

I N D E X
PORT COMMISSION
OF THE
PORT OF HOUSTON AUTHORITY
OF THE PORTS OF HARRIS COUNTY, TEXAS
January 29, 2019

<u>Minute No.</u>	<u>Event/Action</u>
	General
	Chairman Longoria convened the meeting of the Port Commission
	Minutes
2019-0129-01	Approve the Minutes of the November 13, 2018 Port Commission meeting, the November 13, 2018 special meeting, and the December 12, 2018 meeting
	Port Commission Committee Updates
2019-0129-02	Chairman Longoria reported on the Audit Committee Meeting – January 23, 2019
2019-0129-03	Approve the audited financial statements for the Port of Houston Authority Restated Retirement Plan for the fiscal year ended July 31, 2018
2019-0129-04	Commissioner Fitzgerald reported on the Pension and Benefits Committee Meeting – January 23, 2019
	Staff Reports
2019-0129-05	Roger Guenther, Executive Director, presented a summary of selected financial and operations matters and recognized staff service anniversaries
	Chairman’s Remarks
2019-0129-06	Approval of a Resolution honoring the fiftieth anniversary of the Houston International Seafarers Center read by Chairman Longoria, as amended
	Video of Port Authority highlights
	Farewell remarks
	G. Executive

<u>Minute No.</u>	<u>Event/Action</u>
2019-0129-07	Renew the Port Authority's professional membership to the Alliance for I-69 Texas and payment of dues for a period of one-year
	H. Commercial
2019-0129-08	Approve a lease agreement with R. Warehousing & Port Services Inc. for approximately 11.23 acres out of Block 2 at the Turning Basin Terminal effective no earlier than February 1, 2019 for a five-year term, at an annual rental of \$232,624 and subject to an annual 3% increase
2019-0129-09	Approve a lease agreement with CB&I LLC for approximately 43.92 acres of unimproved property at the Bayport Container Terminal east of Freight Station Road, effective no earlier than February 1, 2019 for a thirty-two-month term, at an annual rental of \$1,291,248, and subject to an annual 3% increase
2019-0129-10	Authorize the extended term of a month-to-month lease with Ceres Gulf, Inc. for approximately 650 square feet of office space in the Barbours Cut Terminal C-6 Waterside building commencing February 15, 2019
	I. Finance
2019-0129-11	Authorize advertisement and receipt of responses for four formal procurements
2019-0129-11(a)	Request for competitive sealed bids for the purchase of a terminal bus for Barbour Cut Terminal
2019-0129-11(b)	Request for proposals for purchase of three dockside container cranes for Wharf No. 5 at Bayport Container Terminal
2019-0129-11(c)	Request for proposals for technical services to support Port Authority staff with the evaluation of non-containerized terminal utilization and optimization
2019-0129-11(d)	Request for proposals for equipment (generators, port-a-potties, tents, pumps, equipment, etc.) needed during an emergency or crisis when the Emergency Operations Center is activated
2019-0129-12	Approve staff's ranking of vendors and award a two-year contract for the purchase of miscellaneous safety equipment for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal, to the top-ranked proposers: staff ranking – first, Universal Industrial Supply; second, MSC Industrial Supply; third, Northern Safety & Industrial; and fourth, Lilies and Brambles

<u>Minute No.</u>	<u>Event/Action</u>
	Port Commission adopted the staff-recommended ranking and authorized award
2019-0129-13	<p>Approve the purchase of insurance from various carriers effective March 1, 2019, for the Port Authority's primary and excess property and casualty insurance coverage needs</p> <p>Approve the audited financial statements for the Port of Houston Authority Restated Retirement Plan for the fiscal year ended July 31, 2018 (<i>see above – approved by Minute No. 2019-0129-03</i>)</p>
2019-0129-14	Approve an agreement among the Houston Independent School District, Houston Community College, University of Houston – Downtown, and the Port Authority, for development and expansion of a degree progression program for students studying Maritime Logistics or Global Supply Chain Management
	J. Infrastructure
2019-0129-15	<p>Approve staff's ranking of vendors and award a professional services contract for building program development of the maintenance and administration complex at Barbours Cut Terminal to the top-ranked proposer – first, HDR Architecture, Inc.; second, Huitt-Zollars, Inc.; and third, GLMV Architecture</p> <p>Port Commission adopted the staff-recommended ranking and authorized award</p>
2019-0129-16	<p>Approve staff's ranking of vendors and award a professional services contract for the design of the rehabilitation of Wharves 4 and 5 at Bayport Container Terminal to the top-ranked proposers: staff ranking – first, AECOM; second, Berger ABAM Engineering Services; and third, Wiss, Janney, Elstner Associates, Inc.</p> <p>Port Commission adopted the staff-recommended ranking and authorized award</p>
2019-0129-17	<p>Award a construction contract to Jerdon Enterprise, L.P. for the rehabilitation of drainage system at Volkswagen Yard at Turning Basin Terminal</p> <p>RCA J4 was deferred to the February Port Commission meeting</p> <p>RCA J5 was deferred to the February Port Commission meeting</p> <p>RCA J6 was deferred to the February Port Commission meeting</p>

<u>Minute No.</u>	<u>Event/Action</u>
2019-0129-18	Award a contract to Houston Audubon Society, Inc., the sole source provider, for monitoring and management of waterfowl at Evia Island for a term of four years
2019-0129-19	Authorize an amendment of the Advanced Funding Agreement with the Texas Department of Transportation to increase the funding for drainage improvements connected to the Southbound Loop 610 Feeder Road at the Turning Basin Terminal in the amount of \$334,967 for a total of \$835,755
2019-0129-20	Amend the professional service contract with Dannenbaum Engineering for additional design services for fender system at Wharf Nos. 1 and 2 at CARE Terminal
2019-0129-21	Approve assignment of the Environmental Services Agreement with Global Waste Services, LLC to Waste Corporation of Texas, L.P.
2019-0129-22	Approve the renewal of expiring Port Authority licenses for new ten-year terms: Lone Star NGL Mont Belvieu LP, Colonial Pipeline Company, Chevron Phillips Chemical Company LP, South Tex 66 Pipeline Company Ltd, Equistar Chemicals, LP, Houston Ammonia Terminal, L.P., Air Products LLC, and ExxonMobil Pipeline Company
2019-0129-23	Issue a distribution/transmission line license to Comcast of Houston LLC for one fiber optic line under and across the CTC Mainline railroad right-of-way
2019-0129-24	Issue a license to Triton West LLC for one 12-inch and one 16-inch pipelines and a surface site on the Pasadena Cut-Off railroad right-of-way
2019-0129-25	Amend a pipeline license to KM Liquids Terminals LLC to add one 6-inch pipeline carrying butane and other substances on an existing pipe rack across Panther Creek
2019-0129-26	Transfer three pipeline licenses from Shell Oil Products US to Triton West LLC for crossings of the Southside Mainline and Pasadena Cut-Off railroad right-of-ways
	K. Operations
2019-0129-27	Award a two-year contract to DWGSR, Inc. dba Don's Radiator Shop for repair services for radiators, and air and fuel coolers for RTG cranes at Barbours Cut Terminal and Bayport Container Terminal
2019-0129-28	Award a two-year contract to Maxim Crane Works, LP for crane rental services for maintenance of equipment and facilities at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal

<u>Minute No.</u>	<u>Event/Action</u>
2019-0129-29	Issue a two-year purchase order to Cintas Corporation for rental and purchase of uniforms for maintenance personnel at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal, using the Local Government Purchasing Cooperative's BuyBoard, a cooperative purchasing program
2019-0129-30	Approve an amendment to the Maersk Line A/S Marine Terminal Services Agreement to change the month for annual Consumer Price Index rate adjustments from October to July
2019-0129-31	Approve an amendment to the Cosco Container Lines Americas, Inc. Marine Terminal Services Agreement to add Orient Overseas Container Line, Ltd. (OOCL) as an included carrier entity

L. People

2019-0129-32	Issue a purchase order to Office and Furniture Companies of Texas LLC for the purchase of office supplies, toner cartridges, and copy machine paper, using National Intergovernmental Purchasing Alliance through The Cooperative Purchasing Network, a cooperative purchase program
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M. Port Security and Emergency Operations (no items)

N. Technology

2019-0129-33	Approve staff's ranking of vendors and award a contract for an Enterprise Video Management System for Maritime Security solution to top-ranked proposer: staff ranking - first, Convergent Technologies, LLC.; and second, Dowley Security Systems, Inc., subject to potential Port Security Grant reimbursement of \$245,000 (25% of the original estimated cost)
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Port Commission adopted the staff-recommended ranking and authorized award

2019-0129-34	Award a purchase order to CDW Government LLC for the purchase of miscellaneous computer parts and accessories, using the Texas Cooperative Purchasing Network cooperative purchase program
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R. Adjourn Meeting

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

**Houston, Texas
January 29, 2019**

A public meeting of the Port Commission of the Port of Houston Authority of Harris County, Texas was convened on January 29, 2019 at 9:00 a.m., at the Port of Houston Authority Executive Offices, Fourth Floor Boardroom, at 111 East Loop North, Houston, Texas 77029. The following Commissioners, 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
Roy D. Mease, Commissioner
Roger Guenther, Executive Director
Erik Eriksson, Chief Legal Officer
J. Kent Friedman, outside counsel

Chairman Longoria convened the meeting of the Port Commission and welcomed everyone.

(2019-0129-01) Minutes

Chairman Longoria called for a motion to approve the minutes of the November 13, 2018 Port Commission meeting, the November 13, 2018 special meeting, and the December 12, 2018 meeting. Commissioner Mease moved for approval, seconded by Commissioner Fitzgerald. The minutes were approved as written.

(2019-0129-02) Chairman Longoria reported on the Audit Committee Meeting – January 23, 2019.

Chairman Longoria reported that the audit of the Restated Retirement Plan (“Pension Plan”) by Grant Thornton for fiscal year ended July 31, 2018 resulted in a “clean” opinion. Chairman Longoria noted that the Audit Committee recommended that the Port Commission approve the report and requested that Agenda Item I4 be taken out of order.

Staff provided an overview of the Port Authority-wide Summary of Audits. As a supplement to the Summary of Audits report, Trae Camble, Director of Environmental Affairs, provided an overview of regulatory activity within the Environmental Department. Chairman Longoria thanked Mr. Camble for his very comprehensive report.

Staff summarized the 2018 audit activity and highlighted tentative 2019 projects. Staff also provided the Promotion and Development Fund second and third quarter 2018

review report. Chairman Longoria concluded by reporting that there were no issues reported under the Port Authority's "Whistleblower" Policy during the 4th quarter of 2018.

Chairman Longoria asked if there were any questions. There were none.

(2019-0129-03) RCA I4 was presented, moved by Chairman Longoria, seconded by Commissioner Branch. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA I4 PASSED.

(2019-0129-04) Commissioner Fitzgerald reported on the Pension and Benefits Committee Meeting – January 23, 2019.

Commissioner Fitzgerald reported that, as previously stated, the audit of the Pension Plan resulted in a "clean" opinion, adding that the Pension Plan was 98% funded as of August 1, 2018.

On December 31, 2018 the Pension Plan had assets of \$167 million, and Plan assets increased 5.5% to \$173.5 million as of January 22, 2019. The Other Post-Employment Benefits ("OPEB") Trust had assets of just under \$71 million on September 30, 2018. A report is expected from its actuary by the close of the third quarter and it is expected to report the OPEB Trust to be approximately 90% funded. While indications are suggesting a modest year for performance, the assets are well positioned with a sound, diversified portfolio.

Commissioner Fitzgerald noted that a new agreement was entered into with Nationwide Retirement Solutions to provide for its continued services supporting the Port Authority's 457(b) Deferred Compensation Plan and 401(a) Defined Contribution Plan. Communications had been sent to all Port Authority employees regarding this matter, and Nationwide will be holding on-site meetings for employees during the week of January 28th.

Finally, Commissioner Fitzgerald reported that a Port Authority policy for the Group Benefits Funding and Self-Insured Program was being developed and would be brought to the Port Commission for approval.

Commissioner Fitzgerald asked if there were any questions. There were none.

(2019-0129-05) Staff Reports

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

- Mr. Guenther stated that 2018 was a very good year and with the leadership and guidance of the commission, the Port Authority continued to prosper. Many strategic priorities were achieved last year, and Mr. Guenther noted he was extremely proud of staff working with partners and stakeholders, which would be carried into 2019.

2018 Performance

- Total tonnage at Port Authority facilities set a record, up 9% from last year, reaching 35.7 million tons of cargo.
- Steel tonnage came back nicely over the previous year at 4.4 million tons, 21% growth from 2017.
- Containers were up 10% to 2.7 million, a new record for the Port Authority, driven by solid growth in both import and export loaded containers. The Port Authority leads the nation in market share of exporting plastic resins by a large margin.
- Cargo Operating Revenue was \$366 million for the year, shattering the previous record of \$333 million set in 2017 by 10%.
- Lease revenues increased to \$46 million, up 13% and a new record for the Port Authority.
- Combined business through public facilities generated a record total cash flow of \$162 million, surpassing the previous record set in 2017 of \$151 million. Cash generated from operations is critical to funding capital projects that support the Port Authority's strategic objectives, including job creation and regional prosperity.

2018 Highlights of Strategic Goals

- People
 - Conducted the first comprehensive market analysis of compensation in 19 years. Made sure that the Port Authority has a pay structure that allows it to remain competitive in the future against the Houston job market.
 - Transitioned from a fully-insured to a self-funded healthcare plan in 2019. This allows for increased flexibility and control of the plan and provides cost savings to employees.
- Growth
 - 2018 was the year of the cranes. Three ship-to-shore cranes arrived at Wharf No. 2 at Bayport in early August and five of ten rubber-tired

- gantry cranes the following day. A contract was also awarded to Konecranes Finland Corporation to purchase ten diesel electric container yard cranes for Barbours Cut.
 - The Port Authority's container terminals processed 2.4 million gate moves and supported an average turn time of 40 minutes.
 - Two new records were set this year: (1) 9,400 gate transactions in one day and (2) 5,716 moves from a single vessel, equating to an average of 36 moves an hour.
- Infrastructure
 - Channel Development staff continues to work with the U.S. Army Corps of Engineers and other stakeholders to maintain the number-one priority in 2019, to advance the plans for the next generation of improvements needed for the Houston Ship Channel.
 - The Facilities Inspection and Condition Assessment Program ("FICAP") was escalated with the commencement of structural inspections of marine assets. This program provides greater insight into over 130 docks and wharves, helping optimize asset life and better prioritize investment dollars.
 - In 2018 the Port Authority was awarded over \$10.7 million in grant funding for various infrastructure projects and staff will continue to seek grants for additional funding sources.
- Stewardship
 - The Environmental Affairs department renewed the Port Authority's leading position as an ISO14001 certified port.
 - 85,000 tons of construction material were recycled.
 - Safety is a key priority and the Port Authority's Lost Time Incident Frequency Rate was .093 (per 200,000-man hours worked), compared to the industry standard of 3.8.
 - The M/V Sam Houston welcomed over 31,000 people last year and continued to implement changes, including the beautification project to help improve the ridership experience.
 - Small Business and Education Outreach (SBEO) efforts continued to expand. The Small Business Program celebrated its 15-year anniversary with over half-a-billion dollars awarded to local small businesses since inception, which translates to a 39% small business participation rate.
 - To date, just over 1,100 small businesses are enrolled in the Small Business Program. In 2018, 135 new participants were enrolled.

- Staff participated in over 300 external events reaching out to over 9,500 businesses.

Mr. Guenther noted that he anticipated that the Port Authority would have another good year across all lines of business. An action plan for 2019 prioritizes four goals of the strategic plan and would include the following key initiatives for the upcoming year:

- Continued efforts for a deeper, wider Houston Ship Channel
- Completion of an initial draft Master Plan 2040
- Development of a plan for inland cargo growth
- Evaluation of the competitiveness of the benefits program
- Development of future leaders, by cascading training and development across the organization for the workforce for the future
- Development of cybersecurity policies, procedures and guidelines

Mr. Guenther concluded his “year in review” by announcing that he was very proud of the employees for what they have accomplished and thanked the commissioners for their support in ensuring the Port Authority moves forward.

Mr. Guenther recognized the following staff members for their years of service:

Melvin Cooper	20 years	Mechanic
Herardo Mendez	20 years	Mechanic
Paulo Soares	20 years	Senior Director of Maintenance
Steffani Perez	25 years	Customer Services Coordinator
Arturo Martinez	25 years	Tradesman III
Jimmie Brown	25 years	Foreman
Nessie Ramirez	40 years	Accountant

Mr. Guenther called on Mr. Heidt, who advised that the Port Authority, for the 44th year in a row, had received the Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting for its 2017 CAFR (Comprehensive Annual Financial Report), the Port Authority’s financial report prepared in compliance with the accounting requirements promulgated by the Governmental Accounting Standards Board (GASB). He noted it was a very difficult award to receive and Mr. Heidt wanted to thank Curtis Duncan, Controller and his group for their hard work and diligence and asked Mr. Duncan to introduce the Accounting group:

Nessie Ramirez
Tonya Lewis, Accountant 2
Magda Salinas, Accountant 1
Marilyn Bundage, Accountant 3

Rosemary Donovan, Manager, Payroll
Darleen Nguyen, Manager, Revenue
Larry Bischof, Manager, Financial Accounting

Mr. Guenther thanked staff for their contribution and asked if there were any questions concerning his report. There were none. Chairman Longoria thanked Mr. Guenther for his report.

Chairman's Remarks

Chairman Longoria read in part a Resolution in support of the Houston International Seafarers' Center (HISC), celebrating its 50-year anniversary on January 31, 2019.

"Now therefore be it resolved that the Port Commission of Harris County Texas at its regular meeting on January 29, 2019 that on behalf of the Commission and our entire maritime community we recognize the Houston International Seafarers' Center for its service and contributions to the Port of Houston Authority, the Port of Houston, the City of Houston, Harris County and the great state of Texas."

Chairman Longoria moved that the Resolution be approved and asked for a second. Commissioner Corgey seconded the motion with the provision that Father Rivers Patout be added to the resolution as he was a great contributor to the Center and one of the founding fathers. Chairman Longoria concurred.

(2019-0129-06) The resolution was presented, moved by Chairman Longoria, seconded by Commissioner Branch as amended. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. The Motion PASSED. Chairman Longoria asked if anyone wished to comment.

Tom Tellepsen, Past President, HISC, conveyed his thanks to the administration, Chairman Longoria, and commissioners for dedication and support to the Seafarers' Center since the 1970's. Ms. Dana Blume, Executive Director, HISC, thanked the Port Authority and Port Commission for their continued support and stated that they were looking forward to serving seafarers for the next fifty years.

Chairman Longoria presented a brief video presentation highlighting Barbours Cut and Bayport Container terminals and other Port Authority achievements. She stated that she felt it was important to show the video as a reminder of the importance of the container

industry and other actions that occur at the Port Authority that have a \$3 billion impact on the state of Texas.

From 2013 to 2018, consolidated operations have grown from \$232 million in revenue to \$366 million for a compound annual growth rate of 10%. Chairman Longoria commended the Port Commission and staff for all that they had done to make that possible. The Port Authority had made \$1 billion of capital investments since 2013 funded from free cash flow from container operations, which generates 80% of Port Authority revenue. Because of this, the public has not been asked to issue bonds for over 12 years and it appears the Port Authority will have sufficient cash flow from the container business for the foreseeable future to fund its capital needs. Chairman Longoria thanked staff and the Port Commission for supporting the staff recommendations in this endeavor.

Chairman Longoria noted that the latest economic impact study reflected that the Port of Houston generates more than \$308 billion in economic impact and over 1.3 million jobs in the state of Texas. She stated that this had been done as a team and that she was very proud of staff.

In conclusion, Chairman Longoria symbolically passed her gavel to the new Chairman Ric Campo, noting that he has exceptional business and management skills and asked all to support him in the same way that she was supported, noting that “this Port will continue to thrive and the Houston Ship Channel will continue to be the life blood that drives this region and so much of the broad base prosperity that we enjoy. May the wind be at your back and the world be at your feet as you carry your legacy forward.”

Commissioner Fitzgerald thanked Chairman Longoria for her service, noting that the success shown in the video was all under her leadership, for all the time she put in to make the port the success it is today and thanked her for her leadership. He stated that the commissioners look forward to working with the new chairman and giving him the same support that she was given, to carry on the success that she had brought to the port in the last six years.

Commissioner Mease also thanked Chairman Longoria for her service and made note of the fact that no bond issue was presented to the public during her term as chairman due to the leadership.

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

(2019-0129-07) RCA G1 was presented, moved by Commissioner Kennedy, seconded by Commissioner Fitzgerald. Chairman Longoria, and Commissioners Branch,

Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA G1 PASSED.

(2019-0129-08) RCA H1 was presented, moved by Commissioner Mease, seconded by Commissioner DonCarlos. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA H1 PASSED.

(2019-0129-09) RCA H2 was presented, moved by Commissioner Mease, seconded by Commissioner DonCarlos. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA H2 PASSED.

(2019-0129-10) RCA H3 was presented, moved by Commissioner Mease, seconded by Commissioner DonCarlos. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA H3 PASSED.

(2019-0129-11) RCA I1(a-d) was presented, moved by Commissioner Corgey, seconded by Commissioner Kennedy. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA I1(a-d) PASSED.

(2019-0129-12) RCA I2 was presented, moved by Commissioner Kennedy, seconded by Commissioner Fitzgerald. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA I2 PASSED.

(2019-0129-13) RCA I3 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Kennedy. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA I3 PASSED.

RCA I4 (*see above - approved by Minute No. 2019-0129-03*).

(2019-0129-14) RCA I5 was presented, moved by Chairman Longoria, seconded by Commissioner Kennedy. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA I5 PASSED.

(2019-0129-15) RCA J1 was presented. Commissioner Corgey moved for staff ranking – first, HDR Architecture, Inc.; second, Huit-Zollars, Inc.; and third, GLMV

Architecture, seconded by Commissioner DonCarlos. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA J1 PASSED.

(2019-0129-16) RCA J2 was presented. Commissioner Fitzgerald moved for staff ranking – first, AECOM; second, Berger ABAM Engineering Services; and third, Wiss, Janney, Elstner Associates, Inc., seconded by Commissioner Branch. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA J2 PASSED.

(2019-0129-17) RCA J3 was presented, moved by Commissioner Branch, seconded by Commissioner Corgey. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA J3 PASSED.

RCA J4 was deferred to the February Port Commission meeting.

RCA J5 was deferred to the February Port Commission meeting.

RCA J6 was deferred to the February Port Commission meeting.

(2019-0129-18) RCA J7 was presented, moved by Commissioner Corgey, seconded by Commissioner Mease. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA J7 PASSED.

(2019-0129-19) RCA J8 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner DonCarlos. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA J8 PASSED.

(2019-0129-20) RCA J9 was presented, moved by Commissioner Mease, seconded by Commissioner Kennedy. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA J9 PASSED.

(2019-0129-21) RCA J10 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Kennedy. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA J10 PASSED.

(2019-0129-22) RCA J11 was presented, moved by Commissioner Corgey, seconded by Commissioner Fitzgerald. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA J11 PASSED.

(2019-0129-23) RCA J12 was presented, moved by Commissioner Corgey, seconded by Commissioner Fitzgerald. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA J12 PASSED.

(2019-0129-24) RCA J13 was presented, moved by Commissioner Corgey, seconded by Commissioner Fitzgerald. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA J13 PASSED.

(2019-0129-25) RCA J14 was presented, moved by Commissioner Corgey, seconded by Commissioner Fitzgerald. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA J14 PASSED.

(2019-0129-26) RCA J15 was presented, moved by Commissioner Corgey, seconded by Commissioner Fitzgerald. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA J15 PASSED.

(2019-0129-27) RCA K1 was presented, moved by Commissioner Branch, seconded by Commissioner DonCarlos. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA K1 PASSED.

(2019-0129-28) RCA K2 was presented, moved by Commissioner Branch, seconded by Commissioner DonCarlos. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA K2 PASSED.

(2019-0129-29) RCA K3 was presented, moved by Commissioner Branch, seconded by Commissioner DonCarlos. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA K3 PASSED.

(2019-0129-30) RCA K4 was presented, moved by Commissioner Kennedy, seconded by Commissioner Branch. Chairman Longoria, and Commissioners Branch,

Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA K4 PASSED.

(2019-0129-31) RCA K5 was presented, moved by Commissioner Corgey, seconded by Commissioner Fitzgerald. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA K5 PASSED.

(2019-0129-32) RCA L1 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Kennedy. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA L1 PASSED.


(2019-0129-33) RCA N1 was presented. Commissioner Mease moved for staff ranking – first, Convergent Technologies, LLC; and second, Dowley Security Systems, Inc., seconded by Commissioner Fitzgerald. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA N1 PASSED.

(2019-0129-34) RCA N2 was presented, moved by Commissioner Corgey, seconded by Commissioner Kennedy. Chairman Longoria, and Commissioners Branch, Corgey, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. RCA N2 PASSED.

Commissioner Mease suggested that long-term employees should receive some sort of reward for their service, and Mr. Guenther advised him that employees receive an award after five years of service, and at five-year intervals after that.

At 9:52 a.m., Chairman Longoria adjourned the Port Commission meeting.

The above is a correct copy of the Minutes of the January 29, 2019 meeting of the Port Commission of the Port of Houston Authority.



Janice Longoria, Chairman



Erik A. Eriksson, Secretary

G. EXECUTIVE

Subject **1. Renew the Port Authority's professional membership to the Alliance for I-69 Texas and payment of dues for a period of one-year in an amount not to exceed \$57,500.**

Meeting Jan 29, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its January 29, 2019 meeting, authorize renewal of the Port Authority's professional membership to the Alliance for I-69 Texas and payment of dues for a period of one-year in an amount not to exceed \$57,500, 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 #4 - STEWARDSHIP (Sustain the business for the long-term)

Category:
Awards, Amendments & Change Orders

Department:
Government Relations

Staff Contact:
Spencer Chambers

Background:
The Port Authority is currently a member of the Alliance for I-69 Texas, which promotes the development of Interstate 69 within the State of Texas. Members work with local governments, the Texas Department of Transportation, and the private sector to accomplish this goal.

Staff Evaluation/Justification:
Staff recommends that the Port Commission renew its one-year contract with the organization for its continued services supporting the Port Authority's mission.

H. COMMERCIAL

Subject **1. Approve a lease agreement with R. Warehousing & Port Services Inc. for approximately 11.23 acres out of Block 2 at the Turning Basin Terminal effective no earlier than February 1, 2019 for a five-year term, at an annual rental of \$232,624 and subject to an annual 3% increase.**

Meeting Jan 29, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its January 29, 2019 meeting, approve a lease agreement with R. Warehousing & Port Services Inc. for approximately 11.23 acres out of Block 2 at the Turning Basin Terminal effective no earlier than February 1, 2019 for a five-year term, at an annual rental of \$232,624, and subject to 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. 2014-0131-48, the Port Commission approved a lease agreement with R. Warehousing & Port Services Inc. (R. Warehousing) for approximately 11.23 acres adjacent to Wharf Nos. 8 and 9 at the Turning Basin Terminal. R. Warehousing's original lease term was three years with two one-year options. Both one-year options of the lease have been exercised, and the term expires at month end.

R. Warehousing has now proposed to enter into a new lease for an additional five years with 3% annual increases.

Staff Evaluation/Justification:

Staff reviewed the request by R. Warehousing & Port Services Inc. and recommends Port Commission approval of the lease agreement on the terms described above.

H. COMMERCIAL

Subject **2. Approve a lease agreement with CB&I LLC for approximately 43.92 acres of unimproved property at the Bayport Container Terminal east of Freight Station Road, effective no earlier than February 1, 2019 for a thirty-two-month term, at an annual rental of \$1,291,248, and subject to an annual 3% increase.**

Meeting Jan 29, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its January 29, 2019 meeting, approve a lease agreement with CB&I LLC for approximately 43.92 acres of unimproved property at the Bayport Container Terminal east of Freight Station Road, effective no earlier than February 1, 2019 for a thirty-two-month term, at an annual rental of \$1,291,248, and subject to 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:

CB&I LLC has been awarded a contract to construct Bayport Polymers, LLC's polyethylene expansion and construction project near the Bayport Container Terminal. CB&I LLC has requested that the Port Authority lease approximately 36.02 acres to it, as a heavy project cargo lay-down and parking area and an additional 7.90 acres for a non-exclusive access road, for a total of 43.92 acres, for the project across from Freight Station Road. CB&I LLC would be responsible for improving and stabilizing the site and bringing needed utilities to the site at its expense.

Staff Evaluation/Justification:

Staff reviewed the request by CB&I LLC and recommends Port Commission approval of the lease agreement.

H. COMMERCIAL

Subject **3. Authorize the extended term of a month-to-month lease with Ceres Gulf, Inc. for approximately 650 square feet of office space in the Barbours Cut Terminal C-6 Waterside building commencing February 15, 2019.**

Meeting Jan 29, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its January 29, 2019 meeting, authorize the extended term of a month-to-month lease with Ceres Gulf, Inc. for approximately 650 square feet of office space in the Barbours Cut Terminal C-6 Waterside building commencing February 15, 2019, 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:

The Port Authority currently has a month-to-month lease with Ceres Gulf, Inc. (Ceres) that will have been in effect for more than a year after February 14, 2019. Ceres' current monthly rental is \$1,222 monthly/\$14,664 annually. The premises are currently being used for general office purposes.

An amendment to the Water Code adopted in the 2011 legislative session requires that the Port Commission approve month-to-month leases in effect for more than one year.

Staff Evaluation/Justification:

Staff recommends that the Port Commission authorize one extended term of the Ceres month-to-month lease.

I. FINANCE

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

Meeting Jan 29, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its January 29, 2019 meeting, authorize the Port Authority to advertise and receive responses for four 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 purchase of a terminal bus for Barbour Cut Terminal

(b) Request for proposals for purchase of three dockside container cranes for Wharf No. 5 at Bayport Container Terminal

(c) Request for proposals for technical services to support Port Authority staff with the evaluation of non-containerized terminal utilization and optimization

(d) Request for proposals for equipment (generators, port-a-potties, tents, pumps, equipment, etc.) needed during an emergency or crisis when the Emergency Operations Center is activated

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

I. FINANCE

Subject **2. Approve staff's ranking of vendors and award a two-year contract, in an amount not to exceed \$300,000, for the purchase of miscellaneous safety equipment for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal, to the top-ranked proposers: staff ranking – first, Universal Industrial Supply; second, MSC Industrial Supply; third, Northern Safety & Industrial; and fourth, Lilies and Brambles.**

Meeting Jan 29, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its January 29, 2019 meeting:

- (a) approve staff's ranking of vendors, based on the selection criteria, in the following order – first, Universal Industrial Supply; second, MSC Industrial Supply; third, Northern Safety & Industrial; and fourth, Lilies and Brambles;
- (b) award a two-year contract to the top-ranked proposer for the purchase of miscellaneous safety equipment for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal in an amount not to exceed \$300,000;
- (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:

Awards, Amendments & Change Orders

Department:

Risk Management

Staff Contact:

Bruce Birdwell

Background:

This solicitation is related to the purchase of miscellaneous safety equipment (gloves, protective footwear and eyewear, fall protection, etc.) 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 a reduction of the associated cost, through improved inventory management methods.

By Minute No. 2018-1030-12, the Port Commission authorized the advertisement and receipt of a request for proposals (RFP) for the purchase of miscellaneous safety equipment for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal. 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 December 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:

- Universal Industrial Supply
- MSC Industrial Supply
- Northern Safety & Industrial
- Lilies & Brambles

Following staff Executive Committee review, staff recommends that the Port Commission award a contract to Universal Industrial Supply and act as otherwise described above.

I. FINANCE

Subject	3. Approve the purchase of insurance from various carriers effective March 1, 2019, for the Port Authority's primary and excess property and casualty insurance coverage needs, in a total amount not to exceed \$5,200,000.
Meeting	Jan 29, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	<p>The Port Commission, at its January 29, 2019 meeting, (i) approve the purchase of insurance from various carriers effective March 1, 2019, for the Port Authority's primary and excess property and casualty insurance coverage needs as set forth below, in a total amount not to exceed \$5,200,000, (ii) authorize contract renewal negotiations with the insurance carriers prior to contract expiration, to better determine in advance the need to issue a formal request for proposals for the next contract year, and (iii) further authorize the Executive Director to do any and all things reasonable or necessary to give effect to the foregoing.</p> <p>Type of Coverage; Premium; Carrier(s)</p> <p>(1) Property (buildings, contents, electronic data processing equipment); \$1,294,175; various carriers as described on Exhibit "A"</p> <p>(2) Contractors Equipment; \$957,296; carrier - Travelers Lloyd's</p> <p>(3) Excess Workers' Compensation; \$210,788; carrier - Colony</p> <p>(4) Excess Umbrella (3 year); \$2,002,874; carrier - Lloyd's</p> <p>(5) Hull/Protection & Indemnity (Marine); \$113,355 carrier - Berkley/StarNet</p> <p>(6) Public Officials; \$127,597; carrier - Old Republic Surety</p> <p>(7) Terrorism; 68,775; carrier - Lloyd's</p> <p>(8) Boiler & Machinery/Equipment Breakdown; \$77,430; carrier - Travelers</p> <p>(9) Broad Form Pollution; \$9,600; carrier - Star/State National/Berkshire</p> <p>(10) Fiduciary, Crime, etc.; \$109,898; various carriers as described on Exhibit "A"</p>

Category:

Awards, Amendments & Change Orders

Department:

Risk Management

Staff Contact:

Bruce Birdwell

Background:

By Minute No. 2014-0624-23, the Port Commission awarded a five-year contract to McGriff, Seibels & Williams of Texas, Inc. (McGriff) to serve as the Port Authority's Broker of Record in the procurement of Property and Casualty insurance coverage.

McGriff's contractual responsibilities include assisting staff in the development of insurance specifications, submitting those specifications to select insurance markets, assisting in evaluating proposals received, assisting in negotiating policy terms and conditions with carriers, and making recommendations for placement of coverage.

By Minute No. 2018-0925-16(m), the Port Commission authorized the advertisement of a request for proposals (RFP) for the 2019-2020 property and casualty insurance programs. McGriff solicited quotes from 54 carriers; proposals were received from 36 carriers.

Staff Evaluation/Justification:

Staff recommends, and McGriff concurs, that the Port Authority enter into contracts with the carriers indicated herein for the type of coverage and maximum annual premiums listed, as providing the best value to the Port Authority to address its property and casualty risk exposures.

The total amount requested by staff of \$5,200,000 takes into account that premiums on several policies are subject to adjustment, based on actual payroll amounts and revenues (which are projected to be higher in 2019 versus the prior year), as well as the timing and actual value of asset additions and a 3 year excess umbrella policy will be funded by this amount.

Exhibit "A"
Various Carriers (by line of coverage) including Misc. Coverages

<u>Coverage</u>	<u>Carriers</u>
Property	<i>Lloyd's Syndicates</i>
	Agora Markel
	Amlin Montpelier
	Argo MSP
	Antares Neon
	ATL Nova/Securas
	Beazley Novae
	Brit Pembroke
	Canopus QBE
	COF RenRe
	Dale RJKiln
	Endurance Talbot
	Hannover Travelers
	HCC WRB
	Hiscox
	<i>Domestic Carriers</i>
	Arch
	Evanston
	Colony
	First Specialty
	HDI Global
	Hallmark
	Ironside
	Westchester
	Security Indemnity
Fiduciary Liability	Travelers
Excess Fiduciary Liability	ACE/Chubb
Crime/Cyber	Travelers
Fire Truck Automobile	Great American
Foreign Package	AIG
Mobile Command Center	Travelers Lloyd's

I. FINANCE

Subject 4. Approve the audited financial statements for the Port of Houston Authority Restated Retirement Plan for the fiscal year ended July 31, 2018.

Meeting Jan 29, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its January 29, 2019 meeting, approve the audited financial statements for the Port of Houston Authority Restated Retirement Plan for the fiscal year ended July 31, 2018, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

General

Department:

Accounting / Treasury

Staff Contact:

Curtis Duncan / Ray Yi

Background:

Section 802.103, Texas Government Code, states:

“(a) ... the governing body of a public retirement system shall publish an annual financial report showing the financial condition of the system as of the last day of the fiscal year covered in the report. The report must include the financial statements and schedules examined in the most recent audit performed as required by Section 802.102 and must include a statement of opinion by the certified public accountant as to whether or not the financial statements and schedules are presented fairly and in accordance with generally accepted accounting principles.

(b) The governing body of a public retirement system shall, before the 211th day after the last day of the fiscal year under which the system operates, file with the State Pension Review Board a copy of each annual financial report it makes as required by law.”

Grant Thornton LLP, the Port Authority’s external auditing firm, was engaged to conduct an audit of the Port of Houston Authority Restated Retirement Plan (Pension Plan) for the fiscal year ended July 31, 2018 in accordance with statutory requirements.

The audited financial statements for the Pension Plan for the fiscal year ended July 31, 2018 included a statement of opinion by Grant Thornton LLP, reading as follows:

“In our opinion, the financial statements referred to above present fairly, in all material respects, information regarding the Port of Houston Authority Restated Retirement Plan fiduciary net position as of July 31, 2018 and 2017, and changes therein for the years then ended in conformity with accounting principles generally accepted in the United States of America.”

Staff Evaluation/Justification:

Therefore, staff recommends that the Port Commission approve the audited financial statements for the Pension Plan for the fiscal year ended July 31, 2018, whereupon the Port Authority will file such financial statements with the Texas Pension Review Board.

I. FINANCE

Subject **5. Approve an agreement among the Houston Independent School District, Houston Community College, University of Houston – Downtown, and the Port Authority, for development and expansion of a degree progression program for students studying Maritime Logistics or Global Supply Chain Management.**

Meeting Jan 29, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its January 29, 2019 meeting, approve an agreement among the Houston Independent School District (HISD), Houston Community College (HCC), University of Houston – Downtown (UH-D), and the Port Authority, for development and expansion of a degree progression program for students studying Maritime Logistics or Global Supply Chain Management, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

General

Department:

Small Business & Education Outreach

Staff Contact:

Gilda Ramirez

Background:

The Port Authority has developed and partnered with local educational institutions to create a maritime education program.

The current HISD/HCC maritime education program path starts with high school courses which enable a student to earn college credits. The student may then continue to HCC Southeast where he or she may earn an Associates in Applied Science (AAS) in Logistics and/or Global Supply Chain Management.

The extended pathway contemplated by this agreement permits that student with an AAS degree to attend UH-D with the goal of earning a Bachelor of Applied Arts and Science (BAS) degree in Applied Administration, with a focus in Maritime Logistics and Global Supply Chain Management.

As an industry partner, the Port Authority continually seeks ways to work collaboratively with local educational institutions to solve the challenge of an aging maritime workforce. The purpose, program design, implementation plan, and other terms of the agreement set forth the parties' intent to work together to increase future workforce and provide enhanced educational opportunities for our maritime students.

Staff Evaluation/Justification:

Staff recommends that the Port Commission approve the agreement. No additional financial resources are required from the Port Authority in connection with the agreement.

J. INFRASTRUCTURE

Subject	1. Approve staff's ranking of vendors and award a professional services contract in an amount not to exceed \$73,500 for building program development of the maintenance and administration complex at Barbours Cut Terminal to the top-ranked proposer – first, HDR Architecture, Inc.; second, Huitt-Zollars, Inc.; and third, GLMV Architecture.
Meeting	Jan 29, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its January 29, 2019 meeting: <ul style="list-style-type: none"> (a) approve staff's ranking of vendors, based on the selection criteria, in the following order – first, HDR Architecture, Inc.; second, Huitt-Zollars, Inc.; and third, GLMV Architecture. (b) award a professional services contract to the top-ranked proposer for building program development of the maintenance and administration complex at Barbours Cut Terminal in an amount not to exceed \$73,500; (c) grant authority, if a contract cannot be negotiated with the first-ranked vendor, to formally, and in writing, end negotiations with that vendor and proceed to the next vendor in the order of ranking until a contract is reached or all proposals are rejected; and (d) further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #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. 2018-0731-16(n), the Port Commission authorized the advertisement of a request for qualifications (RFQ) for an architectural and engineering firm to provide professional architectural programming services to develop a program for the future maintenance and administration complex at Barbours Cut Terminal, with an option to provide future professional engineering design services for the buildings. 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. Twenty-four vendors downloaded the project materials from BuySpeed.

At this time, the staff would only request the award of a contract for the architectural programming services for the first phase of the building planning process. A request to award a contract for additional professional services for the design or design-build phases is expected to be made at a later time.

Staff Evaluation/Justification:

On October 17, 2018, six 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 programming and design services:

- HDR Architecture, Inc.
- Huitt-Zollars, Inc.
- GLMV Architecture
- Corgan
- Powers Brown Architecture
- Turner Duran Architects

Following staff Executive Committee review, staff recommends that the Port Commission award a contract to HDR Architecture, Inc. for the architectural programming services to develop a building program for the future maintenance and administration complex at Barbours Cut Terminal.

J. INFRASTRUCTURE

Subject **2. Approve staff's ranking of vendors and award a professional services contract in an amount not to exceed \$1,309,833, for the design of the rehabilitation of Wharves 4 and 5 at Bayport Container Terminal to the top-ranked proposers: staff ranking – first, AECOM; second, Berger ABAM Engineering Services; and third, Wiss, Janney, Elstner Associates, Inc.**

Meeting Jan 29, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its January 29, 2019 meeting:

- (a) approve staff's ranking of the most qualified vendors, based on the selection criteria, in the following order – first, AECOM; second, Berger ABAM Engineering Services; and third, Wiss, Janney, Elstner Associates, Inc.;
- (b) award a professional services contract to the top-ranked proposer for the design of the rehabilitation of Wharves 4 and 5 at Bayport Container Terminal in an amount not to exceed \$1,309,833;
- (c) grant authority, if a contract cannot be negotiated with the first-ranked vendor, to formally, and in writing, end negotiations with that vendor and proceed to the next vendor in the order of ranking until a contract is reached or all proposals are rejected; and
- (d) further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

Category:
Awards, Amendments & Change Orders

Department:
Project and Construction Management

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

Background:
The Port Authority is seeking to obtain professional engineering services to design the rehabilitation of Wharves 4 and 5 at Bayport Terminal, in order to allow the wharves to carry larger, heavier, and taller cranes.

By Minute No. 2018-0925-16(r), 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. Sixteen vendors downloaded the project materials from BuySpeed.

Staff Evaluation/Justification:
On November 15, 2018, four 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:

- AECOM
- Berger ABAM Engineering Services
- Wiss, Janey, Elstner Associates, Inc.
- AlphaMar Group

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

J. INFRASTRUCTURE

Subject	3. Award a construction contract to Jerdon Enterprise, L.P. for the rehabilitation of drainage system at Volkswagen Yard at Turning Basin Terminal in an amount not to exceed \$116,825.
Meeting	Jan 29, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its January 29, 2019 meeting, award a construction contract to Jerdon Enterprise, L.P. for the rehabilitation of the drainage system at Volkswagen Yard at Turning Basin Terminal in an amount not to exceed \$116,825, 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 consists of improving the drainage capacity by increasing the size of five existing inlets at the Turning Basin property leased by Volkswagen Group of America, Inc.

By Minute No. 2018-0731-16(c), the Port Commission authorized the advertisement and receipt of competitive sealed bids (CSBs) for the rehabilitation of drainage system at Volkswagen Yard 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. Fourteen vendors downloaded the project materials from BuySpeed.

Staff Evaluation/Justification:
On November 14, 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 Jerdon Enterprise, L.P., the responsible bidder submitting the lowest and best bid, for the rehabilitation of drainage system at Volkswagen Yard at Turning Basin Terminal.

J. INFRASTRUCTURE

Subject **4. Approve staff's ranking of vendors and award a contract, in an amount not to exceed \$5,632,125, for renovation of the Executive Office Building at the Turning Basin Terminal, to the top-ranked proposers: staff ranking – first, Housing and Land Development Corporation dba IKLO Construction; second, Gadberry Construction; and third, Centennial Constructors Enterprise.**

Meeting Jan 29, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its January 29, 2019 meeting:

- (a) approve staff's ranking of vendors, based on the selection criteria, in the following order – first, Housing and Land Development Corporation dba IKLO Construction; second, Gadberry Construction; and third, Centennial Constructors Enterprise;
- (b) award a contract, for renovation of the Executive Office Building at the Turning Basin Terminal in an amount not to exceed \$5,632,125;
- (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:
Brenda C. Trevino, P.E.

Background:
This project consists of the selective demolition and renovation of each floor of the four-story Executive Office Building at the Turning Basin Terminal. The project's objective is to make the space more energy efficient and to replace systems/features in the building that are beyond their useful life. It is also expected to create space that is flexible enough to grow and change with the organization in the future.

By Minute No. 2018-0130-19(e), the Port Commission authorized the advertisement and receipt of competitive sealed proposals (CSPs) for the renovation of the Executive Office Building at Turning Basin Terminal. The Port Authority notified vendors regarding its request for CSPs using the Port Authority's BuySpeed Eprocurement System and the project was advertised on the Port Authority's website and in a local newspaper. Twelve vendors downloaded the project materials from BuySpeed.

Staff Evaluation/Justification:
On December 05, 2018, five CSP's were received, opened, and publicly read. The responses were reviewed and evaluated by staff in accordance with the published selection criteria. Staff identified the following vendors, listed in order of ranking, as providing best value for the required services:

- Housing and Land Development Corporation dba IKLO Construction

- Gadberry Construction
- Centennial Constructors Enterprise

Following staff Executive Committee review, staff recommends that the Port Commission award a contract to Housing and Land Development Corporation dba IKLO Construction and act as otherwise described above.

J. INFRASTRUCTURE

Subject **5. Award a construction contract to Electra Link, Inc. for Information Technology improvements in connections with renovation of the Executive Office Building, using the Texas Department of Information Resources cooperative purchasing program, in an amount not to exceed \$372,505.**

Meeting Jan 29, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its January 29, 2019 meeting, award a construction contract to Electra Link, Inc. for Information Technology (IT) improvements in connection with renovation of the Executive Office Building, using Texas Department of Information Resources' cooperative purchase program, in an amount not to exceed \$372,505, determine that this procurement method provides the best value to the Port Authority, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

Category:
Awards, Amendments & Change Orders

Department:
Project and Construction Management

Staff Contact:
Brenda C. Trevino, P.E.

Background:
The Port Authority is seeking to provide labor and equipment necessary to remove legacy system cabling and associated equipment and to install new IT cabling and associated equipment in connection with renovation of the Executive Office Building at the Turning Basin Terminal. The Texas Department of Information Resources (DIR) is a department of the State of Texas, and has cooperative purchasing programs which may be used by the Port Authority.

Staff Evaluation/Justification:
The Director of Procurement Services has determined that procuring labor and equipment necessary to remove legacy system cabling and associated equipment and to install new IT cabling and associated equipment in connection with renovation of the Executive Office Building at the Turning Basin Terminal through the Texas Department of Information Resources' cooperative purchasing program is the method that both satisfies competitive requirements and provides best value to the Port Authority.

The Project and Construction Management department has determined that the best availability, price, and contract term for the items needed is provided by Electra Link, Inc. under the pricing schedule obtained from that vendor's contract with DIR (DIR Contract Number DIR-TSO-3705), and is therefore recommending this purchase.

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

J. INFRASTRUCTURE

Subject **6. Issue a purchase order to OFS Brands-Agile Interiors for the purchase of office furniture in connection with the renovation of the Executive Office Building, using the National Intergovernmental Purchasing Alliance through The Cooperative Purchasing Network, a cooperative purchasing program, in an amount not to exceed \$1,000,000.**

Meeting Jan 29, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its January 29, 2019 meeting, issue a purchase order to OFS Brands–Agile Interiors for the purchase of office furniture in connection with the renovation of the Executive Office Building, using the National Intergovernmental Purchasing Alliance through The Cooperative Purchasing Network, a cooperative purchasing program, in an amount not to exceed \$1,000,000, determine that this procurement method provides the best value to the Port Authority, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

Category:

Awards, Amendments & Change Orders

Department:

Project and Construction Management

Staff Contact:

Brenda C. Trevino, P.E.

Background:

The Port Authority is seeking to obtain new office furniture for the Executive Office Building in connection with the renovation of the Executive Office Building. New furniture will replace existing items that may be twenty or more years old, beyond their useful life and/or not up to current standards. The new furniture complies with the configured layout for offices and workstations in the architect's drawings; it also includes ancillary items such as tables and chairs for the break room as well as file cabinets.

Staff Evaluation/Justification:

Staff worked with the architect to develop the recommended best value options for purchasing the new furniture. Multiple alternatives were evaluated. Ultimately three similar styles were chosen from three different manufacturers. These three manufacturers are cooperative participants.

By requesting quotes from all three manufacturer local distributors on the same quantities and amenities, the best value furniture vendor was chosen.

Staff recommends the Port Commission approve the best value determination and issuance of a purchase order to OFS Brands-Agile Interiors for the purchase of office furniture in connection with the renovation of the Executive Office Building.

J. INFRASTRUCTURE

Subject **7. Award a contract to Houston Audubon Society, Inc., the sole source provider, for monitoring and management of waterfowl at Evia Island for a term of four years in an amount not to exceed \$132,000.**

Meeting Jan 29, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its January 29, 2019 meeting, authorize the Port Authority to award a contract to Houston Audubon Society, Inc., the sole source provider, for monitoring and management of waterfowl at Evia Island for a term of four years in an amount not to exceed \$132,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

Category:
Awards, Amendments & Change Orders

Department:
Channel Development

Staff Contact:
Mark Vincent, P.E.

Background:
By Minute No. 58 of April 26, 1995, the Port Commission approved a resolution to monitor and maintain the Beneficial Use Sites in accordance with the monitoring and maintenance plan adopted for the Houston Ship Channel widening and deepening project.

By Minute No. 2014-1216-09, the Port Commission awarded a contract to the Houston Audubon Society to provide annual monitoring and reporting of bird habit at at Evia Island to help fulfill this requirement. The contract was awarded with a term of four years, ending December 31, 2018.

Evia Island provides much-needed nesting and roosting habit for Galveston Bay colonial waterfowl. The channel project agreement requires management to discourage human disturbance and predator activity and to verify the effectiveness of the island as waterfowl habitat.

Staff Evaluation/Justification:
Monitoring of Evia Island is the responsibility of the Port Authority under the Houston Ship Channel project cooperation agreement. The Houston Audubon Society is uniquely qualified to manage Evia Island and recommended for use by the Inter-agency Coordination Team comprised of federal and state agencies. Staff has evaluated the capability of the Houston Audubon Society and recommends that the Port Commission award a contract as described herein.

J. INFRASTRUCTURE

Subject **8. Authorize an amendment of the Advanced Funding Agreement with the Texas Department of Transportation to increase the funding for drainage improvements connected to the Southbound Loop 610 Feeder Road at the Turning Basin Terminal in the amount of \$334,967 for a total of \$835,755.**

Meeting Jan 29, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its January 29, 2019 meeting, amend the existing Advanced Funding Agreement with Texas Department of Transportation Houston District Office to increase the funding for drainage improvements connected to the Southbound Loop 610 Feeder Road at the Turning Basin Terminal in the amount of \$334,967 for a total of \$835,755, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

Category:

Awards, Amendments & Change Orders

Department:

Project and Construction Management

Staff Contact:

Roger H. Hoh, P.E.

Background:

By Minute No. 2016-1213-25, the Port Commission awarded a professional services contract to CivilTech Engineering for drainage improvements connected to the Southbound Loop 610 Feeder Road at the Turning Basin Terminal.

By Minute No. 2017-0926-29, the Port Commission authorized an Advanced Funding Agreement (AFA) with Texas Department of Transportation (TxDOT) in the amount of \$509,788 for these drainage improvements. Pursuant to the AFA, TxDOT agreed to fund up to \$200,000 and perform 100% of the construction management/inspection and material testing, including all environmental permitting in its right-of-way.

The construction cost estimate has now increased due to an expanded scope. The additional work consists of the removal and installation of a security fence, a traffic control plan, tree planting, supplementary pipe installation, temporary shoring, asphalt pavement, and more signs, barricades and inlets, and requires an amendment to the existing AFA to increase the funding by \$334,967. TxDOT will notify the Port Authority if the actual bid comes in higher or lower than the construction cost estimate, for compensation or credit.

CivilTech Engineering has reviewed the construction cost estimate and found it to be fair and reasonable.

Staff Evaluation/Justification:

The aforementioned work is necessary and staff recommends that this amendment be approved.

J. INFRASTRUCTURE

Subject	9. Amend the professional service contract with Dannenbaum Engineering for additional design services for fender system at Wharf Nos. 1 and 2 at CARE Terminal in the amount of \$60,320.
Meeting	Jan 29, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its January 29, 2019 meeting, approve an amendment to the professional services contract with Dannenbaum Engineering Consultants for additional design services for replacement of the fender system at Wharf Nos. 1 and 2 at CARE Terminal in the amount of \$60,320, 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:

By Minute No. 2016-1025-20, the Port Commission awarded a professional services contract to Dannenbaum Engineering Consultants for replacement of the fender system at Wharf Nos. 1 and 2 at CARE Terminal. This proposed amendment would revise the contract to include detailed design and phasing plans for the use of a temporary timber fender system to keep both wharves operational during replacement of the fender system.

Staff Evaluation/Justification:

Staff has reviewed the firm's proposal and found it to be fair and reasonable and recommends that the Port Commission approve the proposed amendment.

J. INFRASTRUCTURE

Subject **10. Approve assignment of the Environmental Services Agreement with Global Waste Services, LLC to Waste Corporation of Texas, L.P.**

Meeting Jan 29, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its January 29, 2018 meeting, approve assignment of the Environmental Services Agreement with Global Waste Services, LLC to Waste Corporation of Texas, L.P., and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

Category:
General

Department:
Environmental Affairs

Staff Contact:
Ryan Dixon

Background:

On May 1, 2017, the Port Authority and Global Waste Services, LLC entered into an Environmental Services Agreement (Agreement) to pick up, remove, transport, manage, and dispose/recycle scrap tires generated from Port Authority terminals and property locations, to provide scrap tire collection containers at requested locations, and to transport the scrap tires to a Texas Commission on Environmental Quality (TCEQ) permitted disposal/recycle facility, in the amount of \$250,000 for a three-year term.

Port Authority staff has now been informed that effective August 31, 2018, Waste Corporation of Texas, L.P. acquired substantially all of the assets of Global Waste Services, LLC (the Acquisition).

Staff Evaluation/Justification:

Both the Agreement and the assets required to serve the Port Authority under the Agreement were transferred to Waste Corporation of Texas, L.P. in connection with the Acquisition.

Therefore, Port Authority staff recommends the Port Commission approve assignment of the Agreement with Global Waste Services, LLC to Waste Corporation of Texas, L.P.

J. INFRASTRUCTURE

Subject **11. Approve the renewal of expiring Port Authority licenses for new ten-year terms: Lone Star NGL Mont Belvieu LP, Colonial Pipeline Company, Chevron Phillips Chemical Company LP, South Tex 66 Pipeline Company Ltd, Equistar Chemicals, LP, Houston Ammonia Terminal, L.P., Air Products LLC, and ExxonMobil Pipeline Company.**

Meeting Jan 29, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its January 29, 2019 meeting, authorize the Port Authority to approve the renewal of expiring licenses for new ten-year terms: Lone Star NGL Mont Belvieu LP, Colonial Pipeline Company, Chevron Phillips Chemical Company LP, South Tex 66 Pipeline Company Ltd, Equistar Chemicals, LP, Houston Ammonia Terminal, L.P., Air Products LLC, and ExxonMobil Pipeline Company, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

Category:
Permits/Licenses/Pipeline Easements

Department:
Channel Development

Staff Contact:
Mark Vincent, P.E.

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

Company	File No.	Fee
Lone Star NGL Mont Belvieu LP	1998-0283	\$15,551
Colonial Pipeline Company	1998-0277	\$17,406
Chevron Phillips Chemical Company LP	1998-0213	\$1,608
South Tex 66 Pipeline Company Ltd	1998-0280	\$6,432
Equistar Chemicals, LP	1989-0186	\$1,608
Equistar Chemicals, LP	1988-0272	\$23,382
Equistar Chemicals, LP	1989-0185	\$1,608
Houston Ammonia Terminal, L.P.	1988-0158	\$37,378
Air Products LLC	1999-0047	\$1,608
Air Products LLC	1998-0205	\$228,010
ExxonMobil Pipeline Company	2008-0215	\$4,349
ExxonMobil Pipeline Company	2008-0216	\$4,349
ExxonMobil Pipeline Company	2008-0214	\$4,349
ExxonMobil Pipeline Company	1998-0274	\$21,573
ExxonMobil Pipeline Company	1998-0268	\$4,824
		\$374,035

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.

J. INFRASTRUCTURE

Subject **12. Issue a distribution/transmission line license to Comcast of Houston LLC for one fiber optic line under and across the CTC Mainline railroad right-of-way.**

Meeting Jan 29, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its January 29, 2019 meeting, authorize the Port Authority to issue a distribution/transmission line license to Comcast of Houston LLC for one fiber optic line under and across the CTC Mainline railroad right-of-way in Houston, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

Category:
Permits/Licenses/Pipeline Easements

Department:
Channel Development

Staff Contact:
Mark Vincent, P.E.

Background:
Comcast of Houston LLC, Port Authority File No. 2018-0358, has applied for a distribution/transmission line license for one fiber optic line under and across the CTC Mainline railroad right-of-way, in Houston, in the W. P. Harris & R. Wilson Survey, A-32, in Harris County, Texas.

Staff Evaluation/Justification:
The application was reviewed and approved by the Port Authority's Channel Development department and the Port Terminal Railroad Association. The license is to be issued subject to the Port Authority's usual terms and conditions and at a fee of \$1,608. The \$675 application fee and \$2,500 as-built deposit have been paid.

Staff recommends approval.

J. INFRASTRUCTURE

Subject **13. Issue a license to Triton West LLC for one 12-inch and one 16-inch pipelines and a surface site on the Pasadena Cut-Off railroad right-of-way.**

Meeting Jan 29, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its January 29, 2019 meeting, authorize the Port Authority to issue a pipeline license to Triton West LLC for one 12-inch and one 16-inch pipelines and a surface site on the Pasadena Cut-Off 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:

Triton West LLC (Triton), Port Authority File No. 2018-0346, has applied for a pipeline license for existing structures consisting of one 12-inch and one 16-inch refined petroleum products pipelines and a surface site on the Pasadena Cut-Off railroad right-of-way, in the William Vince Survey, A-78 and James Seymore Survey, A-698, in Harris County, Texas.

The existing pipelines and surface site were originally licensed to Oiltanking Houston LP (Oiltanking), under Port Authority File No. 1995-0140, and were acquired by Equilon Enterprises LLC dba Shell Oil Products US (Shell Oil) in the early 2000's. Triton has since acquired the structures and seeks to obtain a license as the new owner.

The original license was inadvertently transferred to the pipeline operator, Shell Pipeline Company LP, and has since expired; therefore, staff seeks to cancel the existing license, Port Authority File No. 1995-0140, and issue a new license to Triton, under Port Authority File No. 2018-0346.

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 \$16,510. The \$675 application fee has been paid.

Staff recommends approval.

J. INFRASTRUCTURE

Subject	14. Amend a pipeline license to KM Liquids Terminals LLC to add one 6-inch pipeline carrying butane and other substances on an existing pipe rack across Panther Creek.
Meeting	Jan 29, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its January 29, 2019 meeting, authorize the Port Authority to amend a pipeline license to KM Liquids Terminals LLC to add one 6-inch pipeline carrying butane and other substances on an existing pipe rack across Panther Creek, 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:

KM Liquids Terminals LLC, Port Authority File No. 2014-0207, has applied to amend a pipeline license to add one 6-inch pipeline carrying butane and other substances on an existing pipe rack across Panther Creek in Galena Park, in the Ezekiel Thomas Survey, A-73, in Harris County, Texas.

Staff Evaluation/Justification:

The application was reviewed and approved by the Port Authority's Channel Development department. The license is to be issued subject to the Port Authority's usual terms and conditions and at a fee of \$884. The \$675 application fee and \$2,500 as-built deposit have been paid.

Staff recommends approval.

J. INFRASTRUCTURE

Subject	15. Transfer three pipeline licenses from Shell Oil Products US to Triton West LLC for crossings of the Southside Mainline and Pasadena Cut-Off railroad right-of-ways.
Meeting	Jan 29, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its January 29, 2019 meeting, authorize the Port Authority to transfer three pipeline licenses from Shell Oil Products US to Triton West LLC for crossings of the Southside Mainline and Pasadena Cut-Off railroad right-of-ways, 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:

Equilon Enterprises LLC dba Shell Oil Products US (Shell) has applied to transfer three pipeline licenses to Triton West LLC for pipelines crossings of the Southside Mainline and Pasadena Cut-Off railroad right-of-ways, in the Thomas Earle Survey, A-18 and William Vince Survey, A-78, in Harris County, Texas: Port Authority File No. 2015-0270 for one 12-inch pipeline, Port Authority File No. 2004-0421 for the 16-inch and one fiber optic line, and Port Authority File No. 1995-0070 for a second 12-inch pipeline.

Shell conveyed the licensed pipeline assets to Triton West LLC as of December 2017 and now seeks to transfer the licenses to the new owner.

Staff Evaluation/Justification:

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

Staff recommends approval.

K. OPERATIONS

Subject **1. Award a two-year contract to DWGSR, Inc. dba Don's Radiator Shop for repair services for radiators, and air and fuel coolers for RTG cranes at Barbours Cut Terminal and Bayport Container Terminal in an amount not to exceed \$200,000.**

Meeting Jan 29, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its January 29, 2019 meeting, award a two-year contract to DWGSR, Inc. dba Don's Radiator Shop for repair services for radiators, air and fuel coolers for RTG cranes at Barbours Cut Terminal and Bayport Container Terminal in an amount not to exceed \$200,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Goals STRATEGIC 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. 2018-1030-11(d), the Port Commission authorized the advertisement and receipt of competitive sealed bids (CSBs) for repair services for radiators, and air and fuel coolers for RTG Cranes at Barbours Cut Terminal and Bayport Container Terminal. Repairs to radiators, and air and fuel coolers are needed to maintain Port Authority assets and meet operational demands at both facilities. The Port Authority currently owns ninety RTG cranes equipped with components that will require repair services under this contract.

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. Three vendors downloaded the project materials from BuySpeed.

Staff Evaluation/Justification:

On January 3, 2019, two 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 two-year contract to DWGSR, Inc. dba Don's Radiator Shop, the responsible bidder submitting the lowest and best bid, for repair services for radiators, air and fuel coolers for RTG cranes at Barbours Cut Terminal and Bayport Container Terminal.

K. OPERATIONS

Subject	2. Award a two-year contract to Maxim Crane Works, LP for crane rental services for maintenance of equipment and facilities at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal in an amount not to exceed \$300,000.
Meeting	Jan 29, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its January 29, 2019 meeting, award a two-year contract to Maxim Crane Works, LP for crane rental services for maintenance of equipment and facilities at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal in an amount not to exceed \$300,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #3 - INFRASTRUCTURE (Provide and facilitate infrastructure to meet demand)

Category:
Awards, Amendments & Change Orders

Department:
Maintenance

Staff Contact:
Paulo Soares

Background:
By Minute No. 2017-0321-39, the Port Commission awarded an annual contract to Maxim Crane Works, LP for crane rental services for maintenance of equipment and facilities at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal in the amount not to exceed \$150,000. The Port Authority currently owns twenty-seven wharf cranes, ninety RTG cranes, several buildings, and hundreds of light poles at these facilities. Regular maintenance of equipment and facilities often requires rental of mobile cranes to facilitate access to areas with no walkways or ladder access.

By Minute No. 2018-1030-11 (e), the Port Commission authorized the advertisement and receipt of competitive sealed bids (CSBs) for crane rental services for maintenance of equipment and facilities at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal. The Port Authority notified vendors regarding its request for CSBs using the Port Authority's BuySpeed Eprocurement System and the project was advertised on the Port Authority's website and in a local newspaper. Four vendors downloaded the project materials from BuySpeed.

Staff Evaluation/Justification:
On December 12, 2018, one CSB response was received, opened, and publicly read. The bid has been checked for completeness by the staff and is being recommended for Port Commission action.

Accordingly, staff recommends that the Port Commission award a two-year contract to Maxim Crane Works, LP, a responsible bidder submitting the only bid, for crane rental services for maintenance of equipment and facilities at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal.

K. OPERATIONS

Subject	3. Issue a two-year purchase order to Cintas Corporation for rental and purchase of uniforms for maintenance personnel at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal, using the Local Government Purchasing Cooperative's BuyBoard, a cooperative purchasing program, in an amount not to exceed \$560,000.
Meeting	Jan 29, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission at its January 29, 2019 meeting, issue a two-year purchase order to Cintas Corporation for rental and purchase of uniforms for maintenance personnel at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal, using the Local Government Purchasing Cooperative's BuyBoard, a cooperative purchasing program, in an amount not to exceed \$560,000, 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) Strategic Objective 4c. - Operate safely and securely

Category:

Awards, Amendments & Change Orders

Department:

Maintenance

Staff Contact:

Paulo Soares

Background:

The Port Authority currently provides fire-retardant uniforms for staff electricians to comply with the National Electrical Code (NEC) and National Fire Protection Association (NFPA). Because mechanics and tradesmen are exposed to similar hazards as the electricians, uniforms are also provided to these employees.

Accordingly, by Minute No. 2016-1213-36, the Port Commission awarded a two-year purchase order to G&K Services, Inc. for the rental and purchase of uniforms for personnel for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal in an amount not to exceed \$380,000. The uniforms have reflective high visibility strips and virtually eliminate the need for safety vests, further reducing a potential hazard when working near rotating equipment. The Port Authority also provides reflective safety vests and hats, steel-toe shoes, and gloves to its maintenance employees.

Staff Evaluation/Justification:

Procuring uniforms through the BuyBoard Cooperative Purchasing Program is the method that both satisfies competitive purchase requirements and provides the best value to the Port Authority.

The BuyBoard website lists several pre-approved uniform providers. Staff reviewed several vendors and determined that Cintas Corporation is the vendor that best meets the Port Authority's requirements and offers the best price for uniforms. Cintas Corporation's pricing was reviewed and approved by BuyBoard. The increase in contract amount is due to additional headcount, replacement of worn work jackets, and a 2% price increase.

Staff recommends the Port Commission approve a purchase order to Cintas Corporation for the rental and purchase of uniforms for maintenance personnel.

K. OPERATIONS

Subject	4. Approve an amendment to the Maersk Line A/S Marine Terminal Services Agreement to change the month for annual Consumer Price Index rate adjustments from October to July.
Meeting	Jan 29, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its January 29, 2019 meeting, approve an amendment to the Maersk Line A/S Marine Terminal Services Agreement to change the evaluation month for annual Consumer Price Index rate adjustments from October to July, 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 GOAL #3 - INFRASTRUCTURE (Provide and facilitate infrastructure to meet demand)

Category:
General

Department:
Operations

Staff Contact:
Jeff Davis

Background:

To permit the Port Authority to properly plan its capital investments at the Bayport Container Terminal and Barbours Cut Terminal and prudently commit to and spend public funds, the Port Authority has entered into ten-year term Marine Terminal Services Agreements (MTSAs) with its major container carriers, requiring them to commit to move their cargoes moved through the region at the Port Authority's public container terminals for a specified term. In connection with such agreements, the Port Authority provides volume incentives for using its facilities.

By Minute No. 2015-0127-33, the Port Commission authorized the Port Authority to enter into an MTSA with Maersk Line A/S by its agent Maersk Agency USA, Inc. (Maersk).

Section 3ci and section 3dii of the existing MTSA call the following year's adjustment to the rates for services provided by the Port Authority to Maersk based on the Consumer Price Index in effect for the month of October in each year of the ten-year agreement. Due to the timing of the Port Authority's budget cycle, the month of July would serve as a more efficient month for the determination of the adjustment.

Staff Evaluation/Justification:

Staff recommends that the Port Commission approve the proposed amendment to the Maersk MTSA.

K. OPERATIONS

Subject **5. Approve an amendment to the Cosco Container Lines Americas, Inc. Marine Terminal Services Agreement to add Orient Overseas Container Line, Ltd. (OOCL) as an included carrier entity.**

Meeting Jan 29, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its January 29, 2019 meeting, approve an amendment to the Cosco Container Lines Americas, Inc. Marine Terminal Services Agreement to add Orient Overseas Container Line, Ltd. (OOCL) as an included carrier entity, 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 GOAL #3 - INFRASTRUCTURE (Provide and facilitate infrastructure to meet demand)

Category:
 General

Department:
 Operations

Staff Contact:
 Jeff Davis

Background:

To permit the Port Authority to properly plan its capital investments at the Bayport Container Terminal and Barbours Cut Terminal and prudently commit to and spend public funds, the Port Authority has entered into ten-year term Marine Terminal Services Agreements (MTSAs) with its major container carriers, requiring them to commit to move their cargoes moved through the region at the Port Authority's public container terminals for a specified term. In connection with such agreements, the Port Authority provides volume incentives for using its facilities.

By Minute No. 2012-0424-30, the Port Authority has previously entered into an MTSA with Cosco Container Lines Americas, Inc. (Cosco) and by Minute No. 2008-0430-39, the Port Commission approved the Port Authority to enter into an MTSA with OOCL.

By Minute No. 2018-0416-32, the OOCL MTSA was subsequently amended to extend its term by six months, pending merger negotiations between the parent copies of Cosco and OOCL. The OOCL MTSA expired by its terms on November 15, 2018.

Effective July 24, 2018, COSCO SHIPPING Holdings Co., Ltd., the parent company of Cosco, became the indirect parent company of OOCL. The two entities would continue to operate as separate but related carriers under common ownership. Cosco has now requested an amendment to the Cosco MTSA to include the newly-acquired container carrier entity.

Staff Evaluation/Justification:

Staff recommends that the Port Commission approve the proposed amendment to the Cosco MTSA.

L. PEOPLE

Subject	1. Issue a purchase order to Office and Furniture Companies of Texas LLC for the purchase of office supplies, toner cartridges, and copy machine paper, using National Intergovernmental Purchasing Alliance through The Cooperative Purchasing Network , a cooperative purchase program, in an amount not to exceed \$180,000.
Meeting	Jan 29, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its January 29, 2019 meeting, issue a purchase order to Office and Furniture Companies of Texas LLC for the purchase of office supplies, toner cartridges, and copy machine paper, using the National Intergovernmental Purchasing Alliance through The Cooperative Purchasing Network, a cooperative purchase program, in an amount not to exceed \$180,000 for a twenty-four-month period, determine that this procurement method provides the best value to the Port Authority, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #1 - PEOPLE AND ORGANIZATION (Invest in people and organize for success)

Category:

Awards, Amendments & Change Orders

Department:

Office and Building Services

Staff Contact:

Adrian Price

Background:

The Port Authority is seeking to obtain office supplies, toner cartridges, and copy machine paper to be used at all facilities.

The National Intergovernmental Purchasing Alliance (IPA), through The Cooperative Purchasing Network (TCPN), is a cooperative purchasing program that the Port Authority is authorized to use. Texas Region 4 Education Service Center is the local sponsor of IPA/TCPN. IPA/TCPN has a cooperative purchase contract with Epic Business Essentials, LLC (EPIC) as the primary vendor. The IPA/TPN contract with EPIC authorizes EPIC to designate one or more third parties to fulfill customers' purchase orders pursuant to conditions set out in the IPA/TCPN contract; each such third party is defined in the IPA/TCPN contract as an authorized distributor.

Staff Evaluation/Justification:

The Director of Procurement Services has determined that procuring office supplies, toner cartridges, and copy machine paper using the IPA/TCPN cooperative purchase contract with EPIC is the method that both satisfies competitive purchase requirements and provides best value to the Port Authority.

EPIC has notified the Port Authority that EPIC has designated Office and Furniture Companies of Texas LLC as one of EPIC's authorized distributors under the IPA/TCPN contract and has requested that the Port Authority accept Office and Furniture Companies of Texas LLC as EPIC's authorized distributor for the Port Authority's purchase of office supplies, toner cartridges, and copy machine paper under the IPA/TCPN contract.

The Office and Building Services Department has determined that the best available, price, and contract term for the products needed are provided by Office and Furniture Companies of Texas LLC as an authorized distributor under the pricing schedule of EPIC's contract with IPA/TCPN, and is therefore recommending this purchase.

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

N. TECHNOLOGY

Subject	1. Approve staff's ranking of vendors and award a contract in an amount not to exceed \$1,134,885 for an Enterprise Video Management System for Maritime Security solution to top-ranked proposer: staff ranking - first, Convergent Technologies, LLC.; and second, Dowley Security Systems, Inc., subject to potential Port Security Grant reimbursement of \$245,000 (25% of the original estimated cost).
Meeting	Jan 29, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its January 29, 2018, meeting: <ul style="list-style-type: none"> (a) approve staff's ranking of the most qualified vendors, based on the selection criteria, in the following order - first, Convergent Technologies, LLC; and second, Dowley Security Systems, Inc.; (b) award a contract to the top-ranked proposer for an Enterprise Video Management System for Maritime Security solution in an amount not to exceed \$1,134,885; (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:

Information Technology

Staff Contact:

Background:

The Port Authority currently owns and operates a camera network which is a key part of its security infrastructure and a vital component of the multi-layered system of its access control and monitoring. In 2017, the Port Authority received a Port Security Grant from the Department of Homeland Security to support an initiative that proposes needed expansion, upgrades, and maintenance to the camera network, to help ensure no gaps in system coverage, improve video quality, and provide needed analytics.

To that end, the Port Authority is seeking to implement an enterprise video management system solution, replace cameras, and upgrade the analytic capabilities of the camera network.

By Minute No. 2018-0925-16(o), the Port Commission authorized the advertisement of a request for proposals (RFP) for the Port Authority's Enterprise Video Management System for Maritime Security solution (including video cameras and a video management system). 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. Due to the security aspects of this initiative, firms were required to sign a non-disclosure agreement, provide proof of security credentials, and attend a pre-bid meeting, held on October 29, 2018, to receive the project materials. Four firms attended that meeting.

Staff Evaluation/Justification:

On December 19, 2018 two RFP responses were received and opened. Staff evaluated and ranked the proposals in accordance with the selection criteria published in the RFP. Staff identified the following firms, listed in order of ranking, as most qualified to provide the required services:

- **Convergint Technologies, LLC**
- **Dowley Security Systems, Inc.**

Following staff Executive Committee review, staff recommends that the Port Commission award the contract to Convergint Technologies, LLC and act as otherwise described above.

N. TECHNOLOGY

Subject **2. Award a purchase order to CDW Government LLC for the purchase of miscellaneous computer parts and accessories, using the Texas Cooperative Purchasing Network cooperative purchase program, in an amount not to exceed \$100,000.**

Meeting Jan 29, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its January 29, 2019 meeting, authorize a purchase order to CDW Government LLC for the purchase of miscellaneous computer parts and accessories, using the Texas Cooperative Purchasing Network cooperative purchase program in an amount not to exceed \$100,000, determine that the proposed procurement method provides the best value to the Port Authority, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Goals Strategic Objective 4c. - Operate safely and securely
Strategic Objective 1c. - Implement streamlined processes supported by technology

Category:
Awards, Amendments & Change Orders

Department:
Information Technology

Staff Contact:
Ron Farrow

Background:
The Port Authority routinely purchases small, low cost technology items such as cables (power, video, and USB), chargers (phone, tablet, and laptop), keyboards, mice, etc., for replacement of these items when damaged or no longer functional. The number and type of items purchased varies depending upon the circumstances; therefore, the Port Authority does not maintain an inventory of these parts and accessories, and purchases the necessary items on an as-needed basis. Liquid Crystal Display (LCD) monitors are also procured using this method, because LCD monitors are not included in the purchase of a new computer, and existing monitors can be reused with a new or replacement computer.

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

Staff Evaluation/Justification:
Staff has determined that the Texas Cooperative Purchasing Network cooperative purchase program has a contract with CDW Government LLC that offers competitive pricing for miscellaneous computer parts and accessories, and that the price and availability provides best value to the Port Authority, and recommends the Port Commission approve a contract with the firm under this cooperative purchasing program as the best value method to procure these items at the stated cooperative contract price.