

I N D E X
PORT COMMISSION
OF THE
PORT OF HOUSTON AUTHORITY
OF THE PORTS OF HARRIS COUNTY, TEXAS

May 24, 2017

<u>Minute No.</u>	<u>Event/Action</u>
	General
	Chairman Longoria convened the meeting of the Port Commission and provided opening remarks
	Minutes
2017-0524-01	Approve the Minutes of the April 25, 2017 Port Commission Meeting
	Port Commission Committee Updates
2017-0524-02	Chairman Longoria reported on the Audit Committee Meeting – April 18, 2017
	Appearances
2017-0524-03	Chairman Longoria recognized Brian Darnell, San Jacinto River Fleet, who addressed the Port Commission
	Staff Reports
2017-0524-04	Roger Guenther, Executive Director, presented a summary of selected financial and operations matters
	G. Executive (no items)
	H. Commercial
2017-0524-05	(i) declare that unimproved real property, totaling approximately 2.9123 fee acres and approximately 5.1054 easement acres out of the William P. Harris League Abstract 30 in Harris County, Texas near the Bayport Container Terminal in Pasadena, Texas, is no longer needed for use by the Port Authority in connection with the development of a navigation project and (ii) authorize the Port Authority to advertise and receive bids for the sale of such real property for the construction and operation of an electrical supply substation and electrical transmission and distribution (<i>correcting scribblers error</i>)

<u>Minute No.</u>	<u>Event/Action</u>
2017-0524-06	Approve a lease renewal with Cooper/Ports America LLC, effective no earlier than June 1, 2017, for approximately 3.20 acres including Warehouse 21-A, the apron adjacent to Warehouse 21-A, an additional open area of approximately 57,210 sq. ft., and a rail spur of approximately 500 linear ft. at the Turning Basin Terminal, for a one-year term at an annual base rent of \$79,819
2017-0524-07	Approve the purchase of two drill site surface reservations encumbering approximately three acres of land owned by the Heirs of William E. Brock, an approximately one acre site located at The Beltway 8 property, and an approximately two acre site located at the Jacintoport Terminal, with the Port Authority paying the title insurance premium and customary closing costs
2017-0524-08	Approve, effective no earlier than June 1, 2017, amending the previously approved acreage under the 50-year lease being executed with Contanda Terminals LLC to include approximately 42 acres of submerged property (for a new total of 365 acres) out of the Bulk Materials Handling Plant and Wah Chang properties at a rental rate of \$18,000 per submerged acre per year upon commencement of operations with an annual Consumer Price Index escalation
	I. Finance
2017-0524-09	Authorize advertisement and receipt of responses for seven formal procurements
2017-0524-09(a)	Request for competitive sealed bids for purchase of grease, engine, transmission, and hydraulic oils, for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal
2017-0524-09(b)	Request for competitive sealed bids for purchase of batteries for terminal equipment at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal
2017-0524-09(c)	Request for competitive sealed bids for the retaining wall replacement construction adjacent to Shed 1 at Woodhouse
2017-0524-09(d)	Request for competitive sealed proposals for maintenance and repair services for elevators at Barbours Cut Terminal, Bayport Container Terminal, and Executive Building
2017-0524-09(e)	Request for proposals for up to two contracts to develop and implement a dredge material sampling plan for the berthing facilities of Bayport Container Terminal and Barbours Cut Terminal, in support of an upcoming U.S. Army Corps of Engineers maintenance dredging contract

<u>Minute No.</u>	<u>Event/Action</u>
2017-0524-09(f)	Request for proposals to obtain two standby Hazardous Material Spill response contracts, one for land-based spills and one for water based spills
2017-0524-09(g)	Request for proposals for professional services in conjunction with Port Authority master planning activities
J. Health, Safety, Security & Emergency Management	
2017-0524-10	Award a purchase order to Motorola Solutions for purchase of two Communications on Wheels units through the Houston-Galveston Area Council Cooperative Purchasing Program
K. Infrastructure	
2017-0524-11	Award a job order construction contract to Dura Pier Facilities Services Limited for annual perimeter fence replacement for Port Authority facilities 2017, using the Local Government Purchasing Cooperative's BuyBoard Program
2017-0524-12	Award a construction contract to Matthews Brothers, Inc. for dredging to repair unforeseen damage to berthing areas at Barbours Cut Terminal Berth 1 and Berth 2
2017-0524-13	Approve a change order to McCarthy Building Companies, Inc. to perform additional work associated with the construction of Container Yard 1 and East End at Barbours Cut Terminal
2017-0524-14	Approve a change order to McCarthy Building Companies, Inc. to perform additional work associated with construction of Wharf 2 at Bayport Terminal in a net credit
2017-0524-15	Amend a transmission/distribution line license to CenterPoint Energy Houston Electric, LLC to add four fiber optic lines and upgrade voltage from 69-kV to 138-kV over and across Southside Mainline railroad right-of-way in Houston
2017-0524-16	Issue a transmission/distribution line license to AT&T for one fiber optic line under and across Barbours Cut Terminal in Morgan's Point
2017-0524-17	Approve the renewal of expiring Port Authority licenses for new ten-year terms: Praxair, Inc., Southwestern Bell Telephone Company, Enterprise Houston Ship Channel, L.P., and Shell Chemical LP
2017-0524-18	Assign and renew a pipeline license from BP Pipelines (North America) Inc. to Blanchard Pipeline Company LLC for one 8-inch butane pipeline under and across Upper San Jacinto Bay, Alexander Island, and the Houston Ship Channel from La Porte to Baytown

<u>Minute No.</u>	<u>Event/Action</u>
2017-0524-19	Issue a pipeline license to Valero Refining – Texas, L.P. for one 6-inch oxygen pipeline under and across Manchester Lead Track railroad right-of-way in Houston
2017-0524-20	Issue a pipeline license to Valero Refining – Texas, L.P. for one 6-inch propylene pipeline under and across Manchester Lead Track railroad right-of-way and Sims Bayou in Houston
2017-0524-21	Issue a pipeline license to Valero Refining – Texas, L.P. for one 24-inch crude oil pipeline under and across Sims Bayou property in Houston
2017-0524-22	Issue a pipeline license to Magellan Midstream Partners, L.P. for one 24-inch crude oil pipeline under and across the Small Boat Channel in Seabrook
2017-0524-23	Issue a marine construction permit to LBC Houston, LP to construct Ship Dock 5 adjacent to the Bayport Ship Channel in Houston
2017-0524-24	Issue a marine construction permit to San Jacinto River Fleet LLC for existing facilities and repair of dock, bulkhead, and pilings adjacent to the San Jacinto River in Highlands
2017-0524-25	Amend a marine construction permit to TDWP Terminals 1, LLC to add two docks and 1,700 linear feet of bulkhead, dredge to -46.5 feet + 2 feet Mean Lower Low Water, and remove an additional 337,475 cubic yards of dredged material adjacent to the Houston Ship Channel in Houston
2017-0524-26	Amend a marine construction permit to GB Biosciences Corporation to construct an oyster shell breakwater and to plant additional smooth cordgrass within the existing project footprint adjacent to Burnet Bay
2017-0524-27	Issue a marine construction permit to HMS 850 Holdings, LLC to fleet barges to include placing spud barges and dredging to a depth of 12 feet Mean Low Tide (13.5 feet Mean Lower Low Water) located between the Houston Ship Channel and Burnet Bay in Baytown
2017-0524-28	Approve a lease agreement with HMS 850 Holdings, LLC /HMS 850 Barge Fleeting, LLC for approximately 55.36 acres on Port Authority owned submerged lands adjacent to 850 South Lynchburg Road in Baytown effective June 1, 2017 for a term of up to 50 years and at a monthly operations period rental of \$13,081 and with an annual Consumer Price Index increase

L. Operations

2017-0524-29	Approve staff's ranking of vendors and award a contract for the purchase of nine diesel electric container yard cranes for Bayport Container Terminal
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Minute No.

Event/Action

to the top-ranked proposer: staff ranking - first, Konecranes Finland Corporation; second, Kalmar USA Inc.; and third, Shanghai Zhenhua Heavy Industries Co., Ltd. (ZPMC)

PortCommission adopted the staff-recommended ranking and authorized award

2017-0524-30

Award a two-year contract to Lockridge Packaging, LLC for the purchase of commercial paper products for the Port of Houston Authority Turning Basin Terminal, Barbours Cut Terminal and Bayport Container Terminal

2017-0524-31

Approve staff's ranking of vendors and award a two-year contract for mowing services and landscape maintenance on an as needed basis to Port Authority property locations to the top-ranked proposer: staff ranking - first, Yellowstone Landscape; and second, Angel Lady Services

Port Commission adopted the staff-recommended ranking and authorized award

2017-0524-32

Award a two-year contract to Crane Tech Solutions, the sole source provider, for purchase of spare and replacement parts for Stinis spreaders and over-height attachments for Barbours Cut Terminal and Bayport Container Terminal

2017-0524-33

Authorize payment to Navis LLC for annual maintenance and support services for the Marine Terminal Management Software System for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal

2017-0524-34

Enter into the following Freight Handling Assignment Agreements for terminal services at the Turning Basin Terminal and Barbours Cut Terminal: Cooper/Ports America, LLC, Ceres Gulf, Inc., Richardson Stevedoring and Logistics Services, Inc., and APS Stevedoring, LLC

M. People (no items)

N. Technology

2017-0524-35

Approve staff's ranking of vendors and award a three-year contract for Managed Services regarding JD Edwards Configurable Network Computing to the top-ranked proposer: staff ranking - first, ManageForce Corporation; second, Denovo Ventures, LLC; and third, Venture Technologies, Inc.

Port Commission adopted the staff-recommended ranking and authorized award

<u>Minute No.</u>	<u>Event/Action</u>
2017-0524-36	Award a contract to Mythics, LLC for Oracle Public Cloud Services and Licensing, using the Texas Cooperative Purchasing Network Cooperative Agreement, payable annually over a three-year period
2017-0524-37	Award one or more purchase orders over a three-year period, to HP Inc. for personal computers and related services, using a State of Texas Department of Information Resources Cooperative Purchase program
	O. Recess Open Meeting and Convene Executive Session
	P. Reconvene Open Meeting
2017-0524-38	Motion to authorize the Port Authority to approve lease agreements with Jacob Stern & Sons, Inc. on the terms discussed in Executive Session, and to authorize the Executive Director to do all things necessary to give effect to the foregoing
2017-0524-39	Motion to authorize the Port Authority to settle its claims against the M/V GRAN COUVA on the terms discussed in Executive Session, and to authorize the Executive Director to do all things necessary to give effect to the foregoing
2017-0524-40	Motion to authorize the Port Authority to amend its agreements for legal services with Brown & Lewis LLP, Vinson & Elkins LLP, and Andrews Myers PC on the terms discussed in Executive Session, and to authorize the Executive Director to do all things necessary to give effect to the foregoing
2017-0524-41	Motion to authorize the Port Authority to settle the claims of Theodore Reyes on the terms discussed in Executive Session, and to authorize the Executive Director to do all things necessary to give effect to the foregoing
	Q. Adjourn Meeting

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

**Houston, Texas
May 24, 2017**

A public meeting of the Port Commission of the Port of Houston Authority of Harris County, Texas was convened on May 24, 2017 at 10:00 a.m., at the Port of Houston Authority Executive Offices, Fourth Floor Boardroom, at 111 East Loop North, Houston, Texas 77029. The following Commissioners and staff were present:

Janiece Longoria, Chairman
Theldon R. Branch, III, Commissioner
Dean E. Corgey, Commissioner
Clyde E. Fitzgerald, Commissioner
John D. Kennedy, Commissioner
Roy D. Mease, Commissioner
Roger Guenther, Executive Director
Erik Eriksson, Chief Legal Officer

Chairman Longoria convened the meeting of the Port Commission and welcomed everyone. She began by announcing that Lieutenant General Todd Semonite, Chief of Engineers and Commanding General of the U.S. Army Corps of Engineers (Corps), had recently visited Port Houston for a briefing to discuss its importance, meeting with Commissioner Fitzgerald, staff members, and her.

Lieutenant General Semonite specifically wanted to see Port Houston's fireboats, the channel, the Bayport Flare, and the container terminals. He stated that Port Houston needed to be more aggressive in advocating for Harbor Maintenance Funds and he would assist in this endeavor. He also emphasized the Corps study on the further deepening and widening of the channel.

Chairman Longoria called on Commissioner Fitzgerald for additional comments. Commissioner Fitzgerald noted that he was impressed with the way Chairman Longoria, Mr. Guenther, and staff represented Port Houston, and thanked Mark Vincent, Director, Channel Development, for his extensive knowledge of dredging and the workings of the channel.

Chairman Longoria announced that Port Houston's Marketing and External Communications Team was presented with an award for branding and an award for logo design by the American Marketing Association at its 31st Annual Crystal Awards Gala on May 11, 2017. She congratulated the team on a job well done and also thanked John Manlove, and the marketing and communications groups, for their expertise and design work.

Chairman Longoria went on to thank Port Houston's dedicated police officers who help to keep the port safe and secure, pointing out that May 15th was National Peace Officers Memorial Day, which recognizes law enforcement officers who have lost their

lives in the line of duty. In memory of those officers, the Port Police Department Honor Guard Team lowered the flags at the Executive Building and observed a moment of silence.

The 2nd Annual Journal of Commerce – Gulf Shipping Conference was held in Houston on May 14-16. There were 360 registered attendees, up nearly 50% from last year, including senior executives from the maritime transportation industry around the nation, and more than 75 representatives from major shippers and beneficial cargo owners.

Chairman Longoria concluded her remarks by announcing that Port Houston supported the Black Enterprise Entrepreneurs Summit held in Houston on May 17th and 18th. This summit helped over 1,200 participants prepare for future success and provided business owners and entrepreneurs with tools, resources, and networking opportunities.

(2017-0524-01) Chairman Longoria called for a motion to approve the minutes of the April 25, 2017 Port Commission meeting. Commissioner Kennedy moved for approval, seconded by Commissioner Corgey. Chairman Longoria, and Commissioners Branch, Corgey, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. MOTION PASSED.

(2017-0524-02) Chairman Longoria reported on the Audit Committee Meeting held on April 18, 2017.

- Chairman Longoria announced that Grant Thornton LLP gave a presentation regarding the following: 2016 Port Authority financial statement audit; 2016 Port Authority Promotion and Development Fund audit; 2016 U.S. Office of Management and Budget (OMB) Compliance Supplement single audit report, and the 2016 Comprehensive Annual Financial Report (CAFR). She reported that there were no unresolved audit issues and all the audits received an unqualified or “clean” opinion. The Port Commission approved the actuarial audit of the August 1, 2016 Actuarial Valuation of the Port of Houston Authority Restated Retirement Plan at the April 25, 2017 Port Commission meeting.
- The committee reviewed and discussed the August 1, 2016 Actuarial Valuation Audit Final Report as prepared by Gabriel, Roeder and Smith (GRS). Mr. Ryan Falls, a representative from GRS, gave a presentation at the April 25, 2017 Port Commission meeting, and the Port Commission approved the Actuarial Valuation Audit Final Report at its April 25, 2017 Port Commission meeting.
- Staff reported that summary audits have been performed enterprise-wide and the committee was provided a dashboard status update of recent Internal Audit activity.

- In conclusion, staff informed the committee that there were no issues reported under the Port Authority's "whistleblower" policy during the first quarter of 2017.

(2017-0524-03) Chairman Longoria recognized Brian Darnell, San Jacinto River Fleet, who addressed the Port Commission.

Mr. Darnell addressed the Port Commission regarding Item K-14 on the Agenda.

(2017-0524-04) Staff Reports

- Mr. Guenther asked Ms. Ramirez to report on the Community Outreach LULAC Event.

Ms. Ramirez advised all present that on May 5th (Cinco de Mayo) Houston's LULAC Council #4655 held its 2017 Hispanic Honors Reception featuring Mayor Sylvester Turner. The Yolanda Black Navarro Hispanic Historical Achievement and Leadership Award was presented to each of the following honorees:

- Janiece Longoria
- Art Acevedo, Police Chief, Houston Police Department
- Richard Carranza, Superintendent of Schools, Houston Independent School District
- Juan Sanchez Munoz, PhD., President, University of Houston Downtown
- Samuel Pena, Fire Chief, Houston Fire Department

The event recognized Mayor Turner's recent appointments of the first Hispanic Police Chief and Fire Chief, and Chairman Longoria for being the first Hispanic woman to serve as Chairman of the Port Commission.

- Mr. Guenther began the balance of his remarks on a somber note, advising of the passing of Leah Oberlin, Director, Environmental Affairs, who began her career at Port Houston in 2015. Leah lost her battle with cancer on May 5, 2017. During her short time at Port Houston she touched all who knew her, was a valued member of the team, and will be greatly missed.
- Mr. Guenther reported that Port Houston continues to perform well operationally, handling nearly 13 million tons of cargo for the year, an increase of 9% from 2016. A majority of this increase was due to total container volumes growing 12%, as loaded units increased by 55,038 or 16% versus this time last

year. Port Houston also continued to see a modest growth in steel compared to last year.

- Mr. Guenther advised the Port Commission that at that day's meeting there were items on the agenda, for dock construction and leases for barge fleeting facilities, for which the private sector is requesting approval and that will increase economic activity.
- Port Houston's increasing cash flows have been the result of organic growth, combined with new all-water services that have chosen Houston as their home. With this growth and the anticipated resin growth coming later this year or early next year, Port Houston must continuously evaluate its capital infrastructure needs for the future, both near- and long-term.

In conclusion, Mr. Guenther noted that to keep Port Houston the premier port on the Gulf Coast, staff routinely evaluated cargo projections, terminal capacity, additional infrastructure needs, and financing alternatives. An example of this is an item on the day's agenda for the purchase of nine new rubber-tired gantry cranes, to handle the continued growth of container volume.

Commissioner Kennedy asked for a workshop to discuss the future needs of Port Houston. Mr. Guenther stated he would arrange this.

The Port Commission then considered each Request for Port Commission Action ("RCA") attached to these minutes as Exhibit "A."

(2017-0524-05) RCA H1 was presented, moved by Commissioner Fitzgerald correcting scribbler's error, seconded by Commissioner Branch. Chairman Longoria, and Commissioners Branch, Corgey, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA H1 PASSED.

(2017-0524-06) RCA H2 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Branch. Chairman Longoria, and Commissioners Branch, Corgey, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA H2 PASSED.

(2017-0524-07) RCA H3 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Branch. Chairman Longoria, and Commissioners Branch, Corgey, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA H3 PASSED.

(2017-0524-08) RCA H4 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Branch. Chairman Longoria, and Commissioners Branch, Corgey, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA H4 PASSED.

(2017-0524-09) RCA I1(a-g) was presented, moved by Commissioner Branch, seconded by Commissioner Corgey. Chairman Longoria, and Commissioners Branch, Corgey, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA I1(a-g) PASSED.

(2017-0524-10) RCA J1 was presented, moved by Commissioner Kennedy, seconded by Commissioner Corgey. Chairman Longoria, and Commissioners Branch, Corgey, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA J1 PASSED.

(2017-0524-11) RCA K1 was presented, moved by Commissioner Branch, seconded by Commissioner Fitzgerald. Chairman Longoria, and Commissioners Branch, Corgey, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA K1 PASSED.

(2017-0524-12) RCA K2 was presented, moved by Commissioner Branch, seconded by Commissioner Fitzgerald. Chairman Longoria, and Commissioners Branch, Corgey, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA K2 PASSED.

(2017-0524-13) RCA K3 was presented, moved by Commissioner Mease, seconded by Commissioner Corgey. Chairman Longoria, and Commissioners Branch, Corgey, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. Nays none. RCA K3 PASSED.

(2017-0524-14) RCA K4 was presented, moved by Commissioner Branch, seconded by Commissioner Mease. Chairman Longoria, and Commissioners Branch, Corgey, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA K4 PASSED.

Commissioner Mease explained to those present that a change order indicates additional work needs to be done and asked Mr. Guenther to further explain this item. Mr. Guenther stated that some unforeseen objects were obstructing the pier drilling plan, requiring a change to the plan. However, a credit on an unused allowance for over-drilling some of the piers resulted in a net credit.

(2017-0524-15) RCA K5 was presented, moved by Commissioner Branch, seconded by Commissioner Mease. Commissioners Branch, Corgey, Fitzgerald, Kennedy, and Mease voted Aye. Chairman Longoria recused herself. Nays none. RCA K5 PASSED.

(2017-0524-16) RCA K6 was presented, moved by Commissioner Corgey, seconded by Commissioner Kennedy. Chairman Longoria, and Commissioners Branch, Corgey, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA K6 PASSED.

(2017-0524-17) RCA K7 was presented, moved by Commissioner Mease, seconded by Commissioner Branch. Chairman Longoria, and Commissioners Branch, Corgey, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA K7 PASSED.

(2017-0524-18) RCA K8 was presented, moved by Commissioner Branch, seconded by Commissioner Corgey. Chairman Longoria, and Commissioners Branch, Corgey, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA K8 PASSED.

(2017-0524-19) RCA K9 was presented, moved by Commissioner Corgey, seconded by Commissioner Branch. Chairman Longoria, and Commissioners Branch, Corgey, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA K9 PASSED.

(2017-0524-20) RCA K10 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Branch. Chairman Longoria, and Commissioners Branch, Corgey, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA K10 PASSED.

(2017-0524-21) RCA K11 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Branch. Chairman Longoria, and Commissioners Branch, Corgey, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA K11 PASSED.

(2017-0524-22) RCA K12 was presented, moved by Commissioner Kennedy, seconded by Commissioner Branch. Chairman Longoria, and Commissioners Branch, Corgey, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA K12 PASSED.

(2017-0524-23) RCA K13 was presented, moved by Commissioner Corgey, seconded by Commissioner Fitzgerald. Chairman Longoria, and Commissioners Branch, Corgey, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA K13 PASSED.

(2017-0524-24) RCA K14 was presented, moved by Commissioner Corgey, seconded by Commissioner Fitzgerald. Chairman Longoria, and Commissioners Branch, Corgey, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA K14 PASSED.

(2017-0524-25) RCA K15 was presented, moved by Commissioner Mease, seconded by Commissioner Kennedy. Chairman Longoria, and Commissioners Branch, Corgey, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA K15 PASSED.

(2017-0524-26) RCA K16 was presented, moved by Commissioner Branch, seconded by Commissioner Kennedy. Chairman Longoria, and Commissioners Branch, Corgey, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA K16 PASSED.

(2017-0524-27) RCA K17 was presented, moved by Commissioner Mease, seconded by Commissioner Corgey. Chairman Longoria, and Commissioners Branch, Corgey, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA K17 PASSED.

Commissioner Kennedy inquired of Mr. Guenther if these items were what he referred to in his remarks. Mr. Guenther responded in the affirmative and added that Item K18 was another example of a company using its funds to improve infrastructure for Port Houston. Commissioner Kennedy commented that he felt the cooperation of companies along the ship channel was tremendous.

(2017-0524-28) RCA K18 was presented, moved by Commissioner Corgey, seconded by Commissioner Branch. Chairman Longoria, and Commissioners Branch, Corgey, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA K18 PASSED.

(2017-0524-29) RCA L1 was presented. Commissioner Fitzgerald moved for staff recommended ranking – first, Konecranes Finland Corporation; second, Kalmar USA Inc.; and third, Shanghai Zhenhua Heavy Industries Co., Ltd. (ZPMC), seconded by Commissioner Kennedy. Chairman Longoria, and Commissioners Branch, Corgey, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA L1 PASSED.

(2017-0524-30) RCA L2 was presented, moved by Commissioner Branch, seconded by Commissioner Kennedy. Chairman Longoria, and Commissioners Branch, Corgey, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA L2 PASSED.

(2017-0524-31) RCA L3 was presented. Commissioner Branch moved for staff recommended ranking – first, Yellowstone Landscape; and second, Angel Lady Services, seconded by Commissioner Fitzgerald. Chairman Longoria, and Commissioners Branch, Corgey, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA L3 PASSED.

(2017-0524-32) RCA L4 was presented, moved by Commissioner Corgey, seconded by Commissioner Kennedy. Chairman Longoria, and Commissioners Branch, Corgey, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA L4 PASSED.

(2017-0524-33) RCA L5 was presented, moved by Commissioner Kennedy, seconded by Commissioner Fitzgerald. Chairman Longoria, and Commissioners Branch, Corgey, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA L5 PASSED.

(2017-0524-34) RCA L6 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Branch. Chairman Longoria, and Commissioners Branch, Corgey, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA L6 PASSED.

(2017-0524-35) RCA N1 was presented. Commissioner Branch moved for staff recommended ranking – first, ManageForce Corporation; second, Denovo Ventures, LLC; and third, Venture Technologies, Inc., seconded by Commissioner Kennedy. Chairman Longoria, and Commissioners Branch, Corgey, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA N1 PASSED.

(2017-0524-36) RCA N2 was presented, moved by Commissioner Kennedy, seconded by Commissioner Fitzgerald. Chairman Longoria, and Commissioners Branch, Corgey, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA N2 PASSED.

(2017-0524-37) RCA N3 was presented, moved by Commissioner Corgey, seconded by Commissioner Branch. Chairman Longoria, and Commissioners Branch, Corgey, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA N3 PASSED.

At 10:35 a.m., Chairman Longoria called for a brief recess and advised that the Executive Session would follow.

At 10:36 a.m., Chairman Longoria asked Mr. Eriksson to make the following announcement:

It is now 10:36 a.m. The Port Commission of the Port of Houston Authority of Harris County, Texas will now convene in a closed meeting, as permitted by the Texas Open Meetings Act and Government Code, (i) to conduct a private Consultation with Attorneys (*Section 551.071, Texas Open Meetings Act*), including consultations regarding claims of the Port Authority against the M/T GRAN COUVA, claim of Theodore Reyes, and proposed amendments to the agreements for legal services with Andrews Myers, P.C., Vinson & Elkins LLP, and Brown & Lewis LLP; deliberate regarding (ii) Real Estate (*Section 551.072, Texas Open Meetings Act*), including deliberations regarding Turning Basin property; (iii) Economic Development Negotiations or Incentives (*Section 551.087, Texas Open Meetings Act*); (iv) Employment and Evaluation of Public Employees (*Section 551.074, Texas Open Meetings Act*), including deliberations regarding public employees; and (v) Security-Related Matters (*Sections 418.175-418.183 of the Texas Government Code, and Section 551.076, Texas Open Meetings Act*). The Port Commission will reconvene in public session after the closed meeting is adjourned.

Immediately thereafter the Port Commission retired into closed session.

At 11:13 a.m., Chairman Longoria reconvened the open meeting at the Port of Houston Authority Executive Office Boardroom, at 111 East Loop North, Houston, Texas 77029, with the following Commissioners and staff were in attendance:

Janiece Longoria, Chairman
Theldon R. Branch, III, Commissioner
Dean E. Corgey, Commissioner
Clyde E. Fitzgerald, Commissioner
John D. Kennedy, Commissioner
Roy D. Mease, Commissioner
Roger Guenther, Executive Director
Erik Eriksson, Chief Legal Officer

(2017-0524-38) Commissioner Fitzgerald moved to authorize the Port Authority to approve lease agreements with Jacob Stern & Sons, Inc. on the terms discussed in Executive Session, and to authorize the Executive Director to do all things necessary to give effect to the foregoing, seconded by Commissioner Kennedy. Chairman Longoria, and Commissioners Branch, Corgey, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. MOTION PASSED.

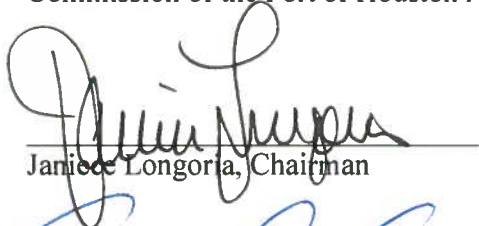
(2017-0524-39) Commissioner Branch moved to authorize the Port Authority to settle its claims against the M/V GRAN COUVA on the terms discussed in Executive Session, and to authorize the Executive Director to do all things necessary to give effect to the foregoing, seconded by Commissioner Corgey. Chairman Longoria, and Commissioners Branch, Corgey, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. MOTION PASSED.

(2017-0524-40) Commissioner Kennedy moved to authorize the Port Authority to amend its agreements for legal services with Brown & Lewis LLP, Vinson & Elkins LLP, and Andrews Myers PC on the terms discussed in Executive Session, and to authorize the Executive Director to do all things necessary to give effect to the foregoing, seconded by Commissioner Fitzgerald. Chairman Longoria, and Commissioners Branch, Corgey, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. MOTION PASSED.

(2017-0524-41) Commissioner Corgey moved to authorize the Port Authority to settle the claims of Theodore Reyes on the terms discussed in Executive Session, and to authorize the Executive Director to do all things necessary to give effect to the foregoing, seconded by Commissioner Branch. Chairman Longoria, and Commissioners Branch, Corgey, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. MOTION PASSED.

At 11:15 a.m., Chairman Longoria adjourned the Port Commission meeting.

The above is a correct copy of the Minutes of the May 24, 2017 meeting of the Port Commission of the Port of Houston Authority.



Janiece Longoria, Chairman



Erik A. Eriksson, Assistant Secretary

H. COMMERCIAL

Subject 1. (i) declare that unimproved real property, totaling approximately 2.9123 fee acres and approximately easement 5.1054 acres out of the William P. Harris League Abstract 30 in Harris County, Texas near the Bayport Container Terminal in Pasadena, Texas, is no longer needed for use by the Port Authority in connection with the development of a navigation project and (ii) authorize the Port Authority to advertise and receive bids for the sale of such real property for the construction and operation of an electrical supply substation and electrical transmission and distribution.

Meeting May 24, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its May 24, 2017 meeting, (i) declare that unimproved real property, totaling approximately 2.9123 fee acres and approximately easement 5.1054 acres out of the William P. Harris League Abstract 30 in Harris County, Texas near the Bayport Container Terminal in Pasadena, Texas, is no longer needed for use by the Port Authority in connection with the development of a navigation project and (ii) authorize the Port Authority to advertise and receive bids for the sale of such real property for the construction and operation of an electrical supply substation and electrical transmission and distribution, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Leases

Department:

Real Estate

Staff Contact:

R.D. Tanner

Background:

The Port Authority owns property along Port Road near the Bayport Container Terminal which must be made available for sale to permit construction and operation of an electrical supply substation and distribution and transmission of electrical service. This substation is expected to serve the increased power needs of the adjacent land owners as it is developed, as well as other area electric customers.

Chapter 60 of the Texas Water Code requires that, before making a sale or lease of land for more than fifty years, the Port Commission must publish a notice requesting bids in the manner provided in section 60.035 et seq. of the Texas Water Code.

Staff Evaluation/Justification:

Staff requests that the Port Commission declare that the property is no longer needed for development of a navigation project, in order to meet the requirements for selling real property set forth in the Water Code Section 60.038.

Staff also requests authorization to obtain bids to permit its subsequent sale for development of the substation and electrical transmission and distribution.

H. COMMERCIAL

Subject **2. Approve a lease renewal with Cooper/Ports America LLC, effective no earlier than June 1, 2017, for approximately 3.20 acres including Warehouse 21-A, the apron adjacent to Warehouse 21-A, an additional open area of approximately 57,210 sq. ft., and a rail spur of approximately 500 linear ft. at the Turning Basin Terminal, for a one-year term at an annual base rent of \$79,819.**

Meeting May 24, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended The Port Commission, at its May 24, 2017 meeting, approve a lease renewal with
Action Cooper/Ports America LLC, effective no earlier than June 1, 2017, for approximately
3.20 acres including Warehouse 21-A, the apron adjacent to Warehouse 21-A, an
additional open area of approximately 57,210 sq. ft., and a rail spur of approximately
500 linear ft. at the Turning Basin Terminal, for a one-year term at an annual base rent
of \$79,819, and further authorize the Executive Director to do any and all things in his
opinion reasonable or necessary to give effect to the foregoing.

Category:

Leases

Department:

Real Estate

Staff Contact:

R.D. Tanner

Background:

Cooper/Ports America LLC has requested renewal for one-year of its lease of approximately 3.20 acres, which includes Warehouse 21-A (approximately 50,000 square feet), the apron area adjacent to the Warehouse 21-A (approximately 12,500 square feet), an additional open area (approximately 57,210 square feet), and a rail spur (approximately 500 linear feet) at the Turning Basin Terminal for a one-year term. The property is used for handling of project and breakbulk cargo. CT Stevedoring Inc. dba Cooper T. Smith Stevedoring Company, the predecessor to the current tenant, has leased the property since 2011.

Staff Evaluation/Justification:

Staff recommends approval of this one-year lease with Cooper/Ports America.

H. COMMERCIAL

Subject **3. Approve the purchase of two drill site surface reservations encumbering approximately three acres of land owned by the Heirs of William E. Brock, an approximately one acre site located at The Beltway 8 property, and an approximately two acre site located at the Jacintoport Terminal, for a combined amount of \$455,000, with the Port Authority paying the title insurance premium and customary closing costs.**

Meeting May 24, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its May 24, 2017 meeting, approve the purchase of two drill site surface reservations encumbering approximately three acres of land owned by the Heirs of William E. Brock, an approximately one acre site located at The Beltway 8 property, and an approximately two acre site located at the Jacintoport Terminal, for a combined amount of \$455,000, with the Port Authority paying the title insurance premium and customary closing costs, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Leases

Department:

Real Estate

Staff Contact:

R.D. Tanner

Background:

Two drill site surface reservations, located on the Beltway 8 and Jacintoport Terminal properties, impact use of the surface of the properties. The acquisition of both surface reservations is critical to clear these encumbrances and would allow the Port Authority to lease surface rights to the Jacintoport property and aid in the future development of Beltway 8 property by ensuring an uninterrupted pipeline corridor.

Staff Evaluation/Justification:

Staff recommends approval for the proposed acquisitions and believes the purchase price represents a fair offer for the purchase of the drill site reservations.

H. COMMERCIAL

Subject **4. Approve, effective no earlier than June 1, 2017, amending the previously approved acreage under the 50-year lease being executed with Contanda Terminals LLC to include approximately 42 acres of submerged property (for a new total of 365 acres) out of the Bulk Materials Handling Plant and Wah Chang properties at a rental rate of \$18,000 per submerged acre per year upon commencement of operations with an annual Consumer Price Index escalation.**

Meeting May 24, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its May 24, 2017 meeting, approve, effective no earlier than June 1, 2017, amending the previously approved acreage under the 50-year lease being executed with Contanda Terminals LLC to include approximately 42 acres of submerged property (for a new total of 365 acres) out of the Bulk Materials Handling Plant and Wah Chang properties at a rental rate of \$18,000 per submerged acre per year upon commencement of operations with an annual Consumer Price Index escalation, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Leases

Department:

Real Estate

Staff Contact:

R.D. Tanner

Background:

The Port Commission, at its January 31, 2017, meeting approved a lease agreement and an agency agreement with Contanda Terminals LLC on the terms discussed in Executive Session. The terms discussed included a 50-year lease of approximately 323 acres of upland out of the Bulk Materials Handling Plant and Wah Chang properties. Staff proposed to amend the acreage to include approximately 42 acres of submerged property for a new total of 365 acres. Contanda will be constructing ship docks, barge docks, pipelines, tanks, and rail storage. Contanda may have the opportunity to reduce the unneeded acreage of the submerged property upon the Port Authority's approval of final ship and barge dock plans by a separate and future Port Commission action.

Staff Evaluation/Justification:

Staff recommends approval for this proposed lease.

I. FINANCE

Subject	1. Authorize advertisement and receipt of responses for seven formal procurements.
Meeting	May 24, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	<p>The Port Commission, at its May 24, 2017 meeting, authorize the Port Authority to advertise and receive responses for seven formal procurements, determine that the proposed procurement methods provide the best value to the Port Authority, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing for these procurements.</p> <p>(a) Request for competitive sealed bids for purchase of grease, engine, transmission, and hydraulic oils, for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal</p> <p>(b) Request for competitive sealed bids for purchase of batteries for terminal equipment at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal</p> <p>(c) Request for competitive sealed bids for the retaining wall replacement construction adjacent to Shed 1 at Woodhouse</p> <p>(d) Request for competitive sealed proposals for maintenance and repair services for elevators at Barbours Cut Terminal, Bayport Container Terminal, and Executive Building</p> <p>(e) Request for proposals for up to two contracts to develop and implement a dredge material sampling plan for the berthing facilities of Bayport Container Terminal and Barbours Cut Terminal, in support of an upcoming U.S. Army Corps of Engineers maintenance dredging contract</p> <p>(f) Request for proposals to obtain two standby Hazardous Material Spill response contracts, one for land-based spills and one for water based spills</p> <p>(g) Request for proposals for professional services in conjunction with Port Authority master planning activities</p>

Category:

Authority to Obtain Bids, Proposals, or Qualifications

Department:

Procurement Services

Staff Contact:

Yvette Camel-Smith

Background:

In accordance with the Port Authority's Procurement Policy, the Port Commission should approve in advance every Port Authority solicitation for the procurement of goods and services that must be approved by the Port Commission pursuant to Texas Water Code Chapter 60 (Formal Procurements). In addition, Texas Water Code Chapter 60 requires that the Port Commission determine which Formal Procurement purchasing method provides "best value" for the Port Authority.

The Port Commission has established the following purchasing methods provide "best value" to the Port Authority, unless it determines otherwise in conjunction with its approval of the solicitation of a Formal Procurement:

- Solicitation of "Competitive Sealed Proposals" or "Competitive Sealed Bids," for construction, repair, rehabilitation, or alteration of facilities (except as provided below), and for non-construction items;
- Solicitation of "Requests for Proposals," for procurement of high technology items, insurance, services, and other intangible items, other than construction services; and
- Solicitation of "Requests for Qualifications," for the professional services of engineers, architects, and surveyors.

Staff Evaluation/Justification:

Port Authority staff requests approval to advertise seven new Formal Procurements. Staff has evaluated and recommends the customary best value methods for each procurement.

J. HEALTH, SAFETY, SECURITY & EMERGENCY MANAGEMENT

Subject	1. Award a purchase order to Motorola Solutions for purchase of two Communications on Wheels units through the Houston-Galveston Area Council Cooperative Purchasing Program, in an amount not to exceed \$975,000.
Meeting	May 24, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its meeting on May 25, 2017, award a purchase order to Motorola Solutions for purchase of two Communications on Wheels units, through the Houston-Galveston Area Council Cooperative Purchasing Program, in an amount not to exceed \$975,000, determine that this method provides the best value to the Port Authority, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #4 - STEWARDSHIP (Sustain the business for the long-term) Strategic Objective 4c. - Operate safely and securely

Category:

Awards, Amendments & Change Orders

Department:

Emergency Management

Staff Contact:

Colin Rizzo

Background:

In 2015, Harris County switched its radio system from analog to digital technology, following an FCC mandate. The Port Authority, which uses the Harris County system for communications, purchased radios capable of handling the new digital technology, and thereafter completed switching to the digital system. Since then, both the Barbours Cut Terminal and Bayport Container Terminal have experienced coverage and capacity issues, which can leave maintenance, operations, police, and fire personnel unable to clearly communicate, and creates potential safety situations. To address the issue, the Port Authority has been utilizing a Harris County Communications on Wheels unit (COW) and a Pasadena COW, one at each terminal, for the past nine months. These mobile units are normally utilized following an event that knocks out radio communications, and are not intended as a long-term solution, and each agency intends to recall their units on or before June 1st.

Staff Evaluation/Justification:

Staff has concluded that purchasing two COWs is required to provide a short term solution; long-term solutions continue to be discussed and analyzed.

Once the long term solution is in place, the two Port Authority COWs will remain available for disaster response within the region, including use for large scale planned events, network outages, post disaster assistance, and as requested by other agency partners.

The Houston-Galveston Area Council (H-GAC) Cooperative Purchasing Program was established in 1973 pursuant to the Texas Interlocal Cooperation Act to enable governmental entities to obtain purchasing services that offer expedited procurement, volume purchasing discounts, contract administration, and research services. All products and services offered by H-GAC have been subjected to competitive procurement processes in accordance with statutory requirements. By Minute No. 99-1129-29, the Port Commission authorized the Port Authority to enter into an Interlocal Agreement with H-GAC to participate in its Cooperative Purchasing Program.

Motorola Solutions is a participant in the H-GAC Cooperative Purchasing Program.

This procurement will help to ensure the safety of all maintenance, operations, police, and fire personnel assigned to the container terminals.

Accordingly, staff recommends utilizing the H-GAC Cooperative Purchasing Program for this procurement to provide best value to the Port Authority, and Motorola Solutions, which staff has determined best provides the product sought using H-GAC pricing.

K. INFRASTRUCTURE

Subject	1. Award a job order construction contract to Dura Pier Facilities Services Limited for annual perimeter fence replacement for Port Authority facilities 2017, using the Local Government Purchasing Cooperative's BuyBoard Program, in an amount not to exceed \$150,000.
Meeting	May 24, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its May 24, 2017 meeting, award a job order construction contract to Dura Pier Facilities Services Limited for annual perimeter fence replacement for Port Authority Facilities, using the Local Government Purchasing Cooperative's BuyBoard Program, in an amount not to exceed \$150,000, determine that this procurement method provides the best value to the Port Authority, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #3 - INFRASTRUCTURE (Provide and facilitate infrastructure to meet demand)

Category:

Awards, Amendments & Change Orders

Department:

Project and Construction Management

Staff Contact:

Roger H. Hoh, P.E.

Background:

This project consists of removing existing deteriorated or damaged 6-foot security perimeter fencing with new 8-foot security perimeter fencing at various Port Authority Terminals.

The Local Government Purchasing Cooperative (Cooperative) is an administrative agency of cooperating local governments authorized by the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code. The Cooperative is further authorized as a local purchasing cooperative organization as set forth in Section 271.101, et seq., of the Texas Local Government Code. By Minute No. 2006-1023-43, the Port Commission approved entering into an interlocal agreement with the Cooperative to become a member participant, and since that time has used the Cooperative and its BuyBoard electronic purchasing application to facilitate compliance with state procurement requirements, to more efficiently identify qualified vendors of commodities, goods and services, to relieve the burdens of the governmental purchasing function, and to realize various potential economies, including administrative cost savings.

Staff Evaluation/Justification:

Staff has determined that contracting services through the BuyBoard Cooperative Purchasing Program is the method that both satisfies competitive requirements and provides the best value to the Port Authority.

The BuyBoard website listed several pre-approved providers of the required services. Dura Pier Facilities Services Limited pricing for the annual fence replacement for Port Authority Facilities was reviewed and approved by BuyBoard.

Therefore, staff recommends that the Port Commission award a job order construction contract to this firm.

K. INFRASTRUCTURE

Subject 2. Award a construction contract to Matthews Brothers, Inc. in an amount not to exceed \$550,000 for dredging to repair unforeseen damage to berthing areas at Barbours Cut Terminal Berth 1 and Berth 2.

Meeting May 24, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its May 24, 2017 meeting:
(a) approve staff's recommendation of vendor whose proposal offers the best value to the Port Authority;
(b) award a construction contract to Matthews Brothers, Inc. for dredging of Barbours Cut Terminal Berth 1 and Berth 2 in an amount not to exceed \$550,000; and
(c) 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:

Infrastructure

Staff Contact:

Mark Vincent, P.E.

Background:

By Minute No. 2014-0325-07, the Port Commission authorized a construction contract for the Bayport Ship Channel and Barbours Cut Channel improvements to provide for deepened berths. Subsequent Barbours Cut dock reconstruction contracts endeavored to complete deepening near the dock face. After substantial completion of the Barbours Cut Terminal improvements, extraordinary shoaling in the Barbours Cut Channel resulted in severe draft restrictions on vessels, necessitating the repair of unforeseen damage to the terminal berths. The dredging will restore design depth at berths concurrent with federal dredging of the channel.

Staff Evaluation/Justification:

Staff received four proposals for dredging services to restore berth conditions at Barbours Cut. The proposal from Matthews Brothers, Inc. was evaluated by staff and found to be fair and provide the best value to the Port Authority.

Staff recommends that the Port Commission award a contract to Matthews Brothers, Inc.

K. INFRASTRUCTURE

Subject	3. Approve a change order to McCarthy Building Companies, Inc. to perform additional work associated with the construction of Container Yard 1 and East End at Barbours Cut Terminal in an amount not to exceed \$74,035.
Meeting	May 24, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its May 24, 2017 meeting, approve a change order to McCarthy Building Companies, Inc. to perform additional work associated with the construction of Container Yard 1 and East End at Barbours Cut Terminal in an amount not to exceed \$74,035, 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 - INFRASTRUCTURE (Provide and facilitate infrastructure to meet demand)

Category:

Awards, Amendments & Change Orders

Department:

Project and Construction Management

Staff Contact:

Roger H. Hoh, P.E.

Background:

By Minute No. 2016-0523-10, the Port Commission awarded a construction contract to McCarthy Building Companies, Inc. for the construction of Container Yard 1 and East End at Barbours Cut Terminal. The project consists of repaving 42.8 acres of 18 inch concrete pavement (28.1 acres for the East End yard and 14.7 acres for Container Terminal 1), with the purpose of increasing the grounded container storage capacity of the terminal.

This change order is required to perform the following work:

- Increasing the depths of four (4) high mast light pole foundations by seven (7) feet.
- Installation of better quality and wider concrete expansion joints.

Staff Evaluation/Justification:

Port Authority staff has reviewed the proposal submitted by McCarthy Building Companies, Inc. and found it to be fair and reasonable. Therefore, staff recommends that the Port Commission authorize this change order.

K. INFRASTRUCTURE

Subject	4. Approve a change order to McCarthy Building Companies, Inc. to perform additional work associated with construction of Wharf 2 at Bayport Terminal in a net credit amount not less than \$61,538.36.
Meeting	May 24, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its May 24, 2017 meeting, approve a change order to McCarthy Building Companies, Inc. to perform additional work associated with the construction of Wharf 2 at Bayport Container Terminal in a net credit amount not less than \$61,538.36, 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 - INFRASTRUCTURE (Provide and facilitate infrastructure to meet demand)

Category:

Awards, Amendments & Change Orders

Department:

Project and Construction Management

Staff Contact:

Roger H. Hoh, P.E.

Background:

By Minute No. 2016-0426-18, the Port Commission awarded a construction contract to McCarthy Building Companies, Inc. for the construction of Wharf 2 at Bayport Container Terminal.

This change order is required to perform the following work:

- Item 1: Chain ladder size modifications.
- Item 2: Removal of an unforeseen concrete obstruction.
- Item 3: A credit for unused drilled shaft foundation spare components.

Staff Evaluation/Justification:

Port Authority staff has reviewed the proposal submitted by McCarthy Building Companies, Inc. and found it to be fair and reasonable. Therefore, staff recommends that the Port Commission authorize this change order.

K. INFRASTRUCTURE

Subject	5. Amend a transmission/distribution line license to CenterPoint Energy Houston Electric, LLC to add four fiber optic lines and upgrade voltage from 69-kV to 138-kV over and across Southside Mainline railroad right-of-way in Houston.
Meeting	May 24, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its May 24, 2017 meeting, authorize the Port Authority to amend a transmission/distribution line license to CenterPoint Energy Houston Electric, LLC to add four fiber optic lines and upgrade voltage from 69-kV to 138-kV over and across Southside Mainline railroad right-of-way in Houston, 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 - INFRASTRUCTURE (Provide and facilitate infrastructure to meet demand)

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Development

Staff Contact:

Mark Vincent, P.E.

Background:

CenterPoint Energy Houston Electric, LLC, Port Authority File No. 1990-0042, has applied to amend a transmission/distribution line license to add four fiber optic lines and upgrade voltage from 69-kV to 138-kV over and across Southside Mainline railroad right-of-way in Houston, in the Moses A. Callahan & Allen Vince Survey, A-9, in Harris County, Texas.

Staff Evaluation/Justification:

The application was reviewed and approved by the Port Authority's Channel Development department and the Port Terminal Railroad Association. The license is to be issued subject to the Port Authority's usual terms and conditions and at a fee of \$2,022. The \$675 application fee and \$2,500 as-built deposit have been paid.

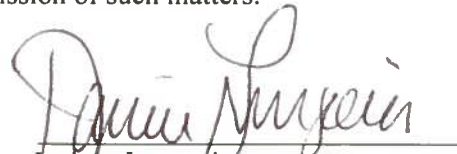
AFFIDAVIT OF SUBSTANTIAL INTEREST

STATE OF TEXAS §
 §
COUNTY OF HARRIS §

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

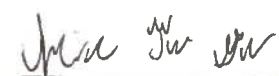
On this day appeared Janiece Longoria, who after being duly sworn, stated as follows:

1. I am twenty-one (21) years of age or over and competent to make this Affidavit of Substantial Interest, based upon facts within my personal knowledge.
2. I am Chairman of the Port Commission (the "Commission") of the Port of Houston Authority (the "Port Authority").
3. I am filing this Affidavit with the official record keeper of the Port Authority, pursuant to §171.004 of the Texas Local Government Code, to comply with the provisions of Chapter 171 of the Texas Local Government Code.
4. I have or may have a substantial interest in the matter of Item K-5 from the Commission Agenda dated May 24, 2017.
5. The nature and extent of the substantial interest described above is as follows: a possible interest in a business entity, on which the action requested in the above matter will have a special economic effect, distinguished from the effect on the public. This substantial interest derives from ownership of \$15,000 or more of the fair market value of CenterPoint Energy, a company affiliated with one or more of the pipeline licensees that are the subject of the Request for Port Commission Action for the above-referenced Item K-5.
6. This substantial interest also derives from my service as a director of CenterPoint Energy, a company affiliated with one or more of the pipeline licenses that are the subject of the Request for Port Commission Action for the above-referenced item; funds received by me in connection with such employment exceed 10 percent of my gross income for the previous year.
7. By virtue of the foregoing described interest, I have not and will not participate in any consideration, vote, or decision by the Port Commission of such matters.



Janiece Longoria

SWORN TO AND SUBSCRIBED before me this May 24, 2017.



Notary Public, State of Texas



K. INFRASTRUCTURE

Subject	6. Issue a transmission/distribution line license to AT&T for one fiber optic line under and across Barbours Cut Terminal in Morgan's Point.
Meeting	May 24, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its May 24, 2017 meeting, authorize the Port Authority to issue a transmission/distribution line license to AT&T for one fiber optic line under and across Barbours Cut Terminal in Morgan's Point, 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 - INFRASTRUCTURE (Provide and facilitate infrastructure to meet demand)

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Development

Staff Contact:

Mark Vincent, P.E.

Background:

AT&T, Port Authority File No. 2017-0070, has applied for a transmission/distribution line license for one fiber optic line under and across Barbours Cut Terminal in Morgan's Point, in the Johnson Hunter Survey, A-35, in Harris County, Texas.

Staff Evaluation/Justification:

The application was reviewed and approved by the Port Authority's Channel Development, Operations, Real Estate, Project and Construction Management, and Information Technology departments and the Port Terminal Railroad Association. The fiber optic line would provide service to the Port Authority tenant Ports America, and therefore Channel Development staff recommends the license fee be waived. The license is to be otherwise issued subject to the Port Authority's usual terms and conditions. The \$675 application fee and \$2,500 as-built deposit have been paid.

K. INFRASTRUCTURE

Subject	7. Approve the renewal of expiring Port Authority licenses for new ten-year terms: Praxair, Inc., Southwestern Bell Telephone Company, Enterprise Houston Ship Channel, L.P., and Shell Chemical LP.
Meeting	May 24, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its May 24, 2017 meeting, authorize the Port Authority to approve the renewal of expiring licenses for new ten-year terms: Praxair, Inc., Southwestern Bell Telephone Company, Enterprise Houston Ship Channel, L.P., and Shell Chemical LP, 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 - INFRASTRUCTURE (Provide and facilitate infrastructure to meet demand)

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Development

Staff Contact:

Mark Vincent, P.E.

Background:

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

<u>Company</u>	<u>File Number</u>	<u>License Fee</u>
Praxair, Inc.	1998-0258	\$6,124
Southwestern Bell Telephone Company	1998-0257	\$7,655
Enterprise Houston Ship Channel, L.P.	1997-0057	\$6,702
Enterprise Houston Ship Channel, L.P.	1998-0256	\$136,501
Enterprise Houston Ship Channel, L.P.	2007-0307	\$47,299
Shell Chemical LP	<u>2006-0002</u>	<u>\$1,531</u>
	Total	\$205,812

Staff Evaluation/Justification:

The applications were reviewed and approved by the Port Authority's Channel Development 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.

K. INFRASTRUCTURE

Subject **8. Assign and renew a pipeline license from BP Pipelines (North America) Inc. to Blanchard Pipeline Company LLC for one 8-inch butane pipeline under and across Upper San Jacinto Bay, Alexander Island, and the Houston Ship Channel from La Porte to Baytown.**

Meeting May 24, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its May 24, 2017 meeting, authorize the Port Authority to assign and renew a pipeline from BP Pipelines (North America) Inc. to Blanchard Pipeline Company LLC for one 8-inch butane pipeline under and across Upper San Jacinto Bay, Alexander Island, and the Houston Ship Channel from La Porte to Baytown, 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 - INFRASTRUCTURE (Provide and facilitate infrastructure to meet demand)

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Development

Staff Contact:

Mark Vincent, P.E.

Background:

Blanchard Pipeline Company LLC (Blanchard), Port Authority File No. 1987-0105, has applied to assign and renew a pipeline for one 8-inch butane pipeline under and across Upper San Jacinto Bay, Alexander Island, and the Houston Ship Channel from La Porte to Baytown, in Harris County, Texas.

This is an existing pipeline that was originally owned by BP Pipelines (North America) Inc. (BP). Blanchard acquired various assets from BP in 2013 and requested a transfer and assignment of the associated licenses, one of which was file number 1987-0105. Review of Port Authority and Blanchard records indicate the license assignment was not processed and the license is due to expire July 2017.

The Port Authority now seeks to assign the license from BP to Blanchard and renew it.

Staff Evaluation/Justification:

The application was reviewed and approved by the Port Authority's Channel Development department. The license is to be issued subject to the Port Authority's usual terms and conditions and at a fee of \$63,640. The \$675 application fee has been paid.

K. INFRASTRUCTURE

Subject	9. Issue a pipeline license to Valero Refining – Texas, L.P. for one 6-inch oxygen pipeline under and across Manchester Lead Track railroad right-of-way in Houston.
Meeting	May 24, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its May 24, 2017 meeting, authorize the Port Authority to issue a pipeline license to Valero Refining – Texas, L.P. for one 6-inch oxygen pipeline under and across Manchester Lead Track railroad right-of-way in Houston, 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 - INFRASTRUCTURE (Provide and facilitate infrastructure to meet demand)

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Development

Staff Contact:

Mark Vincent, P.E.

Background:

Valero Refining – Texas, L.P. (Valero), Port Authority File No. 2017-0064, has applied for a pipeline license for one 6-inch oxygen pipeline under and across Manchester Lead Track railroad right-of-way in Houston, in the Moses A. Callahan & Allen Vince Survey, A-9, in Harris County, Texas.

This is an existing pipeline not under license. Valero installed the pipeline in 1991 and overlooked securing a license from the Port Authority. The Port Authority seeks to issue a license to Valero and make the license retroactive as of 1991 when the pipeline was installed.

Staff Evaluation/Justification:

The application was reviewed and approved by the Port Authority's Channel Development department and the Port Terminal Railroad Association. The license is to be issued subject to the Port Authority's usual terms and conditions and at a fee of \$4,953. The \$675 application fee has been paid.

K. INFRASTRUCTURE

Subject	10. Issue a pipeline license to Valero Refining – Texas, L.P. for one 6-inch propylene pipeline under and across Manchester Lead Track railroad right-of-way and Sims Bayou in Houston.
Meeting	May 24, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its May 24, 2017 meeting, authorize the Port Authority to issue a pipeline license to Valero Refining – Texas, L.P. for one 6-inch propylene pipeline under and across Manchester Lead Track railroad right-of-way and Sims Bayou in Houston, 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 - INFRASTRUCTURE (Provide and facilitate infrastructure to meet demand)

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Development

Staff Contact:

Mark Vincent, P.E.

Background:

Valero Refining – Texas, L.P. (Valero), Port Authority File No. 2017-0062, has applied for a pipeline license for one 6-inch propylene pipeline under and across Manchester Lead Track railroad right-of-way and Sims Bayou in Houston, in the Moses A. Callahan & Allen Vince Survey, A-9, in Harris County, Texas.

This is an existing pipeline not under license. Valero installed the pipeline in 1996 and overlooked securing a license from the Port Authority. The Port Authority seeks to issue a license to Valero and make the license retroactive as of 1996 when the pipeline was installed.

Staff Evaluation/Justification:

The application was reviewed and approved by the Port Authority's Channel Development department and the Port Terminal Railroad Association. The license is to be issued subject to the Port Authority's usual terms and conditions and at a fee of \$9,186. The \$675 application fee has been paid.

K. INFRASTRUCTURE

Subject	11. Issue a pipeline license to Valero Refining – Texas, L.P. for one 24-inch crude oil pipeline under and across Sims Bayou property in Houston.
Meeting	May 24, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its May 24, 2017 meeting, authorize the Port Authority to issue a pipeline license to Valero Refining – Texas, L.P. for one 24-inch crude oil pipeline under and across Sims Bayou property in Houston, 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 - INFRASTRUCTURE (Provide and facilitate infrastructure to meet demand)

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Development

Staff Contact:

Mark Vincent, P.E.

Background:

Valero Refining – Texas, L.P. (Valero), Port Authority File No. 2017-0063, has applied for a pipeline license for one 24-inch crude oil pipeline under and across Sims Bayou property in Houston, in the Moses A. Callahan & Allen Vince Survey, A-9, in Harris County, Texas.

This is an existing pipeline not under license. Valero installed the pipeline in 1953 and overlooked securing a license from the Port Authority. The Port Authority seeks to issue a license to Valero and make the license retroactive as of 1953 when the pipeline was installed.

Staff Evaluation/Justification:

The application was reviewed and approved by the Port Authority's Channel Development department and the Port Terminal Railroad Association. The license is to be issued subject to the Port Authority's usual terms and conditions and at a fee of \$42,578. The \$675 application fee has been paid.

K. INFRASTRUCTURE

Subject	12. Issue a pipeline license to Seabrook Pipeline, LLC for one 24-inch crude oil pipeline under and across the Small Boat Channel in Seabrook.
Meeting	May 24, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its May 24, 2017 meeting, authorize the Port Authority to issue a pipeline license to Seabrook Pipeline, LLC for one 24-inch crude oil pipeline under and across the Small Boat Channel in Seabrook, 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 - INFRASTRUCTURE (Provide and facilitate infrastructure to meet demand)

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Development

Staff Contact:

Mark Vincent, P.E.

Background:

Seabrook Pipeline, LLC, Port Authority File No. 2017-0090, has applied for a pipeline license for one 24-inch crude oil pipeline under and across the Small Boat Channel in Seabrook, in the William P. Harris Survey, A-30, in Harris County, Texas.

Staff Evaluation/Justification:

The application was reviewed and approved by the Port Authority's Channel Development, Operations, Real Estate, and Environmental departments. The license is to be issued subject to the Port Authority's usual terms and conditions and at a fee of \$3,351. The \$675 application fee and \$2,500 as-built deposit have been paid.

K. INFRASTRUCTURE

Subject **13. Issue a marine construction permit to LBC Houston, LP to construct Ship Dock 5 adjacent to the Bayport Ship Channel in Houston.**

Meeting May 24, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended The Port Commission, at its May 24, 2017 meeting, authorize the Port Authority to
Action issue a marine construction permit to LBC Houston, LP to construct Ship Dock 5
adjacent to the Bayport Ship Channel in Houston, 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 - INFRASTRUCTURE (Provide and facilitate infrastructure to
meet demand)

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Development

Staff Contact:

Mark Vincent, P.E.

Background:

LBC Houston, LP, Port Authority File No. 2016-0281, has applied for a marine construction permit to construct Ship Dock 5 in Houston, in the William P. Harris Survey, A-30, Harris County, Texas.

The project consists of dredging a 7.738 acre area to a depth of 48.5 feet Mean Lower Low Water and installing a bulkhead and breasting dolphins. The dock structure would be constructed on the uplands.

Staff Evaluation/Justification:

The application was reviewed and approved by the Channel Development, Operations, and Real Estate Departments and the Houston Pilots. The permit is to be issued subject to the Port Authority's usual terms and conditions. The \$675 application fee and \$2,500 as-built deposit have been paid.

K. INFRASTRUCTURE

Subject **14. Issue a marine construction permit to San Jacinto River Fleet LLC for existing facilities and repair of dock, bulkhead, and pilings adjacent to the San Jacinto River in Highlands.**

Meeting May 24, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended The Port Commission, at its May 24, 2017 meeting, authorize the Port Authority to
Action issue a marine construction permit to San Jacinto River Fleet LLC for existing facilities and repair of dock, bulkhead, and pilings adjacent to the San Jacinto River in Highlands, 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 - INFRASTRUCTURE (Provide and facilitate infrastructure to meet demand)

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Development

Staff Contact:

Mark Vincent, P.E.

Background:

San Jacinto River Fleet LLC (SJRF), Port Authority File No. 2017-0072, has applied for a marine construction permit for existing facilities and repair of dock, bulkhead, and pilings adjacent to the San Jacinto River in Highlands, in the Nathaniel Lynch Survey, A-44, in Harris County, Texas.

SJRF purchased commercial property adjacent to the San Jacinto River and has requested that the Port Authority permit the existing structures. The property is located near an existing barge fleeting area operated by SJRF. The new owner also proposes to replace structures that are in disrepair with like-in-kind structures to utilize the area for vessel or barge mooring.

Staff Evaluation/Justification:

The application was reviewed and approved by the Port Authority's Channel Development department. The permit is to be issued subject to the Port Authority's usual terms and conditions. The \$675 application fee and \$2,500 as-built deposit have been paid.

K. INFRASTRUCTURE

Subject	15. Amend a marine construction permit to TDWP Terminals 1, LLC to add two docks and 1,700 linear feet of bulkhead, dredge to -46.5 feet + 2 feet Mean Lower Low Water, and remove an additional 337,475 cubic yards of dredged material adjacent to the Houston Ship Channel in Houston.
Meeting	May 24, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its May 24, 2017 meeting, authorize the Port Authority to amend a marine construction permit to TDWP Terminals 1, LLC to add two docks and 1,700 linear feet of bulkhead, dredge to -46.5 feet + 2 feet Mean Lower Low Water, and remove an additional 337,475 cubic yards of dredged material adjacent to the Houston Ship Channel in Houston, 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 - INFRASTRUCTURE (Provide and facilitate infrastructure to meet demand)

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Development

Staff Contact:

Mark Vincent, P.E.

Background:

TDWP Terminals 1, LLC (TDWP), Port Authority File No. 2013-0123, has applied to amend a marine construction permit to add two docks and 1,700 linear feet of bulkhead, dredge to -46.5 feet + 2 feet Mean Lower Low Water, and remove an additional 337,475 cubic yards of dredged material adjacent to the Houston Ship Channel in Houston, in the Richard & Robert Vince Survey, A-76, in Harris County, Texas.

The original permit was issued for a 2,300 linear foot bulkhead, two ship docks, and dredging 5 million cubic yards of dredged material, all of which has yet to be constructed. TDWP now proposes to add docks 3 and 4, extend the bulkhead, and dredge to a depth of 46.5 feet Mean Lower Low Water plus 2 feet of over-dredge. An additional 337,475 cubic yards of dredged material would be removed, for a total of 5,337,475 cubic yards to be placed on a private placement site.

Staff Evaluation/Justification:

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

K. INFRASTRUCTURE

Subject **16. Amend a marine construction permit to GB Biosciences Corporation to construct an oyster shell breakwater and to plant additional smooth cordgrass within the existing project footprint adjacent to Burnet Bay.**

Meeting May 24, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended The Port Commission, at its May 24, 2017 meeting, authorize the Port Authority to
Action amend a marine construction permit to GB Biosciences Corporation to construct an
oyster shell breakwater and to plant additional smooth cordgrass within the existing
project footprint adjacent to Burnet 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.

Goals STRATEGIC GOAL #3 - INFRASTRUCTURE (Provide and facilitate infrastructure to
meet demand)

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Development

Staff Contact:

Mark Vincent, P.E.

Background:

GB Biosciences Corporation, Port Authority File No. 2011-0180, has applied to amend a marine construction permit to construct an oyster shell breakwater and to plant additional smooth cordgrass within the existing project footprint adjacent to Burnet Bay, in the Nathaniel Lynch Survey, A-44, in Harris County, Texas.

The proposed project consists of creating a linear reef structure, known as an oyster shell breakwater, designed to reduce wind and wave energy, while maintaining sufficient tidal circulation. The breakwater would be constructed of mesh bags containing oyster shells and would measure approximately 75-feet long by 15-feet wide by 1.5-feet high. Smooth cordgrass would be planted in rows behind the breakwater to provide additional intertidal marsh and sediment stabilization.

Staff Evaluation/Justification:

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

K. INFRASTRUCTURE

Subject **17. Issue a marine construction permit to HMS 850 Holdings, LLC to fleet barges to include placing spud barges and dredging to a depth of 12 feet Mean Low Tide (13.5 feet Mean Lower Low Water) located between the Houston Ship Channel and Burnet Bay in Baytown.**

Meeting May 24, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended The Port Commission, at its May 24, 2017 meeting, authorize the Port Authority to
Action issue a marine construction permit to HMS 850 Holdings, LLC to fleet barges to include placing spud barges and dredging to a depth of 12 feet Mean Low Tide (13.5 feet Mean Lower Low Water) located between the Houston Ship Channel and Burnet Bay in Baytown, 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 - INFRASTRUCTURE (Provide and facilitate infrastructure to meet demand)

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Development

Staff Contact:

Mark Vincent, P.E.

Background:

HMS 850 Holdings, LLC, Port Authority File No. 2016-0319, has applied for a marine construction permit to fleet barges to include placing spud barges and dredging to a depth of 12 feet Mean Low Tide (13.5 feet Mean Lower Low Water) located between the Houston Ship Channel and Burnet Bay in Baytown, in the Nathaniel Lynch Survey, A-44, in Harris County, Texas.

The proposed 36.38-acre barge fleeting area would be located approximately 150 feet south of the existing shoreline and approximately 1,100 feet north of Goat Island, east of the Houston Ship Channel. The spud barges would be utilized to secure barges within the fleeting area.

The fleeting area would be dredged to a depth of 12 feet Mean Low Tide (13.5 feet Mean Lower Low Water), which would result in the removal of approximately 519,300 cubic yards of material. Dredged material would be placed in a private placement site.

Staff Evaluation/Justification:

The application was reviewed and approved by the Port Authority's Channel Development and Real Estate departments. The permit is to be issued subject to the Port Authority's usual terms and conditions, and in addition, the requirement that a submerged lands lease be entered into with the Port Authority for this area. The \$675 application fee and \$2,500 as-built deposit have been paid.

K. INFRASTRUCTURE

Subject **18. Approve a lease agreement with HMS 850 Holdings, LLC /HMS 850 Barge Fleeting, LLC for approximately 55.36 acres on Port Authority owned submerged lands adjacent to 850 South Lynchburg Road in Baytown effective June 1, 2017 for a term of up to 50 years and at a monthly operations period rental of \$13,081 and with an annual Consumer Price Index increase.**

Meeting May 24, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended The Port Commission, at its May 24, 2017 meeting, approve a lease agreement with
Action HMS 850 Holdings, LLC /HMS 850 Barge Fleeting, LLC for approximately 55.36 acres on Port Authority owned submerged lands adjacent to 850 South Lynchburg Road in Baytown effective June 1, 2017 for a term of up to 50 years and at a monthly operations period rental of \$13,081 and with an annual Consumer Price Index increase, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Leases

Department:

Channel Development

Staff Contact:

Mark Vincent, P.E.

Background:

HMS 850 Holdings, LLC/HMS 850 Barge Fleeting, LLC, Port Authority File No. 2017-0112 (formerly 1984-0218), has negotiated a lease over Port Authority owned-submerged lands to add a 36.38 acre barge fleeting area, a 3.15 acre area of open encumbered submerged lands, and a 15.64 acre dredged area to its existing lease of 0.192 acres of filled submerged lands.

Following a contingency period, the lease term would be for 25 years with two mutual options of 15 years and 9 years, respectively. The lease fee would increase with the Consumer Price Index annually.

Staff Evaluation/Justification:

The application was reviewed and approved by the Port Authority's Channel Development department and senior staff. The lease is to be issued under a negotiated rate of \$300/acre/month for barge fleeting and spud barges, \$100/acre/month for open encumbered and dredged areas, and \$1500/acre/month for the fill area.

L. OPERATIONS

Subject	1. Approve staff's ranking of vendors and award a contract in an amount not to exceed \$16,366,222 for the purchase of nine diesel electric container yard cranes for Bayport Container Terminal to the top-ranked proposer: staff ranking - first, Konecranes Finland Corporation; second, Kalmar USA Inc.; and third, Shanghai Zhenhua Heavy Industries Co., Ltd. (ZPMC).
Meeting	May 24, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its May 24, 2017 meeting: (a) approve staff's ranking of the most qualified vendors, based on the selection criteria, in the following order – first, Konecranes Finland Corporation; second, Kalmar USA Inc.; and third, Shanghai Zhenhua Heavy Industries Co., Ltd. (ZPMC); (b) award the contract to Konecranes Finland Corporation for the purchase of nine diesel electric container yard cranes for Bayport Container Terminal in an amount not to exceed \$16,366,222; and (c) 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 - INFRASTRUCTURE (Provide and facilitate infrastructure to meet demand)

Category:

Awards, Amendments & Change Orders

Department:

Bayport Container Terminal

Staff Contact:

Paulo Soares

Background:

By Minute No. 2016-1213-16(g), the Port Commission authorized the advertisement of a request for proposals (RFPs) for six diesel electric container yard cranes for Bayport Terminal. A total of nine additional diesel electric container yard cranes are needed at this facility to meet current and projected growth in export business, provide equipment coverage of Container Yard 6 South (21.5 acres are expected to be completed by November 2017), and maintain the highest service levels to industry, including vessel productivity and truck turn times.

The Port Authority notified vendors using the Port Authority's BuySpeed procurement System, and the project was advertised on the Port Authority's website and in a local newspaper. Sixteen vendors downloaded the project materials from BuySpeed.

Staff Evaluation/Justification:

Three RFPs were received and opened on April 5, 2017 and were reviewed and evaluated by staff in accordance with the published selection criteria. Staff identified the following three vendors, listed in ranking order, as most qualified to provide the required product:

- Konecranes Finland Corporation
- Kalmar USA, Inc.
- Shanghai Zhenhua Heavy Industries Company, LTD (ZPMC)

Staff recommends that the Port Commission award a contract to Konecranes Finland Corporation.

L. OPERATIONS

Subject **2. Award a two-year contract to Lockridge Packaging, LLC for the purchase of commercial paper products for the Port of Houston Authority Turning Basin Terminal, Barbours Cut Terminal and Bayport Container Terminal in an amount not to exceed \$275,000.**

Meeting May 24, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its May 24, 2017 meeting:
 (a) award a two-year contract to Lockridge Packaging, LLC, for the purchase of commercial paper products for the Port Authority Turning Basin Terminal, Barbours Cut Terminal, and Bayport Container Terminal in an amount not to exceed \$275,000; and
 (b) 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 - INFRASTRUCTURE (Provide and facilitate infrastructure to meet demand)

Category:

Awards, Amendments & Change Orders

Department:

Maintenance

Staff Contact:

Paulo Soares

Background:

By Minutes No. 2017-0321-16(b), the Port Authority authorized the advertisement of competitive sealed bids (CSB) for purchase of paper products at Turning Basin Terminal, Barbours Cut Terminal and Bayport Container Terminal. The Port Authority notified vendors regarding its CSB using the Port Authority's BuySpeed 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 April 19, 2017, 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 identified Lockridge Packaging, LLC as the responsible bidder able to provide the required services.

Accordingly, staff recommends that the Port Commission award a two-year contract to Lockridge Packaging, LLC.

L. OPERATIONS

Subject **3. Approve staff's ranking of vendors and award a two-year contract in an amount not to exceed \$750,000 for mowing services and landscape maintenance on an as needed basis to Port Authority property locations to the top-ranked proposer: staff ranking - first, Yellowstone Landscape; and second, Angel Lady Services.**

Meeting May 24, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended The Port Commission, at its May 24, 2017 meeting:
Action (a) award a two-year contract to Yellowstone Landscape for mowing and landscape maintenance, i.e. tractor and finish mowing and landscaping, on an as needed basis at Port Authority property locations including the 610 easement, Executive Office Building and parking lot, Marine Emergency Building, and the Sam Houston pavilion, in an amount not to exceed \$750,000; and
(b) 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 - INFRASTRUCTURE (Provide and facilitate infrastructure to meet demand)

Category:

Awards, Amendments & Change Orders

Department:

Maintenance

Staff Contact:

Paulo Soares

Background:

By Minutes No. 2017-0321-16(a), the Port Authority authorized the advertisement of competitive sealed bids (CSB) for mowing services and landscape maintenance at Turning Basin Terminal. The Port Authority notified vendors regarding its 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. Seven vendors downloaded the project materials from BuySpeed.

Staff Evaluation/Justification:

On April 25, 2017, two CSB responses were received and opened. The responses were reviewed and evaluated by staff in accordance with the selection criteria published in the CSB. Staff identified Yellowstone Landscape as the responsible bidder providing the best and lowest bid to the provide the required services.

Accordingly, staff recommends that the Port Commission award a two-year contract to Yellowstone Landscape.

L. OPERATIONS

Subject	4. Award a two-year contract to Crane Tech Solutions, the sole source provider, for purchase of spare and replacement parts for Stinis spreaders and over-height attachments for Barbours Cut Terminal and Bayport Container Terminal in the amount not to exceed \$600,000.
Meeting	May 24, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its May 24, 2017 meeting, award a two-year contract to Crane Tech Solutions for the purchase of spare and replacement parts for Stinis spreader bars and over-height attachments at Barbours Cut Terminal and Bayport Container Terminal in an amount not to exceed \$600,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #3 - INFRASTRUCTURE (Provide and facilitate infrastructure to meet demand)

Category:

Awards, Amendments & Change Orders

Department:

Maintenance

Staff Contact:

Paulo Soares

Background:

By Minute No. 2015-1215-41, the Port Commission awarded a two-year contract to Crane Tech Solutions in an amount not to exceed \$450,000 for the purchase of spare and replacement parts for Stinis spreader bars at Barbours Cut Terminal and Bayport Container Terminal. This contract will expire on December 31, 2017. The Port Authority currently owns a total of thirty-one spreader bars and over-height attachments manufactured by Stinis Holland B.V., including sixteen spreaders and over-height attachments acquired at Barbours Cut Terminal in July 2015 following the acquisition of Maersk's assets and fourteen spreaders and one over-height attachment operating at Bayport Container Terminal. Ongoing repairs and periodic inspections of these have been performed and as a result funds are nearly depleted. The ability to expedite procurement of spare and replacement parts for these units is critical to efficient terminal operation.

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 Crane Tech Solutions is the sole authorized source for captive replacement Stinis parts in the United States.

Staff Evaluation/Justification:

Staff recommends that the Port Authority enter into a two-year contract with Crane Tech Solutions for the purchase of spare and replacement parts for Stinis spreader bars and over-height attachments, beginning on June 1, 2017 and ending on May 31, 2019. Replacement and spare parts will be purchased through this contract as needed.

L. OPERATIONS

Subject **5. Authorize payment to Navis LLC for annual maintenance and support services for the Marine Terminal Management Software System for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal in an amount not to exceed \$655,969.**

Meeting May 24, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended The Port Commission, at its May 24, 2017 meeting, authorize payment to Navis LLC for annual maintenance services for the Marine Terminal Management Software System for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal pursuant to the current contract between Navis LLC and the Port Authority, for a one-year term beginning July 1, 2017 in an amount not to exceed \$655,969, 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 - INFRASTRUCTURE (Provide and facilitate infrastructure to meet demand)

Category:

General

Department:

Operations

Staff Contact:

Mike Shaffner

Background:

By Minute No. 2001-0326-32, a contract (Contract) was awarded to Navis LLC to provide for the implementation and maintenance of a marine terminal management software system (Management Software System) for use at Port Authority terminals. The Management Software System is currently used by the Operations Department to manage the Port Authority's Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal. It is also used by the Accounting Department for billing at these terminals. Since expiration of the initial one-year maintenance term, the Port Commission has approved each subsequent annual maintenance renewal. The current annual maintenance term will expire on June 30, 2017.

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

Staff Evaluation/Justification:

Staff has been advised that based upon the through-put for the immediately preceding year, the maintenance fee for July 1, 2017 through June 30, 2018 will be in an amount not to exceed \$655,969.

Staff recommends that the Port Authority authorize payment to Navis LLC for annual maintenance services for the Management Software System.

L. OPERATIONS

Subject	6. Enter into the following Freight Handling Assignment Agreements for terminal services at the Turning Basin Terminal and Barbours Cut Terminal: Cooper/Ports America, LLC, Ceres Gulf, Inc., Richardson Stevedoring and Logistics Services, Inc., and APS Stevedoring, LLC.
Meeting	May 24, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its May 24, 2017 meeting, authorize entering into the following Freight Handling Assignment Agreements for terminal services at the Turning Basin Terminal and Barbours Cut Terminal effective June 1, 2017: Cooper/Ports America, LLC, Ceres Gulf, Inc., Richardson Stevedoring and Logistics Services, Inc., and APS Stevedoring, 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.
Goals	<p>STRATEGIC GOAL #2 - GROWTH (Grow and diversify the business base)</p> <p>STRATEGIC GOAL #3 - INFRASTRUCTURE (Provide and facilitate infrastructure to meet demand)</p> <p>Strategic Objective 3c. - Leverage key partnerships to influence regional infrastructure investment</p>

Category:
General

Department:
Terminal Operations

Staff Contact:
Jeff Davis

Background:
The cargo handling services at the public facilities in the Turning Basin Terminal and at Barbours Cut Terminal are performed by stevedores working in assigned locations under Freight Handling Assignment Agreements (Agreements) with the Port Authority.

By Minute No. 2014-0422-42, the Port Commission granted authority to enter into Agreements at the Turning Basin Terminal and Barbours Cut Terminal for terms of three years. These Agreements will soon expire. The Agreements set forth the terms and conditions under which the stevedores will perform freight handling services at the assigned facilities. Pursuant to the Agreements, the stevedores guarantee to handle minimum tonnages or to pay specified revenue amounts based upon the square footage of the assigned areas. Port Authority staff considers the projected cargo volumes of the stevedores in evaluating and recommending stevedores for assignment of particular facilities.

Staff Evaluation/Justification:
Staff has reviewed and evaluated the current freight handling assignments and future needs of the Port Authority and recommends entering into Freight Handling Assignment Agreements for the handling of cargo at its facilities for terms of three years at the Turning Basin Terminal and Barbours Cut Terminal, effective June 1, 2017.

N. TECHNOLOGY

Subject	1. Approve staff's ranking of vendors and award a three-year contract for Managed Services regarding JD Edwards Configurable Network Computing in an amount not to exceed \$371,350 to the top-ranked proposer: staff ranking - first, ManageForce Corporation; second, Denovo Ventures, LLC; and third, Venture Technologies, Inc.
Meeting	May 24, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its May 24, 2017 meeting: (a) approve staff's ranking of the highest ranked proposers offering best value to the Port Authority, based on the selection criteria, in the following order – first, ManageForce Corporation; second, Denovo Ventures, LLC; and third, Venture Technologies, Inc.; (b) award a three-year contract for Managed Services regarding JD Edwards Configurable Network Computing for the Port Authority's JD Edwards Software over beginning June 1, 2017, in an amount not to exceed \$371,350; and (c) 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 (Invest in people and organize for success) Strategic Objective 1c. - Implement streamlined processes supported by technology

Category:

Awards, Amendments & Change Orders

Department:

Information Technology

Staff Contact:

Charles Thompson

Background:

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

By Minute No. 2016-1025-15(d), the Port Commission approved the advertisement of Managed Services regarding JD Edwards CNC. The Port Authority notified vendors regarding its Request for Proposal (RFP) using the Port Authority's BuySpeed E-procurement System and the project was advertised on the Port Authority's website and in a local newspaper. One hundred forty firms downloaded the project materials from BuySpeed.

Staff Evaluation/Justification:

The Port Authority received five proposals before the April 12, 2017 deadline. 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 having proposals offering the best value to the Port Authority in providing the required services:

- ManageForce Corporation
- Denovo Ventures, LLC
- Venture Technologies, Inc.

Staff recommends that the Port Commission award a contract to ManageForce Corporation.

N. TECHNOLOGY

Subject	2. Award a contract to Mythics, LLC for Oracle Public Cloud Services and Licensing, using the Texas Cooperative Purchasing Network Cooperative Agreement, payable annually over a three-year period, in an amount not to exceed \$1,080,684.
Meeting	May 24, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its May 24, 2017 meeting, award a contract to Mythics, LLC for Oracle Public Cloud Services and Licensing for the Port Authority's JD Edwards Software, using the TCPN Cooperative Agreement, payable annually over a three-year period, beginning June 1, 2017, in an amount not to exceed \$1,080,684, determine that this method provides the best value to the Port Authority and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #4 - STEWARDSHIP (Sustain the business for the long-term) STRATEGIC GOAL #2 - GROWTH (Grow and diversify the business base)

Category:

Awards, Amendments & Change Orders

Department:

Information Technology

Staff Contact:

Charles Thompson

Background:

The Port Authority uses Oracle software services, and Information Technology staff has determined that the services and associated license may be obtained through the "cloud".

By Minute No. 2008-0219-49, the Port Commission granted authority to join the Texas Cooperative Purchasing Network (TCPN), and to use its cooperative purchase program contracts for certain purchases. This cooperative purchasing program enables members to efficiently pool their purchasing power to obtain favorable pricing for products and related services. TCPN members, including local governmental entities, purchase items under the terms of cooperative contracts procured in compliance with applicable State of Texas procurement laws. Pursuant to Texas Government Code, a local government that purchases goods and services under Section 791.025 satisfies the requirement of the local government to seek competitive bids for such purchases. The Port Authority joined the TCPN by entering into an interlocal contract with the Region 4 Education Service Center, as provided by Government Code Section 791.025; therefore the use of a TCPN contract is an acceptable purchasing method for the Port Authority in accordance with Texas Water Code Section 60.454.

Staff Evaluation/Justification:

Port Authority's Information Technology Department staff has further determined that the TCPN cooperative purchase program has a contract with Mythics, LLC, that offers competitive pricing for the required services and licensing and that this method provide best value to the Port Authority, and it therefore recommends the use of this cooperative purchase program to procure this item at the stated cooperative contract price, i.e. an amount not to exceed \$1,080,684 for Oracle Public Cloud Services (Infrastructure as a Service [IaaS]/Platform as a Service [PaaS]), which price and availability also provide good value to the Port Authority, and therefore staff recommends that this contract be used to procure this item.

N. TECHNOLOGY

Subject	3. Award one or more purchase orders over a three-year period, to HP Inc. for personal computers and related services, using a State of Texas Department of Information Resources Cooperative Purchase program, in a total amount not to exceed \$598,000.
Meeting	May 24, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its May 24, 2017 meeting, award one or more purchase orders over a three-year period, to HP Inc. for personal computers and related services, beginning June 1, 2017, in a total amount not to exceed \$598,000, determine that this method provides the best value to the Port Authority and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #1 - PEOPLE AND ORGANIZATION (Invest in people and organize for success)

Category:

Awards, Amendments & Change Orders

Department:

Information Technology

Staff Contact:

Charles Thompson

Background:

The Information Technology (IT) Master Plan has completed the Port Authority's personal computer inventory and implemented a budgeting process to help ensure that divisions and departments request replacement personal computers funding in their individual budgets. The IT department will purchase, implement, and manage these assets.

The Texas Legislature enacted Government Code Chapter 2054 (the Information Resources Management Act) which established the State of Texas Department of Information Resources (DIR). DIR has a cooperative purchasing program that enables governmental entities to efficiently pool their purchasing power to negotiate favorable pricing for computer hardware, software, and technology services. Under this program the State of Texas through its DIR has entered into contracts with providers of products and related services that are the result of compliance with applicable procurement laws of the State of Texas, and authorizes state agencies and local governments to purchase the products and services under these DIR cooperative contracts.

Pursuant to Texas Government Code Section 2054.0565, procurement using DIR contracts satisfies competitive procurement requirements. Additionally, DIR is an agency of the state of Texas, therefore the use of a DIR contract is a purchasing method acceptable for the Port Authority pursuant to Texas Water Code Section 60.454.

Staff Evaluation/Justification:

Staff recommends that this network, and the price and availability offered by HP Inc., provide the best value to the Port Authority and that these purchase orders be awarded to HP Inc.