



Thursday, February 24, 2022
PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

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

A. CALL TO ORDER

B. OPENING REMARKS BY CHAIRMAN AND COMMISSIONERS

1. Governance, legislative, policy, operational, and community matters

C. APPROVAL OF MINUTES

1. Port Commission Public Meeting - January 25, 2022

D. STAFF REPORTS

1. Summary of selected financial and operational matters

E. APPEARANCES

1. Public Comment

F. EXECUTIVE

Staff Report – Selected agenda items – Tom Heidt, Chief Operating Officer

General

1. Authorize the Port Authority to hire Shannon Williams as its chief audit executive.
2. Enter into an Industrial District Agreement with the City of Morgan's Point and approve a payment to the city under that agreement in the net amount not to exceed \$1.5 million.

G. BUSINESS EQUITY

Staff Report – Selected agenda items – Maxine Buckles, Chief Business Equity Officer

Awards, Amendments & Change Orders

1. Approve a professional services contract with Nursify, LLC D/B/A IMC Culture, for a one year term with two one-year renewal options, to assist with implementation of a Diversity, Equity, and Inclusion plan in alignment with the Strategic Plan objective to foster a culture of diversity and inclusion, innovation, and open communication, in an amount not to exceed \$257,500.

H. COMMERCIAL

Staff Report – Selected agenda items – John Moseley, Chief Commercial Officer

Awards, Amendments & Change Orders

1. Approve staff's ranking of vendors and award a professional services contract for website redesign in an amount not to exceed \$340,000 to the first-ranked proposer: staff ranking – first, Love Advertising, Inc.; second, MOJO Creative Services; and third, Exemplifi LLC.

Leases

2. Approve an amendment to the lease with NuStar Logistics, L.P. for approximately 1.24 acres (including 440 ft. of waterfront) adjacent to Wharf 4 at South Side Turning Basin, to extend the term for five years, effective no earlier than September 1, 2022, at a minimum annual base rent of approximately \$60,436.57, subject to annual base rent escalation of the greater of 3% or the increase in the Consumer Price Index.

I. FINANCE

1. No items.

J. INFRASTRUCTURE

Staff Report – Selected agenda items – Rich Byrnes, Chief Infrastructure Officer

Awards, Amendments & Change Orders

1. Approve staff's ranking of vendors and award a professional services contract in an amount not to exceed \$64,500 for structural and repair option analysis for rehabilitation of the roofs of Sheds 20-21 at Turning Basin Terminal and CARE Terminal, to the top-ranked proposer: staff ranking – first, Walter P. Moore; second, Simpson, Gumpertz & Heger; and third, PGAL, Inc.

2. Approve staff's ranking of vendors and award a professional services contract in an amount not to exceed \$150,000 for the 2022 corrosion on marine assets facility inspection and condition assessment program (FICAP) at Bayport Container Terminal to the top-ranked proposer: staff ranking – first, Wiss, Janey, Elstner Associates, Inc., Moffatt & Nichol; and third, POND & Company.

3. Amend the professional services contract with Hatch Associates Consultants, Inc. to perform additional services for the 2021 electrical and communications facility inspection and condition assessment program (FICAP) Portwide in an amount not to exceed \$92,000.

4. Amend the professional services contract with Hatch Associates Consultants, Inc. to perform services for the design for rehabilitation of Wharves 4, 5, and 6 at Barbours Cut Terminal in an amount not to exceed \$3,974,415.

5. Amend the professional services contract with AECOM Technical Services, Inc. to perform services for the planning and design for reconstruction of eighty-seven acres of container yards at Barbours Cut Terminal in an amount not to exceed \$3,188,050.

General

6. Enter into a Memorandum of Agreement with the U.S. Army Corps of Engineers for maintenance dredging of berths at Turning Basin and Manchester docks for an amount not to exceed \$5,000,000.

Permits/Licenses/Pipeline Easements

7. Issue a transmission line license to Comcast of Houston, LLC for one fiber optic cable line under and across the Port Terminal Railroad Association Northside Mainline railroad right-of-way near Miles Street.

Project 11

8. Enter into a pipeline alteration agreement for possible pipeline relocation construction with Kinder Morgan Tejas Pipeline LLC in Segment 1 of the Houston Ship Channel Expansion Channel Improvement project (Project 11).

K. OPERATIONS

Staff Report – Selected agenda items – Jeff Davis, Chief Port Operations Officer

Awards, Amendments & Change Orders

1. Award a three-year contract to Alamo Transformer Supply Co. for the inspection, testing, repair, and oil sampling of transformers for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal in an amount not to exceed \$400,000.
2. Award a two-year contract to Konecranes, Inc., the sole source provider, for the purchase of captive replacement parts and repair services for motor control drives for Kone cranes at Barbours Cut Terminal and Bayport Container Terminal in an amount not to exceed \$3,500,000.
3. Award a three-year contract to Alimak Group USA, Inc., the sole source provider, for the purchase of spare and replacement proprietary parts for wharf crane elevators at Barbours Cut Terminal and Bayport Container Terminal in an amount not to exceed \$550,000.
4. Award a three-year contract to ABB, Inc., the sole source provider, for quarterly inspection services for motor control drives and support services for wharf cranes at Barbours Cut Terminal and Bayport Container Terminal in an amount not to exceed \$345,850.

General

5. Amend the lease between Terminal Link Texas, LLC and the Port Authority to provide a right of first refusal to lease 22.36 acres at Bayport Container Terminal.

L. PEOPLE

Staff Report – Selected agenda items – Jessica Shaver, Chief People Officer

Awards, Amendments & Change Orders

1. Authorize funding for improvement of public trails in the City of Galena Park as part of the Port Authority's East Harris County parks and greenspace initiative, in an amount not to exceed \$145,000.

General

2. Hearing and possible action to amend the wrap-around Plan documents and Summary Plan Descriptions for the Port Authority's Other Post-Employment Benefits Plan and Group Insurance Plan to incorporate provisions related to the COVID-19 national emergency.

M. SECURITY AND EMERGENCY OPERATIONS

1. No items.

N. TECHNOLOGY

1. No items.

O. RECESS OPEN MEETING AND CONVENE EXECUTIVE SESSION

1. Consultation with Attorneys (Section 551.071, Texas Open Meetings Act), including consultations regarding (i) *Port of Houston Authority v. Louis Dreyfus Company Houston Export Elevator LLC*, in the Southern District of Texas, (ii) Extendible Commercial Paper Notes offering, (iii) the Port of Houston Authority Restated Retirement Plan, and (iv) proposed amendment to the agreement for legal services with Andrews Myers, P.C.
2. Real Estate (Section 551.072, Texas Open Meeting Act), including 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 Officers and Employees (Section 551.074, Texas Open Meetings Act) including deliberation regarding the employment agreement with the Executive Director of the Port Authority
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

P. RECONVENE OPEN MEETING

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

Q. CLOSING REMARKS BY CHAIRMAN AND COMMISSIONERS

1. Governance, legislative, policy, operational, and community matters

R. ADJOURN MEETING

1. Next Meeting Requested - Monday, March 21, 2022
2. Adjourn Port Commission Meeting

F. EXECUTIVE

Subject 1. Authorize the Port Authority to hire Shannon Williams as its chief audit executive.

Meeting Feb 24, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its February 24, 2022 meeting, authorize the Port Authority to hire Shannon Williams as its chief audit executive, ratify and approve its previous actions in connection therewith, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

Category:

General

Department:

Finance

Staff Contact:

Tim Finley

Background:

Last year the Chief Audit Executive of the Port Authority, Maxine Buckles, took on the duties of Chief Business Equity Officer, with the intention to step down from her audit duties.

Pursuant to Texas Special District Local Laws Code Section 5007.226(c), the Port Commission hires (and may fire or suspend) the chief audit executive of the Port Authority, who reports to its internal audit task force (currently designated as the Audit Committee). The Audit Committee, in turn, has the authority to meet with and seek any information it requires from employees in conjunction with its duties.

Accordingly, in support of those duties, staff conducted a search for a new chief audit executive, including posting internally and externally for individuals meeting the position requirements and having related experience. Candidates were interviewed over several rounds by the incumbent Chief Audit Executive and the Chief Financial Officer, who provided their recommendation to Port Commissioners deliberating in Executive Session during the meeting of the Audit Committee on January 25, 2022. Following further deliberations during the Executive Session of the Port Commission meeting of the same day, the Port Commission returned to open session and authorized the Port Authority to hire a chief audit executive as discussed therein.

Staff Evaluation/Justification:

Staff now recommends that the Port Commission specifically authorize the Port Authority to hire Shannon Williams as its chief audit executive, and take the other actions as set forth above.

F. EXECUTIVE

Subject 2. Enter into an Industrial District Agreement with the City of Morgan's Point and approve a payment to the city under that agreement in the net amount not to exceed \$1.5 million.

Meeting Feb 24, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its February 24, 2022 meeting, authorize the Port Authority to enter into an Industrial District Agreement with the City of Morgan's Point and approve a payment to the city under that agreement in the net amount not to exceed \$1.5 million, 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:

Port Authority representatives have undertaken discussions with the Mayor and City Manager of the City of Morgan's Point to consider whether the city would:

- (i) disannex Barbours Cut Terminal property;
- (ii) enter into an Industrial District Agreement for the disannexed property; and
- (iii) sell miscellaneous properties south of the terminal to the city.

The agreement would provide, among other things, that during its term, the disannexed property would retain its newly-enacted extraterritorial status, be immune from annexation by the city, and remain exempt from various city powers. The agreement would also acknowledge that the city would have no obligation to provide services to the disannexed property, except water supply, waste water treatment, and minor miscellaneous services. Finally, the agreement would provide that the Port Authority pay a net amount not to exceed \$1.5 million to the city, after deducting the sales prices for the miscellaneous properties sold to the city, arrange for third party payments to the city in lieu of sales tax, and landscape the north side of Barbours Cut Blvd. from the west terminal line to Wilson, with screening plantings as agreed on by the parties.

Staff anticipates that Morgan's Point City Council will consider these matters early next month.

Staff Evaluation/Justification:

Staff recommends that the Port Commission authorize the Port Authority to enter into a Memorandum of Agreement and Industrial District Agreement with the City of Morgan's Point and approve a net payment to the city thereunder in the amount of \$1.5 million.

G. BUSINESS EQUITY

Subject 1. Approve a professional services contract with Nursify, LLC D/B/A IMC Culture, for a one year term with two one-year renewal options, to assist with implementation of a Diversity, Equity, and Inclusion plan in alignment with the Strategic Plan objective to foster a culture of diversity and inclusion, innovation, and open communication, in an amount not to exceed \$257,500.

Meeting Feb 24, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its February 24, 2022 meeting, approve a professional services contract with Nursify, LLC D/B/A IMC Culture, for a one year term with two one-year renewal options, to assist with implementation of a Diversity, Equity, and Inclusion plan in alignment with the Strategic Plan objective to foster a culture of diversity and inclusion, innovation, and open communication, in an amount not to exceed \$257,500, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

Category:

Awards, Amendments & Change Orders

Department:

Business Equity

Staff Contact:

Maxine Buckles

Background:

By Minute No. 2020-0128-06, the Port Commission approved and adopted the 2020 Strategic Plan which includes the goal to "Be the Best Place to Work," with an objective to foster a culture of diversity and inclusion, innovation, and open communication.

By Minute No. 2021-0521-05, the Port Commission adopted a formal position statement to express the Port Authority's commitment to diversity, equity, and inclusion (DEI), and solidify the organization's pledge to foster a culture of diversity and inclusion:

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

The DEI position statement was one of many steps the Port Authority has taken to and achieve that Strategic Plan goal and carry out the DEI elements of that Strategic Plan objective.

By Minute No. 2021-0720-35, the Port Commission approved a professional services contract with Nursify, LLC D/B/A IMC Culture (IMC) to perform a DEI assessment and assist staff with the development of a DEI plan. IMC has performed a comprehensive organizational analysis, and the DEI plan itself is scheduled to be completed in the near future. IMC is an enrolled Port Authority MBE.

The goal of the DEI plan is to align the Port Authority's internal DEI efforts as well as its external efforts in Business Equity and Community Engagement. This is anticipated to be an ongoing commitment, involving 3 to 5 years of focused actions. The requested contract would continue Port Authority DEI efforts by having

IMC assist staff with the first year of implementation of the DEI Plan, including but not limited to additional analyses and organization-wide assessments as may be required.

Staff Evaluation/Justification:

Based on IMC's experience with DEI plan analyses, development, and implementation, in addition to its familiarity with the Port Authority, staff has concluded that IMC is the firm best suited to assist Port Authority staff with the implementation of the DEI plan. Accordingly, staff recommends that the Port Commission approve this contract.

H. COMMERCIAL

Subject 1. Approve staff's ranking of vendors and award a professional services contract for website redesign in an amount not to exceed \$340,000 to the first-ranked proposer: staff ranking – first, Love Advertising, Inc.; second, MOJO Creative Services; and third, Exemplifi LLC.

Meeting Feb 24, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its February 24, 2022 meeting:

- a) approve staff's ranking of vendors, based on the selection criteria, in the following order – first, Love Advertising, Inc.; second, MOJO Creative Services; and third, Exemplifi LLC;
- b) award a professional services contract to the top-ranked proposer for website redesign in an amount not to exceed \$340,000;
- 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 #3 - PARTNERSHIPS (Develop and Strengthen External Partnerships)
 - Strategic Objective 3b. - Demonstrate transparency and accountability
 - Strategic Objective 3c. - Engage in proactive two-way communication
- STRATEGIC GOAL #4 - STEWARDSHIP (Create Greater Value for the Region)
 - Strategic Objective 4d. - Support sustainable growth of Port Houston and the greater Port

Category:

Awards, Amendments & Change Orders

Department:

Marketing, Branding & External Communications

Staff Contact:

Christine Abbruscato

Background:

The Port Authority's strategic plan includes a focus on partnerships and proactive communications. To assist with achieving that goal, the Commercial Division seeks to redesign the Port Authority website.

That site (www.porthouston.com) is a major communications tool, with 2,332,247 visitors in 2021, averaging almost 200,000 visitors per month. The site is used by many stakeholders, including customers, community groups, and public entities. A redesigned site would better reflect the Port Authority brand, be more user-friendly, support mobile use, increase staff efficiency, and meet the cyber security requirements of our organization.

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

Staff Evaluation/Justification:

On December 15, 2021, thirteen RFP responses were received and opened. The responses were reviewed and evaluated by staff in accordance with the selection criteria published in the RFP. Staff identified the following vendors, listed in order of ranking, as most qualified to provide the required services:

- Love Advertising, Inc.
- MOJO Creative Services
- Exemplifi LLC

Following Staff Executive Committee review, staff recommends that the Port Commission award a contract to Love Advertising, Inc. for the website redesign and to act as otherwise described above.

H. COMMERCIAL

Subject **2. Approve an amendment to the lease with NuStar Logistics, L.P. for approximately 1.24 acres (including 440 ft. of waterfront) adjacent to Wharf 4 at South Side Turning Basin, to extend the term for five years, effective no earlier than September 1, 2022, at a minimum annual base rent of approximately \$60,436.57, subject to annual base rent escalation of the greater of 3% or the increase in the Consumer Price Index.**

Meeting Feb 24, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its February 24, 2022 meeting, approve an amendment to the lease with NuStar Logistics, L.P. for approximately 1.24 acres (including 440 ft. of waterfront) adjacent to Wharf 4 at South Side Turning Basin, to extend the term for five years, effective no earlier than September 1, 2022, at a minimum annual base rent of approximately \$60,436.57, subject to annual base rent escalation 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 #4 - STEWARDSHIP (Create Greater Value for the Region)
Strategic Objective 4d. - Support sustainable growth of Port Houston and the greater Port

Category:
Lease

Department:
Real Estate

Staff Contact:
R.D. Tanner

Background:

By Minute No. 2015-0728-10, the Port Commission authorized a two-year lease with NuStar Logistics, L.P., commencing September 1, 2015, at an annual base rent of approximately \$47,844, subject to annual base rent escalation of the greater of 3% or the increase in the Consumer Price Index, for approximately 1.24 acres (including 440 ft. of waterfront) adjacent to Wharf 4 at South Side Turning Basin. The property is used for the operation of delivery and redelivery of asphalt and asphalt-related products using trucks, barges, and railcars.

By Minute No. 2017-0627-08, the Port Commission authorized an amendment to the lease to extend it for an additional five-year term, effective August 31, 2017, at an annual base rent of approximately \$50,758, subject to annual base rent escalation of the greater of 3% or the increase in the Consumer Price Index.

NuStar Logistics, L.P. has now requested the Port Authority to extend the term of the lease for an additional five years. The property would be used for the same purpose as stated above. The minimum annual base rent of approximately \$60,436.57 assumes an annual base rent escalation of 3%; however, the annual base rent could be adjusted more based on the annual base rent escalation. The increase in the Consumer Price Index would be determined prior to the annual adjustment date, which is September 1 of each lease year.

Staff Evaluation/Justification:

Staff recommends the Port Commission approve the proposed lease amendment and extension.

J. INFRASTRUCTURE

Subject 1. Approve staff's ranking of vendors and award a professional services contract in an amount not to exceed \$64,500 for structural and repair option analysis for rehabilitation of the roofs of Sheds 20-21 at Turning Basin Terminal and CARE Terminal, to the top-ranked proposer: staff ranking – first, Walter P. Moore; second, Simpson, Gumpertz & Heger; and third, PGAL, Inc.

Meeting Feb 24, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its February 24, 2022 meeting:

- (a) approve staff's ranking of the most qualified vendor, based on the selection criteria, in the following order – first, Walter P. Moore; second, Simpson, Gumpertz & Heger; and third, PGAL, Inc.;
- (b) award a professional services contract to Walter P. Moore for structural and repair option analysis for rehabilitation of the roofs of sheds 20-21 at Turning Basin Terminal and Care Terminal, in an amount not to exceed \$64,500;
- (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 the evaluation of the existing structure components of Sheds 20 and 21 at the Turning Basin Terminal and CARE Terminal, to assess the structural integrity and loading capacity of each, for a potential roof overlay system. This evaluation would determine if the existing roof structural components are sufficient to support the additional load and whether they provide adequate anchoring for a new system. The consultant would also assess the economic feasibility of these options and make recommendations on cost effective options needed to replace or repair the existing roofs or substructure. It is anticipated that staff would recommend a future amendment to this contract for final design once staff selects the most cost effective option(s).

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. Eleven vendors downloaded the project materials from BuySpeed.

Staff Evaluation/Justification:

On December 8, 2021, seven 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:

- Walter P. Moore
- Simpson, Gumpertz & Heger
- PGAL, Inc.

Following staff Executive Committee review, staff recommends that the Port Commission award a contract to Walter P. Moore for the structural analysis and repair design of rehabilitation of roofs at Sheds 20-21 at Turning Basin Terminal and CARE Terminal and act as otherwise described above.

J. INFRASTRUCTURE

Subject 2. Approve staff's ranking of vendors and award a professional services contract in an amount not to exceed \$150,000 for the 2022 corrosion on marine assets facility inspection and condition assessment program (FICAP) at Bayport Container Terminal to the top-ranked proposer: staff ranking – first, Wiss, Janey, Elstner Associates, Inc., Moffatt & Nichol; and third, POND & Company.

Meeting Feb 24, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its February 24, 2022 meeting:

- (a) approve staff's ranking of the most qualified vendor, based on the selection criteria, in the following order – first, Wiss, Janey, Elstner Associates, Inc.; second, Moffat & Nichol; and third, POND & Company;
- (b) award a professional services contract to Wiss, Janey, Elstner Associates, Inc. for the 2022 corrosion on marine assets facility inspection and condition assessment program (FICAP) at Bayport Container Terminal in an amount not to exceed \$150,000;
- (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:

The ongoing facility inspection and condition assessment program (FICAP) includes performing visual inspections and condition ratings to support the Port Authority's asset management program. The project that is the subject of this item starts the FICAP corrosion program for the Bayport Container Terminal and would primarily consist of the following:

- Site inspection of corrosion protection assets at Bayport Container Terminal;
- Development of corrosion condition ratings for the inspected asset classes broken down by hierarchy;
- Assessment of the condition of assets that require maintenance, repair, or replacement; and
- Entrance of newly collected information into the Geographic Information System (GIS) database registry.

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. Thirteen vendors downloaded the project materials from BuySpeed.

Staff Evaluation/Justification:

On November 17, 2021, three 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:

- Wiss, Janey, Elstner Associates, Inc.
- Moffat & Nichol
- POND & Company

Following staff Executive Committee review, staff recommends that the Port Commission award a contract to Wiss, Janey, Elstner Associates, Inc. for the 2022 corrosion on marine assets FICAP at Bayport Container Terminal, and act as otherwise described above.

J. INFRASTRUCTURE

Subject **3. Amend the professional services contract with Hatch Associates Consultants, Inc. to perform additional services for the 2021 electrical and communications facility inspection and condition assessment program (FICAP) Portwide in an amount not to exceed \$92,000.**

Meeting Feb 24, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its February 24, 2022 meeting, approve an amendment to the professional services contract with Hatch Associates Consultants, Inc. to perform additional services for the 2021 electrical and communications facility inspection and condition assessment program (FICAP) Portwide in an amount not to exceed \$92,000, 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:

Project and Construction Management

Staff Contact:

Roger H. Hoh, P.E.

Background:

By Minute No. 2021-0525-18, the Port Commission awarded a professional services contract to Hatch Associates Consultants, Inc. to perform services for the 2021 electrical and communications FICAP Portwide.

This first amendment to this contract for a total amendment value of \$92,000 represents an increase of 18.5% over the original contract value.

This proposed amendment would consist of the following:

- Inspection of entry and exit gates at Barbours Cut for two additional weekends;
- Conduct additional research to run the Electrical Transient Analyzer Program (ETAP) modeling software to create the arch flash labels for electrical equipment; and
- Provisions of the on-call inspection team for an additional 60 days of on-call inspection time during normal business hours.

Staff Evaluation/Justification:

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

J. INFRASTRUCTURE

Subject 4. Amend the professional services contract with Hatch Associates Consultants, Inc. to perform services for the design for rehabilitation of Wharves 4, 5, and 6 at Barbours Cut Terminal in an amount not to exceed \$3,974,415.

Meeting Feb 24, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its February 24, 2022 meeting, approve an amendment to the professional services contract with Hatch Associates Consultants, Inc. to perform services for the design for rehabilitation of Wharves 4, 5, and 6 at Barbours Cut Terminal in an amount not to exceed \$3,974,415, 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. 2021-0525-17, the Port Commission awarded a professional services contract to Hatch Associates Consultants, Inc. to perform services for the design for rehabilitation of Wharves 4, 5, and 6 at Barbours Cut Terminal. The original contract totaling \$1,116,275 contemplated this amendment to complete the design work.

This proposed amendment would consist of the following:

- Complete the 60%, 90%, and 100% design for Wharves 4 and 5 and issue design package for construction
- Provide Bid and Construction Phase Services for Wharves 4 and 5

Staff Evaluation/Justification:

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

J. INFRASTRUCTURE

Subject 5. Amend the professional services contract with AECOM Technical Services, Inc. to perform services for the planning and design for reconstruction of eighty-seven acres of container yards at Barbours Cut Terminal in an amount not to exceed \$3,188,050.

Meeting Feb 24, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its February 24, 2022 meeting, approve an amendment to the professional services contract with AECOM Technical Services, Inc. to perform services for planning and design for reconstruction of eighty-seven acres of container yards at Barbours Cut Terminal in an amount not to exceed \$3,188,050, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Goals STRATEGIC GOAL #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. 2021-0525-16, the Port Commission awarded a professional services contract to AECOM Technical Services, Inc. to perform additional services for planning and design for reconstruction of eighty-seven acres of container yards at Barbours Cut Terminal. The original contract totaling \$1,095,381 contemplated this amendment to complete additional design work.

This proposed amendment would consist of the following:

- Provide project management for Container Yard 6 and Container Yard 7;
- Environmental and permitting support;
- Grant and MARAD support;
- Complete 60%, 90%, 100% design packages for Container Yard 6 and Container Yard 7, which is scheduled to be advertised for a construction in Q3-Q4 2023; and
- Container Yard 6 and Container Yard 7 site investigation.

Staff Evaluation/Justification:

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

J. INFRASTRUCTURE

Subject **6. Enter into a Memorandum of Agreement with the U.S. Army Corps of Engineers for maintenance dredging of berths at Turning Basin and Manchester docks for an amount not to exceed \$5,000,000.**

Meeting Feb 24, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its February 24, 2022 meeting, authorize the Port Authority to enter into a Memorandum of Agreement with the U.S. Army Corps of Engineers for maintenance dredging of berths at Turning Basin and Manchester docks for an amount not to exceed \$5,000,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

General

Department:

Channel Operations

Staff Contact:

Garry McMahan

Background:

In mid to late 2022, the U.S. Army Corps of Engineers (Corps) is expected to perform maintenance dredging of the Houston Ship Channel adjacent to the Turning Basin and Manchester docks. Berths at these terminals also require maintenance dredging to remove siltation that has occurred since the last maintenance dredging was completed in 2020. The Corps is authorized to perform berth dredging for the Port Authority on a reimbursable basis.

Staff Evaluation/Justification:

Use of the Corps dredging contract for berth maintenance is expected to lower the Port Authority's cost for maintenance, improve navigation and commerce, and reduce impacts to placement areas.

Staff recommends that the Port Commission authorize this agreement.

J. INFRASTRUCTURE

Subject 7. Issue a transmission line license to Comcast of Houston, LLC for one fiber optic cable line under and across the Port Terminal Railroad Association Northside Mainline railroad right-of-way near Miles Street.

Meeting Feb 24, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its February 24, 2022 meeting, authorize the Port Authority to issue a transmission line license to Comcast of Houston, LLC for one fiber optic cable line under and across the Port Terminal Railroad Association Northside Mainline railroad right-of-way near Miles Street, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Operations

Staff Contact:

Garry McMahan

Background:

Comcast of Houston, LLC, Port Authority File No. 2021-0400, has applied for a fiber optic cable line under and across the Port Terminal Railroad Association Northside Mainline railroad right-of-way near Miles Street in the William P Harris & Robert Wilson Survey, A-31.

Staff Evaluation/Justification:

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

Staff recommends approval.

J. INFRASTRUCTURE

Subject 8. Enter into a pipeline alteration agreement for possible pipeline relocation construction with Kinder Morgan Tejas Pipeline LLC in Segment 1 of the Houston Ship Channel Expansion Channel Improvement project (Project 11).

Meeting Feb 24, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action, Information

Recommended Action The Port Commission, at its February 24, 2022 meeting, authorize the Port Authority to enter into a pipeline alteration agreement for possible pipeline relocation construction with Kinder Morgan Tejas Pipeline LLC in Segment 1 of the Houston Ship Channel Expansion Channel Improvement project (Project 11), and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Project 11

Department:

Channel Operations

Staff Contact:

Garry McMahan

Background:

Kinder Morgan Tejas Pipeline LLC (Kinder Morgan) has an abandoned pipeline adjacent to the Houston Ship Channel that may be in conflict with Project 11. After several attempts to locate line segments, it has been determined that while most of this pipeline was previously removed, some portions of the pipeline that were left in place may impact Project 11.

Kinder Morgan and the Port Authority believe it would be in the best interest of each to enter into an agreement, in the event that the dredger does encounter one of those portions of pipeline. The agreement would allow the dredger to remove the pipeline at the Port Authority's expense, after which Kinder Morgan would be invoiced for those removal costs.

Staff Evaluation/Justification:

Channel Operations Department staff worked closely with Kinder Morgan in trying to locate the pipeline. The alteration agreement was determined to be the best alternative to move forward with the dredging.

Therefore, staff recommend that the Port Commission approve the agreement.

K. OPERATIONS

Subject 1. Award a three-year contract to Alamo Transformer Supply Co. for the inspection, testing, repair, and oil sampling of transformers for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal in an amount not to exceed \$400,000.

Meeting Feb 24, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its February 24, 2022 meeting, award a three-year contract to Alamo Transformer Supply Co. for the inspection, testing, repair, and oil sampling of transformers for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal in an amount not to exceed \$400,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

Category:

Awards, Amendments & Change Orders

Department:

Maintenance

Staff Contact:

Paulo Soares

Background:

By Minute No. 2017-0926-40, the Port Commission awarded a three-year contract to Alamo Transformer Supply Company in the amount not to exceed \$300,000 for repair and oil testing of transformers at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal. The terminals have numerous transformers to distribute electrical power to buildings, equipment, lighting, etc., and therefore a testing and repair vendor is necessary to service equipment efficiently, minimize equipment downtime, and ensure efficient terminal operations. Funds for this contract have been depleted.

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. Five vendors downloaded the project materials from BuySpeed.

Staff Evaluation/Justification:

On January 5, 2022, one CSB response was received and opened. The response was reviewed and evaluated by staff in accordance with the selection criteria published in the CSB.

Staff recommends that the Port Authority award a three-year contract to Alamo Transformer Supply Co., the responsible bidder submitting the only bid, for the inspection, testing, repair, and oil sampling for transformers for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal.

K. OPERATIONS

Subject 2. Award a two-year contract to Konecranes, Inc., the sole source provider, for the purchase of captive replacement parts and repair services for motor control drives for Kone cranes at Barbours Cut Terminal and Bayport Container Terminal in an amount not to exceed \$3,500,000.

Meeting Feb 24, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its February 24, 2022 meeting, award a two-year contract to Konecranes, Inc., the sole source provider, for the purchase of captive replacement parts and repair services for motor control drives for Kone cranes at Barbours Cut Terminal and Bayport Container Terminal in an amount not to exceed \$3,500,000, 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 one hundred and twenty Kone cranes, including fifty rubber tired gantry (RTG) and four wharf cranes at Barbours Cut Terminal, and sixty-six RTG cranes at Bayport Container Terminal. These units are used daily by the Port Authority and additionally leased to stevedoring companies for container handling activities. Therefore, the ability to expedite procurement of spare and replacement parts for these cranes is critical to efficient terminal operation.

By Minute No. 2020-0428-63, the Port Commission awarded a two-year contract to Konecranes, Inc. in an amount not to exceed \$3,250,000 for the purchase of captive replacement parts and repair services for motor control drives for Kone cranes at Barbours Cut Terminal and Bayport Container Terminal. This contract is set to expire on April 30, 2022 but funds are nearly depleted.

Staff Evaluation/Justification:

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

Staff recommends that the Port Authority enter into a two-year contract with Konecranes, Inc. for the purchase of captive replacement parts and repair to motor control drives for Kone cranes, beginning on March 1, 2022 and ending on February 29, 2024, and recommends that the new contract amount be increased to \$3,500,000 due to larger volume of control drives to be repaired and to address RTG cranes that would no longer be under warranty during the term of this new contract. Replacement and spare parts would be purchased through this contract as needed to properly maintain these cranes and minimize operational downtime.

K. OPERATIONS

Subject **3. Award a three-year contract to Alimak Group USA, Inc., the sole source provider, for the purchase of spare and replacement proprietary parts for wharf crane elevators at Barbours Cut Terminal and Bayport Container Terminal in an amount not to exceed \$550,000.**

Meeting Feb 24, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its February 24, 2022 meeting, award a three-year contract to Alimak Group USA, Inc., the sole source provider, for purchase of spare and replacement proprietary parts for wharf crane elevators at Barbours Cut Terminal and Bayport Container Terminal in an amount not to exceed \$550,000, 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:

The Port Authority maintains a total of twenty-five wharf cranes for loading and unloading containers at Barbours Cut Terminal and Bayport Container Terminal. Each of these cranes is equipped with an Alimak elevator, which is used to transport personnel and materials during operation and maintenance activities. To ensure the safety and reliability of these elevators, routine preventive maintenance must be performed, and captive replacement parts frequently procured. Safety devices on these elevators are proprietary and have expiration dates which necessitate periodic replacement.

By Minute No. 2019-0521-29, the Port Authority awarded a two-year contract to Alimak HEK, Inc. for the purchase of spare and replacement proprietary parts for wharf cranes at Barbours Cut Terminal and Bayport Container Terminal in an amount not to exceed \$300,000.

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 Alimak Group USA, Inc. is the sole source for the purchase of certain elevator components and safety devices in the United States.

Staff recommends that the Port Commission award a three-year contract to Alimak Group USA, Inc. for the purchase of spare and replacement proprietary parts for wharf crane elevators at Barbours Cut Terminal and Bayport Container Terminal.

K. OPERATIONS

Subject **4. Award a three-year contract to ABB, Inc., the sole source provider, for quarterly inspection services for motor control drives and support services for wharf cranes at Barbours Cut Terminal and Bayport Container Terminal in an amount not to exceed \$345,850.**

Meeting Feb 24, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its February 24, 2022 meeting, award a three-year contract to ABB, Inc., the sole source provider, for quarterly inspection services for motor control drives and support services for wharf cranes at Barbours Cut Terminal and 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:

Maintenance

Staff Contact:

Paulo Soares

Background:

The Port Authority currently owns fifteen wharf cranes that are equipped with ABB motor control drives for gantry, main and boom hoist, and trolley functions. Three additional units, also equipped with ABB drives, were delivered earlier this month. These systems require periodic inspections to ensure optimal performance during vessel operations. Since 2006, the Port Authority has hired ABB, Inc. to perform such inspections on a quarterly basis. As the manufacturer, ABB, Inc. is the authorized company to provide this service.

By Minute No. 2019-0326-33, the Port Commission awarded a two-year contract to ABB, Inc, in the amount not to exceed \$125,000 for quarterly inspection services for motor control drives on wharf cranes at Barbours Cut Terminal and Bayport Container Terminal. Contract funds have been depleted.

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 ABB, Inc. is the sole authorized source for inspection services for ABB motor control drives in the United States.

Staff recommends that the Port Commission award a three-year contract to ABB, Inc. for quarterly inspection services for motor control drives and support services for wharf cranes at Barbours Cut Terminal and Bayport Container Terminal.

K. OPERATIONS

Subject **5. Amend the lease between Terminal Link Texas, LLC and the Port Authority to provide a right of first refusal to lease 22.36 acres at Bayport Container Terminal.**

Meeting Feb 24, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its February 24 2022 meeting, amend the lease between Terminal Link Texas, LLC and the Port Authority to provide a right of first refusal to lease 22.36 acres 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.

Category:

General

Department:

Operations

Staff Contact:

Jeff Davis

Background:

The Port Authority and Terminal Link Texas, LLC (TLT) previously entered into the amended and restated lease agreement (File No. 2006-0158) dated May 4, 2017. The Port Authority and TLT entered into a first amendment to lease dated October 16, 2019 and a second amendment to lease dated August 29, 2019, granting a right of first refusal to TLT to lease a certain area at the Bayport Container Terminal, with such right of first refusal to expire December 31, 2020. Staff now recommends once again granting this right of first refusal to TLT.

Staff Evaluation/Justification:

In order to aid TLT in its planning for future operations in and around the Bayport Container Terminal, which may generate (i) future commercial activity, (ii) the flow of additional cargo into the Bayport Container Terminal, and (iii) additional equipment storage, break bulk storage, laden storage, empty container storage and container freight station space in and around the Bayport Container Terminal, staff recommends amending the lease to give TLT a right of first refusal to a certain 22.36-acre footprint at the Bayport Container Terminal from March 1, 2022 through February 28, 2023.

Staff recommends the Port Commission amend the lease between TLT and the Port Authority for a right of first refusal to lease 22.36 acres at Bayport Container Terminal.

L. PEOPLE

Subject	1. Authorize funding for improvement of public trails in the City of Galena Park as part of the Port Authority's East Harris County parks and greenspace initiative, in an amount not to exceed \$145,000.
Meeting	Feb 24, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its February 24, 2022 meeting, authorize funding for improvement of public trails in the City of Galena Park as part of the Port Authority's East Harris County parks and greenspace initiative, in an amount not to exceed \$145,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #3 - PARTNERSHIPS (Develop and Strengthen External Partnerships) STRATEGIC GOAL #4 - STEWARDSHIP (Create Greater Value for the Region)

Category:

Awards, Amendments & Change Orders

Department:

Community Relations & Events

Staff Contact:

Maria Aguirre

Background:

By Minute No. 2021-0720-36, the Port Commission approved a multi-year program and funding for the development and improvement of parks and green spaces in East Harris County in a total amount not to exceed \$1,000,000.

Guided by the 2020 Strategic Plan, the Port Authority is committed to strengthening partnerships with surrounding communities and stakeholders and exploring opportunities to work closely with them as a responsible neighbor. In recent years the Port Authority has launched additional outreach initiatives such as the Community Grants Program, focused on investing resources into meaningful programs and projects that support and enhance local communities, serve to develop and strengthen partnerships, and create greater value for the region. The Port Authority is particularly interested in supporting programs or services that align with our current outreach priorities, including parks and green spaces in targeted neighborhoods within close proximity to the Houston Ship Channel.

Since that time, members of the Community Relations and Events Department and other staff have reached out to many of these targeted communities and requested proposals for projects that align with this program and were ready to be implemented.

Staff Evaluation/Justification:

The City of Galena Park, which adjoins the Port Authority's Woodhouse Terminal and Industrial Park East facility, has proposed a project to provide lighting improvements along the public walking trail on Main St., extending north to the newly improved Mercury Drive sidewalk/walking trail north of the Galena Park Sports Complex adjoining a dredged material placement area. These improvements will welcome more pedestrians to the trail and provide them with an improved experience.

Staff requests that the Port Commission authorize funding for the improvement of public trails in the City of Galena Park in the total amount of \$145,000.

L. PEOPLE

Subject **2. Hearing and possible action to amend the wrap-around Plan documents and Summary Plan Descriptions for the Port Authority's Other Post-Employment Benefits Plan and Group Insurance Plan to incorporate provisions related to the COVID-19 national emergency.**

Meeting Feb 24, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, conduct a hearing at its meeting on February 24, 2022, and take action to amend the wrap-around Plan documents and Summary Plan Descriptions for the Port Authority's Other Post-Employment Benefits Plan and Group Insurance Plan to incorporate provisions related to the COVID-19 national emergency, 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 Walter

Background:

The Port Authority sponsors the Port Authority Other Post-Employment Benefits (OPEB) Plan for the benefit of eligible retirees (and their eligible dependents) and Port Authority Group Insurance Plan for the benefit of eligible employees (and their eligible dependents). By Minute Nos. 2018-1212-38 and 2018-1212-39, the Port Commission adopted wrap-around Plan documents and Summary Plan Descriptions setting forth terms, conditions, and limitations relating to the Plans.

In accordance with Department of Labor and Internal Revenue Service (IRS) changes resulting from the COVID-19 pandemic, the Port Authority has tolled deadlines, relating to the submission of claims and the appeal of denied benefits claims, for employees to notify the Port Authority of a Consolidated Omnibus Budget Reconciliation Act (COBRA) qualifying event, enroll in COBRA, make COBRA premium payments, and request Health Insurance Portability and Accountability Act (HIPAA) special enrollment.

Staff Evaluation/Justification:

The Port Authority now seeks to amend the wrap-around Plan documents and Summary Plan Descriptions for its OPEB Plan and Group Insurance Plan to reflect the tolled deadlines as described above.

Port Authority staff and Haynes and Boone, the Port Authority's benefits counsel, have prepared modifications to the wrap-around Plan documents and Summary Plan Descriptions reflecting the above-described changes to the Port Authority's OPEB Plan and Group Insurance Plan.

Subchapter B of Chapter 60 of the Texas Water Code provides that the Port Commission may change the OPEB Plan and Group Insurance Plan. On February 18, 2022, notice was given to employees regarding (i) the proposed amendment of the Plans as described above, and (ii) a Port Commission hearing on the matter scheduled for February 24, 2022.

Staff recommends that the Port Commission adopt the amendments to the OPEB Plan and Group Insurance Plan wrap-around Plans and Summary Plan Descriptions set forth in the Summary of Material Modifications forms on file with the Port Authority.

