

I N D E X

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

October 30, 2018

<u>Minute No.</u>	<u>Event/Action</u>
	General
	Chairman Longoria convened the meeting of the Port Commission and provided opening remarks
	Minutes
2018-1030-01	Approve the Minutes of the September 25, 2018 Port Commission Meeting
	Port Commission Committee Updates
2018-1030-02(a)	Commissioner Kennedy reported on the Procurement and Small Business Development Task Force Meeting - October 22, 2018
2018-1030-02(b)	Commissioner Fitzgerald reported on the Audit Committee Meeting - October 23, 2018
	Appearances
2018-1030-03	Chairman Longoria asked if anyone would like to address the Port Commission; there was no response
	Staff Reports
2018-1030-04	Roger Guenther, Executive Director, presented a summary of selected financial and operations matters
	G. Executive (no items)
	H. Commercial
2018-1030-05	Approve a membership for 2019 in the Greater Houston Partnership at the Managing Partner level with associated membership fees

<u>Minute No.</u>	<u>Event/Action</u>
2018-1030-06	Enter into a two-year contract with IHS Global Inc. for access to the Journal of Commerce Port Import/Export Reporting Service 2019 and 2020 databases and optional industry reports
2018-1030-07	Amend the lease agreement with Maersk Agency U.S.A., Inc. effective December 1, 2018 for approximately 250 square feet in Stevedore Support Building #2 at Bayport Container Terminal, for an additional three-year term at an annual rental of \$7,736 subject to an annual increase of 3%
2018-1030-08	Amend the lease agreement with R. Warehousing & Port Services, Inc. at Industrial Park East of 0.50 acres and an approximately 86,000 square foot building, for an additional five years, with an annual abatement of rent in the amount of \$37,165.65 resulting in an annual net rental of \$262,834, subject to an annual increase of the greater of 3% or the increase in the Consumer Price Index
2018-1030-09	Consent to amendment of the sublease agreement between Contanda Greens Bayou Terminal LLC (f/k/a Contanda Wah Chang Terminal LLC) as sublessor and R. Warehousing & Port Services, Inc. as sublessee, effective November 1, 2018, for approximately 10.6 acres out of Block 4 at the Bulk Materials Handling Plant
2018-1030-10	Cancel an existing lease agreement and approve a new five-year lease agreement with Gulf Winds International, Inc. for approximately 8.40 acres on the south side of Port Road, adjacent to Old Highway 146 at the Bayport Container Terminal, effective no earlier than November 1, 2018, at an annual rental of \$360,867 with an annual 3% increase

I. Finance

2018-1030-11	Authorize advertisement and receipt of responses for eleven formal procurements
2018-1030-11(a)	Request for competitive sealed bids for the maintenance contract for annual concrete, pavement, drainage, and dust control at Industrial Park East
2018-1030-11(b)	Request for competitive sealed bids for a two-year contract for purchase of replacement parts and air conditioning equipment for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal
2018-1030-11(c)	Request for competitive sealed bids for a three-year contract for purchase of machinery components at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal

<u>Minute No.</u>	<u>Event/Action</u>
2018-1030-11(d)	Request for competitive sealed bids for purchase of repair services for radiators, air, and fuel coolers for RTG cranes at Barbours Cut Terminal and Bayport Container Terminal
2018-1030-11(e)	Request for competitive sealed bids for crane rental services for maintenance of equipment and facilities at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal
2018-1030-11(f)	Request for competitive sealed bids for purchase of parts and repair services for truck scales at Barbours Cut Terminal and Bayport Container Terminal
2018-1030-11(g)	Request for competitive sealed proposals for 138kV substation security at Bayport Container Terminal
2018-1030-11(h)	Request for proposals for graphic design and related creative services
2018-1030-11(i)	Request for proposals for cleaning services for the Executive Building, Port Coordination Center, Sam Houston Pavilion, and nine gate houses at Turning Basin Terminal
2018-1030-11(j)	Request for proposals for purchase of up to six empty container handling machines for Barbours Cut Terminal
2018-1030-11(k)	Request for proposals for purchase of one loaded container handling machine for Bayport Container Terminal
2018-1030-12	Reject and re-advertise a request for proposals and receive responses for the purchase of miscellaneous safety equipment for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal
2018-1030-13	Appoint a designated officer in accordance with Section 60.271, Texas Water Code, and Chapter 105, Texas Local Government Code, and authorize the designated officer to advertise and receive proposals for depository and other banking services on behalf of the Port Authority
2018-1030-14	Adopt a revised Investment Policy for Port Authority funds, including operating, construction, debt service, and bond reserve funds, and approve the Port Authority's revised Internal Controls for Investments
J. Port Security and Emergency Operations	
2018-1030-15	Reject all qualification submittals received for professional services to support master planning studies and investigations of market and industry trends for general cargo facilities

<u>Minute No.</u>	<u>Event/Action</u>
2018-1030-16	Rescind the award and re-advertise for competitive sealed proposals for the demolition of the Lighter Aboard Ship Vessel Dock at Barbours Cut Terminal, together with the rehabilitation of Wharf 3 and the construction of electrical and communications infrastructure at Container Yards 4, 5, and 6 at Barbours Cut Terminal
2018-1030-17	<p>Approve staff's ranking of vendors and award a contract for a market demand study and business case analysis for reduction of emissions through intermodal opportunities and incentives, to the top-ranked proposers: staff ranking – first, AECOM Technical Services, Inc.; second, HDR Engineering, Inc.; and third, Hatch Associates Consultants, Inc.</p> <p>Port Commission adopted the staff-recommended ranking and authorized award</p>
2018-1030-18	<p>Approve staff's ranking of vendors and award a professional services contract to perform construction material testing services during the construction of the rail spur at Bayport Container Terminal to the top-ranked proposer – first, Terracon Consultants, Inc.; second, HVJ Associates; and third, Braun Intertec</p> <p>Port Commission adopted the staff-recommended ranking and authorized award</p>
2018-1030-19	<p>Approve staff's ranking of vendors and award a professional services contract to perform a detailed assessment of the grain storage elevator and transport facility at Woodhouse Terminal to the top-ranked proposers: staff ranking – first, Wiss, Janney, Elstner Associates, Inc.; second, CTL Group; and third, Smith Monroe Gray Engineers, Inc.</p> <p>Port Commission adopted the staff-recommended ranking and authorized award</p>
2018-1030-20	Award a construction contract to Thyssen-Laughlin, Inc. for the replacement of water and sewer lines at Woodhouse Terminal
2018-1030-21	Award a construction contract to Forde Construction Company, Inc. for the rehabilitation of the transit shed floor at Wharf No. 46 at Turning Basin Terminal
2018-1030-22	Award a construction contract to Structural Preservation Systems, LLC to repair Wharf Nos. 11 and 12 at Turning Basin Terminal (Damage Claim 1170)
2018-1030-23	Award a contract to Southern Crushed Concrete, LLC, for the purchase of crushed concrete to resurface laydown area at Barbours Cut Terminal

<u>Minute No.</u>	<u>Event/Action</u>
2018-1030-24	Award a two-year environmental services agreement to Miggins Interests LLC DBA Hydro Tech Utilities for public water supply operations
2018-1030-25	Amend an agreement with McCarthy Building Companies, Inc. for the acceptance of up to 500,000 cubic yards of fill material
2018-1030-26	Grant an amended and restated Sanitary Control Easement to the Galena Park Independent School District, as required by the Texas Commission on Environmental Quality
2018-1030-27	Issue a distribution/transmission line license to CenterPoint Energy Houston Electric, LLC for a fiber optic line under and across Southside Mainline railroad right-of-way
2018-1030-28	Issue a distribution/transmission line license to CenterPoint Energy Houston Electric, LLC for two 138kV transmission lines over and across the San Jacinto River
2018-1030-29	Approve the renewal of expiring Port Authority licenses for new ten-year terms: Lone Star NGL Mont Belvieu LP, Kinder Morgan Texas Pipeline, LLC, Targa Downstream LLC, and Williams Purity Pipelines, LLC
2018-1030-30	Issue a license to Sesco Cement Corporation for a conveyor across Wharf 4 and a rail across Wharf 3 on Turning Basin Area – West property
2018-1030-31	Issue a pipeline license to Praxair, Inc. for one 16-inch oxygen pipeline, one 16-inch nitrogen pipeline, and one 20-foot by 50-foot valve site under and across Bayport Terminal property
2018-1030-32	Issue a pipeline license to Contanda Terminals LLC for one 8-inch pipeline across Manchester Wharves 2 and 3
2018-1030-33	Issue a marine construction permit to Eco Services Operations Corp. for existing facilities and repair of a bulkhead and installation of a piling adjacent to Buffalo Bayou
2018-1030-34	Amend and renew a pipeline license to Williams Olefins Feedstock Pipelines, LLC for one 4-inch ammonia pipeline, one 18-inch hydrogen chloride pipeline, and a coupon test station on various Port Authority properties
2018-1030-35	Amend a pipeline license to Contanda Terminals LLC to add one 8-inch pipeline across Manchester Wharf 3
2018-1030-36	Amend a pipeline license to FLST dba Lavaca LST Pipeline LLC to add one 16-inch ethane gas pipeline across Cedar Bayou

Minute No.

Event/Action

K. Infrastructure

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| 2018-1030-37 | <p>Approve staff's ranking of vendors and award a one-year contract for spotting of vessels at all Port Authority facilities to the top-ranked proposer: staff ranking - first, Houston Mooring Company, Inc.; and second, Marine Tekno Services, LLC</p> <p>Port Commission adopted the staff-recommended ranking and authorized award</p> |
| 2018-1030-38 | <p>Approve staff's ranking of vendors and award a contract for the purchase of eight diesel electric container yard cranes for Barbours Cut Terminal to the top-ranked proposer: staff ranking - first, Konecranes Finland Corporation; second, Kalmar USA, Inc.; and third, Shanghai Zhenhua Heavy Industries Co., Ltd.</p> <p>Port Commission adopted the staff-recommended ranking and authorized award</p> |
| 2018-1030-39 | <p>Approve staff's ranking of vendors and award a five-year contract for Transportation Workers Identification Card reader and software application services, to include maintenance and support, to the top-ranked proposer: staff ranking – first, idSoftware Identification Management Systems, LLC; second, Port Solutions Integrators; and third, Smart-Tecs, LLC</p> <p>Port Commission adopted the staff-recommended ranking and authorized award</p> |
| 2018-1030-40 | <p>Approve staff's ranking of vendors and award a two-year contract for railroad repair services at Turning Basin Terminal to the top-ranked proposer: staff ranking - first, RailWorks Track Systems, Inc.; second, AmeriTrac Railroad Services/TGS; and third, George Hedge Contractors, Inc.</p> <p>Port Commission adopted the staff-recommended ranking and authorized award</p> |
| 2018-1030-41 | <p>Award a two-year contract to Herc Rentals, Inc. for rental of heavy equipment for Turning Basin Terminal, Barbours Cut Terminal, and Bayport Container Terminal</p> |
| 2018-1030-42 | <p>Award a contract to Waste Corporation of Texas, Inc. to provide trash disposal and recycling services for the Turning Basin Terminal, Barbours</p> |

Minute No.

Event/Action

Cut Terminal, Bayport Container Terminal, Turning Basin Terminal South, and Fireboat Barracks for a three-year term beginning December 1, 2018

2018-1030-43

Award a one-year contract to AssetWorks, LLC, the sole source provider, for software maintenance, support, and an extended hardware warranty for the Fleet Focus M5 Enterprise Asset Management System, and Fuel Focus software

L. Operations

2018-1030-44

Approve the purchase of insurance from Aetna Life Insurance Company to provide stop loss coverage for calendar year 2019 for the Port Authority's self-funded group medical plan for active employees, retirees who are not Medicare-eligible, and dependents

M. People

2018-1030-45

Award a shipyard maintenance services contract for six Port Authority vessels to National Cotton, Inc. dba Pier 77 Marine Service, for a two-year period beginning November 1, 2018

2018-1030-46

Authorize an agreement with the Houston Ship Channel Security District for payment of the current year (2018-2019) contribution

N. Technology

2018-1030-47

Issue a purchase order to Securitas Electronic Security, Inc. for purchase of video management system software maintenance, using National Intergovernmental Purchasing Alliance, through The Cooperative Purchasing Network, a cooperative purchase program

O. Recess Open Meeting and Convene Executive Session

P. Reconvene Open Meeting

2018-1030-48

Motion to authorize the terms of the Port Authority's acquisition of easements or fee simple interests in eleven tracts directly adjacent to the existing Union Pacific Rail Road corridor between Highway 225 and Red Bluff Road by purchase or exercise of eminent domain, to permit the properties to be publicly used by the Port Authority for public port-related development and operations, as discussed in Executive Session, and authorize the Executive Director to do all things necessary to give effect to the foregoing

Q. Adjourn Meeting

Minute No.

Event/Action

2018-1030-49

Adopt a resolution authorizing the Port Authority to acquire, through exercise of the power of eminent domain, fee and/or easement interests in eleven tracts of land directly adjacent to the existing Union Pacific Rail Road corridor between Highway 225 and Red Bluff Road, to permit the properties to be publicly used by the Port Authority for public port-related development and operations

R. Adjourn Meeting

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

**Houston, Texas
October 30, 2018**

A public meeting of the Port Commission of the Port of Houston Authority of Harris County, Texas was convened on October 30, 2018 at 9:03 a.m., at the Port of Houston Authority Executive Offices, Fourth Floor Boardroom, at 111 East Loop North, Houston, Texas 77029. The following Commissioners, staff, and counsel were present:

Janiece Longoria, Chairman
Theldon R. Branch, III, Commissioner
Dean E. Corgey, Commissioner
Stephen H. DonCarlos, Commissioner
Clyde E. Fitzgerald, Commissioner
John D. Kennedy, Commissioner
Roger Guenther, Executive Director
Erik Eriksson, Chief Legal Officer
J. Kent Friedman, outside counsel

Chairman Longoria convened the meeting of the Port Commission, welcomed everyone, and stated that she did not have any remarks but reminded all present that there would be no regular meeting in November; rather, the annual budget workshop would be held on November 13 at 9:00 a.m., followed by a legislative workshop. All are invited to attend. The next regular meeting will be held on Wednesday, December 12.

(2018-1030-01) Minutes

Chairman Longoria called for a motion to approve the minutes of the September 25, 2018 Port Commission meeting. Commissioner Corgey moved for approval, seconded by Commissioner Branch. The minutes were approved as written.

(2018-1030-02) Port Commission Committee Updates

(a) Commissioner Kennedy reported on the Procurement and Small Business Development Task Force Meeting held on October 22, 2018.

He reported that the quarterly meeting of the Small Business Advisory Council was held prior to the task force meeting, during which the council discussed the recommendation that the Port Authority conduct a disparity study. Commissioner Kennedy announced that it was the decision of the three-member task force, made up of Commissioners Kennedy, Branch, and Mease, to research the feasibility of a disparity study and how it might assist the Port Authority with improving its procurement processes. Commissioner Kennedy closed by noting that the next meeting of the Procurement and Small Business Development Task Force would be held on November 5, to discuss the matter further.

Chairman Longoria thanked Commissioner Kennedy for his report.

(b) Commissioner Fitzgerald reported on the October 23, 2018 Audit Committee Meeting. Commissioner Fitzgerald reported that Grant Thornton presented its plans for the 2018 financial statement audits.

Representatives from Protiviti, an external audit firm, also presented the results of the first external quality assessment of the Port Authority Internal Audit function, which showed that the Port Authority conforms to 9 of the 12 standards tested, and partially conforms to the remaining 3. The overall result was “partially conforms,” which is consistent with most initial reviews.

The committee completed its annual review of the Port Authority’s Investment Policy and Internal Controls for Investments. Staff recommended revisions to the list of approved financial institutions, and stated they would be reviewing and reporting investments relating to Sudan, Iran, and designated foreign terrorist organizations as required by state law. The committee concurred with staff and recommends approval of agenda Item I4.

The Port Authority’s current bank contract expires in 2019. Accordingly, the committee recommends the appointment of Ray Yi, Senior Director of Treasury, to advertise and receive proposals for the Port Authority’s banking contract, as presented in agenda Item I3.

Internal Audit staff reported that the Internal Audit budget will be incorporated into the Port Authority’s overall budget and reviewed by the Port Commission on November 13. Staff also presented the 2019 audit plan, which included the Annual Risk Assessment, the proposed 2019 Annual Audit Plan, and potential 2019 projects. Staff anticipates that Port Commission approval of this plan will be requested in December.

Commissioner Fitzgerald concluded by reporting that Internal Audit staff also provided audit reports related to its Internal Assessment Report and FTZ Compliance Review Report and noted that no issues were reported under the Port Authority’s “Whistleblower” policy during the period of July through September 2018.

Chairman Longoria thanked Commissioner Fitzgerald for his report.

(2018-1030-03) Appearances

Chairman Longoria asked if anyone would like to address the Port Commission; there was no response.

(2018-1030-04) Staff Reports

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

- Container volume remains solid with an increase of 10% through the third quarter. The 2 million twenty-foot equivalent unit ("TEU") mark was passed in September and it appears that this trend will continue through the end of 2018.
- Through the third quarter, Port Authority facilities have handled 3.5 million tons of steel, with more than 478,000 tons in September.
- Mr. Guenther called on Jeff Davis, Chief Port Operations Officer, to discuss two matters.
- Mr. Davis reminded the Port Commission that in October 2017, staff had extended gate hours at the Bayport Container Terminal for an additional four hours each Monday through Friday, to accommodate the anticipated rise in resin exports. After thirteen months, the extended gate hours have averaged approximately 200 moves per night, compared to daytime activity of 600 moves per hour. Because of the low participation rate, staff intends to end the extended hours effective December 7. Mr. Davis advised that staff has worked with U.S. Customs and Border Protection ("CBP"), which supports this decision. Mr. Davis concluded by noting that should circumstances change and demand increase, the Port Authority and CBP would revisit extending the hours.

Chairman Longoria asked if there were any questions. Commissioner Fitzgerald asked if the resin companies had been notified, and Mr. Davis replied that the Commercial Division met with ACES, the Advisory Council of Executive Shippers, to discuss the matter; it did not have any issues with the change.

Discussion ensued regarding the possibility of additional traffic due to a reduction of gate hours. Chairman Longoria asked Commissioner DonCarlos if he had any concerns. He replied that traffic was tolerable now but was concerned that reducing gate hours may cause additional build-ups. Mr. Davis responded that approximately 9,000 gate moves are done a day between Bayport and Barbours Cut Container Terminals and 200-250 a night at Bayport, and therefore traffic during the daytime hours was not expected to be impacted. Mr. Guenther added that most of the volume during the extended hours was to pick up import cargo and not for delivery of export resin.

- Mr. Davis' second topic was the proposed general rate increase. He advised the Port Commission that at the budget meeting in November, staff was going to recommend a Consumer Price Index ("CPI") increase for all carriers. Mr. Davis stated that the Port Authority had recently renewed the 10-year Marine Terminal Service Agreements ("MTSAs") with most of the ocean carriers, and those MTSAs anticipate annual CPI increases.

Separately, the fees for general cargo carriers are solely governed by Port Authority tariffs, and staff will be recommending the same increase. These CPI increases assist with development of infrastructure and upkeep of terminal facilities.

Commissioner DonCarlos inquired if staff has had any conversations with the general cargo clients regarding the potential increase. Mr. Davis advised him that a CPI increase was instituted last year and at that time staff communicated to the general cargo carriers that this annual adjustment would probably be ongoing. Mr. Davis added that staff was bringing the increase the commission's attention before speaking to the general cargo carriers, and if carriers had an issue with the increase they would be able to express their concerns at the upcoming Port Commission meeting.

Chairman Longoria commented on her experience with Mr. Davis and Mr. Guenther, noting that they were very careful and proactive about the way they communicate about what they plan to do, and they obtain consensus in advance of bringing matters to the Port Commission for approval. She commended Mr. Guenther and Mr. Davis for the way they work with Port Authority customers to assure all are aware and work as partners to remain competitive. Chairman Longoria asked Mr. Davis to keep the commissioners apprised of the progress.

- Mr. Guenther advised the commissioners that staff requests to seek bids and approve capital expenditures, including the purchase of 8 new RTG cranes needed to continue to be able to handle growth and container activity, were on the agenda.
- In conclusion, Mr. Guenther recognized Port Houston Fire Inspector Daniel Spiers, who was honored as Firefighter of the Year by the Galena Park Rotary Club. Daniel coordinates fire plans for more than 100 facilities that the Port Authority protects from the waterside and shares information with its mutual aid partners. He takes a lead role in making sure that all Port Authority and tenant facilities adhere to the proper fire codes. Mr. Guenther thanked him for working proactively to make these facilities safer and congratulated him on the award.

Chairman Longoria congratulated Mr. Spiers and thanked Mr. Guenther for his report.

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

(2018-1030-05) RCA H1 was presented, moved by Chairman Longoria, seconded by Commissioner Branch. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Kennedy voted Aye. Nays none. RCA H1 PASSED.

(2018-1030-06) RCA H2 was presented, moved by Chairman Longoria, seconded by Commissioner Branch. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Kennedy voted Aye. Nays none. RCA H2 PASSED.

(2018-1030-07) RCA H3 was presented, moved by Commissioner Corgey, seconded by Commissioner Branch. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Kennedy voted Aye. Nays none. RCA H3 PASSED.

(2018-1030-08) RCA H4 was presented, moved by Commissioner Corgey, seconded by Commissioner Mease. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Kennedy voted Aye. Nays none. RCA H4 PASSED.

(2018-1030-09) RCA H5 was presented, moved by Commissioner Corgey, seconded by Commissioner Branch. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Kennedy voted Aye. Nays none. RCA H5 PASSED.

(2018-1030-10) RCA H6 was presented, moved by Commissioner Corgey, seconded by Commissioner Branch. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Kennedy voted Aye. Nays none. RCA H6 PASSED.

(2018-1030-11) RCA II (a-k) was presented, moved by Commissioner Fitzgerald, seconded by Commissioner DonCarlos. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Kennedy voted Aye. Nays none. RCA II (a-k) PASSED.

(2018-1030-12) RCA I2 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Corgey. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Kennedy voted Aye. Nays none. RCA I2 PASSED.

(2018-1030-13) RCA I3 was presented, moved by Commissioner Kennedy, seconded by Commissioner DonCarlos. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Kennedy voted Aye. Nays none. RCA I3 PASSED.

Chairman Longoria inquired as to the time frame for the Port Authority's procurement of depository and other banking services, and Tim Finley, Chief Financial Officer, advised her it would take approximately 3 months.

(2018-1030-14) RCA I4 was presented, moved by Commissioner Branch, seconded by Commissioner Corgey. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Kennedy voted Aye. Nays none. RCA I4 PASSED.

(2018-1030-15) RCA J1 was presented, moved by Commissioner Branch, seconded by Commissioner DonCarlos. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Kennedy voted Aye. Nays none. RCA J1 PASSED.

(2018-1030-16) RCA J2 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Corgey. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Kennedy voted Aye. Nays none. RCA J2 PASSED.

(2018-1030-17) RCA J3 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Branch. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Kennedy voted Aye. Nays none. RCA J3 PASSED.

(2018-1030-18) RCA J4 was presented, moved by Commissioner Corgey, seconded by Commissioner DonCarlos. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Kennedy voted Aye. Nays none. RCA J4 PASSED.

(2018-1030-19) RCA J5 was presented, moved by Commissioner Branch, seconded by Commissioner DonCarlos. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Kennedy voted Aye. Nays none. RCA J5 PASSED.

(2018-1030-20) RCA J6 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Fitzgerald. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Kennedy voted Aye. Nays none. RCA J6 PASSED.

(2018-1030-21) RCA J7 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Fitzgerald. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Kennedy voted Aye. Nays none. RCA J7 PASSED.

(2018-1030-22) RCA J8 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Fitzgerald. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Kennedy voted Aye. Nays none. RCA J8 PASSED.

(2018-1030-23) RCA J9 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Fitzgerald. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Kennedy voted Aye. Nays none. RCA J9 PASSED.

(2018-1030-24) RCA J10 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Fitzgerald. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Kennedy voted Aye. Nays none. RCA J10 PASSED.

(2018-1030-25) RCA J11 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Fitzgerald. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Kennedy voted Aye. Nays none. RCA J11 PASSED.

(2018-1030-26) RCA J12 was presented, moved by Commissioner Branch, seconded by Commissioner Fitzgerald. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Kennedy voted Aye. Nays none. RCA J12 PASSED.

(2018-1030-27) RCA J13 was presented, moved by Commissioner Branch, seconded by Commissioner Corgey. Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Kennedy voted Aye. Chairman Longoria recused herself. Nays none. RCA J13 PASSED.

(2018-1030-28) RCA J14 was presented, moved by Commissioner Branch, seconded by Commissioner Corgey. Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Kennedy voted Aye. Chairman Longoria recused herself. Nays none. RCA J14 PASSED.

(2018-1030-29) RCA J15 was presented, moved by Commissioner Branch, seconded by Commissioner Corgey. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Kennedy voted Aye. Nays none. RCA J15 PASSED.

(2018-1030-30) RCA J16 was presented, moved by Commissioner Branch, seconded by Commissioner Corgey. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Kennedy voted Aye. Nays none. RCA J16 PASSED.

(2018-1030-31) RCA J17 was presented, moved by Commissioner Branch, seconded by Commissioner Corgey. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Kennedy voted Aye. Nays none. RCA J17 PASSED.

(2018-1030-32) RCA J18 was presented, moved by Commissioner Branch, seconded by Commissioner Corgey. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Kennedy voted Aye. Nays none. RCA J18 PASSED.

(2018-1030-33) RCA J19 was presented, moved by Commissioner Branch, seconded by Commissioner Corgey. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Kennedy voted Aye. Nays none. RCA J19 PASSED.

(2018-1030-34) RCA J20 was presented, moved by Commissioner Branch, seconded by Commissioner Corgey. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Kennedy voted Aye. Nays none. RCA J20 PASSED.

(2018-1030-35) RCA J21 was presented, moved by Commissioner Branch, seconded by Commissioner Corgey. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Kennedy voted Aye. Nays none. RCA J21 PASSED.

(2018-1030-36) RCA J22 was presented, moved by Commissioner Branch, seconded by Commissioner Corgey. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Kennedy voted Aye. Nays none. RCA J22 PASSED.

(2018-1030-37) RCA K1 was presented. Commissioner Fitzgerald moved for staff ranking – first, Houston Mooring Company, Inc.; and second, Marine Tekno Services, LLC, seconded by Commissioner DonCarlos. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Kennedy voted Aye. Nays none. RCA K1 PASSED.

(2018-1030-38) RCA K2 was presented. Commissioner Kennedy moved for staff ranking – first, Konecranes Finland Corporation; second, Kalmar USA, Inc.; and third, Shanghai Zhenhua Heavy Industries Co., Ltd., seconded by Commissioner Corgey. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Kennedy voted Aye. Nays none. RCA K2 PASSED.

(2018-1030-39) RCA K3 was presented. Commissioner Branch moved for staff ranking – first, idSoftware Identification Management Systems, LLC; second, Port Solutions Integrators; and third, Smart-Tecs, LLC, seconded by Commissioner Kennedy. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Kennedy voted Aye. Nays none. RCA K3 PASSED.

(2018-1030-40) RCA K4 was presented. Commissioner Kennedy moved for staff ranking – first, RailWorks Track Systems, Inc.; second, AmeriTrac Railroad Services/TGS; and third, George Hedge Contractors, Inc., seconded by Commissioner Fitzgerald. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Kennedy voted Aye. Nays none. RCA K4 PASSED.

(2018-1030-41) RCA K5 was presented, moved by Commissioner Branch, seconded by Commissioner Kennedy. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Kennedy voted Aye. Nays none. RCA K5 PASSED.

(2018-1030-42) RCA K6 was presented, moved by Commissioner Corgey, seconded by Commissioner Fitzgerald. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Kennedy voted Aye. Nays none. RCA K6 PASSED.

(2018-1030-43) RCA K7 was presented, moved by Commissioner Kennedy, seconded by Commissioner Branch. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Kennedy voted Aye. Nays none. RCA K7 PASSED.

(2018-1030-44) RCA L1 was presented, moved by Commissioner Corgey, seconded by Commissioner Fitzgerald. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Kennedy voted Aye. Nays none. RCA L1 PASSED.

(2018-1030-45) RCA M1 was presented, moved by Commissioner Branch, seconded by Commissioner DonCarlos. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Kennedy voted Aye. Nays none. RCA M1 PASSED.

(2018-1030-46) RCA M2 was presented, moved by Commissioner Kennedy, seconded by Commissioner Branch. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Kennedy voted Aye. Nays none. RCA M2 PASSED.

(2018-1030-47) RCA N1 was presented, moved by Commissioner Corgey, seconded by Commissioner Fitzgerald. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Kennedy voted Aye. Nays none. RCA N1 PASSED.

At 9:37 a.m., Chairman Longoria advised that the Executive Session would follow and instructed Mr. Eriksson to make the following announcement:

It is now 9:39 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 consultation regarding the Industrial District

Agreement and Water Supply Agreement with the City of Pasadena, Texas; deliberate regarding (2) Real Estate (*Section 551.072, Texas Open Meetings Act*), including deliberations regarding acquisition of Bayport vicinity properties; (3) Economic Development Negotiations or Incentives (*Section 551.087, Texas Open Meetings Act*); (4) Employment and Evaluation of Public Employees (*Section 551.074, Texas Open Meetings Act*), including deliberations regarding public employees; 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 9:48 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, staff and counsel in attendance:

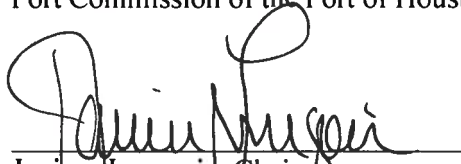
Janiece Longoria, Chairman
Theldon R. Branch, III, Commissioner
Dean E. Corgey, Commissioner
Stephen H. DonCarlos, Commissioner
Clyde E. Fitzgerald, Commissioner
John D. Kennedy, Commissioner
Roger Guenther, Executive Director
Erik Eriksson, Chief Legal Officer
J. Kent Friedman, outside counsel

(2018-1030-48) Commissioner DonCarlos moved to authorize the terms of the Port Authority's acquisition of easements or fee simple interests in eleven tracts directly adjacent to the existing Union Pacific Rail Road corridor between Highway 225 and Red Bluff Road by purchase or exercise of eminent domain, to permit the properties to be publicly used by the Port Authority for public port-related development and operations, as discussed in Executive Session, and authorize the Executive Director to do all things necessary to give effect to the foregoing, seconded by Commissioner Fitzgerald. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Kennedy voted Aye. Nays none. MOTION PASSED.

(2018-1030-49) RCA Q1 was presented, moved by Commissioner Kennedy, seconded by Commissioner DonCarlos. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, and Kennedy voted Aye. Nays none. RCA Q1 PASSED.

At 9:50 a.m., Chairman Longoria adjourned the Port Commission meeting.

The above is a correct copy of the Minutes of the October 30, 2018 meeting of the Port Commission of the Port of Houston Authority.



Janiece Longoria, Chairman



Erik A. Eriksson, Secretary

H. COMMERCIAL

Subject **1. Approve a membership for 2019 in the Greater Houston Partnership at the Managing Partner level with associated membership fees in an amount not to exceed \$60,000.**

Meeting Oct 30, 2018 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its October 30, 2018 meeting, approve the Port Authority's 2019 membership 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.

Goals STRATEGIC GOAL #4 - STEWARDSHIP (Sustain the business for the long-term)

Category:
Awards, Amendments & Change Orders

Department:
Marketing & External Communications

Staff Contact:
John Moseley / Stan Swigart

Background:
By Minute No. 2017-1212-13, the Port Commission approved the Port Authority's 2018 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:
The Greater Houston Partnership (GHP) is the leading advocacy group for Houston's regional business community and the city's chamber of commerce and world trade center. The Port Authority is committed to developing our region's economy in support of GHP's economic development efforts. To maintain the Port Authority's leadership position and 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 membership for the Port Authority's 2019 membership in the GHP.

H. COMMERCIAL

Subject **2. Enter into a two-year contract with IHS Global Inc. for access to the Journal of Commerce Port Import/Export Reporting Service 2019 and 2020 databases and optional industry reports in an amount not to exceed \$222,500.**

Meeting Oct 30, 2018 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its October 30, 2018 meeting, authorize the Port Authority to enter into a two-year contract with IHS Global Inc. for access to the Journal of Commerce Port Import/Export Reporting Service 2019 and 2020 databases and optional industry reports, effective January 1, 2019, in an amount not to exceed \$222,500, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Goals STRATEGIC GOAL #2 - GROWTH (Grow and diversify the business base)
Strategic Objective 2b. - Deliver cost and service advantages through innovation and efficiency

Category:

Awards, Amendments & Change Orders

Department:

Trade Development

Staff Contact:

John Moseley

Background:

By Minute No. 2016-1025-14, the Port Commission authorized the award of a contract to IHS Global Inc. for access to the Journal of Commerce Port Import/Export Reporting Service (PIERS) 2016-2018 database and optional industry reports.

Staff Evaluation/Justification:

This data is used extensively in the Port Authority's market analysis for tracking its cargo volumes by trade lane, commodity types and carriers, relative to competitive ports in the U.S. It also allows the Port Authority marketing group to build beneficial cargo owner target lists for further business development. In summary, this database helps support the ongoing competitive market research and analysis necessary for more effective trade development.

Staff recommends that the Port Authority enter into a two-year contract with IHS Global Inc. for access to the Journal of Commerce PIERS 2019 and 2020 databases and optional industry reports.

H. COMMERCIAL

Subject **3. Amend the lease agreement with Maersk Agency U.S.A., Inc. effective December 1, 2018 for approximately 250 square feet in Stevedore Support Building #2 at Bayport Container Terminal, for an additional three-year term at an annual rental of \$7,736 subject to an annual increase of 3%.**

Meeting Oct 30, 2018 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its October 30, 2018 meeting, approve an amendment to the lease agreement with Maersk Agency U.S.A., Inc. effective December 1, 2018 for approximately 250 square feet in Stevedore Support Building #2 at Bayport Container Terminal, for an additional three-year term at an annual rental of \$7,736 subject to an annual increase of 3%, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

Category:
Leases

Department:
Real Estate

Staff Contact:
R.D. Tanner

Background:
By Minute No. 2015-1027-14, the Port Commission approved a three-year lease with Maersk Agency U.S.A., Inc. (Maersk) of approximately 250 square feet in the Stevedore Support Building #2 (SSB#2) at the Bayport Container Terminal with an annual rent of \$7,080 with a 3% annual increase.

Maersk has requested that the Port Authority amend its lease to provide for an additional three-year term with a 3% annual increase. Maersk would continue to use the premises to service its vessel operations and as a general business office.

Staff Evaluation/Justification:
Staff recommends the Port Commission approve this proposed amendment to the lease agreement with Maersk.

H. COMMERCIAL

Subject **4. Amend the lease agreement with R. Warehousing & Port Services, Inc. at Industrial Park East of 0.50 acres and an approximately 86,000 square foot building, for an additional five years, with an annual abatement of rent in the amount of \$37,165.65 resulting in an annual net rental of \$262,834, subject to an annual increase of the greater of 3% or the increase in the Consumer Price Index.**

Meeting Oct 30, 2018 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its October 30, 2018 meeting, approve an amendment to the lease agreement with R. Warehousing & Port Services, Inc. at Industrial Park East of 0.50 acres and an approximately 86,000 square foot building, for an additional five years, with an annual abatement of rent in the amount of \$37,165.65 resulting in an annual net rental of \$262,834, subject to an annual increase of the greater of 3% or the increase in the Consumer Price Index, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

By Category:
Leases

Department:
Real Estate

Staff Contact:
R.D. Tanner

Background:

By Minute No. 2017-1023-17, the Port Commission approved R. Warehousing & Port Services, Inc. (R. Warehousing) lease of 0.50 acre and an approximately 86,000 sq. ft. building at Industrial Park East. R. Warehousing's original lease, effective November 1, 2017, was for a two-year term with options for two additional two-year terms. The rental amount was scheduled to be \$300,000 in the second year.

R. Warehousing has now proposed that it paint the entire metal exterior of the 86,000 square foot building, (including two additional coats of rust converter) and add the R. Warehousing corporate logo and a Port Houston logo to the building. The estimated price for painting, rust converter, R. Warehousing logo, and Port Houston logo is \$185,826.

In connection with the work the tenant proposes that the lease would be extended to a six-year term expiring October 31, 2023, with an abatement in the annual amount of \$37,165.65 over five years, resulting in an annual net rental of \$262,834, subject to an annual increase of the greater of 3% or the increase in the Consumer Price Index.

The building was constructed in the early 1940's and no improvements or capital has been expended on this strategically located warehouse prior to the R. Warehousing Lease.

Staff Evaluation/Justification:

Staff recommends the Port Commission approve this amendment to the lease agreement with R. Warehousing.

H. COMMERCIAL

Subject **5. Consent to amendment of the sublease agreement between Contanda Greens Bayou Terminal LLC (f/k/a Contanda Wah Chang Terminal LLC) as sublessor and R. Warehousing & Port Services, Inc. as sublessee, effective November 1, 2018, for approximately 10.6 acres out of Block 4 at the Bulk Materials Handling Plant.**

Meeting Oct 30, 2018 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its October 30, 2018 meeting, approve the Port Authority's consent to amendment of the sublease agreement between Contanda Greens Bayou Terminal LLC, as sublessor and R. Warehousing & Port Services, Inc. as sublessee, effective November 1, 2018, for approximately 10.6 acres out of Block 4 at the Bulk Materials Handling Plant, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

Category:

Leases

Department:

Real Estate

Staff Contact:

R.D. Tanner

Background:

By Minute No. 2017-1023-19, the Port Commission approved consent to a one-year sublease agreement between Contanda Wah Chang Terminal, LLC as sublessor and R. Warehousing & Port Services, Inc. as sublessee, effective November 1, 2017, for approximately 10 acres out of Block 4 at the Bulk Materials Handling Plant. Three-hundred and forty-five acres in total are leased from the Port Authority in this area to this lessee.

On September 28, 2018 the Port Authority's lessee Contanda Wah Chang Terminal LLC changed its name to Contanda Greens Bayou Terminal LLC.

Contanda Greens Bayou Terminal LLC now requests that the Port Authority consent to a six months extension of the sublease, with the sublessor's right to terminate the sublease agreement after three months. This would align the development commencement of this 10.6 acre property to the new requested sublease term. The monthly rent under the sublease is \$14,667.46, which would be split evenly between the Port Authority and Tenant.

Staff Evaluation/Justification:

Staff recommends the Port Commission approve the Port Authority's consent for the proposed sublease amendment between Contanda Greens Bayou Terminal LLC and R. Warehousing & Port Services, Inc.

H. COMMERCIAL

Subject 6. Cancel an existing lease agreement and approve a new five-year lease agreement with Gulf Winds International, Inc. for approximately 8.40 acres on the south side of Port Road, adjacent to Old Highway 146 at the Bayport Container Terminal, effective no earlier than November 1, 2018, at an annual rental of \$360,867 with an annual 3% increase.

Meeting Oct 30, 2018 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its October 30, 2018 meeting, approve the Port Authority's cancellation of an existing lease agreement and its new five-year lease agreement with Gulf Winds International, Inc. for approximately 8.40 acres on the south side of Port Road, adjacent to Old Highway 146 at the Bayport Container Terminal, effective no earlier than November 1, 2018, at an annual rental of \$360,867 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.

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

Category:

Leases

Department:

Real Estate

Staff Contact:

R.D. Tanner

Background:

By Minute No. 2017-0425-07, the Port Commission approved a two-year lease agreement with Gulf Winds International, Inc. for approximately 8.58 acres on the south side of Port Road, adjacent to Old Highway 146 near the Bayport Container Terminal, effective June 1, 2017, at an annual rental of \$358,076 with an annual 3% increase.

Gulf Winds International, Inc. has requested that the Port Authority enter into a new five-year lease of this site, for staging trucks awaiting entry into its warehouse at 5300 State Highway 146, and for the operation of empty and loaded container handling equipment, the stacking and storage of empty and loaded containers, and location of a small mobile office building.

The Port Authority has recently granted an approximate 0.185 acre easement to CenterPoint Energy to allow it to run power lines to its nearby substation. The easement affects approximately 0.185 acres of the leased premises. The Port Authority retained, among other things, the right to store trailer chassis under CenterPoint's lines, and anticipates the amended lease with Gulf Winds would include the condition that no trailer chassis exceed twenty-five feet in height within the 0.185 acre CenterPoint easement area. In addition, the lease of this 0.185 acre site would be terminable with 30-days written notice without effect upon the term of the balance of Lease.

Staff Evaluation/Justification:

Staff recommends the Port Commission approve cancellation of the existing lease agreement and approve a new five-year lease agreement with Gulf Winds International, Inc.

I. FINANCE

Subject 1. Authorize advertisement and receipt of responses for eleven formal procurements.

Meeting Oct 30, 2018 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its October 30, 2018 meeting, authorize the Port Authority to advertise and receive responses for eleven 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 maintenance contract for annual concrete, pavement, drainage, and dust control at Industrial Park East
- (b) Request for competitive sealed bids for a two-year contract for purchase of replacement parts and air conditioning equipment for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal
- (c) Request for competitive sealed bids for a three-year contract for purchase of machinery components at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal
- (d) Request for competitive sealed bids for purchase of repair services for radiators, air, and fuel coolers for RTG cranes at Barbours Cut Terminal and Bayport Container Terminal
- (e) Request for competitive sealed bids for crane rental services for maintenance of equipment and facilities at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal
- (f) Request for competitive sealed bids for purchase of parts and repair services for truck scales at Barbours Cut Terminal and Bayport Container Terminal
- (g) Request for competitive sealed proposals for 138kV substation security at Bayport Container Terminal
- (h) Request for proposals for graphic design and related creative services
- (i) Request for proposals for cleaning services for the Executive Building, Port Coordination Center, Sam Houston Pavilion, and nine gate houses at Turning Basin Terminal
- (j) Request for proposals for purchase of up to six empty container handling machines for Barbours Cut Terminal
- (k) Request for proposals for purchase of one loaded container handling machine for Bayport Container Terminal

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, and for non-construction items;
- Solicitation of "Requests for Proposals," for procurement 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 eleven new Formal Procurements. Staff has evaluated and recommends the customary best value methods for each procurement.

I. FINANCE

Subject **2. Reject and re-advertise a request for proposals and receive responses for the purchase of miscellaneous safety equipment for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal.**

Meeting Oct 30, 2018 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its October 30, 2018 meeting, (i) reject the proposal received for the purchase of miscellaneous safety equipment for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal, (ii) authorize the Port Authority to re-advertise a request for proposals and receive responses for the purchase of miscellaneous safety equipment, and (iii) 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 2b. - Deliver cost and service advantages through innovation and efficiency

Category:
Reject & Other Actions

Department:
Risk Management

Staff Contact:
Bruce Birdwell

Background:
This solicitation relates to the purchase of miscellaneous safety equipment for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal. The staff's objectives include the standardization of the types of safety equipment used by employees and reduction of the associated cost through improved inventory management methods.

By Minute No. 2018-0731-16(j), the Port Commission authorized the advertisement and receipt of request for proposals for the purchase of miscellaneous safety equipment for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal.

Staff recommends the Port Authority reject the proposal and re-advertise, in order to expand competition and potentially address the scope of the project.

Staff Evaluation/Justification:
Staff recommends that the Port Commission reject the proposal and re-advertise a request for proposals for the purchase of miscellaneous safety equipment for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal.

I. FINANCE

Subject **3. Appoint a designated officer in accordance with Section 60.271, Texas Water Code, and Chapter 105, Texas Local Government Code, and authorize the designated officer to advertise and receive proposals for depository and other banking services on behalf of the Port Authority.**

Meeting Oct 30, 2018 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its October 30, 2018 meeting, (a) appoint Ramon Yi, Senior Director, Treasury, to act as the Port Authority's designated officer under Section 60.271, Texas Water Code, and Chapter 105, Texas Local Government Code, (b) authorize the designated officer to advertise and receive proposals for depository and other banking services on behalf of the Port Authority, and (c) further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Goals STRATEGIC GOAL #4 - STEWARDSHIP (Sustain the business for the long-term)

Category:
General

Department:
Treasury

Staff Contact:
Ray Yi

Background:

By Minute No. 2014-1216-25, the Port Commission appointed Ramon Yi as the designated officer under Section 60.271, Texas Water Code, and Chapter 105, Texas Local Government Code, to assist with seeking depository banking services on behalf of the Port Authority. Request for Proposals #3782 for depository banking services was issued on December 16, 2014.

By Minute No. 2015-0224-23, the Port Commission awarded a contract to Branch Banking and Trust Company for depository banking services for a four-year period, commencing on March 1, 2015.

Staff Evaluation/Justification:

The current depository banking services contract with Branch Banking and Trust Company expires on March 1, 2019. In order to provide sufficient time for possible transition to a new provider, staff would like to begin the process of advertising a new request for proposals for depository and other banking services (e.g., maintenance of operating bank accounts, direct deposit of payroll, lockbox receipts, check payments, electronic funds transfers, credit card payments, etc.). Following evaluation of proposals, staff would submit its recommendations to the Port Commission.

In selecting a depository, the Port Authority must adhere to the requirements specified in Section 60.271, Texas Water Code, as well as Chapter 105, Texas Local Government Code, which include the following:

- the governing body must designate a designated officer to request, receive, and review applications for the performance of depository services;
- the designated officer must present the specifications of each application to the governing body for its selection of one or more depositories; and
- the term of a depository contract cannot exceed five (5) years.

Staff recommends the Port Commission appoint Ramon Yi as the Port Authority's designated officer under Section 60.271, Texas Water Code, and Chapter 105, Texas Local Government Code, and authorize the designated officer to advertise and receive proposals for depository and other banking services on behalf of the Port Authority.

I. FINANCE

Subject **4. Adopt a revised Investment Policy for Port Authority funds, including operating, construction, debt service, and bond reserve funds, and approve the Port Authority's revised Internal Controls for Investments.**

Meeting Oct 30, 2018 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its October 30, 2018 meeting, adopt a revised Investment Policy for Port Authority funds, including operating, construction, debt service, and bond reserve funds, and approve the Port Authority's revised Internal Controls for Investments, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Goals STRATEGIC GOAL #4 - STEWARDSHIP (Sustain the business for the long-term)

Category:

General

Department:

Treasury

Staff Contact:

Ray Yi

Background:

In accordance with Chapter 2256 of the Texas Government Code (Public Funds Investment Act), the Port Commission shall review the Port Authority's investment policy and investment strategies not less than annually, and shall adopt a written instrument or resolution stating that it has reviewed the investment policy and investment strategies and that the written instrument so adopted shall record any changes made to either the investment policy or investment strategies.

By Minute No. 2017-1023-03, the Investment Policy, investment strategies, and Internal Controls for Investments were last reviewed and approved by the Port Commission.

Staff Evaluation/Justification:

The Investment Policy, investment strategies, and Internal Controls for Investments have been reviewed by (a) Port Authority staff, (b) FirstSouthwest, the Port Authority's investment advisor, and (c) the Audit Committee of the Port Commission.

Revisions have been proposed, which comply with the requirements of the Public Funds Investment Act as amended. This includes:

(a) modifications to Exhibit "C" the List of Approved Banks, Broker-Dealers, Custodians, Money Market Funds, Commercial Paper Direct Issuers, and Investment Pools, and

(b) a review of investment holdings at least annually for compliance with statutory requirements with regard to any prohibited investments relating to Sudan, Iran, and designated foreign terrorist organizations.

The Audit Committee and Port Authority staff recommend adoption of the revised Investment Policy, which includes the investment strategies, and approval of the Internal Controls for Investments, as proposed.

J. INFRASTRUCTURE

Subject **1. Reject all qualification submittals received for professional services to support master planning studies and investigations of market and industry trends for general cargo facilities.**

Meeting Oct 30, 2018 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its October 30, 2018 meeting, reject all qualification submittals received for professional services to support master planning studies and investigations of market and industry trends for general cargo facilities, 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:
Reject & Other Actions

Department:
Facility Planning

Staff Contact:
Mark Griffin

Background:

Earlier this year the Port Authority advertised a request for qualifications (RFQ) to help obtain a range of professional services to support its planning, urban design, landscape architecture, civil and environmental engineering, commodity market estimation activities, and real estate asset valuation, and help formulate development options for the Port Authority's general cargo terminals, as part of the 2040 Master Plan preparation process. It was anticipated that a range of tasks would be performed, including (a) an evaluation of existing and potential commodity flows and emerging logistics trends; (b) cargo handling and landside distribution capacities in relation to terminal operating areas; (c) identification of additional facility requirements or redundancies; and (d) conceptual development or re-development planning.

Staff Evaluation/Justification:

On May 9, 2018, four responses to the RFQ were received and opened. These submittals were reviewed and evaluated by staff in accordance with the published selection criteria. Oral presentations were made by each of the proponents to Port Authority staff on May 22 and 23, 2018.

Based on the materials submitted in response to the RFQ and the oral presentations, staff evaluated and scored each of the proponents; however, staff was unable to advance a recommendation for award of a contract to the Port Commission.

Accordingly, staff recommends the Port Commission reject all qualification submittals for the professional services to support master planning studies and investigations of market and industry trends for general cargo facilities.

J. INFRASTRUCTURE

Subject **2. Rescind the award and re-advertise for competitive sealed proposals for the demolition of the Lighter Aboard Ship Vessel Dock at Barbours Cut Terminal, together with the rehabilitation of Wharf 3 and the construction of electrical and communications infrastructure at Container Yards 4, 5, and 6 at Barbours Cut Terminal.**

Meeting Oct 30, 2018 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its October 30, 2018 meeting, rescind the award and re-advertise for competitive sealed proposals for the demolition of the Lighter Aboard Ship Vessel Dock at Barbours Cut Terminal, together with the rehabilitation of Wharf 3 and the construction of electrical and communications infrastructure at Container Yards 4, 5, and 6 at Barbours Cut 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:
Project and Construction Management

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

Background:
By Minute No. 2018-0626-11, the Port Commission awarded the demolition of the Lighter Aboard Ship Vessel (LASH) Dock at Barbours Cut Terminal to Shoreline Foundations Inc. for the amount of \$5,876,800. Since that time, the contractor has been unable to provide the construction bonds required by the contract; as a result of the delay, the field conditions have changed and the Port Authority is no longer permitted to place dredge material from the project on Spilman Island. The next opportunity to use the island would be after May 2019.

Staff recommends to re-advertise the project as an addition to the rehabilitation of Wharf 3 and construction of electrical and communications infrastructure on container yards 4, 5, and 6 at Barbours Cut Terminal.

This project consists of the partial demolition of the LASH Dock (originally constructed in the 1970's), all dolphins, fender system, sections of the access bridges, and dredging of the areas along the fender line. The project's objective is to improve navigation of vessels entering and leaving the Barbours Cut Channel. Due to its high cost, the complete demolition, which includes the removal of all concrete piles and access bridges and large amounts of dredging, may be completed in the future.

Staff Evaluation/Justification:
Staff recommends the Port Commission approve rescinding the award and re-advertise a request or CSPs for the demolition of the LASH Dock together with the rehabilitation of Wharf 3 and the construction of electrical and communications infrastructure at Container Yards 4, 5, and 6 at Barbours Cut Terminal.

J. INFRASTRUCTURE

Subject **3. Approve staff's ranking of vendors and award a contract, in an amount not to exceed \$500,000, for a market demand study and business case analysis for reduction of emissions through intermodal opportunities and incentives, to the top-ranked proposers: staff ranking – first, AECOM Technical Services, Inc.; second, HDR Engineering, Inc.; and third, Hatch Associates Consultants, Inc.**

Meeting Oct 30, 2018 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its October 30, 2018 meeting:

- (a) approve staff's ranking of vendors, based on the selection criteria, in the following order – first, AECOM Technical Services, Inc.; second, HDR Engineering, Inc.; and third, Hatch Associates Consultants, Inc.;
- (b) award a contract to the top-ranked proposer for a market demand study and business case analysis for reduction of emissions through intermodal opportunities and incentives in an amount not to exceed \$500,000;
- (c) grant authority, if a contract cannot be negotiated with the first-ranked vendor, to formally, and in writing, end negotiations with that vendor and proceed to the next vendor in the order of ranking until a contract is reached or all proposals are rejected; and
- (d) further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

Category:
Awards, Amendments & Change Orders

Department:
Technical and Business Analytics

Staff Contact:
Brenda Trevino

Background:
The objective of this proposed contract is a study of five emission reduction opportunities, a study which would be supported by a Texas Commission on Environmental Quality (TCEQ) grant. The agreed work scope envisions multiple opportunities for reducing emissions and proposes a comprehensive approach to evaluate concepts, prioritize them for impact and practicality, and then define pilots to test the best idea(s) using appropriate incentives.

Key areas of focus include:

- Shift Road to Rail
- Shift Road to No Emission Electric Shuttle
- Shift Road to Water
- Shift Road to Low/No Emission Road
- More Efficient Cargo Handling

This project 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 studies will give the Port Authority data-driven reports to show which projects are fiscally and feasibly responsible to implement. Each area of focus has a potential

for large emission reductions in the area.

By Minute No. 2018-0327-11, the Port Commission authorized the advertisement of a request for proposals (RFP) for a market demand study and business case analysis for reduction of emissions through intermodal opportunities and incentives.

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

Staff Evaluation/Justification:

On September 19, 2018, four RFP responses were received and opened. The responses were reviewed and evaluated by staff in accordance with the selection criteria published in the RFP. Staff identified the following vendors, listed in order of ranking, as most qualified to provide the required product:

- AECOM Technical Services, Inc.
- HDR Engineering, Inc.
- Hatch Associates Consultants, Inc.

Following staff Executive Committee review, staff recommends that the Port Commission award a contract to AECOM Technical Services, Inc. and act as otherwise described above.

J. INFRASTRUCTURE

Subject **4. Approve staff's ranking of vendors and award a professional services contract in the amount not to exceed \$150,000 to perform construction material testing services during the construction of the rail spur at Bayport Container Terminal to the top-ranked proposer – first, Terracon Consultants, Inc.; second, HVJ Associates; and third, Braun Intertec.**

Meeting Oct 30, 2018 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its October 30, 2018 meeting:

- (a) approve staff's ranking of vendors, based on the selection criteria, in the following order – first, Terracon Consultants, Inc.; second, HVJ Associates; and third, Braun Intertec;
- (b) award a professional services contract to Terracon Consultants, Inc. to perform construction material testing services during the construction of the rail spur at Bayport Container Terminal in an amount not to exceed \$150,000;
- (c) grant authority, if a contract cannot be negotiated with the first-ranked vendor, to formally, and in writing, end negotiations with that vendor and proceed to the next vendor in the order of ranking until a contract is reached or all proposals are rejected; and
- (d) further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

Category:

Awards, Amendments & Change Orders

Department:

Project and Construction Management

Staff Contact:

Roger H. Hoh, P.E.

Background:

This proposed procurement includes construction material testing services during the construction for the rail spur at Bayport Container Terminal. Per Section 60.463(c) of the Texas Water Code, in certain circumstances the Port Authority is required to hire a third-party inspection firm to independently test the acceptability of construction material installed by the contractor. This procurement would provide these third party inspection services.

By Minute No. 2017-0131-18(j), the Port Commission authorized the advertisement of a request for qualifications (RFQ) for these 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. Twelve vendors downloaded the project materials from BuySpeed.

Staff Evaluation/Justification:

On September 19, 2018, eight 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:

- Terracon Consultants, Inc.

- HVJ Associates
- Braun Intertec

Following staff Executive Committee review, staff recommends that the Port Commission award a contract to Terracon Consultants, Inc. and act as otherwise described above.

J. INFRASTRUCTURE

Subject **5. Approve staff's ranking of vendors and award a professional services contract in an amount not to exceed \$433,128, to perform a detailed assessment of the grain storage elevator and transport facility at Woodhouse Terminal to the top-ranked proposers: staff ranking – first, Wiss, Janney, Elstner Associates, Inc.; second, CTL Group; and third, Smith Monroe Gray Engineers, Inc.**

Meeting Oct 30, 2018 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its October 30, 2018 meeting:

- (a) approve staff's ranking of the most qualified vendors, based on the selection criteria, in the following order – first, Wiss, Janney, Elstner Associates, Inc.; second, CTL Group; and third, Smith Monroe Gray Engineers, Inc.;
- (b) award a professional services contract to the top-ranked proposer to perform a detailed assessment of the grain storage elevator and transport facility at Woodhouse Terminal, in an amount not to exceed \$433,128;
- (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.

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 engineering services to conduct an inspection of the grain storage elevator and transport facility at Woodhouse Terminal. This includes all parts of the grain elevator and facility including structural, mechanical, and electrical components. This project would also include cost estimates for any repairs needed.

By Minute No. 2018-0731-16(m), 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. Eight vendors downloaded the project materials from BuySpeed.

Staff Evaluation/Justification:

On September 6, 2018, three RFQ responses were received and opened. The responses were reviewed and evaluated by staff in accordance with the selection criteria published in the RFQ. Staff identified the following vendors, listed in order of ranking, as most qualified to provide the required services:

- Wiss, Janney, Elstner Associates, Inc
- CTL Group
- Smith Monroe Gray Engineers, Inc.

Following staff Executive Committee review, staff recommends that the Port Commission award a contract to Wiss, Janney, Elstner Associates, Inc. and act as otherwise described above.

J. INFRASTRUCTURE

Subject **6. Award a construction contract to Thyssen-Laughlin, Inc. for the replacement of water and sewer lines at Woodhouse Terminal in an amount not to exceed \$1,381,906.**

Meeting Oct 30, 2018 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its October 30, 2018 meeting, award a construction contract to Thyssen-Laughlin, Inc. for the replacement of water and sewer lines at Woodhouse Terminal in an amount not to exceed \$1,381,906, and authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

Category:
Awards, Amendments & Change Orders

Department:
Project and Construction Management

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

Background:
This project would consist of furnishing and installing approximately 5,000 linear feet of 6 and 8-inch diameter ductile iron water mains and 2,000 linear feet of sewage force mains, a package-type duplex sewage pump station, and appurtenances such as fire hydrants, gate valves, and wharf-mounted potable water boat fill stations. Ancillary work includes mobilization and demobilization, soil erosion and sediment control, pipeline disinfection, testing and commissioning, and trench surface restoration.

By Minute No. 2018-0626-08(c), the Port Commission authorized the advertisement and receipt of competitive sealed bids (CSBs) for the replacement of water and sewer lines at Woodhouse 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. Nine vendors downloaded the project materials from BuySpeed.

Staff Evaluation/Justification:
On September 26, 2018, three CSBs were received, opened, and publicly read. The responses were reviewed and evaluated by staff in accordance with the published selection criteria.

Following staff Executive Committee review, staff recommends that the Port Authority award a contract to Thyssen-Laughlin, Inc., the responsible bidder submitting the lowest and best bid, for the replacement of water and sewer lines at Woodhouse Terminal.

J. INFRASTRUCTURE

Subject **7. Award a construction contract to Forde Construction Company, Inc. for the rehabilitation of the transit shed floor at Wharf No. 46 at Turning Basin Terminal in an amount not to exceed \$1,698,554.**

Meeting Oct 30, 2018 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its October 30, 2018 meeting, award a construction contract to Forde Construction Company, Inc. for the rehabilitation of the transit shed floor at Wharf No. 46 at Turning Basin Terminal in an amount not to exceed \$1,698,554, and authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

Category:
Awards, Amendments & Change Orders

Department:
Project and Construction Management

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

Background:
This project would consist of the rehabilitation of the existing floor inside the transit shed at Wharf No. 46 at the Turning Basin Terminal, as well as expansion of the existing access ramp to the transit shed. The work would consist of excavation and removal of waterlines, soil stabilization, and the removal and replacement of approximately 4,148 square yards of concrete floor inside the shed.

By Minute No. 2018-0416-12(a), the Port Commission authorized the advertisement and receipt of competitive sealed bids (CSBs) for the rehabilitation of the transit shed floor at Wharf No. 46 at 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. Twelve vendors downloaded the project materials from BuySpeed.

Staff Evaluation/Justification:
On September 26, 2018, four CSBs were received, opened, and publicly read. The responses were reviewed and evaluated by staff in accordance with the published selection criteria.

Following staff Executive Committee review, staff recommends that the Port Authority award a contract to Forde Construction Company, Inc., the responsible bidder submitting the lowest and best bid, for the rehabilitation of the transit shed floor at Wharf No. 46 at Turning Basin Terminal.

J. INFRASTRUCTURE

Subject **8. Award a construction contract to Structural Preservation Systems, LLC to repair Wharf Nos. 11 and 12 at Turning Basin Terminal (Damage Claim 1170) in an amount not to exceed \$477,777.**

Meeting Oct 30, 2018 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its October 30, 2018 meeting, award a construction contract to Structural Preservation Systems, LLC to repair Wharf Nos. 11 and 12 at Turning Basin Terminal (Damage Claim 1170) in an amount not to exceed \$477,777, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

Category:
Awards, Amendments & Change Orders

Department:
Project and Construction Management

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

Background:
This project would consist of repair to those Wharf Nos. 11 and 12 structural components that were damaged in an incident as provided in Damage Claim 1170.

By Minute No. 2018-0517-12(c), the Port Commission authorized the advertisement and receipt of competitive sealed bids (CSBs) to repair Wharf Nos. 11 and 12 at Turning Basin Terminal (Damage Claim 1170). 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. Nine vendors downloaded the project materials from BuySpeed.

Staff Evaluation/Justification:
On August 29, 2018, three CSBs were received, opened, and publicly read. The responses were reviewed and evaluated by staff in accordance with the published selection criteria.

Following staff Executive Committee review, staff recommends that the Port Authority award a contract to Structural Preservation Systems, LLC, the responsible bidder submitting the lowest and best bid, to repair Wharf Nos. 11 and 12 at Turning Basin Terminal (Damage Claim 1170).

J. INFRASTRUCTURE

Subject **9. Award a contract to Southern Crushed Concrete, LLC, for the purchase of crushed concrete to resurface laydown area at Barbours Cut Terminal in an amount not to exceed \$176,625.**

Meeting Oct 30, 2018 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its October 30, 2018 meeting, award a contract to Southern Crushed Concrete, LLC, for the purchase of crushed concrete to resurface laydown area at Barbours Cut Terminal in an amount not to exceed \$176,625, and authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

Category:
Awards, Amendments & Change Orders

Department:
Project and Construction Management

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

Background:
This project would consist of the purchase of crushed concrete for the resurfacing of a laydown yard located at Barbours Cut Terminal.

By Minute No. 2018-0626-08(d), the Port Commission authorized the advertisement and receipt of competitive sealed bids (CSBs) for the purchase of materials to resurface laydown area at Barbours Cut 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. Ten vendors downloaded the project materials from BuySpeed.

Staff Evaluation/Justification:
On October 3, 2018, three CSBs were received, opened, and publicly read. The responses were reviewed and evaluated by staff in accordance with the published selection criteria.

Following staff Executive Committee review, staff recommends that the Port Authority award a contract to Southern Crushed Concrete, LLC, the responsible bidder submitting the lowest and best bid, for the purchase of crushed concrete to resurface laydown area at Barbours Cut Terminal.

J. INFRASTRUCTURE

Subject **10. Award a two-year environmental services agreement to Miggins Interests LLC DBA Hydro Tech Utilities for public water supply operations in an amount not to exceed \$96,000.**

Meeting Oct 30, 2018 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its October 30, 2018 meeting, award a two-year environmental services agreement to Miggins Interests LLC DBA Hydro Tech Utilities for public water supply operations in an amount not to exceed \$96,000, 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 #4 - STEWARDSHIP (Sustain the business for the long-term)

Category:
Awards, Amendments & Change Orders

Department:
Environmental Affairs

Staff Contact:
Trae Camble

Background:

The Port Authority is seeking to obtain an environmental service provider to operate the Port Authority's registered public water system at Barbours Cut Terminal and non-registered water system at Bayport Container Terminal. The operations of these systems include weekly, monthly, quarterly, and annual testing of parameters in accordance to Texas Commission on Environmental Quality standards; record keeping of monthly logs, and quarterly and annual reports; and assisting with other activities related to public water system compliance, as directed by the Environmental Affairs Department staff.

By Minute No. 2018-00731-16(k), the Port Commission authorized the advertisement of a request for proposals (RFP) for public water supply operations. 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. Three vendors downloaded the project materials from BuySpeed.

Staff Evaluation/Justification:

The Port Authority received one proposal before the September 19, 2018 deadline. The response was reviewed and evaluated by staff in accordance with the published selection criteria.

Following staff Executive Committee review, staff recommends that the Port Authority award a contract to Miggins Interests LLC DBA Hydro Tech Utilities, as providing best value to the Port Authority, for public water supply operations.

J. INFRASTRUCTURE

Subject	11. Amend an agreement with McCarthy Building Companies, Inc. for the acceptance of up to 500,000 cubic yards of fill material.
Meeting	Oct 30, 2018 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its October 30, 2018 meeting, approve an amendment to the agreement with McCarthy Building Companies, Inc. for the acceptance of up to 500,000 cubic yards of fill material, 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:

Technical Business and Analytics Department

Staff Contact:

Brenda Trevino

Background:

By Minute No. 2018-0327-28, the Port Commission authorized the Port Authority to enter into an agreement with LBC Houston, L.P. (LBC) to accept approximately 650,000 cubic yards of fill material and acknowledge such gift. McCarthy Building Companies, Inc. (McCarthy) is the contracted general contractor for the construction activity that is expected to generate up to 500,000 cubic yards of this LBC Houston, L.P. fill.

Staff anticipates that this fill material will be excavated and available for delivery to the Port Authority beginning November 2018 and through December 2019. Staff believes that if the fill from LBC's facility has acceptable environmental and geotechnical properties, the material could be used for Port Authority properties.

McCarthy is willing to comply with the environmental and geotechnical testing and reporting requirements of the Port Authority and provide the Port Authority with the fill material from LBC facility at no cost to the Port Authority. In addition, McCarthy would assist the Port Authority with the placement of such fill material.

Staff Evaluation/Justification:

Staff recommends that the Port Commission authorize an amendment to an existing fill agreement with McCarthy that was executed in 2014, for similar work at Bayport Container Terminal.

Staff believes that amending the existing agreement with McCarthy for the acceptance of fill material would result in substantial cost savings to the Port Authority on future construction at or near the Bayport Container Terminal.

J. INFRASTRUCTURE

Subject **12. Grant an amended and restated Sanitary Control Easement to the Galena Park Independent School District, as required by the Texas Commission on Environmental Quality.**

Meeting Oct 30, 2018 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its October 30, 2018 meeting, authorize the Port Authority to grant an amended and restated Sanitary Control Easement to the Galena Park Independent School District, as required by the Texas Commission on Environmental Quality, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Goals STRATEGIC GOAL #4 - STEWARDSHIP (Sustain the business for the long-term)
Strategic Objective 4a. - Be an environmental leader

Category:
General

Department:
Environmental Services

Staff Contact:
Trae Camble

Background:

The Port Authority leases approximately 37 acres to the Galena Park Independent School District (GPISD). The current lease was effective January 2017 and has a 30 year term, and succeeded a long term lease entered into between the parties in 2000.

In 2002, at the request of GPISD, the Port Authority granted it a "Sanitary Control Easement," to restrict the use of property within a 150 foot radius of a water well installed by GPISD within the leased premises. The easement additionally provided for a two year term, with automatic two-year renewals until use of the water well for public water systems ceased.

The Texas Natural Resources Conservation Commission (TNRCC) required recordation of the easement in order to protect the well's water supply. Staff believes that the TNRCC also mandated the form of easement used by the Port Authority.

Although termed an easement, the instrument operates as a restrictive covenant with respect to use of the encumbered 1.62 acre site.

Staff was recently informed that the Texas Commission on Environmental Quality (TCEQ), as the TNRCC is now called, has requested that an updated form of easement be recorded on this site.

Staff Evaluation/Justification:

The updated easement incorporates additional language mandated by the TCEQ and is presumably intended to further restrict use of the easement property. The term remains the same.

Staff recommends that the Port Commission authorize grant of the amended and restated Sanitary Control Easement to GPISD.

J. INFRASTRUCTURE

Subject **13. Issue a distribution/transmission line license to CenterPoint Energy Houston Electric, LLC for a fiber optic line under and across Southside Mainline railroad right-of-way.**

Meeting Oct 30, 2018 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its October 30, 2018 meeting, authorize the Port Authority to issue a distribution/transmission line license to CenterPoint Energy Houston Electric, LLC for a fiber optic line under and across Southside Mainline railroad right-of-way, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

Category:
Permits/Licenses/Pipeline Easements

Department:
Channel Development

Staff Contact:
Mark Vincent, P.E.

Background:
CenterPoint Energy Houston Electric, LLC, Port Authority File No. 2018-0267, has applied for a distribution/transmission line license under and across Southside Mainline railroad right-of-way in Pasadena, in the William Vince Survey, A-78, in Harris County, Texas.

The fiber optic line would be buried within a protective 4-inch steel casing beneath the railroad tracks.

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 \$1,608. The \$675 application fee and \$2,500 as-built deposit have been paid.

Staff recommends approval.

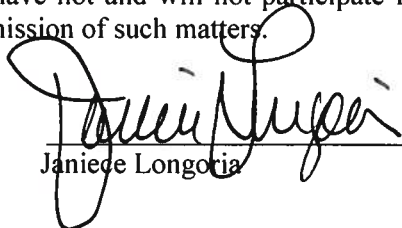
AFFIDAVIT OF SUBSTANTIAL INTEREST

STATE OF TEXAS §
 §
 COUNTY OF HARRIS §

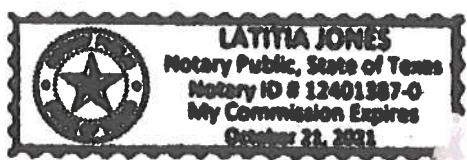
**Filed with the Port of Houston Authority
 In Compliance with Section 171.004 of the Texas Local Government Code**

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 Items J-13, J-14 and Q-1 from the Commission Agenda dated October 30, 2018 and to be deliberated during the Executive Session.
5. The nature and extent of the substantial interest described above is as follows: a possible interest in a business entity, on which the actions requested in the above matters 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 Requests for Port Commission Action for the above-referenced Items J-13 and J-14 and one of the properties described in Item Q-1 and to be deliberated during Executive Session.
6. 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 October 30, 2018.




 Notary Public, State of Texas

J. INFRASTRUCTURE

Subject	14. Issue a distribution/transmission line license to CenterPoint Energy Houston Electric, LLC for two 138kV transmission lines over and across the San Jacinto River.
Meeting	Oct 30, 2018 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its October 30, 2018 meeting, authorize the Port Authority to issue a distribution/transmission line license to CenterPoint Energy Houston Electric, LLC for two 138kV transmission lines over and across the San Jacinto River, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #3 - INFRASTRUCTURE (Provide and facilitate infrastructure to meet demand)

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Development

Staff Contact:

Mark Vincent, P.E.

Background:

CenterPoint Energy Houston Electric, LLC (CenterPoint), Port Authority File No. 2018-0266, has applied for a distribution/transmission line license for two 138-kV transmission lines over and across the San Jacinto River in Highlands, in the Amy White Survey, A-81 and George White Survey, A-82, in Harris County, Texas.

Transmission towers located on existing easements on either side of the San Jacinto River support a 138kV transmission line across the San Jacinto River, which is currently not licensed by the Port Authority. CenterPoint requests that the Port Authority issue a license for the existing line and the addition of a second 138kV transmission line across the San Jacinto River.

Staff Evaluation/Justification:

The application was reviewed and approved by the Port Authority's Channel Development department. The license is to be issued subject to the Port Authority's usual terms and conditions and at a fee of \$4,182. The \$675 application fee and \$2,500 as-built deposit have been paid.

Staff recommends approval.

J. INFRASTRUCTURE

Subject **15. Approve the renewal of expiring Port Authority licenses for new ten-year terms: Lone Star NGL Mont Belvieu LP, Kinder Morgan Texas Pipeline, LLC, Targa Downstream LLC, and Williams Purity Pipelines, LLC.**

Meeting Oct 30, 2018 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its October 30, 2018 meeting, authorize the Port Authority to approve the renewal of expiring licenses for new ten-year terms: Lone Star NGL Mont Belvieu LP, Kinder Morgan Texas Pipeline, LLC, Targa Downstream LLC, and Williams Purity Pipelines, LLC, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

Category:
Permits/Licenses/Pipeline Easements

Department:
Channel Development

Staff Contact:
Mark Vincent, P.E.

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

<u>Company</u>	<u>File number</u>	<u>License fee</u>
Lone Star NGL Mont Belvieu LP	2008-0211	\$17,451
Kinder Morgan Texas Pipeline, LLC	1997-0017	\$1,831
Targa Downstream LLC	1998-0080	\$12,083
Williams Purity Pipelines, LLC	2013-0043	\$38,801
Total		\$70,166

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.

J. INFRASTRUCTURE

Subject **16. Issue a license to SESCO Cement Corporation for a conveyor across Wharf 4 and a rail across Wharf 3 on Turning Basin Area – West property.**

Meeting Oct 30, 2018 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its October 30, 2018 meeting, authorize the Port Authority to issue a license to SESCO Cement Corporation for a conveyor across Wharf 4 and a rail across Wharf 3 on Turning Basin Area – West property, 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:
Sesco Cement Corporation (Sesco), Port Authority File No. 2018-0216, has applied for a license for a conveyor across Wharf 4 and a rail across Wharf 3 on Turning Basin Area – West property in Houston, in the John R. Harris Survey, A-27, in Harris County, Texas.

Sesco leases property located behind Wharves 3 and 4 from the Port Authority for a cement facility. The proposed rail and conveyor support the facility activities, which would include conveying materials from a rail-mounted ship unloader across Wharf 3, onto a closed belt conveyor across Wharf 4, and into the leased property for processing.

Staff Evaluation/Justification:
The application was reviewed and approved by the Port Authority's Channel Development, Operations, Real Estate, Project and Construction Management, and Environmental departments and the Houston Pilots. The license is to be issued subject to terms and conditions generally coordinating with the terms and conditions of the lease, and an initial five-year a fee of \$37,361. The \$675 application fee and \$2,500 as-built deposits have been paid.

Staff recommends approval.

J. INFRASTRUCTURE

Subject **17. Issue a pipeline license to Praxair, Inc. for one 16-inch oxygen pipeline, one 16-inch nitrogen pipeline, and one 20-foot by 50-foot valve site under and across Bayport Terminal property.**

Meeting Oct 30, 2018 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its October 30, 2018 meeting, authorize the Port Authority to issue a pipeline license to Praxair, Inc. for one 16-inch oxygen pipeline, one 16-inch nitrogen pipeline, and one 20-foot by 50-foot valve site under and across Bayport Terminal property, 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:
This item ins in connection with issuance of a license to Praxair, Inc. (Praxair), Port Authority File No. 2018-0246, for one 16-inch oxygen pipeline, one 16-inch nitrogen pipeline, and one 20-foot by 50-foot valve site under and across Bayport Terminal property in Pasadena, in the William P. Harris Survey, A-30, in Harris County, Texas.

Staff has identified certain pipelines within the ExxonMobil Pipeline Company (ExxonMobil) pipeline corridor, known as Corridor 70, at Bayport Terminal that must be relocated, including these referenced above; as a result of the relocation, a portion of the Praxair pipelines would be relocated outside of the pipeline corridor.

Staff Evaluation/Justification:
The license issuance was reviewed and approved by the Port Authority's Channel Development, Operations, Project and Construction Management, and Real Estate departments. The license is to be issued subject to the Port Authority's usual terms and conditions and at no fee. The \$675 application fee and \$2,500 as-built deposit have been waived.

Staff recommends approval.

J. INFRASTRUCTURE

Subject **18. Issue a pipeline license to Contanda Terminals LLC for one 8-inch pipeline across Manchester Wharves 2 and 3.**

Meeting Oct 30, 2018 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its October 30, 2018 meeting, authorize the Port Authority to issue a pipeline license to Contanda Terminals LLC for one 8-inch pipeline across Manchester Wharves 2 and 3, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Development

Staff Contact:

Mark Vincent, P.E.

Background:

Contanda Terminals LLC, Port Authority File No. 2018-0279, has applied for a pipeline license for one 8-inch pipeline across Manchester Wharves 2 and 3 in Houston, in the Moses A. Callahan & Allen Vince Survey, A-9, in Harris County, Texas.

Staff Evaluation/Justification:

The application was reviewed and approved by the Port Authority's Channel Development, Real Estate, and Operations departments. The license is to be issued subject to the Port Authority's usual terms and conditions and at a fee of \$2,768. The \$675 application fee and \$2,500 as-built deposit have been paid.

Staff recommends approval.

J. INFRASTRUCTURE

Subject **19. Issue a marine construction permit to Eco Services Operations Corp. for existing facilities and repair of a bulkhead and installation of a piling adjacent to Buffalo Bayou.**

Meeting Oct 30, 2018 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its October 30, 2018 meeting, authorize the Port Authority to issue a marine construction permit to Eco Services Operations Corp. for existing facilities and repair of a bulkhead and installation of a piling adjacent to Buffalo Bayou, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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:
Eco Services Operations Corp. (Eco Services), Port Authority File No. 2018-0270, has applied for a marine construction permit for existing facilities and repair of a bulkhead and installation of a piling adjacent to Buffalo Bayou in Houston, in the John R. Harris Survey, A-27, in Harris County, Texas.

Eco Services operates a facility adjacent to Buffalo Bayou near Brady's Island and seeks to repair an existing bulkhead and install a piling. No known permit was identified for the existing dock and bulkhead; therefore, Port Authority staff requests authorization to issue a marine construction permit to Eco Services for the existing facilities, bulkhead repairs, and piling.

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

Staff recommends approval.

J. INFRASTRUCTURE

Subject **20. Amend and renew a pipeline license to Williams Olefins Feedstock Pipelines, LLC for one 4-inch ammonia pipeline, one 18-inch hydrogen chloride pipeline, and a coupon test station on various Port Authority properties.**

Meeting Oct 30, 2018 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its October 30, 2018 meeting, authorize the Port Authority to amend and renew a pipeline license to Williams Olefins Feedstock Pipelines, LLC for one 4-inch ammonia pipeline, one 18-inch hydrogen chloride pipeline, and a coupon test station on various Port Authority properties, 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:

Williams Olefins Feedstock Pipelines, LLC (Williams), Port Authority File No. 1998-0002, has applied to amend and renew a pipeline license for one 4-inch ammonia pipeline and one 18-inch hydrogen chloride pipeline across various Port Authority properties, in the John Steele Survey, A-227, William Scott Survey, A-65, Thomas Toby Survey, A-787, H. K. Lewis Survey, A-41, Arthur McCormick Survey, A-46, and George M. Patrick Survey, A-624, in Harris and Chambers Counties, Texas.

Port Authority staff identified an unlicensed segment of the 4-inch and 18-inch pipelines across Hog Island while reviewing the license for renewal and now also seeks authorization to amend the license to include that segment. The renewed license would include crossings of Cedar Bayou, Tabbs Bay, Hog Island, the Houston Ship Channel, Spilman Island, Lower San Jacinto Bay, Peggy Lake access road property, and Southside Mainline railroad right-of-way

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 \$224,582. The \$675 application fee has been paid.

Staff recommends approval.

J. INFRASTRUCTURE

Subject **21. Amend a pipeline license to Contanda Terminals LLC to add one 8-inch pipeline across Manchester Wharf 3.**

Meeting Oct 30, 2018 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its October 30, 2018 meeting, authorize the Port Authority to amend a pipeline license to Contanda Terminals LLC to add one 8-inch pipeline across Manchester Wharf 3, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

Category:
Permits/Licenses/Pipeline Easements

Department:
Channel Development

Staff Contact:
Mark Vincent, P.E.

Background:
Contanda Terminals LLC (Contanda), Port Authority File No. 2012-0125, has applied to amend a pipeline license to add one 8-inch pipeline across Manchester Wharf 3 in Houston, in the Moses A. Callahan & Allen Vince Survey, A-9, in Harris County, Texas.

The pipeline would be constructed on an existing pipe rack on property leased to Contanda.

Staff Evaluation/Justification:
The application was reviewed and approved by the Port Authority's Channel Development and Real Estate departments. The license is to be issued subject to the Port Authority's usual terms and conditions and at a fee of \$590. The \$675 application fee and \$2,500 as-built deposit have been paid.

Staff recommends approval.

J. INFRASTRUCTURE

Subject	22. Amend a pipeline license to FLST dba Lavaca LST Pipeline LLC to add one 16-inch ethane gas pipeline across Cedar Bayou.
Meeting	Oct 30, 2018 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its October 30, 2018 meeting, authorize the Port Authority to amend a pipeline license to FLST dba Lavaca LST Pipeline LLC to add one 16-inch ethane gas pipeline across Cedar Bayou, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
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:

FLST LLC dba Lavaca LST Pipeline LLC (Lavaca), Port Authority File No. 2018-0064, has applied to amend a pipeline license to add one 16-inch ethane gas pipeline under and across Cedar Bayou in Baytown, in the William Bloodgood Survey, A-4, in Harris and Chambers Counties, Texas.

The Port Commission, by Minute No. 2018-0327-33, authorized the Port Authority to issue a pipeline license to Lavaca for the initial phase of a 16-inch pipeline known as Formosa 16-inch across Scott Bay, Goat Island, the Houston Ship Channel, Peggy Lake, and the Peggy Lake access road property. The proposed Cedar Bayou crossing would provide connectivity to the authorized crossings for the transport of ethane gas.

Staff Evaluation/Justification:

The application was reviewed and approved by the Port Authority's Channel Development department. The license is to be issued subject to the Port Authority's usual terms and conditions and at an amended license fee of \$1,724. The \$675 application fee has been paid.

Staff recommends approval.

K. OPERATIONS

Subject 1. Approve staff's ranking of vendors and award a one-year contract for spotting of vessels at all Port Authority facilities in an amount not to exceed \$250,000 to the top-ranked proposer: staff ranking - first, Houston Mooring Company, Inc.; and second, Marine Tekno Services, LLC.

Meeting Oct 30, 2018 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its October 30, 2018 meeting:

- (a) approve staff's ranking of vendors providing best value, based on the selection criteria, in the following order – first, Houston Mooring Company, Inc.; and second, Marine Tekno Services, LLC;
- (b) award a one-year contract to Houston Mooring, LLC for spotting of vessels at all Port Authority facilities in an amount not to exceed \$250,000;
- (c) grant authority, if a contract cannot be negotiated with the first-ranked vendor, to formally reject all proposals; 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:
Operations

Staff Contact:
Jeff Davis

Background:
Approximately 2,500 ships called Port Houston facilities in 2017. Historically, Port Police have met each ship upon arrival and coordinated with the Houston Pilots and the mooring companies' line handlers to spot the vessel's location on the wharf. Upon conclusion of that process, Port Police then input arrival and departure data in the Port Authority's Navis Operating System to initiate billing associated with the vessel visit. Port Police no longer have these responsibilities.

Currently, two mooring companies operate at Port Authority facilities, and one or the other is appointed by the vessel's owner or the owner's representative to provide vessel services. In an effort to streamline the efficiency of arrival and departure of ships, staff recently entered into short term contracts with both providers to provide the services previously carried out by Port Police. The Port Authority later entered into a long-term agreement with one mooring company and it now seeks to enter into a long-term contract with another company to provide spotting services.

By Minute No. 2018-0327-11(k), the Port Commission authorized the advertisement of a request for proposals (RFP) for spotting of vessels at all Port Authority facilities. 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. Two vendors downloaded the project materials from BuySpeed.

Staff Evaluation/Justification:
August 29, 2018, two RFPs were received and opened. The responses were reviewed and evaluated by staff in accordance with the published selection criteria. Staff identified the following vendors as qualified to

provide the required services:

- Houston Mooring Company, Inc.
- Marine Tekno Services, LLC

Following staff Executive Committee review, staff recommends that the Port Authority award a one-year contract to Houston Mooring Company, Inc. for spotting of vessels at all Port Houston facilities and act as otherwise described above.

K. OPERATIONS

Subject **2. Approve staff's ranking of vendors and award a contract in an amount not to exceed \$16,826,594 for the purchase of eight diesel electric container yard cranes for Barbours Cut Terminal to the top-ranked proposer: staff ranking - first, Konecranes Finland Corporation; second, Kalmar USA, Inc.; and third, Shanghai Zhenhua Heavy Industries Co., Ltd.**

Meeting Oct 30, 2018 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its October 30, 2018 meeting:

- (a) approve staff's ranking of vendors, based on the selection criteria, in the following order – first, Konecranes Finland Corporation; second, Kalmar USA, Inc.; and third, Shanghai Zhenhua Heavy Industries Co., Ltd. (ZPMC);
- (b) award a contract to the top-ranked proposer for the purchase of eight diesel electric container yard cranes for Barbours Cut Terminal in an amount not to exceed \$16,826,594;
- (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:
Maintenance

Staff Contact:
Paulo Soares

Background:
By Minute No. 2018-0327-11(g), the Port Commission authorized the advertisement of a request for proposals (RFP) for eight diesel electric container yard cranes for Barbours Cut Terminal. These units will provide needed coverage for container yard expansion in the C1 East End and C1/C2 redeveloped pads. Additionally, yard cranes are needed at this facility to meet current and projected growth in export business, and maintain the highest service levels to industry, including vessel productivity and truck turn times.

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. Eight vendors downloaded the project materials from BuySpeed.

Staff Evaluation/Justification:

On August 1, 2018, three RFP responses were received and opened. The responses were reviewed and evaluated by staff in accordance with the selection criteria published in the RFP. Staff identified the following vendors, listed in order of ranking, as most qualified to provide the required product:

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

Following staff Executive Committee review, staff recommends that the Port Commission award a contract to Konecranes Finland Corporation and act as otherwise described above.

K. OPERATIONS

Subject **3. Approve staff's ranking of vendors and award a five-year contract in an amount not to exceed \$328,400 for Transportation Workers Identification Card reader and software application services, to include maintenance and support, to the top-ranked proposer: staff ranking – first, idSoftware Identification Management Systems, LLC; second, Port Solutions Integrators; and third, Smart-Tecs, LLC.**

Meeting Oct 30, 2018 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its October 30, 2018 meeting:

- (a) approve staff's ranking of vendors, based on the selection criteria, in the following order – first, idSoftware Identification Management Systems, LLC; second, Port Solutions Integrators; and third, Smart-Tecs, LLC;
- (b) award a five-year contract to the top-ranked proposer for Transportation Workers Identification Card reader and software application services to include maintenance and support in an amount not to exceed \$328,400;
- (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:
Operations

Staff Contact:
Jeff Davis

Background:
Department of Homeland Security regulations require all visitors to the restricted area of a marine terminal to have their identification positively identified through verification of a Transportation Workers Identification Card (TWIC). Currently, the Port Authority uses security guards as part of a manual process for TWIC validation for the truck drivers using the Bayport Container Terminal and Barbours Cut Terminal. The two facilities combined host 6,000 trucks per day on average, processing 8,500 transactions. An automated solution is being sought to replace the process of a security guard review of each driver's TWIC card.

By Minute No. 2018-0731-16(I), the Port Commission authorized the advertisement of a request for proposals (RFP) for a TWIC Reader Software Application to be used at Port Authority truck gates. 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. Six vendors downloaded the project materials from BuySpeed.

Staff Evaluation/Justification:
The recommended application enables the automation of the TWIC verification process and is considered a security enhancement. idSoftware Identification Management Systems, LLC uses facial matching as the primary biometric, facial matching has been proven to be 99.5 percent accurate. The process to verify

identity, check the canceled card list, and check the TWIC card expiration date can all be accomplished in less than two seconds.

On September 19, 2018, three RFP responses were received and opened. The responses were reviewed and evaluated by staff in accordance with the selection criteria published in the RFP. Staff identified the following vendors, listed in order of ranking, as most qualified to provide the required product:

- idSoftware Identification Management Systems, LLC
- Port Solutions Integrators
- Smart-Tecs, LLC

Following staff Executive Committee review, staff recommends that the Port Commission award a contract to idSoftware Identification Management Systems, LLC and act as otherwise described above.

K. OPERATIONS

Subject **4. Approve staff's ranking of vendors and award a two-year contract in an amount not to exceed \$750,000 for railroad repair services at Turning Basin Terminal to the top-ranked proposer: staff ranking - first, RailWorks Track Systems, Inc.; second, AmeriTrac Railroad Services/TGS; and third, George Hedge Contractors, Inc.**

Meeting Oct 30, 2018 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its October 30, 2018 meeting:

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

Category:

Award, Amendments & Change Orders

Department:

Maintenance

Staff Contact:

Paulo Soares

Background:

By Minute No. 2017-0627-22, the Port Commission awarded a two-year contract to RailWorks Track Systems in an amount not to exceed \$225,000 for railroad repair services at Turning Basin Terminal. Funds for this contract have been depleted. A larger contract is needed to cover the rising cost of repairs due to the age of tracks and increased reports of substantial damage to cross over plates along the City Docks.

By Minute No. 2018-0626-08(f), the Port Commission authorized the advertisement and receipt of competitive sealed proposals (CSP) for railroad repair services at Turning Basin Terminal. The Port Authority notified vendors regarding its CSP using the Port Authority's Buyspeed Eprocurement System and the project was advertised on the Port Authority's website and in a local newspaper. Three vendors downloaded the project materials from Buyspeed.

Staff Evaluation/Justification:

On September 24, 2018, three CSP responses were received and opened. The responses were reviewed and evaluated by staff in accordance with the selection criteria published in the CSP. Staff identified the following vendors, listed in order of ranking, as most qualified to provide the required services:

- RailWorks Track Systems, Inc;
- AmeriTrac Railroad Services/TGS; and
- George Hedge Contractors, Inc.

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

K. OPERATIONS

Subject **5. Award a two-year contract to Herc Rentals, Inc. for rental of heavy equipment for Turning Basin Terminal, Barbours Cut Terminal, and Bayport Container Terminal in an amount not to exceed \$350,000.**

Meeting Oct 30, 2018 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its October 30, 2018 meeting, award a two-year contract to Herc Rentals, Inc. for rental of heavy equipment for Turning Basin Terminal, Barbours Cut Terminal, and Bayport Container Terminal in an amount not to exceed \$350,000, 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:
Award, Amendments & Change Orders

Department:
Maintenance

Staff Contact:
Paulo Soares

Background:
Heavy equipment is rented as needed for projects such as the repair of damages following severe weather, clearing of land, and repairs to utilities. The ability to rent heavy equipment in a timely manner allows staff to restore affected areas and minimize impacts to operations.

By Minute No. 2018-0731-16(b), the Port Commission authorized the advertisement and receipt of competitive sealed bids (CSB) for rental of heavy equipment for Turning Basin Terminal, Barbours Cut Terminal, and Bayport Container Terminal. The Port Authority notified vendors regarding its CSB using the Port Authority's Buyspeed Eprocurement System and the project was advertised on the Port Authority's website and in a local newspaper. Five vendors downloaded the project materials from Buyspeed.

Staff Evaluation/Justification:
On September 27, 2018, two CSB responses were received, opened, and publicly read. The responses were reviewed and evaluated by staff in accordance with the published selection criteria.

Following staff Executive Committee review, staff recommends that the Port Authority award a two-year contract to Herc Rentals, Inc., the responsible bidder submitting the lowest and best bid, for rental of heavy equipment for Turning Basin Terminal, Barbours Cut Terminal, and Bayport Container Terminal.

K. OPERATIONS

Subject **6. Award a contract to Waste Corporation of Texas, Inc. to provide trash disposal and recycling services for the Turning Basin Terminal, Barbours Cut Terminal, Bayport Container Terminal, Turning Basin Terminal South, and Fireboat Barracks for a three-year term beginning December 1, 2018 in an amount not to exceed \$1,994,492.**

Meeting Oct 30, 2018 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its October 30, 2018 meeting, award a contract to Waste Corporation of Texas, Inc. to provide trash disposal and recycling services for the Turning Basin Terminal, Barbours Cut Terminal, Bayport Container Terminal, Turning Basin Terminal South, and Fireboat Barracks for a three-year term beginning on December 1, 2018 in an amount not to exceed \$1,994,492, 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 & Change Orders

Department:
Operations

Staff Contact:
Jeff Davis

Background:
By Minute No. 2015-1027-37, Global Waste Services, LLC was awarded a contract to provide trash disposal and recycling services for a three-year term for the Turning Basin Terminal, Barbours Cut Terminal, Bayport Container Terminal, Woodhouse Terminal, and Fireboat Barracks. The term of this contract will soon expire. Continuing trash disposal services is necessary to maintain efficient, clean, and safe facilities, and the recycling program furthers the Port Authority's environmental stewardship efforts.

The goal of the recycling program component is to recycle dunnage and other materials collected from wharves that may be economically and efficiently segregated off-site and recycled.

By Minute No. 2018-0731-1(a), the Port Commission authorized the advertisement and receipt of competitive sealed bids (CSB) for trash disposal and recycling services for Turning Basin Terminal, Barbours Cut Terminal, Bayport Container Terminal, Turning Basin Terminal South, and Fireboat Barracks. The Port Authority notified vendors regarding its CSB using the Port Authority's Buyspeed Eprocurement System and the project was advertised on the Port Authority's website and in a local newspaper. Ten vendors downloaded the project materials from Buyspeed.

Staff Evaluation/Justification:
On September 26, 2018 five CSB responses were received, opened, and publicly read. The responses were reviewed and evaluated by staff in accordance with the published selection criteria.

Following staff Executive Committee review, staff recommends that the Port Authority award a three-year contract to Waste Corporation of Texas, Inc., the responsible bidder submitting the lowest and best bid, to provide trash disposal and recycling services for the Turning Basin Terminal, Barbours Cut Terminal, Bayport Container Terminal, Turning Basin Terminal South, and Fireboat Barracks.

K. OPERATIONS

Subject **7. Award a one-year contract to AssetWorks, LLC, the sole source provider, for software maintenance, support, and an extended hardware warranty for the Fleet Focus M5 Enterprise Asset Management System, and Fuel Focus software in an amount not to exceed \$52,000.**

Meeting Oct 30, 2018 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its October 30, 2018 meeting, award a one-year contract to AssetWorks, LLC, the sole source provider, for software maintenance, support and an extended hardware warranty for the Fleet Focus M5 Enterprise Asset Management System, and Fuel Focus software in an amount not to exceed \$52,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Awards, Amendments & Change Orders

Department:

Maintenance

Staff Contact:

Paulo Soares

Background:

The Port Authority currently utilizes fuel and fleet management software systems developed by AssetWorks, LLC. The term of our annual maintenance agreement expired on September 1, 2018. AssetWorks, LLC holds all rights to sales, distribution, implementation and development services to Fleet Focus™ M5 and Fuel Focus, which include but are not limited to software licenses, maintenance and technical support.

Section 60.412 of the Water Code provides that a purchase for an item that can be obtained from only one source is exempt from certain procurement requirements of the Water Code. Port Authority staff has received a written statement from AssetWorks, LLC confirming they are the sole source provider of the Fleet Focus™ M5 Enterprise Asset Management System and Fuel Focus.

Staff Evaluation/Justification:

Staff recommends the Port Commission award a one-year contract to AssetWorks, LLC, for software maintenance, support, and an extended hardware warranty for the Fleet Focus™ M5 Enterprise Asset Management System and Fuel Focus software.

L. PEOPLE

Subject	1. Approve the purchase of insurance from Aetna Life Insurance Company, in an amount not to exceed \$1,449,846, to provide stop loss coverage for calendar year 2019 for the Port Authority's self-funded group medical plan for active employees, retirees who are not Medicare-eligible, and dependents.
Meeting	Oct 30, 2018 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its October 30, 2018 meeting: (a) approve the purchase of insurance from Aetna Life Insurance Company, in an amount not to exceed \$1,449,846, to provide stop loss coverage for calendar year 2019 for the Port Authority's self-funded group medical insurance program for active employees, retirees who are not Medicare-eligible, and dependents; (b) authorize contract renewal negotiations with the Aetna Life Insurance Company prior to contract expiration; and (c) further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #1 - PEOPLE AND ORGANIZATION (Invest in people and organize for success) Strategic Objective 1b. - Implement a workforce development program

Category:

Awards, Amendments & Change Orders

Department:

Human Resources

Staff Contact:

Roger Walter

Background:

By Minute No. 2018-0130-43, the Port Commission awarded a five-year contract to Lockton Companies LLC, (Lockton) to serve as the Port Authority's broker of record for health and welfare benefits.

Lockton provides employee benefits consulting services, including assistance in development of requests for proposals (RFP) for group insurance coverages; evaluation of proposals; negotiation of renewal rates; and providing recommendations on provider selections.

By Minute No. 2018-0925-04, the Port Commission awarded a contract to Aetna Life Insurance Company (Aetna) for third party administrative services for a self-funded group medical insurance program for active employees, retirees who are not Medicare-eligible, and their dependents, for calendar year 2019.

By Minute No. 2018-0416-12(d) the Port Commission approved the advertising for proposals for stop-loss coverage for the proposed self-insured plan.

Staff Evaluation/Justification:

Stop loss coverage protects self-funded companies from high claims by putting a ceiling on financial risk. The specific stop loss coverage here would protect the Port Authority from financial exposure from individual claims in excess of \$175,000, and aggregate stop loss coverage protects it against accumulated claims that exceed the aggregate amount of 120% of projected claims. As of this time, based on projected enrollment numbers, claims are projected to total \$13,497,370. Thus, the proposed stop loss insurer would be responsible for all claims if the aggregate amount of claims exceeds \$16,196,844.

Staff recommends, and Lockton concurs, that the Port Commission enter into a contract with Aetna Life Insurance Company for stop loss coverage for the self-funded medical plan for 2019, to address the Port Authority's risk exposure.

Staff additionally recommends that Port Commission authorize renewal negotiations with Aetna prior to contract expiration, to better ascertain in advance the need to solicit proposals for the next contract year.

M. PORT SECURITY AND EMERGENCY OPERATIONS

Subject **1. Award a shipyard maintenance services contract for six Port Authority vessels to National Cotton, Inc. dba Pier 77 Marine Service, for a two-year period beginning November 1, 2018, in an amount not to exceed \$635,942.**

Meeting Oct 30, 2018 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its October 30, 2018 meeting, award a shipyard maintenance services contract for six Port Authority vessels to National Cotton, Inc. dba Pier 77 Marine Service, for a two-year period beginning November 1, 2018, in an amount not to exceed \$635,942, and further authorize the Executive Director to do any and all things in his opinion reasonable and necessary to give effect to the foregoing.

Goals STRATEGIC GOAL #4 - STEWARDSHIP (Sustain the business for the long-term)

Category:
Awards, Amendments & Change Orders

Department:
Fire Department

Staff Contact:
Chief William Buck

Background:

The Port Authority's three fireboats, and the M/V Sam Houston, the M/V Farnsworth, and the M/V Vernon Bailey, are periodically dry-docked at local shipyards for preventive maintenance and/or repairs. The dry-docking work includes inspecting hull integrity, hull sandblasting and scraping, aligning shafts and propellers, replacing shell plating, bottom painting, and other marine-related repairs, and preventative maintenance activities.

The prior two-year contract to provide shipyard maintenance services for six Port Authority vessels will expire on October 31, 2018, and it is in the best interest of the Port Authority to procure such shipyard services again to maintain its vessels.

By Minute No. 2018-0517-12(g), the Port Commission authorized the advertisement of a request for proposals (RFP) for shipyard maintenance services for these six Port Authority vessels. The Port Authority notified sixty-four vendors regarding its request for RFPs using the Port Authority's BuySpeed Eprocurement System and the project was advertised on the Port Authority's website and in a local newspaper. Seven vendors downloaded the RFP from BuySpeed.

Staff Evaluation/Justification:

On September 28, 2018, one response was received, opened, and publicly read. The response was reviewed and evaluated by staff in accordance with the published selection criteria.

The total amount of the proposed contract is broken down as follows: FIREBOAT 1 - \$199,704 for two dry dockings and preventive maintenance in two years; FIREBOAT 2 - \$199,704 for two dry dockings and preventive maintenance in two years; FIREBOAT 3 - \$199,704 for two dry dockings and preventive maintenance in two years; VERNON BAILEY - \$800 for one dry docking and emergency repairs, as necessary, in two years; FARNSWORTH - \$4,500 for one dry docking and emergency repairs, as necessary, in two years; SAM HOUSTON - \$31,530 for one dry docking and preventive maintenance in two years.

Accordingly, three distinct Purchase Orders would be created for this contract, each managed by the Department responsible for its own vessel(s).

Following staff Executive Committee review, staff recommends that the Port Commission award a two-year contract to National Cotton, Inc. dba Pier 77 Marine Service and act as otherwise described above. The recommended shipyard is located on Galveston Island, in close proximity to the vessels, and is familiar with the required work as it has been doing the warranty work for the fireboats.

M. PORT SECURITY AND EMERGENCY OPERATIONS

Subject **2. Authorize an agreement with the Houston Ship Channel Security District for payment of the current year (2018-2019) contribution in an amount not to exceed \$42,900.**

Meeting Oct 30, 2018 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its October 30, 2018 meeting, authorize an agreement with the Houston Ship Channel Security District for payment of the current year (2018-2019) contribution in an amount not to exceed \$42,900, and 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:
Security

Staff Contact:
Jessica Thomas

Background:

In 2008, the Port Commission first authorized payments to the Houston Ship Channel Security District (HSCSD). These annual payments, along with the funds collected each year in assessments from the Security District's private industry members, allow the HSCSD to partner with many law enforcement entities in providing security enhancements in and around the Houston Ship Channel and the Port Authority's facilities. These water, land, and air enhancements include: (i) a security camera network monitored by the Harris County Sheriff's Office and linked to the U.S. Coast Guard and the Port Authority, (ii) additional boat patrols on the ship channel, (iii) additional landside law enforcement, and (iv) air patrols over the Houston Ship Channel.

By Sections 68.151-68.155 of the Water Code, the HSCSD is governed by eleven directors, eight from private industry and three from government agencies, including the Port Authority.

At this time, the HSCSD has preliminarily approved its budget for fiscal year 2019, and has determined that the assessment of its members will remain unchanged from 2018. Accordingly, in line with its budget requirements and consistent with the assessment of its private industry members, the HSCSD requests a contribution from the Port Authority of \$42,900 for fiscal year 2019 (payable starting in 2018). The 2019 assessments from the district's private industry members and the Port Authority would enable the continued operation and maintenance of the mutually beneficial security assets for the Houston Ship Channel.

Pursuant to Section 68.315 of the Texas Water Code, the HSCSD and the Port Authority may enter into a contract for payment of assessments under terms mutually agreeable.

Staff Evaluation/Justification:

Staff recommends the Port Commission approve an execution of such an agreement and payment to the HSCSD.

N. TECHNOLOGY

Subject 1. Issue a purchase order to Securitas Electronic Security, Inc. for purchase of video management system software maintenance, using National Intergovernmental Purchasing Alliance, through The Cooperative Purchasing Network, a cooperative purchase program, in an amount not to exceed \$70,000.

Meeting Oct 30, 2018 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its October 30, 2018 meeting, issue a purchase order to Securitas Electronic Security, Inc. for purchase of video management system software maintenance, using National Intergovernmental Purchasing Alliance, through The Cooperative Purchasing Network, a cooperative purchase program, in an amount not to exceed \$70,000, 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 4c. - Operate safely and securely

Category:

Awards, Amendments & Change Orders

Department:

Information Technology

Staff Contact:

Ron Farrow

Background:

The Port Authority is seeking to obtain video management system software maintenance in order to continue to provide reliable camera and video management support. 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.

Staff Evaluation/Justification:

The Director of Procurement Services has determined that procuring video management system software maintenance through the National Intergovernmental Purchasing Alliance (IPA) through The Cooperative Purchasing Network (TCPN) is the method that both satisfies competitive purchase requirements and provides best value to the Port Authority. Texas Region 4 Education Service Center is the local sponsor of IPA/TCPN.

The Information Technology department has determined that the best availability, price, and contract term for the item needed is provided by Securitas Electronic Security under the pricing schedule obtained from that vendor's contract with National Intergovernmental Purchasing Alliance, through The Cooperative Purchasing Network, and is therefore recommending this purchase.

Accordingly, staff recommends that the Port Commission approve this best value determination and contract.

Q. COMMERCIAL (CONTINUED)

Subject	1. Adopt a resolution authorizing the Port Authority to acquire, through exercise of the power of eminent domain, fee and/or easement interests in eleven tracts of land directly adjacent to the existing Union Pacific Rail Road corridor between Highway 225 and Red Bluff Road, to permit the properties to be publicly used by the Port Authority for public port-related development and operations.
Meeting	Oct 30, 2018 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its October 30, 2018 meeting, adopt a resolution authorizing the Port Authority to acquire, through exercise of the power of eminent domain, fee and/or easement interests in eleven tracts of land directly adjacent to the existing Union Pacific Rail Road (UPRR) corridor between Highway 225 and Red Bluff Road, to permit the properties to be used by the Port Authority for public port-related development and 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 #2 - GROWTH (Grow and diversify the business base)
Category: Leases	
Department: Real Estate	
Staff Contact: R.D. Tanner	
Background:	On November 10, 1995, the Port Authority entered into an agreement with multiple railroad companies, including the UPRR, which granted the Port Authority the right to construct a track on the right-of-way of the then-named SP Bayport Line, now known as the Seabrook Industrial Lead, from a junction at the Strang Subdivision, west of Strang Yard, to the Port Authority's Bayport Terminal. The proposed acquisition of the eleven tracts of land would be the first phase of property acquisitions to support construction of a third track along the existing UPRR, corridor between Highway 225 and Red Bluff Road, in conjunction with overall Bayport Terminal expansion plans.
Staff Evaluation/Justification:	Staff has determined that the acquisition of these eleven tracts of land are in each instance a necessity for the public purposes of the Port Authority and recommends the Port Commission adopt a resolution to permit it.

PORT COMMISSION RESOLUTION NO. _____**RESOLUTION DETERMINING THE PUBLIC NECESSITY FOR AND AUTHORIZING THE ACQUISITION OF EASEMENTS OR THE FEE SIMPLE INTEREST IN ELEVEN TRACTS OF LAND, ADJACENT TO THE EXISTING UNION PACIFIC RAIL ROAD CORRIDOR BETWEEN STATE HIGHWAY 225 AND RED BLUFF ROAD 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, easements or the fee simple interests in eleven tracts of land, such properties being more particularly described in Exhibits "A-1", "A-2", "A-3", "A-4", "A-5", "A-6", "A-7", "A-8", "A-9", "A-10" and "A-11", 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 an easement or the fee simple interest in eleven tracts of land, such properties being more particularly described in Exhibits "A-1", "A-2", "A-3", "A-4", "A-5", "A-6", "A-7", "A-8", "A-9", "A-10" and "A-11" ("the Properties") 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 departments of the Port Authority and all associated legal counsel, are hereby authorized and directed to take such actions as are necessary to acquire easements or 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", "A-4", "A-5", "A-6", "A-7", "A-8", "A-9", "A-10" and "A-11", which are attached hereto, from the owners and others having an interest in the Properties.

PASSED AND ADOPTED this 30th day of October, 2018.

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

ATTEST:

Executive Director and Secretary

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 Board of Commissioners of the Port of Houston Authority of Harris County, Texas, at a meeting held on October 30, 2018, which meeting was duly called and convened and at which meeting a quorum of Commissioners was present and voting throughout.

IN WITNESS WHEREOF, I have hereunto subscribed my name as of this 30th day of October, 2018.

Roger Guenther
Executive Director and Secretary