

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

June 27, 2017

<u>Minute No.</u>	<u>Event/Action</u>
	General
	Chairman Longoria convened the meeting of the Port Commission and provided opening remarks
	Chairman Longoria introduced Captain Kevin Oditt, Commanding Officer of Coast Guard Sector Houston-Galveston, Captain of the Port, who addressed the Port Commission
	Minutes
2017-0627-01	Approve the Minutes of the May 24, 2017 Port Commission Meeting
	Port Commission Committee Updates
(2017-0627-02A)	Chairman Longoria reported on the Audit Committee Meeting – June 26, 2017
(2017-0627-02B)	Commissioner Fitzgerald reported on the Pension and Benefits Committee Meeting – June 26, 2017
	Appearances
2017-0627-03	There were no appearances
	Staff Reports
2017-0627-04	Roger Guenther, Executive Director, presented a summary of selected financial and operations matters
	G. Executive (no items)
	H. Commercial
2017-0627-05	Approve Port Authority sponsorship of the 2018 Retail Industry Leaders Association Logistics Conference

<u>Minute No.</u>	<u>Event/Action</u>
2017-0627-06	Approve a two-year lease agreement with Hapag-Lloyd (America) LLC for approximately 1,276 square feet of office space in the Barbours Cut Terminal Administration Building effective August 1, 2017 at an annual rental of \$22,671 with an annual 3% increase
2017-0627-07	Approve a five-year lease agreement for a cellular tower with two automatic five-year renewals, subject to Landlord's and Tenant's respective termination rights under the lease, with GTE Mobilnet of South Texas Limited Partnership d/b/a Verizon Wireless, for 2,500 square feet and a licensed area for ingress, egress and utilities on Todville Road at Bayport, effective July 1, 2017 at an annual base rent of \$12,000, with an annual 3% increase
2017-0627-08	Approve an amendment to extend the lease agreement with NuStar Logistics L.P., effective August 31, 2017, of approximately 1.24 acres including 440 ft. of waterfront out of Block 4 at the Turning Basin Area for an additional five years, at an annual starting rental of \$50,758, subject to annual rent escalation of the greater of 3% or Consumer Price Index
2017-0627-09	Approve an amendment to extend the lease with Houston Terminal LLC for an additional three years effective September 1, 2017, for approximately 1,432 net rentable square feet of office space in Bayport Stevedore Support Building 3, at an annual rental of \$40,518 with an annual 3% increase
2017-0627-10	Approve the change of control of HFOTCO, LLC from Alinda Capital Partners to SemGroup Corporation, in connection with two Port Authority leases 2011-0060 and 2012-0281
	I. Finance
2017-0627-11	Authorize advertisement and receipt of responses for six formal procurements
2017-0627-11(a)	Request for competitive sealed bids for repair and oil testing of transformers at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal
2017-0627-11(b)	Request for competitive sealed bids for miscellaneous filters for Bayport Container Terminal, Barbours Cut Terminal, and Turning Basin Terminal
2017-0627-11(c)	Request for competitive sealed bids for captive replacement parts for Taylor handling equipment at Barbours Cut Terminal and Bayport Container Terminal

<u>Minute No.</u>	<u>Event/Action</u>
2017-0627-11(d)	Request for competitive sealed bids for Stevedore Support Buildings 2 and 3 repairs at Bayport Container Terminal
2017-0627-11(e)	Request for competitive sealed proposals for the purchase of wire ropes for Turning Basin Terminal, Barbours Cut Terminal, and Bayport Container Terminal
2017-0627-11(f)	Request for qualifications for the production of three high definition documentary style 30 second television commercials

J. Health, Safety, Security & Emergency Management

2017-0627-12	Award a purchase order to The Mariner Group LLC for the purchase of the CommandBridge situational awareness software, integration, and associated warranties, using a General Services Administration Purchasing Program
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K. Infrastructure

2017-0627-13	<p>Approve staff's ranking of vendors and award a two-year environmental services contract for operating the Jacintoport Wastewater Treatment Plant and monitoring the Care Terminal wastewater holding tank to the top-ranked proposer: staff ranking – first, Miggins Interest, LLC dba HydroTech Utilities; and second, Alphamar Group</p> <p>Port Commission adopted the staff-recommended ranking and authorized award</p>
2017-0627-14	Award a construction contract to Dowley Security Systems, Inc. for the purchase and installation of security cameras, access control equipment, and other associated material for the Port Authority electrical switchyard facility at Barbours Cut Terminal, using the Local Government Purchasing Cooperative's BuyBoard Program
2017-0627-15	Approve a change order to Forde Construction Company, Inc. to perform additional work associated with the rehabilitation of pavement and drainage of Wharf No. 46 at Turning Basin Terminal
2017-0627-16	Approve a change order to C. F. McDonald Electric, Inc. to perform additional work associated with the 12.47 kV electrical distribution system at Barbours Cut Terminal for debit amounts totaling \$78,605 and credit amounts totaling \$95,000, resulting in a net credit amount of \$16,395
2017-0627-17	Issue a transmission/distribution line license to CenterPoint Energy Houston Electric, LLC for one 69-kV and one 138-kV transmission line over and across Greens Bayou in Houston

<u>Minute No.</u>	<u>Event/Action</u>
2017-0627-18	Approve the renewal of expiring Port Authority licenses for new ten-year terms: HSC Pipeline Partnership, LLC and Shell Oil Company
2017-0627-19	Issue a pipeline license to Magellan Pipeline Company, L.P. for one 24-inch crude oil pipeline under and across the Seymour Tract in Galena Park
2017-0627-20	Amend a pipeline license for HFOTCO LLC dba Houston Fuel Oil Terminal Company to update the location of a proposed 24-inch crude oil pipeline under and across Carpenters Bayou in Houston

L. Operations

2017-0627-21	<p>Approve staff's ranking of vendors and award a twenty-four month maintenance and support services agreement for the Navis Terminal Operating System, EDI processing, custom code extension development, and associated hardware for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal to the top-ranked proposer: staff ranking – first, Bunnell Enterprises dba Total Network Solutions; and second, Versiant Corporation</p> <p>Port Commission adopted the staff-recommended ranking and authorized award</p>
2017-0627-22	Award a two-year contract to Rail Work Track Systems for railroad repairs at Turning Basin Terminal
2017-0627-23	Award a two-year contract to Texas Polymer Systems, the sole source provider, for purchase of Polycrete DC 6170 concrete patch mortar for Barbours Cut Terminal and Bayport Container Terminal
2017-0627-24	Award a three-year contract to TransTech of SC, Inc., the sole source provider, for purchase of spare and replacement parts for Stemmann-Technik cable reels on wharf cranes at Barbours Cut Terminal and Bayport Container Terminal
2017-0627-25	Issue a purchase order to CLM Equipment for the purchase of one 2017 Kawasaki KCM 67Z7 wheel loader for Turning Basin Terminal, using the Houston-Galveston Area Council Cooperative Purchasing Program
2017-0627-26	Approve a change order to Yellowstone Landscape for mowing and landscape maintenance at Turning Basin Terminal, rescind the award of a new two-year contract to Yellowstone Landscape for mowing services and landscape maintenance, and authorize the re-advertisement and receipt of competitive sealed bids for a two-year contract for mowing services and landscape maintenance for Turning Basin Terminal

Minute No.

Event/Action

2017-0627-27 RCA L7 was pulled from the agenda

M. People

2017-0627-28 Approve staff's ranking of vendors and award a services contract, at no cost to the Port Authority, for vending services for the Executive Office Building and Port Coordination Center at the Turning Basin Terminal to the top-ranked proposer: staff ranking – first, Accent Food Services; second, Compass Group USA Inc. dba Canteen Vending Division; and third, Snack, Crackers and Pops Vending

Port Commission adopted the staff-recommended ranking and authorized award

N. Technology

2017-0627-29 Award a contract and purchase order to Xerox for the continuation Multi-Function Printer devices for an additional five-years, using the State of Texas Department of Information Resources Cooperative Purchase program

2017-0627-30 Award a purchase order to Solid Border, Inc. for a one-year renewal of Palo Alto (firewall) Hardware and Software maintenance, using the State of Texas Department of Information Resources Cooperative Purchase program

2017-0627-31 Award a purchase order to CDW Government, LLC for a one-year renewal of NetApp (data storage) hardware and software maintenance, using the State of Texas Department of Information Resources Cooperative Purchase program

2017-0627-32 Award a purchase order to NetSync Network Solutions, Inc. for the replacement of unsupported network equipment as provided for in the Information Technology Master Plan, using the State of Texas Department of Information Resources Cooperative Purchase program

O. Recess Open Meeting and Convene Executive Session

P. Reconvene Open Meeting

2017-0627-33 Motion to authorize the Port Authority to amend the real estate purchase agreement with Ballard Exploration Company on the terms discussed in Executive Session, and to authorize the Executive Director to do all things necessary to give effect to the foregoing

Minute No.

Event/Action

2017-0627-34 Motion to authorize the Port Authority to amend the long term disability benefits provided to current beneficiary group 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. Executive

2017-0627-35 Approve a resolution ratifying adoption of Subchapter N of Chapter 60 of the Texas Water Code

2017-0627-36 Consideration of and possible action to approve a policy to lease Port Authority submerged lands in Harris County for barge fleeting and staging to facilitate commerce and safe navigation

R. Adjourn Meeting

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

**Houston, Texas
June 27, 2017**

A public meeting of the Port Commission of the Port of Houston Authority of Harris County, Texas was convened on June 27, 2017 at 9:02 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
Stephen H. DonCarlos, Commissioner
Clyde E. Fitzgerald, 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 recognized Port Houston's Small Business and Maritime Education team for its work with the Port of Houston Partners in Maritime Education Program, an initiative that began in 2009 and continues to flourish with more than 1,000 students in maritime classes. Five graduations from four independent school districts took place this spring.

Following Chairman Longoria's remarks, a presentation highlighting the recent graduation celebrations and the Maritime and Logistics Youth Expo, prepared by Gilda Ramirez, Senior Director, Small Business and Education Outreach and her team, was shown to all present.

Chairman Longoria recognized the new Captain of the Port, Captain Kevin Oditt, who assumed the duty of Commanding Officer of Coast Guard Sector Houston-Galveston on April 24th. On June 5th, Captain Oditt visited Port Houston for a briefing on the Port of Houston's economic impact on the local and national economy and the importance of the Houston Ship Channel, along with discussion covering safety, security and emergency management. The visit concluded with a tour of Bayport's container yard. This visit provided a foundation for the new Captain of the Port and the opportunity to continue to cultivate a strong partnership with the Coast Guard. Chairman Longoria thanked Captain Oditt for taking time to get to know the operations of Port Houston and recognizing the importance of that relationship.

Captain Oditt thanked Chairman Longoria for the introduction and stated that it was an honor to take over command of the Houston-Galveston Coast Guard Sector. He thanked Chairman Longoria, other Port Commissioners, and staff for giving him an overview of the Port of Houston, the Houston Ship Channel, and a tour of the Bayport container facility. He remarked that he now had a much better understanding of Port Houston, its challenges and opportunities, and the multi-faceted role of the Port Commission. He was amazed at

the public/private partnerships here, which are truly second to none, and is looking forward to working with all to meet the shared objectives of a safe secure marine transportation system in the Houston Ship Channel, one that facilitates free commerce.

(2017-0627-01) Chairman Longoria called for a motion to approve the minutes of the May 24, 2017 Port Commission meeting. Commissioner Corgey moved for approval, seconded by Commissioner Branch. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. MOTION PASSED.

(2017-0627-02) Port Commission Committee Updates

(A) Chairman Longoria reported on the Audit Committee meeting held on June 26, 2017.

- Staff had performed a self-assessment, and reviewed compliance with the Audit Committee Charter, Internal Audit Charters, Internal Audit Policies, Texas Special District Local Laws Code Chapter 5007, and Texas Government Code, Chapter 2102, finding that the Port Authority is in compliance.
- The committee completed its annual review of its charter, the Internal Audit Charter, and Internal Audit policies, and staff affirmed that these documents continue to be consistent with the Institute of Internal Auditors Standards. Proposed changes to the documents are under review and the committee will meet with staff to finalize any proposed changes to the charters and Internal Audit Policies, and make appropriate recommendations to the Port Commission.
- Staff reported that the committee conducted its annual review of the qualifications of Grant Thornton LLP's lead partner, Ms. Angela Dunlap, and found that both Ms. Dunlap and Grant Thornton (Houston Office) are in good standing with the Texas State Board of Public Accountancy.
- Staff provided audit reports related to the 2017 Audit Regulations and Standards Compliance Review and the Promotion and Development Fund 4th quarter 2016 review. Staff also informed the committee that there were no issues reported under the Port Authority's "whistleblower" policy during the 2nd quarter.

(B) Commissioner Fitzgerald reported on the Pension and Benefits Committee meeting held on June 26, 2017.

- Commissioner Fitzgerald announced that the committee reviewed the investment performance for the first quarter of 2017 for both the Port of Houston Authority Restated Retirement Plan (Pension Plan) and the irrevocable trust established for other post-employment benefits (OPEB Trust).
- The committee agreed that staff should continue to monitor the real estate and MLP asset categories for possible future changes.
- The final item discussed at the meeting was the annual review of the investment policies for the Pension Plan and OPEB Trust. Staff and the pension consultants at AndCo Consulting reviewed the current investment policies, and recommended various minor revisions.
 - To clarify that the Pension Plan is a “public retirement system” subject to Chapter 802, Texas Government Code; and
 - To require that reports be prepared by the custodian bank quarterly, instead of semi-annually.

Commissioner Fitzgerald noted that the Audit Committee concurred with the proposed revisions and they will be placed on a future agenda for consideration.

Commissioner Corgey commented that he was extremely pleased that the money management teams were in compliance with the Port Authority’s investment returns requirements. Both Chairman Longoria and Commissioner Fitzgerald thanked Mr. Heidt, Tim Finley, Chief Financial Officer, and Ramon Yi, Senior Director, Treasury and their staff for the excellent job they were doing in keeping the Port Commission apprised of these matters.

(2017-0627-03) Chairman Longoria noted there were no appearances.

(2017-0627-04) Staff Reports

Mr. Guenther presented a summary of selected financial and operational matters as follows:

- Mr. Guenther began by recognizing people who make the organization great and have achieved significant milestones in their service to the Port Authority. He thanked each for their service, hard work, and commitment that have helped make the Port Authority great.

Gary Burton	Turning Basin (TB) Maintenance	20 years
Tito Ramos	Bayport (BPT) Maintenance	20 years

Tracey Turrentine	BPT Maintenance	20 years
Andrew Farmer	Police	20 years
Kenneth Mifflin	BPT Maintenance	20 years
Stephanie Maeweather	Police	20 years
Amy West	BPT Terminal	20 years
Philip Devoll	BPT Maintenance	25 years
Edward Fouts	BPT Maintenance	25 years
Rudy Lechuga	Barbours Cut (BCT) Maintenance	30 years
Randall Pugh	BCT Maintenance	35 years
Kent Stillwell	Police	35 years
Tom Heidt	Chief Operating Officer	35 years
Donald Miller	BCT Maintenance	40 years

Chairman Longoria thanked Mr. Guenther for his work on creating the strategic plan with “people” as its first goal. She appreciated the he put employees first, recognizing their hard work and engaging them to make the Port Authority the success it is. Chairman Longoria, on behalf of the Port Commission, recognized Mr. Guenther and thanked all staff for their hard work and efforts in making the Port Authority a success.

Commissioner Mease inquired if the Port Authority issues a pin to employees that reach milestone anniversaries. Chairman Longoria suggested that Mr. Guenther contact a company that can produce these pins and retroactively present them to employees that have had milestone anniversaries.

Mr. Guenther then recognized Sgt. Roberto Nunez on his upcoming retirement, after 33 years with Port Police. Sgt. Nunez has been a training officer within the department and has taken great pride in assisting with port operations and communicating with people inside and outside the Port Authority, serving the Port Authority with integrity and honor. Among his many accomplishments, Sgt. Nunez spearheaded the Police Department’s annual bike drive for students at local elementary schools. Mr. Guenther thanked Sgt. Nunez for his dedicated service and all he had done for Port Houston and wished him well in his future endeavors.

Mr. Guenther gave his regular monthly report.

- Port Houston continues to perform well operationally, handling more than 16 million tons of cargo for the year, an increase of 12 % over last year.
- A majority of this increase is due to a 15% increase in total container volumes, passing the 1 million total twenty-foot equivalent units (“TEUs”) mark in May. This increase is being driven by loaded containers, which are up by 17% versus this time last year.

- Two weeks ago a total of 4,198 container lifts served the COSCO BOSTON, which is the highest number of containers for one vessel call in Port Houston history. This highlights Port Houston's continued growth.
- There is steady progress in steel trade compared to last year, with a total of 1.4 million tons through May.
- This month the U.S. Army Corps of Engineers (Corps) completed its maintenance dredging at Bayport, which opened the channel for 45 foot draft vessels. The channel will be maintained at a depth of 48.5 feet MLLW, and joins Barbours Cut in taking full advantage of the Houston Ship Channel depth.

Commissioner Fitzgerald asked Mr. Guenther if he had the breakdown of import and exports. Mr. Guenther did not have the exact figures but estimated it was approximately 50/50.

Commissioner Mease inquired about the Bayport flare. Mr. Guenther advised him that the Corps would be starting on that project in the near future.

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

(2017-0627-05) RCA H1 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Branch. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA H1 PASSED.

(2017-0627-06) RCA H2 was presented, moved by Commissioner Corgey, seconded by Commissioner Branch. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA H2 PASSED.

(2017-0627-07) RCA H3 was presented, moved by Commissioner Corgey, seconded by Commissioner Branch. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA H3 PASSED.

(2017-0627-08) RCA H4 was presented, moved by Commissioner Corgey, seconded by Commissioner Branch. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA H4 PASSED.

(2017-0627-09) RCA H5 was presented, moved by Commissioner Corgey, seconded by Commissioner Branch. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA H5 PASSED.

(2017-0627-10) RCA H6 was presented, moved by Commissioner Corgey, seconded by Commissioner Branch. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA H6 PASSED.

(2017-0627-11) RCA I1(a-f) was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Branch. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA I1(a-f) PASSED.

(2017-0627-12) RCA J1 was presented, moved by Commissioner Corgey, seconded by Commissioner Branch. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J1 PASSED.

(2017-0627-13) RCA K1 was presented. Commissioner Branch moved for staff recommended ranking – first, Miggins Interest, LLC dba HydroTech Utilities; and second, Alphamar Group, seconded by Commissioner DonCarlos. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K1 PASSED.

(2017-0627-14) RCA K2 was presented, moved by Commissioner Mease, seconded by Commissioner Fitzgerald. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K2 PASSED.

(2017-0627-15) RCA K3 was presented, moved by Commissioner Corgey, seconded by Commissioner DonCarlos. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K3 PASSED.

(2017-0627-16) RCA K4 was presented, moved by Commissioner Mease, seconded by Commissioner Branch. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K4 PASSED.

(2017-0627-17) RCA K5 was presented, moved by Commissioner Branch, seconded by Commissioner Corgey. Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Mease voted Aye. Chairman Longoria recused herself. Nays none. RCA K5 PASSED.

(2017-0627-18) RCA K6 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Branch. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K6 PASSED.

(2017-0627-19) RCA K7 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Branch. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K7 PASSED.

(2017-0627-20) RCA K8 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Branch. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K8 PASSED.

(2017-0627-21) RCA L1 was presented. Commissioner Branch moved for staff recommended ranking – first, Bunnell Enterprises dba Total Network Solutions; and second, Versiant Corporation, seconded by Commissioner DonCarlos. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA L1 PASSED.

(2017-0627-22) RCA L2 was presented, moved by Commissioner Corgey, seconded by Commissioner Mease. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA L2 PASSED.

(2017-0627-23) RCA L3 was presented, moved by Commissioner Branch, seconded by Commissioner DonCarlos. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA L3 PASSED.

(2017-0627-24) RCA L4 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Mease. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA L4 PASSED.

(2017-0627-25) RCA L5 was presented, moved by Commissioner Mease, seconded by Commissioner Corgey. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA L5 PASSED.

(2017-0627-26) RCA L6 was presented, moved by Commissioner Branch, seconded by Commissioner Fitzgerald. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA L6 PASSED.

Commissioner Mease asked for an explanation regarding this item. Mr. Heidt explained that the original bid and award was for mowing and landscape maintenance at the Turning Basin Terminal, and Barbours Cut and Bayport Container Terminals. However, during the evaluation, staff determined it only wanted a bid for the Turning Basin Terminal work.

(2017-0627-27) RCA L7 was pulled from the agenda.

(2017-0627-28) RCA M1 was presented. Commissioner DonCarlos moved for staff recommended ranking – first, Accent Food Services; second, Compass Group USA Inc. dba Canteen Vending Division; and third, Snack, Crackers and Pops Vending, seconded by Commissioner Branch. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA M1 PASSED.

(2017-0627-29) RCA N1 was presented, moved by Commissioner Corgey, seconded by Commissioner Branch. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA N1 PASSED.

(2017-0627-30) RCA N2 was presented, moved by Commissioner Mease, seconded by Commissioner Fitzgerald. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA N2 PASSED.

(2017-0627-31) RCA N3 was presented, moved by Commissioner Branch, seconded by Commissioner DonCarlos. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA N3 PASSED.

(2017-0627-32) RCA N4 was presented, moved by Commissioner Branch, seconded by Commissioner Corgey. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA N4 PASSED.

At 9:35 a.m., Chairman Longoria called for a brief recess and advised that the Executive Session would follow.

At 9:40 a.m., Chairman Longoria asked Mr. Eriksson to make the following announcement:

It is now 9:40 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 (i) claims of Orion Marine Construction Inc., (ii) claims of Blanchard Contractors, Inc., and (iii) Texas

Water Code Chapter 60, Subchapters N and O; deliberate regarding (ii) Real Estate (*Section 551.072, Texas Open Meetings Act*), including deliberations regarding disposition of Wah Chang property and submerged lands, and acquisition of Bayport properties; (iii) Economic Development Negotiations or Incentives (*Section 551.087, Texas Open Meetings Act*); (iv) Employment and Evaluation of Public Officers and Employees (*Section 551.074, Texas Open Meetings Act*), including deliberations regarding (i) public employees, and (ii) long term disability benefits provided to current beneficiary group; 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 10:17 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 in attendance:

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

(2017-0627-33) Commissioner Branch moved to authorize the Port Authority to amend the real estate purchase agreement with Ballard Exploration Company 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, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. MOTION PASSED.

(2017-0627-34) Commissioner Corgey moved to authorize the Port Authority to amend the long term disability benefits provided to the current beneficiary group 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 Mease. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. MOTION PASSED.

(2017-0627-35) RCA Q1 was presented, moved by Commissioner Branch, seconded by Commissioner Fitzgerald. Chairman Longoria, and Commissioners Branch, Corgy, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA Q1 PASSED.

(2017-0627-36) RCA Q2 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Branch. Chairman Longoria, and Commissioners Branch, Corgy, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA Q2 PASSED.

At 10:19 a.m., Chairman Longoria adjourned the Port Commission meeting.

The above is a correct copy of the Minutes of the June 27, 2017 meeting of the Port Commission of the Port of Houston Authority.



Janiece Longoria, Chairman



Erik A. Eriksson, Assistant Secretary

H. COMMERCIAL

Subject **1. Approve Port Authority sponsorship of the 2018 Retail Industry Leaders Association Logistics Conference in an amount not to exceed \$65,000.**

Meeting Jun 27, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its June 27, 2017 meeting, approve Port Authority sponsorship of the 2018 Retail Industry Leaders Association Logistics Conference in an amount not to exceed \$65,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Goals STRATEGIC GOAL #2 - GROWTH (Grow and diversify the business base)

Category:

Awards, Amendments & Change Orders

Department:

Marketing & External Communications

Staff Contact:

Ricky Kunz / Stan Swigart

Background:

The Retail Industry Leaders Association (RILA) is an American trade association headquartered in Arlington, Virginia. Members include retailers, product manufacturers, and service suppliers. Together, RILA's members operate more than 100,000 stores, manufacturing facilities, and distribution centers both domestically and abroad.

Staff Evaluation/Justification:

The 2018 RILA Logistics Conference provides an opportunity for the Port Authority's Trade Development team to meet and engage with key industry leaders and promote Port Houston as a major gateway for inbound containerized retail goods. This annual supply chain conference draws small, medium, and large retailers from across the country along with their ocean carriers and forwarder service providers. A membership fee of \$17,000 and sponsorship fee of \$48,000 are required for non-retailers to participate in the conference.

An additional benefit is the opportunity to occupy the only port authority seat on the Conference Steering Committee. Normally, this is only provided to participants at the \$100,000 sponsorship level.

H. COMMERCIAL

Subject **2. Approve a two-year lease agreement with Hapag-Lloyd (America) LLC for approximately 1,276 square feet of office space in the Barbours Cut Terminal Administration Building effective August 1, 2017 at an annual rental of \$22,671 with an annual 3% increase.**

Meeting Jun 27, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended The Port Commission, at its June 27, 2017 meeting, approve a two-year lease
Action agreement with Hapag-Lloyd (America) LLC for approximately 1,276 square feet of
 office space in the Barbours Cut Terminal Administration Building effective August 1,
 2017 at an annual rental of \$22,671 with an annual 3% 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:
Real Estate

Staff Contact:
R.D. Tanner

Background:
Hapag-Lloyd (America) LLC has requested that the Port Authority renew its lease of approximately 1,276 square feet of office space for a two-year term for use as a corporate business office. The Tenant has been on the property since 2008. The renewal would include a 3% rental increase over the prior year rate.

Staff Evaluation/Justification:
Staff recommends approval of a two-year lease to Hapag-Lloyd (America) LLC on the terms described above.

H. COMMERCIAL

Subject **3. Approve a five-year lease agreement for a cellular tower with two automatic five-year renewals, subject to Landlord's and Tenant's respective termination rights under the lease, with GTE Mobilnet of South Texas Limited Partnership d/b/a Verizon Wireless, for 2,500 square feet and a licensed area for ingress, egress and utilities on Todville Road at Bayport, effective July 1, 2017 at an annual base rent of \$12,000, with an annual 3% increase.**

Meeting Jun 27, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its June 27, 2017 meeting, approve a five-year lease agreement for a cellular tower with two automatic five-year renewals, subject to Landlord's and Tenant's respective termination rights under the lease, with GTE Mobilnet of South Texas Limited Partnership d/b/a Verizon Wireless, for 2,500 square feet and a licensed area for ingress, egress and utilities on Todville Road at Bayport, effective July 1, 2017 at an annual base rent of \$12,000, with an annual 3% 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:

Real Estate

Staff Contact:

R.D. Tanner

Background:

GTE Mobilnet of South Texas Limited Partnership D/B/A Verizon Wireless has requested permission to construct a cellular tower at Bayport located at the intersection of Todville and Pine Gulley Road. The cellular tower will be of benefit to the surrounding communities.

Staff Evaluation/Justification:

Staff recommends approval of the five-year lease and two automatic five-year renewals with GTE Mobilnet of South Texas Limited Partnership D/B/A Verizon Wireless.

H. COMMERCIAL

Subject **4. Approve an amendment to extend the lease agreement with NuStar Logistics L.P., effective August 31, 2017, of approximately 1.24 acres including 440 ft. of waterfront out of Block 4 at the Turning Basin Area for an additional five years, at an annual starting rental of \$50,758, subject to annual rent escalation of the greater of 3% or Consumer Price Index.**

Meeting Jun 27, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended The Port Commission, at its June 27, 2017 meeting, approve an amendment to extend
Action the lease agreement with NuStar Logistics L.P., effective August 31, 2017, of approximately 1.24 acres including 440 ft. of waterfront out of Block 4 at the Turning Basin Area for an additional five years, at an annual starting rental of \$50,758, subject to annual rent escalation of the greater of 3% or Consumer Price Index, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Leases

Department:

Real Estate

Staff Contact:

R.D. Tanner

Background:

NuStar Logistics, L.P. (NuStar) has requested to renew its current lease agreement for a five-year term. Since 2007, the Port Authority has leased to NuStar approximately 1.24 acres and 440 ft. of waterfront. NuStar's current lease expires on August 31, 2017. The proposed starting annual base rent for the extended five-year term reflects a 3% escalation over the base rent currently paid by NuStar, pursuant to the terms of the lease agreement, which require an annual escalation of the greater of 3% or the consumer price index.

Staff Evaluation/Justification:

Staff recommends approval for a five-year extension of the lease with NuStar Logistics, L.P.

H. COMMERCIAL

Subject **5. Approve an amendment to extend the lease with Houston Terminal LLC for an additional three years effective September 1, 2017, for approximately 1,432 net rentable square feet of office space in Bayport Stevedore Support Building 3, at an annual rental of \$40,518 with an annual 3% increase.**

Meeting Jun 27, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its June 27, 2017 meeting, approve an amendment to extend the lease with Houston Terminal LLC for an additional three years effective September 1, 2017, for approximately 1,432 net rentable square feet of office space in Bayport Stevedore Support Building 3, at an annual rental of \$40,518 with an annual 3% 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:

Real Estate

Staff Contact:

R.D. Tanner

Background:

Houston Terminal LLC has requested that the Port Authority extend its lease of approximately 1,432 net rentable square feet of office space in Bayport Stevedore Support Building 3 for three years. The rate would include an annual 3% rental increase over the prior year rate. Houston Terminal LLC has been located at the Stevedore Support Building 3 since 2012.

Staff Evaluation/Justification:

Staff recommends approval of a three-year lease amendment to Houston Terminal LLC on the terms described above.

H. COMMERCIAL

Subject **6. Approve the change of control of HFOTCO, LLC from Alinda Capital Partners to SemGroup Corporation, in connection with two Port Authority leases 2011-0060 and 2012-0281.**

Meeting Jun 27, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its June 27, 2017 meeting, approve the change of control of HFOTCO, LLC from Alinda Capital Partners to SemGroup Corporation, in connection with two Port Authority leases 2011-0060 and 2012-0281, 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 currently has two lease agreements (Leases) with HFOTCO, LLC (HFOTCO) covering premises at the Care Terminal and Jacintoport Terminal. By Minute No. 2013-0924-40, the Port Commission authorized a thirty-year lease agreement with HFOTCO for the construction of a single T-Head dock and related improvements at the Care Terminal; by Minute No. 2011-0125-13, the Port Commission authorized a thirty-year lease agreement with HFOTCO to facilitate pipeline connectivity over the eastern edge of Jacintoport Terminal to the company's tank farm north of Jacintoport Boulevard. Alinda Capital Partners is the parent company of HFOTCO, LLC.

SemGroup Corporation has entered into an agreement to acquire control of HFOTCO from Alinda Capital Partners. The acquiror is a growth-oriented midstream energy company with operations across the United States, Canada, Mexico, United Kingdom, and based in Tulsa, Oklahoma, and a public company registered on the New York Stock Exchange.

HFOTCO is also a party to an agreement with the Port Authority regarding use of the Jacinto Port waste water treatment plant. This agreement does not include a change of control provision, and so is not affected by this transaction.

Staff Evaluation/Justification:

Staff has reviewed the terms of the change of control transaction, including the public filings, and recommends approval with respect to these leases.

I. FINANCE

Subject	1. Authorize advertisement and receipt of responses for six formal procurements.
Meeting	Jun 27, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its June 27, 2017 meeting, authorize the Port Authority to advertise and receive responses for six 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. (a) Request for competitive sealed bids for repair and oil testing of transformers at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal (b) Request for competitive sealed bids for miscellaneous filters for Bayport Container Terminal, Barbours Cut Terminal, and Turning Basin Terminal (c) Request for competitive sealed bids for captive replacement parts for Taylor handling equipment at Barbours Cut Terminal and Bayport Container Terminal (d) Request for competitive sealed bids for Stevedore Support Buildings 2 and 3 repairs at Bayport Container Terminal (e) Request for competitive sealed proposals for the purchase of wire ropes for Turning Basin Terminal, Barbours Cut Terminal, and Bayport Container Terminal (f) Request for qualifications for the production of three high definition documentary style 30 second television commercials

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 six 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 The Mariner Group LLC for the purchase of the CommandBridge situational awareness software, integration, and associated warranties, using a General Services Administration Purchasing Program, in an amount not to exceed \$631,000.
Meeting	Jun 27, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its meeting on June 27, 2017, award a purchase order to The Mariner Group LLC for the purchase of the CommandBridge situational awareness software, integration, and associated warranties, using a General Services Administration Purchasing Program, in an amount not to exceed \$631,000, 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 Objective 4c. - Operate safely and securely

Category:

Awards, Amendments & Change Orders

Department:

Emergency Management

Staff Contact:

Colin Rizzo

Background:

The Port Authority utilizes a Physical Security Information Management (PSIM) system within the Dispatch Center as a command/control and domain awareness tool. The current system should be retired and CommandBridge is sought as its replacement. This system brings all the background data (i.e. Vessel Automated Identification System, vehicle tracking, weather, cameras, computer aided dispatch, and other agency feeds) into one display picture for enhanced effectiveness and efficiency. CommandBridge is web-based and uses advanced software technology to assimilate existing and future data/sensor feeds to reduce informational clutter and provide actionable information on port-wide and facility-specific security and emergency response situations.

Port Authority Health, Safety, Security and Emergency Management (HSSE) staff reviewed and witnessed demonstrations of multiple platforms over the past two years and has selected The Mariner Group's CommandBridge platform as the best solution for the needs of the Port Authority. In addition, staff from the HSSE and Information Technology departments visited multiple ports to view the system live, or in the process of going live, which further validated staff's selection of the CommandBridge platform.

The CommandBridge software platform is a maritime-focused and field-proven tool that supports integration with almost any sensor and existing security technology currently in use in the region, and is in use at multiple ports in the United States including Port of Galveston, Port Tampa Bay, Port Everglades, Port Canaveral, Maryland Dept of Natural Resources, and five ports in Louisiana.

Staff Evaluation/Justification:

Staff has concluded that purchasing the CommandBridge system provides the best value to the Port of Houston Authority.

Members of the State of Texas Procurement and Support Services Division Cooperative Purchasing Program, including the Port Authority, are eligible to use General Services Administration vendors and pricing. Pursuant to Texas Local Government Code, Chapter 271, such procurements satisfy Texas competitive procurement statutory requirements.

Staff recommends utilizing the General Services Administration cooperative (Schedule 70, Contract Number GS-35F-0286Y) for this procurement to provide best value to the Port Authority. The Mariner Group LLC was determined to provide the product sought using General Services Administration pricing.

K. INFRASTRUCTURE

Subject	1. Approve staff's ranking of vendors and award a two-year environmental services contract for operating the Jacintoport Wastewater Treatment Plant and monitoring the Care Terminal wastewater holding tank in an amount not to exceed \$150,000 to the top-ranked proposer: staff ranking – first, Miggins Interest, LLC dba HydroTech Utilities; and second, Alphamar Group.
Meeting	Jun 27, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its June 27, 2017 meeting: (a) approve staff's ranking of vendors that offer the best proposals to the Port Authority, based on the selection criteria, in the following order – first, Miggins Interest, LLC dba HydroTech; second, Alphamar Group (b) award a two-year environmental services contract to Miggins Interest, LLC dba HydroTech Utilities to operate the Jacintoport and monitoring the Care Terminal wastewater holding in an amount not to exceed \$150,000; 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.
Goals	STRATEGIC GOAL #3 - INFRASTRUCTURE (Provide and facilitate infrastructure to meet demand) Strategic Objective 4a. - Be an environmental leader

Category:

Awards, Amendments & Change Orders

Department:

Environmental Affairs Department

Staff Contact:

Richard Byrnes

Background:

The Port Authority is seeking to obtain an environmental service provider to operate the Jacintoport Wastewater Treatment Plant and monitor the Care Terminal wastewater holding tank. The operator would manage the Jacintoport Wastewater Treatment Plant as required by the permit including all necessary sampling, analyzes, reporting, recordkeeping, inspections, and repairs, including maintenance of the plant and the grounds, and other associated duties for operating the plant. The operator would also inspect and maintain the wastewater holding tank at the Care Terminal.

By Minute No. 2015-1215-16, the Port Commission authorized the advertisement of a request for proposals (RFP) for operating, maintaining, and monitoring the Jacintoport Wastewater Treatment Plant and the Care Terminal wastewater holding tank. The Port Authority notified vendors regarding its RFP using the Port Authority's BuySpeed Eprocurement System and the project was advertised on the Port Authority's website and in a local newspaper. Five vendors downloaded the project materials from BuySpeed.

Staff Evaluation/Justification:

The Port Authority received two proposals before the April 12, 2017 deadline. Staff evaluated and ranked the proposals in accordance with the selection criteria published in the RFP. Staff identified the following vendors, listed in order of ranking, as having proposals offering best value to the Port Authority in providing the required services:

- Miggins Interest, LLC dba HydroTech Utilities
- Alphamar Group

Staff recommends that the Port Commission award a contract to Miggins Interest, LLC dba HydroTech Utilities.

K. INFRASTRUCTURE

Subject	2. Award a construction contract to Dowley Security Systems, Inc. for the purchase and installation of security cameras, access control equipment, and other associated material for the Port Authority electrical switchyard facility at Barbours Cut Terminal, using the Local Government Purchasing Cooperative's BuyBoard Program, in an amount not to exceed \$121,550.
Meeting	Jun 27, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its June 27, 2017 meeting, award a job order construction contract to Dowley Security Systems, Inc. for the purchase and installation of security cameras, access control equipment, and other associated material for the Port Authority 12.47 kV electrical switchyard facility at Barbours Cut Terminal, using the Local Government Purchasing Cooperative's BuyBoard Program, in an amount not to exceed \$121,550, 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 the installation of security cameras, card readers and access control equipment at buildings A and B of the 12.47 kV switchyard located on the west side of the Wharf 7 at Barbours Cut Terminal.

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. Dowley Security Systems, Inc. pricing for the purchase and installation of security cameras, access control equipment, and other associated material for the Port Authority electrical switchyard facility at Barbours Cut Terminal was reviewed and approved by BuyBoard.

Therefore, staff recommends that the Port Commission award a job order construction contract to this firm as providing best value to the Port Authority.

K. INFRASTRUCTURE

Subject	3. Approve a change order to Forde Construction Company, Inc. to perform additional work associated with the rehabilitation of pavement and drainage of Wharf No. 46 at Turning Basin Terminal in an amount not to exceed \$153,685.
Meeting	Jun 27, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its June 27, 2017 meeting, approve a change order to Forde Construction Company, Inc. to perform additional work associated with the rehabilitation of pavement and drainage of Wharf No. 46 at Turning Basin Terminal in an amount not to exceed \$153,685, 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. 2015-1215-23, the Port Commission awarded a construction contract to Forde Construction Company, Inc. for the rehabilitation of pavement and drainage of Wharf No. 46 at Turning Basin Terminal. This change order includes the following:

- Item No.1: Revise the concrete pavement and underground storm water pipe, and associated catch basins for a debit of \$232,385
- Item No.2: Extend the rental of the dewatering system for an additional 2 month for a debit of \$39,800
- Item No.3: Work and material not required due to changes in the design for a credit \$118,500

Total for the additional work is \$272,185 and the total credits is \$118,500 for a net change order amount of \$153,685.

Staff Evaluation/Justification:

Port Authority staff has reviewed the proposal submitted by Forde Construction Company, 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 C. F. McDonald Electric, Inc. to perform additional work associated with the 12.47 kV electrical distribution system at Barbours Cut Terminal for debit amounts totaling \$78,605 and credit amounts totaling \$95,000, resulting in a net credit amount of \$16,395.
Meeting	Jun 27, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its June 27, 2017 meeting, approve a change order to C. F. McDonald Electric, Inc. to perform additional work associated with the 12.47 kV electrical distribution system at Barbours Cut Terminal for debit amounts totaling \$78,605 and credit amounts totaling \$95,000, resulting in a net credit amount of \$16,395, 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- 0426-15, the Port Commission awarded a construction contract to C.F. McDonald Electric, Inc. for the 12.47 kV electrical distribution system at Barbours Cut Terminal. This change order includes the following:

- Item No 1: Relocation of electrical duct banks for a debit of \$24,809
- Item No 2: Concrete saw cutting and fiber installation for IT equipment for a debit of \$53,796
- Item No 3: Improved accessibility improvements to new electrical switchgear for a credit of \$75,000
- Item No 4: Non-essential construction trailer usage for a credit of \$20,000

The total for additional work is \$78,605 and credits total \$95,000, for a net credit change order amount of \$16,395.

Staff Evaluation/Justification:

Port Authority staff has reviewed the proposal submitted by C.F. McDonald Electric, Inc. and found it to be fair and reasonable. Therefore, staff recommends that the Port Commission authorize this change order.

K. INFRASTRUCTURE

Subject	5. Issue a transmission/distribution line license to CenterPoint Energy Houston Electric, LLC for one 69-kV and one 138-kV transmission line over and across Greens Bayou in Houston.
Meeting	Jun 27, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its June 27, 2017 meeting, authorize the Port Authority to issue a pipeline license to CenterPoint Energy Houston Electric, LLC for one 69-kV and one 138-kV transmission line over and across Greens 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.

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Development

Staff Contact:

Mark Vincent, P.E.

Background:

CenterPoint Energy Houston Electric, LLC (CenterPoint), Port Authority File No. 2016-0262, has applied for a transmission/distribution line license for one 69-kV and one 138-kV transmission line over and across Greens Bayou in Houston, in the Reels & Trobough Survey, A-59, in Harris County, Texas.

These are existing lines, originally licensed to Houston Lighting and Power Company (HL&P) as two 66-kV lines under Port Authority File No. MO-P-7-X, which expired in 1949. HL&P has since been succeeded by CenterPoint and the voltage upgraded to 69-kV and 138-kV.

The expired license was identified while coordinating the renewal of other CenterPoint files. The Port Authority seeks to issue a license to CenterPoint under Port Authority File No. 2016-0262 retroactive to 1949, which is consistent with the term of the original license.

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 \$26,803. The \$675 application fee has 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**

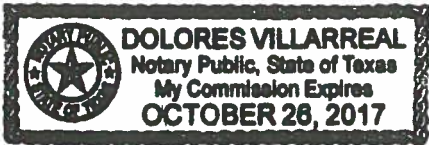
On this day appeared Janiece Longoria, who after being duly sworn, stated as follows:

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 June 27, 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 June 27, 2017.





Notary Public, State of Texas

K. INFRASTRUCTURE

Subject **6. Approve the renewal of expiring Port Authority licenses for new ten-year terms: HSC Pipeline Partnership, LLC and Shell Oil Company.**

Meeting Jun 27, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its June 27, 2017 meeting, authorize the Port Authority to approve the renewal of expiring licenses for new ten-year terms: HSC Pipeline Partnership, LLC and Shell Oil Company, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel 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>
HSC Pipeline Partnership, LLC	2007-0334	\$10,292
HSC Pipeline Partnership, LLC	2007-0335	\$1,531
Shell Oil Company	1998-0260	\$1,531
	Total	\$13,354

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 **7. Issue a pipeline license to Magellan Pipeline Company, L.P. for one 24-inch crude oil pipeline under and across the Seymour Tract in Galena Park.**

Meeting Jun 27, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its June 27, 2017 meeting, authorize the Port Authority to issue a pipeline license to Magellan Pipeline Company, L.P. for one 24-inch crude oil pipeline under and across the Seymour Tract in Galena Park, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Development

Staff Contact:

Mark Vincent, P.E.

Background:

Magellan Pipeline Company, L.P., Port Authority File No. 2017-0116, has applied for a pipeline license for one 24-inch crude oil pipeline under and across the Seymour Tract in Galena Park, in the Ezekiel Thomas Survey, A-73, in Harris County, Texas.

Staff Evaluation/Justification:

The application was reviewed and approved by the Port Authority's Channel Development, 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 \$6,950. The \$675 application fee and \$2,500 as-built deposit have been paid.

K. INFRASTRUCTURE

Subject **8. Amend a pipeline license for HFOTCO LLC dba Houston Fuel Oil Terminal Company to update the location of a proposed 24-inch crude oil pipeline under and across Carpenters Bayou in Houston.**

Meeting Jun 27, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended The Port Commission, at its June 27, 2017 meeting, authorize the Port Authority to
Action amend a pipeline license for HFOTCO LLC dba Houston Fuel Oil Terminal Company to
 update the location of a proposed 24-inch crude oil pipeline under and across Carpenters
 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.

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Development

Staff Contact:

Mark Vincent, P.E.

Background:

HFOTCO LLC dba Houston Fuel Oil Terminal Company (HFOTCO), Port Authority File No. 2013-0344, has applied to amend a pipeline license to update the location of a proposed 24-inch crude oil pipeline under and across Carpenters Bayou in Houston, in Harris County, Texas.

HFOTCO originally proposed to construct the pipeline under and across Carpenters Bayou east of Sheldon Road, but now proposes to construct the pipeline west of Sheldon Road. The proposed change would increase the crossing length by 284 feet, for a total of 525 feet.

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 \$788. The \$675 application fee and \$2,500 as-built deposit have been paid.

L. OPERATIONS

Subject	1. Approve staff's ranking of vendors and award a twenty-four month maintenance and support services agreement for the Navis Terminal Operating System, EDI processing, custom code extension development, and associated hardware for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal in an amount not to exceed \$554,000 to the top-ranked proposer: staff ranking – first, Bunnell Enterprises dba Total Network Solutions; and second, Versiant Corporation.
Meeting	Jun 27, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its June 27, 2017 meeting: (a) approve staff's ranking of vendors that offer the best proposals to the Port Authority, based on the selection criteria, in the following order – first, Bunnell Enterprises dba Total Network Solutions; and second, Versiant Corporation; (b) award a services agreement contract to Bunnell Enterprises dba Total Network Solutions for the Navis Terminal Operating System, EDI processing, custom code extension development, and associated hardware for the Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal in an amount not to exceed \$554,000; 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:

Operations

Staff Contact:

Michael Shaffner

Background:

The Port Authority is seeking to obtain 24/7 customer service, monitoring, incident management, and remediation of performance issues. Further, the vendor would provide EDI messaging processing and management for shipping line messages and customs data. The services provided by the vendor should elevate the services levels provided to the Port Authority's customers at its facilities.

By Minute No. 2017-0321-16(d), the Port Commission authorized the advertisement of a request for proposals (RFP) for maintenance and support services. The Port Authority notified one hundred and twenty-two vendors regarding its RFP using the Port Authority's EProcurement BuySpeed System. Eleven vendors downloaded the project materials from BuySpeed.

Staff Evaluation/Justification:

Two RFPs were received and opened on April 19, 2017 and were reviewed and evaluated by staff in accordance with the published selection criteria. Staff identified the following two vendors, listed in ranking order, as most qualified to provide the required product:

- Bunnell Enterprises dba Total Network Solutions
- Versiant Corporation

Staff recommends that the Port Commission award a contract to Bunnell Enterprises dba Total Network Solutions.

L. OPERATIONS

Subject	2. Award a two-year contract to Rail Work Track Systems for railroad repairs at Turning Basin Terminal in an amount not to exceed \$225,000.
Meeting	Jun 27, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its Jun 27, 2017 meeting, award a two-year contract to Rail Work Track Systems for repairs to railroad, switches, and ties as needed at Turning Basin Terminal in an amount not to exceed \$225,000, 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. 2017-0321-16(c), the Port Authority authorized the advertisement of competitive sealed proposals (CSP) for railroad repairs at Turning Basin Terminal. The Port Authority notified vendors regarding its CSP using the Port Authority's BuySpeed System and the project was advertised on the Port Authority's website and in a local newspaper. Ten vendors downloaded the project materials from BuySpeed.

Staff Evaluation/Justification:

On May 18, 2017, one CSP response was received and opened. The response was reviewed and evaluated by staff in accordance with the selection criteria published in the CSP. Staff identified Rail Work Track Systems as the proposer providing the best value for the required services.

Accordingly, staff recommends that the Port Commission award a contract to Rail Work Track Systems.

L. OPERATIONS

Subject	3. Award a two-year contract to Texas Polymer Systems, the sole source provider, for purchase of Polycrete DC 6170 concrete patch mortar for Barbours Cut Terminal and Bayport Container Terminal in an amount not to exceed \$250,000.
Meeting	Jun 27, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its June 27, 2017 meeting, award a two-year contract to Texas Polymer Systems, the sole source provider, for the purchase of Polycrete DC 6170 concrete patch mortar for Barbours Cut Terminal and Bayport Container Terminal in an amount not to exceed \$250,000, 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:

In recent years, staff has tested different types of patch materials for small repairs to concrete pavement at Barbours Cut Terminal and Bayport Container Terminal, one of which was the Polycrete DC 6170 concrete patch mortar. This product has been tested successfully for several months at Barbours Cut Terminal on small concrete slabs that are cracked and spalled. The continual use of this product may result in reducing or deferring larger costs associated with pavement repairs, as it can be used on roads, bridges, parking lots, and other concrete surfaces.

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 Texas Polymer Systems confirming they are the sole authorized source for sale and distribution of Polycrete DC 6170.

Staff Evaluation/Justification:

Staff recommends that the Port Authority enter into a two-year contract with Texas Polymer Systems for the purchase of Polycrete DC 6170 as needed for small pavement repairs at Barbours Cut Terminal and Bayport Container Terminal, beginning on July 1, 2017 and ending on June 30, 2019.

L. OPERATIONS

Subject **4. Award a three-year contract to TransTech of SC, Inc., the sole source provider, for purchase of spare and replacement parts for Stemmann-Technik cable reels on wharf cranes at Barbours Cut Terminal and Bayport Container Terminal in an amount not to exceed \$250,000.**

Meeting Jun 27, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its June 27, 2017 meeting, award a three-year contract to Transtech of SC, Inc. for the purchase of spare and replacement parts for Stemmann-Technik cable reels for wharf cranes at Barbours Cut Terminal and Bayport Container Terminal in an amount not to exceed \$250,000, 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. 2014-0422-37, the Port Commission awarded a three-year contract to TransTech of SC, Inc., in an amount not to exceed \$200,000, for the purchase of spare and replacement parts for Stemmann-Technik cable reels for wharf cranes at Bayport Container Terminal. This contract expired on April 30, 2017. The Port Authority currently owns thirteen wharf cranes operating at Barbours Cut Terminal and Bayport Container Terminal that are equipped with spreader and power cable reels manufactured by Stemmann-Technik GmbH of Germany. Additionally, three wharf cranes equipped with Stemman-Technik cable reels will soon be delivered at Barbours Cut Terminal.

The spreader cable reels work in conjunction with the main hoist function and store up the spreader cable, which provides power and control from the operator's cab to the spreader. In addition, power cable reels work in conjunction with the gantry function and store the shore power cable, which supplies high voltage to the cranes. A total of twelve spreader cable reels and six power cable reels from Stemmann-Technik are currently installed on wharf cranes at the container facilities.

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 TransTech of SC, Inc. is the sole authorized source of replacement Stemmann-Technik parts in the United States.

Staff Evaluation/Justification:

Staff recommends that the Port Authority enter into a three-year contract with TransTech of SC, Inc. for the purchase of spare and replacement Stemmann-Technik cable reel parts, beginning on July 1, 2017 and ending on June 30, 2020. Replacement and spare parts will be purchased through this contract as needed to properly maintain the wharf crane cable reel systems and minimize operational downtime.

L. OPERATIONS

Subject	5. Issue a purchase order to CLM Equipment for the purchase of one 2017 Kawasaki KCM 67Z7 wheel loader for Turning Basin Terminal, using the Houston-Galveston Area Council Cooperative Purchasing Program, in an amount not to exceed \$175,000.
Meeting	Jun 27, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its June 27, 2017 meeting, issue a purchase order to CLM Equipment for the purchase of one 2017 Kawasaki KCM 67Z7 wheel loader for Turning Basin Terminal, using the Houston-Galveston Area Council cooperative purchasing program, in an amount not to exceed \$175,000, determine that this procurement method provides the best value to the Port Authority, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #3 - INFRASTRUCTURE (Provide and facilitate infrastructure to meet demand)

Category:
Award, Amendments & Change Orders

Department:
Maintenance

Staff Contact:
Paulo Soares

Background:
The Central Maintenance Department, with recommendations provided by the Operations Department, prepared specifications for a new wheel loader to promote a safe work environment and cost effective operations. The proposed Kawasaki loader meets those specifications, and is designed to pick up debris and dunnage along the wharves, as well as move heavy equipment as needed.

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.

Staff Evaluation/Justification:
Procuring heavy equipment such as the Kawasaki through H-GAC, using its cooperative purchasing program, is the method that both satisfies competitive purchase requirements and provides the best value to the Port Authority.

The H-GAC website listed several pre-approved providers of heavy equipment. Central Maintenance staff has reviewed the heavy equipment specifications from H-GAC providers and determined that the KCM 67Z7 loader was the model that best meets the Port Authority's requirements, and that CLM Equipment is the vendor with the best price for that model. CLM Equipment pricing for the selected model was reviewed and approved by H-GAC.

Staff recommends that the Port Commission approve a contract with CLM Equipment.

L. OPERATIONS

Subject **6. Approve a change order to Yellowstone Landscape for mowing and landscape maintenance at Turning Basin Terminal in the amount not to exceed \$100,000, rescind the award of a new two-year contract to Yellowstone Landscape for mowing services and landscape maintenance, and authorize the re-advertisement and receipt of competitive sealed proposals for a two-year contract for mowing services and landscape maintenance for Turning Basin Terminal.**

Meeting Jun 27, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended The Port Commission, at its June 27, 2017 meeting, approve a change order to
Action Yellowstone Landscape to perform additional work associated with mowing and
 landscape maintenance at Turning Basin Terminal in an amount not to exceed
 \$100,000, rescind the award of a new two-year contract to Yellowstone Landscape,
 authorize the re-advertisement and receipt of competitive sealed proposals for a new
 two-year contract for mowing services and landscape maintenance for Turning Basin
 Terminal, and further authorize the Executive Director to do any and all things in his
 opinion reasonable or necessary to give effect to the foregoing.

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

Category:

Awards, Amendments & Change Orders

Department:

Maintenance

Staff Contact:

Paulo Soares

Background:

By Minute No. 2017-0524-31, the Port Commission awarded a two-year contract to Yellowstone Landscape for mowing services and landscape maintenance on an as-needed basis to Port Authority locations in the amount not to exceed \$750,000. However, in order to clarify some of the requirements on the procurement package including scope of work and areas to be mowed, staff has determined that it is appropriate to rescind the award and re-advertise this project.

A competitive sealed proposals package for a two-year contract for mowing services and landscape maintenance for Turning Basin Terminal has been assembled and revised to include all pertinent areas. Technical specifications also reflect revised estimated acreage. The estimated cost of this two-year contract remains \$750,000.

In order to ensure continued mowing services and landscape maintenance at Turning Basin Terminal until a new two-year contract has been awarded, staff recommends that a change order in the amount not to exceed \$100,000 be issued to Yellowstone Landscape.

Staff Evaluation/Justification:

Port Authority staff believes that rescinding the recent award, re-advertising for a new two-year contract and issuing a change order to Yellowstone Landscape in the amount not to exceed \$100,000, to ensure services in the meantime, is the appropriate way to address work scope issues on the existing procurement package. Accordingly, staff recommends that the Port Commission approve these actions.

L. OPERATIONS

Subject	7. Enter into a contract with West Gulf Maritime Association to provide ship-to-shore crane simulator training services, in an amount not to exceed \$430,000.
Meeting	Jun 27, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its June 27, 2017 meeting, enter into a contract with West Gulf Maritime Association to provide ship-to-shore crane simulator training services, in an amount not to exceed \$430,000, 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 #1 - PEOPLE AND ORGANIZATION (Invest in people and organize for success) Strategic Objective 1c. - Implement streamlined processes supported by technology

Category:

General

Department:

Operations

Staff Contact:

Mike Shaffner

Background:

The West Gulf Maritime Association (WGMA) administers the training of the local International Longshoremen Association workforce on behalf of Port of Houston employers, including the Port Authority. The Port Authority is seeking to provide an enhanced level of capabilities by entering into a contract with the WGMA to provide a ship-to-shore crane simulator training services. Its provision of these services using a crane simulator should provide an environment that virtually mimics the operations of a real ship-to-shore crane in a safe and efficient manner. Under the contract, the WGMA would use a simulator that has the ability to present the operator with 80 real life scenarios in a controlled environment, resulting in improved productivity and safety once the trainee begins real life operations. The simulator also serves as a pre-requisite for the operation of a real crane, and as a supplement for additional training for those that require such support. The ports of Savannah, New York/New Jersey, LA/Long Beach, Montreal, Antwerp, and others have successfully utilized this training program.

Staff Evaluation/Justification:

Members of the Port Authority staff have worked with the WGMA to evaluate the effectiveness of utilizing a crane simulator to enhance the existing crane training program. We have jointly arrived at the conclusion that providing crane simulator services would greatly enhance the program and serve as a key step in ensuring an adequately trained workforce. Accordingly, staff recommends that the Port Commission approve this contract with the WGMA.

M. PEOPLE

Subject	1. Approve staff's ranking of vendors and award a services contract, at no cost to the Port Authority, for vending services for the Executive Office Building and Port Coordination Center at the Turning Basin Terminal to the top-ranked proposer: staff ranking – first, Accent Food Services; second, Compass Group USA Inc. dba Canteen Vending Division; and third, Snack, Crackers and Pops Vending.
Meeting	Jun 27, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its June 27, 2017 meeting: (a) approve staff's ranking of vendors based on the selection criteria, in the following order – first, Accent Food Services; second, Compass Group USA Inc. dba Canteen Vending Division; and third, Snack, Crackers and Pops Vending; (b)) award a contract to Accent Food Services for vending services for three years with two one-year extension options, beginning on August 1, 2017, for the Executive Office Building and Port Coordination Center at the Turning Basin Terminal, at no cost to the Port Authority; 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)

Category:

Awards, Amendments & Change Orders

Department:

Office & Building Services

Staff Contact:

Jessica Shaver

Background:

By Minute No. 2016-1213-16(f), the Port Commission authorized the advertisement of a request for proposals (RFP) for a three-year vending services contract with two one-year extension options for vending services at the Executive Office Building and Port Coordination Center at the Turning Basin Terminal. By Minute No. 2017-0425-37, the Port Commission rejected all proposals and re-authorized the advertisement of an RFP for the three-year vending services contract. The Port Authority notified vendors regarding its RFP using the Port Authority's BuySpeed Procurement System, and the project was advertised on the Port Authority's website and in a local newspaper. Nine vendors downloaded the project materials from BuySpeed.

The current vendor is Snack, Crackers and Pops, which is under a month-by-month contract that is terminable upon 30-day notice.

Staff Evaluation/Justification:

On June 5, 2017, four proposals were received and opened. The responses were reviewed and evaluated by staff in accordance with the published selection criteria. Staff identified the following vendors, listed in order of ranking, as providing the best offers to the Port Authority:

- Accent Food Services
- Compass Group USA, Inc. dba Canteen Vending Division
- Snacks, Crackers & Pops Vending

Staff recommends that the Port Commission award a contract to Accent Food Services.

N. TECHNOLOGY

Subject	1. Award a contract and purchase order to Xerox for the continuation Multi-Function Printer devices for an additional five-years, using the State of Texas Department of Information Resources Cooperative Purchase program, in an amount not to exceed \$1,125,000.
Meeting	Jun 27, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its June 27, 2017 meeting, award a contract and purchase order to Xerox for the continuation Multi-Function Printer devices for an additional five-years, using the State of Texas Department of Information Resources Cooperative Purchase program, in an amount not to exceed \$1,125,000, 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) Department provides Multi-Function Printer Devices throughout Port Authority office locations. In order to continue to do so, a renewal of a five-year agreement to the incumbent Xerox is required. This would ensure minimal interruption in services and continue to provide the needed printing, coping, scanning and faxing functionality throughout the Port Authority.

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 that comply 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 has determined that the price and availability from directly from Xerox will provide the needed devices, services, and support resulting in the best value to the Port Authority, and accordingly recommends that the Port Commission approve this contract.

N. TECHNOLOGY

Subject **2. Award a purchase order to Solid Border, Inc. for a one-year renewal of Palo Alto (firewall) Hardware and Software maintenance, using the State of Texas Department of Information Resources Cooperative Purchase program, in an amount not to exceed \$90,000.**

Meeting Jun 27, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended The Port Commission, at its June 27, 2017 meeting, award a purchase order to Solid
Action Border, Inc. for a one-year renewal of Palo Alto (firewall) hardware and software
 maintenance, using the State of Texas Department of Information Resources
 Cooperative Purchase program, in an amount not to exceed \$90,000, 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:

As the Information Technology (IT) Department continues to maintain and provide firewall security services, it is imperative the devices providing these services stay updated and supported by the vendor (Palo Alto Networks).

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 has determined that the price and availability offered by Solid Border, Inc. to renew Palo Alto (firewall) hardware and software maintenance provides the best value to the Port Authority, and accordingly recommends that the Port Commission approve this contract.

N. TECHNOLOGY

Subject	3. Award a purchase order to CDW Government, LLC for a one-year renewal of NetApp (data storage) hardware and software maintenance, using the State of Texas Department of Information Resources Cooperative Purchase program, in an amount not to exceed \$450,000.
Meeting	Jun 27, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its June 27, 2017 meeting, award a purchase order to CDW Government, LLC for a one-year renewal of NetApp (data storage) hardware and software maintenance, using the State of Texas Department of Information Resources Cooperative Purchase program, in an amount not to exceed \$450,000; 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.

Category:

Awards, Amendments & Change Orders

Department:

Information Technology

Staff Contact:

Charles Thompson

Background:

As the Information Technology (IT) Department continues to provide data storage at both Port Authority Data Centers, it is imperative that data storage equipment has the needed service and support from the vendor (NetApp).

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 has determined that the price and availability offered by CDW Government, LLC (DIR-TSO-2542) to renew NetApp (data storage) hardware and software maintenance provides the best value to the Port Authority, and accordingly recommends that the Port Commission approve this contract.

N. TECHNOLOGY

Subject	4. Award a purchase order to NetSync Network Solutions, Inc. for the replacement of unsupported network equipment as provided for in the Information Technology Master Plan, using the State of Texas Department of Information Resources Cooperative Purchase program, in an amount not to exceed \$300,000.
Meeting	Jun 27, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its June 27, 2017 meeting, award a purchase order to Netsync Network Solutions, Inc. for the replacement of unsupported network equipment as provided for in the Information Technology Master Plan, using the State of Texas Department of Information Resources Cooperative Purchase program, in an amount not to exceed \$300,000; 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.

Category:

Awards, Amendments & Change Orders

Department:

Information Technology

Staff Contact:

Charles Thompson

Background:

As the Information Technology (IT) Department continues to ensure reliable network and infrastructure services, it is imperative that all network equipment is supported by the vendor (Cisco). As per the IT master plan, all unsupported equipment needs to be replaced in order to ensure network reliability and resilience.

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 has determined that the price and availability from NetSync Network Solutions, Inc. (DIR-TSO-2542) to provide needed replacement network equipment provides the best value to the Port Authority, and accordingly requests that the Port Commission approve this contract.

Q. EXECUTIVE

Subject	1. Approve a resolution ratifying adoption of Subchapter N of Chapter 60 of the Texas Water Code.
Meeting	Jun 27, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its June 27, 2017 meeting, approve the resolution attached hereto as Exhibit "A" ratifying adoption of Subchapter N of Chapter 60 of the Texas Water Code, 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)

Category:
General

Department:
Executive

Staff Contact:
Erik Eriksson

Background:
Subchapter N, "Competitive Bidding Requirements," of Chapter 60 of the Water Code (Subchapter N), as originally enacted in 1987 by the 70th Legislature of the State of Texas, Regular Session, required adoption by port commission resolution to become applicable to a Texas port authority. The Port Commission, in action evidenced by Minute Number 29 of the public meeting of August 18, 1987, approved a resolution adopting Subchapter N for all Port Authority purchases and contracts, effective on that date.

The statute's purpose was to cure a number of uncertainties and difficulties in the award of contracts and purchases. Subchapter N specifies procurement methods that can be used by navigation districts, the Port Commission's authority regarding their use, and various requirements associated with these methods. The adoption and use by the Port Authority of Subchapter N since 1987 has resulted in reduced advertising and solicitation expenses and provided more appropriate procurement methods for certain contracts.

Legislation adopted by the 85th Legislature of the State of Texas, Regular Session, that took effect June 1, 2017, made a technical revision to Subchapter N, to specify that a navigation district or port authority may adopt Subchapter N subject to the port commission's right to authorize particular procurements under Subchapter O, "Purchase Contracts."

Staff Evaluation/Justification:

To clarify that the Port Authority desires to continue to obtain the benefits of the Water Code's purchasing and contract provisions, including the Port Authority's intent that its use of Subchapter N for all purchases and contracts is subject to the Port Commission's right to authorize particular procurements under Subchapter O, staff requests that the Port Commission adopt the Resolution attached hereto as Exhibit "A."

Exhibit "A"

RESOLUTION RATIFYING ADOPTION OF SUBCHAPTER N OF CHAPTER
60 OF THE TEXAS WATER CODE AND AUTHORIZING OTHER
MATTERS RELATING THERETO

A. The Port Commission (the "Port Commission") of the Port of Houston Authority of Harris County, Texas (the "Port Authority") has determined that it is in the best interests of the Port Authority to use procurement and contracting methods that provide best value to the Port Authority; and

B. Subchapter N, "Competitive Bidding Requirements," of Chapter 60 of the Water Code ("Subchapter N"), as passed in 1987 by the 70th Legislature of the State of Texas, Regular Session, by its terms became applicable to any Texas navigation district that adopted the provision thereof by resolution; and

C. The Port Commission in action taken in its meeting of August 18, 1987 passed a resolution adopting Subchapter N for all of its purchases and contracts, effective on the 18th of August, 1987; and

D. The adoption and use by the Port Authority of Subchapter N has resulted in reduced advertising and solicitation expenses and provided more appropriate procurement methods for certain contracts; and

E. By legislation adopted by the 85th Legislature of the State of Texas, Regular Session and effective June 1, 2017, Subchapter N was revised to specify that a navigation district or port authority may adopt Subchapter N subject to the port commission's right to authorize particular procurements under Subchapter O, "Purchase Contracts;" and

F. The Port Authority now desires to adopt Subchapter N as so revised, for the purposes described therein;

NOW, THEREFORE, BE IT RESOLVED BY THE PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY OF HARRIS COUNTY, TEXAS THAT:

Section 1. The findings and determinations contained in the recitals to this Resolution are hereby found and determined to be true and correct and are incorporated herein for all purposes.

Section 2. The terms defined in the Recitals to this Resolution are incorporated herein for all purposes.

Section 3. The Port Commission of the Port of Houston Authority of Harris County, Texas hereby ratifies its 1987 adoption of Subchapter N, Competitive Bidding Requirements, of the Water Code, and adopts said Subchapter N as revised by the 85th Legislature of the State of

Texas, Regular Session, for all Port Authority purchases and contracts, subject to the Port Commission's right to authorize particular procurements under Subchapter O, Purchase Contracts, effective as of June 1, 2017, the effective date of the revised Subchapter N.

Section 4. The Executive Director of the Port Authority is authorized to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

PASSED AND APPROVED on this June 27, 2017.

Chairman, Port Commission
Port of Houston Authority of Harris County, Texas

Assistant Secretary, Port Commission
Port of Houston Authority of Harris County, Texas

Q. EXECUTIVE

Subject	2. Consideration of and possible action to approve a policy to lease Port Authority submerged lands in Harris County for barge fleeting and staging to facilitate commerce and safe navigation.
Meeting	Jun 27, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its June 27, 2017 meeting, act to approve a policy to lease Port Authority submerged lands in Harris County for barge fleeting and staging to facilitate commerce and safe navigation, 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) Strategic Objective 4c. - Operate safely and securely

Category:
General

Department:
Executive

Staff Contact:
Erik Eriksson

Background:

The number of barges and barge traffic in the Houston Ship Channel has steadily increased in recent years, resulting in safety issues and other concerns. The demand for barge fleeting and staging areas that provide for secure moorings near terminals has also increased. Port Authority owned and managed submerged lands are available for barge fleeting in commercially desirable areas, and development of these sites could promote more efficient and safer barge operations within the Port Authority's jurisdiction.

Staff proposes that the Port Commission approve a policy to lease suitable Port Authority owned and managed submerged lands in Harris County for barge fleeting and staging to facilitate commerce and safe navigation. Leases shall be made at established or market rates, and be subject to staff procedures for permits, and exclusion areas, and other guidelines, to assure fair, consistent, and appropriate use of the submerged land resource. Barge fleeting may be established on submerged lands adjacent to Port Authority upland property and private uplands, and under open water areas accessible to ship channels in Harris County.

Staff Evaluation/Justification:

A policy to lease Port Authority submerged lands for barge fleeting and staging establishes the basis for broader use of submerged lands for barge fleeting compared to the limited existing leases adjacent to Port Authority and private upland properties. Such policy is consistent with state law and the Port Authority's purpose and authority to operate, develop, and regulate waterways within its jurisdiction, including activities in aid of navigation and commerce thereon.

Accordingly, staff recommends that the Port Commission approve the Barge Fleeting and Staging Policy in the form attached as Exhibit "A".

Exhibit "A"

**Port of Houston Authority
BARGE FLEETING LEASING POLICY****A. Purpose.**

The purpose of this Barge Fleeting Leasing Policy (the "Policy") is to set out the principles under which submerged lands owned or regulated by the Port of Houston Authority (the "Port Authority") may be leased for barge fleeting and staging.

B. Background.

1. The State of Texas granted to and imposed on the Port Authority the purpose and authority to operate, develop, and regulate waterways within the Port Authority's jurisdiction, including activities in aid of navigation and commerce thereon.

2. The Port Authority owns and has authority to manage and regulate submerged lands in and around the Port of Houston ("Submerged Lands"), including the lands that lie beneath the Houston Ship Channel (the "Ship Channel"), pursuant to Special District Local Laws Code Chapter 5007.

3. The circumstances concerning the movement and fleeting of barges in navigable waters within the Port Authority's jurisdiction have changed over the years. For example, the number of barges and barge traffic in the Ship Channel has steadily increased in recent years, resulting in safety issues associated with congestion, crowding of the waterways, and increased barge push-ins along banks in areas lacking mooring infrastructure. The demand for barge fleeting and staging areas that provide for secure moorings near terminals has also increased. Port Authority owned and managed Submerged Lands are available for barge fleeting in commercially desirable areas, and development of these sites could promote more efficient and safer barge operations within the Port Authority's jurisdiction.

C. Policy Statement.

It is the policy of the Port Authority to lease suitable Port Authority owned or managed Submerged Lands for barge fleeting and staging in a manner that:

1. Facilitates safe and efficient commerce and navigation;
2. Is reasonable and fair;
3. Considers the needs of all interested parties; and
4. Appropriately utilizes the important public resource of Submerged Lands.

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D. Application of Policy.

1. The Port Authority may enter into leases for barge fleeting and staging on suitable Submerged Lands adjacent to Port Authority upland property and private uplands, and open water areas accessible to ship channels in Harris County.

2. The determination whether the Port Authority will enter into any such lease will be made at the sole discretion of the Port Authority, and in each event that a determination to lease is made, the leasing shall be accomplished in accordance with the principles of the policy statement set forth in Section C above.

3. Submerged Lands shall be leased at the then prevailing market rate.

4. Such leases are subject to permitting procedures established by Port Authority staff.

5. The Port Commission may establish exclusion areas, within which no barge fleeting or staging is permitted.

E. Authority of the Port Commission and Delegation of that Authority.

1. Primary Port Commission Authority. Leasing of Port Authority owned and managed properties including Submerged Lands is under the exclusive control of the Port Commission which, pursuant to Texas Special District Local Laws Code Chapter 5007, has responsibilities including:

a. Authorizing, establishing, regulating and leasing all structures for facilitating or accommodating commerce or navigation;

b. Leasing lands including submerged lands for limited periods for purposes consistent with facilitating or accommodating commerce or navigation;

c. Ensuring that no structures are constructed on said lands by anyone except the Port Authority, except under a franchise or lease granted by the Port Authority;

d. Constructing, maintaining, operating and developing channels, and prescribing fees and charges to be collected for their use;

e. Entering into all leases necessary or convenient for carrying out the powers granted by the state of Texas to the Port Authority; and

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f. Approving by resolution or order all leases entered pursuant to this statute.

The Port Commission shall exercise this authority by approving leases of Port Authority Submerged Lands for barge fleeting and staging, and delegating, as it deems appropriate, review and approval of items to Port Authority staff.

2. Delegation of Authority to Executive Director and Designees. Except with respect to its approval of leases subject to Port Commission approval by law, or as otherwise provided by Port Commission-approved policies, the Port Commission hereby delegates to the Executive Director, and his or her designees, the barge fleeting and staging leasing activities described as Staff Responsibilities in Section F below.

F. Staff Responsibilities.

1. The Port Commission hereby directs staff to prepare and from time to time update reasonable standards and procedures consistent with this Barge Fleeting Leasing Policy for staff's administration of such activities, including those listed below:

a. Establish a point of control and coordination for Port Authority barge fleeting and staging leasing activities;

b. Assign responsibilities for management of the Port Authority's barge fleeting and staging leasing activities; and

c. Assign responsibilities for evaluating activities subject to this Policy.

2. Standards and procedures developed by staff are subject to revision by the Port Commission.

G. Policy Authority and Construction. The authority for this Policy comes from Texas Special District Local Laws Code, Chapter 5007, and Texas Water Code, Chapters 60, 61, and 62.

H. Policy Responsibility.

1. This Policy is not intended to constrain the discretion of the Port Commission, which may amend this Policy at any time for any reason.

2. In the absence of a contrary directive by the Executive Director, the Director of Channel Development is responsible for this Policy's implementation, and is the contact

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for its interpretation.

I. Supersedes Prior Policies. This Policy supersedes and replaces any prior policies adopted by the Port Commission regarding Barge Fleeting Leasing.

J. Non-binding Statement of Intent. This Policy is a nonbinding statement of intent, which does not create a property interest in any person, does not constitute a contractual obligation of the Port Authority to others, and does not waive any of the Port Authority's immunities under law, including the Port Authority's immunity from suit and its immunity from liability. The Port Authority reserves the right to assert every defense to any claim that is available to it under law.

K. Adoption. This Policy was adopted by the Port Commission on June 27, 2017, as evidenced by Minute No. 2017-0627-_____.

Policy Owner: Channel Development
Policy Version: 1.0