



PORT COMMISSION MEETING

JUNE 22, 2021– AGENDA



Tuesday, June 22, 2021
PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

9:15 a.m.
111 East Loop North
Houston, TX 77029

A. CALL TO ORDER

B. CHAIRMAN'S REMARKS

1. Governance, legislative, policy, and operational matters

C. APPROVAL OF MINUTES

1. Port Commission Public Meeting - May 25, 2021

D. STAFF REPORTS

1. Summary of selected financial and operational matters

E. APPEARANCES

1. Public Comment

F. EXECUTIVE

Awards, Amendments & Change Orders

1. Award a professional services contract to Cassidy and Associates for federal governmental policy consulting and support in an amount not to exceed \$260,000.
2. Award a professional services contract to Pendulum Strategies, LLC for federal governmental policy consulting and support in an amount not to exceed \$120,000.

General

3. Authorize the Community Relations Committee to review staff recommendations and rank and approve awards under the Community Grants Program.
4. Approve Port Commission committee and task force chairs and members.

G. COMMERCIAL

Leases

1. Approve a fifty-year lease agreement with Texas Lehigh Cement Company for approximately 0.66-acres of land out of a 12.83-acre tract of land situated in the Ezekial Thomas Survey, A-73, Harris County, Texas, effective no earlier than July 1, 2021, at an annual base rent of \$21,000 beginning at full operations no later than 24 months after the commencement date and subject to an annual increase of 3%.

2. Approve (i) a two-year lease with Matthews Brothers Dredging, Inc. (Matthews Brothers) for approximately 0.443 acres out of Sims Bayou Block 4, effective no earlier than July 1, 2021, at an annual base rent of \$9,377 with a 3% annual increase, and (ii) a non-exclusive, two-year license with Matthews Brothers for approximately 0.416 acres out of the adjacent Block 4-A, to run coterminously with the lease at an annual fee of \$6,600.
3. Authorize to extend the term of a month-to-month lease with R. Warehousing & Port Services for approximately 10.85 acres out of Block 2C in Northside Turning Basin commencing July 1, 2021.
4. Approve a second amendment to the Lease Agreement with CB&I, LLC, to extend the original lease term from thirty-two months to thirty-eight months, for approximately 50.02-acres of land located on the south side of Port Road and east of Freight Station Road near Seabrook, effective July 1, 2021, at an annual rent of \$1,806,551.40 subject to annual base rent escalation of 3%.

H. FINANCE

1. No items.

I. INFRASTRUCTURE

Awards, Amendments & Change Orders

1. Award a construction contract to Jerdon Enterprise, L.P. for the Ramp Road 8 gate modification and guardhouse at Turning Basin Terminal in an amount not to exceed \$471,472.
2. Authorize a month-to-month lease with 2Plus of Texas, Inc., dba STAR to lease vans under the Houston- Galveston Area Council METROVan Program for an additional one-year period and with an additional amount not to exceed \$45,000.
3. Amend the professional services contract with Walter P Moore to perform additional services for the design for the repair of the bridge at Spilman Island, in an amount not to exceed \$199,500.
4. Approve a change order with Jerdon Enterprise, L.P. to perform additional work associated with the trench drain repairs at Bayport Container Terminal in an amount not to exceed \$54,714.

Permits/Licenses/Pipeline Easements

5. Approve the renewal of the following expiring Port Authority licenses for new ten-year terms: Ballard Exploration Company, Inc., Deer Park Energy Center LLC, Equistar Chemicals, LP, Huntsman International LLC, Pasadena Cogeneration L.P., and Sekisui Specialty Chemicals America, LLC.
6. Issue a pipeline license to South Texas NGL Pipelines, LLC for one 12-inch polymer grade propylene pipeline under and across Cedar Bayou, San Jacinto River, Carpenters Bayou, Port Authority fee property near Jacintoport Blvd., Port Authority Banana Bend tract, and the Port Authority Beltway 8 tract.
7. Issue a pipeline license to Hartree Refining Company, LLC for one 12-inch and two 10-inch petroleum products pipelines, and one 3-inch conduit under and across Carpenters Bayou.

8. Issue a pipeline license to Linde, Inc. for one 14-inch high-density polyethylene wastewater pipeline adjacent to the access road leading to Spilman Island.
9. Approve the transfer of a pipeline license from Invista, S.A.R.L. to Chevron Philips Chemical Company LP and approve the amendment to change the transported product to heavy olefins under and across several Port Terminal Railroad Association right-of-way crossings.
10. Approve the transfer of a pipeline license from Invista, S.A.R.L. to Chevron Philips Chemical Company LP and approve the amendment to change the transported product to heavy olefins under and across Goose Creek, Scott Bay, the Houston Ship Channel, and Upper San Jacinto Bay.
11. Amend a distribution and/or transmission line license issued to CenterPoint Energy Houston Electric, LLC to add an additional fiber optic cable to the existing line across the Port Terminal Railroad Association's Southside Mainline railroad right-of-way.

Leases

12. Approve a port adjacency barge fleeting lease agreement with, and issue a marine construction permit to, Kirby Inland Marine, LP for 10.43 acres of submerged lands in Old River at an initial monthly rental amount of \$15,645 for a ten-year term.

J. OPERATIONS

Awards, Amendments & Change Orders

1. Award a contract to Shanghai Zhenhua Heavy Industries Co., Ltd. (ZPMC) for the purchase of three dockside electric container cranes for Wharf No. 6 at Bayport Container Terminal in an amount not to exceed \$36,585,000.
2. Approve staff's ranking of vendors and award a two-year contract in an amount not to exceed \$750,000 for railroad repair services at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal to the top-ranked proposers: staff ranking - first, Railworks Track Systems, Inc.; and second, Maintenance of Way Construction Services.
3. Award a three-year contract to Northline NC, LLC for the purchase of new and repaired electronic components for wharf and rubber-tyred gantry cranes at Barbours Cut Terminal and Bayport Container Terminal in an amount not to exceed \$1,500,000.
4. Award a two-year contract to Lockridge Packaging, LLC for the purchase of paper products for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal in an amount not to exceed \$500,000.
5. Approve staff's ranking of vendors and award a contract in the amount not to exceed \$669,700 for the purchase of four replacement operator cabs for wharf cranes at Barbours Cut Terminal to the top-ranked proposer: staff ranking - first, Brieda Cabins S.r.l. A Socio Unico; and second, Inter-Net Specialty Products, Inc.
6. Award a two-year contract to ZPMC North America, Inc. (ZPMC), the sole source provider, for the purchase of captive replacement parts for ZPMC cranes at Barbours Cut Terminal and Bayport Container Terminal in an amount not to exceed \$500,000.

7. Award a contract to Konecranes Finland Corporation, the sole source provider, for the purchase of a spare main hoist gear reducer for four wharf cranes at Barbours Cut Terminal in an amount not to exceed \$105,000.

8. Ratify an emergency purchase order to Cole Ticket Solutions Inc. for 5,000,000 gate interchange tickets in the total amount of \$86,976.

9. Ratify an emergency purchase order to HPGR, LLC in the total amount not to exceed \$390,500 for repairs to main hoist gear reducer for crane 208 at Bayport Container Terminal.

10. Authorize payment to Smart Tecs LLC, the sole source provider, 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 \$350,322.

11. Amend the professional services agreement with APTIM Port Services International, LLC to perform additional inspection services for construction of three dockside electric container cranes for Wharf No. 5 at Bayport Container Terminal in an amount not to exceed \$251,700.

K. PEOPLE

1. No items.

L. PORT SECURITY AND EMERGENCY OPERATIONS

1. No items.

M. TECHNOLOGY

1. No items.

N. RECESS OPEN MEETING AND CONVENE EXECUTIVE SESSION

1. Consultation with Attorneys (Section 551.071, Texas Open Meetings Act), including consultation regarding proposed amendments to the agreement for legal services with Andrews Myers PC and Boyar Miller

2. Real Estate (Section 551.072, Texas Open Meetings Act), including deliberations regarding disposition of Turning Basin Terminal vicinity property and licensing of miscellaneous Houston Ship Channel and upland properties

3. Economic Development Negotiations or Incentives (Section 551.087, Texas Open Meetings Act)

4. Employment and Evaluation of Public Employees (Section 551.074, Texas Open Meetings Act)

5. Security-Related Matters (Sections 418.175-418.183 of the Texas Government Code, and Section 551.076, Texas Open Meetings Act)

6. Adjourn Executive Session

O. RECONVENE OPEN MEETING

1. Announce any items from Executive Session requiring Port Commission action

2. Regular Code of Ethics training and review

P. ADJOURN MEETING

1. Next Meeting Requested - July 20, 2021
2. Adjourn Port Commission Meeting

F. EXECUTIVE

Subject **1. Award a professional services contract to Cassidy and Associates for federal governmental policy consulting and support in an amount not to exceed \$260,000.**

Meeting Jun 22, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its June 22, 2021 meeting, award a professional services contract to Cassidy and Associates for federal governmental policy consulting and support, in an amount not to exceed \$260,000 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 & Change Orders

Department:

Government Relations

Staff Contact:

Cam Spencer / Kerrick Henny

Background:

In order to advance the project to widen and deepen the Houston Ship Channel, Port Authority staff has obtained additional support to assist its work with the U.S. Army Corps of Engineers regarding its Houston Ship Channel expansion improvement study. Cassidy and Associates has provided most of this assistance since the firm was first retained in 2019, and staff seeks to continue to work with the firm as Project 11 continues to move forward.

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

Subject **2. Award a professional services contract to Pendulum Strategies, LLC for federal governmental policy consulting and support in an amount not to exceed \$120,000.**

Meeting Jun 22, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its June 22, 2021 meeting, award a professional services contract to Pendulum Strategies, LLC in an amount not to exceed \$120,000, for a one-year term effective July 1, 2021, and further authorize the Executive Director to do any and all things in his opinion reasonable for necessary to give effect to the foregoing.

Category:

Awards, Amendments, & Change Orders

Department:

Government Relations

Staff Contact:

Cam Spencer / Kerrick Henny

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 seeks to continue to work with the firm.

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

Subject	3. Authorize the Community Relations Committee to review staff recommendations and rank and approve awards under the Community Grants Program.
Meeting	Jun 22, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its June 22, 2021 meeting, authorize the Community Relations Committee to review staff recommendations and rank and approve awards under the Community Grants Program.
Goals	STRATEGIC GOAL #3 - PARTNERSHIPS (Develop and Strengthen External Partnerships) Strategic Objective 3c. - Engage in proactive two-way communication Strategic Objective 3a. - Cultivate key relationships to accomplish common goals

Category:

General

Department:

Executive

Staff Contact:

Erik Eriksson

Background:

In 2020, the Port Authority launched the Port Houston Community Grants Program, an outreach initiative focused on investing resources into meaningful projects and programs to enhance local communities while advancing the Port Authority's mission and vision as a part of the 2020 Strategic Plan. Program grants are intended to develop and strengthen community partnerships and create greater value for the region.

- Beginning in 2020, the Port Authority budget approved by the Port Commission includes funding under the Community Grants Program.
- The Port Commission Community Relations Committee, a "committee of the whole" tasked with advising on community matters, approves the annual program (including priorities, procedures, and schedules) in advance of each Community Grants Program cycle.
- Each Community Grants Program cycle includes a two-step application process. The applications are subsequently reviewed and ranked by a staff-level committee for possible awards that would total substantially all the allocated budget funds.
- The recommendations area is also reviewed by staff leadership prior to going before the Community Relations Committee for award.

Staff Evaluation/Justification:

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

Accordingly, as in 2020, in order to provide a focused "workshop" opportunity to review these recommendations and facilitate community participation in the process, staff proposes that the Port Commission formally delegate to the Community Relations Committee the authority to review staff's recommendations, and rank and approve awards (including those greater than \$50,000), under the 2021 Community Grants Program.

F. EXECUTIVE

Subject 4. Approve Port Commission committee and task force chairs and members.

Meeting Jun 22, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its June 22, 2021 meeting, approve the appointment of Port Commission committee and task force chairs and members, as set forth on Exhibit "A."

Category:

General

Department:

Executive

Staff Contact:

Roger Guenther

Background:

The Amended and Restated Bylaws of the Port Authority and subsequent Port Commission action has established the following standing committees and task forces of the Port Commission:

- Audit Committee
- Business Equity
- Community Relations Committee
- Compensation Committee
- Dredge Task Force
- Governance Committee
- Pension and Benefits Committee

The Amended and Restated Bylaws of the Port of Houston Authority of Harris County, Texas further provide that the Chairman of the Port Commission shall appoint the chairs and members of the committees of the Port Commission, subject to the consent of each appointee and Port Commission approval.

Staff Evaluation/Justification:

Chairman Campo proposes to continue to designate Port Commissioners to serve on those committees and task forces as set forth on Exhibit "A."

Staff requests that the Port Commission approve these appointments subject to the continued consent of each appointee.

Port Commission Committees and Task Forces							
June 2021							
Task Force:	Audit Committee	Business Equity Committee	Community Relations Committee	Compensation Committee	Dredge Task Force	Governance Committee	Pension & Benefits Committee
Commissioner Assignments							
Chairman Campo	Chair		Member	Chair	Chair	Member	
Commissioner Cloonan		Chair	Member	Member	Member		
Commissioner Corgey		Member	Chair		Member		Member
Commissioner Creuzot	Member		Member		Member	Member	
Commissioner DonCarlos		Member	Member		Member	Chair	
Commissioner Fitzgerald			Member	Member	Member		Chair
Commissioner Mease	Member		Member		Member		Member

G. COMMERCIAL

Subject **1. Approve a fifty-year lease agreement with Texas Lehigh Cement Company for approximately 0.66-acres of land out of a 12.83-acre tract of land situated in the Ezekial Thomas Survey, A-73, Harris County, Texas, effective no earlier than July 1, 2021, at an annual base rent of \$21,000 beginning at full operations no later than 24 months after the commencement date and subject to an annual increase of 3%.**

Meeting Jun 22, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its June 22, 2021 meeting, approve a fifty-year lease agreement with Texas Lehigh Cement Company for approximately 0.66-acres of land out of a 12.83-acre tract of land situated in the Ezekial Thomas Survey, A-73, Harris County, Texas, effective no earlier than July 1, 2021, at an annual base rent of \$21,000 beginning at full operations no later than 24 month after the commencement date and subject to an annual increase of 3%, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

Category:
Leases

Department:
Real Estate

Staff Contact:
R. D. Tanner

Background:
Texas Lehigh Cement Company (TLCC) submitted a proposal to lease a 0.66-acre out of the 12.83-acre tract of land owned by the Port Authority off Clinton Drive. The lease would be the site of an electrical substation to support operation of a state-of-the-art slag grinding facility at TLCC's 9500 Johnson's Landing facility due south of Clinton Drive.

TLCC proposes a 50-year lease with projected capital improvements costs of \$3,000,000 and throughput benefit over Port Authority docks, with a gradual increase in guaranteed tonnage volume to reach a minimum 300,000 tons annually, beginning in the fifth year of operations.

Staff Evaluation/Justification:
Staff recommends approval of a fifty-year lease with Texas Lehigh Cement Company, on the terms described above.

G. COMMERCIAL

Subject **2. Approve (i) a two-year lease with Matthews Brothers Dredging, Inc. (Matthews Brothers) for approximately 0.443 acres out of Sims Bayou Block 4, effective no earlier than July 1, 2021, at an annual base rent of \$9,377 with a 3% annual increase, and (ii) a non-exclusive, two-year license with Matthews Brothers for approximately 0.416 acres out of the adjacent Block 4-A, to run coterminously with the lease at an annual fee of \$6,600.**

Meeting Jun 22, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its June 22, 2021 meeting, approve (i) a two-year lease with Matthews Brothers Dredging, Inc. (Matthews Brothers) for approximately 0.443 acres out of the Sims Bayou Block 4, effective no earlier than July 1, 2021, at an annual base rent of \$9,377 with a 3% annual increase, and (2) a non-exclusive, two-year license with Matthews Brothers for approximately 0.416 acres out of the adjacent Block 4A, to run coterminously with the lease, at an annual fee of \$6,600, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

Category:
Leases

Department:
Real Estate

Staff Contact:
R. D. Tanner

Background:
Matthews Brothers (f/k/a Matthews Marine, Inc.) has been accessing and using approximately 0.416 acres out of the Port Authority's Sims Bayou Block 4-A under multiple temporary entry license agreements since March, 2018. The firm has requested a non-exclusive, two-year license for that 0.416-acre site and a two-year lease for an additional 0.443 acres out of the adjacent Block 4 site. The lease and license would run coterminously with each other.

Matthews Brothers seeks to use the adjacent properties for crew shift changes for barge dredging operations; the additional acreage would permit the firms operations to be expanded.

Staff Evaluation/Justification:
Staff recommends approval of the proposed lease and license.

G. COMMERCIAL

Subject **3. Authorize to extend the term of a month-to-month lease with R. Warehousing & Port Services for approximately 10.85 acres out of Block 2C in Northside Turning Basin commencing July 1, 2021.**

Meeting Jun 22, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its June 22, 2021 meeting, authorize staff to extend the term of a month-to-month lease with R. Warehousing & Port Services for approximately 10.85 acres out of Block 2C in Northside Turning Basin commencing July 1, 2021, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

Category:

Leases

Department:

Real Estate

Staff Contact:

R. D. Tanner

Background:

The Port Authority currently has a month-to-month lease with R. Warehousing & Port Services (Richardson) that will have been in effect for more than a year after July 1, 2021. Richardson's monthly lease rental is \$40,003.95 monthly/\$480,047.40 annually.

An amendment to the Water Code adopted in the 2011 legislative session requires that the Port Commission approve month-to-month leases in effect for more than one year.

Staff Evaluation/Justification:

Staff recommends the approval of an extended term of a month-to-month lease with R. Warehousing & Port Services.

G. COMMERCIAL

Subject **4. Approve a second amendment to the Lease Agreement with CB&I, LLC, to extend the original lease term from thirty-two months to thirty-eight months, for approximately 50.02-acres of land located on the south side of Port Road and east of Freight Station Road near Seabrook, effective July 1, 2021, at an annual rent of \$1,806,551.40 subject to annual base rent escalation of 3%.**

Meeting Jun 22, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its June 22, 2021 meeting, approve a second amendment to the Lease Agreement with CB&I, LLC, to extend the original lease term from thirty-two months to thirty-eight months, for approximately 50.02-acres of land located on the south side of Port Road and east of Freight Station Road near Seabrook, effective July 1, 2021, at an annual rent of \$1,806,551.40 subject to annual base rent escalation of 3%, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

Category:
Leases

Department:
Real Estate

Staff Contact:
R.D. Tanner

Background:
CB&I, LLC previously entered into a lease agreement with the Port Authority for approximately 36.02 acres of land located on the south side of Port Road and east of Freight Station Road commencing June 1, 2019. The lease agreement has since been amended to increase the leased premises from approximately 36.02 acres to approximately 50.02 acres in addition to other changes and modifications specifically provided for in the amendment. CB&I, LLC's investments in the leased premises have approached \$8.5 million, including cost of a heavy-haul road and filling and stabilization of the leased premises.

Staff Evaluation/Justification:
Staff recommends approval of a second amendment to the lease to extend the term for an additional six-months effective July 1, 2021 and expiring July 31, 2022.

I. INFRASTRUCTURE

Subject **1. Award a construction contract to Jerdon Enterprise, L.P. for the Ramp Road 8 gate modification and guardhouse at Turning Basin Terminal in an amount not to exceed \$471,472.**

Meeting Jun 22, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its June 22, 2021 meeting, award a construction contract to Jerdon Enterprise, L.P. for the Ramp Road 8 gate modification and guardhouse at Turning Basin Terminal in an amount not to exceed \$471,472, 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:

This project consists of the removal of the existing Ramp Road 8 speed gates at the Turning Basin Terminal and the purchase and installation of a new precast manned guardhouse, gate arms, and all associated electrical, water and sanitary sewer, and new pavement.

Water Code 60.463 permits the Port Authority to utilize either a one-step or a two-step process for requesting and evaluating competitive sealed proposals for construction services. Traditionally the Port Authority has used the one-step process. For this project, staff determined that the two-step process is the method that both satisfies competitive purchase requirements and provides best value to the Port Authority.

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. Thirteen vendors downloaded the project materials from BuySpeed.

Staff Evaluation/Justification:

On April 28, 2021, four CSP qualification responses were received, opened, and publicly read. For the first step, the responses were reviewed and evaluated by staff in accordance with the published qualifications selection criteria. On April 28, 2021, the price responses of the three short-listed respondents were received, opened, and publicly read. The price and qualification responses of the short-listed respondents were thereafter reviewed and evaluated by staff in accordance with the published qualifications selection criteria, as the second step.

Staff recommends that the Port Commission award a contract to Jerdon Enterprise, L.P. and act as otherwise described above.

I. INFRASTRUCTURE

Subject **2. Authorize a month-to-month lease with 2Plus of Texas, Inc., dba STAR to lease vans under the Houston-Galveston Area Council METROVan Program for an additional one-year period and with an additional amount not to exceed \$45,000.**

Meeting Jun 22, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its June 22, 2021 meeting, authorize Port Authority staff to enter into a month-to-month lease with 2Plus of Texas, Inc. dba STAR to lease vans under the Houston-Galveston Area Council METROVan Program for an additional one-year period and with an additional amount not to exceed \$45,000, 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 4a. - Implement an innovative environmental leadership strategy
STRATEGIC GOAL #4 - STEWARDSHIP (Create Greater Value for the Region)
STRATEGIC GOAL #1 - PEOPLE AND ORGANIZATION (Be the Best Place to Work)

Category:

Awards, Amendments & Change Orders

Department:

Environmental Affairs

Staff Contact:

Trae Camble

Background:

In September 2007, the Environmental Affairs Department initiated a vanpool program for Port Authority employees by participating in the Houston-Galveston Area Council METROVan Program. The program was made available to riders in Harris, Galveston, Brazoria, Liberty, Chambers, Fort Bend, Montgomery, and Waller counties.

The vanpool program was implemented as a means of improving local air quality, by reducing various vehicular emissions and the number of vehicles on roadways, and reducing overall fuel consumption.

In order to participate in the METROVan Program, the Port Authority leases vans on a month-to-month basis from 2Plus of Texas, Inc. dba STAR (STAR). By Minute Nos. 2008-0219-52, 2008-0722-42, 2009-0623-27, 2011-0125-21, 2013-0723-20, 2015-0929-40, 2017-0926-30, 2018-0925-34, and 2019-0924-29 the Port Commission has approved prior participation in the program.

On March 2020, the Executive Office Building (EOB) was closed due to COVID-19. As a result, STAR and the Port Authority agreed to suspend the vanpool program at the EOB until a later date. Employees have begun to return to the EOB, with a full return expected in the coming months. In connection with restarting the program, STAR has agreed to modifications to the ridership requirements, including a waiver of fees for low ridership, allowance for fewer vans, and fewer days of operation.

The METROVan Program provides a \$35-per month incentive discount per rider on vanpool fares to the Port Authority; each rider in turn is responsible for paying \$25 monthly, in addition to all fuel and toll costs. An average of \$1,000 monthly lease cost per van is incurred by the Port Authority.

Employees at Barbours Cut Terminal and Bayport Container Terminal also participate in the Port Authority's vanpool program. As of February 2020, the Port Authority sponsored six vans and accommodated thirty-five to forty riders. The program will restart with two vans and more riders are anticipated to join once the Port Authority is in full operation.

Staff Evaluation/Justification:

Staff agrees that a one-year program extension would enable current vanpool groups to continue operating and for more vanpools to form during the next year.

Staff recommends the Port Commission approve the program above with STAR through June 2022 and act as otherwise described above.

I. INFRASTRUCTURE

Subject **3. Amend the professional services contract with Walter P Moore to perform additional services for the design for the repair of the bridge at Spilman Island, in an amount not to exceed \$199,500.**

Meeting Jun 22, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its June 22, 2021 meeting, amend the professional services contract with Walter P Moore to perform additional services for the design for the repair of the bridge at Spilman Island, in an amount not to exceed \$199,500, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Awards, Amendments & Change Orders

Department:

Project and Construction Management

Staff Contact:

Roger H. Hoh, P.E.

Background:

By Minute No. 2020-0623-18, the Port Commission awarded a professional services contract with Walter P More to perform services for the design for the repair of the bridge at Spilman Island. The project was divided in two phases. The scope of the 1st phase (Minute No. 2020-0623-18) included only the in-depth structural assessment of Spilman Island Bridge (i.e. inspection, identification of repair options and estimation of the cost of the identified repair options). The scope of the 2nd phase (this amendment) would include the repair design, bid documentation and support, construction phase support, etc. for the project.

This amendment would be the 1st amendment to this contract (for a total amendment value to date of \$199,500), which represents an increase of 234% to the original contract value of \$84,970 (i.e. 1st phase in Minute No. 2020-0623-18). However, this amendment was anticipated in the original project scope.

Staff Evaluation/Justification:

Staff has reviewed Walter P Moore's proposal and found it to be fair and reasonable and recommends that the Port Commission approve the proposed amendment.

I. INFRASTRUCTURE

Subject 4. Approve a change order with Jerdon Enterprise, L.P. to perform additional work associated with the trench drain repairs at Bayport Container Terminal in an amount not to exceed \$54,714.

Meeting Jun 22, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its June 22, 2021 meeting, approve a change order with Jerdon Enterprise, L.P. to perform additional work associated with the trench drain repairs at Bayport Container Terminal in an amount not to exceed \$54,714, 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. 2020-0730-21, the Port Commission awarded a construction contract to Jerdon Enterprise, L.P. for the trench drain repairs at Bayport Container Terminal. The total small business goal for this project was 20%.

This change order would provide for the labor and materials to perform additional repairs at the junction box due to unforeseen damage.

This would be the second change order to this contract for a total change order value to date of \$142,893, which represents an increase of 15% to the original contract value.

Staff Evaluation/Justification:

Port Authority staff has reviewed the proposal submitted by Jerdon Enterprise, L.P. and found it to be fair and reasonable. Therefore, staff recommends that the Port Commission authorize this change order.

I. INFRASTRUCTURE

Subject 5. Approve the renewal of the following expiring Port Authority licenses for new ten-year terms: Ballard Exploration Company, Inc., Deer Park Energy Center LLC, Equistar Chemicals, LP, Huntsman International LLC, Pasadena Cogeneration L.P., and Sekisui Specialty Chemicals America, LLC.

Meeting Jun 22, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its June 22, 2021 meeting, authorize the Port Authority to approve the renewal of the following expiring licenses for new ten-year terms: Ballard Exploration Company, Inc., Deer Park Energy Center LLC, Equistar Chemicals, LP, Huntsman International LLC, Pasadena Cogeneration L.P., and Sekisui Specialty Chemicals America, LLC, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Operations

Staff Contact:

Garry McMahan

Background:

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

Company	File No.	License Fee
Ballard Exploration Company, Inc.	2001-0339	\$22,063
Deer Park Energy Center LLC	2001-0076	\$3,894
Equistar Chemicals, LP	2001-0023	\$6,363
Huntsman International LLC	2004-0244	\$1,709
Pasadena Cogeneration L.P.	1996-0224	\$13,672
Sekisui Specialty Chemicals America, LLC	2001-0111	\$20,532
Total		\$68,233

Staff Evaluation/Justification:

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

Staff recommends approval.

I. INFRASTRUCTURE

Subject **6. Issue a pipeline license to South Texas NGL Pipelines, LLC for one 12-inch polymer grade propylene pipeline under and across Cedar Bayou, San Jacinto River, Carpenters Bayou, Port Authority fee property near Jacintoport Blvd., Port Authority Banana Bend tract, and the Port Authority Beltway 8 tract.**

Meeting Jun 22, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its June 22, 2021 meeting, authorize the Port Authority to issue a pipeline license to South Texas NGL Pipelines, LLC for one 12-inch polymer grade propylene pipeline under and across Cedar Bayou, San Jacinto River, Carpenters Bayou, Port Authority fee property near Jacintoport Blvd., Port Authority Banana Bend tract, and the Port Authority Beltway 8 tract, 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:

South Texas NGL Pipelines, LLC, Port Authority File No. 2020-0206, has applied for a pipeline license for one 12-inch polymer grade propylene pipeline under and across Cedar Bayou, San Jacinto River, Carpenters Bayou, Port Authority fee property near Jacintoport Blvd., Port Authority Banana Bend tract, and Port Authority Beltway 8 tract, in the Hannah Nash Survey, A-20 in Chambers County, in the Hannah Nash Survey, A-54 in Harris County, and in the George White Survey, A-82, in the Amy White Survey, A-81, and in the Richard and Robert Vince Survey, A-76, in Harris County.

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 \$100,997. The \$675 application fee and the \$2,500 as-built deposit have been paid.

Staff recommends approval.

I. INFRASTRUCTURE

Subject **7. Issue a pipeline license to Hartree Refining Company, LLC for one 12-inch and two 10-inch petroleum products pipelines, and one 3-inch conduit under and across Carpenters Bayou.**

Meeting Jun 22, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its June 22, 2021 meeting, authorize the Port Authority to issue a pipeline license to Hartree Refining Company, LLC for one 12-inch and two 10-inch petroleum products pipelines, and one 3-inch conduit under and across Carpenters Bayou, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Operations

Staff Contact:

Garry McMahan

Background:

Hartree Refining Company, LLC, Port Authority File No. 2021-0135, has applied for a pipeline license for one 12-inch and two 10-inch petroleum products pipelines, and one 3-inch conduit under and across Carpenters Bayou, in the William Harris & D. Carpenter Survey, A-28.

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 \$37,809. The \$675 application fee and the \$2,500 as-built deposit have been paid.

Staff recommends approval.

I. INFRASTRUCTURE

Subject **8. Issue a pipeline license to Linde, Inc. for one 14-inch high-density polyethylene wastewater pipeline adjacent to the access road leading to Spilman Island.**

Meeting Jun 22, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its June 22, 2021 meeting, authorize the Port Authority to issue a pipeline license to Linde, Inc. for one 14-inch-high density polyethylene wastewater pipeline adjacent to the access road leading to Spilman Island, 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:

Linde, Inc., Port Authority File No. 2021-0078, has applied for a pipeline license for one 14-inch high-density polyethylene wastewater pipeline adjacent to the access road leading to Spilman Island, in the Enoch Brinson Survey, A-5.

Staff Evaluation/Justification:

The application was reviewed and approved by the Port Authority's Channel Operations department and the Port Terminal Railroad Association. The license is subject to the Port Authority's usual terms and conditions and at a fee of \$5,310.50. The \$675 application fee and the \$2,500 as-built deposit have been paid.

Staff recommends approval.

I. INFRASTRUCTURE

Subject 9. Approve the transfer of a pipeline license from Invista, S.A.R.L. to Chevron Philips Chemical Company LP and approve the amendment to change the transported product to heavy olefins under and across several Port Terminal Railroad Association right-of-way crossings.

Meeting Jun 22, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its June 22, 2021 meeting, authorize the Port Authority to approve the transfer of a pipeline license from Invista, S.A.R.L. to Chevron Philips Chemical Company LP and approve the amendment to change the transported product to heavy olefins under and across several Port Terminal Railroad Association right-of-way crossings, 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:

Chevron Philips Chemical Company LP, Port Authority File No. 1975-0187, has applied to transfer a pipeline license to it from Invista, S.A.R.L. and has applied to amend the license to change the transported product from acetylene gas to heavy olefin liquids including crude butadiene, hydrogenated pyrolysis gasoline and natural gas liquids, under and across several railroad right-of-way crossings, in the George M. Patrick Survey, A-624, the George Ross Survey, A-646, and the Arthur McCormick Survey, A-35.

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 no additional license fee will be charged for this project. The \$675 application fee has been paid.

Staff recommends approval.

I. INFRASTRUCTURE

Subject **10. Approve the transfer of a pipeline license from Invista, S.A.R.L. to Chevron Philips Chemical Company LP and approve the amendment to change the transported product to heavy olefins under and across Goose Creek, Scott Bay, the Houston Ship Channel, and Upper San Jacinto Bay.**

Meeting Jun 22, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its June 22, 2021 meeting, authorize the Port Authority to approve the transfer of a pipeline license from Invista, S.A.R.L. to Chevron Philips Chemical Company LP and approve the amendment to change the transported product to heavy olefins under and across Goose Creek, Scott Bay, the Houston Ship Channel, and Upper San Jacinto Bay, 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:

Chevron Philips Chemical Company LP, Port Authority File No. 2004-0201, has applied to transfer a pipeline license to it from Invista, S.A.R.L. and has applied to amend the license to change the transported product from acetylene gas to heavy olefin liquids including crude butadiene, hydrogenated pyrolysis gasoline and natural gas liquids, under and across Goose Creek, Scott Bay, the Houston Ship Channel, and Upper San Jacinto Bay, in the Williams Scott Upper League, A-66, the Enoch Brinson Survey, A-5, and the Arthur McCormick Survey, A-46.

Staff Evaluation/Justification:

The application was reviewed and approved by the Port Authority's Channel Operations department. The license is subject to the Port Authority's usual terms and conditions and no additional license fee will be charged for this project. The \$675 application fee has been paid.

Staff recommends approval.

I. INFRASTRUCTURE

Subject **11. Amend a distribution and/or transmission line license issued to CenterPoint Energy Houston Electric, LLC to add an additional fiber optic cable to the existing line across the Port Terminal Railroad Association's Southside Mainline railroad right-of-way.**

Meeting Jun 22, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its June 22, 2021 meeting, authorize the Port Authority to amend a distribution and/or transmission line license issued to CenterPoint Energy Houston Electric, LLC to add an additional fiber optic cable to the existing line across the Port Terminal Railroad Association's Southside Mainline railroad right-of-way, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Operations

Staff Contact:

Garry McMahan

Background:

CenterPoint Energy Houston Electric, LLC, Port Authority File No. 2015-0322, has applied to amend a distribution and/or transmission line license to add an additional fiber optic cable to the existing line across the Port Terminal Railroad Association's Southside Mainline railroad right-of-way, in the James Seymour Survey, A-698.

The new fiber optic line would be on the same poles as the existing fiber optic cable.

Staff Evaluation/Justification:

The application was reviewed and approved by the Port Authority's Channel Operations department. The license is subject to the Port Authority's usual terms and conditions and at a fee of \$769. The \$675 application fee and the \$2,500 as-built deposit have been paid.

Staff recommends approval.

I. INFRASTRUCTURE

Subject **12. Approve a port adjacency barge fleeting lease agreement with, and issue a marine construction permit to, Kirby Inland Marine, LP for 10.43 acres of submerged lands in Old River at an initial monthly rental amount of \$15,645 for a ten-year term.**

Meeting Jun 22, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its June 22, 2021 meeting, authorize the Port Authority to approve a port adjacency barge fleeting lease agreement with, and issue a marine construction permit to, Kirby Inland Marine, LP for 10.43 acres of submerged lands in Old River at an initial monthly rental amount of \$15,645 for a ten-year term, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Leases

Department:

Channel Operations

Staff Contact:

Garry McMahan

Background:

Kirby Inland Marine, LP (Kirby), Port Authority File No. 2021-0149 (lease) and Port Authority File No. 2021-0148 (permit), has applied for a port adjacency submerged lands lease agreement and a marine construction permit for 10.43 acres of barge fleeting in Old River, adjacent to Lost Lake Dredged Material Placement Area.

Kirby operates the nation's largest fleet of inland tank barges and towing vessels and has operated a fleet management service in the Houston area for decades.

Staff Evaluation/Justification:

The applications were reviewed and approved by the Port Authority's Channel Operations department. The lease and permit would be entered into pursuant to the Port Authority's submerged lands lease terms and conditions for an initial monthly rental amount of \$15,645 per month for a ten-year term.

Staff recommends approval.

J. OPERATIONS

Subject **1. Award a contract to Shanghai Zhenhua Heavy Industries Co., Ltd. (ZPMC) for the purchase of three dockside electric container cranes for Wharf No. 6 at Bayport Container Terminal in an amount not to exceed \$36,585,000.**

Meeting Jun 22, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its June 22, 2021 meeting, award a contract to Shanghai Zhenhua Heavy Industries Co., Ltd. (ZPMC) for the purchase of three dockside electric container cranes for Wharf No. 6 at Bayport Container Terminal in an amount not to exceed \$36,585,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

Category:

Awards, Amendments & Change Orders

Department:

Maintenance

Staff Contact:

Paulo Soares

Background:

The Port Authority currently owns twelve wharf cranes in operation at Bayport Container Terminal. Three additional units will be delivered later this year and soon after three units would be relocated to Barbours Cut Terminal.

In the meantime, the Port Authority has awarded a construction contract, conditional upon receipt of notice to proceed (NTP) from the Maritime Administration (MARAD), to construct Wharf No. 6 at Bayport Container Terminal, and the NTP was granted on May 5, 2021. These new wharf cranes for Wharf No. 6 would provide adequate capacity to meet future demand. This project consists of design, fabrication, delivery, and commissioning of these cranes.

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

Staff Evaluation/Justification:

On March 17, 2021, one RFP was received and opened. The response was reviewed and evaluated by staff in accordance with the selection criteria.

Following staff's Executive Committee review, staff recommends that the Port Authority award a contract to ZPMC and act as otherwise described above.

J. OPERATIONS

Subject **2. Approve staff's ranking of vendors and award a two-year contract in an amount not to exceed \$750,000 for railroad repair services at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal to the top-ranked proposers: staff ranking - first, Railworks Track Systems, Inc.; and second, Maintenance of Way Construction Services.**

Meeting Jun 22, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its June 22, 2021 meeting:

- (a) approve staff's ranking of the most qualified vendors, based on the selection criteria, in the following order – first, Railworks Track Systems, Inc.; and second, Maintenance of Way Construction Services;
- (b) award a two-year contract to Railworks Track Systems, Inc. for railroad repair services at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal in an amount not to exceed \$750,000;
- (c) grant authority, if a contract cannot be negotiated with the first-ranked vendor, to formally, and in writing, end negotiations with that vendor and proceed to the next vendor in the order of ranking until a contract is reached or all proposals are rejected; and
- (d) further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

Category:

Awards, Amendments & Change Orders

Department:

Maintenance

Staff Contact:

Paulo Soares

Background:

By Minute No. 2020-0623-35, the Port Commission awarded a two-year contract to BIGAB Company, LC for railroad repair services at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal in an amount not to exceed \$750,000. Due to performance issues, age of tracks, and increased reports of damage along the rails of City Docks, and rail yards and easements around all Port Authority Terminals, staff has advertised for a new two-year contract. Repairs to railroad tracks, switches, ties, and cross-over diamond plates would be covered under this contract.

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

Staff Evaluation/Justification:

On May19, 2021, four CSP responses were received and opened. The responses were reviewed and evaluated by staff in accordance with the selection criteria published in the CSP. Staff identified the following vendors, listed in order of ranking, as providing the best value for the required services:

- Railworks Track Systems, Inc.
- Maintenance of Way Construction Services

Following staff Executive Committee review, staff recommends that the Port Authority award a two-year contract to Railworks Track Systems, Inc., and act as otherwise described above.

J. OPERATIONS

Subject **3. Award a three-year contract to Northline NC, LLC for the purchase of new and repaired electronic components for wharf and rubber-tyred gantry cranes at Barbours Cut Terminal and Bayport Container Terminal in an amount not to exceed \$1,500,000.**

Meeting Jun 22, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its June 22, 2021 meeting, award a three-year contract to Northline NC, LLC for the purchase of new and repaired electronic components for wharf and rubber-tyred gantry (RTG) cranes at Barbours Cut Terminal and Bayport Container Terminal in an amount not to exceed \$1,500,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

Category:

Awards, Amendments & Change Orders

Department:

Maintenance

Staff Contact:

Paulo Soares

Background:

By Minute No. 2018-0327-35, the Port Commission awarded a three-year contract to Northline NC, LLC in the amount not to exceed \$1,500,000 for the purchase of new and repaired printed circuit boards for wharf and rubber-tyred gantry (RTG) cranes at Barbours Cut Terminal and Bayport Container Terminal. Funds are nearly depleted. Electronic components such as printed circuit boards are necessary for the routine maintenance and repair of the Port Authority's numerous cranes.

Specifications were prepared reflecting the largest discount anticipated for the purchase and repair of electronic components, the Port Authority notified vendors regarding this request for competitive sealed bids (CSB) using the Port Authority's BuySpeed Eprocurement System and the project was advertised on the Port Authority's website and in a local newspaper. Eight vendors downloaded the project materials from BuySpeed.

Staff Evaluation/Justification:

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

Staff recommends that the Port Authority award a three-year contract to Northline NC, LLC, the responsible bidder submitting the lowest and best bid, for the purchase of new and repaired electronic components for Barbours Cut Terminal and Bayport Container Terminal.

J. OPERATIONS

Subject **4. Award a two-year contract to Lockridge Packaging, LLC for the purchase of paper products for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal in an amount not to exceed \$500,000.**

Meeting Jun 22, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its June 22, 2021 meeting, award a two-year contract to Lockridge Packaging, LLC for the purchase of paper products for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal in an amount not to exceed \$500,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Awards, Amendments & Change Orders

Department:

Maintenance

Staff Contact:

Paulo Soares

Background:

By Minute No. 2019-0521-27, the Port Commission awarded a two-year contract to Lockridge Packaging, LLC in the amount not to exceed \$500,000 for the purchase of paper products for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal. This contract expired on May 31, 2021.

These paper products include paper towels, bathroom tissue, shop towels, napkins, toilet seat covers, plastic cups, and trash can liners. These products are used at Port Authority locations such as the Executive Office building, Port Police and Fire Department locations, and all marine terminals.

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

Staff Evaluation/Justification:

On May 19, 2021, one CSB response was received and opened. The response was reviewed and evaluated by staff in accordance with the selection criteria published in the CSB.

Staff recommends that the Port Authority award a two-year contract to Lockridge Packaging, LLC., the responsible bidder submitting the only bid, for the purchase of paper products for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal.

J. OPERATIONS

Subject **5. Approve staff's ranking of vendors and award a contract in the amount not to exceed \$669,700 for the purchase of four replacement operator cabs for wharf cranes at Barbours Cut Terminal to the top-ranked proposer: staff ranking - first, Brieda Cabins S.r.l. A Socio Unico; and second, Inter-Net Specialty Products, Inc.**

Meeting Jun 22, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its June 22, 2021 meeting:

- (a) approve staff's ranking of vendors, based on the selection criteria, in the following order – first, Brieda Cabins S.r.l. A Socio Unico; and second, Inter-Net Specialty Products, Inc.;
- (b) award a contract to the top-ranked proposer for the purchase of four replacement operator cabs for wharf cranes at Barbours Cut Terminal in the amount not to exceed \$669,700;
- (c) grant authority, if a contract cannot be negotiated with the first-ranked vendor, to formally, and in writing, end negotiations with that vendor and proceed to the next vendor in the order of ranking until a contract is reached or all proposals are rejected; and
- (d) further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

Category:

Awards, Amendments & Change Orders

Department:

Maintenance

Staff Contact:

Paulo Soares

Background:

The Port Authority currently owns twenty-five wharf cranes in operation at Barbours Cut Terminal and Bayport Container Terminal. Ten units are equipped with operator cabs manufactured by Brieda Cabins S.r.l. A Socio Unico of Italy. Three additional cranes equipped with Brieda cabins will arrive at Bayport Container Terminal later this year and three more within two years. The operator cabs on two Morris and two IMPSA cranes are eleven and twenty-three years old respectively and have reduced the end of their useful life.

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

Staff Evaluation/Justification:

On April 21, 2021, three RFP responses were received and opened. The responses were reviewed and evaluated by staff in accordance with the selection criteria published in the RFP. Staff identified the following vendors, listed in order of ranking, as most qualified to provide the required product:

- Brieda Cabins S.r.l. A Socio Unico
- Inter-Net Specialty Products, Inc.

Following staff Executive Committee review, staff recommends that the Port Commission award a contract to Brieda Cabins S.r.l. A Socio Unico and act as otherwise described above.

J. OPERATIONS

Subject **6. Award a two-year contract to ZPMC North America, Inc. (ZPMC), the sole source provider, for the purchase of captive replacement parts for ZPMC cranes at Barbours Cut Terminal and Bayport Container Terminal in an amount not to exceed \$500,000.**

Meeting Jun 22, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its June 22, 2021 meeting, award a two-year contract to ZPMC North America, Inc.(ZPMC), the sole source provider, for the purchase of captive replacement parts for ZPMC cranes at Barbours Cut Terminal and Bayport Container Terminal in an amount not to exceed \$500,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

Category:

Awards, Amendments & Change Orders

Department:

Maintenance

Staff Contact:

Paulo Soares

Background:

The Port Authority currently owns a total of fifteen ZPMC wharf cranes including three units at Barbours Cut Terminal and twelve at Bayport Container Terminal. Three additional units are scheduled to arrive at Bayport Container Terminal later this year. These units are leased daily to stevedoring companies for container handling activities. Therefore, the ability to expedite procurement of spare and replacement parts for these cranes is critical for efficient terminal operation.

Staff Evaluation/Justification:

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

Staff recommends that the Port Authority award a two-year contract to ZPMC North America, Inc. for the purchase of captive replacement parts for ZPMC cranes. Replacement and spare parts will be purchased through this contract as needed to properly maintain these cranes and minimize operational downtime.

J. OPERATIONS

Subject **7. Award a contract to Konecranes Finland Corporation, the sole source provider, for the purchase of a spare main hoist gear reducer for four wharf cranes at Barbours Cut Terminal in an amount not to exceed \$105,000.**

Meeting Jun 22, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its June 22, 2021 meeting, award a contract to Konecranes Finland Corporation, the sole source provider, for the purchase of a spare main hoist gear reducer for four wharf cranes at Barbours Cut Terminal in an amount not to exceed \$105,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

Category:

Awards, Amendments & Change Orders

Department:

Maintenance

Staff Contact:

Paulo Soares

Background:

The Port Authority currently owns four wharf cranes manufactured by Konecranes Finland Corporation in operation at its Barbours Cut Terminal. These cranes are equipped with gear reducers also manufactured by Konecranes Finland Corporation. The main hoist gear reducer is critical to container handling operations, and it is subject to millions of cycles as it drives hoisting machinery to load and discharge container vessels. These cranes were commissioned in 2015 and the Port Authority does not own a spare main hoist gear reducer. Because this is a long lead time item therefore, it is recommended that a spare main hoist gear reducer be purchased to minimize impact on vessel operations should an existing gear reducer need to be serviced or repaired.

Staff Evaluation/Justification:

Section 60.412 of the Water Code provides that a purchase for an item that can be obtained only from one source is exempt from certain procurement requirements of the Water Code. Port Authority staff has received a written statement from the manufacturer confirming that Konecranes Finland Corporation is the sole source for the purchase of main hoist gear reducers.

Staff recommends that the Port Commission award a contract to Konecranes Finland Corporation for the purchase of a spare main hoist gear reducer for four wharf cranes at Barbours Cut Container Terminal.

J. OPERATIONS

Subject **8. Ratify an emergency purchase order to Cole Ticket Solutions Inc. for 5,000,000 gate interchange tickets in the total amount of \$86,976.**

Meeting Jun 22, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its June 22, 2021 meeting, ratify an emergency purchase order to Cole Ticket Solutions Inc. for 5,000,000 gate interchange tickets in the total amount of \$86,976, 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:

Jeff Davis

Background:

Water Code Section 60.4035 permits the Executive Director and authorized officers to make emergency purchases and contracts in amounts that exceed \$50,000 without the customary competitive procedures or prior to Port Commission approval if necessary to, among other things, preserve or protect the public health and safety of the residents of the district, preserve the property of the district in the case of a public calamity, and repair unforeseen damage to the property of the district, provided that staff has endeavored to notify the Port Commission within forty-eight hours of such purchases as required.

By Minute No. 2019-0924-46, the Port Commission awarded the purchase of a five-year supply of gate interchange tickets to Electronic Data Magnetix, Inc. (EDM) in the amount of \$610,000. The Port Authority receives installments of 5,000,000 tickets from EDM at a time. In late March 2021, the Port Authority requested its next installment delivery of 5,000,000 tickets from EDM. On Friday, May 21, EDM notified the Port Authority that it had filed for bankruptcy and would not be able to commit to fulfilling the March order or future orders. Without the promised installment, and uncertain future supply, the Port Authority was left with less than a month's supply of tickets remaining in its stores.

Without gate interchange tickets, the Port Authority's two container terminals cannot process the containerized cargo moving in and out of their gates, including imported consumer items important to public health and safety of the residents of the area and the surrounding region. The concerns to the region raised by this are amplified by the context of the COVID-19 pandemic: (a) imported consumer goods may play a particularly urgent and vital role in the health and medical care of residents of the region, and (b) the pandemic has already caused significant disruption and delay to supply chains and the maritime transport industry.

Port Authority staff investigated numerous avenues to rapidly replenish the Port Authority's supply of tickets and concluded that it was in the best interest of the Port Authority to make an emergency purchase of 5,000,000 gate interchange tickets (approximately six months worth of gate tickets) while a formal solicitation for gate interchange tickets is prepared, advertised, evaluated, and awarded as a longer term solution.

Staff Evaluation/Justification:

Staff has informed the Port Commission that a purchase order in the amount of \$86,976 for a purchase of 5,000,000 gate interchange tickets has been issued in accordance with Water Code Section 60.4035.

Accordingly, staff requests that the Port Commission ratify the above purchase under Water Code Section 60.4035.

J. OPERATIONS

Subject **9. Ratify an emergency purchase order to HPGR, LLC in the total amount not to exceed \$390,500 for repairs to main hoist gear reducer for crane 208 at Bayport Container Terminal.**

Meeting Jun 22, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its June 22, 2021 meeting, ratify an emergency purchase order to HPGR, LLC in the total amount not to exceed \$390,500 for repairs to main hoist gear reducer for crane 208 at Bayport Container 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:

Awards, Amendments & Change Orders

Department:

Port Operations

Staff Contact:

Paulo Soares

Background:

In March 2021, crane 208 at Bayport Container Terminal was taken out of service due to excessive noise and vibration from the main hoist gearbox.

By Minute No. 2019-0521-26, the Port Commission awarded a two-year contract to HPGR, LLC (HPGR), in an amount not to exceed \$250,000 for purchase of machining services for Barbours Cut Terminal, Bayport Container Terminal, and the Turning Basin Terminal. The work to repair crane 208 was within the firm's scope, and it appeared that the purchase order associated with this contract showed a significant outstanding balance to permit this repair. Accordingly, staff requested that HPGR perform this work.

Because HPGR knew this was a critical component, it began working without informing the Port Authority of the steps being taken or the anticipated cost. After several requests from the Port Authority, HPGR provided a quote in the amount of \$390,482.50 to the Port Authority on May 13, 2021.

In the first week of June, Port Authority staff learned that due to an administrative error, the outstanding purchase order balance was incorrectly reported, and funds were not available to pay this amount.

As you are aware, Water Code Section 60.4035 provides that the Port Authority may make emergency purchases and contracts in amounts that exceed \$50,000 in necessary to, among other things, repair unforeseen damage to the property of the district.

Port Authority legal staff concluded that these circumstances apply in this instance, and accordingly, that I have authority to make these procurements under Section 60.4035 of the Texas Water Code without complying with customary competitive bidding procedures or prior Port Commission approval, provided I notify you of any such purchase not later than forty-eight hours after the purchase is made.

Accordingly, this notice is sent to let you know that the Port Authority has issued or will very shortly issue a purchase order to HPGR, LLC in an amount not to exceed \$390,500.00 for main hoist gearbox repairs.

Staff Evaluation/Justification:

Staff has informed the Port Commission that a purchase order to HPGR, LLC in the amount not to exceed \$390,500 has been issued in accordance with Water Code Section 60.4035.

Accordingly, staff request that the Port Commission ratify the above purchase under Water Code Section 60.4035.

J. OPERATIONS

Subject **10. Authorize payment to Smart Tecs LLC, the sole source provider, 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 \$350,322.**

Meeting Jun 22, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its June 22, 2021 meeting, authorize payment to Smart Tecs LLC, the sole source provider, for annual maintenance services for the marine terminal gate operating software system for Barbours Cut Terminal and Bayport Container Terminal pursuant to the current contract between Smart Tecs LLC and the Port Authority, for a one-year period beginning July 1, 2021 in an amount not to exceed \$350,322, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Awards, Amendments & Change Orders

Department:

Operations

Staff Contact:

Jeff Davis

Background:

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

Additional funding is required for the maintenance and support period starting July 1, 2021 and ending June 30, 2022.

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 period. The services provided under this agreement are critical to the proper functioning of the container terminals gate operation.

Staff recommends the Port Commission authorize payment to Smart Tecs LLC for annual maintenance services for the marine terminal gate operating software system.

J. OPERATIONS

Subject **11. Amend the professional services agreement with APTIM Port Services International, LLC to perform additional inspection services for construction of three dockside electric container cranes for Wharf No. 5 at Bayport Container Terminal in an amount not to exceed \$251,700.**

Meeting Jun 22, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its June 22, 2021 meeting, authorize amendment of the professional services agreement with APTIM Port Services International, LLC to perform additional inspection services for construction of three dockside electric container cranes for Wharf No.5 at Bayport Container Terminal in an amount not to exceed \$251,700, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

Category:

Awards, Amendments & Change Orders

Department:

Maintenance

Staff Contact:

Paulo Soares

Background:

By Minute No. 2019-0924-43, the Port Commission awarded a contract to Shanghai Zhenhua Heavy Industries Co., Ltd. (ZPMC) for the purchase of three dockside electric container cranes for Wharf No. 5 at Bayport Container Terminal in an amount not to exceed \$35,000,000. These cranes require manufacturing inspection on a full-time basis. Inspection of overseas fabrication is beyond current manpower capabilities of Port Authority staff, and therefore an inspection services consultant was required.

By Minute No. 2019-1022-34, the Port Commission awarded a professional services contract to APTIM Port Services, LLC to perform inspection services for these cranes in an amount not to exceed \$497,020. According to the first project schedule received from the manufacturer on November 25, 2019, these cranes were expected to depart from the erection site in Shanghai, China on December 11, 2020. APTIM Port Services International, LLC's obligation with the Port Authority was to end on December 11, 2020; however, delays due to the COVID-19 pandemic as well as delays due to fabrication, assembly, and erection have affected the shipment date, which is now August 10, 2021.

Staff Evaluation/Justification:

Staff recommends that the contract with APTIM Port Services International, LLC be extended until August 2021 to continue inspection activities until shipment. APTIM Port Services, LLC has submitted a proposal for the additional work in the amount not to exceed \$251,700.

Staff has reviewed this proposal and found it to be fair and reasonable.

