

I N D E X

PORT COMMISSION
OF THE
PORT OF HOUSTON AUTHORITY
OF THE PORTS OF HARRIS COUNTY, TEXAS

December 12, 2017

Minute No.

Event/Action

General

Chairman Longoria convened the meeting of the Port Commission and provided opening remarks

Minutes

2017-1212-01 Approve the Minutes of the October 23, 2017 and November 14, 2017 Port Commission Meetings

Appearances

2017-1212-02 Chairman Longoria recognized Joe Jennings, Schiller Institute, who addressed the Port Commission

Staff Reports

2017-1212-03 Roger Guenther, Executive Director, presented a summary of selected financial and operations matters

G. Executive

2017-1212-04 Enter into a one-year professional services contract with Brown Consulting for state governmental policy consulting and support

2017-1212-05 Enter into a one-year agreement with the Houston International Seafarers' Center to provide humanitarian services to seafarers whose vessels call at the terminals of the Port Authority, effective January 1, 2018

2017-1212-06 Enter into a professional services contract with Michael Toomey for state governmental policy consulting and support

2017-1212-07 Enter into a professional services contract with Pendulum Strategies, LLC for federal governmental policy consulting and support

2017-1212-08 Enter into a professional services contract with Greenberg Traurig, LLP for federal and state governmental policy consulting and support

2017-1212-09 Enter into a professional services contract with Locke Lord LLP for state and local governmental policy consulting and support

<u>Minute No.</u>	<u>Event/Action</u>
2017-1212-10	Approve the Amended Local Preference Program and Policy
	H. Commercial
2017-1212-11	Approve staff's ranking of vendors and award a service contract for promotional items and webstore ordering services to the top-ranked proposer: staff ranking - first, Tejas Office Products; second, Augusta Marketing Products, LLC/The Augusta Group; and third, Absolute Color – Promovana Port Commission adopted the staff-recommended ranking and authorized award
2017-1212-12	Approve staff's ranking of vendors and award a professional services contract for the production of three high definition documentary style 30-second public service videos to the top-ranked proposer: staff ranking – first, TEMPT Films, LLC; second, Bird House Productions, Inc. d.b.a. Rivet; third, Johnny Badgood Productions Port Commission adopted the staff-recommended ranking and authorized award
2017-1212-13	Approve the 2018 membership in the Greater Houston Partnership at the Managing Partner level with associated membership fees
2017-1212-14	Approve and ratify Contanda Wah Chang Terminal LLC as the Tenant under that certain fifty-year lease of the Wah Chang and Bulk Plant property previously approved by the Port Commission with Contanda Terminals LLC as Tenant, and approve an amendment to the lease extending until April 30, 2018 the option period on an adjacent parcel totaling approximately 8.162 acres
2017-1212-15	Approve a Sublease between Rains Land & Properties, LP, as Sublessor and Alltrans Port Services, LLC, as Sublessee, effective December 1, 2017, for the approximately four-acre Port Authority property outside of the Industrial Park East secured area at an annual rental of \$54,000, subject to a 3% annual increase
2017-1212-16	Approve a one-year lease agreement with ABJ Trucklines and Storage Management Company, Inc. dba HP Trucklines and Storage for approximately 1.62 acres out of Block 6A at the Northside Turning Basin effective January 1, 2018 at an annual rental of \$61,410
2017-1212-17	Approve a three-year lease agreement with the West Gulf Maritime Association for approximately 2.06 acres at Barbours Cut Terminal effective January 1, 2018 at an annual rental of \$120
2017-1212-18	Approve an amendment to the lease with Cooper/Ports America, LLC for an additional three years effective January 1, 2018, for approximately 1,418 net rentable square feet of office space in the C-6 Waterside Building at the Barbours Cut Terminal, at an annual rental of \$32,855 with an annual 3% increase
2017-1212-19	Approve an assignment by Alltrans Port Services Inc. as tenant under its seven Turning Basin leases with the Port Authority to Alltrans Port Services LLC

<u>Minute No.</u>	<u>Event/Action</u>
2017-1212-20	Approve the following transactions related to the City of Houston's abandonment of roads adjacent to Port Authority property: (i) purchase from the city, for an amount not to exceed \$65,000, of a fee simple interest in an approximately 0.32-acre tract of the north portion of Wingate Street between 75th Street and Basin Street; (ii) acceptance of a motion of non-acceptance from the city for an approximately 0.28-acre tract being a portion of Basin Street between Wingate Street and Mobile Street; and (iii) amendment of the terms of the previously approved lease with Jacob Stern & Sons, Inc., to add the property acquired from the city, increasing the leased acreage from approximately 9.54 acres to approximately 10.14 acres, and to adjust the initial annual rent accordingly to \$10,685 with annual adjustments and all other lease terms as previously approved
2017-1212-21	Adopt resolutions authorizing the Port Authority to acquire by purchase or, if necessary, through the exercise of the power of eminent domain (i) fee simple interests in land in the vicinity of Bayport Terminal as described in Exhibits "A-1," "A-2," "A-3," and "A-4," (ii) drill site reservations encumbering two Port Authority tracts, at the Beltway 8 site as described in Exhibit "B-1," and at Jacintoport Terminal as described in Exhibit "B-2," and (iii) a fifteen foot wide utility easement encumbering the Port Authority's Ballard Wah Chang property as described in Exhibit "C-1," for the public use and purposes of the Port Authority
I. Finance	
2017-1212-22	Authorize advertisement and receipt of responses for two formal procurements
2017-1212-22(a)	Request for competitive sealed bids for the installation of tie downs at Wharves 4 and 5 for Cranes Nos. 3 and 4 at Barbours Cut Terminal
2017-1212-22(b)	Request for competitive sealed proposals for placement area maintenance
2017-1212-23	Authorize payment to the Harris County Appraisal District for appraisal services to be provided to the Port Authority for fiscal year 2018 in an amount not to exceed \$450,000, and authorize payment to the Harris County Tax Assessor-Collector for tax collection services for the 2017 tax year in an amount not to exceed \$1,140,000
2017-1212-24	Approve the actuarial valuation report dated as of August 1, 2017 for the Port of Houston Authority Restated Retirement Plan
J. Health, Safety, Security & Emergency Management	
2017-1212-25	Award the purchase and installation of a Broadband Antenna Tracking System to BEARCOM Wireless Worldwide, via the Port Authority's interlocal agreement with Harris County allowing utilization of the existing Harris County Broadband Antenna Tracking System Contract with BEARCOM Wireless Worldwide, in an amount not to exceed \$96,000 with an estimated net cost to the Port Authority, after Federal Emergency Management Agency Port Security Grant reimbursement of \$24,000 (25% of total cost)
2017-1212-26	Enter into a two-year professional services contract with San Jacinto College to purchase fireboat simulation training for the Fire Department

<u>Minute No.</u>	<u>Event/Action</u>
2017-1212-27	Enter into a three-year governmental services contract with the City of La Porte Emergency Medical Service for emergency medical services
2017-1212-28	Enter into a Memorandum of Understanding with the Harris County District Attorney's Office to make timely disclosure of exculpatory, impeaching, and mitigating evidence (Brady evidence) utilizing the Harris County District Attorney's Office Disclosure Database for employees who may be considered "recurring government witnesses"
K. Infrastructure	
2017-1212-29	Reject all proposals and authorize the re-advertisement of a request for proposals to replace fender system at Wharves 1 and 2 at CARE Terminal Phase 1
2017-1212-30	Approve staff's ranking of vendors and award a professional services contract for utility conflict investigation and design along Jacintoport Boulevard and Peninsula Street, from Beltway 8 to CARE and Jacintoport Terminals, to the top-ranked proposers: staff ranking – first, Binkley & Barfield, Inc.; and second, Civil Concepts, Inc. Port Commission adopted the staff-recommended ranking and authorized award
2017-1212-31	Award a contract to Industrial and Crane Services, Inc. for the demolition of Wharf Crane Nos. 6 and 13 and the relocation of Wharf Crane Nos. 5, 7, and 8 at Barbours Cut Terminal
2017-1212-32	Award a construction contract to Blastco Texas, Inc. for the annual wharf crane and rubber tire gantry crane painting at Bayport Container Terminal and Barbours Cut Terminal for 2018
2017-1212-33	Award a construction contract to AAA Asphalt Paving, Inc. for the annual concrete replacement at Turning Basin Terminal in 2018
2017-1212-34	Authorize an agreement with Praxair, Inc. for reimbursement of certain pipeline expenses for relocating pipelines across Bayport Container Terminal
2017-1212-35	Authorize an interlocal agreement with Harris County to receive grant funding in the amount of \$561,358.60 under the Harris County Local Initiative Project, funded by the Texas Commission on Environmental Quality, and obligating the Port Authority to provide equal matching funds of \$561,358.60
2017-1212-36	Amend the existing professional services contract with Wiss, Janney, Elstner Associates, Inc. for the rehabilitation of Wharf No. 23 at Turning Basin Terminal
2017-1212-37	Amend the existing professional services contract with HVJ Associates, Inc. for further pavement evaluation and rehabilitation thickness root cause investigation and analysis at Container Yard C-2 at Barbours Cut Terminal
2017-1212-38	Amend the existing professional services agreement with InControl Technologies, Inc. to update the scope of work

<u>Minute No.</u>	<u>Event/Action</u>
2017-1212-39	Approve the renewal of expiring Port Authority licenses for new ten-year terms: CenterPoint Energy Houston Electric, LLC, CenterPoint Energy Intrastate Pipeline, LLC, and CenterPoint Energy Resources Corp. DBA CenterPoint Energy Texas Gas Operations
2017-1212-40	Approve the renewal of expiring Port Authority licenses for new ten-year terms: Valero Refining – Texas, L.P., Kinder Morgan Tejas Pipeline LLC, ExxonMobil Pipeline Company, Air Products LLC, INEOS USA LLC, Contanda Terminals LLC, Enterprise TE Products Pipeline Company LLC, INEOS Chocolate Bayou Pipeline USA LLC, and Magellan Pipeline Company, L.P.
2017-1212-41	Issue a pipeline license to Equistar Chemicals, LP for one 8-inch ethylene pipeline across the Port Authority’s undeveloped railroad right-of-way near Miller Cut-Off Road in La Porte
2017-1212-42	Issue a pipeline license to MVP Terminalling LLC for one 14-inch refined products pipeline under and across the Pasadena Cut-Off railroad right-of-way and Southside Mainline railroad right-of-way in Pasadena
2017-1212-43	Amend a pipeline license to Targa NGL Pipeline Company LLC to add one 20-inch liquefied petroleum gas (LPG) pipeline under and across Cedar Bayou, Carpenters Bayou, Greens Bayou, Hunting Bayou, Seymore Tract, and Northside Mainline railroad right-of-way in Harris and Chambers counties
2017-1212-44	Transfer a pipeline license from Magellan Terminal Holdings L.P. to MVP Terminalling LLC and amend the license to add one 36-inch refined products pipeline across the Pasadena Cut-Off railroad right-of-way in Pasadena
2017-1212-45	Transfer and renew a pipeline license from Magellan Pipeline Company, L.P. to Magellan Crude Oil Pipeline Company, L.P. for one 20-inch refined petroleum products pipeline under and across the Clinton Tract, Seymore Tract, and Northside Mainline railroad right-of-way in Galena Park
2017-1212-46	Transfer a pipeline license from Shell Chemical LP to Sand Dollar Pipeline LLC for one 6-inch dry gas pipeline under and across the Southside Mainline railroad right-of-way in Pasadena
2017-1212-47	Transfer a pipeline license from Shell Pipeline Company LP to Sand Dollar Pipeline LLC for one 8-inch natural gas pipeline under and across the Southside Mainline railroad right-of-way, Sims Bayou property, and Sims Bayou in Houston
2017-1212-48	Transfer a pipeline license from Shell Oil Company to Sand Dollar Pipeline LLC for one 8-inch dry gas pipeline under and across the Southside Mainline railroad right-of-way, Vince Bayou, Little Vince Bayou, Crown Central Lead Track railroad right-of-way, Pasadena Cut-Off railroad right-of-way, and Boggy Bayou in Houston and Pasadena

Minute No.

Event/Action

L. Operations

- 2017-1212-49 Award a two-year contract to Houston-Pasadena Apache Oil Company for purchase of miscellaneous filters for terminal equipment at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal
- 2017-1212-50 Award a two-year contract to Darr Equipment Company, using the Local Government Purchasing Cooperative's Buyboard Program, for the purchase of spare and replacement parts for forklifts and container handling equipment at Barbours Cut Terminal and Bayport Container Terminal
- 2017-1212-51 Amend the agreement with Konecranes Finland Corporation to purchase one additional diesel electric container yard crane for Bayport Container Terminal
- 2017-1212-52 Recommendation to issue Stevedore Licenses for one-year terms commencing January 1, 2018 and expiring December 31, 2018, to Agri American Stevedores, LLC; APS Stevedoring, LLC; Ceres Gulf, Inc.; Cooper/Ports America; Gulf Stream Marine, Inc.; Jacintoport International, LLC; Marine Terminal CorporationEast; Richardson Stevedoring and Logistics Services, Inc.; Schroder Marine Service; Southern Stevedoring Co., LP; and Suderman Contracting Stevedores, Inc., upon each applicant's satisfactory completion of all requirements and obligations for license issuance
- 2017-1212-53 Reissue and amend Port Authority Tariff Nos. 8, 14, and 15 covering the Turning Basin Terminals, Barbours Cut Terminal, and Bayport Container Terminal, all effective January 1, 2018

M. People

- 2017-1212-54 Enter into a professional services contract with Mercer (US) Inc. to provide compensation analysis services to the Port Authority
- 2017-1212-55 Enter into a contract to the Center for Creative Leadership for leadership strategy, training, and coaching services

N. Technology

- 2017-1212-56 Award annual purchase orders to SHI Government Solutions, Inc., for a Microsoft Office 365 Enterprise License Agreement, using a Texas Department of Information Resources Cooperative Agreement, in a total amount not to exceed \$912,000 over a four year period
- 2017-1212-57 Award a purchase order to Kratos Public Safety & Security Solutions, Inc. for video management system software maintenance, using a State of Texas Department of Information Resources Cooperative Purchase program

O. Recess Open Meeting and Convene Executive Session

P. Reconvene Open Meeting

Minute No.

Event/Action

2017-1212-58

Authorize the Port Authority to settle certain claims of Orion Construction, L.P. on the terms discussed in Executive Session, and authorize the Executive Director to do all things reasonable or necessary to give effect to the foregoing

2017-1212-59

Amend the employment contract of Executive Director Roger Guenther on the terms discussed in Executive Session, and authorize Chairman Longoria to do all things necessary to give effect to the foregoing

Adjourn Meeting

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

**Houston, Texas
December 12, 2017**

A public meeting of the Port Commission of the Port of Houston Authority of Harris County, Texas was convened on December 12, 2017 at 9:04 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
Dean E. Corgey, Commissioner
Stephen H. DonCarlos, Commissioner
Clyde E. Fitzgerald, Commissioner
John D. Kennedy, Commissioner
Roy D. Mease, Commissioner
Roger Guenther, Executive Director
Erik Eriksson, Chief Legal Officer

Chairman Longoria convened the meeting of the Port Commission and welcomed everyone. She was pleased to report the Port Authority and its Finance Division, led by Tim Finley, Chief Financial Officer, had received the following awards:

- A third Transparency Star, as announced by State Comptroller Glenn Hegar in late November, for reporting and online tools associated with the Port Authority's pension plan. Chairman Longoria noted that the Port Authority was previously awarded two stars for Traditional Finances and Debt Obligations.
- Recognition as the top-ranked special district for online financial transparency, out of 79 special districts across the county, in a report issued by the Texas Public Interest Research Group in April.
- The Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association, for the Port Authority's 2016 Comprehensive Annual Financial Report. This was the 43rd consecutive award for the Port Authority and is the highest form of recognition for government accounting and financial reporting.

Chairman Longoria thanked and congratulated Mr. Finley, Ray Yi, Senior Director, Treasury, Curtis Duncan, Controller, and the entire Finance Division team for these outstanding accomplishments.

Chairman Longoria moved on to note that staff was continually working to cultivate relationships with community stakeholders. On Thanksgiving Day, over fifty Port Authority team members prepared and provided meals for twenty two families, including ten families from the local community and twelve Port Authority families impacted by

Hurricane Harvey. Together the team donated, cooked, and volunteered to ensure that nearly 130 people were able to share a warm and special holiday meal with their loved ones.

Chairman Longoria also noted that Port Authority staff again donated this year to the Shoeboxes for Seafarers program, by packing and wrapping over 60 boxes with personal and hygiene related items for visiting seafarers that call on the Port of Houston. The Houston International Seafarers' Center coordinates the receipt and distribution of 10,000 shoeboxes each holiday season, and the Port Authority team was proud to participate in the program.

In conclusion Chairman Longoria wished everyone present a happy and safe holiday season and thanked all the staff for making 2017 a very successful year.

(2017-1212-01) Minutes

Chairman Longoria called for a motion to approve the minutes of the October 23, 2017 and November 14, 2017 Port Commission meetings. Commissioner Corgey moved for approval, seconded by Commissioner Kennedy. Chairman Longoria, and Commissioners Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. The minutes were approved as written.

(2017-1212-02) Appearances

Commissioner Longoria recognized Mr. Joe Jennings of the Schiller Institute who addressed the Port Commission.

Mr. Jennings advised the Port Commission that early in 2018 the Schiller Institute would be holding a conference in Houston regarding the Silk Road and invited all present to attend. Chairman Longoria thanked Mr. Jennings for the invitation.

(2017-1212-03) Staff Reports

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

- The Port Authority continues to deliver solid results. Through November its terminals have handled nearly 35 million tons of cargo, compared to 32 million tons at the same time in 2016, representing a 9% increase over the prior year. The main drivers for this growth were container and steel imports: steel volume totals of 3.4 million tons, an increase of 57% from 2016, and container activity increased 12% from 2016.

- The Port Authority should pass the 2.4 million twenty-foot equivalent (TEU) mark by the end of the year, despite the challenges of Hurricane Harvey.
- Tariff import storage charges, due to the impact of Hurricane Harvey concluded as of December 1, were in line with the authority given by the Port Commission in September.

In conclusion, Mr. Guenther highlighted the Port Authority's strategic goal of People and recognized the value of commitment by the people of the organization. He announced that five employees had achieved the following milestones:

- 20 years of service: Patricia Borjas, Financial Accounting
- 20 years of service: Renea Jarvis, Project and Construction Management
- 25 years of service: Melissa Nixon, Risk Management
- 30 years of service: Doug Mims, M/V Sam Houston
- 35 years of service: Barbara Smith, Project and Construction Management

Chairman Longoria congratulated the employees on their achievements and thanked them for their dedication to the Port Authority.

Finally, Commissioner DonCarlos commented that he had attended a ribbon cutting in Chambers County for a logistics company that will be packaging plastics for export through the Port Authority. He noted that representatives of other companies also informed him they were planning to expand their businesses and build additional warehouse space for export goods.

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

(2017-1212-04) RCA G1 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Corgey. Chairman Longoria, and Commissioners Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA G1 PASSED.

(2017-1212-05) RCA G2 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Corgey. Chairman Longoria, and Commissioners Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA G2 PASSED.

(2017-1212-06) RCA G3 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Corgey. Chairman Longoria, and Commissioners

Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA G3 PASSED.

(2017-1212-07) RCA G4 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Corgey. Chairman Longoria, and Commissioners Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA G4 PASSED.

(2017-1212-08) RCA G5 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Corgey. Chairman Longoria, and Commissioners Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA G5 PASSED.

(2017-1212-09) RCA G6 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Corgey. Chairman Longoria, and Commissioners Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA G6 PASSED.

Commissioner Mease explained that the preceding RCAs were for the purpose of obtaining state and federal consultants for governmental policy consulting and support.

(2017-1212-10) RCA G7 was presented, moved by Commissioner Kennedy, seconded by Commissioner Fitzgerald.

Chairman Longoria asked staff to explain what had been amended in the policy. Mr. Eriksson explained that the Amended Local Preference Program and Policy combines the policy provisions in the Local Preference Procurement Program and the Local Preference Procurement Program Policy into one document. Commissioner Kennedy stated that this matter was discussed with the Procurement and Small Business Development Task Force, which concurred with the proposed changes.

Chairman Longoria, and Commissioners Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA G7 PASSED.

(2017-1212-11) RCA H1 was presented. Commissioner Mease moved for staff recommended ranking - first, Tejas Office Products; second, Augusta Marketing Products, LLC/The Augusta Group; and third, Absolute Color – Promovana, seconded by Commissioner Fitzgerald. Chairman Longoria, and Commissioners Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA H1 PASSED.

(2017-1212-12) RCA H2 was presented. Commissioner Corgey moved for staff recommended ranking – first, TEMPT Films, LLC; second, Bird House Productions,

Inc. d.b.a. Rivet; and third, Johnny Badgood Productions, seconded by Commissioner Fitzgerald. Chairman Longoria, and Commissioners Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA H2 PASSED.

(2017-1212-13) RCA H3 was presented, moved by Commissioner Mease, seconded by Commissioner Kennedy. Chairman Longoria, and Commissioners Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA H3 PASSED.

(2017-1212-14) RCA H4 was presented, moved by Commissioner Mease, seconded by Commissioner DonCarlos. Chairman Longoria, and Commissioners Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA H4 PASSED.

(2017-1212-15) RCA H5 was presented, moved by Commissioner Mease, seconded by Commissioner DonCarlos. Chairman Longoria, and Commissioners Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA H5 PASSED.

(2017-1212-16) RCA H6 was presented, moved by Commissioner Mease, seconded by Commissioner DonCarlos. Chairman Longoria, and Commissioners Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA H6 PASSED.

(2017-1212-17) RCA H7 was presented, moved by Commissioner Mease, seconded by Commissioner DonCarlos. Chairman Longoria, and Commissioners Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA H7 PASSED.

(2017-1212-18) RCA H8 was presented, moved by Commissioner Mease, seconded by Commissioner DonCarlos. Chairman Longoria, and Commissioners Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA H8 PASSED.

(2017-1212-19) RCA H9 was presented, moved by Commissioner Mease, seconded by Commissioner DonCarlos. Chairman Longoria, and Commissioners Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA H9 PASSED.

(2017-1212-20) RCA H10 was presented, moved by Commissioner Mease, seconded by Commissioner DonCarlos. Chairman Longoria, and Commissioners Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA H10 PASSED.

(2017-1212-21) RCA H11 was presented, moved by Commissioner Mease, seconded by Commissioner DonCarlos. Chairman Longoria, and Commissioners Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA H11 PASSED.

(2017-1212-22) RCA II(a-b) was presented, moved by Commissioner DonCarlos, seconded by Commissioner Corgey. Chairman Longoria, and Commissioners

Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA I1(a-b) PASSED.

(2017-1212-23) RCA I2 was presented, moved by Commissioner Kennedy, seconded by Commissioner Fitzgerald. Chairman Longoria, and Commissioners Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA I2 PASSED.

(2017-1212-24) RCA I3 was presented, moved by Commissioner Corgey, seconded by Commissioner Fitzgerald. Chairman Longoria, and Commissioners Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA I3 PASSED.

(2017-1212-25) RCA J1 was presented, moved by Commissioner Mease, seconded by Commissioner Kennedy. Chairman Longoria, and Commissioners Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA J1 PASSED.

(2017-1212-26) RCA J2 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Mease. Chairman Longoria, and Commissioners Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA J2 PASSED.

(2017-1212-27) RCA J3 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Mease. Chairman Longoria, and Commissioners Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA J3 PASSED.

(2017-1212-28) RCA J4 was presented, moved by Commissioner Kennedy, seconded by Commissioner Fitzgerald.

Chairman Longoria asked Mr. Eriksson for an explanation of this item. Mr. Eriksson stated that the Harris County District Attorney's Office was compiling a database to capture individual agency disciplinary records (Brady evidence) for employees who may be considered "recurring government witnesses." For example, if an officer had witnessed a crime, was required to testify, but had some past disciplinary issues, those records would need to be disclosed to opposing counsel. Marcus Woodring, Chief Health, Safety, Security, and Emergency Management Officer, noted that in the six years he had been employed at the Port Authority, there were only one or two incidents where an officer had to be disciplined.

Chairman Longoria, and Commissioners Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA J4 PASSED.

(2017-1212-29) RCA K1 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Mease.

Chairman Longoria asked why this item was being re-advertised. Tom Heidt, Chief Operating Officer, replied that there was not sufficient information in the proposal to address operational interruptions.

Chairman Longoria, and Commissioners Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA K1 PASSED.

(2017-1212-30) RCA K2 was presented. Commissioner Corgey moved for staff recommended ranking – first, Binkley & Barfield, Inc.; and second, Civil Concepts, Inc., seconded by Commissioner Kennedy. Chairman Longoria, and Commissioners Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA K2 PASSED.

(2017-1212-31) RCA K3 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Fitzgerald. Chairman Longoria, and Commissioners Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA K3 PASSED.

(2017-1212-32) RCA K4 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Fitzgerald. Chairman Longoria, and Commissioners Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA K4 PASSED.

(2017-1212-33) RCA K5 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Fitzgerald. Chairman Longoria, and Commissioners Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA K5 PASSED.

(2017-1212-34) RCA K6 was presented, moved by Commissioner Corgey, seconded by Commissioner Kennedy. Chairman Longoria, and Commissioners Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA K6 PASSED.

(2017-1212-35) RCA K7 was presented, moved by Commissioner Kennedy, seconded by Commissioner Fitzgerald.

Chairman Longoria asked Mr. Guenther to explain this item, and he advised it was related to a Diesel Emissions Reduction Act (DERA) 50/50 cost-sharing grant, to finance installation of 528 electrical outlets for refrigerated containers at the container terminals.

Chairman Longoria, and Commissioners Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA K7 PASSED.

(2017-1212-36) RCA K8 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Kennedy. Chairman Longoria, and Commissioners Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA K8 PASSED.

(2017-1212-37) RCA K9 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Kennedy. Chairman Longoria, and Commissioners Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA K9 PASSED.

(2017-1212-38) RCA K10 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Kennedy. Chairman Longoria, and Commissioners Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA K10 PASSED.

(2017-1212-39) RCA K11 was presented, moved by Commissioner Corgey, seconded by Commissioner Fitzgerald. Commissioners Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Chairman Longoria recused herself. Nays none. RCA K11 PASSED.

(2017-1212-40) RCA K12 was presented, moved by Commissioner Kennedy, seconded by Commissioner Fitzgerald. Chairman Longoria, and Commissioners Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA K12 PASSED.

(2017-1212-41) RCA K13 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Kennedy. Chairman Longoria, and Commissioners Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA K13 PASSED.

(2017-1212-42) RCA K14 was presented, moved by Commissioner Mease, seconded by Commissioner DonCarlos. Chairman Longoria, and Commissioners Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA K14 PASSED.

(2017-1212-43) RCA K15 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Mease. Chairman Longoria, and Commissioners Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA K15 PASSED.

(2017-1212-44) RCA K16 was presented, moved by Commissioner Mease, seconded by Commissioner Fitzgerald. Chairman Longoria, and Commissioners Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA K16 PASSED.

(2017-1212-45) RCA K17 was presented, moved by Commissioner Mease, seconded by Commissioner Corgey. Chairman Longoria, and Commissioners Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA K17 PASSED.

(2017-1212-46) RCA K18 was presented, moved by Commissioner Mease, seconded by Commissioner DonCarlos. Chairman Longoria, and Commissioners Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA K18 PASSED.

(2017-1212-47) RCA K19 was presented, moved by Commissioner Corgey, seconded by Commissioner Kennedy. Chairman Longoria, and Commissioners Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA K19 PASSED.

(2017-1212-48) RCA K20 was presented, moved by Commissioner Mease, seconded by Commissioner Fitzgerald. Chairman Longoria, and Commissioners Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA K20 PASSED.

Chairman Longoria asked Mr. Guenther to schedule a meeting to review with the Port Commissioners the protocols in place regarding pipelines.

(2017-1212-49) RCA L1 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Kennedy. Chairman Longoria, and Commissioners Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA L1 PASSED.

(2017-1212-50) RCA L2 was presented, moved Commissioner Kennedy, seconded by Commissioner DonCarlos. Chairman Longoria, and Commissioners Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA L2 PASSED.

(2017-1212-51) RCA L3 was presented, moved by Commissioner Corgey, seconded by Commissioner Mease. Chairman Longoria, and Commissioners Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA L3 PASSED.

Discussion ensued regarding the purchase of one rubber-tired gantry (RTG) crane. Mr. Guenther advised that nine RTG cranes were on order, and after a 10-year old crane was recently damaged beyond repair in an accident, staff thought it prudent to add an additional crane to the existing order.

(2017-1212-52) RCA L4 was presented, moved by Commissioner Kennedy, seconded by Commissioner Mease. Chairman Longoria, and Commissioners Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA L4 PASSED.

(2017-1212-53) RCA L5 was presented, moved by Commissioner Corgey, seconded by Commissioner DonCarlos. Chairman Longoria, and Commissioners Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA L5 PASSED.

(2017-1212-54) RCA M1 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Mease. Chairman Longoria, and Commissioners Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA M1 PASSED.

(2017-1212-55) RCA M2 was presented, moved by Commissioner Kennedy, seconded by Commissioner Corgey. Chairman Longoria, and Commissioners Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA M2 PASSED.

(2017-1212-56) RCA N1 was presented, moved by Commissioner Corgey, seconded by Commissioner Kennedy. Chairman Longoria, and Commissioners Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA N1 PASSED.

(2017-1212-57) RCA N2 was presented, moved by Commissioner Mease, seconded by Commissioner DonCarlos. Chairman Longoria, and Commissioners Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA N2 PASSED.

At 9:42 a.m., Chairman Longoria advised that the Executive Session would follow and asked Mr. Eriksson to make the following announcement:

It is now 9:42 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 (1) to conduct a private Consultation with Attorneys (*Section 551.071, Texas Open Meetings Act*), including consultations regarding (i) claims of Orion Marine Construction Inc. and (ii) *Blanchard Contractors, Inc. v. Port of Houston Authority and Forde Construction Company, Inc., In the 157th District Court of Harris County, Texas*, (2) deliberate regarding Real Estate (*Section 551.072, Texas Open Meetings Act*), (3) Economic Development Negotiations or Incentives (*Section 551.087, Texas Open Meetings Act*); (4) Employment and Evaluation of Public Employees (*Section 551.074, Texas Open Meetings Act*), including deliberations regarding public employees and amending the employment agreement with the Executive Director; and (5) Security-Related Matters (*Sections 418.175-418.183 of the Texas Government Code, and Section 551.076, Texas Open Meetings Act*). The Port Commission will reconvene in public session after the closed meeting is adjourned.

Immediately thereafter the Port Commission retired into closed session.

At 10:37 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
Dean E. Corgey, Commissioner
Stephen H. DonCarlos, Commissioner
Clyde E. Fitzgerald, Commissioner
John D. Kennedy, Commissioner
Roy D. Mease, Commissioner
Roger Guenther, Executive Director
Erik Eriksson, Chief Legal Officer

(2017-1212-58) Commissioner Kennedy moved to authorize the Port Authority to settle certain claims of Orion Construction, L.P. on the terms discussed in Executive Session, and authorize the Executive Director do all things reasonable and necessary to give effect to the foregoing, seconded by Commissioner Corgey. Chairman Longoria, and Commissioners Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. MOTION PASSED.

(2017-1212-59) Commissioner Fitzgerald moved to authorize the Port Authority to amend the employment contract of the Executive Director, Roger Guenther, on the terms discussed in Executive Session and authorize Chairman Longoria to do all things necessary to give effect to the foregoing, seconded by Commissioner Kennedy. Chairman Longoria, and Commissioners Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. MOTION PASSED.

At 10:38 a.m., Chairman Longoria adjourned the Port Commission meeting.

The above is a correct copy of the Minutes of the December 12, 2017 meeting of the Port Commission of the Port of Houston Authority.



Janiece Longoria, Chairman



Erik A. Eriksson, Assistant Secretary

G. EXECUTIVE

Subject	1. Enter into a one-year professional services contract with Brown Consulting for state governmental policy consulting and support in an amount not to exceed \$60,000.
Meeting	Dec 12, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its December 12, 2017 meeting, authorize a one-year professional services contract with Brown Consulting for state governmental policy consulting and support in an amount not to exceed \$60,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Awards, Amendments & Change Orders

Department:

Government Relations

Staff Contact:

Spencer Chambers

Background:

The Port Authority currently contracts with Brown Consulting to consult on state policy priorities, assist in developing strategic plans and objectives, and facilitate effective communication with government officials and their staffs.

Staff Evaluation/Justification:

Staff recommends that the Port Commission authorize a one-year contract with Brown Consulting for continued state consulting and support services.

G. EXECUTIVE

Subject **2. Enter into a one-year agreement with the Houston International Seafarers' Center to provide humanitarian services to seafarers whose vessels call at the terminals of the Port Authority, effective January 1, 2018, in an amount not to exceed \$100,000.**

Meeting Dec 12, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 12, 2017 meeting, authorize a one-year agreement with the Houston International Seafarers' Center to provide humanitarian services to seafarers whose vessels call at the terminals of the Port Authority, effective January 1, 2018, in an amount not to exceed \$100,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Awards, Amendments & Change Orders

Department:

Community Relations & Events

Staff Contact:

Leslie Herbst

Background:

The Houston International Seafarers' Center (Seafarers' Center), with locations at the Turning Basin Terminal and adjacent to the Barbours Cut Terminal, is internationally recognized for its outstanding services and facilities for visiting seafarers. By providing a positive social, recreational, and spiritual environment, the Seafarers' Center is an asset to both the Port Authority and the communities surrounding the port.

This agreement with the Port Authority would permit the Seafarers' Center to continue to provide the following services on a non-discriminatory basis to seafarers from all commercial vessels that call on the public and private terminals in the Port of Houston: operation of two Seafarers' Centers, transportation services, safety functions, communications, banking, emergency accommodations, recreational facilities, commissary facilities, a restaurant, mail and courier services, counseling services, and other services mutually deemed necessary. The current service agreement with the Seafarers' Center expires December 31, 2017.

Staff Evaluation/Justification:

Staff recommends that the Port Commission authorize a new service agreement with the Seafarers' Center for one year. Pursuant to the service agreement, the Seafarers' Center would submit its annual report for the past year, along with support materials, as requested by the Port Authority.

G. EXECUTIVE

Subject 3. Enter into a professional services contract with Michael Toomey for state governmental policy consulting and support in an amount not to exceed \$60,000.

Meeting Dec 12, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 12, 2017 meeting, authorize a professional services contract with Michael Toomey for state governmental policy consulting and support in an amount not to exceed \$60,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Awards, Amendments & Change Orders

Department:

Government Relations

Staff Contact:

Spencer Chambers

Background:

The Port Authority currently contracts with Michael Toomey to consult on state policy priorities, assist in developing strategic plans and objectives, and facilitate effective communication with government officials and their staffs.

Staff Evaluation/Justification:

Staff recommends that the Port Commission authorize a twelve-month contract with Mr. Toomey for continued state consulting and support services.

G. EXECUTIVE

Subject 4. Enter into a professional services contract with Pendulum Strategies, LLC for federal governmental policy consulting and support in an amount not to exceed \$100,000.

Meeting Dec 12, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 12, 2017 meeting, authorize a professional services contract with Pendulum Strategies, LLC for federal governmental policy consulting and support in an amount not to exceed \$100,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Awards, Amendments & Change Orders

Department:

Government Relations

Staff Contact:

Spencer Chambers

Background:

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

Staff Evaluation/Justification:

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

G. EXECUTIVE

Subject 5. Enter into a professional services contract with Greenberg Traurig, LLP for federal and state governmental policy consulting and support in an amount not to exceed \$168,000.

Meeting Dec 12, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 12, 2017 meeting, authorize a professional services contract with Greenberg Traurig, LLP for federal and state governmental policy consulting and support in an amount not to exceed \$168,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Awards, Amendments & Change Orders

Department:

Government Relations

Staff Contact:

Spencer Chambers

Background:

The Port Authority currently has a contract with Greenberg Traurig, LLP to consult on federal and state policy priorities, assist in developing strategic plans and objectives, and facilitate effective communication with governmental officials and their staffs.

Staff Evaluation/Justification:

Staff recommends that the Port Commission authorize a twelve-month contract with Greenberg Traurig, LLP for continued federal and state consulting and support services.

G. EXECUTIVE

Subject **6. Enter into a professional services contract with Locke Lord LLP for state and local governmental policy consulting and support in an amount not to exceed \$150,000.**

Meeting Dec 12, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 12, 2017 meeting, authorize a professional services contract with Locke Lord LLP for state and local governmental policy consulting and support in an amount not to exceed \$150,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Awards, Amendments & Change Orders

Department:

Government Relations

Staff Contact:

Spencer Chambers

Background:

The Port Authority currently contracts with Locke Lord LLP to consult on state and local policy priorities, assist in developing strategic plans and objectives, and facilitate effective communication with governmental officials and their staffs.

Staff Evaluation/Justification:

Staff recommends that the Port Commission authorize a twelve-month contract with Locke Lord LLP for continued state and local consulting and support services.

G. EXECUTIVE

Subject	7. Approve the Amended Local Preference Program and Policy.
Meeting	Dec 12, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its December 12, 2017 meeting, approve the Amended Local Preference Program and Policy, 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 4b. - Cultivate productive relationships with all stakeholders

Category:

General

Department:

Legal

Staff Contact:

Erik Eriksson

Background:

The Port Commission, at its meeting on November 19, 2013, adopted two documents related to a Port Authority program offering a purchasing preference to local businesses: the "Local Preference Procurement Program" and the "Local Preference Procurement Program Policy."

Legal staff, in conjunction with Small Business and Procurement Services staff, recently prepared a document that combines the policy provisions in the two referenced documents into one amended and updated document, the proposed "Amended Local Preference Program and Policy."

Staff Evaluation/Justification:

The Amended Local Preference Program and Policy assigns responsibilities based on recent staff reorganizations, updates, the Port Authority mission statement, and revised terminology, and aligns with current Port Authority policy management.

This document describes the purpose and background of the program, the statements of policy regarding local preference, and its application. Additionally, it directs staff to prepare and update standards and procedures consistent with the program for staff's administration of program activities, and affirms that standards and procedures developed by staff are subject to revision by the Port Commission. Finally, the policy provides that, in the absence of a contrary directive by the Executive Director, the Senior Director of Small Business and Education Outreach is responsible for program implementation.

Accordingly, staff recommends that the Port Commission approve the Amended Local Preference Program and Policy in the form attached as Exhibit A.

**Port of Houston Authority
Amended Local Preference Program and Policy
December 2017**



I. Purpose

The Amended Local Preference Program and Policy (the “Program”) set out herein is a contracting program that the Port of Houston Authority of Harris County, Texas (“Port Authority”) has approved, enabling it to consider (as a contract selection and award criteria) the impact that a proposed purchase may have on the Port Authority’s ability to comply with statutory requirements and this Program, pursuant to Texas Water Code, Section 60.458(6). It sets out the principles under which preference to local businesses (as may be defined from time to time) may be granted for certain Port Authority procurements.

II. Policy Statement

It is the policy of the Port Authority to use its spending powers in a manner that:

A. Promotes fiscal responsibility and maximizes the effectiveness of local tax dollars by ensuring that a portion of Harris County citizens’ tax dollars remain in the local economy for the economic benefit of those citizens, by utilizing all available opportunities to contract with local businesses;

B. Places an affirmative duty on Port Authority staff to grant a procurement preference to local businesses in accordance with the policy and standards of this Program, unless doing so would be clearly contrary to the best interests of the Port Authority; and

C. Is reasonable and fair.

III. Background

A. The Port Authority seeks to maximize the effectiveness of local tax dollars by ensuring that a portion of the Port Authority’s operating and capital expenditures is directed to local businesses for the economic benefit of the local region.

B. The Program is consistent with the Port Authority’s overall mission: *“To move the world and drive regional prosperity,”* and its Stewardship strategic objective to *“Cultivate productive relationships with all stakeholders.”*

C. The Program also supports the mandates initially placed upon the Port Authority by Chapter 97, Acts of the 40th Texas Legislature in 1927, including the authority and responsibility to acquire, construct, operate, and develop waterways, facilities, and all other aids incident to or useful in the operation or development of ports and waterways or in aid of navigation and commerce on the ports and waterways within the Port Authority’s jurisdiction.

D. Preference offered to local businesses under the Program may also be appropriate

Port of Houston Authority
Amended Local Preference Program and Policy
December, 2017
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for expenses paid from the Port Authority's Promotion and Development Fund. In accordance with Texas Water Code, Section 60.203, such expenses may be related to

(1) any activity or matter incidental to the advertising, development, or promotion of the district or its ports, waterways, harbors, or terminals; (2) furthering the general welfare of the district and its facilities; or (3) the betterment of the district's relations with steamship and rail lines, shippers, consignees of freight, governmental officials, or others interested or sought to be interested in the ports, waterways, harbors, or terminals.

E. This Amended Local Preference Program and Policy amends and joins together the Local Preference Procurement Program and Local Preference Procurement Program Policy adopted by the Port Commission on November 19, 2013, evidenced by Minute No. 2013-1119-25.

IV. Application of Program

The Program shall apply to formal procurement contracts, excluding sole-source contracts, federally-funded contracts, contracts with other governmental entities, and those contracts for which participation in the Program is otherwise prohibited by applicable law or exempted by the Port Authority.

V. Staff Responsibilities

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

1. Establishment of a point of control and coordination for Local Preference data collection and reporting activities;
2. Assignment of responsibilities for management of the Local Preference Program activities; and
3. Assignment of responsibilities for evaluating activities subject to this Program.

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

VI. Program Authority and Construction

- A. Texas Special District Local Laws Code, Chapter 5007

B. Texas Water Code, Chapters 60, 61, and 62, and particularly Section 60.458 as follows:

Sec. 60.458. PURCHASE CONTRACT AWARD CRITERIA. Except as provided by this subchapter, in determining to whom to award a contract, the district may consider:

- (1) the purchase price;
- (2) the reputation of the vendor and of the vendor's goods or services;
- (3) the quality of the vendor's goods or services;
- (4) the extent to which the goods or services meet the district's needs;
- (5) the vendor's past relationship with the district;
- (6) the impact on the ability of the district to comply with laws and rules relating to historically underutilized businesses, and on the district's small business development program, local preference program, or other contracting program adopted by the district, if any;
- (7) the total long-term cost to the district to acquire the vendor's goods or services; and
- (8) any other relevant factor specifically listed in the request for bids or proposals.

VII. Policy Responsibilities

A. This Program does not constrain the discretion of the Port Commission, which may amend this Program at any time for any reason.

B. In the absence of a contrary directive by the Executive Director, the Senior Director of Small Business and Education Outreach is responsible for this Program's implementation, and is the contact person for its interpretation.

C. This Program supersedes and replaces any prior programs and policies adopted by the Port Commission regarding Local Preference.

D. This Program, and any standards and procedures established to implement it, 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. Nothing in this Program prohibits the Port Authority from rejecting any and/or all offers received in response to a procurement solicitation. The Port Authority reserves the right to assert every defense to any claim that is available to it under law.

Port of Houston Authority
Amended Local Preference Program and Policy
December, 2017
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VIII. Adoption

This Amended Local Preference Program and Policy was adopted by the Port Commission on the December 12, 2017 as evidenced by Minute No. 2017-_____ - ____.

Policy Owner: Finance Division
Policy Version: Amended 1.0

**Port Houston
Amended Local Preference Program
Standards and Procedures
December, 2017**



A. Introduction.

1. The Port Commission, by action taken on December 12, 2017, as evidenced by Minute No. 2017-_____ - ___, adopted the Amended Local Preference Program and Policy (“Program”).

2. The Program directs staff to prepare and from time to time update standards and procedures consistent with the Program for staff’s administration of Program activities.

3. Accordingly, these Local Preference Program Standards and Procedures (“Standards”) are hereby established.

B. Definitions. As used in the Local Preference Program, the terms below have meanings as shown. Words used or defined in one tense or form shall include other tenses and derivative forms.

“BuySpeed”	The Port Authority’s electronic procurement system and vendor database.
“Certification”	The process or the designation of a business, by the City of Houston in the Hire Houston First Program, as a City Business or a Local Business.
“Certified Local Business”	A business that is listed on the City of Houston’s Hire Houston First Program website with an unexpired Certification as a City Business or a Local Business.
“Eligible Local Business”	A business that is Registered in BuySpeed, and that holds an unexpired Certification.
“Enrolled Local Business”	An Eligible Local Business, the status of which as a Certified Local Business has been verified by Port Houston staff through the Enrollment Process.
“Enrollment Process”	The process by which an Eligible Local Business is determined to be an Enrolled Local Business for participation in the Port Authority’s Local Preference Program. During the Enrollment Process, Port Houston staff verifies that:

Amended Local Preference Program
Standards and Procedures
December, 2017
Page 2

- An applicant has received Certification from the City of Houston’s Hire Houston First Program, and such Certification has not expired (by checking the *City of Houston’s* Hire Houston First Program website); and
- An applicant has successfully completed BuySpeed Registration.

“Hire Houston First Program” The *City of Houston’s* “Hire Houston First Program,” currently administered by the City of Houston’s Office of Business Opportunity.

“Registration” - The process by which a business enters its company information into the Port Authority’s BuySpeed system.

C. Program Scope.

1. The Program shall apply to formal procurement contracts awarded based on a “best value” evaluation, excluding sole-source contracts, federally-funded contracts, contracts with other governmental entities, and those contracts for which participation in the Program is otherwise prohibited by applicable law or exempted by the Port Authority.

2. The Program does not apply to any contract:

a. In which the federal government participates in the form of a grant or loan, or the Port Authority acts as a conduit for federal money;

b. For the purchase of telecommunications services or information services, as those terms are defined by 47 U.S.C. Section 153; or

c. In which the contracting department has determined that it would unduly interfere with contract needs, as set forth in writing and by the applicable Division Officer.

3. In procuring architectural, engineering, or land surveying services under the Professional Services Procurement Act as provided in Texas Government Code Sec. 2254.004, the contracting department shall, when appropriate, consider knowledge of local conditions as part of the qualifications determination.

D. Eligibility and Enrollment.

1. To become an Eligible Local Business, and thereby eligible for the Port Authority’s Local Preference Program, a vendor must: (a) hold an unexpired Certification from the City of

Amended Local Preference Program
Standards and Procedures
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Houston's "Hire Houston First Program" as a City Business or a Local Business (as those terms are defined in the Hire Houston First Program), and (b) successfully completed Registration in the Port Authority's BuySpeed system. A business must be Registered in order to receive email notifications of procurement opportunities at the Port Authority and to participate in the procurement process.

2. An Eligible Local Business becomes an Enrolled Local Business at such time as a Port Houston staff member verifies that status by carrying out the Enrollment Process. The Enrollment Process shall be performed for all proposing vendors after responses are opened and before evaluation, for procurement solicitations for which Local Preference status is an evaluation criteria.

E. Program Purchases and Preference Points.

1. In evaluating procurements that fall within the Program scope as set forth above, and for which the published selection criteria include a Local Preference category, the designated weight (or points) for that category shall be given to an Enrolled Local Business which:

- a. Is a prime vendor/contractor (i.e., not a sub-contractor); *and*
- b. Has proposed a price within 3% of the lowest proposed price.

2. **Three (3) points is the designated weight that the Port Authority has established for the Local Preference status criteria;** therefore a prime vendor/contract meeting the above requirements will receive the three (3) points available for the Local Preference status criteria.

F. Reporting. The Executive Director or his or her designee shall periodically report to the Procurement and Small Business Task Force and the Port Commission regarding Local Preference program activities and results.

G. Program Responsibilities. The Small Business and Education Outreach Department is responsible for the Program's implementation, including but not limited to the following activities:

1. Program management, including evaluation of Program activities.
2. Determining, for applicable procurements, whether Local Business status is appropriate as a selection criteria.
3. Reviewing Certifications and determining whether vendors meet Program requirements.

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Standards and Procedures
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4. Acting as the primary point of control and coordination for Program data collection and reporting.

5. Providing training on the Local Preference Program, as needed.

H. Standards Authorization. These Standards have been authorized by the Executive Director. The Senior Director of Small Business and Education Outreach, or such other person as may be designated by the Executive Director, is responsible for interpretation and resolution of issues related to these Standards, and may take actions that are necessary or appropriate in carrying out these Standards.

I. Effective Date. These Standards shall apply to procurement solicitations published on or after the date of adoption noted below.

APPROVED BY: _____
Executive Director

Effective Date: _____

Policy Owner: Finance Division
Policy Version: Original Amended

H. COMMERCIAL

Subject	1. Approve staff's ranking of vendors and award a service contract in an amount not to exceed \$150,000 for promotional items and webstore ordering services to the top-ranked proposer: staff ranking - first, Tejas Office Products; second, Augusta Marketing Products, LLC/The Augusta Group; and third, Absolute Color - Promovana.
Meeting	Dec 12, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its December 12 meeting: <ul style="list-style-type: none"> (a) approve staff's ranking of the most qualified vendors in the following order – first, Tejas Office Products; second, Augusta Marketing Products, LLC/The Augusta Group; and third, Absolute Color - Promovana; (b) award a service contract to Tejas Office Products for promotional items and webstore ordering services in an amount not to exceed \$150,000; (c) grant authority, if a contract cannot be negotiated with the first-ranked vendor, to formally, and in writing, end negotiations with that vendor and proceed to the next vendor in the order of ranking until a contract is reached or all proposals are rejected; and (d) further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

Category:

Awards, Amendments & Change Order

Department:

Commercial

Staff Contact:

Stan Swigart / Rina Lawrence

Background:

The Port Authority is seeking to obtain a vendor to provide promotional items across the organization and a "turn-key" solution to host and customize a Port Authority online webstore. The online webstore must meet the needs of each phase of the order cycle.

Historically, various departments across the organization have handled the process of purchasing their own promotional items, and these items are currently provided by several vendors. In order to leverage the Port Authority's total buying power and create a more efficient selection and inventory operation, staff seeks one vendor for these items. The selected respondent(s) would work closely with the Marketing and External Communications Department in the management, selection, design, production, marketing, and delivery of all the products for the proposed Promotional Items and Webstore Ordering Program.

By Minute No. 2017-0926-06, the Port Commission authorized the re-advertisement of a request for proposals (RFP) for promotional items and webstore ordering services. 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. Fourteen vendors downloaded the project materials from Buyspeed.

Staff Evaluation/Justification:

On October 16, 2017, six responses were received and opened. The responses were reviewed and evaluated by staff in accordance with the selection criteria published in the RFP. Staff identified the following vendors, listed in order of ranking, as most qualified to provide the required services:

- Tejas Office Products
- Augusta Marketing Products, LLC/The Augusta Group
- Absolute Color - Promovana

Staff recommends that the Port Commission award a contract to Tejas Office Products and act as otherwise described above.

H. COMMERCIAL

Subject	2. Approve staff's ranking of vendors and award a professional services contract in an amount not to exceed \$110,000 for the production of three high definition documentary style 30-second public service videos to the top-ranked proposer: staff ranking – first, TEMPT Films, LLC; second, Bird House Productions, Inc. d.b.a. Rivet; third, Johnny Badgood Productions.
Meeting	Dec 12, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its December 12, 2017 meeting: <ul style="list-style-type: none"> (a) approve staff's ranking of the most qualified vendors in the following order – first, TEMPT Films, LLC; second, Bird House Productions, Inc. d.b.a. Rivet; third, Johnny Badgood Productions; (b) award a professional services contract for the production of three high definition documentary style 30-second public service videos in an amount not to exceed \$110,000; (c) grant authority, if a contract cannot be negotiated with the first-ranked vendor, to formally, and in writing, end negotiations with that vendor and proceed to the next vendor in the order of ranking until a contract is reached or all proposals are rejected; and (d) determine that the request for qualifications procurement method provides best value to the Port Authority; and (e) 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 and External Communications
Staff Contact:	Stan Swigart / Rina Lawrence

Background:

The Port Authority is seeking qualifications for a vendor of commercial video production services that can successfully provide three high definition documentary style 30-second public service videos to run on broadcast and cable networks in the Greater Houston area.

The Port Authority has recently completed a rebranding process as Port Houston. The associated survey research indicated that voters of Harris County are proud of the maritime industry in the region, and want to know more about what the industry does and what it brings to the community. Accordingly, the goal of broadcasting these videos is to educate the Harris County community on the significant contribution the Port Authority makes to the Greater Houston area, the state, and the nation, and create greater awareness about the positive impacts the Port Authority has on the local community as well as its mission to drive regional prosperity. The 30-second public service videos are expected to bolster the Port Authority's marketing and branding efforts as well as inform the general public about its value as an economic engine and job creator.

By Minute No. 2017-0627-11, the Port Commission authorized the advertisement of a request for qualifications (RFQ) for this project. The Port Authority notified vendors regarding its RFQ using the Port Authority's Buyspeed Eprocurement System. The project was advertised on the Port Authority's website and in a local newspaper. Twelve vendors downloaded the project materials from Buyspeed.

Staff Evaluation/Justification:

On August 30, 2017, twelve RFQ responses were received and opened. The responses were reviewed and evaluated by staff in accordance with the selection criteria published in the RFQ. Staff identified the following vendors, listed in order of ranking, as most qualified to provide the required services:

- TEMPT Films, LLC
- Bird House Productions, Inc. d.b.a. Rivet
- Johnny Badgood Productions

Staff recommends that the Port Commission award a contract to TEMPT Films, LLC, and act as otherwise described above.

H. COMMERCIAL

Subject 3. Approve the 2018 membership in the Greater Houston Partnership at the Managing Partner level with associated membership fees in an amount not to exceed \$60,000.

Meeting Dec 12, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 12, 2017 meeting, approve a membership for 2018 in the Greater Houston Partnership at the Managing Partner level with associated membership fees in an amount not to exceed \$60,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Awards, Amendments & Change Orders

Department:

Marketing & External Communications

Staff Contact:

Ricky Kunz / Stan Swigart

Background:

By Minute No. 2016-0202-13, the Port Commission approved the 2017 membership in the Greater Houston Partnership (GHP) at the Managing Partner level with associated membership fees in an amount not to exceed \$60,000.

Staff Evaluation/Justification:

To maintain the Port Authority's working relationship with GHP, staff recommends that the Port Authority continue its membership investment at the Managing Partner level.

Benefits of the Managing Partner Level Membership include nomination to the GHP Board of Directors, eligibility to participate in ten GHP Committees, the Steering Committee, up to four Advisory Committees, and premier table placement at sponsored events.

Staff recommends that the Port Commission approve a 2018 membership in the GHP.

H. COMMERCIAL

Subject	4. Approve and ratify Contanda Wah Chang Terminal LLC as the Tenant under that certain fifty-year lease of the Wah Chang and Bulk Plant property previously approved by the Port Commission with Contanda Terminals LLC as Tenant, and approve an amendment to the lease extending until April 30, 2018 the option period on an adjacent parcel totaling approximately 8.162 acres.
Meeting	Dec 12, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its December 12, 2017 meeting, approve and ratify Contanda Wah Chang Terminal LLC as the Tenant under that certain fifty-year lease of the Wah Chang and Bulk Plant property previously approved by the Port Commission with Contanda Terminals LLC as Tenant, and approve an amendment to the lease extending until April 30, 2018, the option period on an adjacent parcel totaling approximately 8.162 acres, 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:

By Minute No. 2017-0131-47, the Port Commission approved a fifty-year lease with Contanda Terminals LLC at the Wah Chang/Bulk Materials Handling Plant property with an option granted to the Tenant until December 15, 2017 to lease an adjacent tract of approximately 8.162 acres, consisting of approximately 1.429 acres of upland recently acquired by the Port Authority and an additional 6.7333 acres of submerged property.

At the closing of the lease with Contanda Terminals LLC approved by Minute Nos. 2017-0131-47 and 2017-0524-08, the tenant entity was changed, from Contanda Terminals LLC to Contanda Wah Chang Terminal LLC, a single purpose entity created by Tenant. In consideration for this change, the Port Authority obtained a Guaranty of Lease from Contanda Terminals LLC, the parent company and sole owner of Contanda Wah Chang Terminal LLC.

Since the closing, staff has also determined that an extension of the option period from November 10, 2017 to April 30, 2018 would help provide the Port Authority time to extinguish an unimproved utility easement filed of record prior to the deadline by which Contanda must exercise its option.

Staff Evaluation/Justification:

Staff recommends approval of (1) the substitution of Contanda Wah Chang Terminal LLC in lieu of Contanda Terminals LLC as the Tenant under the Lease and (2) an extension of the 8.162 acre option property feasibility period until April 30, 2018.

H. COMMERCIAL

Subject **5. Approve a Sublease between Rains Land & Properties, LP, as Sublessor and Alltrans Port Services, LLC, as Sublessee, effective December 1, 2017, for the approximately four-acre Port Authority property outside of the Industrial Park East secured area at an annual rental of \$54,000, subject to a 3% annual increase.**

Meeting Dec 12, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 12, 2017 meeting, approve a Sublease between Rains Land & Properties, LP, as Sublessor and Alltrans Port Services, LLC, as Sublessee, effective December 1, 2017, for the approximately four-acre Port Authority property outside of the Industrial Park East secured area at an annual rental of \$54,000 subject to a 3% annual 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:

In December 2016, the Port Commission authorized a lease with Alltrans Port Services Inc. for a site outside of the Industrial Park East secured area totaling approximately 4 acres. The lease provides that in the event of a future sublease, the rent for the property would increase from \$4,000 per month to \$4,500 per month (\$54,000 total annually).

By Minute No. 2017-1023-13, the Port Commission approved an assignment of Lease from Alltrans Port Services, Inc. to Rains Land & Properties, LP.

Alltrans Port Services, Inc. (the name of which is now Alltrans Port Services, LLC), now seeks to sublet the leased premises from Rains Land & Properties, LP.

Staff Evaluation/Justification:

Staff reviewed the request to sublease by Rains Land & Properties, LP and Alltrans Port Services LLC and recommends approval of the sublease.

H. COMMERCIAL

Subject 6. Approve a one-year lease agreement with ABJ Trucklines and Storage Management Company, Inc. dba HP Trucklines and Storage for approximately 1.62 acres out of Block 6A at the Northside Turning Basin effective January 1, 2018 at an annual rental of \$61,410.

Meeting Dec 12, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 12, 2017 meeting, approve a one-year lease agreement with ABJ Trucklines and Storage Management Company, Inc. dba HP Trucklines and Storage for approximately 1.62 acres out of Block 6A at the Northside Turning Basin effective January 1, 2018 at an annual rental of \$61,410, 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:

ABJ Trucklines and Storage Management Company, Inc. dba HP Trucklines and Storage (HP) has requested to lease the 1.62 acres at the Northside Turning Basin for the storage of steel pipe and general cargo. HP is a trucking company that has been in business for 30 years, servicing the Port Authority and Stevedores since 2011.

Staff Evaluation/Justification:

Staff recommends the Port Commission approve a one-year lease agreement with HP on the terms described above.

H. COMMERCIAL

Subject 7. Approve a three-year lease agreement with the West Gulf Maritime Association for approximately 2.06 acres at Barbours Cut Terminal effective January 1, 2018 at an annual rental of \$120.

Meeting Dec 12, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 12, 2017 meeting, approve a three-year lease agreement with the West Gulf Maritime Association for approximately 2.06 acres at the Barbours Cut Terminal effective January 1, 2018 at an annual rental of \$120, 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:

West Gulf Maritime Association (WGMA) has requested that the Port Authority renew its lease of approximately 2.06 acres at Barbours Cut Terminal for its training of maritime industry workers on lashing procedures, forklift operation, and yard tractor operations. The lease property has been occupied by WGMA since 2015 under similar lease terms. Previously, WGMA occupied property at the Turning Basin.

Staff Evaluation/Justification:

Staff recommends the Port Commission approve a three-year lease agreement with the WGMA on the terms described above.

H. COMMERCIAL

Subject 8. Approve an amendment to the lease with Cooper/Ports America, LLC for an additional three years effective January 1, 2018, for approximately 1,418 net rentable square feet of office space in the C-6 Waterside Building at the Barbours Cut Terminal, at an annual rental of \$32,855 with an annual 3% increase.

Meeting Dec 12, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 12, 2017 meeting, approve an amendment to the lease with Cooper/Ports America, LLC for an additional three years effective January 1, 2018, for approximately 1,418 net rentable square feet of office space in the C-6 Waterside Building at the Barbours Cut Terminal, at an annual rental of \$32,855 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:

By Minute No. 2015-1215-14, the Port Commission approved a two-year lease agreement with Shippers Stevedoring Co. Subsequently, by Minute No. 2016-0297-57, the Port Commission approved a change of control of the leasee from Shippers Stevedoring Co. to Cooper/Ports America, LLC. Cooper/Ports America, LLC has now requested that the Port Authority extend the lease for an additional three-years. The rate would include an annual 3% rental increase over the prior year rate. Cooper/Ports America, LLC was previously in the Barbours Cut Administration Building until 2015 when it expanded and relocated to the C-6 Waterside Building.

Staff Evaluation/Justification:

Staff recommends the Port Commission approve a three-year lease extension to Cooper/Ports America, LLC at the terms described above.

H. COMMERCIAL

Subject 9. Approve an assignment by Alltrans Port Services Inc. as tenant under its seven Turning Basin leases with the Port Authority to Alltrans Port Services LLC.

Meeting Dec 12, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 12, 2017 meeting, approve an assignment by Alltrans Port Services Inc. as tenant under its seven Turning Basin leases with the Port Authority to Alltrans Port Services LLC, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Leases

Department:

Real Estate

Staff Contact:

R. D. Tanner

Background:

By Minute No. 2017-0926-14, the Port Commission approved the change of control of Alltrans Port Services Inc. in connection with the firm's seven Turning Basin leases with the Port Authority. The seven leases are identified in Minute Nos. 2015-0623-10, 2014-0422-44, 2016-0927-22, 2015-0127-34, 2016-0628-12, 2013-0423-34, 2016-0927-23. As approved by the Port Commission, the new majority owner of Alltrans Port Services Inc. is Uniprop Corporation of Birmingham, Michigan, which is controlled by the Zlotoff family, with Rail Partners Management Group and Mark Brown (owner of Texas Transloaders) becoming minority owners.

Prior to consummation of the change of control transaction, Alltrans Port Services Inc. was converted by the new owners to a Texas limited liability company.

Staff Evaluation/Justification:

Staff recommends approval of an assignment of lease from Alltrans Port Services Inc. to Alltrans Port Services LLC.

H. COMMERCIAL

Subject 10. Approve the following transactions related to the City of Houston's abandonment of roads adjacent to Port Authority property: (i) purchase from the city, for an amount not to exceed \$65,000, of a fee simple interest in an approximately 0.32-acre tract of the north portion of Wingate Street between 75th Street and Basin Street; (ii) acceptance of a motion of non-acceptance from the city for an approximately 0.28-acre tract being a portion of Basin Street between Wingate Street and Mobile Street; and (iii) amendment of the terms of the previously approved lease with Jacob Stern & Sons, Inc., to add the property acquired from the city, increasing the leased acreage from approximately 9.54 acres to approximately 10.14 acres, and to adjust the initial annual rent accordingly to \$10,685 with annual adjustments and all other lease terms as previously approved.

Meeting Dec 12, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 12, 2017 meeting, Approve the following transactions related to the City of Houston's abandonment of roads adjacent to Port Authority property: (i) purchase from the city, for an amount not to exceed \$65,000, of a fee simple interest in an approximately 0.32-acre tract of the north portion of Wingate Street between 75th Street and Basin Street; (ii) acceptance of a motion of non-acceptance from the city for an approximately 0.28-acre tract being a portion of Basin Street between Wingate Street and Mobile Street; and (iii) amendment of the terms of the previously approved lease with Jacob Stern & Sons, Inc., to add the property acquired from the city, increasing the leased acreage from approximately 9.54 acres to approximately 10.14 acres, and to adjust the initial annual rent accordingly to \$10,685 with annual adjustments and all other lease terms as previously approved, 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:
At its May 24, 2017 meeting, the Port Commission approved new lease agreements with Jacob Stern & Sons, Inc. (JSS) on the terms discussed in Executive Session (Minute No. 2017-0524-38), to amend and restate JSS's current leases with the Port Authority. To date, the new leases have not been executed by the parties.

The City of Houston (the City) owns two undeveloped right-of-ways (Wingate Street and Basin Street) adjacent to the Port Authority's property leased to JSS and to property owned by JSS. The Port Authority proposes to acquire those right-of-ways through abandonment from the City. The City has agreed to issue a "non-acceptance" for the Basin Street dedication and to convey its ownership to the Port Authority at no cost. City utilities were found within the Wingate Street dedication, which will need to be relocated by JSS at its sole cost and expense, and the property must be acquired through a City ordinance approving its abandonment and sales to the Port Authority and JSS.

The Port Authority proposes to acquire its adjacent portions (approximately 0.60 acres) of the abandoned streets from the City and add the acquired property to the approved 9.54-acre lease with JSS. JSS will be acquiring by purchase from the City .1722 acres as the additional adjacent owner to Wingate Street to

complete this transaction. The lease terms as previously approved by the Port Commission provide for annual escalation of rents. Other than the amendment to the lease acreage and base rent, no further amendments to the approved lease terms are requested.

Staff Evaluation/Justification:

Staff has determined that it is in the best interest of the Port Authority to acquire the approximately 0.60 acres from the City of Houston and add the acquired property to the approved JSS 9.54-acre lease and recommends the Port Commission approve the terms described above.

H. COMMERCIAL

Subject **11. Adopt resolutions authorizing the Port Authority to acquire by purchase or, if necessary, through the exercise of the power of eminent domain (i) fee simple interests in land in the vicinity of Bayport Terminal as described in Exhibits "A-1," "A-2," "A-3," and "A-4," (ii) drill site reservations encumbering two Port Authority tracts, at the Beltway 8 site as described in Exhibit "B-1," and at Jacintoport Terminal as described in Exhibit "B-2," and (iii) a fifteen foot wide utility easement encumbering the Port Authority's Ballard Wah Chang property as described in Exhibit "C-1," for the public use and purposes of the Port Authority.**

Meeting Dec 12, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 12, 2017 meeting, adopt resolutions authorizing the Port Authority to acquire by purchase and, if necessary, through the exercise of the power of eminent domain (i) fee simple interests in land in the vicinity of Bayport Terminal as described in Exhibits "A-1," "A-2," "A-3," and "A-4," (ii) drill site reservations encumbering two Port Authority tracts, at the Beltway 8 site as described in Exhibit "B-1," and at Jacintoport Terminal as described in Exhibit "B-2," and (iii) a fifteen foot wide utility easement encumbering the Port Authority's Ballard Wah Chang property as described in Exhibit "C-1," for the public use and the public purposes of the Port Authority for public port-related development, operations, uses and needs and further authorize and direct the Executive Director to take action to purchase the properties and, if unable to purchase such properties, to initiate actions necessary to acquire such properties through the exercise of the power of eminent domain.

Category:

Leases

Department:

Real Estate

Staff Contact:

R. D. Tanner

Background:

Staff seeks to acquire properties in the vicinity of Bayport Terminal as described in Exhibits "A-1," "A-2," "A-3," and "A-4" for public use in connection with the development and operation of terminal facilities and other public port-related activities, including rail services, cargo related services, transportation, and other related Port Authority uses and needs.

Staff also seeks to acquire (and extinguish by merger) the drill site reservations which encumber two Port Authority tracts, at the Beltway 8 site as described in Exhibit "B-1," and at Jacintoport Terminal as described in Exhibit "B-2," to permit the respective properties to be more fully used in the public interest by the Port Authority for port-related development, operations, uses and needs.

Finally, staff seeks to acquire (and extinguish by merger) a fifteen foot wide utility easement encumbering the Port Authority's Ballard Wah Chang property as described in Exhibit "C-1," to permit that property to be more fully used in the public interest by the Port Authority for port-related development, operations, uses and needs.

Staff Evaluation/Justification:

Staff has determined that the acquisition of each of the fee simple interests in the properties described in Exhibits "A-1," "A-2," "A-3," and "A-4," the drill site reservations as described in Exhibit "B-1" and "B-2" and the fifteen foot wide utility easement as described in Exhibit "C-1," are in each instance a public necessity for the public use and purposes of the Port Authority.

Accordingly, staff recommends that the Port Commission, at its December 12, 2017 meeting, adopt resolutions in the respective forms attached as Exhibits "A," "B," and "C," authorizing the Port Authority to acquire for public use and the public purposes of the Port Authority, all of the real property interests described above, through purchase or, if necessary, through the exercise of the power of eminent domain.

PORT COMMISSION RESOLUTION NO. _____

RESOLUTION DETERMINING THE PUBLIC NECESSITY FOR AND AUTHORIZING THE ACQUISITION OF THE FEE SIMPLE INTERESTS IN FOUR TRACTS OF LAND, THE FIRST CONTAINING APPROXIMATELY 3.78 ACRES LOCATED IN HARRIS COUNTY, TEXAS, THE SECOND CONTAINING APPROXIMATELY 3.70 ACRES LOCATED IN HARRIS COUNTY, TEXAS, THE THIRD CONTAINING APPROXIMATELY 8.88 ACRES LOCATED IN HARRIS COUNTY, TEXAS, AND THE FOURTH CONTAINING APPROXIMATELY 34.59 ACRES LOCATED IN HARRIS COUNTY, TEXAS, BY PURCHASE OR BY THE EXERCISE OF THE POWER OF EMINENT DOMAIN, FOR PUBLIC USE IN CONNECTION WITH THE DEVELOPMENT AND OPERATION OF THE PORT OF HOUSTON AUTHORITY'S BAYPORT TERMINAL FACILITIES AND OTHER PORT-RELATED ACTIVITIES.

WHEREAS, the Port Commission of the Port of Houston Authority of Harris County, Texas, has determined it is necessary in the public interest of the citizens of Harris County, Texas and in furtherance of the public purposes of the Port of Houston Authority of Harris County, Texas ("Port Authority") for public use to acquire by purchase or, if necessary, through the exercise of the power of eminent domain, the fee simple interests in four tracts of land located in Harris County, Texas, the first containing approximately 3.78 acres, the second containing approximately 3.70 acres, the third containing approximately 8.88 acres, and the fourth containing approximately 34.59 acres, such properties being more particularly described in Exhibits "A-1," "A-2," "A-3," and "A-4," which are attached hereto, in connection with the development and operation of the Bayport Terminal facilities and other port-related activities, including rail services, cargo related services, transportation, and related Port Authority uses and needs.

Now, therefore, be it resolved by the Port Commission of the Port of Houston Authority of Harris County, Texas as follows:

A public necessity exists for the acquisition of the fee simple interest in four tracts of land, the first containing approximately 3.78 acres, the second containing approximately 3.70 acres, the third containing approximately 8.88 acres, and the fourth containing approximately 34.59 acres, such properties being more particularly described in Exhibits "A-1," "A-2," "A-3," and "A-4," which are attached hereto ("the Properties") and located in Harris County, Texas, in furtherance of the public purposes of the Port Authority for the public use in connection with the development and operation of the Bayport Terminal facilities and other port-related activities, including rail services, cargo related services, transportation, and other related Port Authority uses and needs.

The Executive Director, and at his directive, the legal department of the Port Authority and all associated legal counsel, are hereby authorized and directed to take such actions as are necessary to acquire the fee simple interests in the Properties by purchase or, if necessary, to proceed to acquire through the exercise of the power of eminent domain, the Properties as described in Exhibits "A-1," "A-2," "A-3," and "A-4," which are attached hereto, from the owners and others having an interest in the Properties.

PASSED AND ADOPTED this 12th day of December, 2017.

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

ATTEST:

Executive Director and Secretary
Port of Houston Authority of Harris County, Texas

I, Roger Guenther, Executive Director and Secretary of the Port of Houston Authority of Harris County, Texas, do hereby certify that the foregoing is a true and correct copy of a resolution adopted by the Port Commission of the Port of Houston Authority of Harris County, Texas, at a meeting held on December 12, 2017, which meeting was duly called and convened and at which meeting a quorum of Port Commissioners was present and voting throughout.

IN WITNESS WHEREOF, I have hereunto subscribed my name as of this 12th day of December, 2017.

Roger Guenther
Executive Director and Secretary

EXHIBIT "A-1"**3.7818 ACRE TRACT**

BEING ALL THAT CERTAIN TRACT OR PARCEL OF LAND CONTAINING **3.7818** ACRES SITUATED IN THE *RITSON MORRIS SURVEY, ABSTRACT No. 52, HARRIS COUNTY, TEXAS*, AND BEING OUT OF AND PART OF A CERTAIN 8 ACRE TRACT AS DESCRIBED IN A DEED FROM MRS. VIRGINIA B. LARRABEE, A WIDOW, TO OLIVER P. CHRISTY, JR. AND WIFE, IRMA LARRABEE CHRISTY, DATED MAY 2, 1946, RECORDED IN VOLUME 1457, PAGE 95, OF THE DEED RECORDS OF HARRIS COUNTY, TEXAS, TO WHICH DEED REFERENCE IS HERE MADE FOR PURPOSE OF DESCRIPTION; SAID **3.7818** ACRE TRACT BEING THE SAME TRACT AS RECORDED IN HARRIS COUNTY CLERK'S FILE No. 20130646764 AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS, TO-WIT:

BEGINNING at an iron rod marking the Northeast corner of said 8 acre tract, also being the Northeast corner of the tract herein described;

THENCE South 87° 10' 31" West, along and with the North line of said 8 acre tract, a distance of 1095.15 feet to a concrete right-of-way marker on the East right-of-way line of State Highway No. 146;

THENCE South 00° 32' 30" West, along and with said right-of-way line, a distance of 148.32 feet to an iron rod marking the Southwest corner of the tract herein described;

THENCE North 87° 21' 57" East, a distance of 1102.75 feet to an iron pipe for corner on the East line of said 8 acre tract;

THENCE North 02° 24' 12" West, along and with said East line of the 8 acre tract, a distance of 151.73 feet to the **PLACE OF BEGINNING** and containing **3.7818** acres of land, more or less.

EXHIBIT "A-2"**3.7054 ACRE TRACT**

BEING A TRACT OF LAND CONTAINING **3.7054** ACRES (161,406 SQUARE FEET), SITUATED IN THE *RITSON MORRIS SURVEY, ABSTRACT 52, HARRIS COUNTY, TEXAS*. BEING OUT OF LOT 1 OF THE EAST END OF LOT 2 OF THE SUBDIVISION OF RITSON MORRIS LEAGUE. A SUBDIVISION RECORDED IN VOLUME 470, PAGE 496 OF THE DEED RECORDS OF HARRIS COUNTY, TEXAS AND BEING ALL OF A TRACT OF LAND CONVEYED TO DAVID A. DEANE BY DEED RECORDED UNDER COUNTY CLERK'S FILE NO. X778689 OF THE OFFICIAL PUBLIC RECORDS OF HARRIS COUNTY, TEXAS. SAID **3.7054** ACRE TRACT. BEING THE SAME TRACT AS RECORDED UNDER COUNTY CLERK'S FILE NO. 2016-185573 OF THE OFFICIAL PUBLIC RECORDS OF HARRIS COUNTY, TEXAS AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING at a set 1/2 inch rod with cap marked "Survey 1", from which a found 1/2 inch iron rod bears south 24 degrees 32 minutes west at a distance of 1.9 feet for the northeast corner of a called 15.936 acre tract of land conveyed to the Port of Houston Authority by deed recorded under County Clerk's File No. V897016 of the Official Public Records of Harris County, Texas and for the southeast corner of Lot 1 and said tract herein described:

THENCE South 87 degrees 14 minutes 16 seconds West, a distance of 1,111.42 feet to a point in the east right-of-way line of Old Highway 146 (width varies), being the northwest corner of said called 15.936 acre tract and for the southwest corner of said tract herein described, from which a found 1/2 inch iron rod bears south 08 degrees 35 minutes east at a distance of 0.6 feet:

THENCE North 00 degrees 25 minutes 08 seconds East, along the east right-of-way line of said Old Highway 146, a distance of 145.97 feet to a set 1/2 inch rod with cap marked "Survey 1" in the east right-of-way line of said Old Highway 146, for the southwest corner of a tract of land conveyed to Ootzie Properties Hou LLC by deed recorded under County Clerk's File No. 20130646764 of the Official Public Records of Harris County, Texas and for the northwest corner of said tract herein described:

THENCE North 87 degrees 14 minutes 16 seconds East, a distance of 1,103.49 feet to a set 1/2 inch rod with cap marked "Survey 1" for the southeast corner said Ootzie Properties Hou LLC and for the northeast corner of said tract herein described:

THENCE South 02 degrees 41 minutes 46 seconds East, a distance of 145.75 feet to the **POINT OF BEGINNING** and containing **3.7054** acres (161,406 square feet), more or less.

EXHIBIT "A-3"**8.88 ACRE TRACT**

BEING ALL THAT CERTAIN TRACT OR PARCEL OF LAND CONTAINING **8.88** ACRES, MORE OR LESS, SITUATED IN THE *RITSON MORRIS SURVEY, ABSTRACT No. 52, HARRIS COUNTY, TEXAS*, AND BEING THAT SAME LAND DESCRIBED IN DEED DATED APRIL 10, 1937, FROM OSCIE J. MENARD, ET AL, TO VIRGINIA LARRABEE, RECORDED IN VOLUME 1209, PAGE 715 OF THE DEED RECORDS OF HARRIS COUNTY, TEXAS; SAID **8.88** ACRE TRACT BEING THE SAME TRACT AS RECORDED IN HARRIS COUNTY CLERK'S FILE No. P707313 AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS, TO-WIT:

BEGINNING at the Northeast corner of Tract No. 1 of the subdivision of 70.84 acres of land, as shown by the map or plat thereof, prepared by T. J. Mahaffey, Surveyor, recorded in Volume 470, Page 495 of the Deed Records of Harris County, Texas, said 70.84 acre tract being in Lot No. Two (2) in the Northern part of the Ritson Morris Survey, as shown by the map or plat of the subdivision of said Ritson Morris League, recorded in Volume 49, Page 308 of the Deed Records of Harris County, Texas, and also shown by map or plat of said Lots No. One (1) and Two (2) of said subdivision of said Ritson Morris League, prepared by the Stimson Engineering Company, recorded in Volume 725, Pages 170 and 171 of the Deed Records of Harris County, Texas;

THENCE in an Easterly direction along the North line of said Lot No. Two (2), a distance of 1274 feet, more or less, to the East line of said Lot No. Two (2) and the West line of the Dobie Tract, as shown by the map or plat recorded in Volume 49, Page 308 of the Deed Records of Harris County, Texas;

THENCE in a Southerly direction along the East line of the said Lot No. Two (2), and the West line of said Dobie Tract, a distance of 304.4 feet, more or less, for corner;

THENCE in a Westerly direction 1274 feet, more or less, to the Southeast corner of Tract No. One (1) of said subdivision of said 70.84 acre tract above mentioned;

THENCE in a Northerly direction along the East line of said Tract No. One (1) a distance of 300 feet, more or less, to the North line of said Lot No. Two (2) and the **PLACE OF BEGINNING**.

EXHIBIT "A-4"

**TRACT I
Metes and Bounds Description
17.298 Acres (753,509 Square Feet)
Ritson Morris Survey, Abstract Number 52
Harris County, Texas**

Being 17.298 acres (753,509 square feet) of land located in Harris County, Texas and situated in the Ritson Morris Survey, Abstract Number 52, being all of a called 17.2957 acre tract of land as described in a deed to Tim P. Dittman and wife, Debbie L. Dittman recorded under Harris County Clerk's File (H.C.C.F.) No. P042197; said 17.298 acre tract being more particularly described as follows (Bearings are based on Texas State Plane Coordinate System, South Central Zone (NAD 83);

COMMENCING at a 3/8-inch pinched iron pipe found in the easterly right-of-way R.O.W. line of Old State Highway 146 (120 feet R.O.W.) and marking the southwest corner of a called 34.6921 acre tract of land as described in a deed to American Acryl, L.P. recorded under H.C.C.F. No. S958786 and the northwest corner of a called 17.2975 acre tract of land as described in a deed to John Rihn, Jerome K. Bacous and J. Price Blalock recorded under H.C.C.F. No. S088292;

THENCE, South 17°01'24" West, along the easterly R.O.W. line of said Old State Highway 146, a distance of 372.28 feet to the northwest corner and THE POINT OF BEGINNING of the herein described tract, from which a found 5/8-inch iron rod bears South 88°35'58" West 0.69 feet;

THENCE, North 87°56'50" East, departing the easterly R.O.W. line of said Old State Highway 146 and along the southerly line of said 17.2975 acre tract, a distance of 2,244.42 feet (called 2,243.71 feet) to a 3/8-inch iron rod found marking the northeast corner of the herein described tract;

THENCE, South 02°33'22" East, a distance of 302.87 feet to the northeast corner of a called 8.8 acre tract as described in a deed to James Grady Spears recorded under H.C.C.F. No. P707313 and the southeast corner of the herein described tract, from which a found 1/2-inch iron rod bears South 02°33'22" East 1.00 feet;

THENCE, South 86°45'47" West, a distance of 2,366.87 feet to the easterly R.O.W. line of said Old State Highway 146 and the southeast corner of the herein described tract, from which a found concrete monument bears North 76°47'55" West 0.67 feet;

THENCE, North 16°57'35" East, along said R.O.W. line, a distance of 372.12 feet to THE POINT OF BEGINNING and containing 17.298 acres (753,509 Square Feet) of land.

TRACT II
Metes and Bounds Description
17.296 Acres (753,435 Square Feet)
Ritson Morris Survey, Abstract Number 52
Harris County, Texas

Being 17.296 acres (753,435 square feet) of land located in Harris County, Texas and situated in the Ritson Morris Survey, Abstract Number 52, being all of a called 17.2975 acre tract of land as described in a deed to John Rihn, Jerome K. Baccus and J. Price Blalock recorded under Harris County Clerk's File (H.C.C.F.) No. S088292; said 17.298 acre tract being more particularly described as follows (Bearings are based on Texas State Plane Coordinate System, South Central Zone (NAD 83);

BEGINNING at a 3-inch pinched iron pipe found in the easterly right-of-way R.O.W. line of Old State Highway 146 (120 feet R.O.W.) and marking the southwest corner of a called 34.5921 acre tract of land as described in a deed to American Acryl, L.P. recorded under Harris County Clerk's File (H.C.C.F.) No. S958786 and the northwest corner of the herein described tract;

THENCE, North 88°18'42" East, departing the easterly R.O.W. line of said Old State Highway 146 and along the southerly line of said 34.5921 acre tract, a distance of 2,119.82 feet to a 2-inch iron pipe found marking the northeast corner of the herein described tract;

THENCE, South 02°33'22" East, a distance of 338.37 feet to a 3/8-inch iron rod found marking the southeast corner of the herein described tract;

THENCE, South 87°56'50" West, a distance of 2,244.42 feet (called 2,244.71 feet) to the easterly R.O.W. line of said Old State Highway 146 and the northwest corner of a called 17.2957 acre tract of land as described in a deed to Tim P. Dittman and wife, Dabble L. Dittman recorded under H.C.C.F. No. P042197 and the southwest corner of the herein described tract, from which a found 5/8-inch iron rod bears South 88°36'58" West 0.89 feet;

THENCE, North 17°01'24" East, along said R.O.W. line, a distance of 372.26 feet to **THE POINT OF BEGINNING** and containing 17.296 acres (753,435 Square Feet) of land.

PORT COMMISSION RESOLUTION NO. _____

RESOLUTION DETERMINING THE PUBLIC NECESSITY FOR AND AUTHORIZING THE ACQUISITION OF REAL PROPERTY INTERESTS IN TWO TRACTS OF LAND, THE FIRST BEING A DRILL SITE RESERVATION WHICH ENCUMBERS LAND OWNED BY THE PORT OF HOUSTON AUTHORITY OF HARRIS COUNTY, TEXAS AT BELTWAY 8, LOCATED IN HARRIS COUNTY, TEXAS, AND THE SECOND BEING A DRILL SITE RESERVATION WHICH ENCUMBERS LAND OWNED BY THE PORT OF HOUSTON AUTHORITY OF HARRIS COUNTY, TEXAS AT JACINTOPOINT, LOCATED IN HARRIS COUNTY, TEXAS BY PURCHASE OR BY THE EXERCISE OF THE POWER OF EMINENT DOMAIN, TO ALLOW SUCH PROPERTIES TO BE MORE FULLY USED IN THE PUBLIC INTEREST BY THE PORT OF HOUSTON AUTHORITY OF HARRIS COUNTY, TEXAS FOR PORT-RELATED DEVELOPMENT, OPERATIONS, USES, AND NEEDS.

WHEREAS, the Port Commission of the Port of Houston Authority of Harris County, Texas has determined it is necessary in the public interest of the citizens of Harris County, Texas and in furtherance of the public purposes of the Port of Houston Authority of Harris County, Texas (“Port Authority”) for public use to acquire by purchase or, if necessary, through the exercise of the power of eminent domain, real property interests in two tracts of land, the first being a drill site reservation which encumbers land owned by the Port Authority at Beltway 8, located in Harris County, Texas and the second being a drill site reservation which encumbers land owned by the Port Authority at Jacintoport, located in Harris County, Texas, such properties being more particularly described in Exhibits “B-1” and “B-2,” which are attached hereto, to allow such properties to be more fully used in the public interest by the Port Authority for port-related development, operations, uses and needs.

Now, therefore, be it resolved by the Port Commission of the Port of Houston Authority of Harris County, Texas as follows:

A public necessity exists for the acquisition of real property interests in two tracts of land, the first being a drill site reservation which encumbers land owned by the Port of Houston Authority of Harris County, Texas at Beltway 8, located in Harris County, Texas, and the second being a drill site reservation which encumbers land owned by the Port of Houston Authority of Harris County, Texas at Jacintoport, located in Harris County, Texas, such properties being more particularly described in Exhibits “B-1” and “B-2,” which are attached hereto, to allow such properties to be more fully used in the public interest by the Port Authority for port-related development, operations, uses, and needs.

The Executive Director, and at his directive, the legal department of the Port Authority, and all associated legal counsel, are hereby authorized and directed to take such actions as are necessary to acquire such real property interests in the properties by purchase or, if necessary, to proceed to acquire through the exercise of the power of eminent domain, the properties as described in Exhibits "B-1" and "B-2," which are attached hereto, from the owners and others having an interest in the properties.

PASSED AND ADOPTED this 12th day of December, 2017.

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

ATTEST:

Executive Director and Secretary
Port of Houston Authority of Harris County, Texas

I, Roger Guenther, Executive Director and Secretary of the Port of Houston Authority of Harris County, Texas, do hereby certify that the foregoing is a true and correct copy of a resolution adopted by the Port Commission of the Port of Houston Authority of Harris County, Texas, at a meeting held on December 12, 2017, which meeting was duly called and convened and at which meeting a quorum of Port Commissioners was present and voting throughout.

IN WITNESS WHEREOF, I have hereunto subscribed my name as of this 12th day of December, 2017.

Roger Guenther
Executive Director and Secretary

EXHIBIT "B-1"

(Drill Site within Parcel "B-57")

A tract of land containing approximately 2.00 acres of land being out of a 400.00 acre tract and a 99.203 acre tract located in the Richard and Robert Vince Survey, Abstract No. 76, in Harris County, Texas, said 2.00 acre tract being designated as a Drill Site within Parcel B-57 as set forth and defined by Contract for Purchase and Deed recorded in Volume 4245, Page 527 of the Deed Records (H.C.C.F.N. B966767) of Harris County, Texas.

EXHIBIT "B-2"

(Drill Site within Parcel "B-44")

A tract of land containing approximately 2.00 acres of land being out of a 64.855 acre tract located in the Harris & Carpenter Survey, Abstract No. 28, in Harris County, Texas, said 2.00 acre tract being designated as a Drill Site within Parcel B-44 as set forth and defined by Contract for Purchase and Deed recorded in Volume 4245, Page 527 of the Deed Records (H.C.C.F.N. B966767) of Harris County, Texas.

SUBJECT TO: Claims of present occupants; discrepancies in area and boundaries; unpaid bills

PORT COMMISSION RESOLUTION NO. _____

RESOLUTION DETERMINING THE PUBLIC NECESSITY FOR AND AUTHORIZING THE ACQUISITION OF A REAL PROPERTY INTEREST BEING A FIFTEEN FOOT-WIDE UTILITY EASEMENT WHICH ENCUMBERS LAND OWNED BY THE PORT OF HOUSTON AUTHORITY OF HARRIS COUNTY, TEXAS, KNOWN AS THE BALLARD WAH CHANG PROPERTY, LOCATED IN HARRIS COUNTY, TEXAS, BY PURCHASE OR BY THE EXERCISE OF THE POWER OF EMINENT DOMAIN, TO ALLOW SUCH PROPERTY TO BE MORE FULLY USED IN THE PUBLIC INTEREST BY THE PORT OF HOUSTON AUTHORITY OF HARRIS COUNTY, TEXAS FOR PORT-RELATED DEVELOPMENT, OPERATIONS, USES AND NEEDS.

WHEREAS, the Port Commission of the Port of Houston Authority of Harris County, Texas has determined it is necessary in the public interest of the citizens of Harris County, Texas and in furtherance of the public purposes of the Port of Houston Authority of Harris County, Texas (“Port Authority”) for public use to acquire by purchase or, if necessary, through the exercise of the power of eminent domain, a real property interest being a fifteen foot-wide utility easement which encumbers land owned by the Port Authority, known as the Ballard Wah Chang property, such utility easement being more particularly described in Exhibit “C-1,” which is attached hereto, to allow such property to be more fully used in the public interest by the Port Authority for port-related development, operations, uses and needs.

Now, therefore, be it resolved by the Port Commission of the Port of Houston Authority of Harris County, Texas, as follows:

A public necessity exists for the acquisition of a real property interest being a fifteen foot-wide utility easement which encumbers land owned by the Port Authority, known as the Ballard Wah Chang property, being more particularly described in Exhibit “C-1,” which is attached hereto, to allow such property to be more fully used in the public interest by the Port Authority for port-related development, operations, uses, and needs.

The Executive Director, and at his directive, the legal department of the Port Authority, and all associated legal counsel, are hereby authorized and directed to take such actions as are necessary to acquire such utility easement by purchase or, if necessary, to proceed to acquire through the exercise of the power of eminent domain, such utility easement, as described in Exhibit “C-1,” which is attached hereto, from the owners and others having an interest in the utility easement.

PASSED AND ADOPTED this 12th day of December, 2017.

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

ATTEST:

Executive Director and Secretary
Port of Houston Authority of Harris County, Texas

I, Roger Guenther, Executive Director and Secretary of the Port of Houston Authority of Harris County, Texas, do hereby certify that the foregoing is a true and correct copy of a resolution adopted by the Port Commission of the Port of Houston Authority of Harris County, Texas, at a meeting held on December 12, 2017, which meeting was duly called and convened and at which meeting a quorum of Port Commissioners was present and voting throughout.

IN WITNESS WHEREOF, I have hereunto subscribed my name as of this 12th day of December, 2017.

Roger Guenther
Executive Director and Secretary

EXHIBIT "C-1"

(15' Utility Bank Easement)

Being a 15' foot utility bank easement (7,322 square feet) running east west along the north boundary of a 5.659 acre tract including submerged property, located in the Richard and Robert Vince Survey, Abstract Number (No.) 76 in Harris County, Texas, recorded in the name of Ballard Exploration Company, Inc. in Harris County Clerk's File (H.C.C.F.) No. U550210.

I. FINANCE

Subject	1. Authorize advertisement and receipt of responses for two formal procurements.
Meeting	Dec 12, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its December 12, 2017 meeting, authorize the Port Authority to advertise and receive responses for two 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 the installation of tie downs at Wharves 4 and 5 for Cranes Nos. 3 and 4 at Barbours Cut Terminal, and (b) Request for competitive sealed proposals for placement area maintenance.

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 two new Formal Procurements. Staff has evaluated and recommends the customary best value methods for each procurement.

I. FINANCE

Subject	2. Authorize payment to the Harris County Appraisal District for appraisal services to be provided to the Port Authority for fiscal year 2018 in an amount not to exceed \$450,000, and authorize payment to the Harris County Tax Assessor-Collector for tax collection services for the 2017 tax year in an amount not to exceed \$1,140,000.
Meeting	Dec 12, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its December 12, 2017 meeting, (a) authorize payment to the Harris County Appraisal District for appraisal services to be provided to the Port Authority for fiscal year 2018 in an amount not to exceed \$450,000, (b) authorize payment to the Harris County Tax Assessor-Collector for tax collection services for the 2017 tax year in an amount not to exceed \$1,140,000, 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:

Controller

Staff Contact:

Curtis Duncan

Background:

As provided in Section 6.06(d), Texas Property Tax Code, "Each taxing unit [e.g., the Port Authority] participating in the [appraisal] district is allocated a portion of the amount of the budget equal to the proportion that the total dollar amount of property taxes imposed in the [appraisal] district by the unit for the tax year in which the budget proposal is prepared bears to the sum of the total dollar amount of property taxes imposed in the [appraisal] district by each participating unit for that year."

In addition, pursuant to statute, the Harris County Tax Assessor-Collector is charged with the assessment and collection of taxes levied on behalf of the Port Authority within the Port Authority's jurisdiction, and receives compensation for such services as agreed to by the Port Commission and Harris County Commissioners Court. In July 2007, the Harris County Commissioners Court adopted a fee schedule, which remains in use at the present time, such that each taxing unit is charged property tax collection fees at the rate of \$1.10 per parcel plus \$0.0275 per hundred dollars of taxable valuation.

Staff Evaluation/Justification:

The Harris County Appraisal District has indicated that the estimated cost allocation to the Port Authority for appraisal services to be provided for fiscal year 2018 is under \$450,000. Staff recommends that the Port Commission authorize payment of such expense, which is usually invoiced and paid in four quarterly installments, the first of which is due by December 31, 2017.

The Harris County Tax Assessor-Collector notified the Port Authority that the estimated preliminary property tax collection fees for the 2017 tax year is under \$1,140,000. This fee is normally withheld at the rate of 3.0% from all Port Authority tax collections starting July 2017 until the full amount is collected. Staff recommends Port Commission authorization of such collection fees.

I. FINANCE

Subject **3. Approve the actuarial valuation report dated as of August 1, 2017 for the Port of Houston Authority Restated Retirement Plan.**

Meeting Dec 12, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 12, 2017 meeting, (a) approve the actuarial valuation report dated as of August 1, 2017 for the Port of Houston Authority Restated Retirement Plan, (b) authorize staff to file the report with the Texas Pension Review Board, 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:

General

Department:

Controller / Treasury

Staff Contact:

Curtis Duncan / Ray Yi

Background:

Section 802.101, Texas Government Code, states:

“(a) The governing body of a public retirement system shall employ an actuary, as a full-time or part-time employee or as a consultant, to make a valuation at least once every three years of the assets and liabilities of the system on the basis of assumptions and methods that are reasonable in the aggregate, considering the experience of the program and reasonable expectations, and that, in combination, offer the actuary's best estimate of anticipated experience under the program. The valuation must include a recommended contribution rate needed for the system to achieve and maintain an amortization period that does not exceed 30 years.

(b) On the basis of the valuation, the actuary shall make recommendations to the governing body of the public retirement system to ensure the actuarial soundness of the system. The actuary shall define each actuarial term and enumerate and explain each actuarial assumption used in making the valuation. This information must be included either in the actuarial study or in a separate report made available as a public record.

(c) The governing body of a public retirement system shall file with the State Pension Review Board a copy of each actuarial study and each separate report made as required by law.”

The actuarial valuations for the Port of Houston Authority Restated Retirement Plan (Pension Plan) are prepared by Milliman, the Port Authority's actuary, using investment return assumption rates as approved by the Port Commission.

By Minute No. 2016-1213-20, the Port Commission last approved a reduction of the actuarial assumption rate from 7.00% to 6.75%.

Staff Evaluation/Justification:

Milliman has prepared an actuarial valuation report for the Pension Plan, dated as of August 1, 2017, showing an actuarial value of Pension Plan assets of \$176,993,428, and an Unfunded Actuarial Accrued Liability (UAAL) of \$9,069,428. Using the approved actuarial assumption rate of 6.75% and other reasonable assumptions and methodologies, Milliman has estimated the Annual Required Contribution (ARC) for the fiscal year ending July 31, 2018 to be \$5,006,628.

In accordance with a funding policy approved by the Port Commission (Minute No. 2015-0728-20), Port Authority staff is authorized to continue funding up to 105% of the ARC amount without the need for further authorization. This continued funding should reduce the UAAL over a number of years and help ensure that the Pension Plan is well funded. As of August 1, 2017, the funded ratio of the Pension Plan was 95.1%, which compared favorably versus the prior year's ratio of 92.4%.

Staff recommends that the Port Commission approve the actuarial valuation report for the Pension Plan, dated as of August 1, 2017, whereupon staff will file such report with the Texas Pension Review Board in compliance with statutory requirements.

J. HEALTH, SAFETY, SECURITY & EMERGENCY MANAGEMENT

Subject **1. Award the purchase and installation of a Broadband Antenna Tracking System to BEARCOM Wireless Worldwide, via the Port Authority's interlocal agreement with Harris County allowing utilization of the existing Harris County Broadband Antenna Tracking System Contract with BEARCOM Wireless Worldwide, in an amount not to exceed \$96,000 with an estimated net cost to the Port Authority, after Federal Emergency Management Agency Port Security Grant reimbursement of \$24,000 (25% of total cost).**

Meeting Dec 12, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action Award the purchase and installation of a Broadband Antenna Tracking System to BEARCOM Wireless Worldwide, via the Port Authority's interlocal agreement with Harris County allowing utilization of the existing Harris County Broadband Antenna Tracking System Contract with BEARCOM Wireless Worldwide, in an amount not to exceed \$96,000, with an estimated net cost to the Port Authority, after Federal Emergency Management Agency Port Security Grant reimbursement of \$24,000 (25% of total cost), 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
Strategic Objective 4b. - Cultivate productive relationships with all stakeholders

Category:
Awards, Amendments, & Change Orders

Department:
Emergency Management

Staff Contact:
Colin Rizzo

Background:
The Port Authority has been awarded a 2017 Federal Emergency Management Agency (FEMA) Port Security Grant (PSG) to install a Broadband Antenna Tracking System (BATS) atop the grain elevator at Turning Basin. This system is part of a joint effort with Harris County to support the regional roll-out of this enhanced Public Safety communications system, and will act as a receiving and relay point for wireless, high-capacity data, voice, and video communications, linking regional Emergency Operations Centers to deployed Mobile Command Centers, and directly supporting the Port Authority Mobile Command Center (MCC).

The BATS system is a stabilized microwave system that enables point-to-multipoint wireless links which automatically adjust to vehicle movements. The system provides regional secure high-bandwidth private communications for first responders. Because the system is private, it does not incur usage fees. This project includes all equipment and installation costs.

Staff Evaluation/Justification:
The Port Authority will utilize an interlocal agreement with Harris County to allow the purchase of this equipment under Harris County's existing BATS contract with BEARCOM Wireless Worldwide. FEMA is expected to reimburse the Port Authority for 75% of the total cost (\$72,000) upon completion of the project, resulting in a net cost to the Port Authority of \$24,000.

To further regional first responder communications and support Port Authority Emergency Management, staff recommends purchasing and installing this equipment as described above utilizing the 2017 FEMA PSG.

J. HEALTH, SAFETY, SECURITY & EMERGENCY MANAGEMENT

Subject **2. Enter into a two-year professional services contract with San Jacinto College to purchase fireboat simulation training for the Fire Department in an amount not to exceed \$19,500.**

Meeting Dec 12, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 12, 2017 meeting, authorize a two-year professional services contract with San Jacinto College to purchase fireboat simulation training for the Fire Department in an amount not to exceed \$19,500, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Goals Strategic Objective 4c. - Operate safely and securely

Category:

Awards, Amendments, and Change Orders

Department:

Fire Department

Staff Contact:

Chief William Buck

Background:

The Port Authority Fire Department operates three modern and very capable fireboats in the Houston Ship Channel. Because the Houston Ship Channel has an incredible density and diversity of maritime traffic in all weather conditions, the Port Authority's U.S. Coast Guard Licensed fireboat Captains undergo individualized training each year in a simulator, testing their capabilities and providing professional development in adverse conditions ranging from dense fog to imminent collision situations. This training allows them to test their abilities in a safe learning environment, without potential damage to the actual fireboats. The simulator training also meets some of the recurring requirements of their U.S. Coast Guard licensing.

San Jacinto College maintains a maritime vessel simulator, with the Port Authority fireboat characteristics programmed, to further train the Port Authority fireboat Captains in adverse and unusual situations in a simulator environment.

Staff Evaluation/Justification:

Staff recommends the Port Commission authorize this professional services agreement with San Jacinto College.

J. HEALTH, SAFETY, SECURITY & EMERGENCY MANAGEMENT

Subject **3. Enter into a three-year governmental services contract with the City of La Porte Emergency Medical Service for emergency medical services in an amount not to exceed \$91,000.**

Meeting Dec 12, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 12, 2017 meeting, authorize entering into a three-year governmental services contract with the City of La Porte Emergency Medical Service for emergency medical services in an amount not to exceed \$91,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary or necessary to give effect to the foregoing.

Goals Strategic Objective 4c. - Operate safely and securely

Category:

Awards, Amendments & Change Orders

Department:

Fire Department

Staff Contact:

Chief William Buck

Background:

The Port Authority's Fire Department provides first responder medical services at the Barbour's Cut Terminal. The City of La Porte Emergency Medical Service provides follow-on Emergency Medical Services (EMS) services as required, including ambulance response and transport of injured persons to appropriate medical facilities.

The current three-year contract for these services will expire on January 31, 2018. The cost under the proposed contract would be paid in 36 monthly installments of \$2,517.90.

Staff Evaluation/Justification:

Due to the potential need for emergency medical services at the Barbour's Cut Terminal, staff recommends that the Port Commission enter into this contract for EMS services.

J. HEALTH, SAFETY, SECURITY & EMERGENCY MANAGEMENT

Subject 4. Enter into a Memorandum of Understanding with the Harris County District Attorney's Office to make timely disclosure of exculpatory, impeaching, and mitigating evidence (Brady evidence) utilizing the Harris County District Attorney's Office Disclosure Database for employees who may be considered "recurring government witnesses."

Meeting Dec 12, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 12, 2017 meeting, authorize a Memorandum of Understanding with the Harris County District Attorney's Office to make timely disclosure of exculpatory, impeaching, and mitigating evidence (Brady evidence) utilizing the Harris County District Attorney's Office Disclosure Database for employees who may be considered "recurring government witnesses," 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:

General

Department:

Police Department

Staff Contact:

Chief Mark Smith

Background:

On October 6, 2017, the Harris County District Attorney's Office notified over 100 local and regional first responder entities of the establishment of a database to capture individual agency disciplinary records as related to the shared responsibility to facilitate the "timely disclosure of exculpatory, impeaching, and mitigating evidence (*Brady* evidence) for employees who may be considered "recurring government witnesses." The database will meet the responsibility of agencies to meet *Brady vs. Maryland*, the Michael Morton Act, and other related legal/constitutional standards. Included in the notification was a Memorandum of Understanding for each agency to enter into in connection with its participation in the database program. There is no cost associated with it.

Staff Evaluation/Justification:

In the interests of public safety, and to comply with the Harris County District Attorney's Office reporting requirements, staff recommends that the Port Commission enter into this Memorandum of Understanding with the Harris County District Attorney's Office.

K. INFRASTRUCTURE

Subject	1. Reject all proposals and authorize the re-advertisement of a request for proposals to replace fender system at Wharves 1 and 2 at CARE Terminal Phase 1.
Meeting	Dec 12, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its December 12, 2017 meeting, reject all proposals and authorize the re-advertisement of a request for proposals to replace fender system at Wharves 1 and 2 at CARE Terminal Phase 1, 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:
Reject & Other Actions

Department:
Project and Construction Management

Staff Contact:
Roger H. Hoh, P.E.

Background:
This project would remove and replace the complete fender system and all its components, rubber fender elements, shear and tension chains, and steel fender panels.

By Minute No. 2017-0725-10(a), the Port Commission authorized the advertisement and receipt of competitive sealed proposals (CSPs) to replace the fender system at Wharves 1 and 2 at CARE Terminal Phase 1. The Port Authority notified vendors regarding its request for CSPs using the Port Authority's BuySpeed Eprocurement System and the project was advertised on the Port Authority's website and in a local newspaper. Eighteen vendors downloaded the project materials from BuySpeed.

Staff Evaluation/Justification:
On November 1, 2017, four CSP's were received, opened, and publicly read. The responses were reviewed and evaluated by staff in accordance with the published selection criteria.

After further review, staff requests that the Port Commission reject the proposals and approve re-advertising a request for competitive sealed proposals to replace the fender system at Wharves 1 and 2 at CARE Terminal Phase 1, to attempt to attract more proposers.

K. INFRASTRUCTURE

Subject	2. Approve staff's ranking of vendors and award a professional services contract in an amount not to exceed \$56,800 for utility conflict investigation and design along Jacintoport Boulevard and Peninsula Street, from Beltway 8 to CARE and Jacintoport Terminals, to the top-ranked proposers: staff ranking – first, Binkley & Barfield, Inc.; and second, Civil Concepts, Inc.
Meeting	Dec 12, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its December 12, 2017 meeting: (a) approve staff's ranking of the most qualified vendors, based on the selection criteria, in the following order – first, Binkley & Barfield, Inc.; and second, Civil Concepts, Inc.; (b) award a professional services contract to Binkley & Barfield, Inc. for utility conflict investigation and design along Jacintoport Boulevard and Peninsula Street, from Beltway 8 to CARE and Jacintoport Terminals, in an amount not to exceed \$56,800; (c) grant authority, if a contract cannot be negotiated with the first-ranked vendor, to formally, and in writing, end negotiations with that vendor and proceed to the next vendor in the order of ranking until a contract is reached or all proposals are rejected; and (d) further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #3 - 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:

The Port Authority is seeking to obtain professional services from a qualified firm to identify any potential physical conflicts between the Port Authority's existing buried communications fiber and other existing utilities, and the proposed Harris County widening of Jacintoport Boulevard and Peninsula Street from Beltway 8 to CARE and Jacintoport Terminals. Depending on the extent of the conflicts and the decision of Harris County, an additional amount for any design necessary to resolve those conflicts may be awarded at a later date.

By Minute No. 2017-0926-17(i), the Port Commission authorized the advertisement of a request for qualifications (RFQ) for professional services. The Port Authority notified vendors regarding its RFQ using the Port Authority's BuySpeed Eprocurement System and the project was advertised on the Port Authority's website and in a local newspaper. Thirteen vendors downloaded the project materials from BuySpeed.

Staff Evaluation/Justification:

On November 8, 2017, two RFQ responses were received and opened. The responses were reviewed and evaluated by staff in accordance with the selection criteria published in the RFQ. Staff identified the following vendors, listed in order of ranking, as most qualified to provide the required services:

- Binkley & Barfield, Inc.
- Civil Concepts, Inc.

Staff recommends that the Port Commission award a contract to Binkley & Barfield, Inc. and act as otherwise described above.

K. INFRASTRUCTURE

Subject **3. Award a contract to Industrial and Crane Services, Inc. for the demolition of Wharf Crane Nos. 6 and 13 and the relocation of Wharf Crane Nos. 5, 7, and 8 at Barbours Cut Terminal in an amount not to exceed \$1,238,000.**

Meeting Dec 12, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 12, 2017 meeting, award a contract to Industrial and Crane Services, Inc. for the demolition of Wharf Crane Nos. 6 and 13 and the relocation of Wharf Cranes Nos. 5, 7, and 8 at Barbours Cut Terminal in an amount not to exceed \$1,238,000, 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:

Project and Construction Management

Staff Contact:

Roger H. Hoh, P.E.

Background:

The objective of this project is to demolish Wharf Crane Nos. 6 and 13 at Barbours Cut Terminal and provide additional space for the recently received new larger cranes. In addition, it would also make room for the Wharf 3 cranes as well, and relocate Wharf Crane Nos. 5 and 7 to the east of Wharf Crane Nos. 3 and 4 to create the opportunity for Crane Nos. 3,4,9,10, and 11, with similar lift capacities, to be deployed in sequence on the wharf. This will allow the terminal to provide four twin-pick cranes to be used on large vessels.

By Minute No. 2017-0725-10(c), the Port Commission authorized the advertisement and receipt of competitive sealed proposals (CSPs) for the Demolition of Wharf Crane Nos. 6 and 13 and relocation of Wharf Crane Nos. 5,7, and 8 at Barbours Cut Terminal. The Port Authority notified vendors regarding its request for CSPs using the Port Authority's BuySpeed Eprocurement System and the project was advertised on the Port Authority's website and in a local newspaper. Nine vendors downloaded the project materials from BuySpeed.

Staff Evaluation/Justification:

On November 29, 2017, one CSP was received, opened, and publicly read. The response was reviewed and evaluated by staff in accordance with the published selection criteria.

Staff recommends that the Port Commission award a contract to Industrial and Crane Services, Inc.

K. INFRASTRUCTURE

Subject **4. Award a construction contract to Blastco Texas, Inc. for the annual wharf crane and rubber tire gantry crane painting at Bayport Container Terminal and Barbours Cut Terminal for 2018 in an amount not to exceed \$1,261,320.**

Meeting Dec 12, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 12, 2017 meeting, award a construction contract to Blastco Texas, Inc. for the annual wharf crane and rubber tire gantry crane painting at Bayport Container Terminal and Barbours Cut Terminal for 2018, in an amount not to exceed \$1,261,320, 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:

The proposed project consists of crane painting at Bayport Container Terminal and Barbours Cut Terminal. Areas for painting will be identified at the time of construction and will be carried out according to the specifications provided.

By Minute No. 2017-0926-17(c), the Port Commission authorized the advertisement and receipt of competitive sealed proposals (CSPs) for the annual wharf crane and rubber tire gantry crane painting at Bayport Container Terminal and Barbours Cut Terminal for 2018. The Port Authority notified vendors regarding its request for CSPs using the Port Authority's BuySpeed Eprocurement System and the project was advertised on the Port Authority's website and in a local newspaper. Two vendors downloaded the project materials from BuySpeed.

Staff Evaluation/Justification:

On October 25, 2017, one CSP was received, opened, and publicly read. The response was reviewed and evaluated by staff in accordance with the published selection criteria.

Staff recommends that the Port Commission award a contract to Blastco Texas, Inc.

K. INFRASTRUCTURE

Subject	5. Award a construction contract to AAA Asphalt Paving, Inc. for the annual concrete replacement at Turning Basin Terminal in 2018 in an amount not to exceed \$750,000.
Meeting	Dec 12, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its December 12, 2017 meeting, award a construction contract to AAA Asphalt Paving, Inc. for the annual concrete replacement at Turning Basin Terminal 2018 in an amount not to exceed \$750,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
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:

The objective of this project is to award an annual contract to remove and replace damaged or deteriorated concrete pavement at Turning Basin Terminal at various locations.

By Minute No. 2017-0926-17(b), the Port Commission authorized the advertisement and receipt of competitive sealed bids (CSBs) for the annual concrete replacement at Turning Basin Terminal 2018. The Port Authority notified vendors regarding its request for CSBs using the Port Authority's BuySpeed Eprocurement System and the project was advertised on the Port Authority's website and in a local newspaper. Eight vendors downloaded the project materials from BuySpeed.

Staff Evaluation/Justification:

On November 8, 2017, three CSB's were received, opened, and publicly read. The responses were reviewed and evaluated by staff in accordance with the published selection criteria.

Staff recommends that the Port Commission award a contract to AAA Asphalt Paving, Inc.

K. INFRASTRUCTURE

Subject	6. Authorize an agreement with Praxair, Inc. for reimbursement of certain pipeline expenses for relocating pipelines across Bayport Container Terminal in an amount not to exceed \$281,000.
Meeting	Dec 12, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its December 12, 2017 meeting, authorize an agreement with Praxair, Inc. for reimbursement of certain pipeline expenses for relocating pipelines across Bayport Container Terminal in an amount not to exceed \$281,000, 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:

Project and Construction Management

Staff Contact:

Roger H. Hoh, P.E.

Background:

Staff has identified certain pipelines at Bayport Container Terminal that must be relocated, since development of the terminal through the old corridor alignment is now planned for build-out. This proposed agreement will provide the information to coordinate, schedule, and design this relocation to accommodate completion of the development of the terminal north of Port Road. The corridor to accept the pipelines was previously defined during Phase I of relocating these lines in 2005.

An amendment to this agreement is expected to be brought to the Port Commission in the future for the purchase of the pipe, and a second agreement is also expected to be brought to the Port Commission in the future for construction phase services.

Staff Evaluation/Justification:

Staff has evaluated the proposal to determine the value is reasonable and fair and recommends that the Port Commission award an agreement to Praxair, Inc.

K. INFRASTRUCTURE

Subject **7. Authorize an interlocal agreement with Harris County to receive grant funding in the amount of \$561,358.60 under the Harris County Local Initiative Project, funded by the Texas Commission on Environmental Quality, and obligating the Port Authority to provide equal matching funds of \$561,358.60.**

Meeting Dec 12, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 12, 2017 meeting, authorize an interlocal agreement with Harris County to receive grant funding in the amount of \$561,358.60 under the Harris County Local Initiative Project, funded by the Texas Commission on Environmental Quality, and obligating the Port Authority to provide equal matching funds of \$561,358.60, 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:

Environmental Affairs

Staff Contact:

Trae Camble

Background:

To assist in the purchase of 528 industrial electrical outlets as part of the planned Bayport Container Yard 7 project, the Port Authority submitted an application in October, 2017 to the Harris County Local Initiative Project, which is funded by the Texas Commission on Environmental Quality (TCEQ), for grant funding in the amount of \$561,358.60. This grant funding would be supplemented by the Port Authority's (equal) local matching amount of \$561,358.60, to provide the funds for the total purchase price of \$1,122,717.20 for all 528 electrical outlets.

Staff Evaluation/Justification:

In addition to defraying in part the costs of these materials, this grant furthers the efforts of the Port Authority's Clean Air Strategy Plan in achieving its goal to reduce diesel air emissions due to port-related activities. The industrial outlets would be installed in a location where refrigeration (reefer) trucks park at the Port Authority's Bayport Container Terminal. This project would help eliminate approximately 12,000 kilograms of NOx and NHMC emissions, 1,000 kilograms of particulate matter, 9,000 kilograms of CO emissions, and 13,000 tonnes of CO2 from the region every year through an anticipated equipment lifetime of at least 10 years.

Accordingly, staff recommends that the Port Commission approve this interlocal agreement with Harris County to receive grant funds in the amount of \$561,358.60 under the TCEQ-funded Harris County Local Initiative Project, and authorize the Port Authority to provide the required matching funds.

K. INFRASTRUCTURE

Subject	8. Amend the existing professional services contract with Wiss, Janney, Elstner Associates, Inc. for the rehabilitation of Wharf No. 23 at Turning Basin Terminal in an amount not to exceed \$62,800.
Meeting	Dec 12, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its December 12, 2017 meeting, amend the existing professional services contract with Wiss, Janney, Elstner Associates, Inc. for the rehabilitation of Wharf No. 23 at Turning Basin Terminal, in an amount not to exceed \$62,800, 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. 2015-0224-35, the Port Commission awarded a professional services contract to Wiss, Janney, Elstner Associates, Inc. for the rehabilitation of Wharf 23 at Turning Basin Terminal. This amendment would include additional construction phase services for Wharf No. 23, to address a construction scope increase.

Staff Evaluation/Justification:

Staff has reviewed Wiss, Janney, Elstner Associates, Inc.'s proposal and found it to be fair and reasonable and recommends that the Port Commission approve the proposed amendment to the existing contract with Wiss, Janney, Elstner Associates, Inc.

K. INFRASTRUCTURE

Subject **9. Amend the existing professional services contract with HVJ Associates, Inc. for further pavement evaluation and rehabilitation thickness root cause investigation and analysis at Container Yard C-2 at Barbours Cut Terminal in an amount not to exceed \$40,000.**

Meeting Dec 12, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 12, 2017 meeting, amend the existing professional services contract with HVJ Associates, Inc. for further pavement evaluation and rehabilitation thickness root cause investigation and analysis at Container Yard C-2 at Barbours Cut Terminal in an amount not to exceed \$40,000, 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:

Project and Construction Management

Staff Contact:

Roger H. Hoh, P.E.

Background:

On September 30, 2017, a four-high stack of 20 ft. long containers located at the C2 container yard at Barbours Cut Terminal toppled, following an apparent failure of the supporting pavement and substructure. HVJ Associates was retained to perform an initial investigation on the existing hot mix asphalt concrete pavement and the sub-base material under the asphalt, to determine the root cause of the incident and provide possible recommendations for further action. The findings of the initial investigation resulted in the limitation of use of the surrounding area and reduction of the number of containers that could be stacked in the area.

This amendment would include further investigations to determine if the area affected by the failure can be reduced and if released areas safely returned to operations.

Staff Evaluation/Justification:

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

K. INFRASTRUCTURE

Subject	10. Amend the existing professional services agreement with InControl Technologies, Inc. to update the scope of work in an amount not to exceed \$30,000.
Meeting	Dec 12, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its December 12, 2017 meeting, amend the existing professional services contract with InControl Technologies, Inc. to update the scope of work in an amount not to exceed \$30,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	Strategic Objective 4a. - Be an environmental leader STRATEGIC GOAL #3 - INFRASTRUCTURE (Provide and facilitate infrastructure to meet demand)

Category:

Awards, Amendments and Change Orders

Department:

Environmental Affairs

Staff Contact:

Trae Camble

Background:

In 2014, the Port Authority entered into the Environmental Services Agreement with InControl Technologies, Inc. for environmental consulting services for sump release determination assessment at certain Port Authority property. The site was subsequently investigated and found to contain contamination from buried petroleum tanks.

Following its review of the Port Authority's Assessment Report regarding this matter, the Texas Commission on Environmental Quality has requested the installation of additional monitoring wells at the site as well as continued product recovery. An updated scope and fee from InControl Technologies would include the installation of these additional wells (4 total), the completion of an 8-hour Mobile Dual Phase Extraction, and the submittal of a Product Recovery Report and an updated Assessment Report. The cost of the additional scope would be approximately \$30,000; the original contract amount was \$47,550.

Staff Evaluation/Justification:

Staff has reviewed the proposal and found it to be fair and reasonable and recommends the Port Commission approve the additional funding for this contract.

K. INFRASTRUCTURE

Subject 11. Approve the renewal of expiring Port Authority licenses for new ten-year terms: CenterPoint Energy Houston Electric, LLC, CenterPoint Energy Intrastate Pipeline, LLC, and CenterPoint Energy Resources Corp. DBA CenterPoint Energy Texas Gas Operations.

Meeting Dec 12, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 12, 2017 meeting, authorize the Port Authority to approve the renewal of expiring licenses for new ten-year terms: CenterPoint Energy Houston Electric, LLC, CenterPoint Energy Intrastate Pipeline, LLC, and CenterPoint Energy Resources Corp. DBA CenterPoint Energy Texas Gas Operations, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

Category:
Permits/Licenses/Pipeline Easements

Department:
Channel Development

Staff Contact:
Mark Vincent, P.E.

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

<u>Company</u>	<u>File No.</u>	<u>Fee</u>
CenterPoint Energy Houston Electric, LLC	1987-0181	\$3,924
CenterPoint Energy Resources Corp., dba CenterPoint Energy Texas Gas Operations	1986-0064	\$2,520
CenterPoint Energy Houston Electric, LLC	1997-0146	\$1,531
CenterPoint Energy Houston Electric, LLC	1977-0076	\$1,991
CenterPoint Energy Houston Electric, LLC	1998-0160	\$1,531
CenterPoint Energy Houston Electric, LLC	2003-0039	\$1,531
CenterPoint Energy Houston Electric, LLC	2000-0013	\$1,744
CenterPoint Energy Houston Electric, LLC	1997-0181	\$3,478
CenterPoint Energy Resources Corp., dba CenterPoint Energy Texas Gas Operations	1975-0134	\$23,899
CenterPoint Energy Intrastate Pipeline, LLC	2002-0338	\$1,531
		\$43,680

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.

Staff recommends approval.

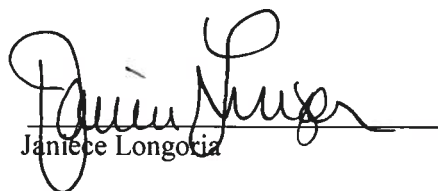
AFFIDAVIT OF SUBSTANTIAL INTEREST

STATE OF TEXAS §
 §
COUNTY OF HARRIS §

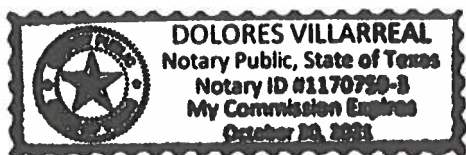
**Filed with the Port of Houston Authority
In Compliance with Section 171.004 of the Texas Local Government Code**

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 K11 from the Commission Agenda dated December 12, 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 K11.
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 December 12, 2017.




Notary Public, State of Texas

K. INFRASTRUCTURE

Subject	12. Approve the renewal of expiring Port Authority licenses for new ten-year terms: Valero Refining – Texas, L.P., Kinder Morgan Tejas Pipeline LLC, ExxonMobil Pipeline Company, Air Products LLC, INEOS USA LLC, Contanda Terminals LLC, Enterprise TE Products Pipeline Company LLC, INEOS Chocolate Bayou Pipeline USA LLC, and Magellan Pipeline Company, L.P.
Meeting	Dec 12, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its December 12, 2017 meeting, authorize the Port Authority to approve the renewal of expiring licenses for new ten-year terms: Valero Refining – Texas, L.P., Kinder Morgan Tejas Pipeline LLC, ExxonMobil Pipeline Company, Air Products LLC, INEOS USA LLC, Contanda Terminals LLC, Enterprise TE Products Pipeline Company LLC, INEOS Chocolate Bayou Pipeline USA LLC, and Magellan Pipeline Company, L.P., and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #3 - INFRASTRUCTURE (Provide and facilitate infrastructure to meet demand)

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Development

Staff Contact:

Mark Vincent, P.E.

Background:

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

Company	File No.	Fee
Valero Refining - Texas, L.P.	1997-0280	\$1,744
Kinder Morgan Tejas Pipeline LLC	1999-0049	\$118,323
ExxonMobil Pipeline Company	1986-0275	\$1,531
Air Products LLC	1997-0279	\$1,531
ExxonMobil Pipeline Company	1997-0189	\$1,531
INEOS USA LLC	1998-0259	\$1,838
Contanda Terminals LLC	2001-0370	\$6,222
Contanda Terminals LLC	2002-0053	\$3,443
Enterprise TE Products Pipeline Company LLC	2008-0070	\$6,702
INEOS Chocolate Bayou Pipeline USA LLC	1988-0064	\$1,531
Magellan Pipeline Company, L.P.	2007-0435	\$7,720
		\$152,116

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.

Staff recommends approval.

K. INFRASTRUCTURE

Subject	13. Issue a pipeline license to Equistar Chemicals, LP for one 8-inch ethylene pipeline across the Port Authority's undeveloped railroad right-of-way near Miller Cut-Off Road in La Porte.
Meeting	Dec 12, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its December 12, 2017 meeting, authorize the Port Authority to issue a pipeline license to Equistar Chemicals, LP for one 8-inch ethylene pipeline across the Port Authority's undeveloped railroad right-of-way near Miller Cut-Off Road in La Porte, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #3 - INFRASTRUCTURE (Provide and facilitate infrastructure to meet demand)

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Development

Staff Contact:

Mark Vincent, P.E.

Background:

Equistar Chemicals, LP, Port Authority File No. 2017-0318, has applied for a pipeline license for one 8-inch ethylene pipeline across the Port Authority's undeveloped railroad right-of-way near Miller Cut-Off Road in La Porte, in the Arthur McCormick Survey, A-46, in Harris County, Texas.

The company expects the new pipeline would increase its outbound ethylene delivery capacity.

Staff Evaluation/Justification:

The application was reviewed and approved by the Port Authority's Channel Development Department and the Port Terminal Railroad Association. The license is to be issued subject to the Port Authority's usual terms and conditions and at a fee of \$2,052. The \$675 application fee and \$2,500 as-built deposit have been paid.

Staff recommends approval.

K. INFRASTRUCTURE

Subject	14. Issue a pipeline license to MVP Terminalling LLC for one 14-inch refined products pipeline under and across the Pasadena Cut-Off railroad right-of-way and Southside Mainline railroad right-of-way in Pasadena.
Meeting	Dec 12, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its December 12, 2017 meeting, authorize the Port Authority to issue a pipeline license to MVP Terminalling LLC for one 14-inch refined products pipeline under and across the Pasadena Cut-Off railroad right-of-way and Southside Mainline railroad right-of-way in Pasadena, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #3 - INFRASTRUCTURE (Provide and facilitate infrastructure to meet demand)

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Development

Staff Contact:

Mark Vincent, P.E.

Background:

MVP Terminalling LLC, Port Authority File No. 2017-0328, has applied for a pipeline license for one 14-inch refined products pipeline under and across the Pasadena Cut-Off railroad right-of-way and Southside Mainline railroad right-of-way in Pasadena, in the Thomas Earle Survey, A-18, and in the James Seymore Survey, A-698, in Harris County, Texas.

MVP Terminalling LLC is a joint venture equally owned by Magellan Midstream Partners, L.P. and Valero Energy Corporation, created to develop and expand a marine terminal and a liquid storage facility along the Houston Ship Channel, known as the Pasadena Terminal. The marine terminal was permitted under Port Authority File No. 2016-0295.

Staff Evaluation/Justification:

The application was reviewed and approved by the Port Authority's Channel Development Department and the Port Terminal Railroad Association. The license is to be issued subject to the Port Authority's usual terms and conditions and at a fee of \$3,488. The \$675 application fee and \$2,500 as-built deposit have been paid.

Staff recommends approval.

K. INFRASTRUCTURE

Subject 15. Amend a pipeline license to Targa NGL Pipeline Company LLC to add one 20-inch liquefied petroleum gas (LPG) pipeline under and across Cedar Bayou, Carpenters Bayou, Greens Bayou, Hunting Bayou, Seymore Tract, and Northside Mainline railroad right-of-way in Harris and Chambers counties.

Meeting Dec 12, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 12, 2017 meeting, authorize the Port Authority to amend a pipeline license to Targa NGL Pipeline Company LLC to add one 20-inch liquefied petroleum gas (LPG) pipeline under and across Cedar Bayou, Carpenters Bayou, Greens Bayou, Hunting Bayou, Seymore Tract, and Northside Mainline railroad right-of-way in Harris and Chambers counties, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Development

Staff Contact:

Mark Vincent, P.E.

Background:

Targa NGL Pipeline Company LLC, Port Authority File No. 2017-0145, has applied to amend a pipeline license to add one 20-inch liquefied petroleum gas (LPG) pipeline under and across Cedar Bayou in the William D. Smith Survey, A-24, and in the George Ellis Survey, A-21, Carpenters Bayou in the Spysars Singleton Survey, A-704, Greens Bayou in the Reels & Trobough Survey, A-59, Hunting Bayou in two locations, the first in the C. Martinez Survey, A-545, and the second in the W.P. Harris & Robert Wilson Survey, A-31, and Seymore Tract and Northside Mainline railroad right-of-way in the Ezekiel Thomas Survey, A-73, in Harris and Chambers counties, Texas.

The existing license was issued for one 20-inch pipeline across San Jacinto River and the Port Authority's Banana Bend property. The addition of the proposed crossings would connect Targa's Mont Belvieu facility to its Galena Park facility.

Staff Evaluation/Justification:

The application was reviewed and approved by the Port Authority's Channel Development Department, Real Estate Department, and the Port Terminal Railroad Association. The license is to be issued subject to the Port Authority's usual terms and conditions and at a fee of \$27,413. The \$675 application fee has been paid.

Staff recommends approval.

K. INFRASTRUCTURE

Subject	16. Transfer a pipeline license from Magellan Terminal Holdings L.P. to MVP Terminalling LLC and amend the license to add one 36-inch refined products pipeline across the Pasadena Cut-Off railroad right-of-way in Pasadena.
Meeting	Dec 12, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its December 12, 2017 meeting, authorize the Port Authority to transfer a pipeline license from Magellan Terminal Holdings L.P. to MVP Terminalling LLC and amend the license to add one 36-inch refined products pipeline across the Pasadena Cut-Off railroad right-of-way in Pasadena, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #3 - INFRASTRUCTURE (Provide and facilitate infrastructure to meet demand)

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Development

Staff Contact:

Mark Vincent, P.E.

Background:

MVP Terminalling LLC (MVP) is a joint venture equally owned by Magellan Midstream Partners, L.P. and Valero Energy Corporation created to develop and expand a marine terminal and a liquid storage facility along the Houston Ship Channel, known as Pasadena Terminal. The marine terminal was permitted under Port Authority File No. 2016-0295.

The tract of land dedicated to Pasadena Terminal was owned by Magellan Terminals Holdings, L.P. (MTH) and was conveyed to MVP. Now MTH, which operates as a subsidiary of Magellan Midstream Partners, L.P., seeks to transfer an existing license issued for a 36-inch pipeline across Southside Mainline railroad right-of-way (Port Authority File No. 2017-0066), in the Thomas Earle Survey, A-18, to the new owner.

MVP also seeks to amend the license to add a second crossing of the 36-inch pipeline which would cross Pasadena Cut-Off railroad right-of-way just east of Jefferson Road, in the James Seymore Survey, A-698, in Harris County, Texas. The proposed crossing would enable MVP to transport product between Pasadena Terminal and a Chevron facility located in Pasadena.

Staff Evaluation/Justification:

The application was reviewed and approved by the Port Authority's Channel Development Department and the Port Terminal Railroad Association. The license is to be issued subject to the Port Authority's usual terms and conditions and at a fee of \$3,156. The \$675 application fee and \$2,500 as-built deposit have been paid.

Staff recommends approval.

K. INFRASTRUCTURE

Subject	17. Transfer and renew a pipeline license from Magellan Pipeline Company, L.P. to Magellan Crude Oil Pipeline Company, L.P. for one 20-inch refined petroleum products pipeline under and across the Clinton Tract, Seymore Tract, and Northside Mainline railroad right-of-way in Galena Park.
Meeting	Dec 12, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its December 12, 2017 meeting, authorize the Port Authority to transfer and renew a pipeline license from Magellan Pipeline Company, L.P. to Magellan Crude Oil Pipeline Company, L.P. for one 20-inch refined petroleum products pipeline under and across the Clinton Tract, Seymore Tract, and Northside Mainline railroad right-of-way 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.
Goals	STRATEGIC GOAL #3 - INFRASTRUCTURE (Provide and facilitate infrastructure to meet demand)

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Development

Staff Contact:

Mark Vincent, P.E.

Background:

The subject pipeline was originally licensed to Longhorn Pipeline Partners, L.P. (Longhorn) under Port Authority File No. 1998-0003 and was later acquired by Magellan Pipeline Company, L.P. (Magellan Pipeline). In February 2010, the Port Commission authorized the transfer of the license from Longhorn to Magellan Pipeline.

Magellan Crude Oil Pipeline Company, L.P. (Magellan Crude) has since acquired the 20-inch refined petroleum products pipeline from Magellan Pipeline and seeks to transfer and renew the license for another 10-year term. The pipeline is located under and across the Clinton Tract, Seymore Tract, and Northside Mainline railroad right-of-way 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 Department, Real Estate Department, and the Port Terminal Railroad Association. The license is to be issued subject to the Port Authority's usual terms and conditions and at a fee of \$42,798. The \$675 application fee has been paid.

Staff recommends approval.

K. INFRASTRUCTURE

Subject	18. Transfer a pipeline license from Shell Chemical LP to Sand Dollar Pipeline LLC for one 6-inch dry gas pipeline under and across the Southside Mainline railroad right-of-way in Pasadena.
Meeting	Dec 12, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its December 12, 2017 meeting, authorize the Port Authority to transfer a pipeline license from Shell Chemical LP to Sand Dollar Pipeline LLC for one 6-inch dry gas pipeline under and across the Southside Mainline railroad right-of-way in Pasadena, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #3 - INFRASTRUCTURE (Provide and facilitate infrastructure to meet demand)

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Development

Staff Contact:

Mark Vincent, P.E.

Background:

Shell Chemical LP (Shell) has sold one 6-inch dry gas pipeline, licensed under Port Authority File No. 2006-0002, to Sand Dollar Pipeline LLC, a Shell-affiliated company. The pipeline is located under and across the Southside Mainline railroad right-of-way in Pasadena, in the William Vince Survey, A-78, in Harris County, Texas.

Shell now seeks to transfer the license to the new owner.

Staff Evaluation/Justification:

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

Staff recommends approval.

K. INFRASTRUCTURE

Subject **19. Transfer a pipeline license from Shell Pipeline Company LP to Sand Dollar Pipeline LLC for one 8-inch natural gas pipeline under and across the Southside Mainline railroad right-of-way, Sims Bayou property, and Sims Bayou in Houston.**

Meeting Dec 12, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 12, 2017 meeting, authorize the Port Authority to transfer a pipeline license from Shell Pipeline Company LP to Sand Dollar Pipeline LLC for one 8-inch natural gas pipeline under and across the Southside Mainline railroad right-of-way, Sims Bayou property, and Sims Bayou in Houston, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Development

Staff Contact:

Mark Vincent, P.E.

Background:

Shell Pipeline Company (Shell) has sold one 8-inch natural gas pipeline, licensed under Port Authority File No. 1996-0133, to Sand Dollar Pipeline LLC, a Shell affiliated company. The pipeline is located under and across the Southside Mainline railroad right-of-way, Sims Bayou property, and Sims Bayou in Houston, in the Moses A. Callahan & Allen Vince Survey, A-73, in Harris County, Texas.

Shell now seeks to transfer the license to the new owner.

Staff Evaluation/Justification:

The application was reviewed and approved by the Port Authority's Channel Development Department, Real Estate Department, and the Port Terminal Railroad Association. The license is to be issued subject to the Port Authority's usual terms and conditions. The \$675 application fee has been paid.

Staff recommends approval.

K. INFRASTRUCTURE

Subject	20. Transfer a pipeline license from Shell Oil Company to Sand Dollar Pipeline LLC for one 8-inch dry gas pipeline under and across the Southside Mainline railroad right-of-way, Vince Bayou, Little Vince Bayou, Crown Central Lead Track railroad right-of-way, Pasadena Cut-Off railroad right-of-way, and Boggy Bayou in Houston and Pasadena.
Meeting	Dec 12, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its December 12, 2017 meeting, authorize the Port Authority to transfer a pipeline license from Shell Oil Company to Sand Dollar Pipeline LLC for one 8-inch dry gas pipeline under and across the Southside Mainline railroad right-of-way, Vince Bayou, Little Vince Bayou, Crown Central Lead Track railroad right-of-way, Pasadena Cut-Off railroad right-of-way, and Boggy Bayou in Houston and Pasadena, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #3 - INFRASTRUCTURE (Provide and facilitate infrastructure to meet demand)

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Development

Staff Contact:

Mark Vincent, P.E.

Background:

Shell Oil Company (Shell) has sold one 8-inch dry gas pipeline, licensed under Port Authority File No. 1995-0071, to Sand Dollar Pipeline LLC, a Shell-affiliated company. The pipeline is located under and across the Southside Mainline railroad right-of-way, Vince Bayou, Little Vince Bayou, Crown Central Lead Track railroad right-of-way, Pasadena Cut-Off railroad right-of-way, and Boggy Bayou in Houston and Pasadena, in William Vince Survey, A-78, and in the Thomas Earle Survey, A-18, in Harris County, Texas.

Shell now seeks to transfer the license to the new owner.

Staff Evaluation/Justification:

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

Staff recommends approval.

L. OPERATIONS

Subject **1. Award a two-year contract to Houston-Pasadena Apache Oil Company in an amount not to exceed \$275,000 for purchase of miscellaneous filters for terminal equipment at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal.**

Meeting Dec 12, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 12, 2017 meeting, award a two-year contract to Houston-Pasadena Apache Oil Company in an amount not to exceed \$275,000 for purchase of miscellaneous filters for terminal equipment at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

Category:

Awards, Amendments & Change Orders

Department:

Maintenance

Staff Contact:

Paulo Soares

Background:

Filters are essential to proper maintenance of equipment owned by the Port Authority, including eighty-three RTG cranes and six hundred and fifty vehicles, forklifts, and landscaping equipment. Units require from 1 to 7 filters for fuel, coolant water, air, engine, transmission, and hydraulic oils.

By Minute No. 2017-0627-11(b), the Port Commission authorized the advertisement and receipt of competitive sealed bids (CSBs) for the purchase of miscellaneous filters for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal. The Port Authority notified vendors regarding its request for CSBs using the Port Authority's BuySpeed Eprocurement System, and the project was advertised on the Port Authority's website and in a local newspaper. On September 27, 2017, two bids were received and deemed non-responsive as bidders did not meet the Small Business requirement. By Minute No. 2017-1023-41, the Port Commission rejected all bids received and authorized the re-advertisement for CSBs.

Staff Evaluation/Justification:

On November 11, 2017, six CSBs were received and opened. The responses were reviewed and evaluated by staff in accordance with the published selection criteria.

Staff recommends that the Port Authority award a two-year contract to Houston-Pasadena Apache Oil Company for the purchase of miscellaneous filters, the responsible bidder submitting the lowest and best bid.

L. OPERATIONS

Subject	2. Award a two-year contract to Darr Equipment Company, using the Local Government Purchasing Cooperative's Buyboard Program, for the purchase of spare and replacement parts for forklifts and container handling equipment at Barbours Cut Terminal and Bayport Container Terminal in an amount not to exceed \$200,000.
Meeting	Dec 12, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its December 12, 2017 meeting, award a two-year contract to Darr Equipment Company for the purchase of spare and replacement parts for forklifts and container handling equipment at Barbours Cut Terminal and Bayport Container Terminal, using the Local Government Purchasing Cooperative's Buyboard Program, in an amount not to exceed \$200,000, determine that this procurement method provides the best value to the Port Authority, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #3 - INFRASTRUCTURE (Provide and facilitate infrastructure to meet demand)

Category:

Awards, Amendments & Change Orders

Department:

Maintenance

Staff Contact:

Paulo Soares

Background:

The Port Authority currently owns a total of forty-one forklifts, and twelve empty and four loaded container handling machines. These units require a large number of spare parts for preventive maintenance and repairs and are used daily to move various objects, load and unload trucks, and transport heavy objects around Port Authority properties. Due to increase in fleet size, funds previously allocated in smaller purchase orders are no longer sufficient for this fleet work.

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. The Port Commission by action taken in Minute No. 2006-1023-43 entered into an interlocal agreement with the Cooperative to become a member participant, and since that time uses 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 the various potential economies, including administrative cost savings.

Staff Evaluation/Justification:

Procuring spare and replacement parts for forklifts and container handling machines through the BuyBoard Cooperative Purchasing Program is a method that both satisfies competitive purchase requirements and provides the best value to the Port Authority.

Staff recommends that the Port Commission approve an award to Darr Equipment Company using the BuyBoard Cooperative Purchasing Program as providing best value to the Port Authority.

L. OPERATIONS

Subject **3. Amend the agreement with Konecranes Finland Corporation to purchase one additional diesel electric container yard crane for Bayport Container Terminal in an amount not to exceed \$2,034,000.**

Meeting Dec 12, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 12, 2017 meeting, amend the agreement with Konecranes Finland Corporation to purchase one additional diesel electric container yard crane for Bayport Container Terminal in an amount not to exceed \$2,034,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Awards, Amendments & Change Orders

Department:

Maintenance

Staff Contact:

Paulo Soares / Hugh Moore

Background:

By Minute No. 2017-0524-29, the Port Commission awarded a contract to Konecranes for purchase of nine RTG cranes for Bayport Container Terminal in an amount not to exceed \$16,366,222.

On December 14, 2017, Crane 118 at Bayport Container Terminal was involved in an incident which resulted in serious damage to its electrical room and structural components. Although the crane is only eleven years into its expected service life of twenty years, it is limited in its usefulness, with a lifting capacity of one over 4 containers verses the majority of cranes in the yard, which can lift one over 5 containers.

Considering the age of the crane, its remaining expected useful life, and the cost of nearly \$1,000,000 to repair and raise it, staff recommends that a new crane be purchased.

Staff Evaluation/Justification:

Staff recommends that the Port Authority approve an amendment to the agreement with Konecranes Finland Corporation in an amount not to exceed \$2,034,000 to purchase of one additional diesel electric container yard crane for Bayport Container Terminal.

L. OPERATIONS

Subject **4. Recommendation to issue Stevedore Licenses for one-year terms commencing January 1, 2018 and expiring December 31, 2018, to Agri American Stevedores, LLC; APS Stevedoring, LLC; Ceres Gulf, Inc.; Cooper/Ports America; Gulf Stream Marine, Inc.; Jacintoport International, LLC; Marine Terminal Corporation East; Richardson Stevedoring and Logistics Services, Inc.; Schroder Marine Service; Southern Stevedoring Co., LP; and Suderman Contracting Stevedores, Inc., upon each applicant's satisfactory completion of all requirements and obligations for license issuance.**

Meeting Dec 12, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission at its December 12, 2017 meeting, grant authority to issue Stevedore Licenses for one-year terms commencing January 1, 2018 and expiring December 31, 2018, to Agri American Stevedores, LLC; APS Stevedoring, LLC; Ceres Gulf, Inc.; Cooper/Ports America; Gulf Stream Marine, Inc.; Jacintoport International, LLC; Marine Terminal Corporation East; Richardson Stevedoring and Logistics Services, Inc.; Schroder Marine Service; Southern Stevedoring Co., LP; and Suderman Contracting Stevedores, Inc., upon each applicant's satisfactory completion of all requirements and obligations for license issuance, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

General

Department:

Operations

Staff Contact:

Jeff Davis

Background:

By Minute No. 2016-1213-38, the Port Commission awarded certain stevedore licenses for one-year terms expiring December 31, 2017.

Staff Evaluation/Justification:

Staff is currently receiving stevedore license applications from companies interested in being licensed to work at Port Authority facilities during 2018 and is in the process of reviewing those applications.

Staff recommends that licenses be issued to certain applicants as set forth above for such Port Authority facilities as determined by staff; provided however, that issuance is conditioned upon the applicant's satisfactory completion of outstanding license requirements and obligations, if any, and satisfaction of current license requirements.

L. OPERATIONS

Subject **5. Reissue and amend Port Authority Tariff Nos. 8, 14, and 15 covering the Turning Basin Terminals, Barbours Cut Terminal, and Bayport Container Terminal, all effective January 1, 2018.**

Meeting Dec 12, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 12, 2017 meeting, authorize the reissuance and amendment of Port Authority Tariff Nos. 8, 14, and 15, to amend certain subrules relating to container and chassis free time; vessel bunker fuel reporting; fire safety; smart device use and vehicular safety; tenant assessment charges; booking rolls for export containers; gate hours at the container terminals; transshipped containers; and refrigerated container liability; all effective January 1, 2018, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

General

Department:

Operations

Staff Contact:

Jeff Davis

Background:

The Port Authority has reissued its Tariff Nos. 8, 14, and 15 each calendar year since 2008.

By Minute No. 2017-1114-03, the Port Commission approved increases in Port Authority tariff charges, including dockage, wharfage, throughput charges, container storage rates, container crane and private crane rental rates, water hookup rates, freight handling rates, and miscellaneous other tariff charges at amounts equal to the change in the Consumer Price Index average for the 12-month period ending October 2017 as published by the U.S. Bureau of Labor Statistics on or about November 15, 2017.

Staff Evaluation/Justification:

In addition to the above described increases of 2.0% to be included in the reissued and amended 2018 tariffs, staff recommends revisions to Tariff Nos. 8, 14, and 15 include amending subrules relating to container and chassis free time; reporting of vessel bunker fuel; fire safety; prohibition of smart device use while operating vehicles and machinery and other rules related to non-motor vehicular safety; eliminating the tenant assessment charge; clarification relating to booking rolls for export containers; expanded gate hours at the container terminals; and clarifications regarding declaration of transshipped containers and refrigerated container liability. Recommended revisions also include other minor clarifications, corrections, or updates of Tariff Nos. 8, 14, and 15. Tariffs will be reissued with original page numbers to streamline formatting, simplify references, and make documents more user friendly.

Staff proposes that the Port Commission approve these changes to be effective January 1, 2018.

M. PEOPLE

Subject	1. Enter into a professional services contract with Mercer (US) Inc. to provide compensation analysis services to the Port Authority in an amount not to exceed \$100,000.
Meeting	Dec 12, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its December 12, 2017 meeting, authorize a professional services contract with Mercer (US) Inc. to provide compensation analysis services to the Port Authority in an amount not to exceed \$100,000, 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)

Category:

Awards, Amendments, & Change Orders

Department:

Human Resources

Staff Contact:

Jessica Shaver

Background:

Port Houston has an immediate need to assess the competitiveness of its compensation practices to assure the effective hiring and retention of employees. The existing salary structures were designed over 10 years ago, and no comprehensive review or analysis has been conducted since then.

To ensure compensation levels are competitive, Port Houston recommends engaging a consulting partner to conduct competitive benchmarking for approximately 200 unique job positions within the Port Authority, complete a thorough market assessment, and develop a base pay structure linked to competitive market information.

Staff Evaluation/Justification:

Staff recommends entering into a professional services agreement with Mercer (US) Inc. (Mercer) on the basis of its demonstrated competence and qualifications to perform the following services to support the compensation analysis for the Port Authority:

- Develop compensation philosophy
- Conduct competitive benchmarking
- Recommend new salary structure design
- Present market research and analysis report
- Provide strategy for compensation implementation

Mercer has a history of providing compensation and talent attraction strategy services to a variety of clients across multiple industries.

Mercer has proposed an amount not to exceed \$100,000 for these services. Staff has reviewed the proposal and found it to be fair and reasonable.

M. PEOPLE

Subject	2. Enter into a contract to the Center for Creative Leadership for leadership strategy, training, and coaching services in an amount not to exceed \$200,000.
Meeting	Dec 12, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its December 12, 2017 meeting, authorize a contract to the Center for Creative Leadership for leadership strategy, training, and coaching services in an amount not to exceed \$200,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	Strategic Objective 1b. - Implement a workforce development program Strategic Objective 1a. - Align with Strategic Goals and strengthen communication STRATEGIC GOAL #1 - PEOPLE AND ORGANIZATION (Invest in people and organize for success)

Category:

Awards, Amendments & Change Orders

Department:

People

Staff Contact:

Jessica Shaver

Background:

The Port Authority developed a new strategic plan in 2015 and has continued to drive success through a commitment to its mission, vision, and core values. The Port Authority recognizes the need for strong leadership in order to achieve its strategic objectives.

In January 2016, the Port Authority entered into a contract with the Center for Creative Leadership (CCL) for leadership services, which included an exploration of the Port Authority's strategic challenges, an assessment of the capability of the leadership team to meet those challenges, and initial training of Port Authority leadership.

In June 2016, the Port Authority issued an additional purchase order to CCL for additional training, coaching, and the development and implementation of a leadership development program aimed at executive team development, targeted individual coaching, and leadership strategy and succession plan development. Staff believes this leadership development program has resulted in a more resilient, collaborative, and effective organization with a focus on the development of strong leadership.

Staff Evaluation/Justification:

Following the development of this leadership strategy, Port Authority staff recommends engaging CCL for the continued development of Port Authority leadership. CCL has designed a comprehensive and customized leadership development program that would be facilitated through a series of workshops over a six month timeframe with the following objectives:

- (a) increasing leadership capabilities in the organization,
- (b) increasing the strategic level of thinking,
- (c) promoting cross-functional thinking,
- (d) creating an open and trusting leadership culture, and

(e) providing tools that leaders can apply to their work.

In addition, CCL has proposed to provide as-needed coaching sessions to individual Port Authority leaders upon request by the Port Authority.

Staff has reviewed CCL's proposal and found it to be fair and reasonable. Staff recommends continuing to engage the services of CCL for the next phase of the Port Authority's leadership development program on the basis of its demonstrated competence and qualifications. CCL is a top-ranked, global provider of executive education that develops better leaders through its exclusive focus on leadership education and research.

N. TECHNOLOGY

Subject	1. Award annual purchase orders to SHI Government Solutions, Inc., for a Microsoft Office 365 Enterprise License Agreement, using a Texas Department of Information Resources Cooperative Agreement, in a total amount not to exceed \$912,000 over a four year period.
Meeting	Dec 12, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its December 12, 2017 meeting, award annual purchase orders to SHI Government Solutions, Inc., for a Microsoft Office 365 Enterprise License Agreement, using a Texas Department of Information Resources Cooperative Agreement, in a total amount not to exceed \$912,000 over a four year period, 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 1c. - Implement streamlined processes supported by technology Strategic Objective 2b. - Deliver cost and service advantages through innovation and efficiency

Category:

Awards, Amendments & Change Orders

Department:

Information Technology

Staff Contact:

Charles Thompson

Background:

The Port Authority is currently party to a Microsoft Enterprise License Agreement and is entering year three of a three-year term. Microsoft has offered through its fulfillment partner, SHI Government Solutions, Inc., the ability to protect current pricing and provide an upgrade path from the current Microsoft Enterprise Agreement, to the Microsoft Office 365 Enterprise License Agreement subscription. The Port Authority must also purchase additional licenses to serve Port Authority users.

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 (ITC Co-op) 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:

Accordingly, staff has determined that the price and availability provided by amending and extending the contract with SHI Government Solutions, Inc. for the Port Authority's Microsoft Enterprise License Agreement, using the Texas Department of Information Resources agreement, provides the best value to the Port Authority for these services.

Staff recommends the Port Commission approve the purchase orders with SHI Government Solutions, Inc.

N. TECHNOLOGY

Subject **2. Award a purchase order to Kratos Public Safety & Security Solutions, Inc. for video management system software maintenance, using a State of Texas Department of Information Resources Cooperative Purchase program, in an amount not to exceed \$70,000.**

Meeting Dec 12, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 12, 2017 meeting, award a purchase order to Kratos Public Safety & Security Solutions, Inc. for video management system software maintenance, using a State of Texas Department of Information Resources Cooperative Purchase program, in an amount not to exceed \$70,000, 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:

Information Technology

Staff Contact:

Ron Farrow

Background:

As the Information Technology Division continues to strive to provide reliable camera and video management services, it is important to continue to have software maintenance and support and as it continues to replace and expand cameras, to have the ability to upgrade software with the appropriate licensing.

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 (ITC Co-op) 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:

Accordingly, staff has determined that the price and availability for video management system (VMS) software maintenance renewal offered by Kratos Public Safety & Security Solutions, Inc., using the DIR purchasing program, provides the best value to the Port Authority for these services.

Staff recommends the Port Commission approve a purchase order with Kratos Public Safety & Security Solutions, Inc.