

I N D E X

PORT COMMISSION  
OF THE  
PORT OF HOUSTON AUTHORITY  
OF THE PORTS OF HARRIS COUNTY, TEXAS  
May 20, 2020

<u>Minute No.</u>	<u>Event/Action</u>
<b>General</b>	
	Chairman Campo convened the virtual Port Commission meeting and provided opening remarks
<b>Minutes</b>	
2020-0520-01	Approve the minutes of the April 28, 2020 Port Commission meeting
<b>Staff Reports</b>	
2020-0520-02	Roger Guenther, Executive Director, presented a summary of selected operational matters
<b>Appearances</b>	
2020-0520-03(a)	Chairman Campo recognized Michel Bechtel, Mayor, Morgan's Point, who addressed the Port Commission
2020-0520-03(b)	Chairman Campo recognized Billy Combs, Commissioner, Chambers County, who addressed the Port Commission
2020-0520-03(c)	Chairman Campo provided a Pilot Board update on behalf of Capt. Robert Thompson, Presiding Officer, Houston Pilots Association, who was unable to attend the meeting
<b>F. Executive</b>	
2020-0520-04	Chairman Campo recognized Mr. Heidt to provide a report of selected Executive Division agenda items
2020-0520-05	Award a professional services contract to Pendulum Strategies, LLC for federal governmental policy consulting and support
2020-0520-06	Award a professional services contract to Cassidy and Associates for federal governmental policy consulting and support

<u>Minute No.</u>	<u>Event/Action</u>
2020-0520-07	RCA F3 was deferred
	<b>G. Commercial</b>
2020-0520-08	Chairman Campo recognized Mr. Heidt to provide a report of selected Commercial Division agenda items
2020-0520-09	Approve a second amendment to the lease with Ports America Texas, Inc., for an additional one-year term for approximately 1,216 net rentable square feet of office space at the Barbours Cut Terminal Administration Building, effective no earlier than June 1, 2020, at an annual rent of \$29,910
2020-0520-10	Approve a two-year and eight-month lease with Auto Warehousing Co. for approximately 8.15 acres out of the Port Authority's Block 14, at the Bayport Auto Terminal, effective as of May 1, 2020, at an annual base rent of \$356,578, subject to the annual increase in the Consumer Price Index
2020-0520-11	Approve a lease with Dixie Cullen Interests, Inc. for approximately 2.49 acres located at 922 Maxine St. and Clinton Drive, effective no earlier than June 1, 2020, for a term of twenty-three years and seven months at an annual rate of \$74,820 at full operations, subject to an annual increase of the greater of 3% or the increase in the Consumer Price Index
2020-0520-12	Approve a property exchange with LyondellBasell Acetyls, LLC (Lyondell) at Sims Bayou, to facilitate dock construction for Port Authority lessee TPC Group LLC: (1) Lyondell conveys (a) a 0.159 fee simple tract and (b) a subsurface easement on a 0.146 acre tract, including building restrictions; (2) the Port Authority conveys a 0.536 fee simple tract subject to a subsurface easement and building restrictions in favor of the Port Authority; and (3) Lyondell pays the Port Authority \$8,500, the difference in appraised values between the exchanged interests
2020-0520-13	Approve a no-fee access license with Harris County, Texas, for an eight-year term effective no earlier than June 20, 2020, for an approximately 1.6010-acre strip of land and a 0.2394-acre tract of land out of the Beltway 8 property in connection with the Beltway 8 bridge construction project
	<b>H. Finance</b>
2020-0520-14	Chairman Campo recognized Mr. Heidt to provide a report of selected Finance Division agenda items
2020-0520-15	Approve an order authorizing the sale of Port of Houston Authority of Harris County, Texas, Unlimited Tax Refunding Bonds, Series 2020A (NON-AMT) and Unlimited Tax Refunding Bonds, Series 2020B

Minute No.

Event/Action

(Taxable), in an aggregate principal amount not to exceed \$309,345,000, and matters incident thereto

2020-0520-16

Adopt a revised Investment Policy for Port Authority funds, including operating, construction, debt service and bond reserve funds, and approve the Port Authority's revised Internal Controls for Investments

**I. Infrastructure**

2020-0520-17

Chairman Campo recognized Mr. Heidt to provide a report of selected Infrastructure Division agenda items

2020-0520-18

Approve staff's ranking of vendors and award a professional services contract for analysis and design for the rehabilitation and repair of Wharf 8 at Turning Basin Terminal to the top-ranked proposers: staff ranking – first, Moffatt & Nichol; second, Lloyd Engineering, Inc.; and third, Halff Associates, Inc.

Port Commission adopted the staff-recommended ranking and authorized award

2020-0520-19

Approve staff's ranking of vendors and award an architectural services contract for the design of Ramp Road 8 gate modifications and guardhouse at Turning Basin Terminal to the top-ranked proposers: staff ranking – first, PDG, Inc. dba PDG Architects; second, STOA International Architects; and third, J. Morales, Inc.

Port Commission adopted the staff-recommended ranking and authorized award

2020-0520-20

Approve staff's ranking of vendors and award a contract for the annual wharf and rubber tire gantry crane painting in 2020 at Barbours Cut Terminal and Bayport Container Terminal to the top-ranked proposer: staff ranking – first, Blastco Texas, Inc.; second, CFG Industries, LLC; and third, Royal Bridge, Inc.

Port Commission adopted the staff-recommended ranking and authorized award

2020-0520-21

Approve staff's ranking of vendors and award a construction contract for the rehabilitation of Wharves 4 and 5 at Bayport Container Terminal to the top-ranked proposer: staff ranking – first, McCarthy Building Companies, Inc.; and second, Russell Marine, LLC.

Port Commission adopted the staff-recommended ranking and authorized award

<u>Minute No.</u>	<u>Event/Action</u>
2020-0520-22	<p>Approve staff's ranking of vendors and award a professional services contract to perform construction material testing for the rehabilitation of Wharves 4 and 5 at Bayport Container Terminal to the top-ranked proposers: staff ranking – first, Aviles Engineering Corporation; second, Professional Services Industries, Inc.; and third, Raba Kistner, Inc.</p> <p>Port Commission adopted the staff-recommended ranking and authorized award</p>
2020-0520-23	Award a professional services contract to LJA Engineering, Inc. to perform engineering services for the design of the Freight Station Road Dedicated Right-Turn Lanes and U-turn Connector at Bayport Container Terminal
2020-0520-24	Amend the professional services contract with Cobb Fendley and Associates, Inc. for additional work for the Freight Station Road utilities and drainage at Bayport Container Terminal
2020-0520-25	Approve a change order with FUSED, LLC to perform additional work associated with the construction of rail spur at the Bayport Container Terminal
2020-0520-26	Approve the renewal the following expiring Port Authority license for a new ten-year term: ExxonMobil Corporation
2020-0520-27	Issue a pipeline license to Phillips 66 Carrier LLC for a 4-inch natural gas pipeline under and across Port Terminal Railroad Association's Southside Mainline Railroad right-of-way
2020-0520-28	Amend a pipeline license issued to Praxair, Inc. to add an additional crossing north of the existing 10- inch nitrogen pipeline under and across Port Terminal Railroad Association's Southside Mainline railroad right-of-way

## **J. Operations**

2020-0520-29	Chairman Campo recognized Mr. Heidt to provide a report of selected Operations Division agenda items
2020-0520-30	Reject the bid and authorize re-advertisement for competitive sealed bids for the purchase of miscellaneous plumbing supplies for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal
2020-0520-31	Ratify certain emergency purchases for COVID-19 response as set forth on Exhibit A and authorize additional purchase order funding for continuing pandemic response services with Workplace Safety Screenings for \$720,000 and Ambassador Services, LLC for \$560,000

<u>Minute No.</u>	<u>Event/Action</u>
2020-0520-32	Award a three-year contract to Darr Equipment Company, using the Local Government Purchasing Cooperative's Buyboard Program, a cooperative purchase program, for the purchase of spare and replacement parts for forklifts and container handling equipment at Barbours Cut Terminal and Bayport Container Terminal
2020-0520-33	Authorize payment to Navis LLC for annual maintenance services for the marine terminal management software system for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal
2020-0520-34	Authorize payment to Smart Tecs LLC for annual maintenance services for the marine terminal gate operating software system for Barbours Cut Terminal and Bayport Container Terminal
2020-0520-35	Enter into Freight Handling Assignment Agreements for terminal services at Barbours Cut Terminal and Bayport Auto Terminal and amend the Freight Handling Assignment Agreements for terminal services at the Turning Basin Terminal to extend the terms of the agreements through August 31, 2020

#### **K. People**

2020-0520-36	Chairman Campo recognized Mr. Heidt to provide a report of selected People Division agenda items
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#### **Recess Public Meeting and Convene Hearing required by Texas Water Code Section 60.011**

2020-0520-37	Hearing and possible action to amend the Port Authority's 401(a) Defined Contribution Plan and 457(b) Deferred Compensation Plan to opt into programs offered under the Coronavirus Aid, Relief, and Economic Security (CARES) Act that relate to retirement plans
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#### **Adjourn Hearing and Reconvene Public Meeting**

#### **L. Port Security and Emergency Operation**

2020-0520-38	Chairman Campo recognized Mr. Heidt to provide a report of selected Port Security and Emergency Operations Division agenda items
2020-0520-39	Approve staff's ranking of proposers and award the unarmed, uniformed security officer services contract for a period of three years, with the option for one additional two-year term, to the top-ranked proposer: staff ranking – first, AlliedUniversal Security Services LLC; second, Securitas Security Services USA; and third, G4S Secure Solutions (USA) Inc.

Minute No.

Event/Action

Port Commission adopted the staff-recommended ranking and authorized award

2020-0520-40

Amend the existing purchase order to Motorola Solutions for the purchase of land mobile radio equipment including radios, batteries, chargers, related hardware, and accessories for the Operations, Port Security, and Emergency Operations Departments using the Houston-Galveston Area Council's cooperative purchase program

2020-0520-41

Amend the existing purchase order with Harris County for radio repairs

**M. Technology**

2020-0520-42

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

2020-0520-43

Issue a purchase order to Datavox, Inc. for purchase of information technology components (switches, access points, and associated peripherals) for Container Yard 7 South, using the Texas Department of Information Resources' cooperative purchase program

**Recess Open Meeting and Convene Executive Session**

**Reconvene Open Meeting**

2020-0520-44

Motion to authorize the Port Authority to settle with AKA Land Management, LLC and Ootzie Properties-HOU, LLC and to acquire property owned by each in the vicinity of Bayport Terminal, on the terms discussed in Executive Session, and to authorize the Executive Director to do all things necessary to give effect to the foregoing

2020-0520-45

Motion to authorize the Port Authority to settle claims against Exxon Land Development, Inc. on the terms discussed in Executive Session, and to authorize the Executive Director to do all things necessary to give effect to the foregoing

**Adjourn Meeting**

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

**Houston, Texas  
May 20, 2020**

A public meeting of the Port Commission of the Port of Houston Authority of Harris County, Texas was convened on May 20, 2020 at 9:15 a.m., via Cisco WebEx. The following commissioners, staff, and counsel were present:

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

Chairman Campo provided a brief overview of how the meeting would be conducted: he would only call for nay votes on each item; if a commissioner dropped off from the connection, the commissioner should attempt to reconnect immediately, and the meeting would continue if a quorum was maintained; and finally, if for any reason Chairman Campo was disconnected and could not continue, the meeting lead would pass to Commissioner Corgey.

Chairman Campo asked Mr. Eriksson to call the roll; a quorum was established.

Chairman Campo welcomed everyone and thanked the essential and critical employees who have continued to show up on site every day to keep the Port Authority running adding that those who were telecommuting were essential as well and their flexibility to keep the Port Authority running was also appreciated. He added that it was very hard to work in an environment such as this. Chairman Campo continued by observing that the Port Authority was now in its ninth week of operating a remote work environment for those with the ability to telecommute, and would continue to do so into June.

Staff has formed a cross-functional “return-to-work” team with 27 members, looking at the best, safest, and most productive way to return to the office. Chairman Campo gave a shout out to all of those on the team and the importance of the effort to get it right. The team is being led by Jessica Shaver, Chief People Officer, with working groups led in turn by Christine Abbruscato, Director, Marketing and Branding – communication and training; Brenda Trevino, Director – physical worksite preparation; Chasless Yancy, Assistant General Counsel – mitigation and worksite preparation; and David McNamara, Assistant General Counsel – work practices and protocols. Team members, from all divisions and levels of the Port Authority, are taking lessons learned

and best practices from others and the facilities that have remained active, and evaluating each site for specific needs, while continuing to ensure the safety of essential workers that report onsite every day. Chairman Campo thanked the team for its contribution to a well thought out, effective, and safe plan to get employees back into the office.

Chairman Campo moved on to note that the original Chairman's Citizen Advisory Council, which began in 2013, was relaunched in 2020 as the Port Commission Community Advisory Council (PCCAC). All commissioners would play a role in the council, and the updated platform would help Port Authority leadership better engage community stakeholders who had a vested interest in what the Port Authority does in connection to its mission. The PCCAC, comprised of 14 members, was a diverse group representing different communities along the Houston Ship Channel and various special interest groups, including environmental and workforce development interests.

Chairman Campo explained that the PCCAC's mission, to help promote deeper engagement and understanding between local communities and the Port Authority by providing a more open line of communication and robust dialog opportunities, was consistent with the recently adopted Strategic Plan, in which partnerships were a strategic goal. The Port Authority was committed to building and strengthening partnerships with its surrounding neighbors and seeking greater community and stakeholder involvement in its activities.

Chairman Campo remarked that the first meeting was originally planned to be held in person, but in light of the current situation, a virtual meeting would be scheduled soon. He added that the PCCAC was on the agenda for discussion during the Community Relations Committee meeting immediately following the Port Commission meeting.

Chairman Campo provided an update on the deepening and widening project (Project 11), stating that it continued to follow the roadmap from feasibility to design, authorization, and construction. With the U.S. Army Corps of Engineers (USACE) Chief's Report signed in late April, a significant milestone was achieved that advanced the project for congressional authorization. On May 5, the Senate included the project in its AWIA (Americas Water Infrastructure Act) bill, and staff was hopeful it would be included in the House version of the 2020 Water Resources Development Act.

(2020-0520-01) Chairman Campo called for a motion to approve the minutes of the April 28, 2020 Port Commission meeting. Commissioner Corgey moved for approval, seconded by Commissioner Cloonan. The minutes were approved as written.

(2020-0520-02) Roger Guenther, Executive Director, presented a summary of selected operational matters as follows:



Mr. Guenther noted that although cargo volumes had been impacted during the last couple of months, Port Authority public facilities remained busy, with efficient receipt and delivery of cargo for customers during the unusual times. He was proud of the resiliency of the port community as they have proudly stood up to keep commerce flowing through Houston to serve the region, the state, and the nation during the pandemic.

Mr. Guenther remarked that the Port Authority moved nearly 3.4 million in total tonnage through public facilities in April, which was down 2% for the year. Container volume was down about 12% in April versus the prior year, but overall container volume remained up for the year through April by about 5%. He added that this was pretty much as expected, and foresaw little change for the next month or two ahead, in talking with carriers, beneficial cargo owners (BCOs), and shippers.

When looking at container gate volume at Barbours Cut and Bayport, it appeared the Port Authority was on a similar pace for May. The Port Authority had received notification of an increasing number of blank (or cancelled) container ship sailings into Houston through July: after only seeing nine container vessels cancelling their calls to Houston in March and April combined, the Port Authority was advised of eight blank sailings in May, seven more in June, and two in July. He noted that these 26 total blank sailings were certainly COVID-19 related, adding that the early cancellations in March and April were primarily of Trans-Pacific services, but now the Port Authority had begun to see more North Europe and Mediterranean trade routes affected. However, despite the cancellations, the ships coming into Houston appear to be full.

Mr. Guenther continued by commenting that year-to-date steel tonnage continued to lag 2019 by 50%. This downturn was underway prior to the COVID-19 pandemic, as oil production had already begun to taper off and tariffs were impacting import steel supporting the energy industry.

Mr. Guenther noted that Chairman Campo had mentioned the telecommuting staff and the team that was working on determining how to safely return to our office building environment, and emphasized that on-site essential and critical workers continued to be amazing: front-line employees continued to show up and deliver at operating facilities every day. Mr. Guenther truly appreciated their effort, and had advised those employees that they would be receiving extra pay for their contributions “above and beyond” during this period.

Mr. Guenther reiterated that normal business continued, the Port Authority still embraced its strategic mission, and he frequently reminded employees that its mission and goals had not changed. While the working environment had changed, it was business as usual as much as possible, as future growth projects were still being planned, the Port Authority was billing and getting paid, and systems have been kept running smoothly.

Mr. Guenther reiterated that staff was moving forward with projects and contractual agreements to keep business moving: there were more than \$36 million in expenditures recommended on the agenda, and as Chairman Campo mentioned, progress on Project 11 continued at a rapid pace. Staff recently moved the designs across the 35% milestone, and the Port Authority was working with the USACE on the project team level-detail, including developing ship simulations with cooperation from the Houston Pilots, and working with multiple industry parties on the necessary pipeline relocations and other issues.

Mr. Guenther explained that staff was preparing additional agreements that would further define the collaboration and partnership model, including the specific project management plan, the design agreement, and the use of advanced and contributed funds. After that staff would address construction authorities and pre-define project partnership agreements so they were ready to be executed after authorization. All of these steps were required to move into construction, which was still anticipated to start in 2021.

(2020-0520-03)      Appearances

(a)      Chairman Campo recognized Michel Bechtel, Mayor, Morgan's Point, who addressed the Port Commission.

Mayor Bechtel greeted the Port Commission and stated his concern was with agenda Item F3 regarding the Port Authority authorization of a grant of \$250,000 to the Severe Storm Prediction, Education, & Evacuation from Disasters (SSPEED) Center at Rice University for further development of the Galveston Bay Park Plan. He stated that there was no support for the plan from neighbors along the bay nor any support from Chambers County officials. He was worried the Galveston Bay Park Plan may impact Project 11, slowing progress due to environmental concerns.

Mayor Bechtel noted that storm surge protection compatibility does not equate to equal results or effectiveness with the proposed coastal barrier concept. Despite claims to the contrary, pursuit of public funding for comprehensive storm surge protection along the Upper Texas Gulf Coast would be set back with the perception of multiple competing plans. He stated that funding from the Port Authority would result in the perception of a preferred plan, which should be avoided, and asked that the Port Authority not fund the grant.

(b)      Chairman Campo recognized Billy Combs, Commissioner, Chambers County, who addressed the Port Commission.

Commissioner Combs thanked the Port Commission for keeping the port open during the pandemic. On behalf of Chambers County, he asked that the Port Commission not fund the grant agreement with the SSPEED Center for further development of the Galveston Bay Park Plan. It would be constructed almost entirely in Chambers County,

but the county has not had any input in the plan. The plan would do nothing to protect Chambers County businesses or residents, and emphasized that Chambers County taxpayers would get stuck with the bill.

Commissioner Combs continued by stating that the Coastal Spine project was currently being worked on. For a long time, there were two plans and it was divisive in trying to get support, and he asked that the Port Commission get behind the Coastal Spine project, since he did not want a divide between two different plans again.

(c) Chairman Campo provided a Pilot Board update on behalf of Capt. Robert Thompson, Presiding Officer, Houston Pilots Association, who was unable to attend the meeting.

Chairman Campo noted that the Pilots have been conducting numerous simulations on the current channel and a widened channel, to maximize efficiency.

Chairman Campo reported that the Governor of Texas has yet to make his appointments to the Pilot Board; the former Pilot Commissioners have all resigned, and he was the exception as the only holdover, to make sure there was an orderly transition. He continued by noting that the Port Authority was funding the Pilot Board through June, but the transition would likely not be completed by the end of June, and as a result, an amendment to the Pilot Commission-Port Authority program, to extend the agreement through the end of September, would be placed on next month's agenda to help ensure a seamless transition.

Commissioner Corgey remarked that the forthcoming Friday, May 22, 2020, was National Maritime Day, and the U.S. Maritime Administration (MARAD) would conduct a virtual celebration at 10:30 a.m., and Transportation Secretary Elaine Chao and Admiral Mark Buzby, MARAD Administrator, would deliver remarks. Commissioner Corgey made a link for the celebration available.

(2020-0520-04) Chairman Campo recognized Mr. Heidt to provide a report of selected Executive agenda items.

Mr. Heidt remarked that Items F1 and F2 were yearly renewals for federal policy consultants, at the same monthly rate as the previous year. Item F3 was the challenge grant for the SSPEED Center for \$250,000, upon raising \$750,000 from other sources.

Chairman Campo acknowledged the public comments related to the SSPEED grant item and appreciated such concern but did not believe the SSPEED grant was an example of divisiveness. The City of Houston and Harris County viewed the project differently, believing that the project was difficult to even evaluate, as currently there was not enough data to determine whether the project was good, bad, or indifferent.

Chairman Campo recognized the concerns related to Project 11 and emphasized that the agreement to be negotiated by the Port Authority with SSPEED would ensure that Project 11 was not impacted and that Chambers County and others would have a voice in the project. The grant did not represent an acknowledgement by the Port Authority of a preferred project but was instead solely about getting more data for analysis.

Commissioner Mease requested a formal deferral of Item F3 for further study. He emphasized that the Port Commission had not heard back from Jim Blackburn of the SSPEED Center. Commissioner Mease emphasized that he was not necessarily against the project but did not believe it was the right time to be trying to raise money, and a grant of \$250,000 would be seen as a sign of the Port Authority's support.

Commissioner Mease further commented that the SSPEED project could not be started until the channel was widened to 700 feet. He believed that when Mr. Blackburn brought his project before the USACE it would interfere with Project 11, and it was ill conceived to put any other project out that could potentially interfere with Project 11. Once Project 11 was awarded and under contract, then a different approach could be taken.

Commissioner Mease concluded that the Port Authority had spent a lot of money already on Project 11, he believed it would be in it by itself, and even spending just \$250,000 elsewhere could affect Project 11 in the future.

Chairman Campo explained that under the bylaws, each commissioner may request an item be deferred into the future one time. He asked Commissioner Mease to clarify if the request for deferral was in accordance with the bylaws, and Commissioner Mease confirmed that it was.

Commissioner DonCarlos asked for clarification on the deferral. He wanted to know if an item could only be deferred once, or if each commissioner could defer the same item. Mr. Eriksson replied that he would look into the matter.

Chairman Campo directed staff to set up a Port Commission meeting in which the item could be further discussed and debated before it returned to the agenda. He asked that all further comment be held until the special meeting.

(2020-0520-05) RCA F1 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 F1 PASSED.

(2020-0520-06) RCA F2 was presented, moved by Commissioner Mease, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan,

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

(2020-0520-07) RCA F3 was deferred by Commissioner Mease.

(2020-0520-08) Chairman Campo recognized Mr. Heidt to provide a report of selected Commercial agenda items.

Mr. Heidt noted that there were five items on the Commercial agenda – three standard leases and one access license for Harris County’s contractors working on the Beltway 8 bridge. Item G4 pertained to a tenant’s need for more space to build a dock: the Port Authority has property adjacent to property owned by LyondellBasell, and staff was asking the Port Commission to allow for a property exchange.

(2020-0520-09) RCA G1 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Corgey. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA G1 PASSED.

(2020-0520-10) RCA G2 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Corgey. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA G2 PASSED.

(2020-0520-11) RCA G3 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Corgey. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA G3 PASSED.

(2020-0520-12) RCA G4 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Corgey. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA G4 PASSED.

(2020-0520-13) RCA G5 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Corgey. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA G5 PASSED.

(2020-0520-14) Chairman Campo recognized Mr. Heidt to provide a report of selected Finance agenda items.

Mr. Heidt noted there were two items for Finance. Item H1 was an approval by the Port Commission to sell the \$310 million tax refunding bond. Last month the Port Commission approved a resolution for the necessity to do so, and this action was one of the steps needed to complete the transaction.

(2020-0520-15) RCA H1 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Corgey. Chairman Campo, and Commissioners, Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA H1 PASSED.

(2020-0520-16) RCA H2 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Corgey. Chairman Campo, and Commissioners, Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA H2 PASSED.

(2020-0520-17) Chairman Campo recognized Mr. Heidt to provide a report of selected Infrastructure agenda items.

Mr. Heidt remarked that there were eleven items on the agenda – a couple of design works for new projects and some work for pipelines. Item I3 was for the annual wharf and rubber-tired gantry painting, by Blastco Texas, the incumbent: the bid and work done by Blastco have been spectacular. Item I4 related to the rehabilitation of Wharfs 4 and 5 at the Bayport Container Terminal. Staff was recommending McCarthy Building Companies. He added that the speed of this project was important because as this work goes on, the terminal can only handle two large container ships.

Chairman Campo asked for clarification on Item I4. He wanted to be sure he understood that the two bids were close in price, but McCarthy had a faster schedule to complete the work, which factored into staff's decision, even though McCarthy's cost was slightly higher.

Mr. Heidt confirmed that was correct. The project was bid two different ways. One bid was for the construction of the project in eleven months and the eastern third of Wharf 5 in 150 days. Factoring in McCarthy's ability to speed the project up made it a decision that staff felt was best for the Port Authority and its customers.

(2020-0520-18) RCA I1 was presented. Commissioner Mease moved for staff ranking – first, Moffatt & Nichol; second, Lloyd Engineering, Inc.; and third, Halff Associates, Inc., seconded by Commissioner Creuzot. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA I1 PASSED.

(2020-0520-19) RCA I2 was presented. Commissioner Mease moved for staff ranking – first, PDG, Inc. dba PDG Architects; second, STOA International Architects; and third, J. Morales, Inc., seconded by Commissioner Creuzot. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA I2 PASSED.

(2020-0520-20) RCA I3 was presented. Commissioner Mease moved for staff ranking – first, Blastco Texas, Inc.; second, CFG Industries, LLC; and third, Royal Bridge, Inc., seconded by Commissioner Creuzot. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA I3 PASSED.

(2020-0520-21) RCA I4 was presented. Commissioner Mease moved for staff ranking – first, McCarthy Building Companies, Inc.; and second, Russell Marine, LLC, seconded by Commissioner Creuzot. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA I4 PASSED.

(2020-0520-22) RCA I5 was presented. Commissioner Mease moved for staff ranking – first, Aviles Engineering Corporation; second, Professional Services Industries, Inc.; and third, Raba Kistner, Inc., seconded by Commissioner Creuzot. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA I5 PASSED.

(2020-0520-23) RCA I6 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 I6 PASSED.

(2020-0520-24) RCA I7 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 I7 PASSED.

(2020-0520-25) RCA I8 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 I8 PASSED.

(2020-0520-26) RCA I9 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 I9 PASSED.

(2020-0520-27) RCA I10 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 I10 PASSED.

(2020-0520-28) RCA I11 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 I11 PASSED.

(2020-0520-29) Chairman Campo recognized Mr. Heidt to provide a report of selected Operations agenda items.

Mr. Heidt stated there were six items on the Operations agenda. Item J2 was a request for Port Commission acknowledgement of the money spent on screening and cleaning and for approval of future money to be spent for these items through July. The Port Authority has already spent approximately \$2.2 million on services and supplies related to the pandemic.

Mr. Heidt stated that Items J4 and J5 were the annual maintenance services for the systems at the container terminals. One was with NAVIS, the marine terminal management system, and the other was with Smart Tech, which maintains the gate operations. The Port Authority had only had the latter company in place for three years, but the system worked well with NAVIS and kept the 9,000 plus transactions per day operating smoothly.

Chairman Campo asked that Mr. Heidt and staff prepare a summary of COVID-19 related expenses moving forward, in conjunction with the reopening of the Executive Office Building.

(2020-0520-30) RCA J1 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 J1 PASSED.

(2020-0520-31) RCA J2 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 J2 PASSED.

(2020-0520-32) RCA J3 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 J3 PASSED.

(2020-0520-33) RCA J4 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 J4 PASSED.

(2020-0520-34) RCA J5 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 J5 PASSED.

(2020-0520-35) RCA J6 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 J6 PASSED.

Chairman Campo called for a recess of the Public Meeting and convened a Hearing required by Texas Water Code Section 60.011 for possible action to amend the Port Authority's 401(a) defined contribution plan and 457 (b) deferred compensation plan to opt into programs offered under the Coronavirus Aid Relief and Economic Security (CARES) Act that related to retirement plans.

Chairman Campo asked if anyone would like to comment during the Hearing; there was no response.

(2020-0520-36) Chairman Campo recognized Mr. Heidt to provide a report of selected People agenda items.

Mr. Heidt noted that the CARES Act (through December 31, 2020) allowed employees, without penalty, to withdraw up to \$100,000 of their own money and pay taxes on it over a three-year period. Another part of the Act allowed employees to get a loan through September 23, 2020 of up to \$100,000, depending on how much money they had in the system.

Mr. Heidt emphasized that the dollars quoted were the employees' own money, not Port Authority funds. The CARES Act allowed employees to have access to their own money if they, or spouse or dependent, have had the coronavirus, and they can prove that they have had a financial hardship.

Chairman Campo then adjourned the Hearing and reconvened the Public Meeting.

(2020-0520-37) RCA K1 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 K1 PASSED.

(2020-0520-38) Chairman Campo recognized Mr. Heidt to provide a report of selected Port Security and Emergency Operations agenda items.

Mr. Heidt observed that there were three items on the agenda – two dealing with the approximately 1,200 radios used at the terminals relating to parts and maintenance. In addition, the main item was the award of the security gate guard contract. Staff recommended renewing with AlliedUniversal. The firm had done a good job over the years and the price was up only 2% over the previous contract.

Commissioner DonCarlos assumed the security guards were unarmed, and Mr. Heidt confirmed that they were not.

Mr. Eriksson remarked that there was a Texas Attorney General opinion from about 30 years ago to address arming guards, which was contemplated by the Port Commission at the time. The resulting decision was that armed security guards were not feasible, and guards would have to be peace officers to be able to carry arms.

Commissioner DonCarlos asked if the objection to using peace officers was the cost, and Mr. Heidt confirmed that Port Authority police used to be stationed at the entry gates, but the cost made it prohibitive.

Commissioner DonCarlos voiced concern that he believed the front entry gates were not adequately guarded, understood the financial impact, but hoped the Port Authority never regrets the decision.

Chairman Campo suggested a separate meeting on the issue and Mr. Guenther replied the issue could be revisited.

(2020-0520-39) RCA L1 was presented. Commissioner Fitzgerald moved for staff ranking – first, AlliedUniversal Security Services LLC; second, Securitas Security Services USA; and third, G4S Secure Solutions (USA) Inc., seconded by Commissioner Corgey. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA L1 PASSED.

(2020-0520-40) RCA L2 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Corgey. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA L2 PASSED.

(2020-0520-41) RCA L3 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Corgey. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA L3 PASSED.

(2020-0520-42) Chairman Campo recognized Mr. Heidt to provide a report of selected Technology agenda items.

Mr. Heidt remarked there was only a single item on the agenda, for the purchase of information technology components at Container Yard 7 South at the Bayport Container Terminal, adding that the same purchase was previously made for the north container yard. He added that the agenda item did not include cameras.

(2020-0520-43) RCA M1 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Mease. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA M1 PASSED.

At 10:13 a.m., Chairman Campo called for an Executive Session and made the following announcement:

The Port Commission of the Port of Houston Authority of Harris County, Texas will now convene in a closed meeting, as permitted by the Texas Open Meetings Act and Government Code (1) to conduct a private Consultation with Attorneys (*Section 551.071, Texas Open Meetings Act*), including consultation regarding claims against Exxon Land Development, Inc. and ExxonMobil Pipeline Company; deliberate regarding (2) Real Estate (*Section 551.072, Texas Open Meetings Act*), including disposition of Beltway 8, Barbours Cut Terminal, and Bayport Terminal vicinity properties; (3) Economic Development Negotiations or Incentives (*Section 551.087, Texas Open Meetings Act*); (4) Employment and Evaluation of Public Officers and Employees (*Section 551.074, Texas Open Meetings Act*); and (5) Security-Related Matters (*Sections 418.175-418.183 of the Texas Government Code, and Section 551.076, Texas Open Meetings Act*). The Port Commission will reconvene in public session after the closed meeting is adjourned.

Immediately thereafter the Port Commission retired into closed session.

At 10:48 a.m., Chairman Campo reconvened the open meeting via Cisco WebEx with the following Commissioners, staff, and counsel in attendance:

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

Cheryl D. Creuzot, Commissioner  
Stephen H. DonCarlos, Commissioner  
Clyde E. Fitzgerald, Commissioner  
Roy D. Mease, Commissioner  
Roger Guenther, Executive Director  
Erik Eriksson, Chief Legal Officer  
Tom Heidt, Chief Operating Officer  
J. Kent Friedman, outside counsel

(2020-0520-44) Commissioner Mease moved to authorize the Port Authority to settle with AKA Land Management, LLC and Ootzie Properties-HOU, LLC and to acquire property owned by each in the vicinity of Bayport Terminal, on the terms discussed in Executive Session, and to authorize the Executive Director to do all things necessary to give effect to the foregoing, seconded by Commissioner Creuzot. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. MOTION PASSED.

(2020-0520-45) Commissioner DonCarlos moved to authorize the Port Authority to settle claims against Exxon Land Development, Inc. on the terms discussed in Executive Session, and to authorize the Executive Director to do all things necessary to give effect to the foregoing, seconded by Chairman Campo. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. MOTION PASSED.

Chairman Campo stated that the next Port Commissioner meeting would be on June 23, 2020, and advance notice would be given as to whether the meeting would be virtual or in-person. Chairman Campo thanked all who participated on the call and encouraged everyone to join the virtual maritime celebration.

At 10:53 a.m., Chairman Campo adjourned the Port Commission meeting.

The above is a correct copy of the Minutes of the May 20, 2020 meeting of the Port Commission of the Port of Houston Authority.



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Ric Campo, Chairman



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Erik A. Eriksson, Secretary

## F. EXECUTIVE

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**Subject**                    **1. Award a professional services contract to Pendulum Strategies, LLC for federal governmental policy consulting and support in an amount not to exceed \$100,000.**

Meeting                    May 20, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access                    Public

Type                    Action

Recommended Action                    The Port Commission, at its May 20, 2020 meeting, award a professional services contract to Pendulum Strategies, LLC in an amount not to exceed \$100,000, for a one-year term effective July 1, 2020, 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:**

Spencer Chambers

**Background:**

The Port Authority currently contracts with Pendulum Strategies, LLC to consult on federal policy priorities, assist in developing strategic plans and objectives, and facilitate effective communication with government officials and their staffs.

**Staff Evaluation/Justification:**

Staff recommends that the Port Commission authorize a twelve-month contract with Pendulum Strategies, LLC for continued federal consulting and support services.

**F. EXECUTIVE**

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<b>Subject</b>	<b>2. Award a professional services contract to Cassidy and Associates for federal governmental policy consulting and support in an amount not to exceed \$240,000.</b>
Meeting	May 20, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its May 20, 2020 meeting, award a professional services contract to Cassidy and Associates for federal governmental policy consulting and support, in an amount not to exceed \$240,000 for a one-year term, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

**Category:**

Awards, Amendments &amp; Change Orders

**Department:**

Government Relations

**Staff Contact:**

Spencer Chambers

**Background:**

In order to advance the project to widen and deepen the Houston Ship Channel, Port Authority staff has served additional support to assist its work with the U.S. Army Corps of Engineers regarding its Houston Ship Channel expansion improvement study and, moving forward, with staff's efforts to obtain authorization and funding for the project.

**Staff Evaluation/Justification:**

Staff recommends that the Port Commission authorize a twelve-month contract with Cassidy and Associates for federal consulting and support services.

## F. EXECUTIVE

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**Subject**                    **3. Deliberate and consider authorizing a challenge grant service agreement with the Severe Storm Prediction, Education, and Evacuation from Disasters ("SSPEED") Center at Rice University to assist in further developing the Galveston Bay Park Plan storm surge defense system, in the amount of \$250,000, contingent on securing additional grant funding totaling \$750,000.**

Meeting                    May 20, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access                    Public

Type                    Action

Recommended Action                    The Port Commission, at its May 20, 2020 meeting, deliberate and consider authorizing a challenge grant service agreement with the Severe Storm Prediction, Education, and Evacuation from Disasters ("SSPEED") Center at Rice University to assist in further developing the Galveston Bay Park Plan storm surge defense system, in the amount of \$250,000, contingent on securing additional grant funding totaling \$750,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

**Category:**  
General

**Department:**  
Executive

**Staff Contact:**  
Erik Eriksson

**Background:**

A team at the SSPEED Center at Rice University, working with private industry partners, has 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 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. Staff subsequently continued discussions with interested parties regarding the matter, mindful that its planning and construction cannot interfere with the ongoing project to obtain authorization, funding, and completion of a widened ship channel through Galveston Bay, a major component of "Project 11," the ongoing Houston Ship Channel – Expansion Channel Improvement Project.

On August 23, 2019, the U.S. Army Corps of Engineers (Corps), the Texas General Land Office (GLO), and the SSPEED Center publicly announced the compatibility of the Coastal Barrier proposal of the Corps and GLO with the Galveston Bay Park Plan.

At its August 27, 2019 meeting, Harris County Commissioners Court authorized the County Attorney to work with third parties to prepare a proposal for permits in connection with this project and retained a law firm to assist the effort, with funding totaling \$20,000.

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. Staff is informed that representatives of the SSPEED Center have subsequently conducted other meetings with public officials.

This item is again on the agenda for the Port Commission to consider Port Authority participation in funding to advance the SSPEED Center's work on the Galveston Bay Park Plan.

**Staff Evaluation/Justification:**

Staff requests that the Port Commission deliberate and consider authorizing 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.



## G. COMMERCIAL

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<b>Subject</b>	<b>1. Approve a second amendment to the lease with Ports America Texas, Inc., for an additional one-year term for approximately 1,216 net rentable square feet of office space at the Barbours Cut Terminal Administration Building, effective no earlier than June 1, 2020, at an annual rent of \$29,910.</b>
Meeting	May 20, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its May 20, 2020 meeting, approve a second amendment to the lease with Ports America Texas, Inc., for an additional one-year term for approximately 1,216 net rentable square feet of office space at the Barbours Cut Terminal Administration Building, effective no earlier than June 1, 2020, at an annual rent of \$29,910, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #3 - PARTNERSHIPS (Develop and Strengthen External Partnerships)

**Category:**

Leases

**Department:**

Real Estate

**Staff Contact:**

R. D. Tanner

**Background:**

By Minute No. 2015-0519-29, the Port Commission authorized the Port Authority to enter into a two-year lease with Ports America Texas, Inc. for approximately 1,216 net rentable square feet of office space at the Barbours Cut Terminal Administration building. The property is used for general office purposes.

By Minute No. 2017-0321-13, the Port Commission authorized the Port Authority to amend the lease for an additional three-year term.

**Staff Evaluation/Justification:**

Staff recommends the Port Commission approve this proposed second amendment to the lease.

## G. COMMERCIAL

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**Subject**                    **2. Approve a two-year and eight-month lease with Auto Warehousing Co. for approximately 8.15 acres out of the Port Authority's Block 14, at the Bayport Auto Terminal, effective as of May 1, 2020, at an annual base rent of \$356,578, subject to the annual increase in the Consumer Price Index.**

Meeting                    May 20, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access                    Public

Type                    Action

Recommended Action                    The Port Commission, at its May 20, 2020 meeting, approve a two-year and eight-month lease with Auto Warehousing Co. for approximately 8.15 acres out of the Port Authority's Block 14, at the Bayport Auto Terminal, effective as of May 1, 2020, at an annual base rent of \$356,578, subject to the annual increase in the Consumer Price Index, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

**Category:**

Leases

**Department:**

Real Estate

**Staff Contact:**

R. D. Tanner

**Background:**

Auto Warehousing Co. (AWC) has leased approximately 33.8 acres of the referenced property on a month-to-month basis since November 2016. The property is used primarily for import of automobiles, other multiple wheel vehicles, and general cargo. AWC operations include loading, unloading, and delivering vehicles, installing accessories, conducting repairs, inspection, processing, storage, and uses incidental thereto, and incidental handling and storage of other general, non-liquid cargo.

AWC has now proposed to reduce the leased premises to approximately 8.15 acres and lease the property for a two-year and eight-month lease effective as of May 1, 2020. The two-year and eight-month term is intended to align with the Port Authority's need for the terminal property and the expiration of AWC's Fiat-Chrysler Import Services agreement.

Approval of a new AWC Freight Handling Assignment at the Bayport Terminal Auto Import Facility is associated with the approval of this lease recommendation.

**Staff Evaluation/Justification:**

Staff recommends approval of a two-year and eight-month lease with Auto Warehousing Co. on the terms described above.

## G. COMMERCIAL

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<b>Subject</b>	<b>3. Approve a lease with Dixie Cullen Interests, Inc. for approximately 2.49 acres located at 922 Maxine St. and Clinton Drive, effective no earlier than June 1, 2020, for a term of twenty three years and seven months at an annual rate of \$74,820 at full operations, subject to an annual increase of the greater of 3% or the increase in the Consumer Price Index.</b>
Meeting	May 20, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its May 20, 2020 meeting, approve a lease with Dixie Cullen Interests, Inc. for approximately 2.49 acres located at 922 Maxine St. and Clinton Drive, effective no earlier than June 1, 2020, for a term of twenty three years and seven months at an annual rate of \$74,820 at full operations, subject to an annual increase of the greater of 3% or the increase in the Consumer Price Index, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #3 - PARTNERSHIPS (Develop and Strengthen External Partnerships)

**Category:**

Leases

**Department:**

Real Estate

**Staff Contact:**

R. D. Tanner

**Background:**

Dixie Cullen Interests, Inc. (Dixie Cullen) is currently leasing a 10.40 acre tract (9100 Mississippi St.) and a 2.35 acre tract (927 Maxine St.) directly across the street from the subject 2.49 acre tract located at 922 Maxine St. and Clinton Drive. The subject property was leased to R. Warehousing and Port Services, Inc. for a one-year term which expired April 30, 2020. Dixie Cullen previously expressed interest in leasing 922 Maxine St. as soon as it became available.

For the first twelve months of the lease term, the rental amount will be \$1,000 per month while Dixie Cullen constructs improvements to the property in the approximate amount of \$100,000. Improvements will include repairs to site drainage pipes and ditches, additional stabilization, new lighting and removing and replacing all fencing and gates, and security devices to conform to FTZ regulations related to their extreme heavy cargo and crane-served business.

The Port Authority completed acquisition of both Maxine St. properties on March 29, 2019 and committed to a short-term lease with R. Warehousing, which has now expired. This short-term lease aligned with the intent of Dixie Cullen to then expand into the 922 Maxine Property, with a lease that would run co-terminus with its 927 Maxine St. and 9100 Mississippi St. leases. The new lease should help provide for additional general cargo to cross Port Authority Turning Basin docks.

**Staff Evaluation/Justification:**

Staff reviewed the request by Dixie Cullen and recommends the Port Commission approve a twenty-three-year and seven-month lease.

## G. COMMERCIAL

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<b>Subject</b>	<b>4. Approve a property exchange with LyondellBasell Acetyls, LLC (Lyondell) at Sims Bayou, to facilitate dock construction for Port Authority lessee TPC Group LLC: (1) Lyondell conveys (a) a 0.159 fee simple tract and (b) a subsurface easement on a 0.146 acre tract, including building restrictions; (2) the Port Authority conveys a 0.536 fee simple tract subject to a subsurface easement and building restrictions in favor of the Port Authority; and (3) Lyondell pays the Port Authority \$8,500, the difference in appraised values between the exchanged interests.</b>
Meeting	May 20, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its May 20, 2020 meeting, approve a property exchange with LyondellBasell Acetyls, LLC (Lyondell) at Sims Bayou, to facilitate dock construction for Port Authority lessee TPC Group LLC: (1) Lyondell conveys (a) a 0.159 fee simple tract and (b) a subsurface easement on a 0.146 acre tract, including building restrictions; (2) the Port Authority conveys a 0.536 fee simple tract subject to a subsurface easement and building restrictions in favor of the Port Authority; and (3) Lyondell pays the Port Authority \$8,500, the difference in appraised values between the exchanged interests; and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

**Category:**

Leases

**Department:**

Real Estate

**Staff Contact:**

R. D. Tanner

**Background:**

This proposed land exchange between the Port Authority and Lyondell would permit TPC Group LLC (TPC), currently leasing the adjacent 5.49-acre tanker dock from the Port Authority, to construct a bulkhead for its new ship dock location and dock basin on 1.52 acres owned by the Port Authority. The bulkhead is required by the Houston Pilots following vessel allisions with the existing TPC dock, and is expected to help minimize the danger of future ship/dock allisions.

However, the planned construction would protrude into an adjoining 0.159-acre Lyondell tract. Accordingly, the exchange would convey the 0.159-acre tract and a subsurface easement on a 0.146-acre tract to the southeast to the Port Authority.

In addition, it appears that Lyondell encroaches on a 0.536-acre strip of land owned by the Port Authority that lies between the Port Authority's 1.52-acre tract and Lyondell's adjacent facility. The exchange would resolve any encroachment issue that may exist.

**Staff Evaluation/Justification:**

Staff recommends approval of the land exchange between the Port Authority and Lyondell on the terms described above.

## G. COMMERCIAL

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<b>Subject</b>	<b>5. Approve a no-fee access license with Harris County, Texas, for an eight-year term effective no earlier than June 20, 2020, for an approximately 1.6010-acre strip of land and a 0.2394-acre tract of land out of the Beltway 8 property in connection with the Beltway 8 bridge construction project.</b>
Meeting	May 20, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its May 20, 2020 meeting, approve a no-fee access license with Harris County, Texas, for an eight-year term effective no earlier than June 20, 2020, for an approximately 1.6010-acre strip of land and a 0.2394-acre tract of land out of the Beltway 8 property in connection with the Beltway 8 bridge construction project., and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #3 - PARTNERSHIPS (Develop and Strengthen External Partnerships)

**Category:**  
Licenses

**Department:**  
Real Estate

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

**Background:**

The activities permitted under this access license would directly support construction work pertaining to the Sam Houston Tollway (Beltway 8) Bridge over the Houston Ship Channel. The eight-year term of this access license is co-terminus with the existing Access License and Temporary Construction Workspace agreement (PHA File No. 201-0084) south of the Beltway 8 bridge, among the Port Authority, Port Terminal Railroad Association, and the County.

**Staff Evaluation/Justification:**

Staff recommends approval of this no-fee access license with Harris County.

## H. FINANCE

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**Subject**                    **1. Approve an order authorizing the sale of Port of Houston Authority of Harris County, Texas, Unlimited Tax Refunding Bonds, Series 2020A (NON-AMT) and Unlimited Tax Refunding Bonds, Series 2020B (Taxable), in an aggregate principal amount not to exceed \$309,345,000, and matters incident thereto.**

Meeting                    May 20, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access                    Public

Type                    Action

Recommended Action                    The Port Commission, at its May 20, 2020 meeting, approve an order authorizing the sale of Port of Houston Authority of Harris County, Texas, Unlimited Tax Refunding Bonds, Series 2020A (NON-AMT) and Unlimited Tax Refunding Bonds, Series 2020B (Taxable), in an aggregate principal amount not to exceed \$309,345,000; confirming the terms and form thereof; confirming the payment of the principal thereof and interest thereon; authorizing the preparation and distribution of an official statement to be used in connection with the sale of the bonds; and making other provisions regarding such bonds, including use of the proceeds thereof, and matters incident thereto; and further authorize the Chairman of the Port Commission and the Executive Director to do any and all things reasonable or necessary, in the opinion of either person, 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:**

The Port Authority has previously issued unlimited tax port improvement and general obligation bonds, some of which were callable October 1, 2019, others which are callable October 1, 2020, with a current refunding opportunity available within 90 days prior to the call date. Additionally, the Port Authority's Unlimited Tax Refunding Bonds, Series 2011A (AMT) are callable October 1, 2021, creating potential opportunities for a taxable advanced refunding or forward delivery in connection with such bonds. The Port Authority has received unsolicited proposals and inquiries from various financial institutions regarding the opportunity to refund such bonds.

In accordance with Section 5007.007(j) of the Texas Special District Local Laws Code, the Harris County Commissioners Court has the power to refund outstanding bonds of the Port Authority without the need for a bond election.

**Staff Evaluation/Justification:**

By Minute No. 2020-0428-17, the Port Commission: (i) approved and adopted the "Resolution Finding Necessity for the Issuance of Bonds and Providing for Certification to Commissioners Court" regarding the issuance of refunding bonds to purchase or refund and defease all or a portion of the outstanding Unlimited Tax Refunding Bonds, Series 2010B (Non-AMT); Series 2010C (Non-AMT); Series 2010D-1 (Non-AMT); Series 2010D-2 (Non-AMT); Series 2010E (Non-AMT); and Series 2011A (AMT); (ii) affirmatively found and declared that the best interests of the taxpayers of the Port Authority will be served by such a refunding and that the Commissioners Court of Harris County, Texas, be petitioned to

authorize the issuance thereof for and on behalf of the Port Authority; and (iii) selected and appointed bond counsel, disclosure counsel, financial advisor, lead underwriter, and other underwriters to advise and assist in the issuance of these refunding bonds.

Based on current market conditions, which are subject to change, the refunding opportunity is expected to realize a significant debt service cost savings, on a net present value basis, of \$70-80 million.

In order to complete the bond refunding, staff recommends that the Port Commission authorize various additional actions relating thereto, including approval of an order authorizing sale of Port of Houston Authority of Harris County, Texas, Unlimited Tax Refunding Bonds, Series 2020A (Non-AMT) and Unlimited Tax Refunding Bonds, Series 2020B (Taxable).

## H. FINANCE

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<b>Subject</b>	<b>2. Adopt a revised Investment Policy for Port Authority funds, including operating, construction, debt service and bond reserve funds, and approve the Port Authority's revised Internal Controls for Investments.</b>
Meeting	May 20, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its May 20, 2020 meeting, adopt a revised Investment Policy for Port Authority funds, including operating, construction, debt service and bond reserve funds, and approve the Port Authority's revised Internal Controls for Investments, 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)
<b>Category:</b> General	
<b>Department:</b> Treasury	
<b>Staff Contact:</b> Roland Gonzalez	

### Background:

In accordance with Chapter 2256 of the Texas Government Code (Public Funds Investment Act), the Port Commission shall review the Port Authority's investment policy and investment strategies not less than annually, and shall adopt a written instrument or resolution stating that it has reviewed the investment policy and investment strategies and that the written instrument so adopted shall record any changes made to either the investment policy or investment strategies.

By Minute No. 2019-0924-22, the Port Commission reviewed and approved the Investment Policy, investment strategies, and Internal Controls for Investments.

### Staff Evaluation/Justification:

The Investment Policy, investment strategies and Internal Controls for Investments have been reviewed by (a) Port Authority staff, (b) Hilltop Securities Asset Management, the Port Authority's investment advisor, and (c) the Audit Committee of the Port Commission.

Revisions have been proposed, which comply with the requirements of the Public Funds Investment Act. This includes:

- (a) removing the Senior Director, Treasury position as Investment Officer, and
- (b) designating the Director, Treasury as Investment Officer for the Port Authority.

There are no other changes proposed to the Investment Policy, investment strategies, or Internal Controls for Investments.

Port Authority staff recommends adoption of the revised Investment Policy, which includes the investment strategies, and approval of the Internal Controls for Investments, as proposed.



## I. INFRASTRUCTURE

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**Subject**                    **1. Approve staff's ranking of vendors and award a professional services contract in an amount not to exceed \$499,500 for analysis and design for the rehabilitation and repair of Wharf 8 at Turning Basin Terminal to the top-ranked proposers: staff ranking – first, Moffatt & Nichol; second, Lloyd Engineering, Inc.; and third, Halff Associates, Inc.**

Meeting                    May 20, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access                    Public

Type                    Action

Recommended Action                    The Port Commission, at its May 20, 2020 meeting:  
 (a) approve staff's ranking of vendors, based on the selection criteria, in the following order – first, Moffatt & Nichol; second, Lloyd Engineering, Inc.; and third, Halff Associates, Inc;  
 (b) award a professional services contract to Moffatt & Nichol, the top-ranked proposer for analysis and design for the rehabilitation and repair of Wharf 8 at Turning Basin Terminal in an amount not to exceed \$499,500;  
 (c) grant authority, if a contract cannot be negotiated with the first-ranked vendor, to formally, and in writing, end negotiations with that vendor and proceed to the next vendor in the order of ranking until a contract is reached or all proposals are rejected; and  
 (d) further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

**Category:**

Awards, Amendments & Change Orders

**Department:**

Project and Construction Management

**Staff Contact:**

Roger H. Hoh, P.E.

**Background:**

This project would include the design of a new fender system, the design of wharf repairs, and a study to determine options and associated construction cost estimates for increasing the capacity of the wharf for heavier cargo.

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

**Staff Evaluation/Justification:**

On March 11, 2020, five RFQ responses were received and opened. The responses were reviewed and evaluated by staff in accordance with the selection criteria published in the RFQ. Staff identified the following vendors, listed in order of ranking, as most qualified to provide the required analysis and design services:

- Moffatt & Nichol
- Lloyd Engineering, Inc.
- Halff Associates, Inc.

Following staff Executive Committee review, staff recommends that the Port Commission award a contract to Moffatt & Nichol for analysis and design for the rehabilitation and repair of Wharf 8 at Turning Basin Terminal.

## I. INFRASTRUCTURE

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<b>Subject</b>	<b>2. Approve staff's ranking of vendors and award and architectural services contract in an amount not to exceed \$107,500 for the design of Ramp Road 8 gate modifications and guardhouse at Turning Basin Terminal to the top-ranked proposers: staff ranking – first, PDG, Inc. dba PDG Architects; second, STOA International Architects; and third, J. Morales, Inc.</b>
Meeting	May 20, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its May 20, 2020 meeting: (a) approve staff's ranking of vendors, based on the selection criteria, in the following order – first, PDG Architects ; second, STOA International Architects; and third, J. Morales, Inc.; (b) award a professional architectural services contract to PDG Architects, the top-ranked proposer for the design of Ramp Road 8 gate modifications and guardhouse at Turning Basin Terminal in an amount not to exceed \$107,500; (c) grant authority, if a contract cannot be negotiated with the first-ranked vendor, to formally, and in writing, end negotiations with that vendor and proceed to the next vendor in the order of ranking until a contract is reached or all proposals are rejected; and (d) further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #2 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)

**Category:**

Awards, Amendments & Change Orders

**Department:**

Project and Construction Management

**Staff Contact:**

Roger H. Hoh, P.E.

**Background:**

This project would include the design for the removal and replacement of the existing Ramp Road 8 speed gates at the Turning Basin Terminal with a precast manned guardhouse with gate arms and double swing gates. This project would also consist of preparing site plans, including the assessment of existing utilities in order to determine the most feasible location for placement of the proposed guardhouse. The selected respondent would assist in the selection of materials and the precast industrial guardhouse, develop performance specifications and complete the detailed design necessary for all planned improvements.

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

**Staff Evaluation/Justification:**

On March 11, 2020, four RFQ responses were received and opened. The responses were reviewed and evaluated by staff in accordance with the selection criteria published in the RFQ. Staff identified the following vendors, listed in order of ranking, as most qualified to provide the required programming and design services:

- PDG Architects
- STOA International Architects
- J. Morales, Inc.

Following staff Executive Committee review, staff recommends that the Port Commission award a contract to PDG Architects for the Ramp Road 8 gate modifications and guardhouse at Turning Basin Terminal.

## I. INFRASTRUCTURE

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<b>Subject</b>	<b>3. Approve staff's ranking of vendors and award a contract in an amount not to exceed \$1,121,840 for the annual wharf and rubber tire gantry crane painting in 2020 at Barbours Cut Terminal and Bayport Container Terminal to the top-ranked proposer: staff ranking – first, Blastco Texas, Inc.; second, CFG Industries, LLC; and third, Royal Bridge, Inc.</b>
Meeting	May 20, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its May 20, 2020 meeting: (a) approve staff's ranking of the most qualified vendors, based on the selection criteria, in the following order – first, Blastco Texas, Inc.; second, CFG Industries, LLC; and third, Royal Bridge, Inc.; (b) award a contract to Blastco Texas, Inc. for the annual wharf and rubber tire gantry crane painting in 2020 at Barbours Cut and Bayport Container Terminals, in an amount not to exceed \$1,121,840; (c) grant authority, if a contract cannot be negotiated with the first-ranked vendor, to formally, and in writing, end negotiations with that vendor and proceed to the next vendor in the order of ranking until a contract is reached or all proposals are rejected; and (d) further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #2 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)

**Category:**

Awards, Amendments & Change Orders

**Department:**

Project and Construction Management

**Staff Contact:**

Roger H. Hoh, P.E.

**Background:**

This project would consist of painting and metal restoration of the wharf and rubber tire gantry cranes to ensure cranes are in optimal condition to prevent corrosion damage to the metal surfaces of the cranes.

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

**Staff Evaluation/Justification:**

On April 8, 2020, three CSPs were received, opened, and publicly read. The responses were reviewed and evaluated by staff in accordance with the published selection criteria. Staff identified the following vendors, listed in order of ranking, as providing the best value for the required services:

- Blastco Texas, Inc.
- CFG Industries, LLC
- Royal Bridge, Inc.

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

## I. INFRASTRUCTURE

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<b>Subject</b>	<b>4. Approve staff's ranking of vendors and award a construction contract in an amount not to exceed \$8,909,500 for the rehabilitation of Wharves 4 and 5 at Bayport Container Terminal to the top-ranked proposer: staff ranking – first, McCarthy Building Companies, Inc.; and second, Russell Marine, LLC.</b>
Meeting	May 20, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its May 20, 2020 meeting: (a) approve staff's ranking of the most qualified vendors, based on the selection criteria, in the following order – first, McCarthy Building Companies, Inc.; and second, Russell Marine, LLC; (b) award a construction contract to McCarthy Building Companies, Inc. for the rehabilitation of Wharves 4 and 5 at Bayport Container Terminal, in an amount not to exceed \$8,909,500; (c) grant authority, if a contract cannot be negotiated with the first-ranked vendor, to formally, and in writing, end negotiations with that vendor and proceed to the next vendor in the order of ranking until a contract is reached or all proposals are rejected; and (d) further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #2 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)

**Category:**

Awards, Amendments & Change Orders

**Department:**

Project and Construction Management

**Staff Contact:**

Roger H. Hoh, P.E.

**Background:**

This project consists of installing new ship to shore (STS) crane tie downs on Wharf 5 to support the larger 158-ft tall STS cranes currently planned for, that are replacing the existing 100-ft tall STS cranes. This project also consists of repairing minor damage identified by recent visual inspections under both Wharves 4 and 5.

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

**Staff Evaluation/Justification:**

On April 15, 2020, four CSPs were received, opened, and publicly read. The responses were reviewed and evaluated by staff in accordance with the published selection criteria. Staff identified the following vendors, listed in order of ranking, as providing the best value for the required services:

- McCarthy Building Companies, Inc.
- Russell Marine, LLC

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

## I. INFRASTRUCTURE

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<b>Subject</b>	<b>5. Approve staff's ranking of vendors and award a professional services contract in an amount not to exceed \$200,000 to perform construction material testing for the rehabilitation of Wharves 4 and 5 at Bayport Container Terminal to the top-ranked proposers: staff ranking – first, Aviles Engineering Corporation; second, Professional Services Industries, Inc.; and third, Raba Kistner, Inc.</b>
Meeting	May 20, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its May 20, 2020 meeting: (a) approve staff's ranking of vendors, based on the selection criteria, in the following order – first, Aviles Engineering Corporation; second, Professional Service Industries, Inc.; and third, Raba Kistner, Inc.; (b) award a professional services contract to Aviles Engineering Corporation to perform construction material testing services for the rehabilitation of Wharves 4 and 5 at Bayport Container Terminal in an amount not to exceed \$200,000; (c) grant authority, if a contract cannot be negotiated with the first-ranked vendor, to formally, and in writing, end negotiations with that vendor and proceed to the next vendor in the order of ranking until a contract is reached or all proposals are rejected; and (d) further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #2 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)

**Category:**

Awards, Amendments & Change Orders

**Department:**

Project and Construction Management

**Staff Contact:**

Roger H. Hoh, P.E.

**Background:**

This procurement would include construction material testing services for the rehabilitation of Wharves 4 and 5 at Bayport Container Terminal. Per Section 60.463(c) of the Texas Water Code, in certain circumstances the Port Authority is required to hire a third-party inspection firm to independently test the acceptability of construction material installed by the contractor. This procurement would provide such third-party inspection services.

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

**Staff Evaluation/Justification:**

On February 12, 2020, nine RFQ responses were received and opened. The responses were reviewed and evaluated by staff in accordance with the selection criteria published in the RFQ. Staff identified the following vendors, listed in order of ranking, as most qualified to provide the required services:

- Aviles Engineering Corporation

- Professional Services Industries, Inc.
- Raba Kistner, Inc.

Following staff Executive Committee review, staff recommends that the Port Commission award a contract to Aviles Engineering Corporation and act as otherwise described above.

## I. INFRASTRUCTURE

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<b>Subject</b>	<b>6. Award a professional services contract to LJA Engineering, Inc. to perform engineering services for the design of the Freight Station Road Dedicated Right-Turn Lanes and U-turn Connector at Bayport Container Terminal in an amount not to exceed \$424,531.</b>
Meeting	May 20, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its May 20, 2020 meeting, award a professional services contract to LJA Engineering, Inc. to perform engineering services for the design of the Freight Station Road Dedicated Right-Turn Lanes and U-turn Connector at Bayport Container Terminal in an amount not to exceed \$424,531, and authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #2 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)

**Category:**

Awards, Amendments & Change Orders

**Department:**

Project and Construction Management

**Staff Contact:**

Roger H. Hoh, P.E.

**Background:**

The proposed scope of work of this contract would consist of providing the general functions needed for design as well as construction phase services for the Freight Station Road Dedicated Right Turn Lanes and U-Turn Connector at the Bayport Terminal. This would include a complete design package and specifications, any required coordination efforts needed to gain approval for the project, and any additional services needed to obtain bids/ proposals for construction.

**Staff Evaluation/Justification:**

Following staff Executive Committee review, staff recommends that the Port Commission award a professional services contract to LJA Engineering, Inc. and act as otherwise described above.



## I. INFRASTRUCTURE

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**Subject**                    **7. Amend the professional services contract with Cobb Fendley and Associates, Inc. for additional work for the Freight Station Road utilities and drainage at Bayport Container Terminal in an amount not to exceed \$156,900.**

Meeting                    May 20, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access                    Public

Type                    Action

Recommended Action                    The Port Commission, at its May 20, 2020 meeting, approve an amendment to the professional services contract with Cobb Fendley and Associates, Inc. for additional work for the Freight Station Road utilities and drainage at Bayport Container Terminal in an amount not to exceed \$156,900, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

**Category:**

Awards, Amendments & Change Orders

**Department:**

Project and Construction Management

**Staff Contact:**

Roger H. Hoh, P.E.

**Background:**

By Minute No. 2017-0425-16, the Port Commission awarded a partial award (Phase 1) for a professional services contract to Cobb Fendley and Associates, Inc. for \$175,000 to determine requirements for underground and private utilities supporting the Freight Station Road development at the Bayport Terminal. Included in the 2017 award was the authority to amend the professional services contract for the balance of the services at a later date (Phase 2) to complete the site preparation design for the remaining undeveloped properties at Bayport Terminal.

Staff now seeks an amendment totaling \$156,900 to complete Phase 2, consisting of the following:

- Survey of the area, including a topographical survey
- Hand clearing to perform line-of-sight calculations
- Creation of digital drawings and integrations with the Port Authority's GIS database
- Design of the fill placement construction plans
- Creation of construction procurement documentation
- Bid and construction phase services

**Staff Evaluation/Justification:**

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

## I. INFRASTRUCTURE

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**Subject**                      **8. Approve a change order with FUSED, LLC to perform additional work associated with the construction of rail spur at the Bayport Container Terminal in an amount not to exceed \$100,100.**

Meeting                      May 20, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access                      Public

Type                      Action

Recommended Action                      The Port Commission, at its May 20, 2020 meeting, approve a change order to FUSED, LLC to perform additional work associated with the construction of rail spur at the Bayport Container Terminal in an amount not to exceed \$100,100, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

**Category:**

Awards, Amendments & Change Orders

**Department:**

Project and Construction Management

**Staff Contact:**

Roger H. Hoh, P.E.

**Background:**

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

The change order proposed by the contractor was due to monthly costs for traffic control barricades and signs and temporary storm water pollution prevention plans and controls, required in accordance with project time extensions resulting from weather delays, RFI submittals and coordination of tasks.

**Staff Evaluation/Justification:**

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

## I. INFRASTRUCTURE

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**Subject**                      **9. Approve the renewal the following expiring Port Authority license for a new ten-year term: ExxonMobil Corporation.**

Meeting                      May 20, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access                      Public

Type                      Action

Recommended Action                      The Port Commission, at its May 20, 2020 meeting, authorize the Port Authority to approve the renewal of the following expiring license for new ten-year term: ExxonMobil Corporation, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

**Category:**

Permits/Licenses/Pipeline Easements

**Department:**

Channel Operations

**Staff Contact:**

Garry McMahan

**Background:**

The pipeline licensee listed below has applied to renew its licenses:

Company	File No.	License Fee
ExxonMobil Corporation	2010-0095	\$31,660

**Staff Evaluation/Justification:**

The application was reviewed and approved by the Port Authority's Channel Operations department and the Port Terminal Railroad Association if applicable. The license is to be renewed subject to the Port Authority's usual terms and conditions.

Staff recommends approval.

## I. INFRASTRUCTURE

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**Subject**                    **10. Issue a pipeline license to Phillips 66 Carrier LLC for a 4-inch natural gas pipeline under and across Port Terminal Railroad Association's Southside Mainline Railroad right-of-way.**

Meeting                    May 20, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access                    Public

Type                    Action

Recommended Action                    The Port Commission, at its May 20, 2020 meeting, authorize the Port Authority to issue a pipeline license to Phillips 66 Carrier LLC for a 4-inch natural gas pipeline under and across Port Terminal Railroad Association's Southside Mainline Railroad right-of-way, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

**Category:**

Permits/Licenses/Pipeline Easements

**Department:**

Channel Operations

**Staff Contact:**

Garry McMahan

**Background:**

Phillips 66 Carrier LLC, Port Authority File No. 2020-0110, has applied for a pipeline license for a 4-inch natural gas pipeline under and across Port Terminal Railroad Association's Southside Mainline Railroad right-of-way, in the James Seymore Survey, A-698, in Harris County, Texas.

The new pipeline would connect a Kinder Morgan meter station to Phillips 66 Pasadena.

**Staff Evaluation/Justification:**

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

Staff recommends approval.

## I. INFRASTRUCTURE

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**Subject**                    **11. Amend a pipeline license issued to Praxair, Inc. to add an additional crossing north of the existing 10-inch nitrogen pipeline under and across Port Terminal Railroad Association's Southside Mainline railroad right-of-way.**

Meeting                    May 20, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access                    Public

Type                    Action

Recommended Action                    The Port Commission, at its May 20, 2020 meeting, authorize the Port Authority to amend a pipeline license issued to Praxair, Inc. to add an additional crossing north of the existing 10-inch nitrogen pipeline under and across Port Terminal Railroad Association's Southside Mainline railroad right-of-way, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

**Category:**

Permits/Licenses/Pipeline Easements

**Department:**

Channel Operations

**Staff Contact:**

Garry McMahan

**Background:**

Praxair, Inc., Port Authority File No. 2020-0060, has applied to amend a pipeline license to add an additional crossing north of the existing 10-inch nitrogen pipeline under and across Port Terminal Railroad Association's Southside Mainline railroad right-of-way, in the Thomas Earle Survey, A-18, in Harris County, Texas.

**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 \$6,363. The \$675 application fee and the \$2,500 as-built deposit have been paid.

Staff recommends approval.

## J. OPERATIONS

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**Subject**                      **1. Reject the bid and authorize re-advertisement for competitive sealed bids for the purchase of miscellaneous plumbing supplies for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal.**

Meeting                      May 20, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access                      Public

Type                      Action

Recommended Action                      The Port Commission, at its May 20, 2020 meeting, reject the bid and authorize re-advertisement for competitive sealed bids for the purchase of miscellaneous plumbing supplies for Barbours Cut Terminal, Bayport Container Terminal and Turning Basin Terminal, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

**Category:**  
Reject & Other Actions

**Department:**  
Maintenance

**Staff Contact:**  
Paulo Soares

**Background:**  
The Port Authority maintains a vast plumbing network at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal which requires a myriad of replacement parts including fittings, connectors, valves, unions, and flanges for daily operation. On April 1, 2020, one competitive sealed bid (CSB) was received for the purchase of miscellaneous plumbing supplies for these terminal supplies. The only CSB received was deemed unresponsive.

**Staff Evaluation/Justification:**  
Staff recommends that the Port Commission reject the bid and authorize re-advertisement for competitive sealed bids for the purchase of miscellaneous plumbing supplies for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal.

## J. OPERATIONS

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<b>Subject</b>	<b>2. Ratify certain emergency purchases for COVID-19 response as set forth on Exhibit A and authorize additional purchase order funding for continuing pandemic response services with Workplace Safety Screenings for \$720,000 and Ambassador Services, LLC for \$560,000.</b>
Meeting	May 20, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its May 20, 2020 meeting, ratify certain emergency purchases for COVID-19 response as set forth on Exhibit A, and authorize purchase orders for continuing pandemic response services with Workplace Safety Screenings for \$720,000 and Ambassador Services, LLC for \$560,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

**Category:**

Awards, Amendments & Change Orders

**Department:**

Port Operations

**Staff Contact:**

Paulo Soares

**Background:**

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

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

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

- On April 7 the firm was previously issued an emergency purchase order for \$310,000 to perform temperature screenings at Port Authority terminals.
- At the April meeting the Port Commission ratified a total of \$680,000, that is expected to last until the end of May.
- Staff anticipates that an additional \$720,000 will be needed to continue these services until the end of July.

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

- Approximately \$200,000 has been spent (through April 25) on such services.
- Staff anticipates that an additional \$560,000 will be needed to continue these services until the end of July 2020, in addition to the currently-remaining \$561,000 authorized for the firm's regular

services.

**Staff Evaluation/Justification:**

Accordingly, staff requests that the Port Commission ratify the purchases for COVID-19 response under Water Code Section 60.4035(a)(1), as set forth on Exhibit A.

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

- Workplace Safety Screenings - \$720,000 for temperature screenings, and
- Ambassador Services, LLC - \$560,000 for disinfecting and sanitizing.

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



## J. OPERATIONS

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<b>Subject</b>	<b>3. Award a three-year contract to Darr Equipment Company, using the Local Government Purchasing Cooperative's Buyboard Program, a cooperative purchase program, for the purchase of spare and replacement parts for forklifts and container handling equipment at Barbours Cut Terminal and Bayport Container Terminal, in an amount not to exceed \$200,000.</b>
Meeting	May 20, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its May 20, 2020 meeting, award a three-year contract to Darr Equipment Company for the purchase of spare and replacement parts for forklifts and container handling equipment at Barbours Cut Terminal and Bayport Container Terminal, using the Local Government Purchasing Cooperative's Buyboard Program, a cooperative purchase program, in an amount not to exceed \$200,000, determine that this procurement method provides the best value to the Port Authority, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #3 - PARTNERSHIPS (Develop and Strengthen External Partnerships)

**Category:**

Awards, Amendments & Change Orders

**Department:**

Maintenance

**Staff Contact:**

Paulo Soares

**Background:**

By Minute No. 2017-1212-50, the Port Commission awarded a two-year contract to Darr Equipment Company in the amount not to exceed \$200,000 for the purchase of spare and replacement parts for forklifts and container handling equipment for Barbours Cut Terminal and Bayport Container Terminal. This contract has expired. The Port Authority currently owns a total of forty-one forklifts, two empty, and four loaded container handling machines that will be covered under this three-year contract. These units require numerous spare parts for preventive maintenance and repairs and are used daily to move various objects, load and unload trucks, and transport heavy objects around Port Authority properties.

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

**Staff Evaluation/Justification:**

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

Staff recommends that the Port Commission approve a three-year contract to Darr Equipment Company using the BuyBoard Cooperative Purchasing Program as providing the best value to the Port Authority.

## J. OPERATIONS

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**Subject**                    **4. Authorize payment to Navis LLC for annual maintenance services for the marine terminal management software system for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal in an amount not to exceed \$770,955.**

Meeting                    May 20, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access                    Public

Type                    Action

Recommended Action                    The Port Commission, at its May 20, 2020 meeting, authorize payment to Navis LLC for annual maintenance services for the marine terminal management software system for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal for a one-year term beginning July 1, 2020 in an amount not to exceed \$770,955, 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:**

Port Operations

**Staff Contact:**

Mike Shaffner

**Background:**

By Minute No. 2001-0326-32, a contract (Contract) was awarded to Navis LLC to provide for the implementation and maintenance of a marine terminal management software system for use at Port Authority terminals. The Management Software System is currently used by the Operations Department to manage the Port Authority's Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal, and by the Accounting Department for billing at these terminals.

Since expiration of the initial one-year maintenance term, the Port Commission has approved each subsequent annual maintenance renewal. The current annual maintenance term will expire on June 30, 2020.

**Staff Evaluation/Justification:**

The Contract describes the year-to-year maintenance services that are required to be performed and sets forth the maintenance fee for each one-year maintenance term. The maintenance fee for each one-year term is based upon the combined annual through-put (TEU) at the container terminals and tonnage for the general cargo facilities for the immediately preceding year, plus six fixed amounts associated to additional licensed software modules.

Staff has been advised by Navis LLC that based upon the through-put for the immediately preceding year, the maintenance fee for July 1, 2020 through June 30, 2021 would be an amount not to exceed \$770,955.

Staff recommends the Port Commission approve this services fee for Navis LLC.

## J. OPERATIONS

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**Subject**                    **5. Authorize payment to Smart Tecs LLC for annual maintenance services for the marine terminal gate operating software system for Barbours Cut Terminal and Bayport Container Terminal in an amount not to exceed \$324,688.**

Meeting                    May 20, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access                    Public

Type                      Action

Recommended Action                    The Port Commission, at its May 20, 2020 meeting, authorize payment to Smart Tecs LLC for annual maintenance services for the marine terminal gate operating software system for Barbours Cut Terminal and Bayport Container Terminal for a one-year term beginning July 1, 2020 in an amount not to exceed \$324,688, 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:**

Port Operations

**Staff Contact:**

Mike Shaffner

**Background:**

By Minute No. 2016-1025-26, a contract (Contract) was awarded to Smart Tecs LLC to provide for the implementation and maintenance of a marine terminal gate operating software system for use at Port Authority terminals. The marine terminal gate operating software system is currently used by the Operations Department to interchange trucks and containers at Bayport Container Terminal and Barbours Cut Terminal.

Additional funding is now required for the annual maintenance and support period starting July 1, 2020.

**Staff Evaluation/Justification:**

The Contract describes the year-to-year maintenance services that are required to be performed and sets forth the maintenance fee for each one-year maintenance term. The services provided under this agreement are critical to the proper functioning of the container terminals gate operation.

Staff recommends the Port Commission approve this services fee for Smart Tecs LLC.

## J. OPERATIONS

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**Subject**                    **6. Enter into Freight Handling Assignment Agreements for terminal services at Barbours Cut Terminal and Bayport Auto Terminal and amend the Freight Handling Assignment Agreements for terminal services at the Turning Basin Terminal to extend the terms of the agreements through August 31, 2020.**

Meeting                    May 20, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access                    Public

Type                    Action

Recommended Action                    The Port Commission at its May 20, 2020 meeting, authorize the Port Authority to enter into a Freight Handling Assignment Agreement for terminal services at the Barbours Cut Terminal as set forth in Exhibit "A", effective May 1, 2020 for a term of three years; enter into a Freight Handling Assignment Agreement for terminal services at the Bayport Auto Terminal effective June 1, 2020 for a term coterminous with the terminal Lease with Auto Warehousing Co.; and extend the current Freight Handling Assignment Agreements at the Turning Basin Terminals for a term of three months effective June 1, 2020, waiving the guaranteed minimum tonnages during the extension period; and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

**Category:**  
General

**Department:**  
Turning Basin

**Staff Contact:**  
Jeff Davis

**Background:**

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

By Minute Nos. 2017-0129 and 2016-0726-33, the Port Commission granted the Port Authority the authority to enter into Agreements at the Turning Basin Terminal, Barbours Cut Terminal and Bayport Auto Terminal.

**Staff Evaluation/Justification:**

Port Authority staff has reviewed and evaluated the current Agreements and future needs of the Port Authority and recommends that the Port Commission permit the Port Authority enter into Agreements for terms of three years at the Barbours Cut Terminal, effective June 1, 2020 and at the Bayport Auto Facility for a term that is coterminous with the Auto Warehousing Co. lease at the facility.

In addition, staff recommends the Port Commission permit the Port Authority to extend the terms of the Agreements at the Turning Basin Terminals for an additional three-months for further evaluation. During these additional three months it is recommended that the guaranteed minimum tonnages not be applied.

## Exhibit "A"

Turning Basin Terminal	
Assigned Area(s)	Assignee
CD 10, 11, 16, 17, 18, 19, 20, 22, 23, 25, 26, 27, 28, 29, 30, 31 and 32W (1/2)	Cooper / Ports America, LLC
CD 8, 9, 21, Shed 25A, 32E (1/2)	Richardson Stevedoring and Logistics Services, Inc.
CD 12 (Vehicles Only)	APS Stevedoring, LLC

Barbours Cut Container Terminal	
27,500 sq. ft of Shed Area Numbered 3	Cooper / Ports America, LLC
27,500 sq. ft. of Shed Area Numbered 3	Ceres Gulf, Inc.

Bayport Auto Terminal	APS Stevedoring, LLC
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## K. PEOPLE

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**Subject**                    **1. Hearing and possible action to amend the Port Authority's 401(a) Defined Contribution Plan and 457(b) Deferred Compensation Plan to opt into programs offered under the Coronavirus Aid, Relief, and Economic Security (CARES) Act that relate to retirement plans.**

Meeting                    May 20, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access                    Public

Type                    Action

Recommended Action                    The Port Commission conduct a hearing at its meeting on May 20, 2020, and take action to amend the Port Authority's 401(a) Defined Contribution Plan and 457(b) Deferred Compensation Plan to opt into programs offered under the Coronavirus Aid, Relief, and Economic Security (CARES) Act that relate to retirement plans, and further authorize the Executive Director to do any and all things in his opinion reasonable and necessary to give effect to the foregoing.

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

**Category:**  
General

**Department:**  
Human Resources

**Staff Contact:**  
Roger W. Walter

**Background:**

The Port Authority sponsors the Port of Houston Authority Defined Contribution Plan (the "Defined Contribution Plan"), a defined contribution retirement benefit plan for employees hired or rehired on and after August 1, 2012, with a sliding scale for Port Authority contributions, based on percentages of base salary; such contributions vest after three years of service.

The Port Authority also sponsors the Port of Houston Authority 457(b) Deferred Compensation Plan (the "Deferred Compensation Plan"), a retirement plan funded by employee contributions.

On March 27, 2020, President Trump signed into law the CARES Act, which includes provisions effective 2020 that change rules relating to retirement plans.

Subject to certain conditions, the CARES Act gives the Port Authority the option to offer Defined Contribution Plan and Deferred Compensation Plan participants the following programs:

1. Coronavirus-Related Distribution Program: Until December 31, 2020, participants who have been impacted by COVID-19 may be eligible withdraw up to the lesser of 1) \$100,000 (across both Plans) or 2) the participant's total vested balance(s) in the Plans, without incurring early withdrawal penalties. Taxes on these withdrawals can be paid over a three-year period. These amounts may be rolled over into an IRA or paid back into the originating Plan within three years.
2. Coronavirus-Related Enhanced Loan Program: Until September 23, 2020, participants who have been impacted by COVID-19 may be eligible for loans up to the lesser of 1) \$100,000 or 2) the participant's total vested balance(s) in the Plans. Such loans are normally capped at \$50,000.
3. Waiver of Required Minimum Distributions: A participant who is scheduled to receive a required minimum distribution in calendar year 2020 is not required to receive the distribution in 2020.

**Staff Evaluation/Justification:**

Staff recommends that the Port Authority offer its Defined Contribution Plan and Deferred Compensation Plan participants the opportunity to participate in the CARES Act distribution and enhanced loan

programs. These programs are intended to provide financial relief to individuals who have been impacted by COVID-19 by allowing them greater access to their vested retirement funds. Staff recommends that any participant who is scheduled to receive a required minimum distribution in 2020 will by default not receive such distribution unless he or she affirmatively elects to receive the distribution in 2020.

Texas Water Code Sec. 60.011 provides that the Port Commission may change the Plans after notice to employees and a hearing. On May 14, 2020, notice was given to employees regarding (i) the recommendation to amend the Plans as described above, and (ii) the Port Commission hearing on the matter scheduled for May 20, 2020.

Staff recommends that the Port Commission conduct a hearing on this matter and adopt the attached resolution to amend the Plan as described above.



**RESOLUTION TO AMEND**  
**THE PORT OF HOUSTON AUTHORITY 457(b) DEFERRED COMPENSATION PLAN**  
**AND**  
**THE PORT OF HOUSTON AUTHORITY 401(a) DEFINED CONTRIBUTION PLAN**

WHEREAS, Port of Houston Authority of Harris County, Texas (the "Employer") sponsors the Port of Houston Authority 457(b) Deferred Compensation Plan effective June 18, 1982, as previously amended and restated, and the Port of Houston Authority 401(a) Defined Contribution Plan effective August 1, 2012, as previously amended and restated (collectively, the "Plans"); and

WHEREAS, on March 27, 2020, the Coronavirus, Aid, Relief, and Economic Security Act (the "CARES Act") was signed into law; and

WHEREAS, the Employer wishes to now amend the Plans to allow eligible participants to participate in the following programs offered under Section 2202 and Section 2203 of the CARES Act:

1. Coronavirus-Related Distribution Program: Until December 31, 2020, participants who have been impacted by COVID-19 may be eligible withdraw up to the lesser of 1) \$100,000 (across both Plans) or 2) the participant's total vested balance(s) in the Plans, without incurring early withdrawal penalties. Taxes on these withdrawals can be paid over a three-year period. These amounts may be rolled over into an IRA or paid back into the originating Plan within three years.
2. Coronavirus-Related Enhanced Loan Program: Until September 23, 2020, participants who have been impacted by COVID-19 may be eligible for loans up to the lesser of 1) \$100,000 or 2) the participant's total vested balance(s) in the Plans.
3. Waiver of Required Minimum Distributions: A participant who is scheduled to receive a required minimum distribution in calendar year 2020 is not required to receive the distribution in 2020.

NOW, THEREFORE, IT IS RESOLVED, that the Employer hereby elects the "Coronavirus-Related Distributions" and "Enhanced Loan" options set forth in the Plan Sponsor Election of CARES Act Provisions document attached hereto as Exhibit A;

RESOLVED, that the Plans are hereby amended, effective March 27, 2020, in accordance with the Plan Sponsor Election of CARES Act Provisions document attached hereto as Exhibit A;

RESOLVED, that any participant who is scheduled to receive a required minimum distribution in 2020 will by default not receive such distribution unless he or she affirmatively elects to receive the distribution in 2020;

RESOLVED, that the officers of the Employer, or any of them, are hereby authorized and directed to execute and implement the aforementioned Plan amendments for and on behalf of the Port of Houston Authority of Harris County, Texas, in substantially the same form as herein adopted and approved, together with any changes that such officers, or any of them, with the advice of legal counsel if deemed appropriate, have determined to be necessary or advisable; and

RESOLVED, that the officers of the Employer are hereby authorized and directed to take whatever other action that they, or any of them, may deem to be necessary or appropriate to effectuate the intent and purposes of this resolution, and any such actions that were previously taken in such respect being hereby approved, ratified and confirmed, in all respects, on behalf of the Employer.

PASSED, APPROVED AND ADOPTED this 20<sup>th</sup> day of May 2020.

ATTEST/SEAL

PORT OF HOUSTON AUTHORITY OF  
HARRIS COUNTY, TEXAS

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Minute No. \_\_\_\_\_

## **L. PORT SECURITY AND EMERGENCY OPERATIONS**

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<b>Subject</b>	<b>1. Approve staff's ranking of proposers and award the unarmed, uniformed security officer services contract in an amount not to exceed \$21,000,000 for a period of three years, with the option for one additional two-year term, to the top-ranked proposer: staff ranking – first, AlliedUniversal Security Services LLC; second, Securitas Security Services USA; and third, G4S Secure Solutions (USA) Inc.</b>
Meeting	May 20, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its May 20, 2020 meeting: (a) approve staff's ranking of proposers based on the selection criteria, in the following order – first, AlliedUniversal Security Services LLC; second, Securitas Security Services USA; and third, G4S Secure Solutions (USA) Inc.; (b) award the unarmed, uniformed security officer services contract to AlliedUniversal Security Services LLC, for a period of three years, with the option for one additional two-year term; (c) grant authority, if a contract cannot be negotiated with the first-ranked vendor, to formally, and in writing, end negotiations with that vendor and proceed to the next vendor in the order of ranking until a contract is reached or all proposals are rejected; and (d) further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	Strategic Objective 4c. - Support development of a robust Regional maritime workforce

**Category:**

Awards, Amendments & Change Orders

**Department:**

Security

**Staff Contact:**

Jessica Thomas

**Background:**

The Port Authority is seeking to continue its unarmed, uniformed security officer services for all Port Authority terminals and gates, to meet legally required mandates of the United States Coast Guard and the Maritime Transportation Security Act of 2002. The current three-year contract, that included two one-year extensions, concludes on August 1, 2020. Staff expects that at least 60 days would be required to transition service providers.

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

**Staff Evaluation/Justification:**

On April 1, 2020, five RFP responses were received and opened. The responses were reviewed and evaluated by staff in accordance with the selection criteria published in the RFP. Staff identified the following vendors, listed in order of ranking, as most qualified to perform the services:

- AlliedUniversal Security Services LLC

- Securitas Security Services USA
- G4S Secure Solutions (USA) Inc.

This would be a three-year contract with an option for and additional two year term, which is standard within the security industry. The recommended "not to exceed amount" for the purchase order is only for the initial three-year term. Should staff determine in the future that the option years are recommended, staff will return to the Port Commission for approval of the extension, with new cost amounts under a new Recommendation for Commission Action.

Following staff Executive Committee review, staff recommends that the Port Commission award a contract to AlliedUniversal Security Services LLC for unarmed, uniformed security officer services and act as otherwise described above.

## **L. PORT SECURITY AND EMERGENCY OPERATIONS**

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<b>Subject</b>	<b>2. Amend the existing purchase order to Motorola Solutions for the purchase of land mobile radio equipment including radios, batteries, chargers, related hardware, and accessories for the Operations, Port Security, and Emergency Operations Departments using the Houston-Galveston Area Council's cooperative purchase program, in an amount not to exceed \$140,000.</b>
Meeting	May 20, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its May 20, 2020 meeting, amend a purchase order to Motorola Solutions for purchase of land mobile radio equipment including radios, batteries, chargers, related hardware, and accessories for the Operations, Port Security, and Emergency Operations Departments using the Houston-Galveston Area Council's cooperative purchase program, in an amount not to exceed \$140,000, 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	<p>STRATEGIC GOAL #4 - STEWARDSHIP (Create Greater Value for the Region)</p> <p>Strategic Objective 4c. - Support development of a robust Regional maritime workforce</p> <p>Strategic Objective 2b. - Drive development of landside infrastructure and inland distribution networks</p>

**Category:**

Awards, Amendments & Change Orders

**Department:**

Emergency Management

**Staff Contact:**

Colin Rizzo

**Background:**

By Minute No. 2019-0326-41, the Port Commission awarded a purchase order in the amount of \$100,000 to Motorola Solutions. Motorola Land Mobile Radio (LMR) equipment, including handheld, mobile, and base stations, are used daily by Port Authority maintenance and operations personnel, crane operators, and clerks to accomplish their tasks in a safe and efficient manner. The Port Security and Emergency Operations and Operations Divisions, including contract security, maintenance, operations, police and fire departments also use Motorola LMR equipment to maintain security and operate at all terminals, and respond to incidents and other emergencies.

As the LMR equipment and assets continue to be consolidated under the Emergency Management Department, a better understanding of the need for new and replacement equipment has required an increase to the original purchase order. Since the vast majority of the approximately 1,200 radios are Motorola products, Motorola parts and accessories are required to service the LMR equipment.

The Houston-Galveston Area Council (H-GAC) cooperative purchasing program was established in 1973 pursuant to the Texas Interlocal Cooperation Act to enable governmental entities to obtain purchasing services that offer expedited procurement, volume purchasing discounts, contract administration, and research services.

**Staff Evaluation/Justification:**

The Director of Procurement Services has determined that utilizing the H-GAC cooperative purchasing program for this procurement both satisfies competitive purchase requirements and provides best value to the Port Authority. This equipment will be provided by Motorola Solutions under the pricing schedule obtained from that vendor's contract RA05-18 with H-GAC.

Staff recommends that the Port Commission approve this best value determination and contract.

## **L. PORT SECURITY AND EMERGENCY OPERATIONS**

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**Subject**                      **3. Amend the existing purchase order with Harris County for radio repairs in an amount not to exceed \$60,000.**

Meeting                      May 20, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access                      Public

Type                      Action

Recommended Action                      The Port Commission, at its meeting on May 20, 2020, authorize the Port Authority to amend the existing purchase order with Harris County for radio repairs in an amount not to exceed \$60,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Goals                      Strategic Objective 4c. - Support development of a robust Regional maritime workforce  
Strategic Objective 2b. - Drive development of landside infrastructure and inland distribution networks  
STRATEGIC GOAL #4 - STEWARDSHIP (Create Greater Value for the Region)

**Category:**

Awards, Amendments & Change Orders

**Department:**

Emergency Management

**Staff Contact:**

Colin Rizzo

**Background:**

As a TXWARN system partner the Port Authority uses the Harris County radio shop to conduct radio testing and repairs that cannot be completed by Port Authority radio technicians. When repairs are too complex to be completed at Harris County the equipment is sent to the Motorola Depot for repairs under the Harris County contract. This provides a cost savings to the Port Authority compared to sending equipment directly to Motorola for repairs.

The current Port Authority purchase order with Harris County for the radio repair and programming services is in an amount not to exceed \$40,000. The funds have now been depleted.

**Staff Evaluation/Justification:**

As the annual cost of radio repairs now potentially exceeds \$50,000, staff requests an amendment to the current purchase order with Harris County, in an amount not to exceed \$60,000. It is anticipated this funding would last five quarters.

Staff recommends the Port Commission approve the amendment of the existing purchase order with Harris County for radio repairs.

## M. TECHNOLOGY

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**Subject**                    **1. Issue a purchase order to Datavox, Inc. for purchase of information technology components (switches, access points, and associated peripherals) for Container Yard 7 South, using the Texas Department of Information Resources' cooperative purchase program, in an amount not to exceed \$120,000.**

Meeting                    May 20, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access                    Public

Type                    Action

Recommended Action                    The Port Commission, at its May 20, 2020 meeting, issue a purchase order to Datavox, Inc. for purchase of information technology components (switches, access points, and associated peripherals) for Container Yard 7 South, using the Texas Department of Information Resources' cooperative purchase program, in an amount not to exceed \$120,000, 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 the needed Information Technology (IT) equipment to support the operation of Container Yard 7 South which is currently under construction. The Texas Department of Information Resources (DIR) is a department of the State of Texas, and has cooperative purchasing programs which may be used by the Port Authority.

**Staff Evaluation/Justification:**

The Director of Procurement Services has determined that procuring the purchase of this equipment through the Texas Department of Information Resources' (DIR) purchasing program is the method that both satisfies competitive purchase requirements and provides best value to the Port Authority.

The IT Department has determined that the best availability, price, and contract term for the items needed is provided by Datavox, Inc. 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.