

I N D E X

PORT COMMISSION
OF THE
PORT OF HOUSTON AUTHORITY
OF THE PORTS OF HARRIS COUNTY, TEXAS
December 11, 2019

<u>Minute No.</u>	<u>Event/Action</u>
	General
	Chairman Campo convened the Port Commission meeting and provided opening remarks
	Minutes
2019-1211-01	Approve the minutes of the October 22, 2019 Port Commission meeting
	Port Commission Committee Updates
2019-1211-02	Chairman Campo reported on the Compensation Committee Meeting - October 22, 2019
2019-1211-03	Chairman Campo reported on the Audit Committee Meeting - October 22, 2019
2019-1211-04	Commissioner Branch reported on the Procurement and Small Business Development Task Force Meeting - November 11, 2019
2019-1211-05	Commissioner Fitzgerald reported on the Pension and Benefits Committee Meeting - November 11, 2019
	Appearances
2019-1211-06	Chairman Campo recognized Ronald Bettag, EIR, who addressed the Port Commission
2019-1211-07	Chairman Campo asked if anyone else would like to address the Port Commission; there was no response
	F. Executive
2019-1211-08	Staff Report – summary of selected agenda items – Roger Guenther, Executive Director

<u>Minute No.</u>	<u>Event/Action</u>
2019-1211-09	Presentation by ICF SH&E, Inc. and deliberation regarding the review and update to the Port of Houston Authority's 2020 Strategic Plan
2019-1211-10	Award a three-year contract to Thomson Reuters Corporation for online legal research services, and printed publications and updates
2019-1211-11	Enter into a service agreement with the Greater Houston Port Bureau, Inc. to provide vessel traffic movement data (real time and historical) for a one-year period in the amount of \$80,000 and subscribe to HarborLights for twenty-five users in the amount of \$10,000
2019-1211-12	Approve and adopt the proposed Internal Audit 2020 Annual Audit Plan
2019-1211-13	Authorize an Amended Interlocal Agreement with the Board of Pilot Commissioners for Harris County Ports regarding the performance of certain governmental functions and services (related to Request for Pilot Board Action to enter into an Interlocal Agreement with the Port of Houston Authority, to be considered at its public meeting of December 11, 2019)

G. Commercial

2019-1211-14	Staff Report – selected agenda items – John Moseley, Chief Commercial Officer
2019-1211-15	Enter into a two-year professional services contract with a one-year extension option with Moacyr Pedro Da Silva Junior (or an entity in formation under his control) for trade development activities on behalf of the Port Authority in Central and South America, in an amount not to exceed \$258,000 for the two year contract period and an amount not to exceed \$133,500 for the one-year option period
2019-1211-16	Approve the Port Authority's 2020 membership in the Greater Houston Partnership at the Managing Partner level with associated membership fees
2019-1211-17	Approve an amendment to the lease with Volkswagen Group of America, Inc. of approximately 81.59 acres out of Blocks 10, 15, 16, and 18 in Northside Turning Basin for a four-year term commencing no earlier than January 1, 2020 at an annual rental of 2,462,138 with an annual 4% increase
2019-1211-18	Approve a lease agreement with Cooper/Ports America LLC, for approximately 6.57 acres, including an 11,000 sq. ft. open warehouse, out of Block 22B and 27D in Industrial Park East for a one-year term with a one-year mutual extension option, effective no earlier than January 1, 2020, at an annual base rent of \$270,750 subject to an annual 3% increase

<u>Minute No.</u>	<u>Event/Action</u>
2019-1211-19	Approve a lease agreement with Cooper/Ports America LLC, for approximately 10.08 acres out of Block 3A in the Northside Turning Basin for a one-year term with a one-year mutual extension option, effective no earlier than January 1, 2020, at an annual base rent of \$405,458 subject to an annual 3% increase
2019-1211-20	Approve a lease agreement with Cooper/Ports America LLC, for approximately 3.57 acres out of Block 4B in the Northside Turning Basin for a one-year term with a one-year mutual extension option, effective no earlier than January 1, 2020, at an annual base rent of \$136,017 subject to an annual 3% increase
2019-1211-21	Approve a lease agreement with Cooper/Ports America LLC, for approximately 5.18 acres out of Block 11 in the Northside Turning Basin for a one-year term with a one-year mutual extension option, effective no earlier than January 1, 2020, at an annual base rent of \$241,164 subject to an annual 3% increase
2019-1211-22	Approve a lease agreement with Cooper/Ports America, LLC, for approximately 3.56 acres including an approximately 15,563 sq. ft. warehouse for a one-year term with a one-year mutual extension option, effective no earlier than January 1, 2020, at an annual base rent of \$208,684 subject to an annual 3% increase
2019-1211-23	Approve a lease agreement with Cooper/Ports America LLC, for approximately 10 acres out of Block 4A in the Northside Turning Basin for a one-year term with a one-year mutual extension option, effective no earlier than January 1, 2020, at an annual base rent of \$402,240 subject to a 3% annual increase
2019-1211-24	Approve a lease agreement with Auto Warehousing Co. for approximately 33.8 acres out of Block 14 of the Bayport Auto Terminal, for a one-year term, effective no earlier than January 1, 2020, at an annual base rent of \$1,089,629
2019-1211-25	Approve an amendment to the grazing lease with James H. Jackson Industries, Inc., for approximately 8.96 acres out of Block 5 at Bayport Container Terminal for an additional five years, effective January 1, 2020, at an annual rental of \$179.20
2019-1211-26	Approve the change of control of Contanda Terminals LLC and its subsidiary Contanda Greens Bayou Terminal LLC, tenants under four Port Authority leases, following the merger by and among Bishop Infrastructure I and II LLC, Buffalo Parent LLC, Buffalo Portfolio Holdings LLC, IIF Blackwater Holdings, LP, and Infrastructure Investment Fund US Holding

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2, LP (managed by JP Morgan Asset Management) with Bishop Infrastructure I and II, LLC continuing as the surviving corporation and majority owner of Contanda Terminals, LLC

2019-1211-27 Approve the assignment by Jacob Stern & Sons, Inc. of three leases to JST Global, LLC *(as amended to authorize the Executive Director to approve the assignment by Jacob Stern & Sons, Inc. of its leases)*

2019-1211-28 Chairman Campo returned to Item F1 and called for public comment regarding the review and update to the Port of Houston Authority's 2020 Strategic Plan

2019-1211-28(a) Chairman Campo recognized Bridgette Murray, Achieving Community Tasks Successfully, who addressed the Port Commission

2019-1211-28(b) Chairman Campo recognized Stephanie Thomas, Healthy Port Communities Coalition, who addressed the Port Commission

H. Finance

2019-1211-29 Staff Report – selected agenda items – Tom Heidt, Chief Operating Officer

2019-1211-30 Authorize payment to the Harris County Appraisal District for appraisal services to be provided to the Port Authority for fiscal year 2020 in an amount not to exceed \$405,000 and authorize payment to the Harris County Tax Assessor-Collector for collection services for the 2019 tax year in an amount not to exceed \$1,100,000

2019-1211-31 Approve the actuarial valuation report dated as of August 1, 2019 for the Port of Houston Authority Restated Retirement Plan (Pension Plan)

2019-1211-32 Adopt an amended investment policy for the Port of Houston Authority Restated Retirement Plan (Pension Plan)

2019-1211-33 Adopt an amended investment policy for the Port of Houston Authority OPEB Plan, an irrevocable trust established for other post-employment benefits

2019-1211-34 Adopt a written funding policy for the Port of Houston Authority Restated Retirement Plan (Pension Plan) as required by Texas statutes

I. Infrastructure

2019-1211-35 Staff Report – selected agenda items – Rich Byrnes, Chief Infrastructure Officer

<u>Minute No.</u>	<u>Event/Action</u>
2019-1211-36	<p>Approve staff's ranking of vendors and award a professional services contract for the design of the restroom restoration at Turning Basin Terminal to the top-ranked proposer: staff ranking – first, PDG, Inc. dba PDG Architects; second, Vergel Gay & Associates, LLC; and third, Lucien T. Vivien, Jr. & Associates, Inc.</p> <p>Port Commission adopted the staff-recommended ranking and authorized award</p>
2019-1211-37	Award construction contract to Alphamar Group, Inc. to replace the Ramp Road 7 speed gate at Turning Basin Terminal
2019-1211-38	Approve a change order to McCarthy Building Companies, Inc. to perform additional work associated with the construction of Container Yard 7 at Bayport Container Terminal
2019-1211-39	Approve the renewal of expiring Port Authority licenses for new ten-year terms: Kinder Morgan Tejas Pipeline LLC, South Tex 66 Pipeline Company, LTD, INEOS Americas LLC, Manchester Terminal LLC, North Channel Water Authority, Dow Hydrocarbons and Resources LLC, Equistar Chemicals, LP, Houston Pipe Line Company LP, LBC Houston LP, Pasadena Refining System, Inc., and Watco Dock & Rail LLC
2019-1211-40	Issue a marine construction permit to WEB Fleeting, LP, for a 12-acre maintenance dredged area, including approximately 50,000 cubic yards of dredged material, existing pilings, an existing boat dock, and approximately 20.11 acres of barge fleeting activity in Old River
2019-1211-41	Issue a marine construction permit to Intergulf Marine, LLC for barge fleeting on the southwest side of Alexander Island
2019-1211-42	Issue a marine construction permit to Vopak Moda Houston, LLC to construct a ship and barge terminal on the Houston Ship Channel
2019-1211-43	Issue a distribution/transmission line license to CenterPoint Energy Houston Electric, LLC for a 138-kV electrical transmission line over and across the Southside Mainline railroad right-of-way
2019-1211-44	Issue a distribution/transmission line license to Comcast of Houston LLC for one fiber optic line under and across the Port Terminal Railroad Association Northside Mainline right-of-way tracks at Industrial Road
2019-1211-45	Issue a distribution/transmission line license to Southwestern Bell Telephone Company for one fiber optic line over and across the Jacintoport Terminal

<u>Minute No.</u>	<u>Event/Action</u>
2019-1211-46	Issue a distribution/transmission line license to Southwestern Bell Telephone Company for one fiber optic line over and across the west side of the Woodhouse Terminal
2019-1211-47	Issue a pipeline license to CenterPoint Energy Resources Corp for a 2-inch natural gas pipeline under and across the Northside Mainline railroad right-of-way along McCarty Street
2019-1211-48	Amend a pipeline license to HSC Pipeline Partnership, LLC for an additional 1,929-feet of a 16-inch ethylene pipeline across the Barbours Cut Terminal and North L Street property and connecting to an additional 1,739-feet of an 8-inch ethylene pipeline across the Bayport Container Terminal property
2019-1211-49	Amend a pipeline license to KM Liquid Terminals LLC to change from a 20-inch petroleum pipeline to a 24-inch petroleum pipeline under and across the Port Terminal Railroad Association Pasadena Cut-Off railroad right-of-way at two locations
2019-1211-50	Amend a marine construction permit to assign the permit from Targa Terminals LLC to Targa Downstream LLC for an existing dock along the Houston Ship Channel and remove the previously authorized construction modifications in the previous amendment
2019-1211-51	Amend a marine construction permit to assign the permit from Georgia Gulf Chemicals & Vinyls, LLC to INEOS Phenol and to construct a 2.9 acre three-barge dock slip along the Houston Ship Channel
2019-1211-52	Amend a marine construction permit to MARMAC LLC dba McDonough Marine Service to include approximately 16.68 acres of barge fleeting activity in Old River
2019-1211-53	Amend a distribution/transmission line license to change the licensee name from AT&T to Southwestern Bell Telephone Company for one fiber optic line over and across the Northside Turning Basin Lower Level railroad right-of-way
2019-1211-54	Authorize the Port Authority to enter into contributed funds agreements with the U.S. Army Corps of Engineers (USACE), in an initial amount not to exceed \$400,000, as necessary to support design review of the Houston Ship Channel Expansion Channel Improvement Project
J. Operations	
2019-1211-55	Staff Report – selected agenda items – Jeff Davis, Chief Port Operations Officer

<u>Minute No.</u>	<u>Event/Action</u>
2019-1211-56	Reject the bids and authorize re-advertisement for competitive sealed proposals for purchase of miscellaneous auto parts for terminal equipment at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal
2019-1211-57	Approve staff's ranking of vendors and award a two-year contract for repair of motors, generators, and alternators for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal to the top-ranked proposer: staff ranking – first, Northstar Industries; and second, Amerimex Motor and Controls, LLC Port Commission adopted the staff-recommended ranking and authorized award
2019-1211-58	Award a contract to Wesco Distribution, Inc. for the purchase of LED lighting for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal
2019-1211-59	Award a two-year contract to Coastal Welding Supply, Inc. for the purchase of welding supplies and gases for Barbours Cut Terminal, Bayport Container Terminal and Turning Basin Terminal
2019-1211-60	Award a two-year contract to Houston-Pasadena Apache Oil Company for the purchase of miscellaneous filters for terminal equipment at Barbours Cut Terminal, Bayport Container Terminal and Turning Basin Terminal
2019-1211-61	Approve a change order with RailWorks Track Systems, Inc. to perform additional work associated with gantry rails at Bayport Container Terminal
2019-1211-62	Approve an amendment to the lease agreement with Houston Terminal, LLC for an empty container depot at Bayport Container Terminal providing for reimbursement of Houston Terminal, LLC's construction costs for certain work
2019-1211-63	Reissue and amend Port Authority Tariff Nos. 8, 14, and 15 covering the Turning Basin Terminals, Barbours Cut Terminal, and Bayport Container Terminal, all effective on or around January 1, 2020
2019-1211-64	Recommendation to issue Stevedore Licenses for one-year terms commencing January 1, 2020 and expiring December 31, 2020, to Agri American Stevedores, LLC; APS Stevedoring, LLC; BBM Terminals Corp.; Ceres Gulf, Inc.; Cooper/Ports America; Gulf Stream Marine, Inc.; Jacintoport International, LLC; Marine Terminal Corporation East; Richardson Stevedoring and Logistics Services, Inc.; Schroder Marine Service; Southern Stevedoring Co., LP; and Suderman Contracting

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Stevedores, Inc., upon each applicant's satisfactory completion of all requirements and obligations for license issuance

K. People

2019-1211-65 Staff Report – selected agenda items – Jessica Shaver, Chief People Officer

2019-1211-66 Enter into a one-year agreement with the Houston International Seafarers' Center to provide humanitarian services to seafarers whose vessels call at the terminals of the Port Authority, effective January 1, 2020

L. Port Security and Emergency Operation

2019-1211-68 Award a contract to Motorola Solutions for the construction of two Astro P25 Simulcast Radio Tower Sites, utilizing the Houston-Galveston Area Council Cooperative Purchasing Program

2019-1211-69 Issue a purchase order to Siddons Martin Emergency Group for the purchase of a 2020 Fire Engine, using the Houston-Galveston Area Council's Cooperative Purchasing Program

2019-1211-70 Issue a purchase order to Metro Fire Apparatus Specialists, Inc. for the purchase of ten Self Containing Breathing Apparatus and ten cylinders, using the Houston-Galveston Area Council's Cooperative Purchasing Program

M. Technology

2019-1211-71 Staff Report – selected agenda items – Charles Thompson, Chief Information Officer

2019-1211-72 Issue a purchase order to SHI Government Solutions, Inc. for business and cybersecurity expansion of the Microsoft Enterprise License Agreement, using Texas Department of Information Resources cooperative purchase program over a two-year period

2019-1211-73 Issue a purchase order to NetSync Network Solutions, Inc. for purchase of Information Technology components (Switches, Access Points, and associated peripherals) for Container Yard 7 North, using Texas Department of Information Resources' cooperative purchase program

2019-1211-74 Issue a purchase order to CDW Government LLC for purchase of additional data storage, using Texas Department of Information Resources' cooperative purchase program

<u>Minute No.</u>	<u>Event/Action</u>
2019-1211-75	Amend and extend an existing contract with Comcast Cable Communications Management, LLC for an additional two years to support internet connectivity and redundancy and the relocation of circuits resulting from the Barbour's Cut entry gate project
	N. Recess Open Meeting and Convene Executive Session
	O. Reconvene Open Meeting
	P. Infrastructure
2019-1211-76	Approve staff's ranking of vendors and award a construction contract in an amount not to exceed \$4,058,220 to replace the fender system at Wharves 1 and 2 at CARE Terminal to the top-ranked proposer: staff ranking – first, Orion Construction, LP; second, Russell Marine, LLC; and third, Alphamar Group, Inc.
	Port Commission adopted the staff-recommended ranking and authorized award
2019-1211-77	Motion to authorize the Port Authority to amend its agreements for legal services with the AZA law firm for legal services on the terms discussed in Executive Session, and authorize the Executive Director to do all things necessary to give effect to the foregoing
	Q. Adjourn Meeting

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

**Houston, Texas
December 11, 2019**

A public meeting of the Port Commission of the Port of Houston Authority of Harris County, Texas was convened on December 11, 2019 at 9:00 a.m., at the Port of Houston Authority Executive Office, Fourth Floor Boardroom, at 111 East Loop North, Houston, Texas 77029. The following commissioners, staff, and counsel were present:

Ric Campo, Chairman
Theldon R. Branch, III, Commissioner
Wendy Cloonan, Commissioner
Dean E. Corgey, Commissioner
Clyde E. Fitzgerald, Commissioner
Roy D. Mease, Commissioner
Roger Guenther, Executive Director
Erik Eriksson, Chief Legal Officer
Tom Heidt, Chief Operating Officer
J. Kent Friedman, outside counsel

Chairman Campo convened the meeting of the Port Commission and wished everyone happy holidays. He thanked the commissioners for supporting him through the first year of his chairmanship and thanked staff for everything that had been accomplished over the past year.

Chairman Campo spoke briefly about the previous week's advocacy trip to Washington D.C. with members of the Coalition for a Fair and Open Port. Meeting were held with the Vice President's Office, Senate committees, the U.S. Army Corps of Engineers (Corps), and the Office of Management and Budget. Advocacy efforts have thus far produced positive feedback, but no promises have been given. The Port Authority is prepared, along with private industry, to fully fund the project if need be, although federal funding is still being sought; doing this would allow the project to move faster and be completed sooner. Industry has been with the Port Authority at every step and has committed to contributing to the cost.

Commissioner Corgey thanked Chairman Campo for his leadership, remarking that the chairman came to the Port Authority with no maritime experience but had learned quickly.

(2019-1211-01) Chairman Campo called for a motion to approve the minutes of the October 22, 2019 Port Commission meeting. Commissioner Corgey moved for approval, seconded by Commissioner Mease. The minutes were approved as written.

Chairman Campo noted that future committee updates would be placed in the commissioner's briefing books instead of oral reports being given during Port Commission meetings.

(2019-1211-02) Chairman Campo reported on the Compensation Committee Meeting – October 22, 2019.

- Staff provided an overview of the 2019 Pay for Performance Program, 2020 Incentive Program, and gave an update on succession planning.
- Further discussions on the 2020 Incentive Program were on the committee meeting agenda later in the day.

(2019-1211-03) Chairman Campo reported on the Audit Committee Meeting – October 22, 2019.

- 3rd quarter financial results;
- Internal Audit 2020 Budget;
- 2020 Audit Plan (for approval on today's agenda); and
- General audit activities.

(2019-1211-04) Commissioner Branch reported on the Procurement and Small Business Development Task Force Meeting – November 11, 2019.

- An update on the disparity study was presented and was off to a great start; and
- Updates on procurement matters and the Small Business Program were provided.

(2019-1211-05) Commissioner Fitzgerald reported on the Pension and Benefits Committee Meeting – November 11, 2019.

- Staff reported on 3rd quarter performance of Pension, OPEB, Deferred Compensation, and Defined Contribution plans; and
- The actuarial valuation report, amended investment policies, and written funding policy were all on the day's agenda.

(2019-1211-06) Chairman Campo introduced Ronald Bettag, Executive Intelligence Review/LaRouche, who addressed the Port Commission.

Mr. Bettag announced and distributed a policy report regarding collaboration and joint development of physical infrastructure and scientific cooperation involving joint investment and job growth. He noted the report was a blueprint to end the policy of bank bailouts and zero growth scenarios.

(2019-1211-07) Chairman Campo asked if there was anyone else who would like to address the Port Commission; there were no responses.

(2019-1211-08) Mr. Guenther presented a summary of operational and financial matters as follows:

- Overall tonnage across the public docks was up 6%.
- Container volume remained in double digits: 2018 container volume was surpassed in November of the current year, and container volume would approach 3 million TEUs by the end of the year.
- The 2019 recap of financial and operating results would be presented at the January 2020 Port Commission meeting.

Mr. Guenther recognized service milestones for the following staff members:

- Myra Sechrist, Senior Payroll Administrator, and Kelli Green, Senior Executive Assistant, for 20 years of service;
- Eric LeBeaux, Tradesman IV at Barbours Cut Maintenance, and Jeff Davis, Chief Port Operations Officer, for 25 years of service; and
- Shanna Deisch, Tradesman IV, for 30 years of service.

Mr. Guenther noted that Executive items on the agenda included the procurement of online legal research services, a service agreement with the Greater Houston Port Bureau, adoption of the 2020 audit plan, and an amended interlocal agreement with the Board of Pilot Commissioners.

(2019-1211-09) RCA F1 was presented and discussed.

Mr. Guenther yielded the floor to Ms. Shaver for an update on the 2020 Strategic Plan. Ms. Shaver remarked that the plan had been taken to the public for input and then revised based on the feedback received. Ms. Shaver then introduced Richard Batty, ICF International Inc., to provide the report on the plan.

Mr. Batty remarked that the internal design team had been involved in an extensive consultation process with internal and external stakeholders. Three workshops were held, each time refining the document, a course check with the Port Authority chief officers was completed after each workshop, focus groups were held with various staff members, and meetings were held with Port Authority customers, industry partners, and community members.

Mr. Batty commented that the Mission and Vision had not changed in the current draft of the Strategic Plan; however, the goals and objectives on how the Port Authority would achieve the Mission and Vision had changed. The Strategic Goals were People, Infrastructure, Partnerships, and Stewardship, with each objective having a set of corresponding measures to determine progress. These were considered the highest priority areas.

Mr. Batty highlighted several specific objectives related to each goal. The People goal had the following objectives: retain, engage, develop, and attract the right people;

foster a culture of diversity and inclusion; and deliver continuous improvement. The Infrastructure goal had the following objectives: widen, deepen, and maintain the channel; drive development; and develop technology. The Partnerships goal had the following objectives: cultivate relationships with stakeholders; transparency; and proactive communication. Finally, the Stewardship goal had the following objectives: environmental leadership; disruptive incidents; robust maritime workforce development; and sustainable economic growth.

Mr. Batty noted that there was a strong focus on people and external stakeholders in the current draft of the Strategic Plan, and the next step for staff was to plan the specific actions to achieve each objective.

Chairman Campo moved on to outline the process for establishment of the new Pilot Board. The appointing agencies had appointed potential Pilot Board members, and there had been discussion as to the transition plan, and that the Port Authority would help provide a seamless transition for the new Pilot Board.

The term of a proposed interlocal agreement was originally to extend through the end of March of 2020; however, the new Pilot Board had requested an option to extend the transition period from the end of March to the end of June. Chairman Campo noted that he would rather not have the option exercised and simply have a clean break at the end of March.

He went on to observe that the legislation was not clear as to what happens to the chairman of the Pilot Board. However, based on discussion with the county and City of Houston, once the new Pilot Board was settled and financially operable, he anticipated that he would resign as chairman of the Pilot Board and allow for the appointment of a new chairman. He added that the appointing authorities understand this plan and were in support of it.

Commissioner Mease asked if the Port Authority would be paying any funds for the Pilot Board at the end of the transition period, and Chairman Campo replied that the Port Authority would no longer have any monetary commitments to the Pilot Board once the transition was complete, adding that meetings would probably be held at the Houston Pilots's headquarters. Chairman Campo reiterated that once the transition was complete the new Pilot Board would be independent of the Port Authority and Port Commission, from both a leadership and financial perspective.

Commissioner Fitzgerald asked about Chairman Campo's decision to resign in either March or June, and Chairman Campo clarified that he would resign when the appointing bodies want him to. While he would be happy to resign at the end of the transition, it depended on what the appointing bodies wanted him to do.

Commissioner Fitzgerald inquired whether the Port Authority was abiding by the legislation by doing this. Chairman Campo replied that he was following the legislation, and Mr. Eriksson confirmed that. Chairman Campo also noted that he had conversations with the Coalition for a Fair and Open Port and the plan was acceptable to it. Chairman Campo noted that the letter of the law was not exactly clear, but he believed that it was being followed as intended, and when he resigned the city and county would meet to appoint a new chairman.

Commissioner Fitzgerald remarked that the Port Authority had a very good relationship with the Houston Pilots over the years, and the groups had worked together very well. The pilots provide flexibility bringing vessels in and out based on the needs of the customer, and he hoped the relationship could be maintained moving forward. Captain Mark Mitchem, Presiding Officer, Houston Pilots, emphasized that the goal moving forward was for nothing to change, he thanked the Port Commission for its service, and added that he did not foresee any problems in the future.

Commissioner Mease stated that he personally did not think that the State of Texas had any right to regulate a federal waterway.

Commissioner Corgey observed that he did not envision anything changing, he expected the pilots to keep the ships moving, and appreciated everything they had done.

Commissioner Cloonan asked what would constitute an event of default under the terms of the interlocal agreement. Mr. Eriksson replied that it would be the situation where the new Pilot Board began to collect fees for its services and did not remit them to the Port Authority under the agreement.

Commissioner Cloonan queried about the status of any legal proceedings related to the new legislation, and Mr. Eriksson explained that an attorney general opinion was never requested. The Port Authority had sought the concurrence of the city and county to do so, but both thought the best way to proceed was acting as if there was a 45-day period to appoint members, and so the city and county proceeded with their respective nominations.

Chairman Campo added that the appointing agencies did not want to lose their opportunity to appoint commissioners. The right position to take was that it was more important to drive together to deepen and widen the channel and have a clean slate moving forward.

Mr. Eriksson added that the important functions of the Pilot Board continued to be pilot licensing, incident review and investigation reporting, and tariff review and authorization.

(2019-1211-10) RCA F2 was presented, moved by Commissioner Branch, seconded by Commissioner Mease. Chairman Campo, and Commissioners Branch, Cloonan, Corgey, Fitzgerald, and Mease voted Aye. Nays none. RCA F2 PASSED.

(2019-1211-11) RCA F3 was presented, moved by Commissioner Branch, seconded by Commissioner Mease. Chairman Campo, and Commissioners Branch, Cloonan, Corgey, Fitzgerald, and Mease voted Aye. Nays none. RCA F3 PASSED.

(2019-1211-12) RCA F4 was presented, moved by Commissioner Branch, seconded by Commissioner Mease. Chairman Campo, and Commissioners Branch, Cloonan, Corgey, Fitzgerald, and Mease voted Aye. Nays none. RCA F4 PASSED.

(2019-1211-13) RCA F5 was presented, moved by Commissioner Corgey, seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Branch, Cloonan, Corgey, Fitzgerald, and Mease voted Aye. Nays none. RCA F5 PASSED.

(2019-1211-14) Chairman Campo recognized John Moseley, Chief Commercial Officer, to provide a report of selected agenda items.

Mr. Moseley noted there were thirteen items on the agenda for the Commercial Division. The first was a request to enter into a partnership with a new trade consultant for Latin America to replace the retiring Arturo Gamez. The second request was for a membership in the Greater Houston Partnership and the benefits that carried with it. The remaining agenda items were related to real estate, the majority of which were term leases to replace current month-to-month leases; the last two agenda items are requests to approve changes of control.

Mr. Moseley highlighted agenda Item G3 – a lease amendment with Volkswagen. He quoted an article from the *Port of Houston* magazine in 1970 where 250,000 Volkswagen units and the very first Audi discharges were announced. The Port Authority has a great relationship with Volkswagen – since 1954 – and the current lease expired at the end of the year. After months of negotiation, the signature page for the lease extension had been executed by Volkswagen the prior evening. He thanked Randy Stiefel, Director of General Cargo Facilities, and R.D. Tanner, Senior Director, Real Estate, for their hard work in securing an extension for the next four years.

Mr. Eriksson noted that staff was still waiting on a few items related to Item G13 but asked the Port Commission to approve the item and authorize Mr. Guenther to direct its completion. The counterparty to the assignment would be a proposed joint venture and information regarding it had not yet been released. Accordingly, the final assignment would be subject to approval of the joint venture partner.

Commissioner Mease asked what benefits the Port Authority received for its \$60,000 membership in the Greater Houston Partnership. Mr. Moseley stated that staff was currently serving on seven advisory committees and three other committees, and this membership fee was the smallest of the major partner levels. There were multiple committees that Port Authority staff would continue to serve on to ensure its voice was heard. The Port Authority would also receive a seat on the board, which Commissioner Cloonan planned to take.

Commissioner Fitzgerald asked what Volkswagen planned to do with the larger ships in its service that would not fit at the Turning Basin Terminal, and Mr. Moseley explained that Volkswagen had thirteen vessels in service and two were too large to enter the Turning Basin. He replied that his division was working with Volkswagen on alternatives for the future.

Chairman Campo asked if the deepening and widening of the channel would help. Mr. Moseley stated that it would not, as the problem was fitting the ships under the Ship Channel Bridge.

(2019-1211-15) RCA G1 was presented, moved by Commissioner Branch, seconded by Commissioner Mease. Chairman Campo, and Commissioners Branch, Cloonan, Corgy, Fitzgerald, and Mease voted Aye. Nays none. RCA G1 PASSED.

(2019-1211-16) RCA G2 was presented, moved by Commissioner Branch, seconded by Commissioner Mease. Chairman Campo, and Commissioners Branch, Cloonan, Corgy, Fitzgerald, and Mease voted Aye. Nays none. RCA G2 PASSED.

(2019-1211-17) RCA G3 was presented, moved by Commissioner Branch, seconded by Commissioner Mease. Chairman Campo, and Commissioners Branch, Cloonan, Corgy, Fitzgerald, and Mease voted Aye. Nays none. RCA G3 PASSED.

(2019-1211-18) RCA G4 was presented, moved by Commissioner Branch, seconded by Commissioner Mease. Chairman Campo, and Commissioners Branch, Cloonan, Corgy, Fitzgerald, and Mease voted Aye. Nays none. RCA G4 PASSED.

(2019-1211-19) RCA G5 was presented, moved by Commissioner Branch, seconded by Commissioner Mease. Chairman Campo, and Commissioners Branch, Cloonan, Corgy, Fitzgerald, and Mease voted Aye. Nays none. RCA G5 PASSED.

(2019-1211-20) RCA G6 was presented, moved by Commissioner Branch, seconded by Commissioner Mease. Chairman Campo, and Commissioners Branch, Cloonan, Corgy, Fitzgerald, and Mease voted Aye. Nays none. RCA G6 PASSED.

(2019-1211-21) RCA G7 was presented, moved by Commissioner Branch, seconded by Commissioner Mease. Chairman Campo, and Commissioners Branch, Cloonan, Corgey, Fitzgerald, and Mease voted Aye. Nays none. RCA G7 PASSED.

(2019-1211-22) RCA G8 was presented, moved by Commissioner Branch, seconded by Commissioner Mease. Chairman Campo, and Commissioners Branch, Cloonan, Corgey, Fitzgerald, and Mease voted Aye. Nays none. RCA G8 PASSED.

(2019-1211-23) RCA G9 was presented, moved by Commissioner Branch, seconded by Commissioner Mease. Chairman Campo, and Commissioners Branch, Cloonan, Corgey, Fitzgerald, and Mease voted Aye. Nays none. RCA G9 PASSED.

(2019-1211-24) RCA G10 was presented, moved by Commissioner Branch, seconded by Commissioner Mease. Chairman Campo, and Commissioners Branch, Cloonan, Corgey, Fitzgerald, and Mease voted Aye. Nays none. RCA G10 PASSED.

(2019-1211-25) RCA G11 was presented, moved by Commissioner Branch, seconded by Commissioner Mease. Chairman Campo, and Commissioners Branch, Cloonan, Corgey, Fitzgerald, and Mease voted Aye. Nays none. RCA G11 PASSED.

(2019-1211-26) RCA G12 was presented, moved by Commissioner Branch, seconded by Commissioner Mease. Chairman Campo, and Commissioners Branch, Cloonan, Corgey, Fitzgerald, and Mease voted Aye. Nays none. RCA G12 PASSED.

(2019-1211-27) RCA G13 was presented, moved by Commissioner Branch, seconded by Commissioner Mease. Chairman Campo, and Commissioners Branch, Cloonan, Corgey, Fitzgerald, and Mease voted Aye. Nays none. RCA G13 PASSED.

(2019-1211-28) Chairman Campo returned to Item F1 and called for public comment regarding the review and update to the Port of Houston Authority's 2020 Strategic Plan.

(2019-1211-28(a)) Chairman Campo recognized Bridgette Murray, Achieving Community Tasks Successfully, who addressed the Port Commission.

Ms. Murray stated she was a member of the Healthy Port Communities Coalition and a resident in the Pleasantville community, and there were two areas of the Strategic Plan regarding which she and the community wanted to see more detail and clarification.

- She did not think it was clear how the Port Authority would directly interact with communities and the residents' needs.

- She also noted that there was an inactive dredge site in Pleasantville across the freeway and another in the Clinton Park area, and wanted to know how the Port Authority would engage her community.

Commissioner Branch asked if Ms. Murray had interacted with the Port Authority in the past, and she replied that she was a former member of the Chairman's Citizen Advisory Council, which is no longer active. Chairman Campo remarked that the Chairman's Citizen Advisory Council would be brought back in the coming year.

Commissioner Branch noted the Port Commission had worked with Ms. Murray and the Healthy Port Communities Coalition in the past and asked if she felt the Port Authority was being responsive. Ms. Murray recognized the Community Relations Department and stated Leslie Herbst, Director, Community Relations and Events, attended super-neighborhood meetings on a regular basis. Ms. Murray thought there were other communities besides Pleasantville that needed to have a voice.

(2019-1211-28(b)) Chairman Campo recognized Stephanie Thomas, Healthy Port Communities Coalition, who addressed the Port Commission.

Ms. Thomas stated she was also part of a coalition called Public Citizen which worked on environmental and energy related issues in the State of Texas. She emphasized that when the Port Authority mentioned the environment in its Strategic Plan, it must include public health as part of its goals. When talking about emission reductions, the value of students not getting asthma attacks and being able to attend school must be considered. She believed it was an important framework to not only consider the monetary value of environmental stewardship; health must also be factored in.

(2019-1211-29) Chairman Campo recognized Tom Heidt, Chief Operating Officer, to provide a report of selected agenda items.

Mr. Heidt stated that agenda Item H1 was for the annual payments to the Harris County Appraisal District for appraising properties paying general obligation bond debt taxes and to the Tax Assessor and Collector for collecting these tax proceeds. Items 2 to 5 relate to the Pension and Benefits Committee. The first was to approve the actuarial valuation report which must be filed with the Texas Pension Review Board; this report shows the fund as 92.9% funded. He added that the Port Commission had approved an additional payment to this fund, which was now 95.5% funded.

Mr. Heidt noted that minor changes to the annual investment policies for the restated retirement plan and the OPEB plan were being asked for, and the final agenda item was a response to the new legislation requiring a written funding policy in order to attain one hundred percent funding of the pension fund, putting in writing what staff had already been doing.

(2019-1211-30) RCA H1 was presented, moved by Commissioner Corgey, seconded by Commissioner Branch. Chairman Campo, and Commissioners Branch, Cloonan, Corgey, Fitzgerald, and Mease voted Aye. RCA H1 PASSED.

(2019-1211-31) RCA H2 was presented, moved by Commissioner Corgey, seconded by Commissioner Branch. Chairman Campo, and Commissioners Branch, Cloonan, Corgey, Fitzgerald, and Mease voted Aye. RCA H2 PASSED.

(2019-1211-32) RCA H3 was presented, moved by Commissioner Corgey, seconded by Commissioner Branch. Chairman Campo, and Commissioners Branch, Cloonan, Corgey, Fitzgerald, and Mease voted Aye. RCA H3 PASSED.

(2019-1211-33) RCA H4 was presented, moved by Commissioner Corgey, seconded by Commissioner Branch. Chairman Campo, and Commissioners Branch, Cloonan, Corgey, Fitzgerald, and Mease voted Aye. RCA H4 PASSED.

(2019-1211-34) RCA H5 was presented, moved by Commissioner Corgey, seconded by Commissioner Branch. Chairman Campo, and Commissioners Branch, Cloonan, Corgey, Fitzgerald, and Mease voted Aye. RCA H5 PASSED.

(2019-1211-35) Chairman Campo recognized Rich Byrnes, Chief Infrastructure Officer, to provide a report of selected agenda items.

Mr. Byrnes noted there were 19 items on the agenda for the Infrastructure Division. Three were project related items, six marine construction projects all along the channel, nine pipeline licenses and amendments, and one item was to approve Corps funding to review activities related to the expansion design, which was required by law: the federal government must review and approve all designs and the Port Authority must compensate it for all costs.

Commissioner Branch asked for clarification that the Port Authority was paying for the review process, and Mr. Byrnes replied in the affirmative.

Mr. Byrnes highlighted a negotiated electric contract. Authorized by the Port Commission in October, the contract was signed the prior week for a ten-year term. It would save a quarter million dollars per year and a quarter million tons of carbon emissions over the life of the contract, a win-win for the Port Authority.

Mr. Byrnes observed in January 2019 his division had a plan to present approximately 70 agenda items throughout the year worth about \$190 million. There was a bit of variability over the course of the year, but the division ended up with awards for about \$180 million in contracts.

Commissioner Mease addressed agenda Item 11, commenting that an awful lot of money was being spent on a restroom. Mr. Byrnes explained there were twelve antiquated facilities across five locations and that the design cost was due to pipeline issues relating to water supplying the restrooms. Commissioner Branch noted that the agenda item covered restrooms along the docks and was needed.

(2019-1211-36) RCA 11 was presented. Commissioner Mease moved for staff ranking – first, PDG, Inc. dba PDG Architects; second, Vergel Gay & Associates, LLC; and third, Lucien T. Vivien, Jr. & Associates, Inc., seconded by Commissioner Branch. Chairman Campo, and Commissioners Branch, Cloonan, Corgey, Fitzgerald, and Mease voted Aye. Nays none. RCA 11 PASSED.

(2019-1211-37) RCA 12 was presented, moved by Commissioner Mease, seconded by Commissioner Branch. Chairman Campo, and Commissioners Branch, Cloonan, Corgey, Fitzgerald, and Mease voted Aye. Nays none. RCA 12 PASSED.

(2019-1211-38) RCA 13 was presented, moved by Commissioner Mease, seconded by Commissioner Branch. Chairman Campo, and Commissioners Branch, Cloonan, Corgey, Fitzgerald, and Mease voted Aye. Nays none. RCA 13 PASSED.

(2019-1211-39) RCA 14 was presented, moved by Commissioner Mease, seconded by Commissioner Branch. Chairman Campo, and Commissioners Branch, Cloonan, Corgey, Fitzgerald, and Mease voted Aye. Nays none. RCA 14 PASSED.

(2019-1211-40) RCA 15 was presented, moved by Commissioner Mease, seconded by Commissioner Branch. Chairman Campo, and Commissioners Branch, Cloonan, Corgey, Fitzgerald, and Mease voted Aye. Nays none. RCA 15 PASSED.

(2019-1211-41) RCA 16 was presented, moved by Commissioner Mease, seconded by Commissioner Branch. Chairman Campo, and Commissioners Branch, Cloonan, Corgey, Fitzgerald, and Mease voted Aye. Nays none. RCA 16 PASSED.

(2019-1211-42) RCA 17 was presented, moved by Commissioner Mease, seconded by Commissioner Branch. Chairman Campo, and Commissioners Branch, Cloonan, Corgey, Fitzgerald, and Mease voted Aye. Nays none. RCA 17 PASSED.

(2019-1211-43) RCA 18 was presented, moved by Commissioner Mease, seconded by Commissioner Branch. Chairman Campo, and Commissioners Branch, Cloonan, Corgey, Fitzgerald, and Mease voted Aye. Nays none. RCA 18 PASSED.

(2019-1211-44) RCA I9 was presented, moved by Commissioner Mease, seconded by Commissioner Branch. Chairman Campo, and Commissioners Branch, Cloonan, Corghey, Fitzgerald, and Mease voted Aye. Nays none. RCA I9 PASSED.

(2019-1211-45) RCA I10 was presented, moved by Commissioner Mease, seconded by Commissioner Branch. Chairman Campo, and Commissioners Branch, Cloonan, Corghey, Fitzgerald, and Mease voted Aye. Nays none. RCA I10 PASSED.

(2019-1211-46) RCA I11 was presented, moved by Commissioner Mease, seconded by Commissioner Branch. Chairman Campo, and Commissioners Branch, Cloonan, Corghey, Fitzgerald, and Mease voted Aye. Nays none. RCA I11 PASSED.

(2019-1211-47) RCA I12 was presented, moved by Commissioner Mease, seconded by Commissioner Branch. Chairman Campo, and Commissioners Branch, Cloonan, Corghey, Fitzgerald, and Mease voted Aye. Nays none. RCA I12 PASSED.

(2019-1211-48) RCA I13 was presented, moved by Commissioner Mease, seconded by Commissioner Branch. Chairman Campo, and Commissioners Branch, Cloonan, Corghey, Fitzgerald, and Mease voted Aye. Nays none. RCA I13 PASSED.

(2019-1211-49) RCA I14 was presented, moved by Commissioner Mease, seconded by Commissioner Branch. Chairman Campo, and Commissioners Branch, Cloonan, Corghey, Fitzgerald, and Mease voted Aye. Nays none. RCA I14 PASSED.

(2019-1211-50) RCA I15 was presented, moved by Commissioner Mease, seconded by Commissioner Branch. Chairman Campo, and Commissioners Branch, Cloonan, Corghey, Fitzgerald, and Mease voted Aye. Nays none. RCA I15 PASSED.

(2019-1211-51) RCA I16 was presented, moved by Commissioner Mease, seconded by Commissioner Branch. Chairman Campo, and Commissioners Branch, Cloonan, Corghey, Fitzgerald, and Mease voted Aye. Nays none. RCA I16 PASSED.

(2019-1211-52) RCA I17 was presented, moved by Commissioner Mease, seconded by Commissioner Branch. Chairman Campo, and Commissioners Branch, Cloonan, Corghey, Fitzgerald, and Mease voted Aye. Nays none. RCA I17 PASSED.

(2019-1211-53) RCA I18 was presented, moved by Commissioner Mease, seconded by Commissioner Branch. Chairman Campo, and Commissioners Branch, Cloonan, Corghey, Fitzgerald, and Mease voted Aye. Nays none. RCA I18 PASSED.

(2019-1211-54) RCA I19 was presented, moved by Commissioner Mease, seconded by Commissioner Branch. Chairman Campo, and Commissioners Branch, Cloonan, Corghey, Fitzgerald, and Mease voted Aye. Nays none. RCA I19 PASSED.

(2019-1211-55) Chairman Campo recognized Jeff Davis, Chief Port Operations Officer, to provide a report of selected agenda items.

Mr. Davis observed that there were nine items on the agenda for Port Operations – six related to maintenance of the facilities and three business-related. Item J2 was for the repair of motor generators. There were currently over 2,000 motors on RTGs and ship-to-shore cranes, and these services were very important to keep the motors up and running. Item J3 represented the third leg of the four-phase project for replacing all lights to LEDs; there would be one more phase to come.

Mr. Guenther asked if there had been a measured reduction in energy use and a significant increase in safety as a result of the conversion, and Mr. Davis emphasized that there had been. Mr. Guenther remarked that the LED lights do not infiltrate into the community, especially at Barbours Cut. Mr. Heidt observed that over 2,000 fixtures will have been replaced when the project is completed.

Mr. Davis highlighted the Houston Terminal amendment, Item J7. In February the Port Commission approved amending and restating the existing lease with Houston Terminal to facilitate the construction of an empty container handling depot inside the restricted area of the Bayport Terminal. The proposed amendment would allow Houston Terminal to construct components in said yard on behalf of the Port Authority, in order to connect utilities.

Mr. Davis highlighted Item J8, a re-issuance of Port Authority tariffs. This was an annual ask, and in this instance there was a new charge related to agents' failure to submit berth applications – a \$500 fee. There is also an increase in the cost of storing railcars to \$50 per day. The rest of the changes were just cleaning up language.

Mr. Davis explained Item J9 relates to stevedore licenses. There was one new stevedore at the SESCO leased premises on the southside of the Turning Basin. He added that SESCO was set to go operational in the first quarter of 2020.

Commissioner Branch asked why a bid was being rejected on agenda Item J1, and Mr. Davis explained that there had only been one real bidder. Mr. Heidt added that the procurement would be broken up to allow for a better response.

(2019-1211-56) RCA J1 was presented, moved by Commissioner Corgey, seconded by Commissioner Mease. Chairman Campo, and Commissioners Branch, Cloonan, Corgey, Fitzgerald, and Mease voted Aye. Nays none. RCA J1 PASSED.

(2019-1211-57) RCA J2 was presented. Commissioner Corgey moved for staff ranking – first, Northstar Industries; and second, Amerimex Motor and Controls, LLC,

seconded by Commissioner Mease. Chairman Campo, and Commissioners Branch, Cloonan, Corgy, Fitzgerald, and Mease voted Aye. Nays none. RCA J2 PASSED.

(2019-1211-58) RCA J3 was presented, moved by Commissioner Corgy, seconded by Commissioner Mease. Chairman Campo, and Commissioners Branch, Cloonan, Corgy, Fitzgerald, and Mease voted Aye. Nays none. RCA J3 PASSED.

(2019-1211-59) RCA J4 was presented, moved by Commissioner Corgy, seconded by Commissioner Mease. Chairman Campo, and Commissioners Branch, Cloonan, Corgy, Fitzgerald, and Mease voted Aye. Nays none. RCA J4 PASSED.

(2019-1211-60) RCA J5 was presented, moved by Commissioner Corgy, seconded by Commissioner Mease. Chairman Campo, and Commissioners Branch, Cloonan, Corgy, Fitzgerald, and Mease voted Aye. Nays none. RCA J5 PASSED.

(2019-1211-61) RCA J6 was presented, moved by Commissioner Corgy, seconded by Commissioner Mease. Chairman Campo, and Commissioners Branch, Cloonan, Corgy, Fitzgerald, and Mease voted Aye. Nays none. RCA J6 PASSED.

(2019-1211-62) RCA J7 was presented, moved by Commissioner Corgy, seconded by Commissioner Mease. Chairman Campo, and Commissioners Branch, Cloonan, Corgy, Fitzgerald, and Mease voted Aye. Nays none. RCA J7 PASSED.

(2019-1211-63) RCA J8 was presented, moved by Commissioner Corgy, seconded by Commissioner Mease. Chairman Campo, and Commissioners Branch, Cloonan, Corgy, Fitzgerald, and Mease voted Aye. Nays none. RCA J8 PASSED.

(2019-1211-64) RCA J9 was presented, moved by Commissioner Corgy, seconded by Commissioner Mease. Chairman Campo, and Commissioners Branch, Cloonan, Corgy, Fitzgerald, and Mease voted Aye. Nays none. RCA J9 PASSED.

(2019-1211-65) Chairman Campo recognized Jessica Shaver, Chief People Officer, to provide a report of selected agenda items.

Ms. Shaver noted the only item on the agenda for the People Division was the annual agreement with the Houston International Seafarers' Center. There were no changes to the agreement, and she added that the Port Authority had worked with the center for over five decades.

(2019-1211-66) RCA K1 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Branch. Chairman Campo, and Commissioners Branch, Cloonan, Corgy, Fitzgerald, and Mease voted Aye. Nays none. RCA K1 PASSED.

(2019-1211-67) Chairman Campo recognized Marcus Woodring, Chief Port Security and Emergency Operations Officer, to provide a report of selected agenda items.

Mr. Woodring remarked that he had briefed Commissioner DonCarlos on the Lonestar Harbor Safety Committee, which had been setting up a fleeting area working group to analyze the events relating to the accident at I-10. There was currently a safety zone in effect, giving the Captain of the Port temporary powers to regulate, and the working group was developing a Waterways Action Plan, which was a voluntary plan. If the Captain of the Port chose to, he could enact a Regulated Navigation Area. Mr. Woodring added that he had requested a seat on the working group.

Mr. Woodring announced that the police department was holding its annual silver Santa drive, in its fourth year. Separately, the sergeants have a relationship with Port Houston Elementary and would provide ten to fifteen bicycles to deserving students at the school.

Mr. Woodring commented that his division had three agenda items, two of which were self-explanatory. The new fire engine was a recapitalization, normally carried out every ten years, but this engine had lasted 13 years. He remarked that it takes about nine months to build an engine. The self-contained breathing apparatus is a four-year recapitalization schedule; the Port Authority replaces ten every year.

Mr. Woodring explained agenda Item L1, a contract for the construction of two radio towers. The Port Commission previously approved an amendment to an interlocal agreement with Harris County to become a partner on the Harris County radio system. In return for becoming a partner and having the fees waived, the Port Authority agreed to build two radio towers. The current agenda item seeks authorization to build those towers. The return on investment for not paying the fees would be approximately ten years.

Commissioner Mease clarified that the Port Authority would get its money back in ten years after building the towers; Mr. Woodring stated that was correct. The Port Authority spends \$600,000 per year for radio system fees that would be waived. Chairman Campo noted that the towers would improve the resiliency of the system as well and Mr. Woodring stressed this was absolutely correct.

Commissioner Branch asked what would be done with the old system currently in use. Colin Rizzo, Emergency Manager, explained that the current system would remain regional assets to be deployed in the case a tower was to become disabled. Mr. Woodring noted that it would cost \$5,000 a year to keep the old system active and ready for deployment, which was an acceptable cost.

Mr. Guenther asked if the location of one of the towers at Morgan's Point was acceptable to the community, and Mr. Woodring replied that Morgan's Point was okay with the tower location.

(2019-1211-68) RCA L1 was presented, moved by Commissioner Branch, seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Branch, Cloonan, Corgey, Fitzgerald, and Mease voted Aye. Nays none. RCA L1 PASSED.

(2019-1211-69) RCA L2 was presented, moved by Commissioner Branch, seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Branch, Cloonan, Corgey, Fitzgerald, and Mease voted Aye. Nays none. RCA L2 PASSED.

(2019-1211-70) RCA L3 was presented, moved by Commissioner Branch, seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Branch, Cloonan, Corgey, Fitzgerald, and Mease voted Aye. Nays none. RCA L3 PASSED.

(2019-1211-71) Chairman Campo recognized Charles Thompson, Chief Information Officer, to provide a report of selected agenda items.

Mr. Thompson noted there were four items on the agenda. Item M1 was a three-part adjustment for the Microsoft licensing agreement. A conscious decision was made two years ago to start the licensing at a lower feature level and thereby at a lower cost level because the Port Authority was not ready to take advantage of certain advanced features, but some of this advanced technology would now include email encryption, mobile device and application management, end-user device cyber threat protection, and advanced litigation holds and e-discovery across all Microsoft platforms. Licensed users also increased from 700 to 800. Finally, software vendors were changing the method in which they bill – going from a percentage of maintenance cost to the same cost every year. Mr. Thompson stated that the total cost for the three-year period was \$900,000, \$450,000 of which was offset by not taking advantage of these features two years ago.

Mr. Thompson reported that Item M2 represented half of what was required for the technology upgrades to Container Yard 7, north only. Next year he would come back and ask for technology components for the south part of Container Yard 7.

Mr. Thompson stated that Item M3 was for the purchase of additional storage capacity for one of the data centers. More storage may be needed in the future, but he would only come back for approval when it was needed.

Finally, Item M4 was to support the Barbours Cut gate remodel. The current location of the telecommunication circuit services needed to be moved, and a \$52,000 savings would result from this extension.

(2019-1211-72) RCA M1 was presented, moved by Commissioner Branch, seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Branch, Cloonan, Corgey, Fitzgerald, and Mease voted Aye. Nays none. RCA M1 PASSED.

(2019-1211-73) RCA M2 was presented, moved by Commissioner Branch, seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Branch, Cloonan, Corgey, Fitzgerald, and Mease voted Aye. Nays none. RCA M2 PASSED.

(2019-1211-74) RCA M3 was presented, moved by Commissioner Branch, seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Branch, Cloonan, Corgey, Fitzgerald, and Mease voted Aye. Nays none. RCA M3 PASSED.

(2019-1211-75) RCA M4 was presented, moved by Commissioner Branch, seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Branch, Cloonan, Corgey, Fitzgerald, and Mease voted Aye. Nays none. RCA M4 PASSED.

At 10:16 a.m., Chairman Campo called for a brief recess and advised that the Executive Session would follow. At 10:28 a.m., Chairman Campo instructed Mr. Eriksson to make the following announcement:

The Port Commission of the Port of Houston Authority of Harris County, Texas will now convene in a closed meeting, as permitted by the Texas Open Meetings Act and Government Code (1) to conduct a private Consultation with Attorneys (Section 551.071, Texas Open Meetings Act), including consultations regarding (i) the Port Commission policy regarding certain ship channel projects; (ii) settlement with Orion Marine Construction, Inc.; and (iii) proposed amendment to the agreement for legal services with Ahmad, Zavitsanos, Anaipakos, Alavi & Mensing P.C.; deliberate regarding (2) Real Estate (Section 551.072, Texas Open Meetings Act), including disposition of Pelican Island property and disposition and acquisition of Turning Basin vicinity properties; (3) Economic Development Negotiations or Incentives (Section 551.087, Texas Open Meetings Act); (4) Employment and Evaluation of Public Employees (Section 551.074, Texas Open Meetings Act); and (5) Security-Related Matters (Sections 418.175-418.183 of the Texas Government Code, and Section 551.076, Texas Open Meetings Act).

Immediately thereafter the Port Commission retired into closed session.

At 11:27 a.m., Chairman Campo reconvened the open meeting at the Port of Houston Authority Executive Office Boardroom, at 111 East Loop North, Houston, Texas 77029, with the following Commissioners, staff and counsel in attendance:

Ric Campo, Chairman
Theldon R. Branch, III, Commissioner
Wendy Cloonan, Commissioner
Dean E. Corgey, Commissioner
Clyde E. Fitzgerald, Commissioner
Roy D. Mease, Commissioner
Roger Guenther, Executive Director
Erik Eriksson, Chief Legal Officer
Tom Heidt, Chief Operating Officer
J. Kent Friedman, outside counsel

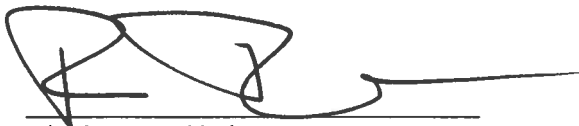
(2019-1211-76) RCA P1 was presented. Commissioner Fitzgerald moved for staff ranking – first, Orion Construction, LP; second, Russell Marine, LLC; and third, Alphamar Group, Inc., seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Cloonan, Corgey, Fitzgerald, and Mease voted Aye. Commissioner Branch voted Nay. RCA P1 PASSED.

(2019-1211-77) Commissioner Branch moved to authorize the Port Authority to amend its agreements for legal services with the AZA law firm for legal services on the terms discussed in Executive Session, and authorize the Executive Director to do all things necessary to give effect to the foregoing, seconded by Commissioner Mease. Chairman Campo, and Commissioners Branch, Cloonan, Corgey, Fitzgerald, and Mease voted Aye. Nays none. MOTION PASSED.

Chairman Campo reminded everyone that the next Port Commission meeting would be January 28, 2020.

At 11:28 a.m., Chairman Campo adjourned the Port Commission meeting.

The above is a correct copy of the Minutes of the December 11, 2019 meeting of the Port Commission of the Port of Houston Authority.



Ric Campo, Chairman



Erik A. Eriksson, Secretary

F. EXECUTIVE

Subject **1. Presentation by ICF SH&E, Inc., deliberation, and public comment regarding the review and update to the Port of Houston Authority's 2020 Strategic Plan.**

Meeting Dec 11, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 11, 2019 meeting, continue to deliberate, hear public comment, and take possible action regarding the review and update to the Port of Houston Authority's 2020 Strategic Plan, 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:
Executive

Staff Contact:
Jessica Shaver

Background:
By Minute No. 2015-0428-05, the Port Commission approved and adopted the 2015 Strategic Plan - Mission, Vision, Strategic Goals, and Objectives.

The Port Authority is required by Section 5007.221(e) of the Texas Special District Local Laws Code to re-evaluate its long-range and strategic plans every five years.

By Minute No. 2019-0226-35, the Port Commission approved a professional services contract with ICF SH&E, Inc. (ICF SH&E) to update the Port Authority Strategic Plan and provide strategic planning services for the Port Authority.

Staff Evaluation/Justification:
The Port Commission recently provided input on a preliminary draft of the 2020 Strategic Plan at a Special Port Commission Meeting on September 24, 2019. Following that meeting, ICF SH&E and staff held focus groups for internal and external stakeholders to solicit input regarding the priorities identified in the plan. Feedback has been thoroughly evaluated and incorporated into an updated draft of the Strategic Plan.

Staff now requests that the Port Commission again review the updated draft of the Strategic Plan, deliberate, hear public comment, and guide staff regarding this matter.

Staff anticipates recommending a final plan for approval at the January 28, 2020 Port Commission meeting.

F. EXECUTIVE

Subject	2. Award a three-year contract to Thomson Reuters Corporation for online legal research services, and printed publications and updates, in an amount not to exceed \$153,220.78.
Meeting	Dec 11, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its December 11, 2019 meeting, award a three-year contract to Thomson Reuters Corporation for online legal research services, and printed publications and updates, in an amount not to exceed \$153,220.78, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Awards, Amendments & Change Orders

Department:

Legal

Staff Contact:

Erik Eriksson

Background:

The Legal Department has been using printed publications from the West Publishing Corporation since 1951, and its online research services, Westlaw, since 2001. West Publishing Corporation has been a subsidiary of Thomson Reuters Corporation since 1996.

Staff Evaluation/Justification:

These services allow the Legal Department access to the latest statutes, regulations, and cases affecting the operation of the Port Authority, and to other research materials as well, and are required for the Legal Department to provide legal services to the Port Authority.

Entering into three-year agreements allows discounts that reduce costs over the term of the agreements. The cost of the online services would total \$137,878.82 over the three-year term, and the print subscription would total \$15,341.96. Thomson Reuters is the only source for these particular services.

Accordingly, the Legal Department requests that the Port Commission approve this contract.

F. EXECUTIVE

Subject	3. Enter into a service agreement with the Greater Houston Port Bureau, Inc. to provide vessel traffic movement data (real time and historical) for a one-year period in the amount of \$80,000, and subscribe to HarborLights for twenty-five users in the amount of \$10,000, for a total of \$90,000.
Meeting	Dec 11, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its December 11, 2019 meeting, enter into a service agreement with the Greater Houston Port Bureau, Inc. to provide vessel traffic movement data (real time and historical) for a one-year period in the amount of \$80,000, and subscribe to HarborLights for twenty-five users in the amount of \$10,000, for a total of \$90,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #1 - PEOPLE AND ORGANIZATION (Invest in people and organize for success)

Category:

Awards, Amendments & Change Orders

Department:

Executive

Staff Contact:

Tom Heidt

Background:

By Minute No. 2018-1212-06, the Port Commission authorized a service agreement with the Greater Houston Port Bureau, Inc. (GHPB), which expires December 31, 2019.

The GHPB is the non-profit agency representing over 800 organizations in the Texas Gulf maritime community. The GHPB generally serves as one of the Port Authority's links to its member businesses, acts as an advocate on behalf of the Port Authority, and provides other services to its members.

Staff Evaluation/Justification:

Staff recommends that in 2020 the Port Authority continue with GHPB services, by entering into a one-year contract to provide vessel traffic movement data (real time and historical), and subscription services to HarborLights, and when appropriate, to assist the Port Authority in regulatory and economic development matters. These services could also include expert advice on safety, security, and environmental response issues provided by a prior U.S. Coast Guard Captain of the Port who heads up the GHPB.

Separately, staff proposes to continue as a member of the GHPB, and participate in other activities on an individual basis.

F. EXECUTIVE

Subject	4. Approve and adopt the proposed Internal Audit 2020 Annual Audit Plan.
Meeting	Dec 11, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its December 11, 2019 meeting, approve and adopt the proposed 2020 Annual Audit Plan, 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:
Internal Audit

Staff Contact:
Maxine Buckles

Background:
Section 5007.226(e) of the Texas Special District Local Laws Code requires that the Port Commission "create, approve, and make available on the authority's website a risk-based annual audit plan".

During the third quarter of 2019, the Port Authority's Internal Audit group updated an Enterprise Risk Assessment (ERA) in accordance with applicable professional auditing standards. Based on the ERA results, and input from the Audit Committee and Port Authority staff, Internal Audit drafted a proposed Annual Audit Plan to serve as the primary work plan to carry out its audit responsibilities in an efficient manner for the 2020 fiscal year.

Staff Evaluation/Justification:
The proposed Annual Audit Plan was presented to the Audit Committee at its meeting on October 22, 2019.

- The plan focuses on the following key areas:
- Infrastructure (e.g., project and construction management);
 - Administration and governance (e.g., human resources);
 - Information Technology (e.g., enterprise security, and inventory management);
 - Finance and Accounting (e.g., revenue reporting, contract compliance, and investments);
 - Procurement (e.g., policies and procedures, and interlocal co-op agreements); and
 - Entity Compliance (e.g., federal regulations, statutes, tariffs, and internal policies).

The plan is a flexible commitment and may be revised during the year with guidance and input from the Audit Committee, input from Port Authority staff based on audit results and findings, and consideration of internal control procedures and assessment of high-risk areas.

Following review and discussion of the draft Plan with the Audit Committee, staff recommends the Port Commission approve and adopt the proposed Internal Audit 2020 Annual Audit Plan.

G. COMMERCIAL

Subject	1. Enter into a two-year professional services contract with a one-year extension option with Moacyr Pedro Da Silva Junior (or an entity in formation under his control) for trade development activities on behalf of the Port Authority in Central and South America, in an amount not to exceed \$258,000 for the two year contract period and an amount not to exceed \$133,500 for the one-year option period.
Meeting	Dec 11, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission at its December 11, 2019 meeting, award a two-year professional services contract with a one-year extension option to Moacyr Pedro Da Silva Junior (or an entity in formation under his control) for trade development activities on behalf of the Port Authority in Central and South America, in an amount not to exceed \$258,000 for the two year contract period and an amount not to exceed \$133,500 for the one-year option period, 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 2c. - Develop a strong brand identity STRATEGIC GOAL #4 - STEWARDSHIP (Sustain the business for the long-term) Strategic Objective 2a. - Develop and implement a proactive market development plan STRATEGIC GOAL #2 - GROWTH (Grow and diversify the business base)

Category:

Awards, Amendments & Change Orders

Department:

Trade Development

Staff Contact:

Dominic Sun

Background:

Moacyr Pedro Da Silva Junior has demonstrated to Port Authority staff solid transportation and trade-related experience in Central and South America, and proposes to establish a company with the objective of building trade between Central and South America and the United States. Mr. Da Silva's experience, coupled with his educational background and references, qualify his company for the position.

In 2018, the combined markets of Central America and South America represented the following for the Port Authority:

- 21.5% of the Port Authority's container volumes, at 480,000 loaded twenty-foot equivalent units (TEUS) (data derived from PIERS)
- The No. 3 U.S. container port for import and export trade with the combined Central and South America markets, behind only Port Everglades and Jacksonville respectively.

The Port Authority was additionally the No. 1 container port in trade with South America.

Staff Evaluation/Justification:

Based on these merits, it is staff's recommendation to advance the strategic positioning of the Port Authority in Central and South America trade through the award of a 24-month contract for Moacyr Pedro Da Silva Junior as the Port Authority's regional representative based in Sao Paulo, Brazil, in the

amount of \$100,000 for the first year, \$103,000 for the second year and \$106,000 for the one-year option period, plus Port Authority-related travel and business expense reimbursement not to exceed \$27,500 per year including the one-year option for the term of the contract.

Staff recommends the Port Commission approve the above contract.

G. COMMERCIAL

Subject	2. Approve the Port Authority's 2020 membership in the Greater Houston Partnership at the Managing Partner level with associated membership fees in an amount not to exceed \$60,000.
Meeting	Dec 11, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its December 11, 2019 meeting, approve the Port Authority's 2020 membership in the Greater Houston Partnership at the Managing Partner level with associated membership fees in an amount not to exceed \$60,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Awards, Amendments & Change Orders

Department:

Commercial

Staff Contact:

John Moseley

Background:

By Minute No. 2018-1030-05, the Port Commission approved the Port Authority's 2019 membership in the Greater Houston Partnership (GHP) at the Managing Partner level with associated membership fees in an amount not to exceed \$60,000.

Staff Evaluation/Justification:

The GHP is the leading advocacy group for Houston's regional business community and the City's chamber of commerce and world trade center. The Port Authority is committed to developing our region's economy and is in support of GHP's economic development efforts. To maintain the Port Authority's leadership position and working relationship with GHP, staff recommends that the Port Authority continue its membership investment at the Managing Partner level.

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

Staff recommends that the Port Commission approve membership for the Port Authority's 2020 membership in the GHP.

G. COMMERCIAL

Subject	3. Approve an amendment to the lease with Volkswagen Group of America, Inc. of approximately 81.59 acres out of Blocks 10, 15, 16, and 18 in Northside Turning Basin for a four-year term commencing no earlier than January 1, 2020 at an annual rental of 2,462,138 with an annual 4% increase.
Meeting	Dec 11, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its December 11, 2019 meeting, approve an amendment to the lease with Volkswagen Group of America, Inc. of approximately 81.59 acres out of Blocks 10, 15, 16, and 18 in Northside Turning Basin for a four-year term commencing no earlier than January 1, 2020 at an annual rental of 2,462,138 with an annual 4% increase, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Leases

Department:

Real Estate

Staff Contact:

R. D. Tanner

Background:

By Minute No. 2014-1028-47, the Port Commission approved a lease with the Volkswagen Group of America Inc. (VW) for a five-year term for approximately 70.85 acres at the Northside Turning Basin for the operation of office buildings and storage, and processing of automobiles.

VW also currently leases approximately 10.74 acres on a month-to-month basis pending approval of a term lease by the Port Commission.

VW has proposed to combine both parcels of approximately 81.59 acres for a four-year and five-month term lease.

Staff Evaluation/Justification:

Staff reviewed the request from VW and recommends the Port Commission approve the proposed lease agreement.

G. COMMERCIAL

Subject **4. Approve a lease agreement with Cooper/Ports America LLC, for approximately 6.57 acres, including an 11,000 sq. ft. open warehouse, out of Block 22B and 27D in Industrial Park East for a one-year term with a one-year mutual extension option, effective no earlier than January 1, 2020, at an annual base rent of \$270,750 subject to an annual 3% increase.**

Meeting Dec 11, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 11, 2019 meeting, approve a lease agreement with Cooper/Ports America LLC, for approximately 6.57 acres, including an 11,000 sq. ft. open warehouse, out of Block 22B and 27D in Industrial Park East for a one-year term with a one-year mutual extension option, effective no earlier than January 1, 2020, at an annual base rent of \$270,750 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:
Cooper/Ports America LLC (C/PA) has requested that the Port Authority lease 6.57 acres in Industrial Park East on a term basis beginning in 2020, in lieu of continuing on a month-on-month basis. C/PA has requested a one-year term lease with a one-year mutual option, which, if exercised, would be subject to a 3% rent increase.

C/PA has leased the property since March 1, 2019. C/PA's use of the property is for steel lay down and other general cargo storage.

Staff Evaluation/Justification:
Staff recommends the Port Commission approve a one-year lease term with a one-year mutual extension option with C/PA on the terms described above.

G. COMMERCIAL

Subject **5. Approve a lease agreement with Cooper/Ports America LLC, for approximately 10.08 acres out of Block 3A in the Northside Turning Basin for a one-year term with a one-year mutual extension option, effective no earlier than January 1, 2020, at an annual base rent of \$405,458 subject to an annual 3% increase.**

Meeting Dec 11, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 11, 2019 meeting, approve a lease agreement with Cooper/Ports America LLC, for approximately 10.08 acres out of Block 3A in the Northside Turning Basin for a one-year term with a one-year mutual extension option, effective no earlier than January 1, 2020, at an annual base rent of \$405,458 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:

Cooper/Ports America LLC (C/PA) has requested that the Port Authority lease 10.08 acres in Northside Turning Basin on a term basis beginning in 2020, in lieu of continuing on a month-to-month basis. C/PA has requested a one-year term lease with a one-year mutual option, which, if exercised, would be subject to a 3% rent increase.

C/PA has leased the property since 2016 handling general cargos.

Staff Evaluation/Justification:

Staff recommends the Port Commission approve a one-year lease term with a one-year mutual extension option with C/PA on the terms described above.

G. COMMERCIAL

Subject **6. Approve a lease agreement with Cooper/Ports America LLC, for approximately 3.57 acres out of Block 4B in the Northside Turning Basin for a one-year term with a one-year mutual extension option, effective no earlier than January 1, 2020, at an annual base rent of \$136,017 subject to an annual 3% increase.**

Meeting Dec 11, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 11, 2019 meeting, approve a lease agreement with Cooper/Ports America LLC, for approximately 3.57 acres out of Block 4B in the Northside Turning Basin for a one-year term with a one-year mutual extension option, effective no earlier than January 1, 2020, at an annual base rent of \$136,017 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:

Cooper/Ports America LLC (C/PA) has requested that the Port Authority lease 3.57 acres in Northside Turning Basin on a term basis beginning in 2020, in lieu of continuing on a month-to-month basis. C/PA has requested a one-year term lease with a one-year mutual extension option, which, if exercised, would be subject to a 3% rent increase.

C/PA has leased the property since 2016 handling general cargos.

Staff Evaluation/Justification:

Staff recommends the Port Commission approve a one-year lease term with a one-year mutual extension option with C/PA on the terms described above.

G. COMMERCIAL

Subject **7. Approve a lease agreement with Cooper/Ports America LLC, for approximately 5.18 acres out of Block 11 in the Northside Turning Basin for a one-year term with a one-year mutual extension option, effective no earlier than January 1, 2020, at an annual base rent of \$241,164 subject to an annual 3% increase.**

Meeting Dec 11, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 11, 2019 meeting, approve a lease agreement with Cooper/Ports America LLC, for approximately 5.18 acres out of Block 11 in the Northside Turning Basin for a one-year term with a one-year mutual extension option, effective no earlier than January 1, 2020, at an annual base rent of \$241,164 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:
Since 2008 Cooper/Ports America LLC, (C/PA) has leased the referenced property on a month-to-month basis. The property is used for container cargo and handling storage. C/PA has now proposed to lease the property for a one-year term, with a one-year mutual extension option, which, if exercised, would be subject to a 3% rent increase.

Staff Evaluation/Justification:
Staff recommends the Port Commission approve a one-year lease term with a one-year mutual extension option with C/PA on the terms described above.

G. COMMERCIAL

Subject	8. Approve a lease agreement with Cooper/Ports America, LLC, for approximately 3.56 acres including an approximately 15,563 sq. ft. warehouse for a one-year term with a one-year mutual extension option, effective no earlier than January 1, 2020, at an annual base rent of \$208,684 subject to an annual 3% increase.
Meeting	Dec 11, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its December 11, 2019 meeting, approve a lease agreement with Cooper/Ports America, LLC, for approximately 3.56 acres including an approximately 15,563 sq. ft. warehouse for a one-year term with a one-year mutual extension option, effective no earlier than January 1, 2020, at an annual base rent of \$208,684 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:
Cooper/Ports America, LLC (C/PA) has requested that the Port Authority lease 3.56 acres in Northside Turning Basin on a term basis beginning in 2020, in lieu of continuing on a month-to-month basis. C/PA has requested a one-year term lease with a one-year mutual extension option, which, if exercised, would be subject to a 3% rent increase.

The property is used for maintenance, storage, and repair of mechanical equipment.

C/PA has leased the property since 2008.

Staff Evaluation/Justification:
Staff recommends the Port Commission approve a one-year lease term with a one-year mutual extension option with C/PA on the terms described above.

G. COMMERCIAL

Subject **9. Approve a lease agreement with Cooper/Ports America LLC, for approximately 10 acres out of Block 4A in the Northside Turning Basin for a one-year term with a one-year mutual extension option, effective no earlier than January 1, 2020, at an annual base rent of \$402,240 subject to a 3% annual increase.**

Meeting Dec 11, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 11, 2019 meeting, approve a lease agreement with Cooper/Ports America LLC, for approximately 10 acres out of Block 4A in the Northside Turning Basin for a one-year term with a one-year mutual extension option, effective no earlier than January 1, 2020, at an annual base rent of \$402,240 subject to a 3% annual increase, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

Category:
Leases

Department:
Real Estate

Staff Contact:
R. D. Tanner

Background:
Cooper/Ports America LLC (C/PA) has requested that the Port Authority lease 10 acres in Northside Turning Basin on a term basis beginning in 2020, in lieu of continuing on a month-to-month basis. C/PA has requested a one-year term lease with a one-year mutual option, which, if exercised, would be subject to a 3% rent increase.

C/PA has leased the property since 2016 handling general cargos.

Staff Evaluation/Justification:
Staff recommends the Port Commission approve a one-year lease term with a one-year mutual extension option with C/PA on the terms described above.

G. COMMERCIAL

Subject **10. Approve a lease agreement with Auto Warehousing Co. for approximately 33.8 acres out of Block 14 of the Bayport Auto Terminal, for a one-year term, effective no earlier than January 1, 2020, at an annual base rent of \$1,089,629.**

Meeting Dec 11, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 11, 2019 meeting, approve a lease agreement with Auto Warehousing Co. for approximately 33.8 acres out of Block 14 of the Bayport Auto Terminal, for a one-year term, effective no earlier than January 1, 2020, at an annual base rent of \$1,089,629, 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:

Since 2016 Auto Warehousing Co., a Washington corporation (AWC) has leased the referenced auto-import terminal property from the Port Authority on a month-to-month basis. The premises are used for processing four-wheeled vehicles, primarily automobiles (units) and providing other services, including loading, unloading, and delivering wheeled units, converting units, installing accessories, repairs, inspection, processing, storage, and other uses, and incidental handling and storage of other general cargo and non-liquid cargos. AWC has now proposed to lease the property for a one-year term.

APS Stevedoring LLC, a Washington limited liability corporation and an affiliate of AWC, has a Freight Handling Assignment on the public wharf located at the terminal, and in November 2016 started operations there unloading Chrysler vehicles on Grimaldi vessels. APS was also awarded the Volkswagen transport business in Houston in January, 2017.

Staff Evaluation/Justification:

Staff recommends the Port Commission approve a one-year lease with AWC on the terms described herein.

G. COMMERCIAL

Subject **11. Approve an amendment to the grazing lease with James H. Jackson Industries, Inc., for approximately 8.96 acres out of Block 5 at Bayport Container Terminal for an additional five years, effective January 1, 2020, at an annual rental of \$179.20.**

Meeting Dec 11, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 11, 2019 meeting, approve a lease amendment to the grazing lease with James H. Jackson Industries, Inc., for approximately 8.96 acres out of Block 5 at Bayport Container Terminal for an additional five years, effective January 1, 2020 at an annual rental of \$179.20, 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. 2014-1216-66, the Port Commission approved James H. Jackson Industries, Inc.'s lease of approximately 8.96 acres out of Block 5 at the Bayport Container Terminal for a five-year term, for livestock grazing.

James H. Jackson, Industries, Inc. has requested that the Port Authority renew the current lease term for an additional five years. Grazing leases provide valuable services to the Port Authority in areas that are difficult to access or are being held pending long term development. Grazing tenants provide eyes on the ground and are helpful in controlling illegal dumping.

The current lease rate would increase from \$15 per acre per year to \$20 per acre per year. Related entities have leased the property since 1997.

Staff Evaluation/Justification:

Staff recommends the Port Commission approve this proposed amendment to the lease agreement.

G. COMMERCIAL

Subject **12. Approve the change of control of Contanda Terminals LLC and its subsidiary Contanda Greens Bayou Terminal LLC, tenants under four Port Authority leases, following the merger by and among Bishop Infrastructure I and II LLC, Buffalo Parent LLC, Buffalo Portfolio Holdings LLC, IIF Blackwater Holdings, LP, and Infrastructure Investment Fund US Holding 2, LP (managed by JP Morgan Asset Management) with Bishop Infrastructure I and II, LLC continuing as the surviving corporation and majority owner of Contanda Terminals, LLC.**

Meeting Dec 11, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 11, 2019 meeting, approve the change of control of Contanda Terminals LLC and its subsidiary Contanda Greens Bayou Terminal LLC, tenants under four Port Authority leases, following the merger by and among Bishop Infrastructure I and II LLC, Buffalo Parent LLC, Buffalo Portfolio Holdings LLC, IIF Blackwater Holdings, LP, and Infrastructure Investment Fund US Holding 2, LP (managed by JP Morgan Asset Management) with Bishop Infrastructure I and II, LLC continuing as the surviving corporation and majority owner of Contanda Terminals, LLC, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

Category:

Leases

Department:

Real Estate

Staff Contact:

R. D. Tanner

Background:

Contanda Terminals LLC (Contanda) is engaged in storage, blending, handling, and shipping of liquid bulk petroleum and chemicals operating thirteen terminals across the United States. Contanda is currently owned by private equity fund EQT Investments and Bishop Infrastructure Fund I and II LLC.

The Port Authority has one lease with Contanda at Southside Turning Basin, two leases at Manchester Terminal, and a lease with Contanda's wholly-owned subsidiary Contanda Greens Bayou Terminal LLC, at Greens Bayou Terminal (Wah Chang and Bulk Plant).

By Minute Nos. 2017-0131-47 and 2017-0524-08, the Port Commission authorized a fifty-year lease agreement for approximately 346.41 acres of uplands and approximately 46 acres of submerged property with Contanda Wah Chang Terminals LLC, the name of which was legally changed with Port Authority approval to Contanda Greens Bayou Terminal, LLC on December 31, 2018.

By Minute No. 2017-0131-15 the Port Commission approved a five-year lease agreement with Contanda Terminals LLC covering approximately 2.325 acres of land and 602 linear foot of rail at the Southside Turning Basin.

By Minute No. 2012-0925-16, the Port Commission approved a twenty-year pipeline lease agreement with Contanda Terminals LLC covering .4379 acres located at Manchester Terminal.

By Minute No. 2014-1216-65, the Port Commission approved the second Manchester Terminal lease with Contanda Terminals LLC covering approximately 4.566 acres for tanks and pipeline racks.

Staff Evaluation/Justification:

Staff has reviewed the terms of the change of control of the Port Authority's tenants, Contanda Terminals LLC and Contanda Greens Bayou Terminal LLC, the merger transaction, including financial ramifications therewith, and recommends the Port Commission approve the change of control of Contanda Terminals LLC and Contanda Greens Bayou Terminal LLC.

G. COMMERCIAL

Subject	13. Approve the assignment by Jacob Stern & Sons, Inc. of three leases to JST Global, LLC.
Meeting	Dec 11, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its December 11, 2019 meeting, approve the assignment by Jacob Stern & Sons, Inc. of (i) the lease effective as of February 1, 2016 as amended by that certain Amendment to Lease Agreement dated effective February 1, 2018, (ii) the month-to-month lease dated effective December 1, 2016, and (iii) the Amended and Restated Lease Agreement dated effective as of February 1, 2018, as amended by that certain Amendment to Lease Agreement dated effective February 1, 2016, to JST Global, LLC, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:
Leases

Department:
Real Estate

Staff Contact:
Erik Eriksson

Background:

Jacob Stern & Sons, Inc. (Jacob Stern) is tenant under the follow leases with the Port Authority as landlord: (i) a lease effective as of February 1, 2016 as amended by that certain Amendment to Lease Agreement dated effective February 1, 2018, (ii) a month-to-month lease dated effective December 1, 2016 and (iii) an Amended and Restated Lease Agreement dated effective as of February 1, 2018, as amended by that certain Amendment to Lease Agreement dated effective February 1, 2016.

Jacob Stern proposes to enter into a joint venture with a party expected to be identified prior to the Port Commission meeting (Venturer); and in connection therewith the tenant's interest in the leases described above would be assigned to the joint venture entity JST Global, LLC, a Delaware limited liability company (JST). JST will have as its members Jacob Stern, to the extent of a 50% interest, and Venturer, to the extent of a 50% interest.

Staff Evaluation/Justification:

Staff has reviewed the terms of the assignment proposal, including the pro forma financials of JST, and expects to recommend approval of the assignment or request that the Port Commission table other actions in this matter.

H. FINANCE

Subject **1. Authorize payment to the Harris County Appraisal District for appraisal services to be provided to the Port Authority for fiscal year 2020 in an amount not to exceed \$405,000, and authorize payment to the Harris County Tax Assessor-Collector for collection services for the 2019 tax year in an amount not to exceed \$1,100,000.**

Meeting Dec 11, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 11, 2019 meeting, (a) authorize payment to the Harris County Appraisal District for appraisal services to be provided to the Port Authority for fiscal year 2020 in an amount not to exceed \$405,000, (b) authorize payment to the Harris County Tax Assessor-Collector for tax collection services for the 2019 tax year in an amount not to exceed \$1,100,000, and (c) further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

Category:

Awards, Amendments Change Orders

Department:

Controller

Staff Contact:

Curtis Duncan

Background:

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

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

Staff Evaluation/Justification:

The Harris County Appraisal District has indicated that the estimated cost allocation to the Port Authority for appraisal services to be provided for fiscal year 2020 is under \$405,000. Staff recommends that the Port Commission authorize payment of such expense, which is usually invoiced and paid in four quarterly installments, the first of which is due by December 31, 2019, in the not to exceed amount referenced above.

The Harris County Tax Assessor-Collector notified the Port Authority that the estimated preliminary property tax collection fees for the 2019 tax year is under \$1,100,000. This fee is normally withheld at

the rate of 2.5% from all Port Authority tax collections starting July 2019 until the full amount is collected.

Staff recommends Port Commission authorization of such collection fees, in the not to exceed amount referenced above.

H. FINANCE

Subject	2. Approve the actuarial valuation report dated as of August 1, 2019 for the Port of Houston Authority Restated Retirement Plan (Pension Plan).
Meeting	Dec 11, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its December 11, 2019 meeting, (a) approve the actuarial valuation report dated as of August 1, 2018 for the Port of Houston Authority Restated Retirement Plan, (b) authorize staff to file the report with the Texas Pension Review Board, and (c) further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #4 - STEWARDSHIP (Sustain the business for the long-term)

Category:
General

Department:
Controller / Treasury

Staff Contact:
Curtis Duncan / Ray Yi / Roland Gonzalez

Background:
Section 802.101, Texas Government Code, states:

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

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

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

(d) An actuary employed under this section must be a fellow of the Society of Actuaries, a member of the American Academy of Actuaries, or an enrolled actuary under the Employee Retirement Income Security Act of 1974 (29 U.S.C. Section 1001 et seq.)."

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

By Minute No. 2019-0924-24, the Port Commission last approved a reduction of the actuarial assumption rate from 6.75% to 6.50%, and additional funding of \$5,000,000, to partially offset the negative impact of such rate reduction.

Staff Evaluation/Justification:

Milliman has prepared an actuarial valuation report for the Pension Plan, dated as of August 1, 2019, showing an actuarial value of Pension Plan assets of \$184,407,686, and an Unfunded Actuarial Accrued Liability (UAAL) of \$14,001,387. Using the approved actuarial assumption rate of 6.50% and other reasonable assumptions and methodologies, Milliman has estimated the Actuarially Determined Contribution (ADC) for the fiscal year ending July 31, 2020 to be \$5,373,772.

Staff is presenting a new written funding policy for consideration and approval, to meet new statutory requirements of Senate Bill No. 2224. Under the funding policy, staff is authorized to continue funding up to 105% of the ADC amount each year, without the need for further authorization. Such funding should reduce the UAAL over a number of years and help ensure that the Pension Plan continues to be well funded. As of August 1, 2019, the funded ratio of the Pension Plan was 92.9%. However, that ratio does not reflect the above-mentioned additional \$5,000,000 funding, which was approved by the Port Commission on September 24, 2019.

Staff recommends that the Port Commission approve the Pension Plan actuarial valuation report dated as of August 1, 2019, whereupon staff would post the report on our website (<http://porthouston.com>) and file it with the Texas Pension Review Board in compliance with statutory requirements.

H. FINANCE

Subject	3. Adopt an amended investment policy for the Port of Houston Authority Restated Retirement Plan (Pension Plan).
Meeting	Dec 11, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its December 11, 2019 meeting, adopt an amended investment policy for the Port of Houston Authority Restated Retirement Plan, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #4 - STEWARDSHIP (Sustain the business for the long-term)

Category:

General

Department:

Treasury

Staff Contact:

Ray Yi / Roland Gonzalez

Background:

By Minute No. 2018-0925-18, the Port Commission last adopted an amended investment policy for the Pension Plan, which states:

"To assure continued relevance of the guidelines, objectives, financial status and capital markets expectations as established in this statement of investment policy (the "Policy") for the Port of Houston Authority Restated Retirement Plan (the "Plan"), the Port Commission of the Port of Houston Authority of Harris County, Texas (the "Commission") will endeavor to review the Policy at least annually."

Staff Evaluation/Justification:

Staff and the Port Authority's pension consultant, AndCo Consulting, LLC, propose several revisions to the investment policy, including:

- Minor revisions in the description of the Pension Plan.
- Addition of two asset classes:
 - Real Assets Portfolio (consisting of Infrastructure and MLP assets),
 - Global Tactical Asset Allocation Portfolio (a GTAA strategy attempts to exploit short-term market inefficiencies or long-term market trends across asset classes or sectors).
- Revisions to the Target Asset Allocation (to allocate 2.5% from the Real Assets category to GTAA).
- Revisions to the Overall Investment Objective (to ensure the composite benchmark mix corresponds proportionally to the new Target Asset Allocation).

The proposed Policy changes comply with applicable statutes, including Chapter 802, Texas Government Code. The Pension and Benefits Committee and staff recommend that the Port Commission adopt an amended investment policy for the Pension Plan, as proposed.

H. FINANCE

Subject	4. Adopt an amended investment policy for the Port of Houston Authority OPEB Plan, an irrevocable trust established for other post-employment benefits.
Meeting	Dec 11, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its December 11, 2019 meeting, adopt an amended investment policy for the Port of Houston Authority OPEB Plan, an irrevocable trust established for other post-employment benefits, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #4 - STEWARDSHIP (Sustain the business for the long-term)

Category:
General

Department:
Treasury

Staff Contact:
Ray Yi / Roland Gonzalez

Background:

By Minute No. 2018-0925-19, the Port Commission last adopted an amended investment policy for the OPEB Plan, which states:

"To assure continued relevance of the guidelines, objectives, financial status and capital markets expectations as established in this statement of investment policy (the "Policy") for the OPEB Trust (the "Trust"), the Port Commission of the Port of Houston Authority of Harris County, Texas (the "Commission") will endeavor to review the Policy at least annually."

Staff Evaluation/Justification:

Staff and the Port Authority's pension consultant, AndCo Consulting, LLC, propose several revisions to the investment policy, including:

- Minor revisions in the description of the OPEB Plan.
- Addition of two asset classes:
 - Real Assets Portfolio (consisting of Infrastructure and MLP assets),
 - Global Tactical Asset Allocation Portfolio (a GTAA strategy attempts to exploit short-term market inefficiencies or long-term market trends across asset classes or sectors).
- Revisions to the Target Asset Allocation (to allocate 2.5% from the MLP asset class to GTAA).
- Revisions to the Overall Investment Objective (to ensure the composite benchmark mix corresponds proportionally to the new Target Asset Allocation).

The proposed Policy changes comply with applicable statutes. The Pension and Benefits Committee and staff recommend that the Port Commission adopt an amended investment policy for the OPEB Plan, as proposed.

H. FINANCE

Subject	5. Adopt a written funding policy for the Port of Houston Authority Restated Retirement Plan (Pension Plan) as required by Texas statutes.
Meeting	Dec 11, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its December 11, 2019 meeting, adopt a written funding policy for the Port of Houston Authority Restated Retirement Plan (Pension Plan) as required by Texas statutes, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #4 - STEWARDSHIP (Sustain the business for the long-term)

Category:
General

Department:
Treasury

Staff Contact:
Ray Yi / Roland Gonzalez

Background:

The Port Commission has amended and restated the Pension Plan several times to ensure compliance with applicable laws and regulations. In addition, the Port Commission has taken steps to ensure adequate funding of the Pension Plan (for example, by Minute Nos. 1975-0507-34, 1996-0327-41, 2003-0728-54, and 2015-0728-20).

Senate Bill No. 2224 was passed by the Texas Legislature, effective September 1, 2019. It mandates that the governing body of a public retirement system adopt a written funding policy that details the plan to achieve a funded ratio that is equal to or greater than 100%. Funded ratio means the ratio of actuarial value of assets divided by the system's actuarial accrued liability. Public retirement systems must adopt such a policy by January 1, 2020 and submit a copy to the Texas Pension Review Board (PRB) within 31 days after such adoption.

Staff Evaluation/Justification:

Port Authority staff engaged the assistance of Milliman, the Port Authority's actuary, to develop a written funding policy meeting the requirements of Senate Bill No. 2224 and the guidelines set forth by the PRB.

The proposed funding policy documents previous Port Authority practice in:

- Annually contributing at least the Actuarially Determined Contribution (ADC) to the Pension Plan; and
- Calculating the ADC based on a closed amortization period, with amortization bases ranging from 5 to 30 years.

Payment of the ADC each year will bring the Pension Plan to a 100% funded position by the end of the amortization period. Under the policy, staff is authorized to fund the Pension Plan throughout the fiscal year up to 105% of the ADC.

The Pension and Benefits Committee and staff recommend that the Port Commission adopt a written funding policy for the Pension Plan, as proposed.

I. INFRASTRUCTURE

Subject	1. Approve staff's ranking of vendors and award a professional services contract in an amount not to exceed \$244,000 for the design of the restroom restoration at Turning Basin Terminal to the top-ranked proposer: staff ranking – first, PDG, Inc. dba PDG Architects; second, Vergel Gay & Associates, LLC; and third, Lucien T. Vivien, Jr. & Associates, Inc.
Meeting	Dec 11, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its December 11, 2019 meeting: (a) approve staff's ranking of vendors, based on the selection criteria, in the following order – first, PDG, Inc. dba PDG Architects; second, Vergel Gay & Associates, LLC; and third, Lucien T. Vivien, Jr. & Associates, Inc.; (b) award a professional services contract to PDG, Inc. dba PDG Architects, the top-ranked proposer for the design of the restroom restoration at Turning Basin Terminal in an amount not to exceed \$244,000; (c) grant authority, if a contract cannot be negotiated with the first-ranked vendor, to formally, and in writing, end negotiations with that vendor and proceed to the next vendor in the order of ranking until a contract is reached or all proposals are rejected; and (d) further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #3 - INFRASTRUCTURE (Provide and facilitate infrastructure to meet demand)

Category:

Awards, Amendments & Change Orders

Department:

Project and Construction Management

Staff Contact:

Roger H. Hoh, P.E.

Background:

Multiple restroom facilities at Northside Turning Basin have been identified for replacement or rehabilitation. This project consists of the assessment of existing utility connections, development of performance specifications for precast concrete restroom buildings, and design of new or rehabilitated utility systems and hookups as required.

The Port Authority notified vendors regarding its request for qualifications (RFQs) using the Port Authority's BuySpeed Eprocurement System and the project was advertised on the Port Authority's website and in a local newspaper. Thirteen vendors downloaded the project materials from BuySpeed.

Staff Evaluation/Justification:

On September 23, 2019, five 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:

- PDG, Inc. dba PDG Architects
- Vergel Gay & Associates, LLC

- Lucien T. Vivien, Jr. & Associates, Inc.

Following staff Executive Committee review, staff recommends that the Port Commission award a contract to PDG, Inc. dba PDG Architects for the design of the restroom renovation at Turning Basin Terminal.

I. INFRASTRUCTURE

Subject	2. Award construction contract to Alphamar Group, Inc. to replace the Ramp Road 7 speed gate at Turning Basin Terminal in an amount not to exceed \$199,200.
Meeting	Dec 11, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its December 11, 2019 meeting, award a construction contract to Alphamar Group, Inc. to replace the Ramp Road 7 speed gate at Turning Basin Terminal, in an amount not to exceed \$199,200, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #3 - INFRASTRUCTURE (Provide and facilitate infrastructure to meet demand)

Category:

Awards, Amendments & Change Orders

Department:

Project and Construction Management

Staff Contact:

Roger H. Hoh, P.E.

Background:

This project consists of demolition and removal of the existing speed gate entrance and exit. A third-party fabricated speed gate will be manufactured offsite, shipped to the Port Authority and installed into a refinished concrete base.

The Port Authority notified vendors regarding its request for competitive sealed bids (CSBs) using the Port Authority's BuySpeed Eprocurement System and the project was advertised on the Port Authority's website and in a local newspaper. Eight vendors downloaded the project materials from BuySpeed.

Staff Evaluation/Justification:

On November 6, 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 Commission award a construction contract to Alphamar Group, Inc. and act as otherwise described above.

I. INFRASTRUCTURE

Subject	3. Approve a change order to McCarthy Building Companies, Inc. to perform additional work associated with the construction of Container Yard 7 at Bayport Container Terminal in an amount not to exceed \$170,076.
Meeting	Dec 11, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its December 11, 2019 meeting, approve a change order to McCarthy Building Companies, Inc. to perform additional work associated with the construction of Container Yard 7 at Bayport Container Terminal in an amount not to exceed \$170,076, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #3 - INFRASTRUCTURE (Provide and facilitate infrastructure to meet demand)

Category:

Awards, Amendments & Change Orders

Department:

Project and Construction Management

Staff Contact:

Roger H. Hoh, P.E.

Background:

By Minute No. 2018-0731-21, the Port Commission awarded a construction contract to McCarthy Building Companies, Inc. for the construction of Container Yard 7 at Bayport Container Terminal.

The change order proposed by the contractor includes the following items:

- Excavate additional depth to connect the new electrical duct bank in Container Yard 7 to the existing duct bank in Container Yard 6
- Additional duct bank length to reach existing tie-in location

In addition to the above items, the contractor has requested a time extension of 14 days for Milestone No. 1 due to unforeseen circumstances.

Staff Evaluation/Justification:

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

I. INFRASTRUCTURE

Subject **4. Approve the renewal of expiring Port Authority licenses for new ten-year terms: Kinder Morgan Tejas Pipeline LLC, South Tex 66 Pipeline Company, LTD, INEOS Americas LLC, Manchester Terminal LLC, North Channel Water Authority, Dow Hydrocarbons and Resources LLC, Equistar Chemicals, LP, Houston Pipe Line Company LP, LBC Houston LP, Pasadena Refining System, Inc., and Watco Dock & Rail LLC.**

Meeting Dec 11, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 11, 2019 meeting, authorize the Port Authority to approve the renewal of expiring licenses for new ten-year terms: Kinder Morgan Tejas Pipeline LLC, South Tex 66 Pipeline Company, LTD, INEOS Americas LLC, Manchester Terminal LLC, North Channel Water Authority, Dow Hydrocarbons and Resources LLC, Equistar Chemicals, LP, Houston Pipe Line Company LP, LBC Houston LP, Pasadena Refining System, Inc., and Watco Dock & Rail LLC, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:
Permits/Licenses/Pipeline Easements

Department:
Channel Development Operations

Staff Contact:
Garry McMahan

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

Company	File No.	License Fee
Kinder Morgan Tejas Pipeline LLC	1999-0284	\$5,302
South Tex 66 Pipeline Company, LTD	1989-0182	\$5,302
INEOS Americas LLC	2017-0020	\$1,923
Manchester Terminal LLC	1978-0161	\$5,302
North Channel Water Authority	1992-0090	\$6,092
North Channel Water Authority	1992-0091	\$1,688
Dow Hydrocarbons and Resources LLC	1999-0095	\$183,614
Equistar Chemicals, LP	1989-0309	\$1,688
Equistar Chemicals, LP	1991-0075	\$52,101
Equistar Chemicals, LP	2019-0317*	\$37,993
Equistar Chemicals, LP	2019-0318*	\$37,993
Equistar Chemicals, LP	2019-0319*	\$37,993
Houston Pipe Line Company LP	1988-0156	\$6,363
Houston Pipe Line Company LP	1999-0270	\$5,302
Houston Pipe Line Company LP	1999-0271	\$8,837
Houston Pipe Line Company LP	1999-0294	\$5,302
Houston Pipe Line Company LP	1999-0295	\$5,302
LBC Houston LP	1999-0020	\$6,990
Pasadena Refining System, Inc.	1999-0231	\$19,089
Pasadena Refining System, Inc.	1999-0252	\$6,363

Watco Dock & Rail LLC	2019-0340**	\$23,258
Watco Dock & Rail LLC	2019-0341**	\$15,830
Watco Dock & Rail LLC	2019-0342**	\$15,830
Watco Dock & Rail LLC	2004-0462	\$1,923
Total		\$497,380

*1991-0075 historically authorized 4 pipelines, licensee has requested to break these out into 4 separate licenses; these renewal licenses have been assigned new file numbers.

**2019-0340, 2019-0341, and 2019-0342 are renewals of licenses expired for many years. In an effort to achieve compliance, staff would back date the licenses to 2004 instead of 1997. New file numbers have been assigned because of the gaps in the terms.

Staff Evaluation/Justification:

The applications were reviewed and approved by the Port Authority's Channel Development Operations department and the Port Terminal Railroad Association when applicable. The licenses are to be renewed subject to the Port Authority's usual terms and conditions.

Staff recommends approval.

I. INFRASTRUCTURE

Subject	5. Issue a marine construction permit to WEB Fleeting, LP, for a 12-acre maintenance dredged area, including approximately 50,000 cubic yards of dredged material, existing pilings, an existing boat dock, and approximately 20.11 acres of barge fleeting activity in Old River.
Meeting	Dec 11, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its December 11, 2019 meeting, authorize the Port Authority to issue a marine construction permit to WEB Fleeting, LP, for a 12-acre maintenance dredged area, including approximately 50,000 cubic yards of dredged material, existing pilings, an existing boat dock, and approximately 20.11 acres of barge fleeting activity in Old River, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Development Operations

Staff Contact:

Garry McMahan

Background:

WEB Fleeting, LP, Port Authority File No. 2019-0183, has applied for a marine construction permit for a 12-acre maintenance dredged area, including approximately 50,000 cubic yards of dredged material, existing pilings, an existing boat dock, and approximately 20.11 acres of barge fleeting activity in Old River, in the Amy White Survey, A-81, adjacent to 17512 Market Street, in the Josiah T. Harrell Survey, A-330, in Harris County, Texas.

WEB Fleeting, LP has operated a barge fleeting operation in this location since 2004. The adjacent uplands are owned by Walter E. Blessey Jr. and according, a corresponding submerged land lease for the barge fleeting activity was issued to Mr. Blessey and approved by Minute No. 2019-0729-42 under Port Authority File No. 2019-0183. Walter E. Blessey, Jr., is the limited partner of the operator.

Staff Evaluation/Justification:

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

Staff recommends approval.

I. INFRASTRUCTURE

Subject	6. Issue a marine construction permit to Intergulf Marine, LLC for barge fleetings on the southwest side of Alexander Island.
Meeting	Dec 11, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its December 11, 2019 meeting, authorize the Port Authority to issue a marine construction permit to Intergulf Marine, LLC for barge fleetings on the southwest side of Alexander Island, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:
Permits/Licenses/Pipeline Easements

Department:
Channel Development Operations

Staff Contact:
Garry McMahan

Background:
Intergulf Marine, LLC, Port Authority File No. 2019-0351, has applied for a marine construction permit for barge fleetings on the southwest side of Alexander Island, in the Enoch Brinson Survey, A-5, in Harris County, Texas.

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

Staff recommends approval.

I. INFRASTRUCTURE

Subject	7. Issue a marine construction permit to Vopak Moda Houston, LLC to construct a ship and barge terminal on the Houston Ship Channel.
Meeting	Dec 11, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its December 11, 2019 meeting, authorize the Port Authority to issue a marine construction permit to Vopak Moda Houston, LLC to construct a ship and barge terminal on the Houston Ship Channel, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Development Operations

Staff Contact:

Garry McMahan

Background:

Vopak Moda Houston, LLC, Port Authority File No. 2019-0339, has applied for a marine construction permit to construct a ship and barge terminal on the Houston Ship Channel, in the George Ross Survey, A-646, and the GP Patrick Survey, A-624, in Harris County, Texas.

The project is to dredge a 49-acre area to 45-feet mean low tide. The dredging will displace 812,000 cubic yards of dredged material.

This marine construction permit is for the new fifty-year lease agreement signed with Vopak Moda Houston Holdco LLC, Port Authority File No. 2019-0278.

Staff Evaluation/Justification:

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

Staff recommends approval.

I. INFRASTRUCTURE

Subject	8. Issue a distribution/transmission line license to CenterPoint Energy Houston Electric, LLC for a 138-kV electrical transmission line over and across the Southside Mainline railroad right-of-way.
Meeting	Dec 11, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its December 11, 2019 meeting, authorize the Port Authority to issue an electrical transmission line license to CenterPoint Energy Houston Electric, LLC for a 138-kV electrical transmission line over and across the Southside Mainline railroad right-of-way, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Development Operations

Staff Contact:

Garry McMahan

Background:

CenterPoint Energy Houston Electric, LLC, Port Authority File No. 2019-0302, has applied for a transmission line license for a 138-kV electrical transmission line over and across the Southside Mainline railroad right-of-way, in the G. M. Patrick Survey, A-624, in Harris County, Texas.

Staff Evaluation/Justification:

The application was reviewed and approved by the Port Authority's Channel Development Operations department. The license is to be issued subject to the Port Authority's usual terms and conditions and at a fee of \$2,195. The \$675 application fee and the \$2,500 as-built deposit have been paid.

Staff recommends approval.

I. INFRASTRUCTURE

Subject	9. Issue a distribution/transmission line license to Comcast of Houston LLC for one fiber optic line under and across the Port Terminal Railroad Association Northside Mainline right-of-way tracks at Industrial Road.
Meeting	Dec 11, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its December 11, 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 Port Terminal Railroad Association Northside Mainline right-of-way tracks at Industrial Road, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Development Operations

Staff Contact:

Garry McMahan

Background:

Comcast of Houston LLC, Port Authority File No. 2019-0287, has applied for a distribution/transmission line license for one fiber optic line under and across the Port Terminal Railroad Association Northside Mainline right-of-way tracks at Industrial Road, in the William P. Harris & Robert Wilson Survey, A-31, in Harris County, Texas.

Staff Evaluation/Justification:

The application was reviewed and approved by the Port Authority's Channel Development Operations department. The license is subject to the Port Authority's usual terms and conditions and at a fee of \$1,688. The \$675 application fee and the \$2,500 as-built deposit have been paid.

Staff recommends approval.

I. INFRASTRUCTURE

Subject	10. Issue a distribution/transmission line license to Southwestern Bell Telephone Company for one fiber optic line over and across the Jacintoport Terminal.
Meeting	Dec 11, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its December 11, 2019 meeting, authorize the Port Authority to issue a distribution/transmission line license to Southwestern Bell Telephone Company for one fiber optic line over and across the Jacintoport Terminal, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Development Operations

Staff Contact:

Garry McMahan

Background:

Southwestern Bell Telephone Company, Port Authority File No. 2019-0331, has applied for a distribution/transmission line license for one fiber optic line over and across the Jacintoport Terminal, in the William Harris & D. Carpenter Survey, A-28, in Harris County, Texas.

The line provides service to Port Authority tenant, Seaboard Corporation, and is associated with Port Authority File No. 1994-0099.

Staff Evaluation/Justification:

The application was reviewed and approved by the Port Authority's Channel Development Operations department. Because the line provides service to a Port Authority tenant, the license fee has been waived. The \$675 application fee and the \$2,500 as-built deposit have been paid.

Staff recommends approval.

I. INFRASTRUCTURE

Subject	11. Issue a distribution/transmission line license to Southwestern Bell Telephone Company for one fiber optic line over and across the west side of the Woodhouse Terminal.
Meeting	Dec 11, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its December 11, 2019 meeting, authorize the Port Authority to issue a distribution/transmission line license to Southwestern Bell Telephone Company for one fiber optic line over and across the west side of the Woodhouse Terminal, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Development Operations

Staff Contact:

Garry McMahan

Background:

Southwestern Bell Telephone Company, Port Authority File No. 2019-0330, has applied for a distribution/transmission line license for one fiber optic line over and across the west side of the Woodhouse Terminal, in the Ezekiel Thomas Survey, A-73, in Harris County, Texas.

The line provides service to Port Authority tenant The Anderson Group and is associated with Port Authority File No. 2018-0150.

Staff Evaluation/Justification:

The application was reviewed and approved by the Port Authority's Channel Development Operations department. Because the line provides service to a Port Authority tenant, the license fee has been waived. The \$675 application fee and the \$2,500 as-built deposit have been paid.

Staff recommends approval.

I. INFRASTRUCTURE

Subject	12. Issue a pipeline license to CenterPoint Energy Resources Corp for a 2-inch natural gas pipeline under and across the Northside Mainline railroad right-of-way along McCarty Street.
Meeting	Dec 11, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its December 11, 2019 meeting, authorize the Port Authority to issue a pipeline license to CenterPoint Energy Resources Corp for a 2-inch natural gas pipeline under and across the Northside Mainline railroad right-of-way along McCarty Street, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Development Operations

Staff Contact:

Garry McMahan

Background:

CenterPoint Energy Resources Corp, Port Authority File No. 2019-0314, has applied for a pipeline license for a 2-inch natural gas pipeline under and across the Northside Mainline railroad right-of-way along McCarty Street, in the John Brown League Survey, A-8, in Harris County, Texas.

Staff Evaluation/Justification:

The application was reviewed and approved by the Port Authority's Channel Development Operations department. The license is to be issued subject to the Port Authority's usual terms and conditions and at a fee of \$5,302. The \$675 application fee and the \$2,500 as-built deposit have been paid.

Staff recommends approval.

I. INFRASTRUCTURE

Subject	13. Amend a pipeline license to HSC Pipeline Partnership, LLC for an additional 1,929-feet of a 16-inch ethylene pipeline across the Barbours Cut Terminal and North L Street property and connecting to an additional 1,739-feet of an 8-inch ethylene pipeline across the Bayport Container Terminal property.
Meeting	Dec 11, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its December 11, 2019 meeting, authorize the Port Authority to amend a pipeline license to HSC Pipeline Partnership, LLC for an additional 1,929-feet of a 16-inch ethylene pipeline across the Barbours Cut Terminal and North L Street property and connecting to an additional 1,739-feet of an 8-inch ethylene pipeline across the Bayport Container Terminal property, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Development Operations

Staff Contact:

Garry McMahan

Background:

HSC Pipeline Partnership, LLC, Port Authority File No. 2018-0312, has applied to amend a pipeline license for an additional 1,929-feet of a 16-inch ethylene pipeline across the Barbours Cut Terminal and North L Street property and connecting to an additional 1,739-feet of an 8-inch ethylene pipeline across the Bayport Container Terminal property, in the Johnson Hunter Survey, A-35, Tomas Toby Survey, A-787, William Scott Survey, A-65, J. Steele Survey, A-227, Henry K. Lewis Survey, A-41, and the William P. Harris Survey, A-30, in Harris County, Texas.

Staff Evaluation/Justification:

The application was reviewed and approved by the Port Authority's Channel Development Operations department. The license is to be issued subject to the Port Authority's usual terms and conditions and at an additional fee of \$45,724. The \$675 application fee and \$2,500 as-built deposit have been paid.

Staff recommends approval.

I. INFRASTRUCTURE

Subject	14. Amend a pipeline license to KM Liquid Terminals LLC to change from a 20-inch petroleum pipeline to a 24-inch petroleum pipeline under and across the Port Terminal Railroad Association Pasadena Cut-Off railroad right-of-way at two locations.
Meeting	Dec 11, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its December 11, 2019 meeting, authorize the Port Authority to amend a pipeline license to KM Liquid Terminals LLC to change from a 20-inch petroleum pipeline to a 24-inch petroleum pipeline under and across the Port Terminal Railroad Association Pasadena Cut-Off railroad right-of-way at two locations, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Development Operations

Staff Contact:

Garry McMahan

Background:

KM Liquid Terminals LLC, Port Authority File No. 2019-0259, had applied for a pipeline license for a 20-inch petroleum pipeline under and across the Port Terminal Railroad Association Pasadena Cut-Off railroad right-of-way at two locations, in the James Seymour Survey, A-698 and the Thomas Earle Survey, A-18, in Harris County, Texas.

By Port Authority Minute No. 2019-1022-22, the Port Commission issued a pipeline license to KM Liquid Terminals LLC for a 20-inch petroleum pipeline under and across the Port Terminal Railroad Association Pasadena Cut-Off railroad right-of-way at two locations.

KM Liquid Terminals LLC has not installed the approved 20-inch pipeline and has requested to change the size from a 20-inch to a 24-inch pipeline.

Staff Evaluation/Justification:

The application was reviewed and approved by the Port Authority's Channel Development Operations department. The amended license is to be issued subject to the Port Authority's usual terms and conditions at no additional fee. The \$675 application fee and \$2,500 as-built deposit have been paid.

Staff recommends approval.

I. INFRASTRUCTURE

Subject 15. Amend a marine construction permit to assign the permit from Targa Terminals LLC to Targa Downstream LLC for an existing dock along the Houston Ship Channel and remove the previously authorized construction modifications in the previous amendment.

Meeting Dec 11, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 11, 2019 meeting, authorize the Port Authority to assign the permit from Targa Terminals LLC to Targa Downstream LLC for an existing dock along the Houston Ship Channel and remove the previously authorized construction modifications in the previous amendment, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:
Permits/Licenses/Pipeline Easements

Department:
Channel Development Operations

Staff Contact:
Garry McMahan

Background:
Targa Downstream LLC, Port Authority File No. 2009-0276, has applied to amend a marine construction permit to assign the permit from Targa Terminals LLC to Targa Downstream LLC for an existing dock structure and remove the previously authorized construction modifications in the previous amendment. The dock is located along the Houston Ship Channel, in the James Seymour Survey, A-698, in Harris County, Texas.

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

Staff recommends approval.

I. INFRASTRUCTURE

Subject **16. Amend a marine construction permit to assign the permit from Georgia Gulf Chemicals & Vinyls, LLC to INEOS Phenol and to construct a 2.9 acre three-barge dock slip along the Houston Ship Channel.**

Meeting Dec 11, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 11, 2019 meeting, authorize the Port Authority to assign the permit from Georgia Gulf Chemicals & Vinyls, LLC to INEOS Phenol and to construct a 2.9 acre three-barge dock slip along the Houston Ship Channel, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Development Operations

Staff Contact:

Garry McMahan

Background:

INEOS Phenol, Port Authority File No. 2011-0447, has applied to amend a marine construction permit to assign the permit from Georgia Gulf Chemicals & Vinyls, LLC to INEOS Phenol and to construct a 2.9 acre three-barge dock slip along the Houston Ship Channel, in the Thomas Earle Survey, A-18, in Harris County, Texas.

Staff Evaluation/Justification:

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

Staff recommends approval.

I. INFRASTRUCTURE

Subject	17. Amend a marine construction permit to MARMAC LLC dba McDonough Marine Service to include approximately 16.68 acres of barge fleeting activity in Old River.
Meeting	Dec 11, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its December 11, 2019 meeting, authorize the Port Authority to amend a marine construction permit to MARMAC LLC dba McDonough Marine Service to include approximately 16.68 acres of barge fleeting activity in Old River, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Development Operations

Staff Contact:

Garry McMahan

Background:

MARMAC LLC dba McDonough Marine Service (MARMAC), Port Authority File No. 2013-0118, has applied to amend a marine construction permit to add approximately 16.68 acres of barge fleeting activity in Old River, in the Amy White Survey, A-81, adjacent to 17500 Market Street, in the Josiah T. Harrell Survey, A-330, in Harris County, Texas.

MARMAC has been in business for 74 years and operated a barge fleeting operation in this location since the mid 1970's. A corresponding submerged land lease for the barge fleeting activity was previously approved by Minute No. 2019-1022-31 under Port Authority File No. 2019-0261.

Staff Evaluation/Justification:

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

Staff recommends approval.

I. INFRASTRUCTURE

Subject	18. Amend a distribution/transmission line license to change the licensee name from AT&T to Southwestern Bell Telephone Company for one fiber optic line over and across the Northside Turning Basin Lower Level railroad right-of-way.
Meeting	Dec 11, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its December 11, 2019 meeting, authorize the Port Authority to amend a distribution/transmission line license to change the licensee name from AT&T to Southwestern Bell Telephone Company for one fiber optic line over and across the Northside Turning Basin Lower Level 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.

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Development Operations

Staff Contact:

Garry McMahan

Background:

AT&T, Port Authority File No. 2019-0279, had applied for a distribution/transmission line license for one fiber optic line over and across the Northside Turning Basin Lower Level Port Terminal Railroad Association railroad right-of-way, in the John Brown Survey, A-8, in Harris County, Texas.

By Minute No. 2019-1022-28, the Port Commission issued a distribution/transmission line license to AT&T for one fiber optic line over and across the Northside Turning Basin Lower Level Port Terminal Railroad Association railroad right-of-way.

The line provides service to Port Authority tenant Cooper/Ports America and is associated with Port Authority File No. 2007-0128.

The approved fiber optic line has not been installed, and AT&T has requested to change the license name from AT&T to Southwestern Bell Telephone Company.

Staff Evaluation/Justification:

The application was reviewed and approved by the Port Authority's Channel Development Operations department. Because the line provides service to a Port Authority tenant, the license fee has been waived. The \$675 application fee and the \$2,500 as-built deposit have been paid.

Staff recommends approval.

I. INFRASTRUCTURE

Subject	19. Authorize the Port Authority to enter into contributed funds agreements with the U.S. Army Corps of Engineers (USACE), in an initial amount not to exceed \$400,000, as necessary to support design review of the Houston Ship Channel Expansion Channel Improvement Project.
Meeting	Dec 11, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its December 11, 2019 meeting, authorize the Port Authority to enter into contributed funds agreements with the U.S. Army Corps of Engineers (USACE), in an initial amount not to exceed \$400,000, as necessary to support design review of the Houston Ship Channel Expansion Channel Improvement Project, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #3 - INFRASTRUCTURE (Provide and facilitate infrastructure to meet demand)

Category:
General

Department:
Channel Improvement

Staff Contact:
Lori Brownell

Background:

The Port Commission, at its November 11, 2019 meeting, awarded two professional services contracts, one to TC&B/GBA, a Joint Venture of Turner Collie & Braden Inc. and Gahagan & Bryant Associates, Inc., and one to HDR Engineering, Inc to provide professional services for engineering, design (including Pre-construction Engineering and Design (PED) services), project coordination, and other general assistance to accelerate field work and design for the Houston Ship Channel Expansion Channel Improvement Project (HSC-ECIP).

These contracts were awarded to enable acceleration of the USACE processes associated with a traditional navigation improvement project. Under this accelerated plan, dredging could begin in 2021 with the major project components completed in 2024.

Federal law and policy requires that PED services provided by the Local Sponsor be reviewed and approved by the USACE.

Staff Evaluation/Justification:

The purpose of these funding agreements is to provide \$400,000 of initial funding to the USACE to enable its performance of the required design review. Several funding agreement options are currently being reviewed by the USACE and Port Authority staff, and it is likely that several agreements will be needed to cover the various USACE requirements. To maintain an accelerated project schedule, it is important to execute these funding agreements with the USACE as soon as possible. Once the review process is underway, additional funding will likely be needed to complete the required tasks.

Staff recommends the Port Commission authorize the Port Authority to enter into contributed funds agreements with the USACE, as described in the Recommendation.

J. OPERATIONS

Subject	1. Reject the bids and authorize re-advertisement for competitive sealed proposals for purchase of miscellaneous auto parts for terminal equipment at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal.
Meeting	Dec 11, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its December 11, 2019 meeting, reject the bids and authorize re-advertisement for competitive sealed proposals for purchase of miscellaneous auto parts for terminal equipment at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #3 - INFRASTRUCTURE (Provide and facilitate infrastructure to meet demand)

Category:
Reject & Other Actions

Department:
Maintenance

Staff Contact:
Paulo Soares

Background:

On November 6, 2019, two competitive sealed bids (CSBs) were received for purchase of miscellaneous auto parts for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal. The Port Authority owns three hundred and sixty-two vehicles that require a myriad of replacement parts for suspension, brake, ignition, engine, transmission and coolant systems for daily operation. Of the two CBSs received, only one was deemed responsive. Staff has determined that the Port Authority would be better served if this contract were awarded to more than one company, as this would increase the likelihood of obtaining needed parts.

Staff Evaluation/Justification:

Staff recommends that the Port Commission reject the bids and authorize re-advertisement for competitive sealed proposals for miscellaneous auto parts for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal.

J. OPERATIONS

Subject	2. Approve staff's ranking of vendors and award a two-year contract in an amount not to exceed \$1,000,000 for repair of motors, generators, and alternators for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal to the top-ranked proposer: staff ranking – first, Northstar Industries; and second, Amerimex Motor and Controls, LLC.
Meeting	Dec 11, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its December 11, 2019 meeting: (a) approve staff's ranking of the most qualified vendors, based on the selection criteria, in the following order - first, Northstar Industries; and second, Amerimex Motor and Controls, LLC; (b) award a two-year contract to the top-ranked proposer for repair of motors, generators, and alternators for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal in an amount not to exceed \$1,000,000; (c) grant authority, if a contract cannot be negotiated with the first-ranked vendor, to formally, and in writing, end negotiations with that vendor and proceed to the next vendor in the order of ranking until a contract is reached or all proposals are rejected; and (d) further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #3 - INFRASTRUCTURE (Provide and facilitate infrastructure to meet demand)

Category:
Awards, Amendments & Change Orders

Department:
Maintenance

Staff Contact:
Paulo Soares

Background:
The Port Authority currently owns more than 2,000 electric motors and generators on ninety RTGs and twenty-seven wharf cranes operating at its container terminals. In the event of failure it is important that a contract be in place to repair these motors and generators promptly so that crane downtime can be minimized. These services are also necessary for routine maintenance of these assets to ensure operational efficiency.

By Minute No. 2018-0731-34, the Port Commission awarded a two-year contract to Northstar Industries in an amount not to exceed \$1,000,000 for repair of motors, generators, and alternators for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal. Funds have been depleted due to a higher-than-expected incidence of motor repairs during the first fourteen months of this contract.

The Port Authority notified vendors regarding its request for competitive sealed proposals (CSPs) for repair of motors, generators, and alternators for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal using the Port Authority's BuySpeed Eprocurement System and the project was advertised on the Port Authority's website and in a local newspaper. Seven vendors downloaded the project materials from BuySpeed.

Staff Evaluation/Justification:

On November 6, 2019, two CSP responses were received and opened. The responses were reviewed and evaluated by staff in accordance with the selection criteria published in the CSP. Staff identified the following vendors, listed in ranking order, as most qualified to provide the required service:

- Northstar Industries
- Amerimex Motor and Controls, LLC

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

J. OPERATIONS

Subject	3. Award a contract to Wesco Distribution, Inc. for the purchase of LED lighting for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal in an amount not to exceed \$1,766,000.
Meeting	Dec 11, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its December 11, 2019 meeting, award a contract to Wesco Distribution, Inc. for the purchase of LED lighting for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal in an amount not to exceed \$1,766,000, 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:

Adequate illumination levels are required for safe operation of Port Authority marine terminals. As part of a program to replace costly and inefficient High Pressure Sodium (HPS) fixtures throughout these facilities, staff implemented a 3-year program in 2018 to replace approximately 2,642 fixtures with LEDs.

Staff has verified that the cost to operate LED fixtures is approximately 25% of the cost to operate HPS fixtures. Accordingly, by Minute Nos. 2018-0626-32 and 2019-0226-31, the Port Authority awarded contracts to Graybar Electric Company, Inc. and Wesco Distribution, Inc. in the amount of \$1,100,000 and \$2,900,000 respectively for purchase of LED lighting. By December 2019, a total of 97 high mast poles at Barbours Cut Terminal, 65 at Bayport Container Terminal, and 49 at Turning Basin Terminal will have been retrofitted, totaling 1,164 fixtures. However, additional LED fixtures are still needed for warehouses, ramp roads, parking lots, and gate canopies at all three terminals.

Staff now recommends that a total of 1,478 LED fixtures be purchased to conclude this successful project. This installation will be carried out by Port Authority Maintenance Department personnel.

The Port Authority notified vendors regarding its request for competitive sealed bids (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 November 6, 2019, three CSBs were received and opened. 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 Wesco Distribution, Inc., the responsible bidder submitting the lowest and best bid, for purchase of LED lighting for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal.

J. OPERATIONS

Subject **4. Award a two-year contract to Coastal Welding Supply, Inc. for the purchase of welding supplies and gases for Barbours Cut Terminal, Bayport Container Terminal and Turning Basin Terminal in an amount not to exceed \$300,000.**

Meeting Dec 11, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 11, 2019 meeting, award a two-year contract to Coastal Welding Supplies, Inc. for the purchase of welding supplies and gases for 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

Category:

Awards, Amendments & Change Orders

Department:

Maintenance

Staff Contact:

Paulo Soares

Background:

Welding supplies and gases are used daily in the maintenance and repair of facilities and equipment at all three terminals. Historically, the Port Authority used informal purchase orders with local vendors to meet demand; however, as facilities continue to expand and operational demands increase, staff believes the Port Authority will benefit if a larger contract was issued.

The Port Authority notified vendors regarding its request for competitive sealed bids (CSBs) using the Port Authority's BuySpeed procurement System and the project was advertised on the Port Authority's website and in a local newspaper. Eight vendors downloaded the project materials from BuySpeed.

Staff Evaluation/Justification:

On November 13, 2019, one response was received and opened. The response was reviewed and evaluated by staff in accordance with the published selection criteria.

Following staff Executive Committee review, staff recommends that the Port Authority award a two-year contract to Coastal Welding Supply, Inc., a responsible bidder submitting and best bid, for the purchase of welding supplies and gases for Barbours Cut Terminal, Bayport Container Terminal and Turning Basin Terminal

J. OPERATIONS

Subject	5. Award a two-year contract to Houston-Pasadena Apache Oil Company for the purchase of miscellaneous filters for terminal equipment at Barbours Cut Terminal, Bayport Container Terminal and Turning Basin Terminal in the amount not to exceed \$350,000.
Meeting	Dec 11, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its December 11, 2019 meeting, award a two-year contract to Houston-Pasadena Apache Oil Company for the purchase of miscellaneous filters for terminal equipment at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal in an amount not to exceed \$350,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing
Goals	STRATEGIC GOAL #3 - INFRASTRUCTURE (Provide and facilitate infrastructure to meet demand)

Category:

Awards, Amendments & Change Orders

Department:

Maintenance

Staff Contact:

Paulo Soares

Background:

By Minute 2017-1212-49, the Port Authority awarded a two-year contract to Houston-Pasadena Apache Oil Company for the purchase of miscellaneous filters for terminal equipment at Barbours Cut Terminal, Bayport Container Terminal and Turning Basin Terminal. Filters are essential to proper maintenance of equipment including ninety RTG cranes and six hundred and sixty vehicles, forklifts, and landscaping equipment. Units require from 1 to 7 filters for fuel, coolant water, air, engine, transmission, and hydraulic oils.

The Port Authority notified vendors regarding its request for competitive sealed bids (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. Twenty-two vendors downloaded the project materials from BuySpeed.

Staff Evaluation/Justification:

On November 6, 2019, eight CSBs were received and opened. 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 Houston-Pasadena Apache Oil Company, the responsible bidder submitting the lowest and best bid, for purchase of miscellaneous filters for terminal equipment at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal.

J. OPERATIONS

Subject	6. Approve a change order with RailWorks Track Systems, Inc. to perform additional work associated with gantry rails at Bayport Container Terminal in an amount not to exceed \$170,000.
Meeting	Dec 11, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its December 11, 2019 meeting, approve a change order to RailWorks Track Systems, Inc. to perform additional work associated with gantry rails at Bayport Container Terminal in an amount not to exceed \$170,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Award, Amendments & Change Orders

Department:

Maintenance

Staff Contact:

Paulo Soares

Background:

By Minute No. 2018-1030-40, the Port Commission awarded a two-year contract to RailWorks Track Systems, Inc. for railroad repair services at Port Authority facilities in the amount not to exceed \$750,000. Due to extensive repairs needed at Turning Basin Terminal, funds are nearly depleted. Recently, staff noticed several cracks along the waterside gantry rail of wharf No. 4 at Bayport Container Terminal. These cracks need to be repaired as soon as possible to avoid potential damage to wharf cranes and disruption to operations.

The change order proposed by the contractor includes the following items:

- Remove lean concrete around crane rail.
- Remove existing clips and anchor bolts at least 40 feet on each direction from crack.
- Remove damaged rail sections and clean up existing base plates.
- Supply and install 2 each crane rail expansion joint assemblies with rail clips.
- Weld expansion joint rails.
- Supply and install cold mix asphalt around and along the rail on work area.

Staff Evaluation/Justification:

Port Authority staff has reviewed the proposal submitted by RailWorks Track Systems, Inc. and found it to be fair and reasonable.

Staff recommends that the Port Commission authorize this change order.

J. OPERATIONS

Subject	7. Approve an amendment to the lease agreement with Houston Terminal, LLC for an empty container depot at Bayport Container Terminal providing for reimbursement of Houston Terminal, LLC's construction costs for certain work, not to exceed \$2,569,600.40.
Meeting	Dec 11, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its December 11, 2019 meeting, (i) approve an amendment to the Lease Agreement with Houston Terminal, LLC for an empty container depot at Bayport Container Terminal, providing for reimbursement (through rent abatement or other means as more particularly described in the amendment) of Houston Terminal, LLC's construction costs for certain work, not to exceed \$2,569,600.40, and (ii) further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #3 - INFRASTRUCTURE (Provide and facilitate infrastructure to meet demand)

Category:

Awards, Amendments & Change Orders

Department:

Operations

Staff Contact:

Jeff Davis

Background:

In May 2008, following Port Commission approval, Houston Terminal, LLC, a subsidiary of Mediterranean Shipping Company, entered into a 30-year lease of 26.7 acres of unimproved land at the Bayport Container Terminal, to develop a depot for the handling and storage of empty containers. The leased premises were adjacent to the initial phase of development of the terminal. Houston Terminal's development of the 26.7-acre site was subsequently postponed several times.

By Minute No. 2019-0226-32, the Port Commission approved an amendment to the long-term lease agreement with Houston Terminal, LLC to develop an Empty Container Depot at Bayport Container Terminal in a 25.97 acres premises at the southeastern portion of the Bayport Container Terminal. The acreage has since been adjusted to 26.00 acres.

Landlord and Houston Terminal, LLC intend to enter into an amendment that would achieve certain objectives, including the following:

1. Establish the lease commencement date;
2. Reflect information from Houston Terminal, LLC's Environmental Assessment; and
3. In the interest of economy, Houston Terminal, LLC would perform, at the cost and expense of the Port Authority, certain necessary drainage, security, and other infrastructure improvements on Port Authority property adjacent to and underneath the leased premises. The anticipated cost of the construction work, \$2,569,600.40, would be paid and reimbursed by the Port Authority under payment terms set forth in the amendment.

Staff Evaluation/Justification:

Staff has reviewed the proposed reimbursement amount and has determined that the amount properly reflects estimated construction costs by Houston Terminal, LLC for the improvements constructed on behalf of the Port Authority.

Accordingly, Terminal Operations and Legal staff recommend the Port Commission approve the lease amendment.

J. OPERATIONS

Subject	8. Reissue and amend Port Authority Tariff Nos. 8, 14, and 15 covering the Turning Basin Terminals, Barbours Cut Terminal, and Bayport Container Terminal, all effective on or around January 1, 2020.
Meeting	Dec 11, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	<p>The Port Commission, at its December 11, 2019 meeting, authorize the re-issuance and amendment of Port Authority Tariff Nos. 8, 14, and 15, to amend certain subrules, including subrules relating to:</p> <ul style="list-style-type: none"> (i) Denial of use of Port Houston facilities in connection to an unpaid invoice for property damage; (ii) Clarification of the prohibition on the shipping of ammonium nitrate; (iii) Limitations on the shipping of radioactive material; (iv) Clarification of an export storage fee (formerly referred to as a booking roll storage fee); (v) Revision to rehandling rules to include fumigation; (vi) Clarification of sales tax on equipment rental in Tariff 14 and Tariff 8 to conform with Tariff 15; (vii) Imposition of a fee for failure to file berth applications; (viii) Addressing the handling of explosives; (ix) Removal of charges for replacement of Port Authority keys; (x) Revision of provisions relating to cotton, cotton linters and/or green coffee, including free time provision for the Turning Basin terminals, demurrage, charges for transfer, and charges for weighing; (xi) Changes to rules relating to loading, unloading, and wharfage charges for certain commodities, and railcar storage at the Turning Basin terminals; (xii) Revision of charges for berth cleaning; and (xiii) Revision to the applicability of freight handling rules, <p>all to be effective on or about January 1, 2020, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.</p>
Goals	STRATEGIC GOAL #3 - INFRASTRUCTURE (Provide and facilitate infrastructure to meet demand)

Category:
General

Department:
Operations

Staff Contact:
Jeff Davis

Background:
The Port Authority has reissued its Tariff Nos. 8, 14, and 15 each calendar year since 2008 and staff requests that these tariffs be again reissued effective on or about January 1, 2020.

Staff Evaluation/Justification:

Recommended revisions to Tariff Nos. 8, 14, and 15 include amending subrules relating to:

- i. Denial of use of Port Houston facilities in connection to an unpaid invoice for property damage;
- ii. Clarification of the prohibition on the shipping of ammonium nitrate;

- iii. Limitations on the shipping of radioactive material;
- iv. Clarification of an export storage fee (formerly referred to as a booking roll storage fee);
- v. Revision to rehandling rules to include fumigation;
- vi. Clarification of sales tax on equipment rental in Tariff 14 and Tariff 8 to conform with Tariff 15;
- vii. Imposition of a fee for failure to file berth applications;
- viii. Addressing the handling of explosives;
- ix. Removal of charges for replacement of Port Authority keys;
- x. Revision of provisions relating to cotton, cotton linters and/or green coffee, including free time provision for the Turning Basin terminals, demurrage, charges for transfer, and charges for weighing;
- xi. Changes to rules relating to loading, unloading, and wharfage charges for certain commodities, and railcar storage at the Turning Basin terminals;
- xii. Revision of charges for berth cleaning; and
- xiii. Revision to the applicability of freight handling rules.

The recommended revisions also include other minor clarifications, corrections, and updates of Tariff Nos. 8, 14, and 15.

Staff proposes that these changes become effective on or about January 1, 2020, and therefore recommend that the Port Commission approve this item.

J. OPERATIONS

Subject	9. Recommendation to issue Stevedore Licenses for one-year terms commencing January 1, 2020 and expiring December 31, 2020, to Agri American Stevedores, LLC; APS Stevedoring, LLC; BBM Terminals Corp.; Ceres Gulf, Inc.; Cooper/Ports America; Gulf Stream Marine, Inc.; Jacintoport International, LLC; Marine Terminal Corporation East; Richardson Stevedoring and Logistics Services, Inc.; Schroder Marine Service; Southern Stevedoring Co., LP; and Suderman Contracting Stevedores, Inc., upon each applicant's satisfactory completion of all requirements and obligations for license issuance.
Meeting	Dec 11, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission at its December 11, 2019 meeting, grant authority to issue Stevedore Licenses for one-year terms commencing January 1, 2020 and expiring December 31, 2020, to Agri American Stevedores, LLC; APS Stevedoring, LLC; BBM Terminals Corp.; Ceres Gulf, Inc.; Cooper/Ports America; Gulf Stream Marine, Inc.; Jacintoport International, LLC; Marine Terminal Corporation East; Richardson Stevedoring and Logistics Services, Inc.; Schroder Marine Service; Southern Stevedoring Co., LP; and Suderman Contracting Stevedores, Inc., upon each applicant's satisfactory completion of all requirements and obligations for license issuance, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:
General

Department:
Operations

Staff Contact:
Jeff Davis

Background:
By Minute No. 2018-1212-35, the Port Commission awarded certain stevedore licenses for one-year terms expiring December 31, 2019.

Staff Evaluation/Justification:
Staff is currently receiving stevedore license applications from companies interested in being licensed to work at Port Authority facilities during 2020 and is in the process of reviewing those applications.

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

K. PEOPLE

Subject	1. Enter into a one-year agreement with the Houston International Seafarers' Center to provide humanitarian services to seafarers whose vessels call at the terminals of the Port Authority, effective January 1, 2020, in an amount not to exceed \$100,000.
Meeting	Dec 11, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its December 11, 2019 meeting, enter into a one-year agreement with the Houston International Seafarers' Center to provide humanitarian services to seafarers whose vessels call at the terminals of the Port Authority, effective January 1, 2020, in an amount not to exceed \$100,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #4 - STEWARDSHIP (Sustain the business for the long-term) Strategic Objective 4b. - Cultivate productive relationships with all stakeholders

Category:

Awards, Amendments & Change Orders

Department:

Community Relations & Events

Staff Contact:

Leslie Herbst

Background:

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

This agreement with the Port Authority would permit the Seafarers' Center to continue to provide the following services on a non-discriminatory basis to seafarers from all commercial vessels that call on the public and private terminals in the Port of Houston: operation of two Seafarers' Centers, transportation services, safety functions, communications, banking, emergency accommodations, recreational facilities, commissary facilities, a restaurant, mail and courier services, counseling services, and other services mutually deemed necessary. In addition, the Port Authority will also continue to invoice vessels docking at Port Authority terminals for the \$98.00 voluntary fee supporting the operations of the Seafarers' Center and further remit that payment within thirty (30) days upon receipt to the Seafarers' Center. The current service agreement with the Seafarers' Center expires December 31, 2019.

Staff Evaluation/Justification:

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

L. PORT SECURITY AND EMERGENCY OPERATIONS

Subject	1. Award a contract to Motorola Solutions for the construction of two Astro P25 Simulcast Radio Tower Sites, utilizing the Houston-Galveston Area Council Cooperative Purchasing Program, in an amount not to exceed \$5,750,000.
Meeting	Dec 11, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its meeting on December 11, 2019, award a contract to Motorola Solutions for the construction of two Astro P25 Simulcast Radio Tower Sites, utilizing the Houston-Galveston Area Council Cooperative Purchasing Program, in an amount not to exceed \$5,750,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	Strategic Objective 4c. - Operate safely and securely STRATEGIC GOAL #3 - INFRASTRUCTURE (Provide and facilitate infrastructure to meet demand)

Category:
Awards, Amendments, & Change Orders

Department:
Emergency Management

Staff Contact:
Colin Rizzo

Background:
In 2015, Harris County switched its radio system from analog to digital technology, following a Federal Communications Commission mandate. The Port Authority, which uses the Harris County TXWARN Radio system for communications, purchased radios capable of handling the new digital technology, and thereafter completed switching to the Harris County-operated digital system. Both the Barbours Cut Terminal and the Bayport Container Terminal experienced coverage and capacity issues on the new digital system, which degraded the ability of maintenance, operations, police, security, and fire personnel to clearly communicate, thereby potentially creating a serious safety situation.

In 2017, the Port Commission approved the purchase of two Communications on Wheels units (COWs), which were placed into service to temporarily remedy the coverage and capacity issues. COWs are intended as a temporary solution and are not intended to remain operational for long periods of time.

In 2018, the Port Authority hired a consultant to conduct a Radio Needs Analysis to evaluate options for a permanent solution. The study provided three options, with the Port Authority selecting the option to build its own radio towers and become a System Partner on the Harris County TXWARN Radio system. One tower would be built at the Bayport Container Terminal and one tower at Barbours Cut Terminal.

The Director of Procurement Services has determined that procuring two Astro P25 Simulcast Radio Towers, along with a Geo-Redundant Prime system through the purchasing program of Houston-Galveston Area Council (H-GAC) is the method that both satisfies competitive purchase requirements and provides the best value to the Port Authority. Port Authority staff has determined that the best availability, price, and contract terms for the item needed is provided by Motorola Solutions under the pricing schedule obtained from that vendor's contract with H-GAC.

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

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

Staff Evaluation/Justification:

Clear and reliable communications for maintenance, operations, and public safety personnel are paramount for the safety of life. Staff has concluded that building two Astro P25 Simulcast Radio Towers, along with a Geo-Redundant Prime system, is the best long-term solution to provide adequate radio coverage on the Harris County TXWARN Radio System for the Port Authority. Motorola Solutions is the vendor that builds towers for inclusion on the Harris County TXWARN Radio System.

Staff recommends the Port Commission approve this best value determination and award a contract to Motorola Solutions, utilizing the H-GAC Cooperative Purchasing Program, to construct two Astro P25 Simulcast Radio Towers that include towers, shelters, civil construction, implementation services, road access, and a Geo-Redundant Prime system for operational redundancy.

L. PORT SECURITY AND EMERGENCY OPERATIONS

Subject	2. Issue a purchase order to Siddons Martin Emergency Group for the purchase of a 2020 Fire Engine, using the Houston-Galveston Area Council's Cooperative Purchasing Program, in an amount not to exceed \$550,000.
Meeting	Dec 11, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its December 11, 2019 meeting, issue a purchase order to Siddons Martin Emergency Group for the purchase of a 2020 Fire Engine, using the Houston-Galveston Area Council's Cooperative Purchasing Program, in an amount not to exceed \$550,000, find that the use of this procurement method provides best value to the Port Authority, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Goals Strategic Objective 4c. - Operate safely and securely

Category:

Awards, Amendments & Change Orders

Department:

Fire

Staff Contact:

Chief William Buck

Background:

The Bayport fire station is currently equipped with a 2006 fire apparatus, which has a ten-year life expectancy. This procurement is for a new 2020 Pierce Fire Engine which is capable of meeting firefighting needs at the Bayport Containter Terminal facilities and nearby terminals. The safety of our firefighters, employees, tenants, and visitors is paramount, requiring the recapitalization of our fire engine fleet on a recurring basis, and prior to the failure of the apparatus.

The total cost includes a new 2020 Fire Engine, and two inspection trips to the factory for three persons per trip.

The Director of Procurement Services has determined that procuring a 2020 Fire Engine through the purchasing program of Houston-Galveston Area Council (H-GAC) is the method that both satisfies competitive purchase requirements and provides the best value to the Port Authority. The Port Authority Fire Department has determined that the best availability, price, and contract terms for the item needed is provided by Siddons Martin Emergency Group under the pricing schedule obtained from that vendor's contract with H-GAC.

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

Staff Evaluation/Justification:

Staff recommends utilizing the H-GAC Cooperative Purchasing Program for this procurement to provide the best value to the Port Authority. Siddons Martin Emergency Group is a local emergency vehicle vendor. The retired fire engine would be placed in "reserve status."

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

L. PORT SECURITY AND EMERGENCY OPERATIONS

Subject **3. Issue a purchase order to Metro Fire Apparatus Specialists, Inc. for the purchase of ten Self Containing Breathing Apparatus and ten cylinders, using the Houston-Galveston Area Council's Cooperative Purchasing Program, in an amount not to exceed \$80,000.**

Meeting Dec 11, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its December 11, 2019 meeting, issue a purchase order to Metro Fire Apparatus Specialists, Inc. for purchase of ten Self Containing Breathing Apparatus and ten cylinders, using Houston-Galveston Area Council's Cooperative Purchasing Program, in an amount not to exceed \$80,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Goals Strategic Objective 4c. - Operate safely and securely
STRATEGIC GOAL #1 - PEOPLE AND ORGANIZATION (Invest in people and organize for success)

Category:
Awards, Amendments, & Change Orders

Department:
Fire

Staff Contact:
Chief William Buck

Background:
The Fire Department is seeking to purchase ten Self Containing Breathing Apparatus (SCBA) and ten cylinders per the Texas Administrative Code Title 37, Part 13, Chapter 435, Rule 435.3, which states that an entity that employs firefighters shall purchase, provide, and maintain a complete SCBA for all on-duty fire protection personnel who engage in operations where immediate danger to life and health atmospheres may be encountered, and shall comply with the National Fire Protection Association (NFPA) 1981 Standard for SCBA for firefighters. Port Authority firefighters' job duty requires that they enter such atmospheres.

This is a replacement purchase for the existing SCBAs that are reaching the end of their useful life. The current SCBAs parts are being phased out as technology changes, requiring an upgrade in SCBAs. The Port Commission approved a similar purchase in early 2019 as part of a four-year recapitalization plan for SCBAs. This purchase would be in year 2 of the four-year plan, insuring that current standards are met, Texas Fire Commission and NFPA requirements are met, and above all, our people are kept safe.

Staff Evaluation/Justification:
The Director of Procurement Services has determined that procuring SCBAs through the purchasing program of Houston-Galveston Area Council (H-GAC) is the method that both satisfies competitive purchase requirements and provides the best value to the Port Authority. The Port Authority Fire Department has determined that the best availability, price, and contract terms for the item needed is provided by Metro Fire Apparatus Specialists, Inc. under the pricing schedule obtained from that vendor's contract with H-GAC.

The H-GAC Cooperative Purchasing Program was established in 1973 pursuant to the Texas Interlocal Cooperation Act to enable governmental entities to obtain purchasing services that offer expedited procurement, volume purchasing discounts, contract administration, and research services. All products

and services offered by H-GAC have been subjected to competitive procurement processes in accordance with statutory requirements. By Minute No. 99-1129-29, the Port Commission authorized the Port Authority to enter into an Interlocal Agreement with H-GAC to participate in its cooperative purchasing program.

Staff recommends utilizing the H-GAC Cooperative Purchasing Program for this procurement to provide the best value to the Port Authority. Metro Fire Apparatus Specialists Inc., a local fire equipment company, was determined to provide the product sought using H-GAC pricing.

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

M. TECHNOLOGY

Subject	1. Issue a purchase order to SHI Government Solutions, Inc. for business and cybersecurity expansion of the Microsoft Enterprise License Agreement, using Texas Department of Information Resources cooperative purchase program, in an amount not to exceed \$900,000 over a two-year period.
Meeting	Dec 11, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its December 11, 2019 meeting, issue a purchase order to SHI Government Solutions, Inc., for purchase of additional software and subscriptions offered within the existing Microsoft Enterprise License Agreement, using Texas Department of Information Resources cooperative purchase program, in an amount not to exceed \$900,000 over a two-year period, determine that this 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 2b. - Deliver cost and service advantages through innovation and efficiency Strategic Objective 1c. - Implement streamlined processes supported by technology

Category:

Awards, Amendments & Change Orders

Department:

Information Technology

Staff Contact:

Charles Thompson

Background:

By Minute No. 2017-1212-56, the Port Commission provided approval to issue annual purchase orders to SHI Government Solutions, Inc., for a Microsoft Enterprise License Agreement, using a Texas Department of Information Resources (DIR) cooperative purchase program, in a total amount not to exceed \$912,000 over a four-year period.

To that end, the Port Authority is currently party to a Microsoft Enterprise License Agreement that expires in November 2021. Microsoft has offered, through its fulfillment partner, SHI Government Solutions, Inc., the ability to purchase additional licenses and subscriptions that provide enhanced business and cybersecurity features to the Port Authority. The Port Authority must also purchase additional licenses to continue to serve the needs of Port Authority users.

Staff Evaluation/Justification:

The Director of Procurement Services has determined that procuring the purchase of additional business and cybersecurity features through the DIR purchasing program is the method that both satisfies competitive purchase requirements and provides the best value to the Port Authority.

The Information Technology Department has determined that the additional business and cybersecurity features can only be obtained within our current Microsoft Enterprise License Agreement which is provided by SHI Government Solutions, Inc. under its vendor contract with DIR, and is therefore recommending this purchase.

Accordingly, staff recommends that the Port Commission approve this best value determination and the annual award of purchase orders over a two-year period.

M. TECHNOLOGY

Subject	2. Issue a purchase order to NetSync Network Solutions, Inc. for purchase of Information Technology components (Switches, Access Points, and associated peripherals) for Container Yard 7 North, using Texas Department of Information Resources' cooperative purchase program, in an amount not to exceed \$90,000.
Meeting	Dec 11, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its December 11, 2019 meeting, issue a purchase order to NetSync Network Solutions, Inc. for purchase of Information Technology components (Switches, Access Points, and associated peripherals) for Container Yard 7 North (CY7N), using Texas Department of Information Resources' cooperative purchase program, in an amount not to exceed \$90,000, 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 Objective 2b. - Deliver cost and service advantages through innovation and efficiency STRATEGIC GOAL #3 - INFRASTRUCTURE (Provide and facilitate infrastructure to meet demand)

Category:

Awards, Amendments & Change Orders

Department:

Information Technology

Staff Contact:

Charles Thompson

Background:

The Port Authority is seeking to obtain the needed Information Technology (IT) equipment to support the operation of CY7N which is currently under construction. 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 the purchase of Information Technology Components through DIR purchasing program is the method that both satisfies competitive purchase requirements and provides best value to the Port Authority.

The IT Department has determined that the best availability, price, and contract term for the item needed is provided by NetSync Network Solutions, Inc. under the pricing schedule obtained from that vendor's contract with DIR, and is therefore recommending this purchase.

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

M. TECHNOLOGY

Subject	3. Issue a purchase order to CDW Government LLC for purchase of additional data storage, using Texas Department of Information Resources' cooperative purchase program, in an amount not to exceed \$200,000.
Meeting	Dec 11, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its December 11, 2019 meeting, issue a purchase order to CDW Government LLC for purchase of additional data storage, using Texas Department of Information Resources' cooperative purchase program, in an amount not to exceed \$200,000, determine that this procurement method provides the best value to the Port Authority, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	Strategic Objective 4c. - Operate safely and securely Strategic Objective 2b. - Deliver cost and service advantages through innovation and efficiency Strategic Objective 1c. - Implement streamlined processes supported by technology

Category:

Awards, Amendments & Change Orders

Department:

Information Technology

Staff Contact:

Charles Thompson

Background:

The Port Authority is seeking to obtain additional data storage to enhance its current storage environment. 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 the purchase of additional data storage through the DIR purchasing program is the method that both satisfies competitive purchase requirements and provides the best value to the Port Authority.

The Information Technology Department has determined that the best availability, price, and contract term for the item needed is provided by CDW Government LLC under the pricing schedule obtained from that vendor's contract with DIR, and is therefore recommending this purchase.

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

M. TECHNOLOGY

Subject	4. Amend and extend an existing contract with Comcast Cable Communications Management, LLC for an additional two years to support internet connectivity and redundancy and the relocation of circuits resulting from the Barbour's Cut entry gate project, in a total amount not to exceed an addition \$440,000.
Meeting	Dec 11, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its December 11, 2019 meeting, amend and extend an existing contract with Comcast Cable Communications Management, LLC for an additional two years to provide required high speed internet connectivity and redundancy, and support the relocation of circuits resulting from the Barbour's Cut entry gate project, in a total amount not to exceed \$440,000, determine that this method provides the best value to the Port Authority, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	Strategic Objective 2b. - Deliver cost and service advantages through innovation and efficiency Strategic Objective 1c. - Implement streamlined processes supported by technology

Category:

Awards, Amendments & Change Orders

Department:

Information Technology

Staff Contact:

Charles Thompson

Background:

As Information Technology (IT) continues to support Port Authority operations and project and construction efforts, it is important to ensure that data centers have the needed and redundant connectivity as operational requirements evolve. Moving the Comcast circuit to a new location, C6 Admin, from the Pre-Check Building, to support the Barbours Cut Terminal entry gate redesign and rebuild is required due to the Barbours Cut Terminal entry gate expansion project. This relocation of the circuits would provide the same level of redundancy we currently have between terminals and is what this agreement addresses.

The Port Commission previously extended this agreement by Minute No. 2017-0926-46.

Staff Evaluation/Justification:

Staff has determined that the price and availability provided by amending and extending the current Master Services Agreement with Comcast Cable Communications Management, LLC provides the best value to the Port Authority for these services.

Accordingly, staff recommends that the Port Commission approve this request.

P. INFRASTRUCTURE

Subject	1. Approve staff's ranking of vendors and award a construction contract in an amount not to exceed \$4,058,220 to replace the fender system at Wharves 1 and 2 at CARE Terminal to the top-ranked proposer: staff ranking – first, Orion Construction, LP; second, Russell Marine, LLC; and third, Alphamar Group, Inc.
Meeting	Dec 11, 2019 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its December 11, 2019 meeting: (a) approve staff's ranking of the most qualified vendors, based on the selection criteria, in the following order – first, Orion Construction, LP; second, Russell Marine, LLC; and third, Alphamar Group, Inc. ; (b) award a construction contract to Orion Construction, LP to replace the fender system at Wharves 1 and 2 at CARE Terminal, in an amount not to exceed \$4,058,220; (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:

Following an assessment of the existing condition of the fender system at Wharves 1 and 2 at CARE Terminal, replacement of the entire system was recommended due to previous physical damage and significant corrosion of steel piles and framing. This project consists of removal and replacement of the complete fender system and all associated components, including steel piles, steel fender panels, and rubber fender elements.

The Port Authority notified vendors regarding its request for competitive sealed proposals (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. Twenty-eight vendors downloaded the project materials from BuySpeed.

Staff Evaluation/Justification:

On October 30, 2019, four CSPs 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 the best value for the required services:

- Orion Construction, LP
- Russell Marine, LLC