

I N D E X

PORT COMMISSION
OF THE
PORT OF HOUSTON AUTHORITY
OF THE PORTS OF HARRIS COUNTY, TEXAS
March 21, 2022

Minute No.

Event/Action

General

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

Minutes

2022-0321-01 Approve the minutes of the February 24, 2022 Port Commission meeting

Staff Reports

2022-0321-02 Roger Guenther, Executive Director, presented a summary of selected financial and operational matters

Appearances

2022-0321-03(a) Chairman Campo recognized Michelle Aseltine, Membership Director, Associated Builders and Contractors Houston, who introduced Bill Brown, Austin Commercial, LP, and Darryl Samuels, D. Samuels & Associates, LLC; Mr. Brown addressed the Port Commission and presented a plaque

2022-0321-03(b) Chairman Campo recognized Jillian Day, Director of Development, Houston Zoo, who addressed the Port Commission

F. Executive

2022-0321-04 Staff Report – Selected agenda items – Tom Heidt, Chief Operating Officer

2022-0321-05 Enter into a professional services contract with Michael Toomey for state governmental policy consulting and support

2022-0321-06 Enter into a professional services contract with Brown Consulting for state governmental policy consulting and support

2022-0321-07 Authorize an interlocal agreement with the Harris County Flood Control District and City of Houston to support further development of the proposed Galveston Bay Park Plan

Minute No.

Event/Action

G. Business Equity

- 2022-0321-08 Staff Report – Selected agenda item – Maxine Buckles, Chief Business Equity Officer
- 2022-0321-09 Issue a purchase order to B2Gnow, the sole source provider, for the purchase of annual software services for the B2Gnow Diversity Management Compliance system

H. Commercial

- 2022-0321-10 Staff Report – Selected agenda items – John Moseley, Chief Commercial Officer
- 2022-0321-11 Approve a lease for a one-year term with a one-year renewal option with Watco Transloading, L.L.C. for approximately 22.58 acres at the Port Authority’s Block 20, Industrial Park East, effective no earlier than May 1, 2022, at an annual base rent of approximately \$914,903.64, subject to annual base rent escalation of the greater of 3% or the increase in the Consumer Price Index, upon the election of the one-year renewal option
- 2022-0321-12 Approve a lease for a one-year term with three one-year renewal options with Houston Refining LP for approximately 24.7 acres at the Port Authority’s Block 1, Rosa Allen, effective no earlier than April 1, 2022, at an annual base rent of approximately \$993,532.80, subject to annual base rent escalation of the greater of 3% or the increase in the Consumer Price Index upon the election of each one-year renewal option
- 2022-0321-13 Approve an amendment to the lease with Houston Terminal LLC in the Bayport Container Terminal Stevedore Support Building No. 2 to increase the leased premises area to 2,257 square feet, effective no earlier than April 1, 2022, at a combined annual base rent of approximately \$67,857.95, subject to annual base rent escalation of 3%

I. Finance

- 2022-0321-14 Staff Report – Selected agenda items – Tom Heidt, Chief Operating Officer
- 2022-0321-15 Award a contract to Draeger, Inc. for the purchase of Draeger Escape Hoods for Port Authority personnel working at Barbours Cut Terminal and Bayport Container Terminal
- 2022-0321-16 Approve a “Resolution Approving A Third Supplemental Resolution Establishing The Port Of Houston Authority Third Lien Revenue Extendible Commercial Paper Program; And Authorizing Other Matters

Minute No.

Event/Action

Relating Thereto,” and related matters in connection with a \$300,000,000 Third Lien Extendible Commercial Paper Program

J. Infrastructure

2022-0321-17 Staff Report – Selected agenda items – Rich Byrnes, Chief Infrastructure Officer

2022-0321-18 Approve staff’s ranking of vendors and award two professional services contracts, each in an amount not to exceed \$2,500,000, for a three-year term, at Barbours Cut Complex and Bayport Complex to the top ranked proposers: staff ranking – first, AECOM Technical Services, Inc.; second, Moffatt & Nichol; third, WSP USA, Inc.; and fourth, HATCH Associates Consultants, Inc.

Port Commission adopted the staff-recommended ranking and authorized award

2022-0321-19 Approve staff’s ranking of vendors and award a two-year services contract for the maintenance of dredged material placement areas to the top-ranked proposer: staff ranking – first, Yellowstone Landscape-Central Inc.; and second, Ursa Corporation dba Great Bear Construction

Port Commission adopted the staff-recommended ranking and authorized award

2022-0321-20 Award a construction contract to Diversified Fall Protection System, the sole source provider, for the replacement of the fall protection system within GEON Performance Solutions, LLC's property, in connection with the rail spur project at Bayport Container Terminal

2022-0321-21 Amend the professional services contract with Freese and Nichols, Inc. to perform services for the design to rehabilitate the dredge pipe sleeve upstream of Wharf 18 at Turning Basin Terminal

2022-0321-22 Issue a transmission line license to CenterPoint Energy Houston Electric, LLC for one 138kV transmission line over and across the Southside Mainline railroad right-of-way

2022-0321-23 Issue a transmission line license to CenterPoint Energy Houston Electric, LLC for one 35kV transmission line over and across Goose Creek

2022-0321-24 Issue a transmission line license to Crown Castle Fiber, LLC for one 4-inch innerduct with one fiber optic cable line within, under and across the Northside Mainline railroad right-of-way

<u>Minute No.</u>	<u>Event/Action</u>
2022-0321-25	Issue a marine construction permit to 14000 Industrial Holdings, LLC for dredging and a phased barge fleeting project in Greens Bayou
	K. Operations
2022-0321-26	Staff Report – Selected agenda items – Jeff Davis, Chief Operations Officer
2022-0321-27	Award a two-year contract to Southern Tire Mart, LLC for the purchase of tire repair services for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal
2022-0321-28	Issue a purchase order to Caldwell Country Chevrolet for the purchase of forty-four vehicles needed by Barbours Cut Terminal, Bayport Container Terminal, Port Police, and the Central Maintenance, Information Technology, Project and Construction Management, Safety, and Security departments, using Local Government Purchasing Cooperative's BuyBoard, a cooperative purchase program
2022-0321-29	Award a contract to Konecranes, Inc., the sole source provider, for the replacement of festoon system on three wharf cranes at Bayport Container Terminal
2022-0321-30	Award a contract to Konecranes, Inc., the sole source provider, for the upgrade of crane management systems for twenty-seven Kone cranes at Barbours Cut Terminal and Bayport Container Terminal
2022-0321-31	Approve a change order with Apache Oil Company for the purchase of grease and miscellaneous engine, transmission, and hydraulic oils for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal
2022-0321-32	Approve an amendment of the lease between the Port Authority and Empire Stevedoring (Houston) Inc. (Empire) dated April 1, 2017, extending the lease for an additional five years, and approve an amendment to the Freight Handling Assignment Agreement between Empire and the Port Authority with a commencement date of April 1, 2017 extending the Freight Handling Assignment Agreement for a period of five years
2022-0321-33	Enter into a Marine Terminal Services Agreement with COSCO SHIPPING LINES (North America) Inc. acting on behalf of COSCO SHIPPING Lines Co., Ltd., and OOCL (USA) Inc. acting on behalf of Orient Overseas Container Line, Ltd.
2022-0321-34	Authorize and ratify the Port Authority notice published on March 3, 2022 regarding dockage charges and practices to reduce vessel queuing at the anchorage

Minute No.

Event/Action

L. People (no items)

M. Security and Emergency Operations

2022-0321-35 Staff Report – Selected agenda items – Marcus Woodring, Chief Port Security and Emergency Operations Officer

2022-0321-36 Issue a purchase order to Motorola Solutions for purchase of Land Mobile Radio equipment for the Fire Department, using the Houston-Galveston Area Council’s cooperative purchase program, in an amount not to exceed \$303,000, with an estimated net cost after Federal Emergency Management Agency Port Security Grant reimbursement, of \$75,750

2022-0321-37 Issue a purchase order to Cavender Grande Ford for the purchase of one Ford F-350 Rescue HAZMAT Truck, including outfitting by Siddons Martin Emergency Group, LLC using the Houston-Galveston Area Council Cooperative Purchasing Program

2022-0321-38 Renew a Memorandum of Understanding with the Galveston Fire Department to provide Marine Firefighting Mutual Aid for a five-year period

N. Technology

2022-0321-39 Staff Report – Selected agenda items – Charles Thompson, Chief Information Officer

2022-0321-40 Issue a purchase order to Xennex, LLC for purchase of replacement data storage and increased redundancy, using Texas Department of Information Resources cooperative purchase program

2022-0321-41 Issue a purchase order to Netsync Network Solutions for purchase of VMWare annual software licensing and software support, using Texas Department of Information Resources’ cooperative purchase program

Recess Open Meeting and Convene Executive Session

Reconvene Open Meeting

2022-0321-42 Motion to authorize the Port Authority to amend the agreements for legal services with (a) Ahmad, Zavitsanos, Anaipakos, Alavi & Mensing P.C. and (b) Best Best & Krieger LLP on the terms discussed in Executive Session, and to authorize the Chief Legal Officer to do all things necessary to give effect to the foregoing

Minute No.

Event/Action

2022-0321-43

Motion to authorize the Port Authority to approve a deferred compensation agreement with Roger Guenther on the terms discussed in Executive Session, and authorize the Chairman and Chief Legal Officer to do any and all things necessary to give effect to the foregoing

Closing Remarks by Chairman and Commissioners

Adjourn Meeting

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

**Houston, Texas
March 21, 2022**

A public meeting of the Port Commission of the Port of Houston Authority of Harris County, Texas was convened on March 21, 2022, at 9:15 a.m., at the Port of Houston Authority Executive Offices, Fourth Floor Boardroom, at 111 East Loop North, Houston, Texas 77029, and via Cisco WebEx. The following commissioners, staff, and counsel were present:

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

Chairman Campo began his opening remarks by describing his recent tour of Port Everglades in Fort Lauderdale. The channel at Port Everglades was only 300 or 400 yards long and the ocean was over 400 feet deep upon egress of the channel and has only about ten pilots compared to the 90 serving the Houston Ship Channel. In summary, its operations were very different from those at the 52-mile-long Port of Houston channel.

Commissioner Fitzgerald recognized Mr. Guenther and his recent nomination by the Maritime Association of New York and New Jersey to the International Hall of Fame, a great honor for him and the Port Authority.

Chairman Campo concluded his remarks by noting that March was Women's History Month. He acknowledged Commissioners Cloonan and Creuzot for serving on the Port Commission and emphasized the importance of gender diversity in quality decision making.

(2022-0321-01) Chairman Campo called for a motion to approve the minutes of the February 24, 2022 Port Commission meeting. Commissioner Corgey moved for approval, seconded by Commissioner Fitzgerald. The minutes were approved as written.

(2022-0321-02) Roger Guenther, Executive Director, presented a summary of selected financial and operational matters:

Mr. Guenther shared operation results that reflected the continued active flow of cargo across the public facilities.

- There was continued substantial demand at the Port Authority's multipurpose facilities for handling general and breakbulk cargo.
- Tonnage across the facilities, totaling 1.3 million tons through February, was more than two and a half times that of the first two months of 2021.
- Steel imports were a major driver, with more than 900,000 tons in the first two months of 2022.
- Container trade demand through the Bayport and Barbours Cut Container Terminals was still at record levels.
- Overall container volume was 30% more than the first two months of 2021.
- Loads were up 15%, which meant that empty container volume was up tremendously.

Mr. Guenther explained that the trend was expected to continue, according to Port Authority customers, for the remainder of the year. The high demand placed challenges on the Port Authority, and staff was providing users with new resources to keep cargo moving efficiently during the historic peak volume levels. While the overall volume of containers handled was up 30%, capacity had been cut in half due to increased container dwell times at the terminals. Mr. Guenther commended staff for remaining vigilant in working with Port Authority carriers, stevedores, labor, and customers to move freight as quickly as possible.

The Port Authority had also accelerated its investment the past few years and was doubling down on opportunities to create short-, near-, and long-term capacity, to keep freight moving through the Port of Houston.

Mr. Gunther continued his remarks by sharing his thoughts on sustainable growth. The Port Authority had done a lot already as it focused on "environmental, social, safety, and governance" (ES2G) matters over the past twenty years, with lots of investments in sustainability. In 2021 the Port Authority pivoted from its past work to a new focus on sustainability and business equity and diversity, equity, and inclusion (DEI), to deliver meaningful and measurable results.

Mr. Guenther remarked that the plan for 2022 was more of the same: delivering planned projects plus stepping up the game to "lead, partner, support." More specifically, the Port Authority was in dialog with the rest of industry, as well as policy makers, on these matters.

The Port Authority would be sponsoring the upcoming Port of the Future conference for the third year in a row, to discuss these ideas with vessel owners, technology entrepreneurs, manufacturers, trucking lines, channel industries, and cargo owners, to see how all can make and support practical change for sustainability in the region.

Mr. Guenther commented that the Port Authority had been working with the Environmental Defense Fund (EDF) and the Healthy Port Communities Coalition, and that support, and those ideas, were needed to help the Port Authority achieve the region's goals.

Mr. Guenther concluded with the announcement that the Port Authority would be committed to a zero emissions target, and a net-zero carbon footprint by 2050. Staff would work diligently to define the pathway and process to start at many levels, including equipment at the terminals and tenants using Port Authority facilities.

(2022-0321-03) Appearances

(a) Chairman Campo recognized Michelle Aseltine, Membership Director, Associated Builder and Contractors Houston, who introduced Bill Brown, Austin Commercial LP, and Darryl Samuels, D. Samuels & Associates, who addressed the Port Commission.

Mr. Brown remarked that he had met with Commissioner DonCarlos the previous year to provide insight and offer help to collaborate on diversity and inclusion efforts. He looked to the Port Authority as an example, meeting with Mr. Guenther and Commissioner Cloonan. He would be working with the Port Authority on diversity and inclusion, and support from a business perspective. Mr. Brown presented the Port Authority with a member plaque.

(b) Chairman Campo recognized Jillian Day, Director of Development, Houston Zoo, who addressed the Port Commission.

Ms. Day introduced her colleague, Nick Espinosa, who provided a presentation on the Houston Zoo's strategic and business plan. As part of its centennial celebrations the zoo would be launching a new Galapagos Islands exhibit that would include a herd of tortoises and a new area for sea lions. The key message behind the exhibit was that there was one ocean, and that Houston waterways impacted the water in the Galapagos. The zoo was near the end of its fundraising campaign, with only \$3 million left to raise of the \$150 million needed. Mr. Espinosa invited the Port Commission to visit the zoo and see the site's progress.

Chairman Campo remarked that it was a great project and congratulated Mr. Espinosa on being so close to the goal, and mentioned that the Houston Zoo had been part of the community grants program two years before.

(2022-0321-04) Chairman Campo recognized Tom Heidt, Chief Operating Officer, to provide a report of selected Executive agenda items.

Mr. Heidt discussed Item F3, the authorization of an interlocal agreement with the Harris County Flood Control District and the City of Houston to support further development of the proposed Galveston Bay Park Plan. The Port Commission, at the September 29, 2020 meeting, had approved a \$250,000 challenge grant to the SSPEED Center. Staff had been informed that the Harris County Flood Control District, the City of Houston, and a private donor were prepared to provide the additional \$750,000. The agreement would allow the money to go to the City of Houston for dispersal to the SSPEED Center.

Commissioner DonCarlos questioned whether the Port Authority was bound to any funds besides the \$250,000 already committed. Mr. Heidt stated that only the \$250,000 previously authorized by the Port Commission were committed.

Commissioner Mease asked if the SSPEED Center had come up with pledges or the actual money. He wanted to ensure the pledged money was on deposit before the Port Authority released its portion of the commitment.

Mr. Eriksson responded that the city and county raised that point as well, and the agreement was set up to address the concern voiced by Commissioner Mease. The city and county would most likely have the item on both their next agendas. The City of Houston would also have a separate agreement with the SSPEED Center that would require the SSPEED Center to have the money in hand.

Commissioner Mease emphasized that Chambers County was still opposed to the plan and thought it was a waste of money. He commented that the project could not be engineered for the sum of money that had been committed, and he was personally opposed to the plan.

Mr. Eriksson noted that the scope was to provide preliminary engineering for the plan, more akin to the feasibility study done for Project 11.

Commissioner Mease asked if there would be an accounting as to how the total \$1 million was spent by the SSPEED Center. Mr. Eriksson answered in the affirmative.

(2022-0321-05) RCA F1 was presented, moved by Commissioner Corgey, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA F1 PASSED.

(2022-0321-06) RCA F2 was presented, moved by Commissioner Corgey, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA F2 PASSED.

(2022-0321-07) RCA F3 was presented, moved by Commissioner Corgey, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA F3 PASSED.

(2022-0321-08) Chairman Campo recognized Maxine Buckles, Chief Business Equity Officer, to provide a report of selected agenda items.

Ms. Buckles explained that the sole item on the agenda under Business Equity was for the purchase of annual software services for the B2Gnow Diversity Management Compliance system. Additional modules had been added, which pushed the amount over \$50,000 and required Port Commission approval.

(2022-0321-09) 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.

(2022-0321-10) Chairman Campo recognized John Moseley, Chief Commercial Officer, to provide a report of selected agenda items.

Mr. Moseley gave a brief update on his division. The Real Estate department was reviewing its leases to maintain market competitiveness while supporting future growth.

He added that staff had recently attended the Retail Industry Leaders Association conference and met with beneficial cargo holders interested in using the Port of Houston as a gateway. Last month, three new industrial park sites totaling 900 acres were begun for speculative development as import warehouses.

Trade Development was talking to customers on a daily basis to listen, inform, and educate, while Marketing was collaborating with all department in the Port Authority to ensure consistency and effectiveness of communications. New campaigns centered around sustainability were being prepared.

Mr. Moseley highlighted agenda Item H2, a request for a one-year term lease with three one-year renewal options with Houston Refining for 24.7 acres. A consent for the Port Authority to sublease the property in accordance with the terms of the lease was included. The Port Commission previously approved a three-year lease with Houston Refining for the same property, however, due to the extenuating circumstances that Houston Refining's plant had been placed on the market, the lease was never executed.

Commissioner Fitzgerald question Item H1. He noted that Watco operated a competing terminal and questioned if it was leasing land only to load and unload vessels at its terminal. Mr. Moseley answered that the volume serviced at the leased premises would be crossing Port Authority docks.

(2022-0321-11) RCA H1 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 H1 PASSED.

(2022-0321-12) RCA H2 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 H2 PASSED.

(2022-0321-13) RCA H3 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 H3 PASSED.

(2022-0321-14) Chairman Campo recognized Mr. Heidt to provide a report of selected Finance agenda items.

Mr. Heidt announced that the Government Finance Officers Association had awarded the Port Authority a certificate of achievement for excellence in financial reporting for the 47th year in a row. Mr. Heidt and the Port Commission congratulated Curtis Duncan, Controller and staff – Larry Bischof, Manager, Financial Accounting, Patricia Borjas, Accountant 3, Marilyn Bundage, Accountant 3, Tonya Lewis, Accountant 2, Nessie Ramirez, Accountant 2, Juan Rodriguez, Accountant 2, Magda Salinas, Accountant 2, and Matthew Szabo, Accountant 1 – on the achievement.

Mr. Heidt reported on Item I2, approval of a resolution approving a third supplemental resolution establishing the Port of Houston Authority Third Lien Revenue Extendible Commercial Paper Program. This fell in line with what the Port Authority had been doing throughout the past year – in July 2021 the Port Commission authorized the creation of teams for financing and in September 2021, a master resolution was approved. Item I2 would be the third supplemental resolution to the master resolution.

Mr. Heidt stated that the Port Authority did not anticipate releasing any of the commercial paper, but it was needed to have the award capabilities for the next phase of Project 11. The program needed to be established in order for the Port Authority to continue its day-to-day business.

Chairman Campo congratulated the team for the timing on the quarter billion bond transaction. Interest rates had increased approximately 30 basis points in the past eight weeks while spreads had widened out 60 to 100 basis points on certain kinds of paper, and so the rates would have been much higher on those bonds had the transaction taken place at the present time.

(2022-0321-15) RCA I1 was presented, moved by Commissioner Mease, seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners Cloonan, Corgy, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA I1 PASSED.

(2022-0321-16) RCA I2 was presented, moved by Commissioner Mease, seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners, Corgy, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Commissioner Cloonan abstained. Nays none. RCA I2 PASSED.

(2022-0321-17) Chairman Campo recognized Rich Byrnes, Chief Infrastructure Officer, to provide a report of selected agenda items.

Mr. Byrnes announced that there were eight items on the agenda, focusing on Items J1 and J2. Item J1 was to award two contracts for professional services for accelerating master planning and engineering design at the Barbours Cut and Bayport Container Terminals, noting that there were a lot of complexities in the design, such as dredged material placement. He added that both winning companies agreed to comply with the Port Authority's Business Equity Program and had already contracted with the Port Authority on other projects.

Item J2 pertained to the maintenance of dredged material placement sites. The contract included four annual lawn mowing services for the boundary areas with an option for a fifth.

Commissioner Creuzot queried why there was such a disparity between the two bids for Item J2. Mr. Byrnes answered that the winning bidder was the incumbent and understood the nature of the work.

Mr. Heidt added that the Port Authority would reach out to the second bidder and explain in an effort to get a better bid the next time.

(2022-0321-18) RCA J1 was presented. Commissioner Mease moved for staff's ranking of vendors - first, AECOM Technical Services, Inc.; second, Moffatt & Nichol; third, WSP USA, Inc.; and fourth, HATCH Associates Consultants, Inc., seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners Cloonan, Corgy, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J1 PASSED.

(2022-0321-19) RCA J2 was presented. Commissioner Mease moved for staff's ranking of vendors - first, Yellowstone Landscape-Central Inc.; and second, Ursa Corporation dba Great Bear Construction, seconded by Commissioner Fitzgerald, Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J2 PASSED.

(2022-0321-20) RCA J3 was presented, moved by Commissioner Mease, seconded by Commissioner Fitzgerald, Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J3 PASSED.

(2022-0321-21) RCA J4 was presented, moved by Commissioner Mease, seconded by Commissioner Fitzgerald, Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J4 PASSED.

(2022-0321-22) RCA J5 was presented, moved by Commissioner Mease, seconded by Commissioner Fitzgerald, Chairman Campo, and Commissioners Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Commissioner Cloonan recused herself. Nays none. RCA J5 PASSED.

(2022-0321-23) RCA J6 was presented, moved by Commissioner Mease, seconded by Commissioner Fitzgerald, Chairman Campo, and Commissioners Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Commissioner Cloonan recused herself. Nays none. RCA J6 PASSED.

(2022-0321-24) RCA J7 was presented, moved by Commissioner Mease, seconded by Commissioner Fitzgerald, Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J7 PASSED.

(2022-0321-25) RCA J8 was presented, moved by Commissioner Mease, seconded by Commissioner Fitzgerald, Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J8 PASSED.

(2022-0321-26) Chairman Campo recognized Jeff Davis, Chief Port Operations Officer, to provide a report of selected agenda items.

Mr. Davis gave a brief report on selected operational matters. The Port Authority was averaging 20 ships a day with upwards of 30 a day, and eight to twelve ships a day were waiting at the buoy to ingress the channel. Container dwell continued to be the

biggest challenge, with export dwell times averaging twelve days – almost double the historical average. Similarly, import dwell was double the historical average, at seven and a half days.

Mr. Davis stressed that in the previous month, the Barbours Cut Container Terminal had grown 30% in loaded containers. As a result, new services had to be delayed until later, as there was not enough capacity. In an attempt to address the growth, the Port Authority terminated 45-acre and 60-acre leases to use the sites to facilitate growth and develop in the long-term.

Mr. Davis explained that Item K3 was a contract for the replacement of the festoon system, the cables that connected crane controls to the operator cab of a crane, on three wharf cranes at the Bayport Container Terminal. The cranes were approximately twelve years old and there had been a lot of wear and tear on the systems.

Mr. Davis continued: Item K6 was for approval of an amendment of a lease and freight handling agreement with Empire Stevedoring, to extend the term for an additional five years. Item K7 was to enter into a marine terminal services agreement with COSCO SHIPPING Lines, the Port Authority's fifth largest container carrier. The agreement would provide for better efficiency between the Port Authority and the carrier. He added that the Port Authority had entered into similar agreements with ocean carriers that handled 10,000 loaded containers or more.

Mr. Davis concluded with Item K8: Port Authority dockage charges commence immediately when a ship docks, but this practice resulted in many ships queuing at anchorage while waiting for labor to be available, even if a berth was open. This agenda item would ratify a notice posted by the Port Authority permitting vessels to dock at an available berth with the accrual of dockage charges commencing from 0600 of the day labor was available and work began. This practice was creating greater efficiencies at no cost to the Port Authority.

Commissioner Coonan questioned why Items K1 and I1 were exempt from M/WBE requirements. Mr. Heidt confirmed that they were exempt and added that the Port Authority looked through the City of Houston and METRO's lists before making the determination.

Commissioner DonCarlos asked if the cranes had been moved from the Bayport Container Terminal to the Barbours Cut Container Terminal. Mr. Davis confirmed they had all been successfully transferred.

Commissioner DonCarlos asked if the smaller cranes were being replaced and if there was a market for them.

Mr. Davis clarified that no cranes were currently being replaced; new ones were simply being added to the fleet. The cranes were 15 years old and still had useful lives. He added that the Port Authority used its cranes until they were essentially “dead:” transportation was expensive, and there was not much of a secondary market for them, and so demolition was the best option.

Mr. Heidt added that cranes went out of use more quickly at Bayport Container Terminal due to the rapidly changing sizes of the ships. The older cranes had a longer life span at the Barbour's Cut Container Terminal. Chairman Campo added that a large percentage of the cost of the new cranes was for transportation.

Commissioner Fitzgerald thanked the Houston Pilots for their cooperation and being flexible in helping everyone.

Commissioner Corgey explained a recent trip he had to Seattle and the compliments he received on behalf of the Port Authority.

Chairman Campo reiterated the Port Authority's commitment to be zero carbon by 2050 and asked Mr. Byrnes to speak about it in more detail.

Mr. Byrnes emphasized that having a net zero greenhouse gas footprint was a major declaration by the Port Authority. It would approach this by working on direct and supporting sources; more detail would be provided in the forthcoming Community Relations Committee meeting.

Chairman Campo reported that the Port Authority had received a letter from the Environmental Defense Fund (EDF) congratulating it on having the best port emissions inventory that it had reviewed. Mr. Byrnes welcomed dialog between the EDF and any other advocacy group.

(2022-0321-27) RCA K1 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Cruzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K1 PASSED.

(2022-0321-28) RCA K2 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Cruzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K2 PASSED.

(2022-0321-29) RCA K3 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners

Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none.
RCA K3 PASSED.

(2022-0321-30) RCA K4 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none.
RCA K4 PASSED.

(2022-0321-31) RCA K5 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none.
RCA K5 PASSED.

(2022-0321-32) RCA K6 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none.
RCA K6 PASSED.

(2022-0321-33) RCA K7 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none.
RCA K7 PASSED.

(2022-0321-34) RCA K8 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none.
RCA K8 PASSED.

Chairman Campo noted that there were no People agenda items.

(2022-0321-35) Chairman Campo recognized Marcus Woodring, Chief Security and Emergency Operations Officer, to provide a report of selected agenda items.

Mr. Woodring highlighted Item M1, the purchase of 50 UHF radios for the Fire Department. The radios were stronger and could transmit more effectively through the hull of a ship. The purchase included Federal Emergency Management Agency (FEMA) grant funds covering 75% of the cost. Item M3 pertained to the renewal of a Memorandum of Understanding between the Port Authority and the Galveston Fire Department to provide marine firefighting aid.

(2022-0321-36) RCA M1 was presented, moved by Commissioner Mease, seconded by Commissioner Creuzot. Chairman Campo, and Commissioners Cloonan,

Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA M1 PASSED.

(2022-0321-37) RCA M2 was presented, moved by Commissioner Mease, seconded by Commissioner Creuzot. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA M2 PASSED.

(2022-0321-38) RCA M3 was presented, moved by Commissioner Mease, seconded by Commissioner Creuzot. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA M3 PASSED.

(2022-0321-39) Chairman Campo recognized Charles Thompson, Chief Information Officer, to provide a report of selected agenda items.

Mr. Thompson explained that both agenda items pertained to the branding term “next-generation.” The items allowed for better resiliency and redundancy for Port Authority backup and data storage, and both vendors were 100% M/WBE accredited.

(2022-0321-40) RCA N1 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Creuzot. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA N1 PASSED.

(2022-0321-41) RCA N2 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Creuzot. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA N2 PASSED.

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

It is now 10:17 a.m. The Port Commission of the Port of Houston Authority of Harris County, Texas will now convene in a closed meeting, as permitted by the Texas Open Meetings Act and Government Code (1) to conduct a private Consultation with Attorneys (*Section 551.071, Texas Open Meetings Act*); including consultations regarding proposed amendments to the agreements for legal services with Ahmad, Zavitsanos, Anaipakos, Alavi & Mensing P.C. and Best Best & Krieger LLP; deliberate regarding (2) Real Estate (*Section 551.072, Texas Open Meetings Act*); (3) Economic Development Negotiations or Incentives (*Section 551.087, Texas Open Meetings Act*); (4) Employment and Evaluation of Public Officers and

Employees (*Section 551.074, Texas Open Meetings Act*), including deliberation regarding a deferred compensation agreement with the Executive Director of the Port Authority; and (5) Security-Related Matters (*Sections 418.175-418.183 of the Texas Government Code, and Section 551.076, Texas Open Meetings Act*). The Port Commission will reconvene in public session after the closed meeting is adjourned.

At 10:35 a.m., Chairman Campo reconvened the open meeting with the following Commissioners, staff, and counsel in attendance:

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

(2022-0321-42) Commissioner Cloonan moved to authorize the Port Authority to amend the agreements for legal services with (a) Ahmad, Zavitsanos, Anaipakos, Alavi & Mensing P.C. and (b) Best Best & Krieger LLP on the terms discussed in Executive Session, and to authorize the Chief Legal Officer to do all things necessary to give effect to the foregoing, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. MOTION PASSED.

(2022-0321-43) Commissioner Creuzot moved to authorize the Port Authority to approve a deferred compensation agreement with Roger Guenther on the terms discussed in Executive Session, and to authorize the Chairman and Chief Legal Officer to do any and all things necessary to give effect to the foregoing, seconded by Commissioner Corgey. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. MOTION PASSED.

At 10:36 a.m., Chairman Campo adjourned the Port Commission meeting.

The above is a correct copy of the Minutes of the March 21, 2022 meeting of the Port Commission of the Port of Houston Authority.

A handwritten signature in black ink, consisting of stylized, overlapping loops and a long horizontal stroke extending to the right.

Ric Campo, Chairman

A handwritten signature in black ink, featuring a large, prominent initial 'E' followed by a series of connected, flowing letters.

Erik A. Eriksson, Secretary

F. EXECUTIVE

Subject **1. Enter into a professional services contract with Michael Toomey for state governmental policy consulting and support in an amount not to exceed \$66,000.**

Meeting Mar 21, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its March 21, 2022 meeting, authorize the Port Authority to enter into a one year professional services contract with Michael Toomey in an amount not to exceed \$66,000, effective April 1, 2022, and further authorize the Executive Director to do any and all things in his opinion reasonable for necessary to give effect to the foregoing.

Category:

Awards, Amendments & Change Orders

Department:

Government Relations

Staff Contact:

Cam Spencer

Background:

The Port Authority currently contracts with Michael Toomey to consult on state policy priorities, assist in developing strategic plans and objectives, and facilitate effective communication with government officials and their staff.

Staff Evaluation/Justification:

Staff recommends that the Port Commission authorize a new twelve-month contract with Mr. Toomey for continued state consulting and support services.

F. EXECUTIVE

Subject **2. Enter into a professional services contract with Brown Consulting for state governmental policy consulting and support in an amount not to exceed \$66,000.**

Meeting Mar 21, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its March 21, 2022 meeting, authorize the Port Authority to enter into a one year professional services contract with Brown Consulting in an amount not to exceed \$66,000, effective April 1, 2022, and further authorize the Executive Director to do any and all things in his opinion reasonable for necessary to give effect to the foregoing.

Category:

Awards, Amendments & Change Orders

Department:

Government Relations

Staff Contact:

Cam Spencer

Background:

The Port Authority currently contracts with Brown Consulting to consult on state policy priorities, assist in developing strategic plans and objectives, and facilitate effective communication with government officials and their staff.

Staff Evaluation/Justification:

Staff recommends that the Port Commission authorize a twelve-month contract with Brown Consulting for continued state consulting and support services.

F. EXECUTIVE

Subject **3. Authorize an interlocal agreement with the Harris County Flood Control District and City of Houston to support further development of the proposed Galveston Bay Park Plan.**

Meeting Mar 21, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its March 21, 2022 meeting, authorize an interlocal agreement with the Harris County Flood Control District and City of Houston to support further development of the proposed Galveston Bay Park Plan, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

General

Department:

Executive

Staff Contact:

Erik Eriksson

Background:

A team at the SSPEED Center at Rice University along with local architecture and engineering partners have developed a plan to address the threat of hurricane storm surge flood waters that could inundate east Harris County residential areas and the Houston Ship Channel industrial complex. This Galveston Bay Park Plan storm surge defense system (Plan) would include a multi-use barrier within Galveston Bay, and would potentially be associated with a future ship channel project.

At its June 25, 2019 meeting, the Port Commission authorized staff to assist in further developing the Plan.

Following a discussion at the September Port Commission meeting, on October 3, 2019, the commission met in special session to permit representatives of the SSPEED Center to make a presentation of the Plan to the Port Commission and local mayors in attendance for that purpose, and further discuss the matter.

At its September 29, 2020 meeting, the Port Commission authorized a challenge grant service agreement with the SSPEED Center to assist in further developing the Park, in the amount of \$250,000, contingent on securing additional grant funding totaling \$750,000.

Staff is now informed that the Harris County Flood Control District (HCFCD), the City of Houston, and a private donor are prepared to provide that additional grant funding of \$750,000, therefore potentially meeting the terms of the Port Authority's challenge grant.

The three governmental entities propose to enter into an interlocal agreement to structure provision of such funding to the SSPEED Center to assist in further developing the Park, subject to the following:

- Confirmation that the private funding has been provided to the SSPEED Center, or a binding pledge agreement for such funding has been entered into with the donor; and
- The City of Houston is prepared to enter into an agreement with the SSPEED Center to provide for disbursement of the remainder of the proposed funding, on the terms provided for in the interlocal agreement with HCFCD and the Port Authority.

Staff Evaluation/Justification:

Staff recommends that the Port Commission authorize the Port Authority to enter into an interlocal agreement with the Harris County Flood Control District and City of Houston to support further development of the proposed Galveston Bay Park Plan.

G. BUSINESS EQUITY

Subject **1. Issue a purchase order to B2Gnow, the sole source provider, for the purchase of annual software services for the B2Gnow Diversity Management Compliance system in an amount not exceed \$69,700.**

Meeting Mar 21, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its March 21, 2022, meeting, issue a purchase order to B2Gnow, the sole source provider, for the purchase of annual software services for the B2Gnow Diversity Management Compliance system, for a one-year period beginning January 2022 in an amount not to exceed \$69,700, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Awards, Amendments & Change Orders

Department:

Business Equity

Staff Contact:

Gilda Ramirez

Background:

The Port Authority utilizes the B2Gnow software that provides Baseline System & Vendor Management, contract compliance, certification management, online application, purchase order payment analysis, outreach, and event management, dating back to 2016. The annual fees prior to 2022 were in the amount of \$40,000.

To assist with implementation of the Minority- and Woman-Owned Business initiative, the Port Authority's Business Equity department requested additional modules to the B2Gnow Diversity Management System, for expansion of the software program's capabilities. The expanded modules have increased the annual cost to \$69,700. The additional modules are Proposal Goal Setting Module, Minority Woman Business Enterprise (MWBE) Certification Management, and MWBE online application additions. These tools are designed to expand and capture S/MWBE participation in Port Authority procurements.

Staff Evaluation/Justification:

Section 60.412 of the Water Code provides that 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 B2Gnow is the sole authorized source of Diversity Management System software in the United States.

The Contract describes the year-to-year service fees required for the S/MWBE program. The services provided under this contract, which have been in place since the beginning of the year, are critical to the proper functioning of the Business Equity S/MWBE program.

Staff recommends the Port Commission authorize the issuance of the purchase order to B2Gnow for purchase of the Diversity Management System annual services.

H. COMMERCIAL

Subject 1. Approve a lease for a one-year term with a one-year renewal option with Watco Transloading, L.L.C. for approximately 22.58 acres at the Port Authority's Block 20, Industrial Park East, effective no earlier than May 1, 2022, at an annual base rent of approximately \$914,903.64, subject to annual base rent escalation of the greater of 3% or the increase in the Consumer Price Index, upon the election of the one-year renewal option.

Meeting Mar 21, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its March 21, 2022 meeting, approve a lease for a one-year term with a one-year renewal option with Watco Transloading, L.L.C. for approximately 22.58 acres at the Port Authority's Block 20, Industrial Park East, effective no earlier than May 1, 2022, at an annual base rent of approximately \$914,903.64, subject to annual base rent escalation of 3% or the increase in the Consumer Price Index, upon the election of the one-year renewal option, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

Category:
Leases

Department:
Real Estate

Staff Contact:
R.D. Tanner

Background:
Watco Transloading, L.L.C. (Watco) has requested that the Port Authority lease approximately 22.58 acres at Block 20, Industrial Park East for a one-year term with a one-year renewal option. Watco has leased the property since 2018 under a four-year lease and such lease expires on April 30, 2022. Watco is using the property for steel marshalling and storage, and plans to use this property for the same purpose under the proposed lease.

Staff Evaluation/Justification:
Staff recommends the Port Commission approve the proposed lease with WATCO Transloading, L.L.C. under the terms described above.

H. COMMERCIAL

Subject **2. Approve a lease for a one-year term with three one-year renewal options with Houston Refining LP for approximately 24.7 acres at the Port Authority's Block 1, Rosa Allen, effective no earlier than April 1, 2022, at an annual base rent of approximately \$993,532.80, subject to annual base rent escalation of the greater of 3% or the increase in the Consumer Price Index upon the election of each one-year renewal option.**

Meeting Mar 21, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its March 21, 2022 meeting, approve a lease for a one-year term with three one-year renewal options with Houston Refining LP for approximately 24.7 acres at the Port Authority's Block 1, Rosa Allen, effective no earlier than April 1, 2022, at an annual base rent of approximately \$993,532.80, subject to annual base rent escalation of the greater of 3% or the increase in the Consumer Price Index upon the election of each one-year renewal option, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

Category:
Leases

Department:
Real Estate

Staff Contact:
R.D. Tanner

Background:

By Minute No. 2021-1207-10, the Port Commission approved a three-year lease with Houston Refining LP (Houston Refining) for approximately 24.7 acres at the Port Authority's Block 1, Rosa Allen, effective no earlier than January 1, 2022, at an annual base rent of approximately \$993,532.80, subject to annual base rent escalation of the greater of 3% or the increase in the Consumer Price Index. The Port Authority and Houston Refining have not yet signed the three-year lease and it has not taken effect.

Houston Refining's refinery has now been placed on the market for sale. As a result, the Port Authority and Houston Refining have engaged in further discussions and agreed to a one-year term lease with three one-year renewal options, as further described above, instead of a three-year lease.

Houston Refining has leased the property for employee parking, equipment laydown, and plant turnarounds at various times since September 2012, and plans to continue to use the property for employee and contractor parking, equipment staging and laydown, plant turnarounds, and storage and handling of general cargo and containers, the lease term would be subject to its sale plans.

Houston Refining has requested the Port Commission's advance consent to sublease the property in accordance with the terms and the permitted use of the lease. Notwithstanding such advance consent,

Houston Refining will still be required to comply with the applicable Transfer and subleasing terms of the lease including but not limited to, a consent to sublease with Landlord and any subtenant.

Staff Evaluation/Justification:

Staff recommends the Port Commission approve the proposed lease with Houston Refining under the terms described above.

H. COMMERCIAL

Subject **3. Approve an amendment to the lease with Houston Terminal LLC in the Bayport Container Terminal Stevedore Support Building No. 2 to increase the leased premises area to 2,257 square feet, effective no earlier than April 1, 2022, at a combined annual base rent of approximately \$67,857.95, subject to annual base rent escalation of 3%.**

Meeting Mar 21, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its March 21, 2022 meeting, approve an amendment to the lease with Houston Terminal LLC in the Bayport Container Terminal Stevedore Support Building No. 2 to increase the leased premises area to 2,257 square feet, effective no earlier than April 1, 2022, at a combined annual base rent of approximately \$67,857.95, subject to annual base rent escalation of 3%, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

Category:
Leases

Department:
Real Estate

Staff Contact:
R.D. Tanner

Background:
By Minute No. 2020-0730-08, the Port Commission authorized a five-year lease with Houston Terminal LLC (Houston Terminal) for approximately 2,007 square feet of office space, comprised of 575 square feet located in Bayport Container Terminal Stevedore Support Building No. 2 and 1,432 square feet located in Stevedore Support Building No. 3. Prior to the five-year lease, Houston Terminal leased each of the 575 square feet of office space and 1,432 square feet of office space under separate term leases.

The current leased premises is currently used for general office purposes. Houston Terminal has requested that the lease be amended to permit its use of an additional 250 square feet of office space for general office purposes.

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

I. FINANCE

Subject	1. Award a contract to Draeger, Inc. for the purchase of Draeger Escape Hoods for Port Authority personnel working at Barbours Cut Terminal and Bayport Container Terminal, in amount not to exceed \$87,050.
Meeting	Mar 21, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its March 21, 2022 meeting, award a contract to Draeger, Inc. for the purchase of Draeger Escape Hoods for Port Authority personnel working at Barbours Cut Terminal and Bayport Container Terminal, in an amount not to exceed \$87,050, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #1 - PEOPLE AND ORGANIZATION (Be the Best Place to Work) STRATEGIC GOAL #4 - STEWARDSHIP (Create Greater Value for the Region)

Category:

Awards, Amendments & Change Orders

Department:

Risk Department

Staff Contact:

Norma Essary

Background:

The Draeger Escape Hoods are personal protective equipment (PPE) that would provide protection to Port Authority personnel in the event of an area-surrounding chemical gas or vapor plant release, creating a hazardous inhalation exposure. The escape hoods would assist personnel working in the Barbours Cut Terminal and Bayport Container Terminal needing additional time to seek shelter safely.

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

Staff Evaluation/Justification:

On February 15, 2022, three CSB responses were received and opened. The responses were reviewed and evaluated by staff in accordance with the selection criteria published in the CSB. One vendor was deemed non-responsive.

Staff recommends that the Port Authority award a contract to Draeger, Inc. the responsible bidder submitting the lowest and best bid, for the purchase of Draeger Escape Hoods for Port Houston personnel working at Barbours Cut Terminal and Bayport Container Terminal.

I. FINANCE

Subject **2. Approve a "Resolution Approving A Third Supplemental Resolution Establishing The Port Of Houston Authority Third Lien Revenue Extendible Commercial Paper Program; And Authorizing Other Matters Relating Thereto," and related matters in connection with a \$300,000,000 Third Lien Extendible Commercial Paper Program.**

Meeting Mar 21, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its March 21, 2022 meeting, approve a "Resolution Approving A Third Supplemental Resolution Establishing The Port Of Houston Authority Third Lien Revenue Extendible Commercial Paper Program; And Authorizing Other Matters Relating Thereto," in connection with a \$300,000,000 Third Lien Extendible Commercial Paper Program, including authorization to (a) issue debt under such financing, (b) incur rating agency fees, issuing and paying agent fees, financial advisory fees, underwriter upfront costs, counsel costs, and other costs relating to the program (Costs) in an amount not to exceed \$400,000 for the period through March 31, 2027, and (c) in addition to the Costs, incur applicable interest costs relating to indebtedness thereunder, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

Category:

General

Department:

Treasury

Staff Contact:

Roland Gonzalez / Tim Finley

Background:

By Minute No. 2021-0720-11, the Port Commission authorized the Port Authority to negotiate a renewal or new flexible rate revolving note programs or such other debt financing agreements with financial institutions for such amounts and terms as deemed necessary or advantageous, with all proposed debt financing subject to final approval by the Port Commission. In addition, by Minute No. 2021-0928-15, the Port Commission approved a new Master Resolution establishing financing systems, including authorizing the issuance of Port of Houston Authority First Lien obligations, second lien obligations, third lien obligations, and inferior lien obligations.

The Port Commission's approval of the proposed resolution would result in the approval of the Third Supplemental Resolution establishing the new \$300,000,000 Third Lien Revenue ECP Program and the execution and delivery of the agreement and documents as described above.

Extendible commercial paper (ECP) is a short-term financing instrument involving the marketing and issuance, from time to time, of one or more commercial paper notes secured by the Port Authority's "Net Revenues" at a third lien level.

- Marketing would be conducted by a dealer of the Port Authority's choosing, initially Morgan Stanley & Co. LLC, for a fee tied to the amount of marketing undertaken.
- The notes would be issued with a set maturity date, typically within 90 days.

- As the commercial paper notes mature, they are typically repaid with proceeds from issuance of subsequent commercial paper notes, or the proceeds of refunding bonds or other obligations.

If a commercial paper note is not repaid upon maturity (if for instance, a new note cannot be sold due to market conditions), the commercial paper note would continue to remain outstanding for an extended period, up to a total of 270 days from its initial issuance, at a higher interest rate. During this extension period, the Port Authority would undertake efforts to either refund or repay the commercial paper notes from cash, the issuance of additional commercial paper notes, or the issuance of refunding obligations, at or prior to maturity.

Unlike traditional commercial paper backed by a bank facility, there should be no on-going bank cost while the facility remains undrawn. As a result, annual expenses for the facility if undrawn should be limited to amounts related to rating agency annual reviews by S&P Global Ratings initially or subsequently by Moody's Investors Service, Inc. if in the best interest of the Authority, and the annual issuing and paying agent fees of U.S. Bank Trust Company, N.A. In addition to including these future expenses, the Costs authorized by this action would also include the issuance fees of those firms and of the Port Authority's financial advisor Masterson Advisors LLC. If drawn, interest would be incurred on the issued commercial paper, as well as dealer fees first payable at that time.

The proposed resolution would further authorize the Chairman and any Authorized Representative (as defined in the Master Resolution and Third Supplemental Resolution) to approve the final forms of and execute the Third Supplemental Resolution and the agreements, documents, and certificates authorized thereunder, and authorize officers and agents of the Port Authority to act to establish the program and consummate the transactions contemplated by the resolution and associated transaction documents.

Bracewell LLP and West & Associates, L.L.P. have drafted the new Third Supplemental Resolution, Dealer Agreement, Issuing and Paying Agent Agreement, form of Offering Memorandum, and other documents for the proposed ECP Program, and with the Port Commission's approval hereunder, would present them to the Texas Attorney General's office for its review and approval in accordance with statutory requirements. The issuance Costs authorized by this action include the fees of those firms as co-bond counsel, as well as Orrick, Herrington & Sutcliffe LLP as dealer's counsel, and Dorsey & Whitney LLP as issuing and paying agent's counsel.

Staff Evaluation/Justification:

The Port Authority has generated significant cash flows in recent years. However, based on various scenario planning and liquidity forecasts, it would likely need additional access to short-term liquidity for Port Commission award capacity in years 2021-2025. This proposed access to additional financing would provide additional liquidity to support the award of Port Authority contracts, including those carrying out its capital improvement program and construction packages for Project 11.

Staff recommends the Port Commission approve this proposed resolution to give effect to the \$300,000,000 Third Lien Revenue ECP Program and take the other actions as described above.

J. INFRASTRUCTURE

Subject	1. Approve staff's ranking of vendors and award two professional services contracts, each in an amount not to exceed \$2,500,000 and for a three-year term, at Barbours Cut Complex and Bayport Complex to the top ranked proposers: staff ranking – first, AECOM Technical Services, Inc.; second, Moffatt & Nichol; third, WSP USA, Inc.; and fourth, HATCH Associates Consultants, Inc.
Meeting	Mar 21, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its March 21, 2022, meeting: <ul style="list-style-type: none"> (a) approve staff's ranking of the most qualified respondents, based on the selection criteria, in the following order – first, AECOM Technical Services, Inc.; second, Moffatt & Nichol; third, WSP USA, Inc.; and fourth, HATCH Associates Consultants, Inc.; (b) award professional services contracts to both AECOM Technical Services, Inc. and Moffatt & Nichol to provide professional services for master planning and engineering design of Port Authority facilities at Barbours Cut Complex and Bayport Complex in an amount not to exceed \$2,500,000 each; (c) grant authority, if a contract cannot be negotiated with either the first-or second-ranked respondent, to formally, and in writing, end negotiations with that respondent and proceed to the third-ranked respondent until two consultant contracts are 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:

Facility Planning

Staff Contact:

Rohit Saxena

Background:

The Port Authority aims to build capacity ahead of the demand curve through optimization of existing facilities and the full build-out of its container terminals and other properties to support regional growth and demand for containerized shipping. Barbours Cut Terminal and Bayport Container Terminal have experienced record growth in recent years, and demand forecasts demonstrate the continued need for expanded terminal capacity to accommodate increasing container volumes. These circumstances are driving the need for planning support to provide this capacity.

The scope of services for this solicitation would involve updating the respective master plans for Port Authority facilities and properties at Barbours Cut Terminal and Bayport Container Terminal, within and outside the terminal footprints, and developing the design of select facilities to accommodate increasing container volumes and to support growth.

The Port Authority notified vendors regarding its request for qualifications (RFQ) 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-one vendors downloaded the project materials from BuySpeed.

Staff Evaluation/Justification:

On January 19, 2022, four 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:

- AECOM Technical Services, Inc.
- Moffatt & Nichol
- WSP USA, Inc.
- HATCH Associates Consultants, Inc.

Following staff Executive Committee review, staff recommends awarding professional services contracts to both AECOM Technical Services, Inc. and Moffatt & Nichol in an amount not to exceed \$2,500,000 each at the March 21, 2022 Port Commission meeting to commence the work, with an option of amending the contract(s) at a later date, as needed, to complete the design of facilities. Staff also recommends that the Port Commission act as otherwise described above.

J. INFRASTRUCTURE

Subject **2. Approve staff's ranking of vendors and award a two-year services contract in an amount not to exceed \$1,159,274 for the maintenance of dredged material placement areas to the top-ranked proposer: staff ranking – first, Yellowstone Landscape-Central Inc.; and second, Ursa Corporation dba Great Bear Construction.**

Meeting Mar 21, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its March 21, 2022 meeting:
(a) approve staff's ranking of vendors that offer the best value to the Port Authority based on the selection criteria, in the following order – first, Yellowstone Landscape-Central Inc.; and second, Ursa Corporation dba Great Bear Construction;
(b) award a two-year services contract to Yellowstone Landscape-Central Inc. for the maintenance of dredged material placement areas in an amount not to exceed \$1,159,274;
(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:

Channel Operations

Staff Contact:

Garry McMahan

Background:

The proposed project consists of dredged material placement areas maintenance, including grass mowing, collection and disposal of tires, hazardous wastes, commercial and residential waste, removal of trees and brush, water level management, mosquito control, and weekly and monthly inspections with reports, of the Port Authority's dredged material placement sites.

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

Staff Evaluation/Justification:

On February 16, 2022, two CSPs were reviewed 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 offering the best value to provide the required services:

- Yellowstone Landscape-Central, Inc.
- Ursa Corporation dba Great Bear Construction

Following staff Executive Committee review, staff recommends that the Port Commission award a contract to Yellowstone Landscape-Central, Inc. for the maintenance of dredged material placement areas and act as otherwise described above.

J. INFRASTRUCTURE

Subject **3. Award a construction contract to Diversified Fall Protection System, the sole source provider, for the replacement of the fall protection system within GEON Performance Solutions, LLC's property, in connection with the rail spur project at Bayport Container Terminal in an amount not to exceed \$200,000.**

Meeting Mar 21, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its March 21, 2022 meeting, award a construction contract to Diversified Fall Protection System, the sole source provider, for the replacement of the fall protection system within GEON Performance Solutions, LLC's property in connection with the rail spur project at Bayport Container Terminal in an amount not to exceed \$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 #2 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)

Category:

Awards, Amendments & Change Orders

Department:

Project & Construction Management

Staff Contact:

Roger H. Hoh, P.E.

Background:

The Bayport Container Terminal Rail Spur Project, currently under construction, requires track adjustments and relocations within GEON Performance Solutions, LLC's (GEON) facility in order to align the new rail spur to enter the Bayport Container Terminal property. The GEON facility utilizes rail cars to transport its product; operating the equipment requires GEON operations personnel to work on top of the rail cars.

The Occupational Safety and Health Administration (OSHA) requires all personnel working on top of the rail cars to have protective fall protection measures in place to avoid injury, and the new track adjustments and relocations necessitates replacement of the existing system by Diversified Fall Protection System (DFPS).

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 Diversified Fall Protection System is the sole source for the fall protection system within the GEON facility.

Staff recommends that the Port Commission award a contract to Diversified Fall Protection System for replacement of the fall protection system within GEON's property.

J. INFRASTRUCTURE

Subject **4. Amend the professional services contract with Freese and Nichols, Inc. to perform services for the design to rehabilitate the dredge pipe sleeve upstream of Wharf 18 at Turning Basin Terminal in an amount not to exceed \$121,067.**

Meeting Mar 21, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its March 21, 2022 meeting, approve an amendment to the professional services contract with Freese and Nichols, Inc. to perform services for the design to rehabilitate the dredge pipe sleeve upstream of Wharf 18 at Turning Basin Terminal in an amount not to exceed \$121,067, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Awards, Amendments & Change Orders

Department:

Project and Construction Management

Staff Contact:

Roger H. Hoh, P.E.

Background:

By Minute No. 2021-0223-14, the Port Commission awarded a professional services contract to Freese and Nichols, Inc. to complete a condition assessment of the Wharf 18 dredge pipe route and develop repair options, with an option to provide additional professional services for the design phase.

This proposed amendment provides design services to rehabilitate the existing dredge pipe sleeve in order to perform future maintenance dredging.

Staff Evaluation/Justification:

Staff has reviewed Freese and Nichols, Inc.'s proposal and found it to be fair and reasonable, and staff recommends the Port Commission approve the amendment of the professional services contract with Freese and Nichols, Inc.

J. INFRASTRUCTURE

Subject **5. Issue a transmission line license to CenterPoint Energy Houston Electric, LLC for one 138kV transmission line over and across the Southside Mainline railroad right-of-way.**

Meeting Mar 21, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its March 21, 2022 meeting, authorize the Port Authority to issue a transmission line license to CenterPoint Energy Houston Electric, LLC for one 138kV transmission line over 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:

CenterPoint Energy Houston Electric, LLC, Port Authority File No. 2022-0044, has applied for one 138kV transmission line over and across the Southside Mainline railroad right-of-way in the James Seymore Survey, A-698.

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 \$2,223. The \$675 application fee and the \$2,500 as-built deposit have been paid.

Staff recommends approval.

AFFIDAVIT OF SUBSTANTIAL INTEREST

STATE OF TEXAS §
 §
COUNTY OF HARRIS §

**Filed with the Port of Houston Authority
In Compliance with Section 171.004 of the Texas Local Government Code**

On this day appeared Wendy Montoya Cloonan, who after being duly sworn, stated as follows:

1. I am twenty-one (21) years of age or over and competent to make this Affidavit of Substantial Interest, based upon facts within my personal knowledge.
2. I am a member of the Port Commission (the "Port Commission") of the Port of Houston Authority (the "Port Authority").
3. I am filing this Affidavit with the official record keeper of the Port Authority, pursuant to §171.004 of the Texas Local Government Code, to comply with the provisions of Chapter 171 of the Texas Local Government Code.
4. I have, or may have, a substantial interest in the matters of Item J-5 and Item J-6 as set forth in the agenda for the meeting of the Port Commission scheduled for March 21, 2022:

 Issue a transmission line license to CenterPoint Energy Houston Electric, LLC for one 138kV transmission line over and across the Southside Mainline railroad right-of-way.

 Issue a transmission line license to CenterPoint Energy Houston Electric, LLC for one 35kV transmission line over and across Goose Creek.
5. The nature and extent of the substantial interest described above is as follows: my service as a director of CenterPoint Energy Inc., a company affiliated with CenterPoint Energy Houston Electric, LLC, CenterPoint Energy Intrastate Pipeline, Inc, and CenterPoint Energy Resources Corp. d/b/a CenterPoint Energy Texas Gas Operations. Funds received by me in connection with such employment may exceed 10 percent of my gross income for the previous year.
6. This substantial interest also derives from an interest in CenterPoint Energy Inc., on which the action requested in the above matter will have a special economic effect, distinguished from the effect on the public. This substantial interest derives from possible ownership of \$15,000 or more of the fair market value of such entity.

7. Action on the matter will have a special economic effect on the entities described in the forgoing paragraph that is distinguishable from the effect on the public.
8. By virtue of the foregoing described interest, I have not and will not participate in any consideration, vote, or decision by the Port Commission regarding such matter.


Wendy Montoya Cloonan

SWORN TO AND SUBSCRIBED before me this March 21, 2022.


Notary Public, State of Texas



J. INFRASTRUCTURE

Subject **6. Issue a transmission line license to CenterPoint Energy Houston Electric, LLC for one 35kV transmission line over and across Goose Creek.**

Meeting Mar 21, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its March 21, 2022 meeting, authorize the Port Authority to issue a transmission line license to CenterPoint Energy Houston Electric, LLC for one 35kV transmission line over and across Goose Creek, 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:

CenterPoint Energy Houston Electric, LLC, Port Authority File No. 2022-0041, has applied for one 35kV transmission line over and across Goose Creek in the William Scott Survey, A-66.

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 \$4,551. The \$675 application fee and the \$2,500 as-built deposit have been paid.

Staff recommends approval.

J. INFRASTRUCTURE

Subject 7. Issue a transmission line license to Crown Castle Fiber, LLC for one 4-inch innerduct with one fiber optic cable line within, under and across the Northside Mainline railroad right-of-way.

Meeting Mar 21, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its March 21, 2022 meeting, authorize the Port Authority to issue a transmission line license to Crown Castle Fiber, LLC for one 4-inch innerduct with one fiber optic cable line within, under and across the Northside Mainline railroad right-of-way, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Operations

Staff Contact:

Garry McMahan

Background:

Crown Castle Fiber, LLC, Port Authority File No. 2022-0024, has applied for one 4-inch innerduct with one fiber optic cable line within, under and across the Northside Mainline railroad right-of-way in the Ezekiel Thomas Survey, A-73.

Staff Evaluation/Justification:

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

Staff recommends approval.

J. INFRASTRUCTURE

Subject 8. Issue a marine construction permit to 14000 Industrial Holdings, LLC for dredging and a phased barge fleeting project in Greens Bayou.

Meeting Mar 21, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its March 21, 2022 meeting, authorize the Port Authority to issue a marine construction permit to 14000 Industrial Holdings, LLC for dredging and a phased barge fleeting project in Greens Bayou, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Operations

Staff Contact:

Garry McMahan

Background:

14000 Industrial Holdings, LLC, Port Authority File No. 2022-0040, has applied for a marine construction permit to authorize dredging and a phased barge fleeting project in Greens Bayou. Phase 1 of the project would authorize dredging of the two existing slips to -12 feet MLT, barge fleeting of approximately 3.2 acres within the existing slips, and removing approximately 30,000 cubic yards of material. Phase 2 of the project would authorize the excavation of approximately 8.6 acres of private uplands to increase the barge fleeting capacity to approximately 11.8 acres. All dredge and excavated material would be disposed of on private upland property.

Pelican Marine Services, LLC (Pelican) would be the operator of this facility. Pelican is a wholly owned subsidiary of Canal Barge Company, Inc. (Canal). Canal is a family owned, independent marine transportation company headquartered in New Orleans, Louisiana and was founded in 1933. The Port Authority issued a barge fleeting lease to Pelican in 2019 for a different location. This fleet would contain approximately 60-70% Canal-owned barges and 30-40% customer barges.

A lease would not be required for this project because the fleet is contained within submerged land that has been excavated from private property and not owned by the Port Authority.

Staff Evaluation/Justification:

The application was reviewed and approved by the Port Authority's Channel Operations department. The permit is subject to the Port Authority's usual terms and conditions. The \$675 application fee has been paid.

Staff recommends approval.

K. OPERATIONS

Subject **1. Award a two-year contract to Southern Tire Mart, LLC for the purchase of tire repair services for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal in an amount not to exceed \$600,000.**

Meeting Mar 21, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its March 21, 2022 meeting, award a two-year contract to Southern Tire Mart, LLC for the purchase of tire repair services for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal in an amount not to exceed \$600,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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. 2019-0924-50, the Port Commission awarded a two-year contract to Southern Tire Mart, LLC in an amount not to exceed \$350,000 for the purchase of tire repair services for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal. Contract funds have been depleted.

Tire repair services are needed to service and maintain Port Authority equipment including 1,856 tires on rubber-tired gantry (RTG) cranes, 420 on yard tractors, and 800 on chassis. This service is necessary to minimize equipment downtime and ensure efficient terminal operations.

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

Staff Evaluation/Justification:

On March 2, 2022, one CSB response was received and opened. The response was reviewed and evaluated by staff in accordance with the selection criteria published in the CSB.

Staff recommends that the Port Commission award a two-year contract to Southern Tire Mart, LLC, the responsible bidder submitting the only bid, for the purchase of tire repair services for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal.

K. OPERATIONS

Subject **2. Issue a purchase order to Caldwell Country Chevrolet for the purchase of forty-four vehicles needed by Barbours Cut Terminal, Bayport Container Terminal, Port Police, and the Central Maintenance, Information Technology, Project and Construction Management, Safety, and Security departments, using Local Government Purchasing Cooperative's BuyBoard, a cooperative purchase program, in a total amount not to exceed \$1,600,000.**

Meeting Mar 21, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its March 21, 2022 meeting, issue a purchase order to Caldwell Country Chevrolet for the purchase of forty-four vehicles needed by Barbours Cut Terminal, Bayport Container Terminal, Port Police, and the Central Maintenance, Information Technology, Project and Construction Management, Safety, and Security departments, using Local Government Purchasing Cooperative's BuyBoard, a cooperative purchase program, in a total amount not to exceed \$1,600,000, determine that this procurement method provides the best value to the Port Authority, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Award, Amendments & Change Orders

Department:

Maintenance

Staff Contact:

Paulo Soares

Background:

The Central Maintenance Department, with recommendations from the Barbours Cut Terminal, Bayport Container Terminal, Port Police, Information Technology, Project and Construction Management, Safety, and Security departments, has prepared specifications for new and replacement vehicles to promote a safe work environment and cost-effective operations. Staff believes that a total of forty-four vehicles will be needed for 2022, including fourteen units for Barbours Cut Terminal (depts. 127 and 128), nine units for Bayport Container Terminal (depts. 129 and 131), two units for Central Maintenance, five units for Information Technology, four units for Project and Construction Management, three units for Port Police, six units for Security, and one unit for Safety/Risk Management.

The Local Government Purchasing Cooperative (Cooperative) is an administrative agency of cooperating local governments and its BuyBoard purchasing program may be used for this purchase.

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

Staff Evaluation/Justification:

Staff has compared vehicle prices obtained from local and non-local dealerships, taking into consideration the statutory competitive procurement requirements, and has also determined that purchasing these vehicles using the cooperative purchasing program of BuyBoard provides the best value to the Port Authority. BuyBoard websites list several pre-approved dealerships, and staff has reviewed the vehicle specifications from these providers, and determined that Caldwell Country Chevrolet is the vendor with the best price for vehicles and meets the Port Authority's requirements.

"Exhibit A"

Staff recommends that the Port Commission approve issuance of a purchase order to Caldwell Country Chevrolet for the purchase of forty-four Chevrolet vehicles.

K. OPERATIONS

Subject **3. Award a contract to Konecranes, Inc., the sole source provider, for the replacement of festoon system on three wharf cranes at Bayport Container Terminal in an amount not to exceed \$2,260,000.**

Meeting Mar 21, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its March 21, 2022 meeting, award a contract to Konecranes Inc., the sole source provider, for the replacement of festoon system on three wharf cranes at Bayport Container Terminal in an amount not to exceed \$2,260,000, 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 maintains a total of twelve wharf cranes for loading and unloading containers at Bayport Container Terminal that are equipped with festoon systems manufactured by Conductix-Wampfler of Germany. Festoon systems are comprised of approximately 10,000 feet of electrical cables and nineteen trolleys connecting crane controls in the machinery house to the operator cab.

The festoon system on three wharf cranes at this facility (cranes 210, 211, and 212) are in need of replacement. They are fourteen and sixteen year old systems and have been patched numerous times. To ensure the safety and reliability of these critical systems, staff recommends they are replaced as a turn-key project with materials and labor included.

Staff Evaluation/Justification:

Section 60.412 of the Water Code provides that a purchase for an item that can be obtained only from one source is exempt from certain procurement requirements of the Water Code. Port Authority staff has received a written statement from the manufacturer confirming that Konecranes Inc. is the sole source for the replacement of Conductix-Wampfler festoon systems in the United States.

Staff recommends that the Port Commission award a contract to Konecranes Inc. for the replacement of festoon systems on three wharf cranes at Bayport Container Terminal.

K. OPERATIONS

Subject **4. Award a contract to Konecranes, Inc., the sole source provider, for the upgrade of crane management systems for twenty-seven Kone cranes at Barbours Cut Terminal and Bayport Container Terminal in an amount not to exceed \$450,000.**

Meeting Mar 21, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its March 21, 2022 meeting, award a contract to Konecranes, Inc., the sole source provider, for the upgrade of crane management systems for twenty-seven Kone cranes at Barbours Cut Terminal and Bayport Container Terminal in an amount not to exceed \$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:

Maintenance

Staff Contact:

Paulo Soares

Background:

The Port Authority currently owns a total of one hundred and twenty Kone cranes, including fifty rubber-tired gantry (RTG) and four wharf cranes at Barbours Cut Terminal, and sixty-six RTG cranes at Bayport Container Terminal. Twenty-seven of these units, including fifteen at Barbours Cut Terminal and twelve at Bayport Container Terminal, are currently equipped with crane management systems (CMS) that are no longer supported by the manufacturer. CMS play a critical role in crane operation. They are used for troubleshooting, verifying functionality of crane systems, and tracking crane productivity. Therefore, it is critical that CMS have the current software version that is supported by the manufacturer.

Staff Evaluation/Justification:

Section 60.412 of the Water Code provides that a purchase for an item that can be obtained only from one source is exempt from certain procurement requirements of the Water Code. Port Authority staff has received a written statement from the manufacturer confirming that Konecranes, Inc. is the sole authorized source of replacement CMS for Kone cranes in the United States.

Staff recommends that the Port Commission award a contract to Konecranes Inc. for the upgrade of CMS for twenty-seven Kone cranes at Barbours Cut Terminal and Bayport Container Terminal.

K. OPERATIONS

Subject **5. Approve a change order with Apache Oil Company for the purchase of grease and miscellaneous engine, transmission, and hydraulic oils for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal in an amount not to exceed \$180,000.**

Meeting Mar 21, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its March 21, 2021 meeting, approve a change order with Apache Oil Company for the purchase of grease and miscellaneous engine, transmission, and hydraulic oils for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal in an amount not to exceed \$180,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

Category:

Award, Amendments & Change Orders

Department:

Maintenance

Staff Contact:

Paulo Soares

Background:

By Minute No. 2020-0428-62, the Port Commission awarded a two-year contract to Apache Oil Company in the amount not to exceed \$650,000 for the purchase of grease and miscellaneous engine, transmission, and hydraulic oils for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal. This contract was set to expire on April 30, 2022; however, funds have been depleted due to higher than expected consumption in recent months.

Staff Evaluation/Justification:

Port Authority staff believes that issuing a change order to Apache Oil Company to ensure continued operation and servicing of terminal equipment such as rubber-tired gantry (RTG) cranes, yard tractors, vehicles, and forklifts is the appropriate way to proceed until the contract ends.

Accordingly, staff recommends that a change order in the amount not to exceed \$180,000 be issued to Apache Oil Company.

K. OPERATIONS

Subject 6. Approve an amendment of the lease between the Port Authority and Empire Stevedoring (Houston) Inc. (Empire) dated April 1, 2017, extending the lease for an additional five years, and approve an amendment to the Freight Handling Assignment Agreement between Empire and the Port Authority with a commencement date of April 1, 2017 extending the Freight Handling Assignment Agreement for a period of five years.

Meeting Mar 21, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its March 21, 2022 meeting, (1) approve an amendment of the lease between the Port Authority and Empire Stevedoring (Houston) Inc. (Empire) dated April 1, 2017, extending the lease for an additional five years, and (2) approve an amendment to the Freight Handling Assignment Agreement between Empire and the Port Authority with a commencement date of April 1, 2017 extending the Freight Handling Assignment Agreement for a period of 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:

The lease between the Port Authority and Empire Stevedoring (Houston) Inc. (Empire) (PHA File No. 2007-0100-17) is scheduled to expire March 31, 2022. The lease covers 3.5 acres of improved property out of Landlord's property known as the Southside Wharves and approximately 2.03 acres of unimproved property on the upper level of Block 3 of the Southside Wharves.

The assigned facility under the Freight Handling Agreement between the Port Authority and Empire is currently the Port Authority's Southside Terminal Shed 46 and certain areas directly adjacent thereto as may be designated by the Port Authority, including, under terms contained in the Freight Handling Agreement, Wharves 45, 46, 47, and 48.

Staff Evaluation/Justification:

Staff has determined that the proposed extension is acceptable and in the interest of the Port Authority.

K. OPERATIONS

Subject **7. Enter into a Marine Terminal Services Agreement with COSCO SHIPPING LINES (North America) Inc. acting on behalf of COSCO SHIPPING Lines Co., Ltd., and OOCL (USA) Inc. acting on behalf of Orient Overseas Container Line, Ltd.**

Meeting Mar 21, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its March 21, 2022 meeting, authorize the Port Authority to enter into a Marine Terminal Services Agreement with COSCO SHIPPING LINES (North America) Inc. acting on behalf of COSCO SHIPPING Lines Co., Ltd., and OOCL (USA) Inc. acting on behalf of Orient Overseas Container Line, Ltd., 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:

To permit the Port Authority to properly plan its capital investments at the Bayport Container Terminal and Barbours Cut Terminal and prudently commit to and spend public funds, the Port Authority has entered into ten-year term Marine Terminal Services Agreements (MTSAs) with its major container carriers, requiring them to commit to move their cargoes moved through the region at the Port Authority's public container terminals for a specified term. In connection with such agreements, the Port Authority provides volume incentives for using its facilities.

Pursuant to Minute No. 2012-0424-30, the Port Authority entered into an MTSA with COSCO SHIPPING Lines (North America) Inc. f/k/a Cosco Container Lines Americas, Inc. and pursuant to Minute No. 2008-0430-39, the Port Authority entered into an MTSA with OOCL (USA), Inc. acting on behalf of Orient Overseas Container Line, Ltd. (OOCL).

By Minute No. 2018-0416-32, the OOCL (USA), Inc. MTSA was subsequently amended to extend its term by six months, pending merger negotiations between the parent companies of Cosco and OOCL (USA), Inc. The OOCL (USA), Inc. MTSA expired by its terms on November 15, 2018.

Effective July 24, 2018, COSCO SHIPPING Holdings Co., Ltd., the indirect parent company of Cosco, became the indirect parent company of OOCL. The two entities continued to operate as separate but related carriers under common ownership.

As a consequence, by Minute No. 2019-0129-31, an amendment to the Cosco Container Lines Americas, Inc. MTSA added OOCL as an included carrier entity. The existing MTSA between the Port Authority, COSCO SHIPPING LINES (North America) Inc. acting on behalf of COSCO SHIPPING Lines Co., Ltd. and OOCL is scheduled to expire on April 26, 2022.

Staff Evaluation/Justification:

Staff recommends that the Port Commission approve a new MTSA with COSCO Container Lines Americas, Inc. and OOCL.

K. OPERATIONS

Subject **8. Authorize and ratify the Port Authority notice published on March 3, 2022 regarding dockage charges and practices to reduce vessel queuing at the anchorage.**

Meeting Mar 21, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its March 21, 2022 meeting, authorize and ratify the Port Authority notice published on March 3, 2022 regarding dockage charges and practices to reduce vessel queuing at the anchorage, 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:

In order to mitigate increasing congregation of vessels at the anchorage by providing dockage fee relief at Port Authority container facilities, on March 3, 2022, Port Authority staff published the following notice to industry:

In order to reduce vessel queuing at the anchorage, the following facility management measure is in effect until further notice from Port Houston:

Upon advance approval by terminal management:

- (i) vessels without a labor allocation will be permitted to dock at an available berth, and
- (ii) dockage charges for those vessels will accrue from 0600 of the day work begins.

Staff Evaluation/Justification:

Staff recommends the Port Commission authorize and ratify this notice.

M. SECURITY AND EMERGENCY OPERATIONS

Subject **1. Issue a purchase order to Motorola Solutions for purchase of Land Mobile Radio equipment for the Fire Department, using the Houston-Galveston Area Council's cooperative purchase program, in an amount not to exceed \$303,000, with an estimated net cost after Federal Emergency Management Agency Port Security Grant reimbursement, of \$75,750.**

Meeting Mar 21, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its March 21, 2022 meeting, authorize the Port Authority to issue a purchase order to Motorola Solutions for purchase of Land Mobile Radio equipment including radios, batteries, and chargers, for the Fire Department, using the Houston-Galveston Area Council's cooperative purchase program, in an amount not to exceed \$303,000, with an estimated net cost after Federal Emergency Management Agency Port Security Grant reimbursement, of \$75,750, 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
 Strategic Objective 4b. - Prepare for disruptive events and mitigate their impact
 STRATEGIC GOAL #4 - STEWARDSHIP (Create Greater Value for the Region)

Category:

Awards, Amendments & Change Orders

Department:

Emergency Management

Staff Contact:

Colin Rizzo

Background:

The Port Authority was awarded a 2021 Port Security Grant to acquire twenty-five all band portable radios for the Fire Department, to replace current single band radios. These radios would be able to communicate on 7/800MHz, Very High Frequency (VHF), and Ultra High Frequency (UHF) frequencies. This would allow communications with all regional responders on any of the designated interoperable communications frequencies, as well as the commonly-used marine traffic channels. These new radios would also be able to communicate inside of a large, multi-level vessel during a response such as a vessel fire. This capability does not currently exist with the current communications equipment used by the Fire Department or other regional responders.

This grant would also provide twenty-five UHF only portable radios for a supply of radios for use by outside mutual aid agencies in the event of a large-scale incident on a ship. These radios would allow these mutual aid agencies to communicate inside the vessel where their radios cannot operate due to the metal construction of the ship.

By Minute No. 99-1129-29, the Port Commission authorized the Port Authority to enter into an Interlocal Agreement with the Houston-Galveston Area Council (H-GAC) to participate in its cooperative purchasing program.

The Director of Procurement Services has determined that using the H-GAC cooperative purchasing program for this procurement provides best value to the Port Authority.

Staff Evaluation/Justification:

Motorola Solutions was determined by staff to best provide the products sought using H-GAC pricing. This equipment would be provided by Motorola Solutions under the pricing schedule obtained from that vendor's contract RA05-21.

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

M. SECURITY AND EMERGENCY OPERATIONS

Subject **2. Issue a purchase order to Cavender Grande Ford for the purchase of one Ford F-350 Rescue HAZMAT Truck, including outfitting by Siddons Martin Emergency Group, LLC using the Houston-Galveston Area Council Cooperative Purchasing Program, in an amount not to exceed \$175,000.**

Meeting Mar 21, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its March 21, 2022 meeting, issue a purchase order to Cavender Grande Ford for the purchase of one Ford F-350 Rescue HAZMAT Truck, including outfitting by Siddons Martin Emergency Group, LLC using the Houston-Galveston Area Council Cooperative Purchasing Program, in an amount not to exceed \$175,000, 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 4b. - Prepare for disruptive events and mitigate their impact
STRATEGIC GOAL #4 - STEWARDSHIP (Create Greater Value for the Region)

Category:

Award, Amend, & Change Order

Department:

Fire

Staff Contact:

William Buck

Background:

The Fire Department has prepared specifications for a Ford F-350 Rescue HAZMAT truck to promote reliable response operations, a safe work environment, and cost-effective operations. This new unit would replace the existing 2016 Ford F-350 HAZMAT truck (unit 2671).

By Minute No. 99-1129-29, the Port Commission authorized the Port Authority to enter into an Interlocal Agreement with the Houston-Galveston Area Council (H-GAC) to participate in its cooperative purchasing program.

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

Staff Evaluation/Justification:

Staff has compared Ford F-350 Rescue HAZMAT vehicle prices obtained from non-H-GAC local dealerships and H-GAC providers.

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

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

M. SECURITY AND EMERGENCY OPERATIONS

Subject **3. Renew a Memorandum of Understanding with the Galveston Fire Department to provide Marine Firefighting Mutual Aid for a five-year period.**

Meeting Mar 21, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its March 21, 2022 meeting, authorize the Port Authority to renew the Memorandum of Understanding with the Galveston Fire Department to provide Marine Firefighting Mutual Aid for a five-year 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.

Goals Strategic Objective 3a. - Cultivate key relationships to accomplish common goals
Strategic Objective 4b. - Prepare for disruptive events and mitigate their impact

Category:

General

Department:

Fire

Staff Contact:

William Buck

Background:

The Fire Department is the only entity in the Houston-Galveston Bay complex that operates fireboats for the suppression of maritime fires along the Houston Ship Channel. The possibility exists that a maritime fire could occur within the Port of Galveston and outside of the Houston Ship Channel, potentially impacting maritime traffic bound for Houston. This Memorandum of Understanding sets out the terms of the assistance that would be provided by the Fire Department to the Galveston Fire Department in the event of a maritime fire in the Port of Galveston jurisdiction, including amounts to be recouped after the initial 12-hour response period (costs plus 20 percent).

Staff Evaluation/Justification:

Staff recommends renewal of this Memorandum of Understanding with the Galveston Fire Department, to serve the best interests of shipping in the Houston-Galveston Bay complex.

N. TECHNOLOGY

Subject **1. Issue a purchase order to Xennex, LLC for purchase of replacement data storage and increased redundancy, using Texas Department of Information Resources cooperative purchase program, in an amount not to exceed \$820,000.**

Meeting Mar 21, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its March 21, 2022, meeting, issue a purchase order to Xennex, LLC for purchase of replacement data storage and increased redundancy for the Port Authority's DRS (Disaster Recovery Site), using Texas Department of Information Resources (DIR), in an amount not to exceed \$820,000, determine that this procurement method provides the best value to the Port Authority, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Awards, Amendments & Change Orders

Department:

Information Technology

Staff Contact:

Charles Thompson

Background:

The Port Authority is seeking to obtain replacement data storage and increased redundancy for the current storage environment for its DRS (Disaster Recovery Site). The Texas Department of Information Resources (DIR) has cooperative purchasing programs which may be used by the Port Authority.

The Director of Procurement Services has determined that procuring the purchase of additional data storage 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.

Staff Evaluation/Justification:

The Information Technology (IT) Department has determined that the best availability, price, and contract term for the item needed is provided by Xennex, LLC and is therefore recommending this purchase.

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

N. TECHNOLOGY

Subject **2. Issue a purchase order to Netsync Network Solutions for purchase of VMWare annual software licensing and software support, using Texas Department of Information Resources' cooperative purchase program, in an amount not to exceed \$125,000.**

Meeting Mar 21, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its March 21, 2022 meeting, issue a purchase order to Netsync Network Solutions for the purchase and renewal of a one-year contract for annual VMWare licensing and support, using Texas Department of Information Resources' cooperative purchase program, in an amount not to exceed \$125,000, determine that this procurement method provides the best value to the Port Authority, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Awards, Amendments & Change Orders

Department:

Information Technology

Staff Contact:

Charles Thompson

Background:

The Port Authority is seeking to obtain renewal of licenses and maintenance for VMWare, a software for server and client virtualization. Virtualization allows the Information Technology (IT) Department to reduce hardware expenses and benefit from centralized management of Port Authority servers. This includes Navis (N4), automated gate operating system and OCR portal, SharePort, and many other business critical services. IT has been utilizing VMware software for over ten years in support of Port Authority's virtual technology environment and considers the technology reliable and proven. It is critical to renew these licenses (and maintenance/support) in order to minimize business disruptions.

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.

The Director of Procurement Services has determined that procuring VMWare 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.

Staff Evaluation/Justification:

The Information Technology department has determined that the best availability, price, and contract term for the item needed is provided by Netsync Network Solutions 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.