking and authorized award</p>
2020-0730-22	<p>Approve staff's ranking of vendors and award a two-year environmental consulting agreement for storm water quality program management to the top-ranked proposer: staff ranking- first, Terra Nova Consulting, Inc.; second, Spirit Environmental, LLC; and third, Halff Associates</p> <p>Port Commission adopted the staff-recommended ranking and authorized award</p>
2020-0730-23	<p>Amend the professional services contract with Hatch Consultants, Inc. for additional engineering services associated with the Port Authority Facility Inspection and Condition Assessment Program for electrical and communications</p>
2020-0730-24	<p>Approve a change order with McCarthy Building Companies, Inc. to perform additional work associated with the construction of Container Yard 7 at Bayport Container Terminal</p>
2020-0730-25	<p>Approve a change order with Fused Industries, LLC to perform additional work associated with the rail spur at Bayport Container Terminal</p>
2020-0730-26	<p>Award professional services consulting contracts to provide strategic decision support and implementation planning for the Houston Ship Channel Expansion Channel Improvement Project to PricewaterhouseCoopers Advisory Services, LLC and EcoLogix Group, Inc. in amounts not to exceed \$324,547 and \$282,350, respectively</p>
2020-0730-27	<p>Amend the professional engineering and auditing services contracts supporting the Houston Ship Channel Expansion Channel Improvement Project, with Atkins North America, Inc. in an amount not to exceed \$950,000 and with Freese and Nichols, Inc. in an amount not to exceed \$50,000</p>
2020-0730-28	<p>Enter into reimbursement agreements for design and permitting with eight pipeline companies for ten pipelines related to segment 4 of the Houston Ship Channel Expansion Channel Improvement Project at a cost not to exceed \$2,000,000 per pipeline, for which the Port Authority would be responsible for one half the cost per pipeline</p>

<u>Minute No.</u>	<u>Event/Action</u>
2020-0730-29	Issue a transmission line license to Comcast Cable Communications Management, LLC for one coaxial cable line over and across Turning Basin Terminal West
2020-0730-30	Issue a transmission line license to Comcast Cable Communications Management, LLC for one fiber optic cable line over, under, and across the Bulk Materials Handling Plant Terminal
2020-0730-31	Issue a transmission line license to Comcast Cable Communications Management, LLC for one fiber optic cable line under and across the North L Street property
2020-0730-32	Issue a transmission line license to Comcast Cable Communications Management, LLC for one fiber optic cable line under and across the Barbours Cut Terminal
2020-0730-33	Issue a transmission line license to Comcast Cable Communications Management, LLC for one fiber optic cable line over, under, and across the Barbours Cut Terminal
2020-0730-34	Issue a transmission line license to Comcast Cable Communications Management, LLC for one fiber optic cable line over, under, and across the Jacintoport Terminal
2020-0730-35	Issue a transmission line license to Comcast of Houston, LLC for one fiber optic cable line under and across the Southside Mainline railroad right-of-way
2020-0730-36	Issue a distribution and/or transmission line license to Vopak Moda Houston LLC for one 2-inch fiber optic cable under and across the Port Terminal Railroad Association's Southside Mainline railroad right-of-way
2020-0730-37	Issue a pipeline license to Easton Energy Pipelines LLC for one 6-inch IC4 Isobutane pipeline under and across the northwest corner of the Rosa Allen Dredged Material Placement Area
2020-0730-38	Issue a pipeline license to Pasadena Performance Products, LLC for one 16-inch refined petroleum products pipeline under and across the Port Terminal Railroad Association's Pasadena Rail Yard
2020-0730-39	Issue a marine construction permit to Enterprise Marine Services LLC in connection with barge fleetings at an approximately 16.14-acre submerged lands leased site in Old River

J. Operations

<u>Minute No.</u>	<u>Event/Action</u>
2020-0730-40	Chairman Campo recognized Mr. Heidt to provide a report of selected Operations Division agenda items
2020-0730-41	Approve staff's ranking of vendors and award a contract for the purchase of one loaded container handling machine for Barbours Cut Terminal to the top-ranked proposer: staff ranking – first, Taylor Machine Works, Inc.; second, Briggs Equipment, Inc.; and third, Lonestar Lift Port Commission adopted the staff-recommended ranking and authorized award
2020-0730-42	Award a contract to ZPMC North America, Inc. for the purchase of replacement short trolley rails for four wharf cranes at Bayport Container Terminal
2020-0730-43	Award a two-year contract to Hillmar Industries Ltd., the sole source provider, for the purchase of captive replacement parts for Hillmar wheel brakes and related components for wharf cranes at Barbours Cut Terminal and Bayport Container Terminal
2020-0730-44	Award a two-year contract to EVCO Partners, LP dba Burgoon Company for the purchase of miscellaneous shop supplies for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal, using the Texas Comptroller of Public Accounts, Texas Multiple Award Schedule
2020-0730-45	Issue a purchase order to Briggs Equipment for the purchase of one forklift model H450HD for Barbours Cut Terminal, using the Local Government Purchasing Cooperative's BuyBoard Program, a cooperative purchase program
2020-0730-46	Issue a purchase order to Heil of Texas for the purchase of one Schwarze Model M6SE Avalanche sweeper for Barbours Cut Terminal, using the Houston-Galveston Area Council's cooperative purchase program
2020-0730-47	Issue a purchase order to ASCO Equipment for the purchase of one Genie S-40 telescopic boom manlift with no jib and one Genie S-85 telescopic boom manlift with jib for Barbours Cut Terminal, using Local Government Purchasing Cooperative's BuyBoard, a cooperative purchase program
2020-0730-48	Issue a purchase order to Doggett Heavy Machinery for purchase of a John Deere 650K Crawler Dozer, using Sourcewell, a cooperative purchase program
2020-0730-49	Issue a purchase order to Texas Pride Marketing for the purchase of a Mobile Column Lift system for Turning Basin Terminal, using the Local Government Purchasing Cooperative's BuyBoard Program

<u>Minute No.</u>	<u>Event/Action</u>
2020-0730-50	Ratify an emergency purchase for COVID-19 testing from UTMB Health for \$75,000 and authorize additional purchase order funding for continuing pandemic response services with Workplace Safety Screenings for \$400,000 and Ambassador Services, LLC for \$450,000
2020-0730-51	Amend the Freight Handling Assignment Agreements for terminal services at the Turning Basin Terminal to extend the term of the agreement through December 31, 2020
2020-0730-52	Approve a Marine Terminal Service Agreement between the Port Authority and Ocean Network Express Pte. LTD

K. People (no items)

L. Port Security and Emergency Operation (no items)

M. Technology

2020-0730-53	Chairman Campo recognized Mr. Heidt to provide a report of selected Technology Division agenda items
2020-0730-54	Approve staff's ranking of vendors and award a professional services contract for JDEdwards Configurable Network Computing support, payable over five years to the top-ranked proposer: staff ranking – first, ManageForce Corporation; second, Smartbridge, LLC ; and third, Cyret Technologies Inc. Port Commission adopted the staff-recommended ranking and authorized award
2020-0730-55	Issue a purchase order to Red River Technology LLC for purchase of Information Technology network hardware, software, and associated peripherals to replace network hardware as part of the Information Technology master plan for calendar years 2020-2021, using Texas Department of Information Resources' cooperative purchase program
2020-0730-56	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
2020-0730-57	Issue a purchase order to NWN Corporation for purchase of the Netapp data storage maintenance renewal using National 18/056KD-44 HCDE Choice Partners

Minute No.

Event/Action

2020-0730-58

Issue a purchase order to Smart-Tecs, the sole source provider, for the purchase of spare parts for the Gate Operating System environment

Recess Open Meeting and Convene Executive Session

Reconvene Open Meeting

2020-0730-59

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

Adjourn Meeting

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

**Houston, Texas
July 30, 2020**

A public meeting of the Port Commission of the Port of Houston Authority of Harris County, Texas was convened on July 30, 2020 at 9:15 a.m., via Cisco WebEx. The following commissioners, staff, and counsel were present:

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

Chairman Campo began the meeting by thanking Port Authority employees for all their hard work. Frontline workers were going out every day to make sure the Port Authority continued its operations, and he was thankful for it. Port Authority staff working remotely were also doing a great job and deserved a callout for ensuring critical functions such as running payroll and paying bills were getting done.

Chairman Campo highlighted that the U.S. House of Representatives passed its version of the Water Resources Development Act (WRDA) by voice vote with no amendments – a major win for the Port Authority. The bill contains authorization of the Houston Ship Channel expansion project, also known as Project 11, and includes language intended to help ensure that the federal government assumes year-to-year maintenance dredging after project completion, particularly for the components that the Port Authority expected to build with its own resources.

Chairman Campo explained that project authorization is also included in the Senate WRDA bill, but that bill had not yet passed. This success could not have been accomplished without the hard work and leadership of the local congressional delegation and the support and advocacy of private industry. Chairman Campo specifically thanked Congresswoman Lizzie Fletcher and Congressman Brian Babin who both sit on the House Transportation and Infrastructure Committee as well as Senator John Cornyn and Senator Ted Cruz who were currently advocating for the measure in the Senate.

Chairman Campo also thanked the Port Authority's Project 11 team for the design work done with the U.S. Army Corps of Engineers (USACE). A lot of advocacy took place during the past month including a meeting with Speaker of the House Nancy Pelosi along with Congressman Peter DeFazio, Chairman of the Transportation and Infrastructure Committee.

Chairman Campo reported that the Port Authority finance team had priced a bond refunding transaction the previous week which was valued at almost \$250 million. This essentially replaced debt issued at a higher interest cost with a lower coupon rate. That refunding was expected on a net present value basis to generate savings of approximately \$100 million for the taxpayers of Harris County. Chairman Campo recognized Roland Gonzalez, Director, Treasury, and his team for their hard work and effort on behalf of the Port Authority's stakeholders.

(2020-0730-01) Chairman Campo called for a motion to approve the minutes of the June 23, 2020 Port Commission meeting. Commissioner Mease moved for approval, seconded by Commissioner Cloonan. The minutes were approved as written.

(2020-0730-02) Roger Guenther, Executive Director, presented a summary of selected operational matters as follows.

Mr. Guenther highlighted June 2020 operating results:

- Container volume for June was down 16% versus June 2019.
- Despite impacts of COVID-19 and a double digit decrease over the last three to four months, container volumes through the second quarter were at 1.4 million TEUs, which was only a 2% decrease over the same period last year.
 - To put the numbers into perspective, the Port Authority was 9% up from its 2018 year-to-date numbers.
- Blank sailings appeared to be decreasing for August, and there would likely be extra loaders over the upcoming months to handle peak season volumes in Trans-Pacific trade.
- There was an uptick in gate volumes at the container terminals, with two record days of truck transactions at Barbours Cut Terminal within the prior week, bright spots that would hopefully continue.
- General cargo/break bulk was still being negatively impacted by several factors, primarily the softened energy sector, trade policy, and COVID-19.
- The Port Authority handled 1.3 million tons of steel through the second quarter (down 45% from last year), whereas an average year was around three million tons for that period.
- Total tonnage through Port Authority public facilities during the first half of the year was 20.8 million tons, about 5% less than 2019.
- Financial results as reported at yesterday's Audit Committee meeting reflect:
 - Operating revenue through June of \$187 million (down 8%).
 - Cash flow of \$79 million.
 - Capital awards year to date of \$81 million.

He concluded by noting that the Port Authority continued to plan and invest in the future and prepare for recovery from the global pandemic.

Mr. Guenther remarked that staff has kept hitting milestones toward the success of Project 11. Although not as newsworthy as getting the Chief's Report or WRDA bill passed, these milestones move the project toward "digging dirt." For example, the Port Authority had received the executed design agreement the previous day. Although it was not an agreement to design per se, it outlined how the Port Authority would pay the USACE to perform its design reviews. Without this agreement and funding, the USACE cannot proceed with review and the project cannot stay on track.

Mr. Guenther reiterated Chairman Campo's comments about staff: the success of the Port Authority had been on the backs of its employees. Customer freight continued to move because of the men and women working for the Port Authority, the International Longshoremen's Association, truckers, pilots, stevedores, and numerous others in the industry who showed up every day and kept commerce flowing through the region.

For the second time the Port Authority had awarded what it called READY pay for those men and women who have consistently worked on site and performed their job each and every day. This was a lump sum amount for steadfast service during the crisis.

Mr. Guenther also voiced his appreciation to all the telecommuters who continue to deliver support and success to the ongoing operations of the Port Authority. He also thanked Captain Jason Smith of the U.S. Coast Guard for all of the Coast Guard's efforts to keep the port open.

Chairman Campo asked Mr. Guenther to circulate a one-page memo comparing 2020 operating statistics against 2019, and Mr. Guenther said he would do so.

Commissioner Corgey asked for further detail regarding the record gate movements that Mr. Guenther had mentioned. Mr. Guenther explained that the two container terminals had been seeing about 8,200 gate moves per day for the past two months, and in the last few weeks that number had gone up to about 9,000 per day. The record Mr. Guenther spoke about was at Barbours Cut Terminal, which saw over 4,000 moves per day for a couple days running.

Before introducing the first speaker, Chairman Campo took a moment to clarify the role of the Coast Guard as opposed to the role of the Port Authority for the Houston Ship Channel. He stated that the Port Authority does only two things: operate the public docks and act as the non-federal sponsor of the channel that works with the USACE. The channel was a federal waterway managed and controlled by the USACE with the support of the Port Authority. Captain Smith, Captain of the Port, and the Coast Guard handle operating and closure of the port due to vessel issues, ingress/egress issues, and other circumstances.

(2020-0730-03) Appearances

(a) Chairman Campo recognized Captain Jason Smith, United States Coast Guard Sector Commander, Houston-Galveston, who addressed the Port Commission.

Captain Smith thanked Chairman Campo for the kind introduction and emphasized that he did not take any of the actions described by him without support from the nearly 1,000 members of his team in the Houston-Galveston Sector.

Captain Smith explained he was a mariner by trade, a graduate of a maritime academy in Maine, and had spent 24 years in the Coast Guard since his graduation, working in the maritime safety area as a marine inspector, waterways manager, and a marine investigator both on the east and west coasts. He had spent time overseas in Rotterdam inspecting vessels, and for the past six years he worked in Port Arthur and Corpus Christi, and looked forward to the next three years in Houston.

Captain Smith took command two months ago of the Houston-Galveston Sector, which he believed to be the most important sector in the country, as the Port of Houston was the largest waterway in the nation. He looked forward to working with the Port Authority and emphasized the significance of the COVID-19 pandemic while noting all the measures that the Port Authority had put in place to keep personnel and the community safe. The Coast Guard had been able to process what it saw as the greatest risks in its environment so that its personnel could work at an operational level to support American industry.

Captain Smith noted that the onset of hurricane season had added to the dangers already posed by COVID-19, and that these two risks represented the short-term concerns of the Coast Guard. He looked forward to working with the Port Authority over the next three years to ensure that waters were kept safe, secure, and clean.

Commissioner Corgey commented as a member of the Seafarers International Union, that the Coast Guard had streamlined requirements at the Regional Exam Centers (REC) and the National Maritime Center, making it easier to dispatch union members to U.S. flagged vessels, and had protected the health and safety of seafarers. He added that he was very grateful for all of this. Captain Smith responded that a lot of the groundwork was laid by his predecessor, Captain Kevin Oditt.

(b) Chairman Campo recognized Roland Garcia, Commissioner, Board of Pilot Commissioners for Harris County Ports, who addressed the Port Commission.

Mr. Garcia introduced himself as the chairman of the new Pilot Board Transition Committee. The task of his committee was to create a new board of pilot commissioners

from scratch, since the legislation that prompted its creation did not provide for any staff, office, computers, equipment, insurance, banking, or funding.

Mr. Garcia reported that good progress had been made, but it was taking time and the committee needed to be compliant on things such as notices and meetings. A request for proposals was designed for an executive director position as well as office space, administration, investigator, and general counsel. The committee still needed to get the responses back and review them, and once this was completed the transfer would still have to take place.

Mr. Garcia explained how the onset of COVID-19 had slowed down the process, but emphasized that his committee was getting close and noted that the Port Authority had recently extended the interlocal agreement through September. He believed that it would take longer, and that he might need to return to give another report and request an extension.

Chairman Campo believed the new Pilot Commission was working hard, especially when in-person meetings and direct contact with people were not happening.

(c) Chairman Campo recognized Bridgette Murray, Healthy Port Communities Coalition and Port Commission Community Advisory Council, who addressed the Port Commission.

Ms. Murray addressed two agenda topics, the first a five-year lease with Kinder Morgan Petcoke at Simms Bayou. She noted that a different Kinder Morgan facility near Beltway 8 and the channel had likely allowed petcoke to enter Buffalo Bayou. She questioned what contractual requirements and expectations the Port Authority had in place with its lessees to provide protective measures, such as a good neighbor agreement.

Chairman Campo explained that Port Authority leases have environmental law and compliance sections.

Mr. Guenther emphasized that the Port Authority's leases required strict environmental compliance. He noted that the agenda item was for a renewal of an existing lease, adding that the Port Authority also conducted regular stormwater runoff testing.

Ms. Murray addressed her second topic, regarding agenda Item J10 – an award related to COVID-19 testing. As a member of the Healthy Port Communities Coalition she was appreciative of the Port Authority's responsiveness to the pandemic by providing testing to its employees.

Chairman Campo believed it was a personal responsibility of each individual to keep themselves and their neighbors safe by following best practices such as social distancing and mask wearing.

(d) Chairman Campo recognized Leticia Ablaza, Air Alliance Houston, who addressed the Port Commission.

Ms. Ablaza began by mentioning that she had her son sitting next to her for the virtual meeting, and one of his goals was to attend Texas A&M Galveston, study naval engineering, and possibly work for the Port Authority one day.

Her main reason for speaking was to thank the Port Commission for relaunching the Port Commission Community Advisory Council. Her organization, Air Alliance, worked on air quality issues and was very interested in the upcoming release of the clean air strategy plan. She also appreciated the Port Authority's response and willingness to discuss the Healthy Port Communities Coalition's concerns regarding environmental justice.

Chairman Campo was thankful for Ms. Ablaza's comments and emphasized to her son that the Port Authority would need all the help it can get and encouraged him to study hard. Commissioner Corgay thanked Ms. Ablaza for her comments and noted that they had a lot of common interests and history.

(2020-0730-04) Chairman Campo recognized Tom Heidt, Chief Operating Officer, to provide a report of selected Executive agenda items.

Mr. Heidt explained there were two items, both associated with the Internal Audit group. The first was for annual review of the charters for both the Audit Committee and the Internal Audit Department of the Port Authority as well as the Internal Audit policies. There were no changes to the charters excepting the dates and the policies have only been updated to current international standards for the professional practice of internal auditing. The Audit Committee met the previous day and its members had voted to bring these items before the Port Commission.

Mr. Heidt noted that the second item was to clarify the expense reporting approval process for the chief audit executive, which would be carried out by the Chief Legal Officer. Audit Committee members also voted to bring this item before the Port Commission.

(2020-0730-05) RCA F1 was presented, moved by Commissioner Mease, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgay, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA F1 PASSED.

(2020-0730-06) RCA F2 was presented, moved by Commissioner Mease, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan,

Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA F2 PASSED.

(2020-0730-07) Chairman Campo recognized Mr. Heidt to provide a report of selected Commercial agenda items.

Mr. Heidt addressed the Kinder Morgan lease, which had been brought up previously in the meeting, and explained that the lease was a renewal of a prior ten-year lease of 14.2 acres. The proposed lease would be for five years and four months in order for the lease to expire at the end of a calendar year.

Mr. Heidt also spoke about agenda Item G3, the authority to purchase wetland mitigation credits for \$1.2 million, from a company known as Third Texas Resources, for the Port Authority's Greens Bayou Terminal property (previously known as Wah Chang). A long-term lease of this property, which had burdened the tenant with obtaining a USACE permit and satisfy wetland mitigation requirements associated with the permit, had recently terminated. The tenant had purchased approximately \$1.5 million mitigation credits and staff sought approval to purchase the remaining credits so that the property could be marketed with the USACE permit and all necessary mitigation credits in hand.

(2020-0730-08) RCA G1 was presented, moved by Commissioner Mease, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA G1 PASSED.

(2020-0730-09) RCA G2 was presented, moved by Commissioner Mease, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA G2 PASSED.

(2020-0730-10) RCA G3 was presented, moved by Commissioner Mease, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA G3 PASSED.

(2020-0730-11) Chairman Campo recognized Mr. Heidt to provide a report of selected Finance agenda items.

Mr. Heidt first addressed a request for approval of 2020 fiscal audit services for \$300,000. Services were for a single year with two accompanying one-year options, and related to audits of financial statements, the Promotion and Development Fund, single audits, and the Pension Plan and Other Post-Employment Benefits (OPEB) trust.

Mr. Heidt explained agenda Item H3, a request for approval of the final option year with the AndCo Consulting investment advisory company for approximately \$137,000. The service would be soon bid out since this was the final option year with AndCo Consulting.

Mr. Heidt highlighted agenda Item H4, amendments to the Port Authority's OPEB trust agreement. In 2012 the Port Authority began to participate in a multi-employer OPEB trust to build up funds to cover the future OPEB liabilities it knew it would face. In 2014 the Port Authority established its own irrevocable trust and kept putting in the necessary money based on amounts actuarially-determined each year. This built up the trust to the point where it could be used: as of June 30, 2020, its market value was \$80.3 million, or about 113% of the current actuarial-determined OPEB liability.

The requested amendments would allow the Port Authority to begin making payments for retiree medical and life insurance premiums and claims, along with fees for operating the trust, paid out of the trust rather than the current method of paying from operating funds. He added that the amount to be paid was approximately \$183,000 per month, that the trust would continue to be funded, and noted that the Pension and Benefits Committee voted to bring these changes before the Port Commission.

Commissioner DonCarlos asked who the Port Authority's current auditor was and Mr. Heidt replied that it was Grant Thornton, adding that BKD LLP recently purchased Grant Thornton's State of Texas business.

Commissioner DonCarlos questioned whether agenda Item H1 would be a change of auditor and Mr. Heidt replied that the individuals would not change, but the company would. Commissioner DonCarlos asked how long the Port Authority had been using Grant Thornton, and Mr. Heidt replied that it had been approximately ten years. The contract had been bid out two different times, with the current agenda Item H1 being the third time it had been bid.

Commissioner DonCarlos expressed concern with the tenure of Grant Thornton. He felt that the firm should be changed every five years and questioned whether the Port Authority was comfortable with the same firm doing the audit for the past ten years and potentially the next three.

Mr. Heidt replied that staff was comfortable with this. He noted that Grant Thornton had been very tough and explained how it had found shortcomings of previous auditors when it had initially been contracted.

Chairman Campo added that the audit firm would have new managers to report to and that awarding the contract to BDK would be similar to changing firms even though the same people would be present. He also mentioned however that he agreed with

Commissioner DonCarlos to a certain extent. He noted that in the private commercial world – including his own company – the same audit firm was retained but every five or so years the audit partner and supervision changes. He felt that the Port Authority was getting a supervision change even though it was keeping the same individuals that had been working the job for the past few years. In addition, the same auditors had not been on the job for the past ten years but had been rotated.

Commissioner DonCarlos acknowledged Chairman Campo's point but emphasized he felt it was unusual for a public entity to keep the same firm for so long. He concluded by stating that if staff and the Port Commission was comfortable with the situation then he was fine as well.

Chairman Campo stated that, as Chairman of the Audit Committee, he was fine with the proposed agenda Item H1. He emphasized that it was best practices to see a change in auditors and supervision even if it was the same firm.

(2020-0730-12) RCA H1 was presented. Commissioner Corgey moved for staff ranking – first, BKD LLP; second, Deloitte & Touche LLP; and third, RSM, LLP, seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners, Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA H1 PASSED.

(2020-0730-13) RCA H2 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 H2 PASSED.

(2020-0730-14) RCA H3 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 H3 PASSED.

(2020-0730-15) RCA H4 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 H4 PASSED.

(2020-0730-16) Chairman Campo recognized Mr. Heidt to provide a report of selected Infrastructure agenda items.

Mr. Heidt explained various agenda items, beginning with Item I1 for design of Container Yard 3 at Barbours Cut Container Terminal. Staff recommended RPS Infrastructure for an approximate cost of \$978,000. Agenda Item I2 was a recommendation

of Satterfield & Pontikes for construction of Container Yard 2 South at Bayport Container Terminal, for about \$18.75 million. Agenda Item I5 was a recommendation of Jerdon Enterprise for trench drain repairs at the Bayport Container Terminal for \$941,000, and agenda Item I6 was for a two-year storm water quality program management contract with a company that tests storm water, as previously mentioned during the public comment period.

Mr. Heidt remarked that the next three agenda items – I10 through I12 – were associated with Project 11. Item I10 was a request for an award of two consulting contracts to help make strategic decisions and implementation planning for the procurement of Project 11 construction contracts, adding that there would be nine different design packages totaling upwards of \$800 million. Staff would have to make sure that dredging capacity was available, all USACE rules were followed, and all the procurement options understood. Item I10 would provide help through contracting with two companies, PricewaterhouseCoopers and EcoLogix. The two companies would help staff make smart decisions up front and avoid issues on the backend of the massive project.

Mr. Heidt stated that agenda Item I11 was to seek additional funding for Atkins North America, and Freese and Nichols, companies which would provide engineering and auditing services in support of Project 11. The Port Commission previously approved contracts with the two companies and the additional funds requested would take the project through the 65% design phase.

Finally, Mr. Heidt explained that Item I12 related to the design and permitting for movement of pipelines underneath the channel. Eight pipeline companies had ten pipelines that need to be relocated in Section 4 of the project and by law, the Port Authority was responsible for one half of the cost to move the pipelines; the pipeline companies would do most of the work and seek reimbursement from the Port Authority. Staff was asking for approval of up to \$10 million to cover the cost of the design work; however, staff did not believe the full \$10 million would be required as some were not as complicated as others.

Mr. Heidt emphasized that staff would return to the Port Commission at a later date to seek approval for the costs of the actual relocation, which would be much higher. He observed that the cost of both design and removal of the pipelines was included in the \$1 billion project budget.

Commissioner Mease questioned whether the pipelines would be relocated low enough so as not to impact any future deepening and widening projects, as he did not want the Port Authority to continue paying to move the pipelines as the channel was expanded. Mr. Heidt deferred to Mr. Jenkins to address Commissioner Mease's concern.

Mr. Jenkins explained that the agreements with the pipeline companies would provide maps which detailed the current needs along with future needs and was designed to cover both. He added that the companies did not want to pay to relocate either, and that the agreements with the pipeline companies would allow the Port Authority the right to agree with the design plan.

Commissioner DonCarlos asked for an explanation as to why the contracts with Atkins North America and Freese and Nichols for Item I11 went from \$350,000 to \$950,000. Mr. Heidt clarified that the \$350,000 approved by the Port Commission in April had been expended and was used in connection with the credit issue with the USACE. To get to the 65% design phase cost about \$680,000, the value added was about \$100,000, and the remaining amount was related to design review.

Commissioner Corgey asked about the location of the pipelines that required relocation and wanted to know whether they were at the end of the Barbour's Cut Container Terminal going into that turning basin. Mr. Heidt stated the majority were located in Section 4 but that one was located in Galveston Bay.

Mr. Jenkins confirmed that one pipeline was located in the bay but that it was not part of a relocation agreement, and rather was an abandoned pipeline that must be removed. Future valuations for Segments 5 and 6 at the Turning Basin would occur later when the USACE began said design. In sum, the relocation agreements would cover known pipeline relocations in Segments 1 to 4, but mostly in Segment 4.

(2020-0730-17) RCA I1 was presented. Commissioner Corgey moved for staff ranking – first, RPS Infrastructure, Inc.; second, Hatch Associates Consultants, Inc.; and third, Lockwood, Andrews, and Newnam, Inc., seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA I1 PASSED.

(2020-0730-18) RCA I2 was presented. Commissioner Corgey moved for staff ranking – first, Satterfield & Pontikes Construction, Inc.; second, McCarthy Building Company, Inc.; and third, Archer Western Construction, LLC, seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA I2 PASSED.

(2020-0730-19) RCA I3 was presented. Commissioner Corgey moved for staff ranking – first, Terracon Consultants, Inc.; second, Aviles Engineering Corp.; and third, Raba Kistner, Inc., seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA I3 PASSED.

(2020-0730-20) RCA I4 was presented. Commissioner Corgey moved for staff ranking – first, Tekplan Solutions Texas, LLC; and second, Dowley Security Systems, Inc., seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA I4 PASSED.

(2020-0730-21) RCA I5 was presented. Commissioner Corgey moved for staff ranking – first, Jerdon Enterprise, L.P.; second, McCarthy Building Companies, Inc.; and third, Forde Construction Company, Inc., seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA I5 PASSED.

(2020-0730-22) RCA I6 was presented. Commissioner Corgey moved for staff ranking – first, Terra Nova Consulting, Inc.; second, Spirit Environmental, LLC; and third, Halff Associates, seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA I6 PASSED.

(2020-0730-23) RCA I7 was presented, moved by Commissioner Corgey, seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA I7 PASSED.

(2020-0730-24) RCA I8 was presented, moved by Commissioner Corgey, seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA I8 PASSED.

(2020-0730-25) RCA I9 was presented, moved by Commissioner Corgey, seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA I9 PASSED.

(2020-0730-26) RCA I10 was presented, moved by Commissioner Corgey, seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA I10 PASSED.

(2020-0730-27) RCA I11 was presented, moved by Commissioner Corgey, seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA I11 PASSED.

(2020-0730-28) RCA I12 was presented, moved by Commissioner Corgey, seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA I12 PASSED.

(2020-0730-29) RCA I13 was presented, moved by Commissioner Corgey, seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA I13 PASSED.

(2020-0730-30) RCA I14 was presented, moved by Commissioner Corgey, seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA I14 PASSED.

(2020-0730-31) RCA I15 was presented, moved by Commissioner Corgey, seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA I15 PASSED.

(2020-0730-32) RCA I16 was presented, moved by Commissioner Corgey, seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA I16 PASSED.

(2020-0730-33) RCA I17 was presented, moved by Commissioner Corgey, seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA I17 PASSED.

(2020-0730-34) RCA I18 was presented, moved by Commissioner Corgey, seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA I18 PASSED.

(2020-0730-35) RCA I19 was presented, moved by Commissioner Corgey, seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA I19 PASSED.

(2020-0730-36) RCA I20 was presented, moved by Commissioner Corgey, seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Cloonan,

Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA I20 PASSED.

(2020-0730-37) RCA I21 was presented, moved by Commissioner Corgey, seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA I21 PASSED.

(2020-0730-38) RCA I22 was presented, moved by Commissioner Corgey, seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA I22 PASSED.

(2020-0730-39) RCA I23 was presented, moved by Commissioner Corgey, seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA I23 PASSED.

(2020-0730-40) Chairman Campo recognized Mr. Heidt to provide a report of selected Port Operations agenda items.

Mr. Heidt emphasized that there were quite a few requests for equipment purchases for Barbours Cut Terminal including a loaded container handling machine for approximately \$600,000, a forklift for approximately \$270,000, a sweeper for approximately \$265,000, and a manlift for approximately \$200,000. For the Turning Basin Terminal, a mobile column lift for approximately \$72,000 and replacement of a 1958 bulldozer for \$170,000 were being requested. Mr. Heidt explained that these pieces of equipment related to Port Authority operations were used on almost a daily basis.

Mr. Heidt highlighted the items pertaining to COVID-19: temperature screening with a company called Workplace Safety for \$400,00 and terminal cleaning with a company called Ambassador Services for \$450,000. The request would take the Port Authority through September for these services. To date, the Port Authority has spent approximately \$2.6 million on COVID-related items such as \$1.2 million on temperature screenings, \$800,000 on cleaning of the terminals, and \$600,000 on supplies.

Commissioner Mease commented on agenda Item I1, noting that the low bid was not taken but he agreed with the decision since staff was more familiar with the equipment provided by the winning bidder. Mr. Heidt added that the delivery time for the winning bidder was significantly shorter, and Mr. Guenther added that the lifecycle cost was always considered when reviewing bids, as well as the availability of replacement parts.

Commissioner Fitzgerald asked if there was any government funding available to allow the Port Authority to recoup some of its COVID-19 expenses. Mr. Guenther explained that there had been a recent request by port authorities for funding to be recovered in any upcoming bill and Mr. Heidt added that all the costs were being tracked so that a FEMA claim could be submitted.

(2020-0730-41) RCA J1 was presented. Commissioner Mease moved for staff ranking – first, Taylor Machine Works, Inc.; second, Briggs Equipment, Inc.; and third, Lonestar Lift, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J1 PASSED.

(2020-0730-42) RCA J2 was presented, moved by Commissioner Mease, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J2 PASSED.

(2020-0730-43) RCA J3 was presented, moved by Commissioner Mease, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J3 PASSED.

(2020-0730-44) RCA J4 was presented, moved by Commissioner Mease, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J4 PASSED.

(2020-0730-45) RCA J5 was presented, moved by Commissioner Mease, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J5 PASSED.

(2020-0730-46) RCA J6 was presented, moved by Commissioner Mease, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J6 PASSED.

(2020-0730-47) RCA J7 was presented, moved by Commissioner Mease, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J7 PASSED.

(2020-0730-48) RCA J8 was presented, moved by Commissioner Mease, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J8 PASSED.

(2020-0730-49) RCA J9 was presented, moved by Commissioner Mease, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J9 PASSED.

(2020-0730-50) RCA J10 was presented, moved by Commissioner Mease, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J10 PASSED.

(2020-0730-51) RCA J11 was presented, moved by Commissioner Mease, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J11 PASSED.

(2020-0730-52) RCA J12 was presented, moved by Commissioner Mease, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J12 PASSED.

Chairman Campo noted that there were no items on the agenda for the People and Port Security and Emergency Operations Divisions.

(2020-0730-53) Chairman Campo recognized Mr. Heidt to provide a report of selected Technology agenda items.

Mr. Heidt noted that agenda Item M1 was for approval of a five-year contract for CNC managed services with ManageForce for about \$550,000. "CNC" stood for Configurable Network Computing, which was basically JDEdwards, the Port Authority's enterprise resource planning (ERP) software architecture and methodology.

Mr. Heidt highlighted agenda Item M2, the purchase of IT network hardware and software, as part of the Port Authority's replacement program for unsupported and outdated network hardware. This was normally done one year at a time but with the pandemic, orders had been pushed back four to six months, so staff was asking for items needed in 2021. These replacements were only for end-of-life items, which in the IT world was about five years.

Finally, Mr. Heidt stated that agenda Item M4 was to approve the renewal of data storage maintenance with a company called NWN. This was for storage for the Port Authority's Navis system.

(2020-0730-54) RCA M1 was presented. Commissioner Corgey moved for staff ranking – first, ManageForce Corporation; second, Smartbridge, LLC; and third, Cyret Technologies Inc., seconded by Commissioner Cruzot. Chairman Campo, and Commissioners Cloonan, Corgey, Cruzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA M1 PASSED.

(2020-0730-55) RCA M2 was presented, moved by Commissioner Corgey, seconded by Commissioner Cruzot. Chairman Campo, and Commissioners Cloonan, Corgey, Cruzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA M2 PASSED.

(2020-0730-56) RCA M3 was presented, moved by Commissioner Corgey, seconded by Commissioner Cruzot. Chairman Campo, and Commissioners Cloonan, Corgey, Cruzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA M3 PASSED.

(2020-0730-57) RCA M4 was presented, moved by Commissioner Corgey, seconded by Commissioner Cruzot. Chairman Campo, and Commissioners Cloonan, Corgey, Cruzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA M4 PASSED.

(2020-0730-58) RCA M5 was presented, moved by Commissioner Corgey, seconded by Commissioner Cruzot. Chairman Campo, and Commissioners Cloonan, Corgey, Cruzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA M5 PASSED.

At 10:21 a.m., Chairman Campo called for an Executive Session. Mr. Eriksson made the following announcement:

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*); deliberate regarding (2) Real Estate (*Section 551.072, Texas Open Meetings Act*), including disposition of Turning Basin, Barbours 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.

Immediately thereafter the Port Commission retired into closed session.

At 11:03 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

(2020-0730-59) Chairman Campo recognized Rev. James Caldwell, Coalition of Community Organizations, who addressed the Port Commission.

Rev. Caldwell appreciated the letter his organization received from Mr. Guenther in response to comments made regarding social and economic justice at the previous Port Commission meeting in June. He looked forward to a more in-depth conversation with the Port Authority with regards to strategies to strengthen communities, protect public health, and ensure opportunities for all.

Chairman Campo emphasized that the issues were a two-way street and it was important for the Port Commission and Port Authority staff to reach out to the community. He looked forward to working on the social and economic issues as they related to the Port Authority.

Commissioner Cloonan reiterated that she had a call with Adrian Shelley after the June Port Commission meeting and commended Mr. Guenther and his staff for the quick response.

Chairman Campo stated that the next Port Commission meeting would be on September 29, 2020 at 9:00 a.m.

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

The above is a correct copy of the Minutes of the July 30, 2020 meeting of the Port Commission of the Port of Houston Authority.



Ric Campo, Chairman



Erik A. Eriksson, Secretary

F. EXECUTIVE

Subject	1. Approve and reaffirm the Audit Committee Charter, Internal Audit Charter, and Internal Audit Policies, effective July 30, 2020.
Meeting	Jul 30, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its July 30, 2020 meeting, approve and reaffirm the Audit Committee Charter, Internal Audit Charter, and Internal Audit Policies, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

General

Department:

Internal Audit

Staff Contact:

Maxine Buckles

Background:

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

By Minute No. 2019-0521-06, the Port Commission last approved the Port Authority's Audit Committee Charter, Internal Audit Charter, and the Internal Audit Policies .

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

Staff Evaluation/Justification:

The Audit Committee will have completed its review of the Audit Committee Charter, Internal Audit Charter, and Internal Audit Policies prior to the July 30, 2020 meeting of the Port Commission. Proposed changes to the Audit Committee Charter, the Internal Audit Charter and Policies incorporate clarifications and updates to references. There were no substantive updates made to these during the review period.

The Audit Committee and staff request that the Port Commission approve these modifications to the Audit Committee Charter, Internal Audit Charter, and Internal Audit Policies, to document the completion of the annual review and to maintain synchronization of the effective dates.

F. EXECUTIVE

Subject **2. Amend the Travel, Meals & Business Entertainment Authorization and Expense Reimbursement Policy.**

Meeting Jul 30, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its July 30, 2020 meeting, amend the Travel, Meals & Business Entertainment Authorization and Expense Reimbursement Policy of 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:

General

Department:

Legal

Staff Contact:

Erik Eriksson

Background:

The Port Commission adopted the Travel, Meals & Business Entertainment Authorization and Expense Reimbursement Policy (the "Policy") at its March 27, 2018 meeting. The policy superseded the "Second Amended Travel & Business Entertainment Expense Policy and Standards" previously adopted at the December 16, 2014 Port Commission meeting.

The Policy was amended by the Port Commission May 21, 2019 meeting, and Port Authority legal staff has now prepared a second amendment to the Policy as set forth on Exhibit "A." The amendment addresses travel authorization and expense report approval for the Port Authority's Chief Audit Executive.

Staff Evaluation/Justification:

Staff recommends that the Port Commission approve this amendment as attached.

Port of Houston Authority
Travel, Meals & Business Entertainment Authorization and
Expense Reimbursement Policy - Amendment No. 2
July 2020



This Amendment No. 2 to the Port of Houston Authority Travel, Meals & Business Entertainment Authorization and Expense Reimbursement Policy (the "Amendment") amends the "Travel, Meals & Business Entertainment Authorization and Expense Reimbursement Policy" (the "Policy") as set forth below.

1. Amendment. Section IV, Subsection (B) of the Policy is amended and restated as follows

B. Requests for Authorization and Requests for Reimbursement shall be submitted for approval as follows.

1. Requests for Reimbursement shall be submitted for approval as follows.

- Chairman of the Port Commission, to the Chief Legal Officer
- Port Commissioner, to the Chief Legal Officer
- Executive Director, to the Chief Legal Officer

2. Requests for Authorization and Requests for Reimbursement shall be submitted for approval as follows.

- Chief Operating Officer, Chief Legal Officer, Chief People Officer, to the Executive Director
- Other Chief Officers, to the Chief Operating Officer
- Chief Audit Executive, to the Chief Legal Officer
- Employees, other than those listed above, to their immediate supervisor, Chief Officer responsible for the Division incurring the expense, Chief Operating Officer, and Executive Director, in accordance with signature authority
- Consultants/Vendors, in accordance with the requirements stated in Appendix A.

2. Effectiveness. The Policy remains in full force and effect as amended herein, effective as of August 1, 2020.

3. Adoption. This Policy was adopted by the Port Commission on July 30, 2020, as evidenced by Minute No. 2020-0730-_____.

Policy Owner: Finance

Policy Version: Fifth Amendment

G. COMMERCIAL

Subject	1. Approve a five-year lease with Houston Terminal LLC for approximately 2,007 square feet of office space in Stevedore Support Buildings No. 2 and 3 at Bayport Container Terminal, effective no earlier than September 1, 2020, at an annual rent of \$62,603 with a 3% annual increase.
Meeting	Jul 30, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its July 30, 2020 meeting, approve a five-year lease with Houston Terminal LLC for approximately 2,007 square feet of office space in Stevedore Support Buildings No. 2 and 3 at Bayport Container Terminal, effective no earlier than September 1, 2020, at an annual rent of \$62,603 with a 3% annual increase, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #3 - PARTNERSHIPS (Develop and Strengthen External Partnerships)

Category:
Leases

Department:
Real Estate

Staff Contact:
R. D. Tanner

Background:

By Minute No. 2018-0626-07, the Port Commission approved an extension of the term of Houston Terminal LLC's lease in Stevedore Support Building No. 2 by two additional years, expiring on August 31, 2020 (the original lease term commenced on July 1, 2016, and expired on August 31, 2018). The leased area of the building is approximately 575 gross square feet.

Separately by Minute No. 2017-0627-09, the Port Commission approved an extension of the term of that tenant's lease in Stevedore Support Building No. 3 by three additional years, expiring on August 31, 2020 (the original lease term commenced on September 1, 2015, and expired on August 31, 2017). The leased area of the building is approximately 1,432 gross square feet.

Houston Terminal LLC now desires to enter into a new five-year lease of the two office premises for a total of 2,007 gross square feet.

Staff Evaluation/Justification:

Staff recommends the Port Commission approve this proposed lease agreement.

G. COMMERCIAL

Subject **2. Approve a five-year four-month lease with Kinder Morgan Petcoke, L.P. for approximately 14.21 acres at Sims Bayou, effective no earlier than September 1, 2020, at an annual rent of \$471,302 subject to annual base rent escalation of the greater of 3% or the increase in the Consumer Price Index.**

Meeting Jul 30, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its July 30, 2020 meeting, approve a five-year four-month lease with Kinder Morgan Petcoke, L.P. for approximately 14.21 acres at Sims Bayou, effective no earlier than September 1, 2020, at an annual rent of \$471,302 subject to annual base rent escalation of the greater of 3% or the increase in the Consumer Price Index, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

Category:

Leases

Department:

Real Estate

Staff Contact:

R. D. Tanner

Background:

By Minute No. 2010-0831-12, the Port Commission authorized the Port Authority to enter into a lease with Kinder Morgan Petcoke, L.P. to for a ten-year term, for approximately 16 acres at the Port Authority's Sims Bayou Block 2. The property is used for the bulk handling of petroleum coke product.

Kinder Morgan Petcoke, L.P. now desires to enter into a new five-year four-month lease. Their current leased area of 16 acres has been re-surveyed and revised to 14.21 acres.

Staff Evaluation/Justification:

Staff recommends the Port Commission approve this proposed lease agreement.

G. COMMERCIAL

Subject	3. Approve an agreement with Third Texas Resources to acquire wetland mitigation credits relating to the U.S. Army Corps of Engineers development permit for the Port Authority's Greens Bayou Terminal located at Interstate 10 and Penn City Road, in the amount not to exceed \$1,200,000.
Meeting	Jul 30, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission at its July 30, 2020 meeting, approve the Port Authority to enter into an agreement with Third Texas Resources to acquire wetland mitigation credits relating to the U.S. Army Corps of Engineers development permit for the Port Authority's Greens Bayou Terminal located at Interstate 10 and Penn City Road, in the amount not to exceed \$1,200,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #3 - PARTNERSHIPS (Develop and Strengthen External Partnerships)

Category:

Leases

Department:

Real Estate

Staff Contact:

R. D. Tanner

Background:

By Minute Nos. 2017-0131-47 and 2017-0524-08, the Port Commission authorized a fifty-year lease agreement for approximately 346.41 acres of uplands and approximately 46 acres of submerged property with Contanda Wah Chang Terminals LLC, later renamed Contanda Greens Bayou Terminal, LLC (Contanda). Contanda which currently also has three other leases with the Port Authority, terminated its fourth lease referred to above during feasibility period in March of 2020.

In connection with the lease agreement, Contanda was entitling this green field unimproved land property which included a U.S. Army Corps of Engineers (USACE) development permit relating to wetlands mitigation and dredge permitting in preparation for the development of the property.

Under the USACE permit, Contanda had previously entered into an agreement with Third Texas Resources, LLC a subsidiary of RES Mitigation LLC (RES) to satisfy the requirement for wetlands mitigation under the permit. RES enters into agreements to develop its conservation tracts with third parties that allows them to purchase mitigation credits required under USACE permits.

Contanda previously made a down payment under its agreement with RES to provide these credits, and by the Port Authority has now negotiated a new agreement with RES providing for the securing of the mitigation credits required under the USACE permit. Securing these mitigation credits is critical to development of the property as these credits are difficult to obtain and are not widely available. The Port Authority agreement with RES includes credits for Contanda's previous payment but requires the Port Authority to make final payment due under agreement.

Staff Evaluation/Justification:

Staff recommends the Port Commission approve this request to enter into an agreement with Third Texas Resources, LLC in order to secure the necessary wetland mitigation credits needed to develop this property.

H. FINANCE

Subject	1. Approve staff's ranking of vendors and award a professional services contract in an amount not to exceed \$300,000 for professional auditing services for the fiscal year ending 2020, with options to renew for two additional one-year terms, to the top-ranked responder: staff ranking – first, BKD LLP; second, Deloitte & Touche LLP; and third, RSM, LLP.
Meeting	Jul 30, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its July 30, 2020 meeting: (a) approve staff' s ranking of the most qualified vendors, based on the selection criteria, in the following order - first, BKD LLP; second, Deloitte & Touche LLP; and third, RSM, LLP; (b) award a professional services contract in an amount not to exceed \$300,000 for professional auditing services for the fiscal year ending 2020, with options to renew for two additional one-year terms; (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)

Category:

Awards, Amendments & Change Orders

Department:

Controller

Staff Contact:

Curtis Duncan

Background:

The Port Authority is seeking an audit firm to perform professional auditing services beginning with fiscal year 2020, with options to renew for two additional one-year terms. The work would consist of the following auditing services in support of the Port Authority's external financial reporting responsibilities:

- Port Authority financial statements and Comprehensive Annual Financial Report;
- Port Authority (Restated) Retirement Plan, including the Defined Benefit Pension Plan and OPEB Trust;
- Single Audit of state and federal grant expenditures in accordance with the Omni Circular; and
- Port Authority Promotion and Development Fund.

The Texas Water Code and bond covenants associated with Port Authority debt instruments require the Port Authority to secure an annual audit by a certified public accountant or a public accountant holding a license from the Texas State Board of Public Accountancy; all responders meet these requirements. Pursuant to federal government and Government Finance Officers Association best practices, governmental entities should enter into multiyear agreements of at least five years in duration when obtaining the services of independent auditors. In addition, best practices include an audit procurement process that is structured so that the principal factor in the selection of an independent auditor is the auditor's ability to perform a quality audit.

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

Staff Evaluation/Justification:

On June 24, 2020, seven RFP responses were received and opened. The responses were reviewed and evaluated by staff in accordance with the selection criteria published in the RFP. Staff identified the following vendors, listed in order of ranking, as most qualified to provide the required analysis and design services:

- BKD LLP
- Deloitte & Touche LLP
- RSM, LLP

* Note that BDK LLP includes professionals who previously were associated with Grant Thornton LLP, the Port Authority's current audit firm.

Following staff Executive Committee review, staff recommends that the Port Commission award a contract to BKD LLP, in an amount not to exceed \$300,000 for professional auditing services for the fiscal year ending 2020, with options to renew for two additional one-year terms.

H. FINANCE

Subject **2. 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 \$98,289.**

Meeting Jul 30, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its July 30, 2020 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 (TxDIR) cooperative purchase contract, for one year in an amount not to exceed \$98,289, 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.

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

Category:
Awards, Amendments & Change Orders

Department:
Finance

Staff Contact:
David Jochnau

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 secure these support services using the TxDIR, a department of the State of Texas with 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 TxDIR 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 TxDIR cooperative purchasing program and determine that this procurement method provides best value to the Port Authority.

H. FINANCE

Subject	3. Approve extension of the contract with AndCo Consulting LLC for investment advisory services related to the Port Authority Pension Plan, Port Authority Other Post-Employment Benefits (OPEB) Plan, and defined contribution and deferred compensation plans, for an additional and final one-year period, in an amount not to exceed \$137,500.
Meeting	Jul 30, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its July 30, 2020 meeting, approve extension of the contract with AndCo Consulting LLC for investment advisory services related to the Port Authority Restated Retirement Plan, the irrevocable trust established for other post-employment benefits plan, and defined contribution and deferred compensation plans, for an additional and final one-year period, in an amount not to exceed \$137,500, 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 #4 - STEWARDSHIP (Create Greater Value for the Region)

Category:

Awards, Amendments & Change Orders

Department:

Treasury

Staff Contact:

Roland Gonzalez

Background:

In accordance with the investment policies for the Port of Houston Authority Restated Retirement Plan (Pension Plan) and the irrevocable trust established for other post-employment benefits (OPEB Plan), the Port Authority engages a consultant to, among other things, assist with (i) review of asset allocation and investment policy matters, (ii) selecting and monitoring investment managers, (iii) review of the Pension Plan Funding policy, (iv) measuring and evaluating investment performance, and (v) preparation of the Port Authority's Investment Practices and Performance Reporting (as required by SB322) every three years beginning in 2020.

By Minute No. 2014-0923-16, the Port Commission awarded a five-year contract to Gregory W Group for investment consulting services Pension Plan and the OPEB Plan with options to renew for two additional one-year periods.

The contract was assigned to Bogdahn Consulting, LLC, effective October 1, 2015, and later amended to reflect a change in the service provider's name to AndCo Consulting, LLC. The contract was further amended on May 1, 2018 to include investment consulting services related to the Port Authority's defined contribution 401(a) plan and the deferred compensation 457(b) plan.

By Minute No. 2019-0729-18, the Port Commission approved a one-year extension of the contract with AndCo Consulting LLC for investment advisory services related to the Pension Plan, the OPEB Plan, and defined contribution and deferred compensation plans.

Staff Evaluation/Justification:

AndCo Consulting has provided value-added investment consulting services for the various benefit plans, including assistance with the 2019 negotiation and restructuring of the 401(a) and 457(b) plans with Nationwide. Their efforts have resulted in well-diversified portfolios, and favorable expense ratios

compared to average market fees, with annual savings of over \$1,000,000. Additionally, the term has assisted with compliance reporting to satisfy SB322 - Investment Practices and Performance Reporting, as well as development of annual investment fee disclosures which will be included in the annual Pension Plan financial statements, and these services have been included within its existing fee structure.

Staff recommends that the Port Commission approve an extension of the AndCo Consulting contract for an additional and final one-year period, ending on October 31, 2021.

H. FINANCE

Subject	4. Adopt resolutions to amend the Port of Houston Authority Other Post-Employment Benefits (OPEB) Trust Agreement.
Meeting	Jul 30, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its July 30, 2020 meeting, adopt resolutions to amend the Port of Houston Authority Other Post-Employment Benefits Trust Agreement 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:
Finance

Staff Contact:
Roland Gonzalez/Tim Finley

Background:

By Minute No. 2011-1025-11, the Port Commission authorized the Port Authority to adopt resolutions relating to the Port Authority's participation in the OPEB Trust of Texas, a multi-employer trust established for other post-employment benefits obligations.

By Minute No. 2014-1028-34, the Port Commission adopted resolutions authorizing establishment of a new irrevocable trust for the Port Authority's OPEB liabilities, funding the new OPEB Trust, the transfer of assets from the Port Authority's account at OPEB Trust of Texas to the new OPEB Trust, and investment of OPEB Trust assets with investment managers and funds approved by the Port Commission.

As of June 30, 2020, the market value of the OPEB Trust assets was approximately \$80.3 million, which was 113% of the actuarially determined OPEB liability. Accordingly, the OPEB Trust is well funded to begin paying OPEB-related expenses directly to health care providers in certain instances and to reimburse the Port Authority for payments the Port Authority makes to health care and other service providers for OPEB expenses.

Staff Evaluation/Justification:

Port Authority staff worked with Haynes & Boone, the Port Authority's benefits counsel, to prepare the resolution and proposed amendments. The proposed amendments, listed below, have been reviewed by the OPEB Plan Trustee, BBVA USA. The proposed amendments are primarily intended to enable a Port Authority "Authorized Person" to direct the OPEB Trust to pay expenses directly to health care providers and to reimburse the Port Authority for payments the Authority makes to health care providers, as needed.

Port Authority staff recommends that the Port Commission adopt the resolutions to amend the Port of Houston Authority OPEB Trust Agreement to provide:

Section 3.01 The Plan Administrator or an Authorized Person may direct...payments be made (a) directly to health care providers or (b) to the Authority to reimburse the Authority for payments made by the Authority to health care and other service providers to satisfy the [Port Authority's] OPEB Obligation.

Section 4.01 The [Trust] Assets may not be used for, or diverted to, any other purpose, except as for a purpose that is permitted under Code Section 115 or other applicable law.

Section 6.02 [The] Trustee may reimburse the Authority from the Trust Fund for expenses of the Plan or the Trust to the full extent permitted by applicable law.

Section 11.01 Distributions of benefits are obligations of the Authority payable from the Trust, to the extent funded, as more fully described herein.

I. INFRASTRUCTURE

Subject	1. Approve staff's ranking of vendors and award a professional services contract in an amount not to exceed \$978,146 for the design to construct Container Yard 3 at Barbours Cut Terminal to the top-ranked proposers: staff ranking – first, RPS Infrastructure, Inc.; second, Hatch Associates Consultants, Inc.; and third, Lockwood, Andrews, and Newnam, Inc.
Meeting	Jul 30, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its July 30, 2020 meeting: (a) approve staff's ranking of vendors, based on the selection criteria, in the following order – first, RPS Infrastructure, Inc.; second, Hatch Associates Consultants, Inc.; and third, Lockwood, Andrews, and Newnam, Inc.; (b) award a professional services contract to RPS Infrastructure, Inc., the top-ranked proposer for the design to construct Container Yard 3 at Barbours Cut Terminal in an amount not to exceed \$978,146; (c) grant authority, if a contract cannot be negotiated with the first-ranked vendor, to formally, and in writing, end negotiations with that vendor and proceed to the next vendor in the order of ranking until a contract is reached or all proposals are rejected; and (d) further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Awards, Amendments & Change Orders

Department:

Project and Construction Management

Staff Contact:

Roger H. Hoh, P.E.

Background:

Per the current Barbours Cut Terminal master plan, rubber-tire gantry (RTG) runways and associated container storage areas are being reconfigured to maximize twenty-foot equivalent unit (TEU) volumes and to improve operational efficiencies. These new configurations, however, do not match the 2000/2001 constructed layouts of the RTG runways in Barbours Cut Container Yard 3. This project, therefore, would replace the existing 8-inch concrete pavement to include the design of 18-inch roller compacted concrete (RCC). Also included would be the design of new storm water trench drains, relocation of high mast light poles, fire hydrants, and restriping the inter-terminal road onto the proper alignment.

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

Staff Evaluation/Justification:

On May 6, 2020, eight RFQ responses were received and opened. The responses were reviewed and evaluated by staff in accordance with the selection criteria published in the RFQ. Staff identified the following vendors, listed in order of ranking, as most qualified to provide the required analysis and design services:

- RPS Infrastructure, Inc.
- Hatch Associates Consultants, Inc.
- Lockwood, Andrews, and Newnam, Inc.

Following staff Executive Committee review, staff recommends that the Port Commission award a contract to RPS Infrastructure, Inc. for the design to construct Container Yard 3 at Barbours Cut Terminal, and act as otherwise described above.

I. INFRASTRUCTURE

Subject	2. Approve staff's ranking of vendors and award a construction contract in an amount not to exceed \$18,745,998 for the construction of Container Yard 2 South at Bayport Container Terminal to the top-ranked proposer: staff ranking - first, Satterfield & Pontikes Construction, Inc.; second, McCarthy Building Company, Inc.; and third, Archer Western Construction, LLC.
Meeting	Jul 30, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its July 30, 2020 meeting: (a) approve staff's ranking of the vendors providing best value to the Port Authority, based on the selection criteria, in the following order - first, Satterfield & Pontikes Construction, Inc.; second, McCarthy Building Company, Inc.; and third, Archer Western Construction, LLC. (b) award a construction contract to Satterfield & Pontikes Construction, Inc. to construct Container Yard 2 South at Bayport Terminal, in an amount not to exceed \$18,745,998; (c) grant authority, if a contract cannot be negotiated with the first-ranked vendor, to formally, and in writing, end negotiations with that vendor and proceed to the next vendor in the order of ranking until a contract is reached or all proposals are rejected; and (d) further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #2 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)

Category:

Awards, Amendments & Change Orders

Department:

Project and Construction Management

Staff Contact:

Roger H. Hoh, P.E.

Background:

This project consists of the construction of approximately 18-acres of container yard at Container Yard 2 South, located on the east end of Bayport Container Terminal.

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

Staff Evaluation/Justification:

On April 22, 2020, six CSPs were received, opened, and publicly read. The responses were reviewed and evaluated by staff in accordance with the published selection criteria. Following staff Executive Committee review, staff identified the following vendors, listed in order of ranking, as providing the best value for the required services:

- Satterfield & Pontikes Construction, Inc.
- McCarthy Building Company, Inc.

- Archer Western Construction, LLC

Staff recommends that the Port Commission award a contract to Satterfield & Pontikes Construction, Inc. and act as otherwise described above.

I. INFRASTRUCTURE

Subject	3. Approve staff's ranking of vendors and award a professional services contract in an amount of \$350,000 to perform construction material testing for the construction of Container Yard 2 South at Bayport Container Terminal to the top-ranked proposers: staff ranking - first, Terracon Consultants, Inc.; second, Aviles Engineering Corp.; and third, Raba Kistner, Inc.
Meeting	Jul 30, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its July 30, 2020 meeting: (a) approve staff's ranking of the most qualified vendors, based on the selection criteria, in the following order - first, Terracon Consultants, Inc.; second, Aviles Engineering Corp.; and third, Raba Kistner, Inc.; (b) award a professional services contract to Terracon Consultants, Inc. to perform construction material testing during the construction of Container Yard 2 South at Bayport Terminal, in an amount not to exceed \$350,000; (c) grant authority, if a contract cannot be negotiated with the first-ranked vendor, to formally, and in writing, end negotiations with that vendor and proceed to the next vendor in the order of ranking until a contract is reached or all proposals are rejected; and (d) further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing

Category:

Awards, Amendments & Change Orders

Department:

Project and Construction Management

Staff Contact:

Roger H. Hoh, P.E.

Background:

This procurement includes construction material testing services for the construction of Container Yard 2 South at Bayport Container Terminal. Per Section 60.463(c) of the Texas Water Code, in certain circumstances the Port Authority is required to hire a third-party inspection firm to independently test the acceptability of construction material installed by the contractor. This procurement would provide such third-party inspection services.

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

Staff Evaluation/Justification:

On April 8, 2020, twelve RFQ responses were received and opened. The responses were reviewed and evaluated by staff in accordance with the selection criteria published in the RFQ. Staff identified the following vendors, listed in order of ranking, as most qualified to provide the required services:

- Terracon Consultants, Inc.
- Aviles Engineering Corp.
- Raba Kistner, Inc.

Following staff Executive Committee review, staff recommends that the Port Commission award a contract to Terracon Consultants, Inc. and act as otherwise described above.

I. INFRASTRUCTURE

Subject **4. Approve staff's ranking of vendors and award a construction contract in an amount not to exceed \$154,979 to construct a security system at Container Yard 7 and the west empty yard at Bayport Container Terminal to the top-ranked proposer: staff ranking – first, Tekplan Solutions Texas, LLC; and second, Dowley Security Systems, Inc.**

Meeting Jul 30, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its July 30, 2020 meeting:
(a) approve staff's ranking of the vendors providing best value to the Port Authority, based on the selection criteria, in the following order – first, Tekplan Solutions Texas, LLC; and second, Dowley Security Systems, Inc. ;
(b) award a construction contract to Tekplan Solutions Texas, LLC to construct a security system at Container Yard 7 and the west empty yard at Bayport Container Terminal, in an amount not to exceed \$154,979;
(c) grant authority, if a contract cannot be negotiated with the first-ranked vendor, to formally, and in writing, end negotiations with that vendor and proceed to the next vendor in the order of ranking until a contract is reached or all proposals are rejected; and
(d) further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Awards, Amendments & Change Orders

Department:

Project and Construction Management

Staff Contact:

Roger H. Hoh, P.E.

Background:

This project consists of the installation of surveillance cameras, electric wiring to power cameras, fiber optic cables, network switches, and support hardware to mount cameras on existing concrete poles installed along the west side of Container Yard 7 and the west empty yard at the Bayport Terminal. The project will provide security surveillance for the west side of the terminal

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

Staff Evaluation/Justification:

On June 17, 2020, two CSPs were received, opened, and publicly read. The responses were reviewed and evaluated by staff in accordance with the published selection criteria. Staff identified the following vendors, listed in order of ranking, as providing the best value for the required services:

- Tekplan Solutions Texas, LLC
- Dowley Security Systems, Inc.

Following staff Executive Committee review, staff recommends that the Port Commission award a contract to Tekplan Solutions Texas, LLC and act as otherwise described above.

I. INFRASTRUCTURE

Subject	5. Approve staff’s ranking of vendors and award a construction contract in an amount not to exceed \$941,000 for trench drain repairs at Bayport Container Terminal to the top-ranked proposer: staff ranking – first, Jerdon Enterprise, L.P.; second, McCarthy Building Companies, Inc.; and third, Forde Construction Company, Inc.
Meeting	Jul 30, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its July 30, 2020 meeting: (a) approve staff’s ranking of the vendors providing best value to the Port Authority, based on the selection criteria, in the following order – first, Jerdon Enterprise, L.P.; second, McCarthy Building Companies, Inc.; and third, Forde Construction Company, Inc. ; (b) award a construction contract to Jerdon Enterprise, L.P. for trench drain repairs at Bayport Container Terminal, in an amount not to exceed \$941,000; (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:
Project and Construction Management

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

Background:
This project consists of the repair of approximately 540 linear feet of trench drain at Bayport Container Terminal, including demolition, trench drain concrete wall repair, installation of concrete struts, and trench drain framing, repaving, and striping.

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

Staff Evaluation/Justification:
On July 1, 2020, four CSP's were received, opened, and publicly read. The responses were reviewed and evaluated by staff in accordance with the published selection criteria. Staff identified the following vendors, listed in order of ranking, as providing best value for the required services:

- Jerdon Enterprise, L.P.
- McCarthy Building Companies, Inc.
- Forde Construction Company, Inc.

Following staff Executive Committee review, staff recommends that the Port Commission award a contract to Jerdon Enterprise, L.P. and act as otherwise described above.

I. INFRASTRUCTURE

Subject	6. Approve staff’s ranking of vendors and award a two-year environmental consulting agreement in an amount not to exceed \$200,000 for storm water quality program management to the top-ranked proposer: staff ranking- first, Terra Nova Consulting, Inc.; second, Spirit Environmental, LLC; and third, Halff Associates.
Meeting	Jul 30, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its July 30, 2020, meeting: (a) approve staff’s ranking of the most qualified vendors, based on the selection criteria, in the following order - first, Terra Nova Consulting, Inc.; second, Spirit Environmental, LLC; and third, Halff Associates; (b) award a two-year environmental consulting agreement to Terra Nova Consulting, Inc. for storm water quality program management in an amount not to exceed \$200,000; (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 Objective 4a. - Implement an innovative environmental leadership strategy STRATEGIC GOAL #4 - STEWARDSHIP (Create Greater Value for the Region)

Category:
Awards, Amendments & Change Orders

Department:
Environmental Affairs

Staff Contact:
Trae Camble

Background:
The Port Authority is seeking to obtain an environmental consultant to assist the Port Authority’s Environmental Affairs Department (EAD) staff with storm water quality program management, including compliance with the Port Authority’s Municipal Separate Storm Sewer System Permit, Storm Water Management Program, the Multi-Sector General Permits, and Construction General Permits; conducting storm water sampling throughout Port Authority facilities; identifying, implementing, and monitoring Best Management Practices; and assisting with other activities related to storm water quality issues as directed by EAD staff.

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

Staff Evaluation/Justification:
On June 3, 2020, five RFPs responses were received and opened. The responses were reviewed and evaluated by staff in accordance with the selection criteria published in the RFQ. Staff identified the following vendors, listed in order of ranking, as most qualified to provide the required services:

- Terra Nova Consulting, Inc.
- Spirit Environmental, LLC
- Halff Associates

Following staff Executive Committee review, staff recommends that the Port Commission award a contract to Terra Nova Consulting, Inc. and act as otherwise described above.

I. INFRASTRUCTURE

Subject	7. Amend the professional services contract with Hatch Consultants, Inc. for additional engineering services associated with the Port Authority Facility Inspection and Condition Assessment Program for electrical and communications in an amount not to exceed \$179,954.
Meeting	Jul 30, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its July 30, 2020 meeting, approve an amendment to the professional services contract with Hatch Consultants, Inc. for additional engineering services associated with the Port Authority Facility Inspection and Condition Assessment Program (FICAP) for electrical and communications in an amount not to exceed \$179,954, and authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #2 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)

Category:

Awards, Amendments & Change Orders

Department:

Project and Construction Management

Staff Contact:

Roger H. Hoh, P.E.

Background:

The FICAP for Maritime Assets has been implemented by the Port Authority to provide condition rating information to support its maritime asset management and engineering.

As part of the broad asset management program, a specific electrical distribution and communications program has been started to document and evaluate the condition of all electrical and communications assets. The program includes a FICAP manual for electrical and communication assets in the field, document baseline values of electrical parameters as tested on electrical equipment, newly-developed electrical and communication drawings, and integration of the new information into the Port Authority's geographic information system (GIS) system.

On January 30, 2019 a professional services contract was issued to Hatch Consultants, Inc. totaling \$474,500 for the FICAP for port-wide electrical and communications. It was amended on July 9, 2019 by and additional \$42,500 to add a terminal to the contract.

This proposed amendment would consist of performing site inspections and engineering condition assessment on existing electrical and communications infrastructure at the Turning Basin Terminal to implement the FICAP manual.

Staff Evaluation/Justification:

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

I. INFRASTRUCTURE

Subject	8. Approve a change order with McCarthy Building Companies, Inc. to perform additional work associated with the construction of Container Yard 7 at Bayport Container Terminal in an amount not to exceed \$58,957.
Meeting	Jul 30, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its July 30, 2020 meeting, approve a change order to McCarthy Building Companies, Inc. to perform additional work associated with the construction of Container Yard 7 at Bayport Container Terminal in an amount not to exceed \$58,957, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #2 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)

Category:

Awards, Amendments & Change Orders

Department:

Project and Construction Management

Staff Contact:

Roger H. Hoh, P.E.

Background:

By Minute No. 2018-0731-21, the Port Commission awarded a construction contract to McCarthy Building Companies, Inc. for the construction of Container Yard 7 at Bayport Container Terminal.

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

- Purchase and install new electric actuator for RTG wash down to match surrounding electrical infrastructure
- Additional striping in the northern portion of Container Yard 7 and in other areas where applicable, to support continuous operations

Staff Evaluation/Justification:

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

I. INFRASTRUCTURE

Subject	9. Approve a change order with Fused Industries, LLC to perform additional work associated with the rail spur at Bayport Container Terminal in an amount not to exceed \$155,708.
Meeting	Jul 30, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its July 30, 2020 meeting, approve a change order with Fused Industries, LLC to perform additional work associated with the rail spur at Bayport Container Terminal in an amount not to exceed \$155,708, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #2 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)

Category:

Awards, Amendments & Change Orders

Department:

Project and Construction Management

Staff Contact:

Roger H. Hoh, P.E.

Background:

By Minute No. 2018-0925-28, the Port Commission awarded a construction contract to Fused Industries, LLC for the rail spur at Bayport Container Terminal.

This change order includes quantity increases for concrete, handrail, and 18-inch diameter storm water drainage pipe. It also includes a reduction of quantities for 24-inch diameter storm water drainage pipe.

Staff Evaluation/Justification:

Staff has reviewed the proposal submitted by Fused Industries, LLC and found it to be fair and reasonable and recommends that the Port Commission authorize this change order.

I. INFRASTRUCTURE

Subject	10. Award professional services consulting contracts to provide strategic decision support and implementation planning for the Houston Ship Channel Expansion Channel Improvement Project to PricewaterhouseCoopers Advisory Services, LLC and EcoLogix Group, Inc. in amounts not to exceed \$324,547 and \$282,350, respectively.
Meeting	Jul 30, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its July 30, 2020 meeting, authorize the Port Authority to award professional services consulting contracts to provide strategic decision support and implementation planning for the Houston Ship Channel Expansion Channel Improvement Project to PricewaterhouseCoopers Advisory Services, LLC and EcoLogix Group, Inc. in amounts not to exceed \$324,547 and \$282,350, respectively, 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:

Project 11

Department:

Channel Improvement

Staff Contact:

Lori S. Brownell, P.E.

Background:

Expanding the Houston Ship Channel (HSC) is one of the most significant infrastructure projects in the nation. The HSC is the nation's busiest waterway with 20,000 ship transits and over 200,000 barge movements each year, and growth in both imports and exports requires improvements sooner than the customary process would provide. Therefore, the Port Authority is promoting an accelerated approach to the main parts of the project to construct them in the 2021-2024 timeframe.

The Port Authority currently plans to lead the procurement and construction of segments 1A, 1B, 1C, 2, 3, and 4, beginning as soon as the first half of 2021. Nine design packages are currently in the design process with 100% design completions targeted for year-end 2020. This work will require multiple contractor capabilities, including hydraulic and mechanical dredging, Dredge Material Placement Area (DMPA) construction, upland site clearing and preparation, and bulkhead construction, at a total cost estimated at \$900 million. Soliciting channel construction services of this magnitude requires significant advance preparation to steward public funds and resources in the most responsible way while optimizing performance, and ensuring contracting execution receives optimal competitive responses, anticipates and manages risks, and avoids unnecessary delays.

Staff Evaluation/Justification:

These professional services would provide decision support in the form of market evaluation and execution strategies, including planning and execution of procurement and capital projects management, with contracting approaches that optimize value in terms of total cost, schedule, and risk for stakeholders. This decision support is expected to help the Port Authority evaluate project technical requirements, supplier capabilities, and scenarios for implementing the procurements with effective sequencing and phasing, applying alternative contract models as appropriate, and employing efficient

qualification methods and selection criteria, and arrangement of program management that targets efficient performance with competitive market results.

Five firms provided proposals and were interviewed for this project. Staff recommends awarding contracts to PricewaterhouseCoopers Advisory Services, LLC and EcoLogix Group, Inc. based on their proposal quality and efficiency, and their complementary capabilities, firms that staff has concluded should provide the best value for the Port Authority and for HSC objectives as well.

I. INFRASTRUCTURE

Subject **11. Amend the professional engineering and auditing services contracts supporting the Houston Ship Channel Expansion Channel Improvement Project, with Atkins North America, Inc. in an amount not to exceed \$950,000 and with Freese and Nichols, Inc. in an amount not to exceed \$50,000.**

Meeting Jul 30, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its July 30, 2020 meeting, authorize the Port Authority to amend the professional engineering and auditing services contracts supporting the Houston Ship Channel Expansion Channel Improvement Project with Atkins North America, Inc. in an amount not to exceed \$950,000 and with Freese and Nichols, Inc. in an amount not to exceed \$50,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:
Project 11

Department:
Channel Improvement

Staff Contact:
Lori S Brownell, P.E.

Background:
By Minute No. 2020-0428-39, the Port Commission approved \$350,000 to Atkins North America, Inc. and \$150,000 to Freese and Nichols, Inc., for both firms to provide professional engineering and auditing services to support the Houston Ship Channel Expansion Channel Improvement Project on an as-needed basis. Since then, \$219,115 of \$350,000 has been paid to Atkins North America, Inc. to perform auditing services for Project 10 (the Houston Galveston Navigation Channel) and Project 11 (the Houston Ship Channel Expansion Channel Improvement Project, HSC ECIP).

Staff Evaluation/Justification:
An additional, total not to exceed amount of \$1,000,000, allocated as described above, is requested for engineering and auditing services to be performed by Atkins North America, Inc. and Freese and Nichols, Inc. for the HSC ECIP.

Federal policy requires that planning, engineering, and designs (PED), provided by the local sponsor, be reviewed and approved by the U.S. Army Corps of Engineers (USACE). The additional funding would allow the engineering consultants to complete the original intent for obtaining these professional engineering and auditing services, such as accounting related services, value engineering, and third-party design review for the 65% packages. Further funding will be required later this fall for completing the design review of the 95%, and 100% deliverables.

This third-party design review and value engineering oversight is expected help the Port Authority to meet or exceed the applicable USACE regulations and guidance criteria.

Staff recommends the Port Commission approve this additional funding for these Project 11 engineering consultants.

I. INFRASTRUCTURE

Subject	12. Enter into reimbursement agreements for design and permitting with eight pipeline companies for ten pipelines related to segment 4 of the Houston Ship Channel Expansion Channel Improvement Project at a cost not to exceed \$2,000,000 per pipeline, for which the Port Authority would be responsible for one half the cost per pipeline, for a total amount not to exceed \$10,000,000.
Meeting	Jul 30, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its July 30, 2020 meeting, authorize the Port Authority to enter into reimbursement agreements for design and permitting with the following eight pipeline companies: Kinder Morgan Texas Pipeline LP (two pipelines); HSC Pipeline Partnership, LLC; Seminole Pipeline Company LLC; Explorer Pipeline Company; Colonial Pipeline Company; Praxair Inc, (two pipelines); Equistar Chemicals, LP; and INEOS USA LLC, for ten pipelines related to segment 4 of the Houston Ship Channel Expansion Channel Improvement Project at a cost not to exceed \$2,000,000 per pipeline, of which the Port Authority would be responsible for one half the cost per pipeline, for a total amount not to exceed \$10,000,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Project 11

Department:

Channel Operations

Staff Contact:

Garry McMahan

Background:

As part of the Houston Ship Channel Expansion Channel Improvement Project (HSC ECIP), several pipelines would have to be removed and relocated in order to meet U.S. Army Corps of Engineers safety requirements. The companies owning these pipelines are: Kinder Morgan Texas Pipeline LP (two pipelines); HSC Pipeline Partnership, LLC; Seminole Pipeline Company LLC; Explorer Pipeline Company; Colonial Pipeline Company; Praxair Inc, (two pipelines); Equistar Chemicals, LP; and INEOS USA LLC.

Port Authority staff has identified an additional pipeline that will need to be relocated and expects to return to the Port Commission to authorize that agreement, once its owner has been identified.

Federal rules require the local sponsor to pay half of the costs for the relocations which includes, among other things, design, permitting, and construction.

The estimated costs of this design work currently ranges from \$500,000 to \$2,000,000 per pipeline, but staff has requested authority for greater amounts, pending further determination of these costs.

Estimated costs for relocation are estimated to range from \$4.2 million to \$20 million per pipeline. The design phase is expected to help narrow down those costs, and the Port Authority would also be responsible for half of those costs.

Staff Evaluation/Justification:

Channel Operations Department staff recommends approval at this time to facilitate continued accelerated progress on the HSC ECIP project.

I. INFRASTRUCTURE

Subject	13. Issue a transmission line license to Comcast Cable Communications Management, LLC for one coaxial cable line over and across Turning Basin Terminal West.
Meeting	Jul 30, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its July 30, 2020 meeting, authorize the Port Authority to issue a transmission line license to Comcast Cable Communications Management, LLC for one coaxial cable line over and across Turning Basin Terminal West, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Operations

Staff Contact:

Garry McMahan

Background:

Comcast Cable Communications Management, LLC, Port Authority File No. 2020-0159, has applied for a transmission line license for one coaxial cable line over and across Turning Basin Terminal West, in the John Brown Survey, A-8. The line provides service to Port Authority tenant Hansen-Mueller Company, Port Authority File No. 1998-0338.

Staff Evaluation/Justification:

The application was reviewed and approved by the Port Authority's Channel Operations and Real Estate departments. The license is subject to the Port Authority's usual terms and conditions. The \$675 application fee and the \$2,500 as-built deposit have been paid. Staff recommend the license fee be waived since this project would provide service to a Port Authority tenant, Hansen-Mueller Company.

Staff recommends approval.

I. INFRASTRUCTURE

Subject	14. Issue a transmission line license to Comcast Cable Communications Management, LLC for one fiber optic cable line over, under, and across the Bulk Materials Handling Plant Terminal.
Meeting	Jul 30, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its July 30, 2020 meeting, authorize the Port Authority to issue a transmission line license to Comcast Cable Communications Management, LLC for one fiber optic cable line over, under, and across the Bulk Materials Handling Plant Terminal, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Operations

Staff Contact:

Garry McMahan

Background:

Comcast Cable Communications Management, LLC, Port Authority File No. 2020-0160, has applied for a transmission line license for one fiber optic cable line over, under, and across the Bulk Materials Handling Plant Terminal, in the Richard & Robert Vince Survey, A-76. The line provides service to Port Authority tenant Kinder Morgan Petcoke, LP, Port Authority File No. 2007-0230.

Staff Evaluation/Justification:

The application was reviewed and approved by the Port Authority's Channel Operations and Real Estate departments. The license is subject to the Port Authority's usual terms and conditions. The \$675 application fee and the \$2,500 as-built deposit have been paid. Staff recommend the license fee be waived since this project will provide service to existing tenant, Kinder Morgan Petcoke, LP.

Staff recommends approval.

I. INFRASTRUCTURE

Subject	15. Issue a transmission line license to Comcast Cable Communications Management, LLC for one fiber optic cable line under and across the North L Street property.
Meeting	Jul 30, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its July 30, 2020 meeting, authorize the Port Authority to issue a transmission line license to Comcast Cable Communications Management, LLC for one fiber optic cable line under and across the North L Street property, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Operations

Staff Contact:

Garry McMahan

Background:

Comcast Cable Communications Management, LLC, Port Authority File No. 2020-0173, has applied for a transmission line license for one fiber optic cable line under and across the North L Street property, in the Johnson Hunter Survey, A-35. The line provides service to Port Authority tenant Frontier Logistics, Port Authority File No. 2014-0043.

Staff Evaluation/Justification:

The application was reviewed and approved by the Port Authority's Channel Operations and Real Estate departments. The license is subject to the Port Authority's usual terms and conditions. The \$675 application fee and the \$2,500 as-built deposit have been paid. Staff recommend the license fee be waived since this project will provide service to existing tenant, Frontier Logistics.

Staff recommends approval.

I. INFRASTRUCTURE

Subject	16. Issue a transmission line license to Comcast Cable Communications Management, LLC for one fiber optic cable line under and across the Barbours Cut Terminal.
Meeting	Jul 30, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its July 30, 2020 meeting, authorize the Port Authority to issue a transmission line license to Comcast Cable Communications Management, LLC for one fiber optic cable line under and across the Barbours Cut Terminal, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Operations

Staff Contact:

Garry McMahan

Background:

Comcast Cable Communications Management, LLC, Port Authority File No. 2020-0174, has applied for a transmission line license for one fiber optic cable line under and across the Barbours Cut Terminal, in the Johnson Hunter Survey, A-35. The line provides service to the U.S. Customs and Border Patrol, a partner of the Port Authority.

Staff Evaluation/Justification:

The application was reviewed and approved by the Port Authority's Channel Operations and Real Estate departments. The license is subject to the Port Authority's usual terms and conditions. The \$2,500 as-built deposit has been paid. Staff recommend the application and license fee be waived since this project will provide service to the U.S. Customs and Border Patrol.

Staff recommends approval.

I. INFRASTRUCTURE

Subject	17. Issue a transmission line license to Comcast Cable Communications Management, LLC for one fiber optic cable line over, under, and across the Barbours Cut Terminal.
Meeting	Jul 30, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its July 30, 2020 meeting, authorize the Port Authority to issue a transmission line license to Comcast Cable Communications Management, LLC for one fiber optic cable line over, under, and across the Barbours Cut Terminal, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Operations

Staff Contact:

Garry McMahan

Background:

Comcast Cable Communications Management, LLC, Port Authority File No. 2020-0185, has applied for a transmission line license for one fiber optic cable line over, under, and across the Barbours Cut Terminal, in the Johnson Hunter Survey, A-35. The line provides service to the Port Terminal Railroad Association.

Staff Evaluation/Justification:

The application was reviewed and approved by the Port Authority's Channel Operations and Real Estate departments. The license is subject to the Port Authority's usual terms and conditions. The \$2,500 as-built deposit has been paid. Staff recommend the application and license fee be waived since this project will provide service to the Port Terminal Railroad Association.

Staff recommends approval.

I. INFRASTRUCTURE

Subject	18. Issue a transmission line license to Comcast Cable Communications Management, LLC for one fiber optic cable line over, under, and across the Jacintoport Terminal.
Meeting	Jul 30, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its July 30, 2020 meeting, authorize the Port Authority to issue a transmission line license to Comcast Cable Communications Management, LLC for one fiber optic cable line over, under, and across the Jacintoport Terminal, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Operations

Staff Contact:

Garry McMahan

Background:

Comcast Cable Communications Management, LLC, Port Authority File No. 2020-0175, has applied for a transmission line license for one fiber optic cable line over, under, and across the Jacintoport Terminal, in the William Harris & D Carpenter Survey, A-28. The line provides service to the U.S. Customs and Border Patrol, a partner of the Port Authority.

Staff Evaluation/Justification:

The application was reviewed and approved by the Port Authority's Channel Operations and Real Estate departments. The license is subject to the Port Authority's usual terms and conditions. The \$2,500 as-built deposit has been paid. Staff recommend the application and license fee be waived since this project will provide service to the U.S. Customs and Border Patrol.

Staff recommends approval.

I. INFRASTRUCTURE

Subject	19. Issue a transmission line license to Comcast of Houston, LLC for one fiber optic cable line under and across the Southside Mainline railroad right-of-way.
Meeting	Jul 30, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its July 30, 2020 meeting, authorize the Port Authority to issue a transmission line license to Comcast of Houston, LLC for one fiber optic cable line under and across the Southside Mainline railroad right-of-way, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Operations

Staff Contact:

Garry McMahan

Background:

Comcast of Houston, LLC, Port Authority File No. 2020-0197, has applied for a transmission line license for one fiber optic cable line over and across the Southside Mainline railroad right-of-way, in the William Vince Survey, A-78.

Staff Evaluation/Justification:

The application was reviewed and approved by the Port Authority's Channel Operations department and the Port Terminal Railroad Association. The license is subject to the Port Authority's usual terms and conditions and at a fee of \$1,688. The \$675 application fee and the \$2,500 as-built deposit have been paid.

Staff recommends approval.

I. INFRASTRUCTURE

Subject **20. Issue a distribution and/or transmission line license to Vopak Moda Houston LLC for one 2-inch fiber optic cable under and across the Port Terminal Railroad Association's Southside Mainline railroad right-of-way.**

Meeting Jul 30, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its July 30, 2020 meeting, authorize the Port Authority to issue a distribution and/or transmission line license to Vopak Moda Houston LLC for one 2-inch fiber optic cable under and across the Port Terminal Railroad Association's Southside Mainline railroad right-of-way, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Operations

Staff Contact:

Garry McMahan

Background:

Vopak Moda Houston LLC, Port Authority File 2020-0161, has applied for a distribution and/or transmission line license for one 2-inch fiber optic cable under and across the Port Terminal Railroad Association's Southside Mainline railroad right-of-way, in the George Ross Survey, A-646.

Staff Evaluation/Justification:

The application was reviewed and approved by the Port Authority's Channel Operations department and the Port Terminal Railroad Association. The license is subject to the Port Authority's usual terms and conditions and at a fee of \$1,688. The \$675 application fee and the \$2,500 as-built deposit have been paid.

Staff recommends approval.

I. INFRASTRUCTURE

Subject **21. Issue a pipeline license to Easton Energy Pipelines LLC for one 6-inch IC4 Isobutane pipeline under and across the northwest corner of the Rosa Allen Dredged Material Placement Area.**

Meeting Jul 30, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its July 30, 2020 meeting, authorize the Port Authority to issue a pipeline license to Easton Energy Pipelines LLC for one 6-inch IC4 Isobutane pipeline under and across the northwest corner of the Rosa Allen Dredged Material Placement Area, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Operations

Staff Contact:

Garry McMahan

Background:

Easton Energy Pipelines LLC, Port Authority File No. 2020-0182, has applied for a pipeline license for one 6-inch IC4 Isobutane pipeline under and across the northwest corner of the Rosa Allen Dredged Material Placement Area, in the MA Callahan & Allen Vince Survey, A-9.

Staff Evaluation/Justification:

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

Staff recommends approval.

I. INFRASTRUCTURE

Subject	22. Issue a pipeline license to Pasadena Performance Products, LLC for one 16-inch refined petroleum products pipeline under and across the Port Terminal Railroad Association's Pasadena Rail Yard.
Meeting	Jul 30, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its July 30, 2020 meeting, authorize the Port Authority to issue a pipeline license to Pasadena Performance Products, LLC for one 16-inch refined petroleum products pipeline under and across the Port Terminal Railroad Association's Pasadena Rail Yard, 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:

Pasadena Performance Products, LLC, Port Authority File No. 2020-0180, has applied for a pipeline license for one 16-inch refined petroleum products pipeline under and across the Port Terminal Railroad Association's Pasadena Rail Yard, in the William Vince Survey, A-78.

Staff Evaluation/Justification:

The application was reviewed and approved by the Port Authority's Channel Operations department and the Port Terminal Railroad Association. The license is subject to the Port Authority's usual terms and conditions and at a fee of \$14,272. The \$675 application fee and the \$2,500 as-built deposit have been paid.

Staff recommends approval.

I. INFRASTRUCTURE

Subject **23. Issue a marine construction permit to Enterprise Marine Services LLC in connection with barge fleetings at an approximately 16.14 acre submerged lands leased site in Old River.**

Meeting Jul 30, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its July 30, 2020 meeting, authorize the Port Authority to issue a marine construction permit to Enterprise Marine Services LLC in connection with barge fleetings at an approximately 16.14 acre submerged lands leased site in Old River, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Leases

Department:

Channel Operations

Staff Contact:

Garry McMahan

Background:

The Port Commission has authorized a port adjacency submerged land lease agreement (2019-0130) with Enterprise Marine Services LLC, Port Authority File No. 2020-0158. Staff has determined that a marine construction permit for the approximately 16.14 acres leased site in Old River, adjacent to Lost Lake Dredged Material Placement Area, is required as well.

Enterprise Marine Services LLC has operated a fleet service for over 10 years and has owned property in the vicinity of this project for over twelve years.

Staff Evaluation/Justification:

The application was reviewed and approved by the Port Authority's Channel Operations department. The permit is to be issued subject to the Port Authority's usual terms and conditions.

Staff recommends approval.

J. OPERATIONS

Subject	1. Approve staff's ranking of vendors and award a contract in the amount not to exceed \$595,000 for the purchase of one loaded container handling machine for Barbours Cut Terminal to the top-ranked proposer: staff ranking – first, Taylor Machine Works, Inc.; second, Briggs Equipment, Inc; and third, Lonestar Lift.
Meeting	Jul 30, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its July 30, 2020 meeting: (a) approve staff's ranking of vendors, based on the selection criteria, in the following order – first, Taylor Machine Works, Inc.; second, Briggs Equipment, Inc.; and third, Lonestar Lift; (b) award a contract to the top-ranked proposer for the purchase of one loaded container handling machine for Barbours Cut Terminal in an amount not to exceed \$595,000; (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 four loaded container handling machines manufactured by Taylor Machine Works, Inc. including three at Barbours Cut Terminal and one at Bayport Container Terminal. These units are used daily by the Maintenance and Operations departments for handling of spreader bars and relocation of jersey barriers. Of the three units at Barbours Cut Terminal, two were manufactured in 1995, and one of which has been out of service for several months due to the lack of parts availability. Staff recommends this unit be surplused.

This new machine requested by staff would be equipped with enhanced safety features, produce fewer emissions, and provide needed coverage in the swing lane.

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. Sixteen vendors downloaded the project materials from BuySpeed.

Staff Evaluation/Justification:

On May 20, 2020, four RFP responses were received and opened. The responses were reviewed and evaluated by staff in accordance with the published selection criteria. Staff identified the following vendors, listed in order of ranking, as most qualified to provide the required product:

- Taylor Machine Works, Inc.
- Briggs Equipment, Inc.
- Lonestar Forklift

Following staff Executive Committee review, staff recommends that the Port Commission award a contract to Taylor Machine Works, Inc. and act as otherwise described above.

J. OPERATIONS

Subject	2. Award a contract to ZPMC North America, Inc. for the purchase of replacement short trolley rails for four wharf cranes at Bayport Container Terminal in an amount not to exceed \$55,882.
Meeting	Jul 30, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its July 30, 2020 meeting, award a contract to ZPMC North America, Inc. for the purchase of replacement short trolley rails for four wharf cranes at Bayport Container Terminal in an amount not to exceed \$55,882, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #2 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)

Category:

Awards, Amendments & Change Orders

Department:

Maintenance

Staff Contact:

Paulo Soares

Background:

The Port Authority currently owns twelve ZPMC wharf cranes operating at its Bayport Container Terminal. Nine of these are of machinery on trolley (MOT) design, which places a significant load on trolley rails. The short trolley rails (four pieces per crane, approximately 4-ft. long each) located on the transitions between boom and girder are deteriorated on four cranes (209, 210, 211, and 214) commissioned from 2006 through 2010. This results in a significant "jolt" as the trolley crosses from boom to girder (and vice-versa) causing discomfort to the operator and electrical/mechanical problems that lead to operational downtime.

By Minute No. 2018-0626-27, the Port Commission awarded a contract to Industrial & Crane Services, Inc. for replacement of short trolley rails and Gantrex pads on six wharf cranes at Bayport Container Terminal in the amount of \$2,388,600. Some short trolley rails that were replaced under that contract are currently damaged. The staff anticipates carrying out its own replacement work in this instance.

The Port Authority notified vendors regarding its request for competitive sealed bids (CSBs) for the purchase of replacement short trolley rails for four wharf cranes at Bayport Container Terminal using the Port Authority's BuySpeed Eprocurement System and the project was advertised on the Port Authority's website and in a local newspaper.

Staff Evaluation/Justification:

On June 3, 2020, one CSB was received and opened. The response was reviewed and evaluated by staff in accordance with the published selection criteria.

Staff recommends that the Port Commission award a contract to ZPMC North America, Inc. for the purchase of replacement short rails for four wharf cranes at Bayport Container Terminal.

J. OPERATIONS

Subject	3. Award a two-year contract to Hillmar Industries Ltd., the sole source provider, for the purchase of captive replacement parts for Hillmar wheel brakes and related components for wharf cranes at Barbours Cut Terminal and Bayport Container Terminal in an amount not to exceed \$300,000.
Meeting	Jul 30, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its July 30, 2020 meeting, award a two-year contract to Hillmar Industries Ltd., the sole source provider, for the purchase of captive replacement parts for Hillmar wheel brakes and related components for wharf cranes at Barbours Cut Terminal and Bayport Container Terminal in an amount not to exceed \$300,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #2 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)

Category:

Awards, Amendments & Change Orders

Department:

Maintenance

Staff Contact:

Paulo Soares

Background:

The Port Authority currently owns a total of eighteen wharf cranes, including fifteen at Barbours Cut Terminal and three at Bayport Container Terminal, equipped with wheel/storm brakes manufactured by Hillmar Industries Ltd. of Canada. Three additional wharf cranes equipped with Hillmar brakes are scheduled to arrive at Bayport Container Terminal in 2021. These cranes are used daily for container handling operations. Therefore, the ability to expedite procurement of spare and replacement parts is critical to efficient terminal operation.

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 Hillmar Industries Ltd. is the sole authorized source of replacement Hillmar parts in the United States.

Staff recommends that the Port Authority enter into a two-year contract with Hillmar Industries Ltd. for the purchase of captive replacement parts for Hillmar wheel brakes and related components for wharf cranes, beginning on August 1, 2020 and ending on July 31, 2022. Replacement and spare parts would be purchased through this contract as needed to properly maintain these cranes and minimize operational downtime.

J. OPERATIONS

Subject	4. Award a two-year contract to EVCO Partners, LP dba Burgoon Company for the purchase of miscellaneous shop supplies for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal, using the Texas Comptroller of Public Accounts, Texas Multiple Award Schedule, in an amount not to exceed \$300,000.
Meeting	Jul 30, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its July 30, 2020 meeting, issue a purchase order to EVCO Partners, LP dba Burgoon Company for the purchase of miscellaneous shop supplies for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal, using the Texas Comptroller of Public Accounts, Texas Multiple Award Schedule, in an amount not to exceed \$300,000, determine that this procurement method provides the best value to the Port Authority, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #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. 2018-0626-29, the Port Authority awarded a two-year contract to EVCO Partners, LP dba Burgoon Company for the purchase of miscellaneous shop supplies for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal in the amount of \$300,000. Funds are nearly depleted. The Port Authority operates a total of sixteen maintenance shops at these facilities. These shops provide daily support to the Port Operations Division by maintaining equipment and facilities. Numerous supplies such as plumbing, electrical and hydraulic components, pumps, small motors, and valves are needed to properly maintain Port Authority assets.

Staff Evaluation/Justification:

Procuring these supplies through the Texas Multiple Award Schedule (TXMAS) is the method that both satisfies competitive purchase requirements and provides the best value to the Port Authority. The Director of Procurement Services has determined that the use of this procurement program provides the best value for this purchase.

Staff has determined that EVCO Partners, LP dba Burgoon Company is the vendor that best meets the Port Authority's requirements and offers the best price for miscellaneous shop supplies. EVCO Partners, LP dba Burgoon Company's pricing was reviewed and approved by the TXMAS purchasing program. Accordingly, staff recommends that the Port Commission approve this best value determination and contract.

J. OPERATIONS

Subject	5. Issue a purchase order to Briggs Equipment for the purchase of one forklift model H450HD for Barbours Cut Terminal, using the Local Government Purchasing Cooperative's BuyBoard Program, a cooperative purchase program, in an amount not to exceed \$270,494.
Meeting	Jul 30, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its July 30, 2020 meeting, issue a purchase order to Briggs Equipment for the purchase of one forklift model H450HD for Barbours Cut Terminal, using the Local Government Purchasing Cooperative's BuyBoard program, a cooperative purchase program, in an amount not to exceed \$270,494, determine that this procurement method provides the best value to the Port Authority, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #2 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)

Category:

Awards, Amendments & Change Orders

Department:

Maintenance

Staff Contact:

Paulo Soares

Background:

Forklifts are heavily utilized in the daily operation of Port Authority terminals to move equipment. The Port Authority currently owns one large 1996 forklift machine operating at its Barbours Cut Terminal. Given its many years of operation and limited remaining useful life, staff recommends that this machine be held as a backup for operation on the swing line and a new one be purchased.

Staff Evaluation/Justification:

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

The Maintenance department has determined that the best availability, price, and contract term for the item needed is provided by Briggs Equipment 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.

J. OPERATIONS

Subject	6. Issue a purchase order to Heil of Texas for the purchase of one Schwarze Model M6SE Avalanche sweeper for Barbours Cut Terminal, using the Houston-Galveston Area Council's cooperative purchase program, in an amount not to exceed \$265,000.
Meeting	Jul 30, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its July 30, 2020 meeting, issue a purchase order to Heil of Texas for the purchase of one Schwarze Model M6SE Avalanche sweeper for Barbours Cut Terminal, using the Houston-Galveston Area Council's cooperative purchase program, in an amount not to exceed \$265,000, determine that this procurement method provides the best value to the Port Authority, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #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. 2018-0416-25, the Port Authority awarded a contract to Heil of Texas in the amount of \$229,950 for the purchase of one Schwarze sweeper for Barbours Cut Terminal. This machine was damaged by falling empty containers in a wind storm on May 27, 2020. After a preliminary inspection, estimated cost of repairs was determined to be \$162,600.95, not including potential damages to chassis, frame, or other unrevealed component damage, which could increase repair cost to \$200,000. Staff recommends that this damaged unit be surplussed and that one Schwarze Model M6SE Avalanche sweeper be purchased. Sweepers are heavily utilized on a daily basis throughout the terminal.

Staff Evaluation/Justification:

The Director of Procurement Services has determined that procuring a sweeper through the purchasing program of Houston-Galveston Area Council (H-GAC) is the method that both satisfies competitive purchase requirements and provides the best value to the Port Authority.

The Maintenance department has determined that the best availability, price, and contract term for the item needed is provided by Heil of Texas under the pricing schedule obtained from that vendor's contract with H-GAC, and is therefore recommending this purchase.

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

J. OPERATIONS

Subject	7. Issue a purchase order to ASCO Equipment for the purchase of one Genie S-40 telescopic boom manlift with no jib and one Genie S-85 telescopic boom manlift with jib for Barbours Cut Terminal, using Local Government Purchasing Cooperative's BuyBoard, a cooperative purchase program, in an amount not to exceed \$202,860.
Meeting	Jul 30, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its July 30, 2020 meeting, issue a purchase order to ASCO Equipment, using Local Government Purchasing Cooperative's BuyBoard, a cooperative purchase program, for the purchase of one Genie S-40 telescopic boom manlift with no jib and one Genie S-85 telescopic boom manlift with jib for Barbours Cut Terminal in an amount not to exceed \$202,860, determine that this procurement method provides the best value to the Port Authority, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #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 five telescopic boom manlifts in operation at its Barbours Cut Terminal. These units are utilized by Maintenance and Information Technology (IT) personnel to service and maintain fifteen wharf cranes, fifty RTG cranes, IT hardware, and terminal lights on high mast poles. Additionally, three wharf cranes will arrive at this facility from Bayport Container Terminal in 2021. The oldest telescopic boom manlift currently onsite is a 2004 model Genie, which is no longer reliable or suitable for safe operation. Staff recommends that this unit be replaced with an 80-foot telescopic boom manlift and the Port Authority additionally acquire a 40-foot telescopic boom manlift for daily operational support.

Staff Evaluation/Justification:

The Director of Procurement Services has determined that procuring telescopic boom manlifts through the Local Government Purchasing Cooperative's (LGPC) BuyBoard is the method that both satisfies competitive purchase requirements and provides the best value to the Port Authority. This cooperative is administered by the Texas Association of School Boards.

The Maintenance department has determined that the best availability, price, and contract term for the item needed is provided by ASCO Equipment under the pricing schedule obtained from that vendor's contract with LGPC's BuyBoard, and is therefore recommending this purchase.

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

J. OPERATIONS

Subject	8. Issue a purchase order to Doggett Heavy Machinery for purchase of a John Deere 650K Crawler Dozer, using Sourcewell, a cooperative purchase program, in an amount not to exceed \$170,000.
Meeting	Jul 30, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its July 30, 2020 meeting, issue a purchase order to Doggett Heavy Machinery for purchase of a John Deere 650K Crawler Dozer, using Sourcewell, a 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.
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:

The Port Authority is seeking to obtain a John Deere 650K Crawler dozer. The Port Authority's current 1958 CAT D6 (unit #94) is over 60 years old and does not align with the Port Authority's environmental stewardship goals. Due to age, wear and tear of operations, it has become costly to maintain and occasionally, we must rent an additional dozer to keep up with the high demand of work orders.

Staff Evaluation/Justification:

The Director of Procurement Services has determined that procuring the John Deere 650K Crawler dozer through the Sourcewell cooperative purchasing program (formerly the National Joint Purchasing Alliance) is the method that both satisfies competitive purchase requirements and provides the best value to the Port Authority.

The Maintenance department has determined that the best availability, price, and contract term for the item needed is provided by Doggett Heavy Machinery under the pricing schedule obtained from that vendor's contract with Sourcewell, and is therefore recommending this purchase.

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

J. OPERATIONS

Subject **9. Issue a purchase order to Texas Pride Marketing for the purchase of a Mobile Column Lift system for Turning Basin Terminal, using the Local Government Purchasing Cooperative's BuyBoard Program, in an amount not to exceed \$72,000.**

Meeting Jul 30, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its July 30, 2020 meeting, issue a purchase order to Texas Pride Marketing for the purchase of a Mobile Column Lift system for Turning Basin Terminal, using the Local Government Purchasing Cooperative's BuyBoard Program, in an amount not to exceed \$72,000, 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 Port Authority currently does not own a heavy equipment lift at Turning Basin Terminal; instead, an overhead crane is used for lifting heavy equipment. Staff has concluded that a safer alternative would be using a lift system designed to carry loads over to work stations. This would also free up the overhead crane for other maintenance work.

Staff Evaluation/Justification:

The Director of Procurement Services has determined that procuring the heavy-duty Mobile Column Lift system through the BuyBoard Cooperative Purchasing Program is the method that both satisfies competitive purchase requirements and provides the best value to the Port Authority.

The BuyBoard website listed several pre-approved providers of equipment. Central Maintenance staff looked at several such providers and determined that the Mobile Column Lift system is the model that best meets the Port Authority's requirements, and that Texas Pride Marketing is the vendor with the best price for that model, and its pricing for the selected model was reviewed and approved by BuyBoard.

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

J. OPERATIONS

Subject	10. Ratify an emergency purchase for COVID-19 testing from UTMB Health for \$75,000 and authorize additional purchase order funding for continuing pandemic response services with Workplace Safety Screenings for \$400,000 and Ambassador Services, LLC for \$450,000.
Meeting	Jul 30, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its July 30, 2020 meeting, ratify an emergency purchase for COVID-19 testing from The University of Texas Medical Branch at Galveston d/b/a UTMB Health (UTMB Health), and authorize additional purchase order funding for continuing pandemic response services with Workplace Safety Screenings for \$400,000, and Ambassador Services, LLC for \$450,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #2 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)

Category:

Awards, Amendments & Change Orders

Department:

Port Operations

Staff Contact:

Paulo Soares

Background:

The COVID-19 pandemic continues to impact Port Authority operations and employees and require staff to make emergency purchases, including temperature screening and emergency cleaning services.

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

At its May meeting, the Port Commission ratified a number of previous procurements that totaled more than \$50,000. It also approved additional emergency funding, including funds for the Workplace Safety Screenings firm.

- On April 7 the firm was previously issued an emergency purchase order for \$310,000 to perform temperature screenings at Port Authority terminals.
- At the April meeting the Port Commission ratified a total of \$680,000, that is expected to last until the end of May.
- At the May meeting the Port Commission ratified a total of \$1,400,000, that is expected to last until the end of August.
- Staff anticipates that an additional \$400,000 will be needed to continue these services until the end of September.

Separately, Ambassador Services, LLC provides general cleaning services at the container terminals pursuant to two contracts totaling \$800,000 that were previously approved by the Port Commission.

However, since mid-March, additional services have been provided by the firm on a weekly basis, for disinfecting and sanitizing both facilities.

- Approximately \$546,169 has been spent (through June 26) on such services.
- Staff anticipates that an additional \$450,000 will be needed to continue these services until the end of September 2020, in addition to the currently remaining \$367,000 authorized for the firm's regular services.

Staff Evaluation/Justification:

Accordingly, staff requests that the Port Commission ratify a purchase for COVID-19 testing from UTMB Health under Water Code Section 60.4035(a)(1).

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

- Workplace Safety Screenings - \$400,000 for temperature screenings, and
- Ambassador Services, LLC - \$450,000 for disinfecting and sanitizing.

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

J. OPERATIONS

Subject	11. Amend the Freight Handling Assignment Agreements for terminal services at the Turning Basin Terminal to extend the term of the agreement through December 31, 2020.
Meeting	Jul 30, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission at its July 30, 2020 meeting, extend the current Freight Handling Assignment Agreements at the Turning Basin Terminals for an additional term of four months effective September 1, 2020 and waive the guaranteed minimum tonnages during the extension period, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:
General

Department:
Operations

Staff Contact:
Jeff Davis

Background:

By Minute No. 2017-0524-34, the Port Commission authorized entering into Freight Handling Assignment Agreements for terminal services at the Turning Basin Terminal.

Cargo handling services at the public facilities are performed by stevedores working in assigned locations under Freight Handling Assignment Agreements (Agreements) with the Port Authority. The Agreements set forth the terms and conditions under which the stevedores perform freight handling services at the assigned facilities. Pursuant to the Agreements, the stevedores also guarantee to handle minimum tonnages or pay specified revenue amounts, based upon the square footage of the assigned areas. Port Authority staff considers the projected cargo volumes of the stevedores in evaluating and recommending stevedores for assignment of particular facilities.

By Minute No. 2020-0520-35, the Port Commission authorized Freight Handling Assignments at the Turning Basin Terminals were extended for an additional three-month period for further evaluation; the guaranteed minimum tonnages would not be applied.

Staff Evaluation/Justification:

Port Authority staff has reviewed and evaluated the current freight handling assignments and future needs of the Port Authority and recommends extending the term of the Freight Handling Assignments at the Turning Basin Terminals for an additional four-month period totaling a seven-month extension for further evaluation through December 31, 2020. During these additional three months it is recommended that the guaranteed minimum tonnages not be applied.

J. OPERATIONS

Subject **12. Approve a Marine Terminal Service Agreement between the Port Authority and Ocean Network Express Pte. LTD.**

Meeting Jul 30, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its July 30, 2020 meeting, approve a Marine Terminal Service Agreement between the Port Authority and Ocean Network Express Pte. LTD. for a term of ten years with an option to renew for an additional five years, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:
General

Department:
Operations

Staff Contact:
Jeff Davis

Background:
Ocean Network Express Pte. LTD. (ONE) is party to an amended and restated Marine Terminal Services Agreement with an approval date of August 2, 2010, identified as FMC Agreement No. 201208-002, which ONE assumed via assignment from Nippon Yusen Kaisha on April 1, 2018. The assignment was approved by Minute No. 2018-0416-33.

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

M. TECHNOLOGY

Subject	1. Approve staff's ranking of vendors and award a professional services contract in an amount not to exceed \$551,400 for JDEdwards Configurable Network Computing support, payable over five years to the top-ranked proposer: staff ranking – first, ManageForce Corporation; second, Smartbridge, LLC ; and third, Cyret Technologies Inc.
Meeting	Jul 30, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its July 30, 2020 meeting: (a) approve staff's ranking of vendors, based on the selection criteria, in the following order – first, ManageForce Corporation; second, Smartbridge, LLC ; and third, Cyret Technologies Inc. ; (b) award a contract to ManageForce Corporation, the top-ranked proposer for JDEdwards Configurable Network Computing support in an amount not to exceed \$551,400; (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 Objective 2c. - Enhance efficiency and resilience through innovative technology and other means

Category:
Awards, Amendments & Change Orders

Department:
Information Technology

Staff Contact:
Christopher Brown

Background:
The Port Authority is seeking to obtain managed Configurable Network Computing support for the JDEdwards Enterprise Resource Planning software, to monitor and maintain its operating efficiencies through tuning and the application of software patches. Services are provided upon demand following established service level agreements.

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

Staff Evaluation/Justification:

On June 10, 2020, five RFP responses were received and opened. The responses were reviewed and evaluated by staff in accordance with the selection criteria published in the RFP. Staff identified the following vendors, listed in order of ranking, as most qualified to provide the required services:

- ManageForce Corporation
- Smartbridge, LLC
- Cyret Technologies Inc.

Following staff Executive Committee review, staff recommends that the Port Commission award a contract to ManageForce Corporation for managed services for JDEdwards Configurable Network Computing support.

M. TECHNOLOGY

Subject **2. Issue a purchase order to Red River Technology LLC for purchase of Information Technology network hardware, software, and associated peripherals to replace network hardware as part of the Information Technology master plan for calendar years 2020-2021, using Texas Department of Information Resources' cooperative purchase program, in an amount not to exceed \$710,000.**

Meeting Jul 30, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its July 30, 2020 meeting, issue a purchase order to Red River Technology LLC for the purchase of Information Technology (IT) network hardware, software, and associated peripherals to replace network hardware as part of the IT master plan for calendar years 2020-2021, using Texas Department of Information Resources' cooperative purchase program, in an amount not to exceed \$710,000, determine that this procurement method provides the best value to the Port Authority, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Goals Strategic Objective 4d. - Support sustainable growth of Port Houston and the greater Port

Category:

Awards, Amendments & Change Orders

Department:

Information Technology

Staff Contact:

Ron Farrow

Background:

Port Authority staff seeks approval to purchase IT network hardware, software, and associated peripherals to replace network hardware as part of the IT master plan, for the calendar years 2020-2021. 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 for this purpose.

Staff Evaluation/Justification:

The Director of Procurement Services has determined that procuring this IT network hardware, software, and associated peripherals through the Texas Department of Information Resources' (DIR) purchasing program 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 Red River Technology 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 best value determination and contract.

M. TECHNOLOGY

Subject	3. 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 \$70,568.
Meeting	Jul 30, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its July 30, 2020 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 infrastructure, using Texas Department of Information Resources' cooperative purchase program, in an amount not to exceed \$70,568, determine that this procurement method provides the best value to the Port Authority, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	<p>Strategic Objective 2c. - Enhance efficiency and resilience through innovative technology and other means</p> <p>Strategic Objective 1c. - Deliver excellence and continuous improvement in all core functions</p>

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 Authority with email information security and email archiving for record retention purposes, historical searches, and public record requests. The Port Authority has been utilizing Mimecast application and services for almost four 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 for this purpose.

Staff Evaluation/Justification:
The Director of Procurement Services has determined that procuring Mimecast licenses and maintenance through the Texas Department of Information Resources' (DIR) purchasing program 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 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.

M. TECHNOLOGY

Subject 4. Issue a purchase order to NWN Corporation for purchase of the Netapp data storage maintenance renewal using National 18/056KD-44 HCDE Choice Partners, in an amount not to exceed \$350,000.

Meeting Jul 30, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its July 30, 2020 meeting, issue a purchase order to NWN Corporation for purchase of the Netapp data storage maintenance renewal, using Harris County Department of Education's Choice Partners, a cooperative purchase program, in an amount not to exceed \$350,000, determine that this procurement method provides the best value to the Port Authority, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Goals Strategic Objective 2c. - Enhance efficiency and resilience through innovative technology and other means

Category:

Awards, Amendments & Change Orders

Department:

Information Technology

Staff Contact:

Ron Farrow

Background:

The Port Authority is seeking to obtain approval to purchase the Netapp data storage maintenance renewal using National 18/056KD-44 HCDE Choice Partners, and has cooperative purchasing programs which may be used by the Port Authority for this purchase.

Staff Evaluation/Justification:

The Director of Procurement Services has determined that procuring the Netapp data storage maintenance renewal through the National 18/056KD-44 HCDE Choice Partners purchasing program 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 NWN Corporation under the pricing schedule obtained from that vendor's contract with National 18/056KD-44 HCDE Choice Partners, 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 Smart-Tecs, the sole source provider, for the purchase of spare parts for the Gate Operating System environment in an amount not to exceed \$57,000.**

Meeting Jul 30, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its July 30, 2020 meeting, issue a purchase order to Smart-Tecs, the sole source provider, for the purchase of spare parts for the Gate Operating System (GOS) environment in an amount not to exceed \$57,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Goals Strategic Objective 2c. - Enhance efficiency and resilience through innovative technology and other means

Category:

Awards, Amendments & Change Orders

Department:

Information Technology

Staff Contact:

Ron Farrow

Background:

The Port Authority currently utilizes Smart-Tecs as their GOS provider to maintain and support all components with the GOS environment. Purchasing these spare parts directly from Smart-Tecs ensures that all components are supported by Smart-Tecs and would continue to be supported in the event there would be any issues with these components. In addition to the support of these devices by Smart-Tecs, any installation assistant or warranty work would be handled directly with Smart-Tecs technical 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 the manufacturer confirming that Smart-Tecs is the sole authorized source of replacement parts in the United States.

Staff recommends the Port Commission approve the purchase order to Smart-Techs for the purchase of spare parts for the GOS environment.