

# I N D E X

PORT COMMISSION  
OF THE  
PORT OF HOUSTON AUTHORITY  
OF THE PORTS OF HARRIS COUNTY, TEXAS  
September 28, 2021

Minute No.

Event/Action

**General**

Chairman Campo convened the in-person and virtual Port Commission meeting and provided opening remarks along with Port Commissioners

**Minutes**

2021-0928-01 Approve the minutes of the July 20, 2021 Port Commission meeting

**Staff Reports**

2021-0928-02 Roger Guenther, Executive Director, presented a summary of selected financial and operational matters

**Appearances**

2021-0928-03(a) Chairman Campo introduced Captain Jason Smith, U.S. Coast Guard Captain of the Port, who addressed the Port Commission

2021-0928-03(b) Chairman Campo recognized Ellu Nasser, Environmental Defense Fund, who addressed the Port Commission

2021-0928-03(c) Chairman Campo recognized Stephanie Thomas, Public Citizen, who addressed the Port Commission

2021-0928-03(d) Chairman Campo recognized Rev. James Caldwell, Coalition of Community Organizations, who addressed the Port Commission

2021-0928-03(e) Chairman Campo asked if anyone else would like to address the Port Commission; there was no response

**F. Executive**

2021-0928-04 Chairman Campo recognized Mr. Heidt to provide a report of selected Executive Division agenda items

<u>Minute No.</u>	<u>Event/Action</u>
2021-0928-05	Enter into a contract with Linebarger Goggan Blair & Sampson, LLP for the collection of delinquent taxes
2021-0928-06	Approve and reaffirm the Audit Committee Charter, Internal Audit Charter, and Internal Audit Policies, effective September 28, 2021
	<b>G. Business Equity (no items)</b>
	<b>H. Commercial</b>
2021-0928-07	Chairman Campo recognized Mr. Heidt to provide a report of selected Commercial Division agenda items
2021-0928-08	Approve an amendment to the lease with Covey Transport, Inc. for approximately 3.66 acres at Block 3, Turning Basin, to extend the term for an additional one year, effective no earlier than October 1, 2021, at an annual base rent of approximately \$77,446.20
2021-0928-09	Approve an amendment to the lease with TPC Group LLC to add an additional 1.469 acres to the 5.49-acre premises located at Sims Bayou, effective no earlier than October 1, 2021, at an annual base rent of approximately \$2,011,134, subject to annual escalation of the greater of 3% or increase in the Consumer Price Index
2021-0928-10	Approve an amendment to the lease with The Lubrizol Corporation, for approximately 2.09 acres of land in the George M. Patrick Survey, A-624 to extend the term for five years, effective no earlier than November 1, 2021, at an annual base rent of approximately \$54,536.04, subject to annual escalation of the greater of 3% or increase in the Consumer Price Index
2021-0928-11	Approve a third amendment to the lease with American Maritime Services of N.J., Inc. d/b/a Integrated Industries Corp. for approximately 10.49 acres located at Barbours Cut Terminal, to extend the term for one year, effective no earlier than October 1, 2021, at an annual base rent of \$451,333.93
2021-0928-12	Approve a second amendment to the lease with Dixie Cullen Interests, Inc. for approximately 10.402 acres, to extend the Phase II Construction Period for an additional twelve months from the current expiration date of December 31, 2021, effective no earlier than October 1, 2021, at an annual base rent of approximately \$300,000, subject to annual escalation of the greater of 3% or the increase in the Consumer Price Index
	<b>I. Finance</b>
2021-0928-13	Chairman Campo recognized Mr. Heidt to provide a report of selected Finance Division agenda items

<u>Minute No.</u>	<u>Event/Action</u>
2021-0928-14	Award a three-year contract to AndCo Consulting LLC, to provide investment consulting services for the Port of Houston Authority Restated Retirement (Pension) Plan, the Other Post Employment Benefit (OPEB) Plan, an irrevocable trust established for other post-employment benefits, the Defined Contribution 401(a) Plan, and the Deferred Compensation 457(b) Plan
2021-0928-15	Approve adoption and execution of resolutions, agreements, and documents to give effect to a new \$100,000,000 Third Lien Variable Rate Revolving Note Program with Truist Bank and affiliates, including authorization to (a) draw under such financing, (b) incur borrowings thereunder, (c) incur rating agency fees, commitment fees, paying agent fees, financial advisory fees, and other costs relating to the program (Costs) in an amount not to exceed \$1,500,000 for the period through November 30, 2026, and (d) in addition to the Costs, incur applicable interest costs relating to borrowings thereunder
2021-0928-16	Adopt a revised Investment Policy for Port Authority funds, including operating, construction, debt service, and bond reserve funds, and approve the Port Authority's revised Internal Controls for Investments
2021-0928-17	Approve an aggregate increase in the 2021 Operating Budget for estimated expenses associated with the newly created Business Equity Division

### **J. Infrastructure**

2021-0928-18	Chairman Campo recognized Mr. Heidt to provide a report of selected Infrastructure Division agenda items
2021-0928-19	Approve staff's ranking of vendors and award a professional service contract for the 2021 corrosion Facility Inspection and Condition Assessment Program for marine assets to the top-ranked proposer: staff ranking - first, Pond & Company; second, Wiss, Janey, Elstner Associates, Inc.; and third, Moffat & Nichol  Port Commission adopted the staff-recommended ranking and authorized award
2021-0928-20	Approve staff's ranking of vendors and award a construction contract for the Freight Station Road dedicated right turn lanes and U-turn connector at Bayport Container Terminal to the top-ranked proposer: staff ranking - first, Main Lane Industries, Ltd; second, Jerdon Enterprises; and third, Harper Brothers Construction, LLC  Port Commission adopted the staff-recommended ranking and authorized award

<u>Minute No.</u>	<u>Event/Action</u>
2021-0928-21	<p>Approve staff's ranking of vendors and award a professional services contract to perform construction material testing for the Freight Station Road dedicated right turn lanes and U-turn connector at Bayport Container Terminal to the top-ranked proposer: staff ranking - first, Raba Kistner, Inc.; second, HVJ Associates, Inc.; and third, Terracon Consultants, Inc.</p> <p>Port Commission adopted the staff-recommended ranking and authorized award</p>
2021-0928-22	<p>Approve staff's ranking of vendors and award a construction contract to perform asbestos abatement of restroom buildings at the north side of Turning Basin Terminal to the top-ranked proposer: staff ranking - first, RNDI Companies, Inc.; and second, Separation Systems Consultants, Inc.</p> <p>Port Commission adopted the staff-recommended ranking and authorized award</p>
2021-0928-23	<p>Approve staff's ranking of vendors and award a construction contract to complete rail spur construction at Bayport Container Terminal Phase II to the top-ranked proposer: staff ranking - first, Standard Constructors, Inc.; second, McCarthy Building Companies, Inc.</p> <p>Port Commission adopted the staff-recommended ranking and authorized award</p>
2021-0928-24	<p>Amend the professional services contract with Hatch Associates Consultants, Inc. to perform services for the design for rehabilitation of Wharves 4, 5, and 6 at Barbours Cut Terminal</p>
2021-0928-25	<p>Amend the professional services contract with AECOM Technical Services, Inc. to perform services for planning and design for reconstruction of eighty-seven acres of container yards at Barbours Cut Terminal</p>
2021-0928-26	<p>Approve a change order with McCarthy Building Companies, Inc. to perform additional work associated with the construction of Container Yard 7 at Bayport Container Terminal</p>
2021-0928-27	<p>Approve a change order with Satterfield &amp; Pontikes Construction, Inc. to perform additional work associated with the construction of Container Yard 2 South at Bayport Container Terminal</p>
2021-0928-28	<p>Approve a change order with McCarthy Building Companies, Inc. to perform additional work associated with the rehabilitation of Container Yard 3 North at Barbours Cut Terminal</p>

<u>Minute No.</u>	<u>Event/Action</u>
2021-0928-29	Enter into a Memorandum of Understanding and a temporary license with the U.S. Army Corps of Engineers for the placement of maintenance-dredged material from berths at Jacintoport Terminal and Care Terminal into a federally-managed dredged material placement area at a cost of \$331,800 and approve any over-dredge cost at \$5.53 per cubic yard in an amount not to exceed \$66,360
2021-0928-30	Enter into reimbursement agreements for pipeline relocation construction with eight pipeline companies for ten pipelines located in Segment 4 of the Houston Ship Channel Expansion Channel Improvement Project for which the Port Authority would be responsible for one-half the cost
2021-0928-31	Approve the renewal of the following expiring Port Authority licenses for new ten-year terms: Cargill Incorporated - Corn Milling Division, Chevron Phillips Chemical Company LP, Equistar Chemicals, LP, ExxonMobil Pipeline Company, Linde Inc., Matheson Tri-Gas Inc., Oxy Vinyls, LP, Southwestern Bell Telephone Company, TPC Group, LLC, and Valero Refining-Texas, LP
2021-0928-32	Issue a pipeline license to Linde Inc. for one 10-inch nitrogen pipeline adjacent to Port Road at the Old State Highway 146 intersection
2021-0928-33	Issue a pipeline license to Celanese Chemicals, Inc. for one 11-inch acetic acid pipeline crossing under the Exxon Pipeline Corridor between State Highway 146 and the Bayport Turning Basin
2021-0928-34	Issue a marine construction permit to TDWP Terminals 1, LLC to relocate a temporary barge dock located in Buffalo Bayou/Houston Ship Channel
2021-0928-35	Issue a marine construction permit to Oxy Vinyls, LP to make repairs to an existing barge dock facility located in Buffalo Bayou/Houston Ship Channel
2021-0928-36	Issue a transmission line license to Comcast of Houston, LLC for one fiber optic cable line under the Port Terminal Railroad Association's right-of-way at Jacintoport Terminal
2021-0928-37	Amend a pipeline license issued to Enterprise Houston Ship Channel, L.P. to modify the length of pipe on the Beltway 8 property
2021-0928-38	Transfer a private adjacency submerged land lease from MARMAC, LLC to 17500 Market Street, LLC and consent to a sublease to ACBL Transportation Services LLC, for 12.84 acres of barge fleeting area and 3.84 acres of encumbered area in Old River

<u>Minute No.</u>	<u>Event/Action</u>
2021-0928-39	Issue a Port Authority adjacency barge fleeting lease agreement and amend a marine construction permit with AccuTRANS Fleeting Services LLC for approximately 5.92 acres of submerged lands in Old River at an initial monthly rental amount of \$8,880 for a ten-year term
2021-0928-40	Approve a lease with Oxy Vinyls, LP for 0.89 acres of filled submerged land located in Patrick Bayou at an initial monthly rental amount of \$1,335 for a ten-year term
	<b>J. Operations</b>
2021-0928-41	Chairman Campo recognized Mr. Heidt to provide a report of selected Operations Division agenda items
2021-0928-42	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, Sulzer Electro-Mechanical Services (US), Inc.  Port Commission adopted the staff-recommended ranking and authorized award
2021-0928-43	Approve staff's ranking of vendors and award a professional services contract to perform inspection services for three dockside electric container cranes for Wharf No. 6 at Bayport Container Terminal to the top-ranked proposer: staff ranking - first, Liftech Consultants, Inc.; second, Laurence & Associates, LLC; and third, Paul Bridges & Associates, LLC  Port Commission adopted the staff-recommended ranking and authorized award
2021-0928-44	Award a contract to Davey Coach Sales Incorporated for the purchase of two used shuttle buses for Bayport Container Terminal
2021-0928-45	Award a two-year contract to Wesco Distribution for the purchase of electrical and lighting components for maintenance of facilities and equipment at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal
2021-0928-46	Award a two-year contract to Crane Tech Solutions, the sole source provider, for the purchase of spare and replacement parts for Stinis spreader bars and an over-height attachment at Barbours Cut Terminal and Bayport Container Terminal

<u>Minute No.</u>	<u>Event/Action</u>
2021-0928-47	Award a three-year contract to Kalmar USA Inc., Bromma Americas, the sole source provider, for the purchase of twistlocks and spreader bar related parts for wharf and rubber tyred gantry cranes at Barbours Cut Terminal and Bayport Container Terminal
2021-0928-48	Award a three-year contract to Conductix, Inc. dba Conductix-Wampfler, the sole source provider, for the purchase of spare and replacement parts for Conductix-Wampfler festoon systems for wharf cranes at Barbours Cut Terminal and Bayport Container Terminal
2021-0928-49	Ratify an emergency procurement with Dow Pipe & Fence Supply Co. for fence installation at Barbours Cut rail ramp
2021-0928-50	Issue a purchase order to Red River LLC for the purchase of twenty Cisco 829 routers to enhance yard crane Wi-Fi network connectivity performance, using Texas Department of Information Resources cooperative purchase program
2021-0928-51	Approve a five-year extension of the existing contract with Houston Mooring Company, Inc. for spotting of vessels at all Port Authority facilities
2021-0928-52	Approve a five-year extension of the existing contract with Texas Mooring, LLC Inc for spotting of vessels at all Port Authority facilities
2021-0928-53	Enter into the following Freight Handling Assignment Agreements for terminal services at the Turning Basin Terminal: Cooper/Ports America, LLC, Suderman Contracting Stevedores, Inc. DBA Metro Ports, Richardson Stevedoring and Logistics Services, Inc., and APS Stevedoring, LLC
2021-0928-54	Approve an amendment to the Lease Agreement with CMC Americas LLC for 22.52 acres at Bayport Container Terminal Complex south of Port Road providing for construction of improvements on behalf of the Port Authority and reimbursement of the tenant's construction costs for certain work

#### **K. People**

2021-0928-55	Chairman Campo recognized Mr. Heidt to provide a report of selected People Division agenda items
2021-0928-56	Authorize renewal of group insurance agreements with the following carriers to include coverage for calendar year 2022: (a) Aetna Life Insurance Company, for dental, vision, and Medicare Advantage coverage; (b) Minnesota Life Insurance Company, for basic life, voluntary and dependent life, and retiree life coverage; and (c) Hartford Life and Accident

Minute No.

Event/Action

Insurance Company, for long-term disability (LTD) coverage and short-term disability (STD) coverage

**L. Security and Emergency Operations**

2021-0928-57 Chairman Campo recognized Mr. Heidt to provide a report of selected SEO Division agenda items

2021-0928-58 Award a two-year professional services contract, with an option, for a two-year extension for Hazardous Material Response services to Oil Mop LLC, dba OMI Environmental Solutions

2021-0928-59 Award a purchase order to Genasys Corporation, the sole source provider, for the purchase of replacement parts and installation services for the existing Long-Range Acoustic Device Mass Notification outdoor siren system

2021-0928-60 Enter into an Intergovernmental Agreement with the City of Morgan's Point for police services for one year

**M. Technology**

2021-0928-61 Chairman Campo recognized Mr. Heidt to provide a report of selected Technology Division agenda items

2021-0928-62 Award purchase orders over a five-year period to HP Inc. for devices and related services, using City of Houston Contract #4600016154-2021-0499

2021-0928-63 Issue a purchase order to Xennex LLC for purchase of replacement data storage and increased redundancy equipment, using Texas Department of Information Resources cooperative purchase program

2021-0928-64 Issue a purchase order to Set Solutions, Inc. for renewal of Infoblox maintenance, which provides network-related functionality, using Texas Department of Information Resources' cooperative purchase program

2021-0928-65 Issue a purchase order to CDWG LLC for purchase of annual software subscription and support services for ManageEngine Service Desk ticketing software, using the National Intergovernmental Purchasing Alliance

**Recess Open Meeting and Convene Executive Session**

**Reconvene Open Meeting**



Minute No.

Event/Action

2021-0928-66

Authorize the Port Authority to settle the claims of Fused Industries LLC on the terms discussed in Executive Session, and to authorize the Executive Director to do all things necessary to give effect to the foregoing

2021-0928-67

Authorize the Port Authority to amend the agreement for legal services with Best Best & Krieger LLP on the terms discussed in Executive Session, and to authorize the Chief Legal Officer to do all things necessary to give effect to the foregoing

**Closing Remarks by Chairman and Commissioners**

**Adjourn Meeting**

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

**Houston, Texas  
September 28, 2021**

A public meeting of the Port Commission of the Port of Houston Authority of Harris County, Texas was convened on September 28, 2021, at 9:15 a.m., at the Port of Houston Authority Executive Offices, Fourth Floor Boardroom, at 111 East Loop North, Houston, Texas 77029, and via Cisco WebEx. The following commissioners, staff, and counsel were present:

Ric Campo, Chairman  
Wendy Cloonan, Commissioner  
Dean Corgey, Commissioner  
Cheryl Creuzot, Commissioner  
Stephen DonCarlos, Commissioner  
Clyde Fitzgerald, Commissioner  
Roy Mease, Commissioner  
Roger Guenther, Executive Director  
Erik Eriksson, Chief Legal Officer  
Tom Heidt, Chief Operating Officer  
J. Kent Friedman, outside counsel

Chairman Campo began his opening remarks by welcoming everyone back. The emergency suspension of the Open Meetings Act requirements had ended and the Port Commission and committee meetings needed to be conducted in compliance with the Act. Therefore, a quorum of the Port Commission was physically present in the boardroom and WebEx webinar was in use to allow for remote participation by members of the public.

Chairman Campo recognized the Port Authority's Information Technology (IT) department for its response to a recent cyber-attack. The attack was stopped before any damage could be done.

Chairman Campo gave an update on the Houston Ship Channel Expansion Channel Project (Project 11). Tremendous progress had been made and successes were achieved through a continued partnership with the U.S. Army Corps of Engineers. An RCA was expected to be presented at the next Port Commission meeting for the award of the first contract for Segment 1A, which comprised approximately eleven miles between Bolivar Roads and Redfish Island. To accelerate the phase, the Port Authority was directly funding all construction of Segment 1A at an estimated total cost of \$145 million, which was all cost above the \$20 million federal "new start" funding, and approximately \$89 million more than the local sponsor responsibility.

Chairman Campo explained that the Port Authority's Segment 1A procurement effort was challenged by a limited national dredge supply and significant demand. The Port Authority was currently in active negotiations with all proposers working to gain the best value. The winning final proposal was expected to balance the environmental, economic, and social issues that were best for the entire community. Good progress had

been made on all fronts and all proposers recognized the importance of properly balancing said issues.

Chairman Campo remarked that shortly after the award of Segment 1A, staff would go out for proposals for the next phase of construction for Segment 1B, comprised of Redfish to Bayport, and Segment 2, which was the Bayport Channel. Staff expected to present their recommendation for award to the Port Commission in early 2022.

Commissioner Fitzgerald commented that since the Houston Pilots had changed the rules to allow larger ships in the channel, two such vessels had come through. He stressed that the larger ships would be coming more and more frequently.

Chairman Campo remarked that the Pilot Commission was having a hearing today on its tariff rate request and he hoped the Pilots would be successful.

(2021-0928-01) Chairman Campo called for a motion to approve the minutes of the July 20, 2021 Port Commission meeting. Commissioner Mease moved for approval, seconded by Commissioner Fitzgerald. The minutes were approved as written.

(2021-0928-02) Roger Guenther, Executive Director, presented a summary of selected operational matters.

Mr. Guenther began by recognizing the loss of a Port Authority employee, Reymundo Gonzalez Jr., who had recently passed away. Mr. Gonzalez was a member of the Barbours Cut maintenance team for over 15 years, where he worked as an electrician. Mr. Guenther asked for a moment of silence to honor Mr. Gonzalez's memory.

Mr. Guenther then observed recent staff retirements and milestone anniversaries. He began by recognizing retirees who had been with the Port Authority for 25 or more years:

- Donald W. Miller – 44 years
- Robert D. Waller – 43 years
- Maria Lewis-Miller – 32 years
- Kevin T. Keena – 25 years

Mr. Guenther also recognized employees with milestone work anniversaries:

- Carolyn H. Ashley – 40 years
- Michelle L. Biehle – 30 years

Mr. Guenther moved on to discuss environmental initiatives. Following Chairman Campo's remarks about Project 11, and the balance of air and other environmental issues related to the project, it was important for the Port Commission and the public to be aware of some of the Port Authority's environmental and sustainability initiatives with respect to some its stakeholders' concerns. These initiatives reached even more broadly than Project 11.

Mr. Guenther explained that earlier in the month the Port Authority received the draft report for the Goods Movement Emissions Inventory, which updated emissions data from 2013 to 2019. The updated draft showed improvements in nearly every category. Despite the 53% twenty-foot equivalent unit (TEU) throughput increase and 8% increase in cargo tonnage, Port Authority emissions were lower – between 15% and 93% – for all evaluated pollutants across the board in 2019, compared to 2013. Staff would use data in the report to update the Clean Air Strategy Plan.

Mr. Guenther reported that port-related emissions as a percent of the overall region emissions had also decreased. However, there was still work to be done. For example, harbor vessel NOx emissions were down due to equipment upgrades, yet ocean vessels were up due to greater activity. The Port Authority was participating in initiatives like the Blue Sky Maritime Coalition, Baker Energy Institute's focus on CCUS, the International Agency Hydrogen Ports Coalition, and locally the Port Xchange, to improve shipping efficiencies.

Mr. Gunther remarked that the Sustainability Action Plan had been posted to the Port Houston website. The plan was outlined at the July 2021 Port Commission and Port Commission Community Advisory Council meetings and comprised 27 opportunities to lead, partner, or support sustainability initiatives. At least half a dozen tangible projects were being discussed with well-respected industry players. The Port Authority would soon be issuing a call for projects to take further opportunities from idea to execution.

Mr. Gunther observed that in August 2021, the U.S. Environmental Protection Agency (EPA) recognized the Port Authority as part of the Green Power Partnership for its decarbonization work and use of renewable energy. Staff recently met with the EPA Region 6 Air Quality team to further explore ways to work together on common goals. The Government Relations department and other staff also recently engaged in legislative strategies to benefit the Houston region and environment, through implementation of the pending infrastructure bill, which had the potential to accelerate new clean technology and alternative fuel programs.

Mr. Guenther continued: the Community Relations department met with recipients of the Port Authority's Community Grants Program year two awardees to provide the checks that would produce results in the neighborhoods. In the last few months, the Port Authority received nine additional hybrid electric container yard cranes (RTG cranes)

which would reduce emissions by 90% over prior models. To date, the Port Authority had purchased 22 hybrid electric RTG cranes at an investment of over \$60 million and was the leading deployer of this technology in the nation.

Mr. Guenther stressed that the EPA had also informed the Port Authority earlier in the summer that it recommended approval of a Diesel Emissions Reduction Act (DERA) grant application to repower certain vessels which would result in elimination of nearly 1000 tons of NOx. This would go a long way toward mitigating the near-term construction activities of Project 11. More details could not be shared until the grant and notice to proceed were formalized, but the bottom line was that the Port Authority was doing more.

Mr. Guenther emphasized that the Port Authority welcomed dialogue and action with its stakeholders. It had been open and transparent both before and during the pandemic, and it hoped that social and environmental advocates could see it as an ally, not an adversary. The Port Authority invited organizations to bring skin to the game as well so that everyone could work together, whether it was partnering on legislative advocacy or using grants to advance impactful projects. The Port Authority would continue to do better and make significant progress.

Mr. Guenther highlighted selected July and August 2021 operating results:

- 2021 continued to show strength as TEU volume surpassed 2020's numbers once again. The Port Authority recorded its highest month ever in August for total TEUs at 320,086 – an increase of 29% compared to last August. It also was its highest monthly loaded import TEUs on record at 159,791.
- The surge in imports across the nation's ports was being driven by extraordinary consumer demand.
- Year-to-date, the Port Authority had surpassed the two million TEU mark with 2,225,500 TEUs compared to 1,911,176 in 2020 – a 16% increase. New importers to the Houston area that had realigned their gateway strategy and distribution center networks, combined with increased consumer spending and retailers building up inventory to meet said demand, was driving the record levels of TEUs.
- The six-month streak of double-digit growth was particularly notable given the ongoing challenges in the supply chain. With the holiday season shopping on the horizon, containerized cargo was expected to remain strong through what was shaping up to be an extended peak season through the Barbours Cut and Bayport Container Terminals.
- The Port Authority expected elevated levels in the supply chain to continue well into 2022 and would continue to explore opportunities including accelerating an already aggressive capital investment strategy for its terminals to stay in front of the demand.

- The amount of activity the Port Authority had seen in recent weeks and months could be described in one word: unprecedented.
- Port Authority terminals continued to set records with gate volume and vessel moves with many ships doing over 5,000 lifts at both terminals and said lift counts were unprecedented and tremendous for the economy, the region, and the state.
- But the level of business was not without continued challenges that plagued the entire global supply chain – including the Houston region.
- The factors that caused the disruption were many:
  - Bunching of vessels. Several services scheduled to arrive weekly often had multiple ships in the same week, forcing vessels to wait outside the channel.
  - Container dwell on terminal. Containers were coming off ships faster than there were going out the gate. Loaded container dwell time had risen dramatically over the past two months, providing negative impacts to capacity and service. Dwell time had doubled recently to nearly eight days on imports and more than ten days on exports; historically, import dwell was three and a half days while export dwell was seven days. Containers were limited to move as many distribution centers were full, so the containers sat longer on the terminals.
  - Covid-19 continued to be a challenge on labor and staff supply.
  - Higher volumes increased longshoreman man hours on ships and as a result, through the port community, labor had been restricted to twelve gangs per day shift and twelve gangs per night shift. It was believed this provided more consistent service to the vessels and improved productivity. The twelve-gang limit was in place for less than a month and the results continued to be evaluated.
  - Lack of chassis. Chassis were a big issue in turning containers and the Port Authority had seen it firsthand, as it had been forced to ground reefers at both terminals in wheeled locations.
  - The trucking community was challenged with available drivers and the limitation of hours that drivers could work.

Mr. Guenther explained what the Port Authority was doing to combat the supply chain issues:

- The Port Authority continued to work daily with its users. Two weeks previously there had been a meeting with all parties, to collectively discuss the issues and seek solutions.
- The Port Authority continued to shuttle containers at night and on weekends in an attempt to keep space available for ships to work and road operations manageable. Every area of the terminals was being worked to try to keep the stacks free-flowing, but the excessive dwell was challenging.

- In August, various versions of extended hours during the week and on Saturdays was offered for about three weeks. Given the current volumes, extended hours contributed to exhausting the Port Authority's labor pool to service the ships and trucks on the terminal side. Training for RTG crane and empty machine operators was accelerated. While it was hoped that hours could be expanded before the end of the year, the extended hours provided in August were not utilized heavily.
- New areas had been created for grounding containers such as the rail ramp at Barbours Cut Terminal, that provided capacity for about 5,000 TEUs. The Port Authority was in the process of opening up close to 40 acres at Bayport Container Terminal. Reefers were grounded in wheeled areas due to a lack of chassis. Overall, the Port Authority had been forced to maximize its property using methods it had never used before.
- Trucker turn times stabilized in September in the mid-40s at both terminals while vessel productivity improved slightly during the short life of the 12 gang limit.
- For the longer term, a more aggressive planning for investment in infrastructure was being made including ship-to-shore cranes, RTG cranes, wharves, and yards, to prepare for increasing exponential demand.

Mr. Guenther explained that the unprecedented volume was not only affecting container trade, but business at the Turning Basin Terminal as well.

- The traditional steel business that was below average volume levels over the previous two years was rebounding.
- Additionally, many commodities that were being serviced through weekly container liner services were now being handled at the general cargo facilities.
- There was a surge in many commodities, such as pipe, fencing material, aluminum, plywood, lumber, square tubing, and cement.
- Dramatic increases had also occurred with the number of containers handled through the Turning Basin Terminal.
- The Turning Basin Terminal had been very busy over September, including the previous week, when there were at least three ships waiting for berths for several days.

Commissioner Fitzgerald remarked that the last time the Turning Basin Terminal was at capacity was in the 1960's. He wanted to let everyone know that the International Longshoremen's Association had been bringing in labor from across the country including Brownsville, Texas. Additionally, crane operators were brought in from Jacksonville, Florida and Ft. Lauderdale, Florida to help.

Commissioner Corgey noted that Winston Churchill once said, "Perfection is the enemy of progress." He emphasized that while the Port Authority was not perfect, it was moving full steam ahead and he was proud of the progress being made on the

environmental front. The water and air conditions were vastly improved from what they were in the 1960s and 1970s.

Commissioner Mease emphasized that the Port Authority was not responsible for a lot of the pollution that it was blamed for, since it did not have control over the private industries along the channel. Industry needed to spend money to reduce its emissions. He also mentioned that rents had increased from containers since they were spending more time at the terminals.

Commissioner DonCarlos noted that there was a lot of low-hanging fruit that had been mentioned in some of the recent adverse media articles about the Port Authority and its environmental impact. He felt that one such item that could be easily addressed was the quarterly mowing of its properties. He wanted to know if the mowing could be increased to at least a bi-monthly schedule. The communities deserved to not have weedy and overgrown properties. He also wanted an emphasis put on the Port Authority's employee environmental cleanup days, and they could be used to help clean up the communities. Finally, he felt the Port Authority could do its best to offer sites for air monitoring stations to be erected.

Commissioner DonCarlos continued: he was glad to hear that the Port Authority was the leading port for investments in RTG cranes. Some of the older diesel-powered RTG cranes were putting out noticeable black exhaust and he hoped that the replacement program specifically targeted the inefficient cranes first.

Chairman Campo asked how many RTG cranes were in service. Mr. Guenther answered that there were 116, with 22 hybrids.

Mr. Guenther also noted that there could be opportunities to retrofit some of the older cranes. He also noted that some of the low-hanging fruit had been identified by the Sustainability Action Team. Not all the projects were the Port Authority's to do, but it could act as a leader.

Chairman Campo commented that issues within the supply chain impeded business. He referenced his daughter's small business that was paying more in shipping costs than the cost to purchase the product.

(2021-0928-03)      Appearances

(a)      Chairman Campo introduced Captain Jason Smith, U.S. Coast Guard Captain of the Port, who addressed the Port Commission.

Capt. Smith remarked that it was the first time he had addressed the Port Commission in person. He was thankful for the partnership shared with the Port Authority



and the maritime industry. In addition to the day-to-day interactions with the Port Authority in areas such as vessel tracking, navigation aids, and facility inspections, there were three initiatives that the Coast Guard had taken on.

Capt. Smith thanked Jacquie Young, Maritime Education Outreach Manager, for her work on maritime education partnerships. She had helped the Coast Guard form a very strong relationship with the seven maritime high schools in the area, which was unique. The schools serviced over a thousand maritime students and the Coast Guard was volunteering with said students to support with maritime lessons and tutoring.

Capt. Smith noted that the Commandant and Vice Commandant of the Coast Guard would be visiting Houston and they wanted to meet with the students. A day-long assembly was being planned for the visit and Mr. Guenther would be attending, to give opening remarks. Following that, the students would be shadowing Coast Guard members.

Capt. Smith thanked Marcus Woodring, Chief Port Security and Emergency Operations Officer and the Port Authority legal staff for the work done on the Memorandum of Understanding (MOU) that would provide for a dedicated safe shelter for fishing vessels during a storm. The document would formalize the Coast Guard's support.

Finally, Capt. Smith recognized and presented an award to Chris Wolski, Director, Information Security Officer, for his work on cybersecurity. The award was a certificate of merit for outstanding commitment to maritime safety, security, and environmental protection in his capacity as Information Security Officer at the Port Authority from August 2021 through October 2021. Mr. Wolski had been a strong advocate to improve the Port Authority's response to cyber incidents. He was also an active member of the Sector Houston-Galveston cybersecurity subcommittee helping to strengthen the maritime community's ability to prepare for and respond to adverse cyber incidents including suspicious activities, breaches of security, and identification of cyber vulnerabilities.

Capt. Smith noted that Mr. Wolski's willingness to share best practices and lessons learned on how to prevent cyber incidents had been helpful to the Department of Homeland Security's cyber operations. Mr. Wolski's transparency had led to a strong partnership with the Coast Guard, the Cybersecurity and Infrastructure Security Agency, Customs and Border Protection, and the Federal Bureau of Investigation. Mr. Wolski communicated critical information on the importance of a strong cybersecurity action plan. Mr. Wolski's care for the overall cyber posture of the Port Authority and Sector Houston-Galveston had advanced the collective ability to prevent cybersecurity instances.

Commissioner Corgey noted he was glad to see the Coast Guard involved in maritime training.

Capt. Smith remarked that there was a possibility of a Coast Guard Junior ROTC program in Houston.

(b) Chairman Campo recognized Ellu Nasser, Environmental Defense Fund, who addressed the Port Commission.

Ms. Nasser remarked on recent critical articles published in the *Houston Chronicle* on the air pollution emerging from the Port Authority and, more specifically, Project 11. The media attention highlighted the need for Port Commissioners to recognize the serious impacts to the health and wellbeing of the surrounding communities. Ms. Nasser was dismayed at comments made by staff in some of the articles. Residents were sharing personal stories about the impacts of poor air quality and staff responded in the article with comments about lawn mowing, levies, and trash pickup.

Ms. Nasser felt there was a disconnect between Port Authority management and local communities. More media coverage could be expected without bold action. The Environmental Defense Fund (EDF) was committed to working with the Port Authority on programs, but the half measures seen thus far were not adequate, such as the scoring for contractors bidding on Project 11. The use of clean air equipment should be mandatory for such a project, not voluntary.

Ms. Nasser commented that the Clean Air Strategy Plan and the Sustainability Action Team were a step in the right direction but they both ignored Project 11 and demonstrated that the Port Authority was not yet ready to seriously compete for the \$17 billion of port infrastructure funds that were currently moving through Congress. Being eligible required the Port Authority to think radically differently about its air quality responsibilities and environmental justice impacts. Specifically, the Biden administration would require an assessment of racial equity, environmental justice, and climate impact to be eligible for the funds.

Ms. Nasser remarked that it was clear the Port Authority was a large economic contributor to the region but its willingness to claim those benefits needed to be balanced out by a willingness to acknowledge and claim accountability for the regional emissions both on and off Port Authority terminals.

Ms. Nasser stressed to the Port Commission that it should require programs that mitigated all emissions from Project 11. It would be a clear start to building trust and being a good neighbor. The Port Authority also needed to take responsibility for emissions on its properties and ensure that it was able to compete for the \$17 billion funding. The EDF remained committed to working with the Port Authority and discussing sustainable solutions for the future.

(c) Chairman Campo recognized Stephanie Thomas, Public Citizen, who addressed the Port Commission.

Ms. Thomas commented on a report mentioned in the *Houston Chronicle* article and noted that it had been shared with Port Authority staff. The report came about from a desire for a better understanding of construction-related emissions on the health of communities along the ship channel and to ascribe a monetary value to the emissions. The research study was conducted by air quality experts who looked at pollution, health impacts, and costs. It was found that when the dirtiest equipment was used, health costs could be as high as \$115 million for the region.

Ms. Thomas asked the Port Commission to seriously consider mitigating emissions and mandating contractors use clean equipment. It had incredible value to the region in terms of the health benefits.

Chairman Campo asked for a copy of the report.

(d) Chairman Campo recognized Rev. James Caldwell, Coalition of Community Organizations, who addressed the Port Commission.

Rev. Caldwell emphasized the need for clean air in communities. The statistics showed that communities near the ship channel faced large health impacts. The EPA environmental justice tool kit showed that communities like Pleasantville and Magnolia Park fell in the 90<sup>th</sup> to 95<sup>th</sup> percentile in exposure to air pollutants. The National Air Toxic Assessment showed communities in the region suffering from some of the highest rates of cancer.

Rev. Caldwell noted that the communities ranked high in terms of their proximity to traffic, which was one of the sources of pollution they had to contend with. A few years ago, the Healthy Port Communities Coalition surveyed its members and identified the health problems of asthma or other respiratory disease and cancer.

Rev. Caldwell asked the Port Authority to prioritize clean air in its contracts, specifically its Project 11 contracts.

Chairman Campo asked that the study be circulated to Port Commissioners.

(e) Chairman Campo asked if anyone else would like to address the Port Commission; there was no response.

(2021-0928-04) Chairman Campo recognized Mr. Heidt to provide a report of selected Executive agenda items.

Mr. Heidt presented Item F2, the approval and reaffirmation of the Audit Committee Charter, Internal Audit Charter, and Internal Audit Policies that were approved at the July 27 Audit Committee meeting. There were no substantial changes.

(2021-0928-05) RCA F1 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Creuzot. Chairman Campo, and Commissioners Cloonan, Corgy, Creuzot, DonCarlos, and Fitzgerald voted Aye. Nays none. Commissioner Mease recused himself. RCA F1 PASSED.

(2021-0928-06) RCA F2 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Creuzot. Chairman Campo, and Commissioners Cloonan, Corgy, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA F2 PASSED.

Mr. Guenther noted that there were no items on the Business Equity agenda. He took the opportunity to introduce Maxine Buckles, the new Chief Business Equity Officer.

Ms. Buckles remarked that she joined the division about thirty days ago. Since inception, there was strong participation in the Small Business Development program. In 2021 thus far there were \$112 million in contracts eligible for small business participation, with \$30 million being awarded. Of the \$30 million, \$8.5 million was provided to Minority- and Woman-Owned Business Enterprises (MWBE).

Ms. Buckles noted that there were currently 1,300 participants registered in the Business Equity program, with 780 MWBEs. Two of the contracts awarded since the inception of the Business Equity program were 92% and 100% MWBE eligible, which were significant percentages.

Ms. Buckles mentioned a few outreach activities staff had been involved in, including the Women in Construction Summit, the Asian Chamber of Commerce which Chairman Campo participated in, and the Economic Alliance. The next Business Equity Committee meeting was scheduled for October 19.

Commissioner Cloonan was glad to see the 1,300 registration number and asked if the Port Commission would be getting regular updates on the registration status; Ms. Buckles stated she would be giving regular updates.

Commissioner Mease inquired if the proposed increase in staff for the Business Equity Division was employees that would be re-assigned or newly hired ones.

Ms. Buckles answered it would be a combination of both. There were already three new hires in the division.

Chairman Campo felt that the new hires were important so as not to lose momentum.

(2021-0928-07) Chairman Campo recognized Mr. Heidt to provide a report of selected Commercial agenda items.

Mr. Heidt explained that there were a number of lease amendments, including Item H2, to amend the lease with TPC Group to add an additional 1.5 acres. The Port Commission previously approved a land exchange with Houston Refinery so that TPC could put in a new break wall associated with the construction of a new dock. The old dock was damaged as part of a ship collision a few years previously.

Commissioner Mease questioned whether the ship that hit the dock paid damages. Mr. Heidt noted that damages had been paid.

(2021-0928-08) RCA H1 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Cruzot. Chairman Campo, and Commissioners Cloonan, Corgy, Cruzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA H1 PASSED.

(2021-0928-09) RCA H2 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Cruzot. Chairman Campo, and Commissioners Cloonan, Corgy, Cruzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA H2 PASSED.

(2021-0928-10) RCA H3 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Cruzot. Chairman Campo, and Commissioners Cloonan, Corgy, Cruzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA H3 PASSED.

(2021-0928-11) RCA H4 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Cruzot. Chairman Campo, and Commissioners Cloonan, Corgy, Cruzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA H4 PASSED.

(2021-0928-12) RCA H5 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Cruzot. Chairman Campo, and Commissioners Cloonan, Corgy, Cruzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA H5 PASSED.

(2021-0928-13) Chairman Campo recognized Mr. Heidt to provide a report of selected Finance agenda items.

Mr. Heidt explained Item I1 was for the approval of a three-year contract to AndCo Consulting for investment consulting services for the Port of Houston Authority Restated Retirement (Pension) Plan, the Other Post-Employment Benefit (OPEB) Plan, the Defined Contribution Plan, and the Deferred Compensation Plan. Item I2 was to approve the adoption and execution of resolutions, agreements, and documents to give effect to a new \$100 million Third Lien Variable Rate Revolving Note Program. It would also approve any related expenses associated with the program.

Mr. Heidt noted that agenda Item F3 was to adopt a revised Investment Policy for Port Authority funds which was previously approved by the Audit Committee. Finally, Item I4 was to approve an increase in the Port Authority's 2021 Operating Budget for the establishment of the Business Equity Division. The increase covered the cost of a higher headcount and training.

Commissioner Creuzot observed that the company awarded the contract in Item I1 had been contracting with the Port Authority since 2014. She questioned why only four companies bid on the contract.

Mr. Heidt did not have a direct answer but stated that staff had begun to do outreach to find out why the response rate was so low. He explained that in the past, companies were allowed to bid using soft dollars; now the Port Authority wanted a fee structure.

(2021-0928-14) RCA I1 was presented, moved by Commissioner Cloonan, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgy, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA I1 PASSED.

(2021-0928-15) RCA I2 was presented, moved by Commissioner Cloonan, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgy, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA I2 PASSED.

(2021-0928-16) RCA I3 was presented, moved by Commissioner Cloonan, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgy, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA I3 PASSED.

(2021-0928-17) RCA I4 was presented, moved by Commissioner Cloonan, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgy, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA I4 PASSED.

(2021-0928-18) Chairman Campo recognized Mr. Heidt to provide a report of selected Infrastructure agenda items.

Mr. Heidt highlighted Item J2 to approve a contract for construction of a dedicated right turn lane and U-turn on Freight Station Road. Traffic could not turn left to get onto Port Road as congestion was too high, so the right turn lane and U-turn would allow traffic to flow better. Item J5 pertained to the completion of the rail spur construction at the Bayport Container Terminal Phase II; the previous contract was suspended.

Mr. Heidt continued: agenda Items J6 and J7 were to amend contracts associated with federal grants. The grant timeline was quicker than the Port Authority's and the work had to be done in seven years. The items were to speed up the design work to comply with the timeline. Item J11 was for a MOU and temporary license with the U.S. Army Corps of Engineers for the placement of maintenance-dredged material from berths at Jacintoport Terminal and Care Terminal into a federally managed dredged material placement area.

Finally, Mr. Heidt explained that agenda Item J12 was to enter into reimbursement agreements for pipeline relocation construction. The Port Commission previously approved the design work. The pipelines are located in Segment 4 of Project 11 and the Port Authority, as the local sponsor, was responsible for half the cost of relocation. The total cost was estimated as there was a long lead time to order the materials associated with such construction.

Commissioner Mease emphasized that the Port Authority was paying half the cost of the pipeline relocation because it was required by federal law.

Commissioner Creuzot observed that the low bid on Item I2 won despite being much lower than the others. She was concerned that a change order might be forthcoming.

Mr. Heidt explained that staff did consider the low bid and picked the company because it showed an extensive roadway project history with very few change orders. It was also a new vendor for the Port Authority.

Commissioner Cloonan noted that agenda Item I2 was put out for bid before the MWBE program was in place. She felt that in the future it would be a project that would be perfect for MWBE participation.

(2021-0928-19) RCA J1 was presented. Commissioner Corgey moved for staff's ranking of vendors - first, Pond & Company; second, Wiss, Janey, Elstner Associates, Inc.; and third, Moffat & Nichol, seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J1 PASSED.

(2021-0928-20) RCA J2 was presented. Commissioner Corgey moved for staff's ranking of vendors - first, Main Lane Industries, Ltd; second, Jerdon Enterprises; and third, Harper Brothers Construction, LLC, seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J2 PASSED.

(2021-0928-21) RCA J3 was presented. Commissioner Corgey moved for staff's ranking of vendors - first, Raba Kistner, Inc.; second, HVJ Associates, Inc.; and third, Terracon Consultants, Inc., seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J3 PASSED.

(2021-0928-22) RCA J4 was presented. Commissioner Corgey moved for staff's ranking of vendors - first, RNDI Companies, Inc.; and second, Separation Systems Consultants, Inc., seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J4 PASSED.

(2021-0928-23) RCA J5 was presented. Commissioner Corgey moved for staff's ranking of vendors - first, Standard Constructors, Inc.; and second, McCarthy Building Companies, Inc., seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J5 PASSED.

(2021-0928-24) RCA J6 was presented, moved by Commissioner Corgey, seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J6 PASSED.

(2021-0928-25) RCA J7 was presented, moved by Commissioner Corgey, seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J7 PASSED.

(2021-0928-26) RCA J8 was presented, moved by Commissioner Corgey, seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J8 PASSED.

(2021-0928-27) RCA J9 was presented, moved by Commissioner Corgey, seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J9 PASSED.



(2021-0928-28) RCA J10 was presented, moved by Commissioner Corgey, seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J10 PASSED.

(2021-0928-29) RCA J11 was presented, moved by Commissioner Corgey, seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J11 PASSED.

(2021-0928-30) RCA J12 was presented, moved by Commissioner Corgey, seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J12 PASSED.

(2021-0928-31) RCA J13 was presented, moved by Commissioner Corgey, seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J13 PASSED.

(2021-0928-32) RCA J14 was presented, moved by Commissioner Corgey, seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J14 PASSED.

(2021-0928-33) RCA J15 was presented, moved by Commissioner Corgey, seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J15 PASSED.

(2021-0928-34) RCA J16 was presented, moved by Commissioner Corgey, seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J16 PASSED.

(2021-0928-35) RCA J17 was presented, moved by Commissioner Corgey, seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J17 PASSED.

(2021-0928-36) RCA J18 was presented, moved by Commissioner Corgey, seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners Cloonan,

Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J18 PASSED.

(2021-0928-37) RCA J19 was presented, moved by Commissioner Corgey, seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J19 PASSED.

(2021-0928-38) RCA J20 was presented, moved by Commissioner Corgey, seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J20 PASSED.

(2021-0928-39) RCA J21 was presented, moved by Commissioner Corgey, seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J21 PASSED.

(2021-0928-40) RCA J22 was presented, moved by Commissioner Corgey, seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J22 PASSED.

(2021-0928-41) Chairman Campo recognized Mr. Heidt to provide a report of selected Port Operations agenda items.

Mr. Heidt began with Item K1 for the repair of motors, generators, and alternators. Port Authority maintenance staff did as much as it could, but some repairs required specialized equipment to be completed. Item K6 was to award a contract for the purchase of twistlocks and spreader-bar related parts for wharf and RTG cranes. The repair parts needed to be bought from the manufacturer, otherwise the warranty would be lost.

Mr. Heidt stated that Items K10 and K11 were similar in that they were both five-year extensions for spotting of vessels at Port Authority facilities. Staff decided to hire the companies as they were already there to tie up the ships. Finally, Item K12 was for a freight handling assignment and agreement for terminal services at the Turning Basin Terminal. There was only one new freight handler – Metro Ports – and the others had been around for quite some time.

(2021-0928-42) RCA K1 was presented. Commissioner Fitzgerald moved for staff's ranking of vendors - first, Northstar Industries; and second, Sulzer Electro-Mechanical Services (US), Inc., seconded by Commissioner Mease. Chairman Campo,

and Commissioners Cloonan, Corgey, Cruzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K1 PASSED.

(2021-0928-43) RCA K2 was presented. Commissioner Fitzgerald moved for staff's ranking of vendors - first, Liftech Consultants, Inc.; second, Laurence & Associates, LLC; and third, Paul Bridges & Associates, LLC, seconded by Commissioner Mease. Chairman Campo, and Commissioners Cloonan, Corgey, Cruzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K2 PASSED.

(2021-0928-44) RCA K3 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Mease. Chairman Campo, and Commissioners Cloonan, Corgey, Cruzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K3 PASSED.

(2021-0928-45) RCA K4 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Mease. Chairman Campo, and Commissioners Cloonan, Corgey, Cruzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K4 PASSED.

(2021-0928-46) RCA K5 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Mease. Chairman Campo, and Commissioners Cloonan, Corgey, Cruzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K5 PASSED.

(2021-0928-47) RCA K6 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Mease. Chairman Campo, and Commissioners Cloonan, Corgey, Cruzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K6 PASSED.

(2021-0928-48) RCA K7 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Mease. Chairman Campo, and Commissioners Cloonan, Corgey, Cruzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K7 PASSED.

(2021-0928-49) RCA K8 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Mease. Chairman Campo, and Commissioners Cloonan, Corgey, Cruzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K8 PASSED.

(2021-0928-50) RCA K9 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Mease. Chairman Campo, and Commissioners Cloonan, Corgey, Cruzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K9 PASSED.

(2021-0928-51) RCA K10 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Mease. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K10 PASSED.

(2021-0928-52) RCA K11 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Mease. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K11 PASSED.

(2021-0928-53) RCA K12 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Mease. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K12 PASSED.

(2021-0928-54) RCA K13 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Mease. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K13 PASSED.

(2021-0928-55) Chairman Campo recognized Mr. Heidt to provide a report of selected People agenda items.

Mr. Heidt asked the Port Commission to consider the single agenda item, the authorization for renewal of group insurance agreements with the following carriers to include coverage for calendar year 2022: (a) Aetna Life Insurance Company, for dental, vision, and Medicare Advantage coverage; (b) Minnesota Life Insurance Company, for basic life, voluntary and dependent life, and retiree life coverage; and (c) Hartford Life and Accident Insurance Company, for long-term disability (LTD) coverage and short-term disability (STD) coverage.

Commissioner Creuzot asked how long the Port Authority had contracted with Lockton; Mr. Heidt answered five years. The contract was up at the end of 2022 and it would be bid out. Lockton was the group that helped the Port Authority move toward the self-insured medical program.

(2021-0928-56) RCA L1 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA L1 PASSED.

(2021-0928-57) Chairman Campo recognized Mr. Heidt to provide a report of selected Security and Emergency Operations agenda items.

Mr. Heidt remarked that Item M1 was for a contract with Oil Mop for hazardous material response services. It was an on-call contract to be used as necessary if the Port Authority was responsible for any type of spill.

(2021-0928-58) RCA M1 was presented, moved by Commissioner Mease, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA M1 PASSED.

(2021-0928-59) RCA M2 was presented, moved by Commissioner Mease, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA M2 PASSED.

(2021-0928-60) RCA M3 was presented, moved by Commissioner Mease, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA M3 PASSED.

(2021-0928-61) Chairman Campo recognized Mr. Heidt to provide a report of selected Technology agenda items.

Mr. Heidt explained that Item N1 was for the purchase of laptops. The Port Authority would no longer be purchasing desktops, as laptops proved to be more versatile and would allow for easier work from home options. This would allow employees to work when weather prevented access to the port. The City of Houston and the Metropolitan Transit Authority of Harris County (METRO) had an Interlocal Purchasing Agreement which may be used by the Port Authority for cooperative purchasing which drastically reduced the cost to purchase the laptops. There was a 7% MWBE participation.

Mr. Heidt remarked that agenda Item N2 pertained to the purchase of replacement data storage and increased redundancy equipment for the Bayport Container Terminal. This Item related to the IT issue that occurred a few months previously at the Bayport Container Terminal.

(2021-0928-62) RCA N1 was presented, moved by Commissioner Mease, seconded by Commissioner Creuzot. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA N1 PASSED.

(2021-0928-63) RCA N2 was presented, moved by Commissioner Mease, seconded by Commissioner Creuzot. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA N2 PASSED.

(2021-0928-64) RCA N3 was presented, moved by Commissioner Mease, seconded by Commissioner Creuzot. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA N3 PASSED.

(2021-0928-65) RCA N4 was presented, moved by Commissioner Mease, seconded by Commissioner Creuzot. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA N4 PASSED.

Chairman Campo called for an Executive Session and asked Mr. Eriksson to make the following announcement:

It is now 10:53 a.m. The Port Commission of the Port of Houston Authority of Harris County, Texas will now convene in a closed meeting, as permitted by the Texas Open Meetings Act and Government Code (1) to conduct a private Consultation with Attorneys (*Section 551.071, Texas Open Meetings Act*), including consultations regarding (a) Fused Industries LLC v. Port Authority, (b) 33 U.S.C.A. §§5(b) and 2236, (c) Executive Order on Ensuring Adequate COVID Safety protocols for Federal Contractors, and (d) proposed amendment to the agreement for legal services with Best Best & Krieger LLP; deliberate regarding (2) Real Estate (*Section 551.072, Texas Open Meetings Act*), including disposition of Barbour's Cut Terminal and Beltway 8 vicinity properties and licensing of miscellaneous Houston Ship Channel and upland 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*). The Port Commission will reconvene in public session after the closed meeting is adjourned.

At 12:10 p.m., Chairman Campo reconvened the open meeting with the following Commissioners, staff, and counsel in attendance:

Ric Campo, Chairman  
Wendy Cloonan, Commissioner

Dean Corgey, Commissioner  
Cheryl Creuzot, Commissioner  
Stephen DonCarlos, Commissioner  
Clyde Fitzgerald, Commissioner  
Roy Mease, Commissioner  
Roger Guenther, Executive Director  
Erik Eriksson, Chief Legal Officer  
Tom Heidt, Chief Operating Officer  
J. Kent Friedman, outside counsel

(2021-0928-66) Commissioner Corgey moved to authorize the Port Authority to settle the claims of Fused Industries LLC on the terms discussed in Executive Session, and to authorize the Executive Director to do all things necessary to give effect to the foregoing, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. MOTION PASSED.

(2021-0928-67) Commissioner Fitzgerald moved to authorize the Port Authority to amend the agreement for legal services with Best Best & Krieger LLP on the terms discussed in Executive Session, and to authorize the Chief Legal Officer to do all things necessary to give effect to the foregoing, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. MOTION PASSED.

Commissioner Mease inquired about the parks in Jacinto City, Galena Park, and Shoreacres. He had not heard any updates in quite some time and wanted to know what the status was.

Mr. Guenther responded that staff was inquiring with the communities to see what opportunities there were and was waiting on feedback. A full report would be given at the Community Relations Committee meeting in the forthcoming month.

Commissioner Mease observed that Jim Blackburn had received the remaining funds necessary to obtain the Severe Storm Prediction, Education, and Evacuation from Disasters (“SSPEED”) Center challenge grant awarded by the Port Commission at a prior meeting. He emphasized that the project could not be started until after the completion of Project 11 and it was a bad deal.

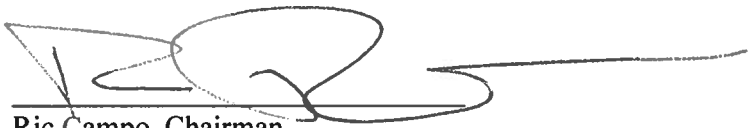
Mr. Guenther confirmed that the SSPEED Center received those monetary commitments, including the \$250,000 from the Port Authority. Mr. Eriksson would draft an interlocal agreement to give effect to the commitment.

Mr. Eriksson added that the interlocal agreement draft would allow the City of Houston to collect, hold, and distribute its own funds and the funds from the Port Authority and Harris County, and that after finalized, the agreement would be brought to the Port Commission for approval.

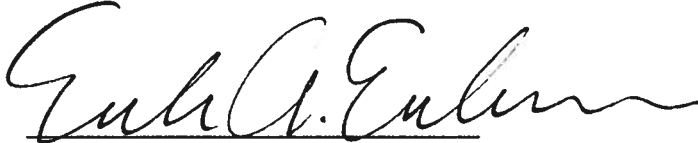
In response to Commissioner Cloonan's question regarding succession planning, Mr. Guenther responded that it was one of his stated goals as Executive Director and could be discussed in executive session if desired, possibly in October.

At 12:16 p.m., Chairman Campo adjourned the Port Commission meeting.

The above is a correct copy of the Minutes of the September 28, 2021 meeting of the Port Commission of the Port of Houston Authority.



Ric Campo, Chairman



Erik A. Eriksson, Secretary



## F. EXECUTIVE

---

<b>Subject</b>	<b>1. Enter into a contract with Linebarger Goggan Blair &amp; Sampson, LLP for the collection of delinquent taxes.</b>
Meeting	Sep 28, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its September 28, 2021 meeting, authorize the Port Authority to enter into a contract with Linebarger Goggan Blair & Sampson, LLP for the collection of delinquent taxes, 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:**

Erik Eriksson

**Background:**

Harris County Commissioners Court has authorized a new contract with the law firm Linebarger Goggan Blair & Sampson, LLP (Linebarger) for the collection of delinquent taxes owed Harris County, Harris County Hospital District d/b/a Harris Health System, and Harris County Flood Control District. Harris County Department of Education is also expected to be a party to the contract.

**Staff Evaluation/Justification:**

Port Authority staff recommends that the Port Commission authorize the Port Authority to join in such contract, whereby Linebarger would perform similar services on its behalf.

Special District Local Laws Code Sec. 5007.007(n) provides in part that the Tax Assessor-Collector of Harris County is required to collect all taxes levied and assessed against Harris County property on behalf of the Port Authority and receive compensation for such services, including tax collection services, as the Port Commission shall agree upon. Staff understands that Linebarger would be undertaking certain tax collection duties on behalf of the Tax Assessor-Collector, and would be paid for its services from such collections.

**AFFIDAVIT OF SUBSTANTIAL INTEREST**

STATE OF TEXAS           §  
  §  
COUNTY OF HARRIS       §

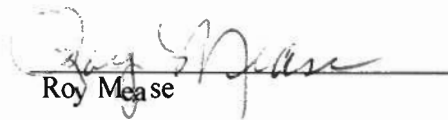
**Filed with the Port of Houston Authority  
In Compliance with Section 171.004 of the Texas Local Government Code**

On this day appeared Roy Mease, who after being duly sworn, stated as follows:

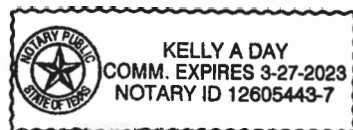
1. I am twenty-one (21) years of age or over and competent to make this Affidavit of Substantial Interest, based upon facts within my personal knowledge.
2. I am a member of the Port Commission (the "Port Commission") of the Port of Houston Authority (the "Port Authority").
3. I am filing this Affidavit with the official record keeper of the Port Authority, pursuant to §171.004 of the Texas Local Government Code, to comply with the provisions of Chapter 171 of the Texas Local Government Code.
4. I have or may have a substantial interest in the matter of Item F-1 as set forth in the agenda for the meeting of the Port Commission scheduled for September 28, 2021:

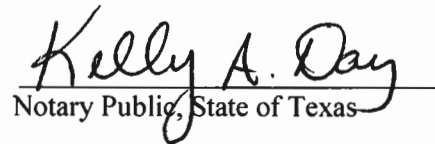
Enter into a contract with Linebarger Goggan Blair & Sampson, LLP for the collection of delinquent taxes.

5. The nature and extent of the substantial interest described above derives from my business relationship with the business entity on which the action requested in the above matter will have a special economic effect, distinguished from the effect on the public: funds received by me from the business entity may exceed 10 percent of my gross income for the previous year.
6. By virtue of the foregoing described interest, I have not and will not participate in any consideration, vote, or decision by the Port Commission of such matters.

  
Roy Mease

SWORN TO AND SUBSCRIBED before me this September 28, 2021.



  
Notary Public, State of Texas

## F. EXECUTIVE

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**Subject**                    **2. Approve and reaffirm the Audit Committee Charter, Internal Audit Charter, and Internal Audit Policies, effective September 28, 2021.**

Meeting                    Sep 28, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access                    Public

Type                    Action

Recommended Action    The Port Commission, at its September 28, 2021 meeting, approve and reaffirm the Audit Committee Charter, Internal Audit Charter, and Internal Audit Policies, 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:**

The Audit Committee Charter requires that the Audit Committee conduct an annual review of its charter, the Internal Audit Charter, and the Internal Audit Policies supporting the Audit Committee and the Port Authority Internal Audit function.

By Minute No. 2020-0730-05, the Port Commission last approved the Port Authority's Audit Committee Charter, Internal Audit Charter, and the Internal Audit Policies.

The Internal Audit Charter sets forth the purpose, authority, and responsibilities of the Internal Audit Department relating to Port Authority systems and business processes, risk management practices, interaction with the Port Authority's independent auditor, internal control structure, accounting policy, and internal audit matters, compliance, and reporting. The Internal Audit Policies support the Audit Committee and Internal Audit Charters.

**Staff Evaluation/Justification:**

The Audit Committee completed its review of the Audit Committee Charter, Internal Audit Charter, and Internal Audit Policies prior to the September 28, 2021 meeting of the Port Commission. Proposed changes to the Audit Committee Charter, the Internal Audit Charter and Policies incorporate clarifications and updates to references. There were no substantive updates made to these during the review period.

The Audit Committee and staff request that the Port Commission approve these modifications to the Audit Committee Charter, Internal Audit Charter, and Internal Audit Policies, to document the completion of the annual review and to maintain synchronization of the effective dates.

## H. COMMERCIAL

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<b>Subject</b>	<b>1. Approve an amendment to the lease with Covey Transport, Inc. for approximately 3.66 acres at Block 3, Turning Basin, to extend the term for an additional one year, effective no earlier than October 1, 2021, at an annual base rent of approximately \$77,446.20.</b>
Meeting	Sep 28, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its September 28, 2021 meeting, approve an amendment to the lease with Covey Transport, Inc. for approximately 3.66 acres at Block 3, Turning Basin, to extend the term for an additional one year, effective no earlier than October 1, 2021, at an annual base rent of approximately \$77,446.20, 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 #3 - PARTNERSHIPS (Develop and Strengthen External Partnerships) Strategic Objective 3a. - Cultivate key relationships to accomplish common goals STRATEGIC GOAL #4 - STEWARDSHIP (Create Greater Value for the Region) Strategic Objective 4d. - Support sustainable growth of Port Houston and the greater Port

**Category:**

Leases

**Department:**

Real Estate

**Staff Contact:**

R. D. Tanner

**Background:**

By Minute No. 2018-0626-05, the Port Commission authorized the Port Authority and Covey Transport, Inc. to enter into a three-year lease for approximately 3.66 acres out of Block 3 at the Turning Basin. The property is used for storage and handling of steel and non-hazardous break bulk products that cross the Port Authority docks.

**Staff Evaluation/Justification:**

Staff recommends the Port Commission approve the proposed lease amendment and extension.

## H. COMMERCIAL

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**Subject**                    **2. Approve an amendment to the lease with TPC Group LLC to add an additional 1.469 acres to the 5.49 acre premises located at Sims Bayou, effective no earlier than October 1, 2021, at an annual base rent of approximately \$2,011,134, subject to annual escalation of the greater of 3% or increase in the Consumer Price Index.**

Meeting                    Sep 28, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access                    Public

Type                      Action

Recommended Action    The Port Commission, at its September 28, 2021 meeting, approve a an amendment to the lease with TPC Group LLC to add an additional 1.469 acres to the 5.49 acre premises located at Sims Bayou, effective no earlier than October 1, 2021, at an annual base rent of approximately \$2,011,134, subject to annual escalation of the greater of 3% or increase in the Consumer Price Index, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Goals                      STRATEGIC GOAL #3 - PARTNERSHIPS (Develop and Strengthen External Partnerships)  
Strategic Objective 3a. - Cultivate key relationships to accomplish common goals  
STRATEGIC GOAL #4 - STEWARDSHIP (Create Greater Value for the Region)  
Strategic Objective 4d. - Support sustainable growth of Port Houston and the greater Port

**Category:**  
Leases

**Department:**  
Real Estate

**Staff Contact:**  
R.D. Tanner

**Background:**  
By Minute No. 2013-1210-55, the Port Commission authorized a twenty-year lease with TPC Group LLC for approximately 5.49 acres of upland property, including ship dock-A and barge dock-B and a private-access road located at Sims Bayou. The property is used for construction, repair, management, and operation of a liquid bulk terminal.

On June 13, 2018, the M/V YOCHOW collided with the barge OSG 243 (which was alongside ship dock-A), which in turn caused the OSG 243 to ram into and damage ship dock-A. This amendment to the lease is intended to add additional land to the leased premises to permit TPC Group LLC to construct a new bulkhead for the expansion of ship dock-A berthing area and a new ship dock. The construction and expansion of the ship dock-A is required by the Houston Pilots and is intended to minimize future ship/dock collisions.

The expansion acreage is included in the real property exchange between the Port Authority and Houston Refining LP (a wholly owned subsidiary of LyondellBasell Industries N.V.) previously approved by the Port Commission.

**Staff Evaluation/Justification:**  
Staff recommends the Port Commission approve the proposed lease amendment to add an additional 1.469 acres of land to the existing 5.49 acres of leased premises.

## H. COMMERCIAL

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<b>Subject</b>	<b>3. Approve an amendment to the lease with The Lubrizol Corporation, for approximately 2.09 acres of land in the George M. Patrick Survey, A-624 to extend the term for five years, effective no earlier than November 1, 2021, at an annual base rent of approximately \$54,536.04, subject to annual escalation of the greater of 3% or increase in the Consumer Price Index.</b>
Meeting	Sep 28, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its September 28, 2021 meeting, approve an amendment to the lease with The Lubrizol Corporation, for approximately 2.09 acres of land in the George M. Patrick Survey, A-624 to extend the term for five years, effective no earlier than November 1, 2021, at an annual base rent of approximately \$54,536.04, subject to annual escalation of the greater of 3% or increase in the Consumer Price Index, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	<p>STRATEGIC GOAL #2 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)</p> <p>Strategic Objective 2b. - Drive development of landside infrastructure and inland distribution networks</p> <p>STRATEGIC GOAL #3 - PARTNERSHIPS (Develop and Strengthen External Partnerships)</p> <p>Strategic Objective 3a. - Cultivate key relationships to accomplish common goals</p> <p>STRATEGIC GOAL #4 - STEWARDSHIP (Create Greater Value for the Region)</p> <p>Strategic Objective 4d. - Support sustainable growth of Port Houston and the greater Port</p>

**Category:**

Leases

**Department:**

Real Estate

**Staff Contact:**

R.D. Tanner

**Background:**

By Minute No. 2016-1025-11, the Port Commission authorized a five-year lease term with The Lubrizol Corporation, a wholly owned subsidiary of Berkshire Hathaway for approximately 2.09 acres of land, which includes 12,720 sq. ft. (0.29 of an acre) improved with a rail spur off Tidal Road and 1.8 acres out of Southside Main Line Railroad right-of-way in the George M. Patrick Survey, A-624. The property is used for loading and shipping of tank cars holding permitted hazardous and non-hazardous substances, including flammables, combustible, toxic, petroleum products, and other hydrocarbons, railroad siding for switching rail cars, transfer of rail cars, and parking for switch engine locomotives.

**Staff Evaluation/Justification:**

Staff recommends the Port Commission approve the proposed lease amendment and extension.

## H. COMMERCIAL

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**Subject** 4. Approve a third amendment to the lease with American Maritime Services of N.J., Inc. d/b/a Integrated Industries Corp. for approximately 10.49 acres located at Barbours Cut Terminal, to extend the term for one year, effective no earlier than October 1, 2021, at an annual base rent of \$451,333.93.

Meeting Sep 28, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its September 28, 2021 meeting, approve a third amendment to the lease with American Maritime Services of N.J., Inc. d/b/a Integrated Industries Corp. for approximately 10.49 acres located at Barbours Cut Terminal, to extend the term for one year, effective no earlier than October 1, 2021, at an annual base rent of \$451,333.93, 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 - PARTNERSHIPS (Develop and Strengthen External Partnerships)  
Strategic Objective 3a. - Cultivate key relationships to accomplish common goals  
STRATEGIC GOAL #4 - STEWARDSHIP (Create Greater Value for the Region)  
Strategic Objective 4d. - Support sustainable growth of Port Houston and the greater Port

**Category:**  
Leases

**Department:**  
Real Estate

**Staff Contact:**  
R.D. Tanner

**Background:**  
By Minute No. 2018-0925-12, the Port Commission authorized a three-year lease with American Maritime Services of N.J., Inc. d/b/a Integrated Industries Corp., with an option to extend for an additional five years upon mutual agreement, for approximately 6.21 acres of improved property and 0.243 acres of non-exclusive access road at Barbours Cut Terminal. The property is used for maintenance and repair of containers and chassis.

By Minute No. 2019-0521-12, the Port Commission authorized a first amendment to increase leased premises by approximately 4.77 acres for a total of approximately 11.22 acres.

By Minute No. 2020-04-28, the Port Commission authorized a second amendment to reduce the leased premises by 0.73 acres for a total of approximately 10.49 acres.

The proposed third amendment would extend the term by one year and remove the five-year mutual extension option.

**Staff Evaluation/Justification:**  
Staff recommends the Port Commission approve the proposed lease amendment and extension.

## H. COMMERCIAL

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**Subject**                    **5. Approve a second amendment to the lease with Dixie Cullen Interests, Inc. for approximately 10.402 acres, to extend the Phase II Construction Period for an additional twelve months from the current expiration date of December 31, 2021, effective no earlier than October 1, 2021, at an annual base rent of approximately \$300,000, subject to annual escalation of the greater of 3% or the increase in the Consumer Price Index.**

Meeting                    Sep 28, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access                    Public

Type                    Action

Recommended Action    The Port Commission, at its September 28, 2021 meeting, approve a second amendment to the lease with Dixie Cullen Interests, Inc. for approximately 10.402 acres, to extend the Phase II Construction Period for an additional twelve months from the current expiration date of December 31, 2021, effective no earlier than October 1, 2021, at an annual base rent of approximately \$300,000, subject to annual escalation of the greater of 3% or the increase in the Consumer Price Index, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Goals                    STRATEGIC GOAL #2 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)  
Strategic Objective 2b. - Drive development of landside infrastructure and inland distribution networks  
STRATEGIC GOAL #3 - PARTNERSHIPS (Develop and Strengthen External Partnerships)  
Strategic Objective 3a. - Cultivate key relationships to accomplish common goals  
STRATEGIC GOAL #4 - STEWARDSHIP (Create Greater Value for the Region)  
Strategic Objective 4d. - Support sustainable growth of Port Houston and the greater Port

**Category:**

Leases

**Department:**

Real Estate

**Staff Contact:**

R.D. Tanner

**Background:**

By Minute No. 2018-1218-11, the Port Commission authorized a twenty-five-year lease with Dixie Cullen Interests, Inc. (Dixie Cullen) for approximately 10.402 acres. The property is used for the warehousing of general cargo, heavy industrial storage services, export packaging, shipping, receiving, and containerizing.

Construction of a new warehouse was scheduled to commence October 2019. Due to numerous unexpected issues and delays in the pre-construction period including in connection with permitting and the COVID-19 pandemic, the initial Phase II Construction Period of eighteen months was previously amended to extend it an additional fifteen months.

With the ongoing permitting delays and continuing pandemic impacts, the tenant has now requested that the Phase II Construction Period be extended for an additional twelve months.



The monthly base rent increased from \$15,061.79, during partial operations/construction period, to \$25,000, the full operations period, as of October 2020, when the proposed new warehouse was scheduled to be completed.

Dixie Cullen is only requesting an extension to the Phase II Construction Period and no adjustment to the rent schedule; it has been paying the full operations rent rate as scheduled. Dixie Cullen has already invested nearly \$150,000 in engineering and re-engineering work for the proposed warehouse and staff understands and is committed to completing this task.

**Staff Evaluation/Justification:**

Staff recommends the Port Commission approve the proposed lease amendment and extension.

## I. FINANCE

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<b>Subject</b>	<b>1. Award a three-year contract to AndCo Consulting LLC, to provide investment consulting services for the Port of Houston Authority Restated Retirement (Pension) Plan, the Other Post-Employment Benefit (OPEB) Plan, an irrevocable trust established for other post-employment benefits, the Defined Contribution 401(a) Plan, and the Deferred Compensation 457(b) Plan, in an amount not to exceed \$467,500.</b>
Meeting	Sep 28, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its September 28, 2021 meeting, award a three-year contract to AndCo Consulting LLC, to provide investment consulting services for the Port of Houston Authority Restated Retirement (Pension) Plan, the Other Post-Employment Benefit (OPEB) Plan, an irrevocable trust established for other post-employment benefits, the Defined Contribution 401(a) Plan, and the Deferred Compensation 457(b) Plan, in an amount not to exceed \$467,500, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #4 - STEWARDSHIP (Create Greater Value for the Region)

**Category:**

Awards, Amendments & Change Orders

**Department:**

Treasury

**Staff Contact:**

Roland Gonzalez

**Background:**

In accordance with the investment policies for the Pension Plan, OPEB Plan, Defined Contribution 401(a) Plan, and Deferred Compensation 457(b) Plans, the Port Authority engages a consultant to, among other things, assist with (i) review of asset allocation and investment policy matters, (ii) selecting and monitoring investment managers, (iii) annual review of the Pension Plan Funding policy, (iv) measuring and evaluating investment performance, (v) preparing Investment Practices and Performance Reporting (as required by SB322) every three years beginning in 2020, and (vi) providing investment consulting services related to the Port Authority's Defined Contribution 401(a) Plan and the Deferred Compensation 457(b) Plan.

By Minute No. 2014-0923-16, the Port Commission awarded a five-year contract to Gregory W Group (later named AndCo Consulting, LLC following merger and name change) for investment consulting services related to the Pension Plan and the OPEB Plan, with options to renew for two additional one-year periods.

By Minute Nos. 2019-0729-18 and 2020-0730-14, the Port Commission approved one-year extensions of the contract with AndCo Consulting LLC for investment advisory services related to the Pension Plan, the OPEB Plan, Defined Contribution 401(a) Plan and the Deferred Compensation 457(b) Plan. The contract soon expires.

The Port Authority notified vendors regarding its request for proposals (RFP) for retirement plans investment consulting services, using the Port Authority's BuySpeed Eprocurement System. The project was advertised on the Port Authority's website and in a local newspaper. Pension and Investments reported the solicitation in its May 28, 2021 publication. One hundred and eleven vendors received notifications, nine vendors downloaded the solicitation, and four vendors submitted proposals by the published deadline of June 23, 2021.

**Staff Evaluation/Justification:**

On June 23, 2021, responses were received and opened, and were reviewed and evaluated by staff in accordance with the selection criteria published in the RFQ. The following four vendors responded to the solicitation for retirement plan investment consulting services:

- AndCo Consulting, LLC
- Champion Capital Research, Inc
- Qualified Plan Advisors
- USB Institutional Consulting Group

Staff recommends, and the Pension and Benefit Committee concurs, that the Port Commission award AndCo Consulting, LLC a new three-year contract, for retirement plan investment consulting services for the Pension Plan, OPEB Plan, Defined Contribution 401(a) Plan, and Deferred Compensation 457(b) Plan at a total cost not to exceed \$467,500 for the three-year period, and act as otherwise described above.

## I. FINANCE

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**Subject**                    **2. Approve adoption and execution of resolutions, agreements, and documents to give effect to a new \$100,000,000 Third Lien Variable Rate Revolving Note Program with Truist Bank and affiliates, including authorization to (a) draw under such financing, (b) incur borrowings thereunder, (c) incur rating agency fees, commitment fees, paying agent fees, financial advisory fees, and other costs relating to the program (Costs) in an amount not to exceed \$1,500,000 for the period through November 30, 2026, and (d) in addition to the Costs, incur applicable interest costs relating to borrowings thereunder.**

Meeting                    Sep 28, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access                    Public

Type                      Action

Recommended Action    The Port Commission, at its September 28, 2021 meeting, approve adoption of resolutions, agreements, and documents to give effect to a new \$100,000,000 Third Lien Variable Rate Revolving Note Program with Truist Bank and affiliates, including authorization to (a) draw under such financing, (b) incur borrowings thereunder, (c) incur rating agency fees, commitment fees, paying agent fees, financial advisory fees, and other costs relating to the program (Costs) in an amount not to exceed \$1,500,000 for the period through November 30, 2026, and (d) in addition to the Costs, incur applicable interest costs relating to borrowings thereunder, and further authorize the Chairman of the Port Commission and the Executive Director to do any and all things reasonable or necessary, in the opinion of either person, to give effect to the foregoing.

Goals                      STRATEGIC GOAL #4 - STEWARDSHIP (Create Greater Value for the Region)

**Category:**

General

**Department:**

Treasury

**Staff Contact:**

Roland Gonzalez/Tim Finley

**Background:**

By Minute No. 2014-0624-25, the Port Commission approved a Master Resolution and First Supplemental Resolution establishing and authorizing the Port of Houston Authority Financing System, i.e. a proposed \$300,000,000 Flexible Rate Revolving Note Program and other matters relating thereto, including presentation of documents and agreements to the Texas Attorney General's office for review and approval in compliance with statutory requirements.

By Minute No. 2015-0519-18, the Port Commission approved resolutions, agreements, and documents necessary to give effect to the \$300,000,000 Flexible Rate Revolving Note Program. The Note Program closed on September 3, 2015, with Bank of America Merrill Lynch as agent, and Branch Banking and Trust Company, Capital One, Regions Bank, Frost Bank, and Trustmark National Bank as lenders, for a three-year term expiring on September 2, 2018.

By Minute No. 2018-1113-03, the Port Commission approved resolutions, agreements, and documents necessary to give effect to a new \$100,000,000 Senior Lien Variable Rate Revolving Note Program. The Note Program closed on December 4, 2018, with Regions Bank as Lender.

At that time the Port Commission also adopted an updated Master Resolution Establishing a Financing System; Authorizing the Issuance of Port of Houston Authority Senior Lien Obligations and Junior Lien Obligations, dated as of November 13, 2018 (the "Prior Master Resolution").

There are no obligations currently outstanding under the existing program.

**Staff Evaluation/Justification:**

To enable the Port Authority to issue revenue bonds for financing a portion of its share of Project 11 construction costs, the existing Master Resolution, must be amended to include a new lien structure (and the Senior Lien Variable Rate Revolving Note Program will terminate). These provisions of the Master Resolution will be effective concurrently with the earlier of A) the closing of the new \$100,000,000 Third Lien Variable Rate Revolving Note Program with Truist Bank or B) the first Obligations (as defined in the Master Resolution) issued under the Master Resolution.

Along with the Port Commission's adoption of a new Master Resolution, Staff also recommends establishing a new \$100,000,000 Third Lien Variable Rate Revolving note Program, with Truist Bank and affiliates, as lenders for a five-year term, to provide capacity to the Port Commission to award capital projects and for other purposes.

Bracewell, LLP has drafted a new Master Resolution, a new First Supplemental Resolution, new agreements, and other documents for the new Note Program, and with the Port Commission's approval hereunder, would present them to the Texas Attorney General's office for review and approval in accordance with statutory requirements.

Staff recommends the Port Commission approve execution and adoption of resolutions, agreements, Costs and documents necessary to give effect to a new \$100,000,000 Third Lien Variable Rate Revolving Note Program with Truist Bank and affiliates, as lenders, as referenced above.

## I. FINANCE

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**Subject**                    **3. Adopt a revised Investment Policy for Port Authority funds, including operating, construction, debt service, and bond reserve funds, and approve the Port Authority's revised Internal Controls for Investments.**

Meeting                    Sep 28, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access                    Public

Type                    Action

Recommended Action    The Port Commission, at its September 28, 2021 meeting, adopt a revised Investment Policy for Port Authority funds, including operating, construction, debt service, and bond reserve funds, and approve the Port Authority's revised Internal Controls for Investments as set forth in Exhibit "A," 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 (Create Greater Value for the Region)

**Category:**

General

**Department:**

Treasury

**Staff Contact:**

Roland Gonzalez/David DeLoach

**Background:**

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

By Minute No. 2020-0520-16, the Investment Policy, investment strategies, and Internal Controls for Investments were last reviewed and approved by the Port Commission.

The amendments to the Investment Policy and Internal Controls for Investments were reviewed during the July 27, 2021 Audit Committee meeting and approved for recommendation to the Port Commission for its adoption at the September 28, 2021 Port Commission Meeting.

**Staff Evaluation/Justification:**

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

The proposed amendments comply with the requirements of the Public Funds Investment Act, as amended. The amendments are listed below:

Section 3.4 Solicitation of Offers or Bids (c).

Supplemented the "Competitive bids are not required" discussion by adding the purchase of new issue municipal securities on a "bid wanted basis" and that "the investment officer will provide alternative documentation to ensure a competitive market level was obtained."

Section 3.5. Certifications from Sellers of Investments

Clarified the Certification from Sellers process will continue to include broker-dealers regardless if they are excluded from the definition of "business organization."

Exhibit "C"

Added several firms and updated names of banks and broker-dealers for all corporate name changes and bank mergers.

There are no other changes proposed to the Investment Policy, investment strategies, or Internal Controls for Investments.

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

## I. FINANCE

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**Subject** 4. Approve an aggregate increase of \$561,146 in the 2021 Operating Budget for estimated expenses associated with the newly-created Business Equity Division.

Meeting Sep 28, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its September 28, 2021 meeting, approve an aggregate increase of \$561,146 in the 2021 Operating Budget, for estimated expenses associated with the newly created Business Equity Division, 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:**

Financial Planning

**Staff Contact:**

Tim Finley/David Jochnau

**Background:**

The Port Authority has created a Business Equity Division to lead its internal and external Diversity, Equity and Inclusion efforts, with a focus on promoting equity and enhancing opportunity for all.

Port Authority staff is now seeking approval for an adjustment to the 2021 Operating Budget to reflect this initiative instituted in the second half of 2021. The total proposed increase of \$561,146 is based on an estimate of second-half 2021 costs associated with three newly-added employees in the Business Equity Division, training costs for Small and Minority- and Woman-owned Business Enterprise vendors and Port Authority staff, media materials and production costs, and miscellaneous expenses.

**Staff Evaluation/Justification:**

Accordingly, staff recommends that the Port Commission approve an aggregate increase of \$561,146 in the 2021 Operating Budget.



## J. INFRASTRUCTURE

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<b>Subject</b>	<b>1. Approve staff's ranking of vendors and award a professional service contract in an amount not to exceed \$207,000 for the 2021 corrosion Facility Inspection and Condition Assessment Program for marine assets to the top-ranked proposer: staff ranking – first, Pond &amp; Company; second, Wiss, Janey, Elstner Associates, Inc.; and third, Moffat &amp; Nichol.</b>
Meeting	Sep 28, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its September 28, 2021 meeting: (a) approve staff's ranking of the most qualified vendor, based on the selection criteria, in the following order – first, Pond & Company; second, Wiss, Janey, Elstner Associates, Inc.; and third, Moffat & Nichol; (b) award a professional services contract to Pond & Company for the 2021 corrosion Facility Inspection and Condition Assessment Program (FICAP) for marine assets in an amount not to exceed \$207,000; (c) grant authority, if a contract cannot be negotiated with the first-ranked vendor, to formally, and in writing, end negotiations with that vendor and proceed to the next vendor in the order of ranking until a contract is reached or all proposals are rejected; and (d) further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #2 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)

**Category:**

Awards, Amendments & Change Orders

**Department:**

Project and Construction Management

**Staff Contact:**

Roger H. Hoh, P.E.

**Background:**

The ongoing Facility Inspection and Condition Assessment Program (FICAP) includes performing visual inspections and condition ratings to support the Port Authority's asset management program. This project starts the FICAP Corrosion program for year 1 and would primarily consist of:

- The inspection and assessment of corrosion systems on Barbours Cut Terminal marine assets.
- Verification of existing cathodic protection systems and integration of the new information into the Port Authority's asset registry database and GIS system.
- The option to amend this contract for year 2 work in 2022, upon Port Commission approval.

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. Eleven vendors downloaded the project materials from BuySpeed.

**Staff Evaluation/Justification:**

On May 19, 2021, seven 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 analysis and design services:

- Pond & Company

- Wiss, Janey, Elstner Associates, Inc.
- Moffat & Nichol

Following staff Executive Committee review, staff recommends that the Port Commission award a contract to Pond & Company for the 2021 corrosion FICAP for marine assets, and act as otherwise described above.

## J. INFRASTRUCTURE

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<b>Subject</b>	<b>2. Approve staff's ranking of vendors and award a construction contract in an amount not to exceed \$2,585,295 for the Freight Station Road dedicated right turn lanes and U-turn connector at Bayport Container Terminal to the top-ranked proposer: staff ranking - first, Main Lane Industries, Ltd; second, Jerdon Enterprises; and third, Harper Brothers Construction, LLC.</b>
Meeting	Sep 28, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its September 28, 2021 meeting: (a) approve staff's ranking of the most qualified vendors, based on the selection criteria, in the following order – first, Main Lane Industries, Ltd; second, Jerdon Enterprises; and third, Harper Brothers Construction, LLC; (b) award a contract to Main Lane Industries, Ltd. for the Freight Station Road dedicated right turn lanes and U-turn connector at Bayport Container Terminal, in an amount not to exceed \$2,585,295; (c) grant authority, if a contract cannot be negotiated with the first-ranked vendor, to formally, and in writing, end negotiations with that vendor and proceed to the next vendor in the order of ranking until a contract is reached or all proposals are rejected; and (d) further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #2 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)

**Category:**

Awards, Amendments & Change Orders

**Department:**

Project and Construction Management

**Staff Contact:**

Roger H. Hoh, P.E.

**Background:**

This project consists of constructing two dedicated right turn lanes from the existing Freight Station Road. The first proposed lane would merge onto Port Road traveling eastbound. The second proposed lane would connect to the existing partial U-turn lane east of Freight Station Road. The northern portion of the partial U-turn lane would be completed and merge onto the westbound lane of Port Road.

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-three vendors downloaded the project materials from BuySpeed.

**Staff Evaluation/Justification:**

On July 21, 2021, five 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:

- Main Lane Industries, Ltd.
- Jerdon Enterprises
- Harper Brothers Construction, LLC

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

## J. INFRASTRUCTURE

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<b>Subject</b>	<b>3. Approve staff's ranking of vendors and award a professional services contract in an amount not to exceed \$75,000 to perform construction material testing for the Freight Station Road dedicated right turn lanes and U-turn connector at Bayport Container Terminal to the top-ranked proposer: staff ranking - first, Raba Kistner, Inc.; second, HVJ Associates, Inc.; and third, Terracon Consultants, Inc.</b>
Meeting	Sep 28, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its September 28, 2021 meeting: <ul style="list-style-type: none"> <li>(a) approve staff's ranking of the most qualified vendors, based on the selection criteria, in the following order – first, Raba Kistner, Inc.; second, HVJ Associates, Inc.; and third, Terracon Consultants, Inc.;</li> <li>(b) award a professional services contract to Raba Kistner, Inc. to perform construction material testing for the Freight Station Road dedicated right turn lanes and U-turn connector construction at Bayport Container Terminal, in an amount not to exceed \$75,000;</li> <li>(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</li> <li>(d) further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.</li> </ul>
Goals	STRATEGIC GOAL #2 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)

**Category:**

Awards, Amendments & Change Orders

**Department:**

Project and Construction Management

**Staff Contact:**

Roger H. Hoh, P.E.

**Background:**

This procurement includes construction material testing services during the proposed construction of Freight Station Road dedicated right turn lanes and U-turn connector at Bayport Container Terminal. Per Section 60.463(c) of the Texas Water Code, in certain circumstances the Port Authority is required to hire a third-party inspection firm to independently test the acceptability of construction materials installed by the contractor. This procurement would provide such third-party inspection services.

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. Fourteen vendors downloaded the project materials from BuySpeed.

**Staff Evaluation/Justification:**

On August 25, 2021, 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 services:

- Raba Kistner, Inc.

- HVJ Associates, Inc.
- Terracon Consultants, Inc.

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

## J. INFRASTRUCTURE

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<b>Subject</b>	<b>4. Approve staff's ranking of vendors and award a construction contract in an amount not to exceed \$152,500 to perform asbestos abatement of restroom buildings at the north side of Turning Basin Terminal to the top-ranked proposer: staff ranking - first, RNDI Companies, Inc.; and second, Separation Systems Consultants, Inc.</b>
Meeting	Sep 28, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its September 28, 2021 meeting: <ul style="list-style-type: none"> <li>(a) approve staff's ranking of the most qualified vendors, based on the selection criteria, in the following order – first, RNDI Companies, Inc.; and second, Separation Systems Consultants, Inc.;</li> <li>(b) award a contract to RNDI Companies, Inc. to perform asbestos abatement of restroom buildings at the north side of Turning Basin Terminal, in an amount not to exceed \$152,500;</li> <li>(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</li> <li>(d) further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.</li> </ul>
Goals	STRATEGIC GOAL #2 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)

**Category:**

Awards, Amendments & Change Orders

**Department:**

Project and Construction Management

**Staff Contact:**

Roger H. Hoh, P.E.

**Background:**

This project consists of asbestos abatement of restroom and office buildings located at City Dock 8 and within the Turning Basin North transit sheds. The asbestos abatement of these restroom locations would allow for future demolition and replacement.

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. Five vendors downloaded the project materials from BuySpeed.

**Staff Evaluation/Justification:**

On August 18, 2021, two 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:

- RNDI Companies, Inc.
- Separation Systems Consultants, Inc.

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

## J. INFRASTRUCTURE

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<b>Subject</b>	<b>5. Approve staff's ranking of vendors and award a construction contract in an amount not to exceed \$1,426,217 to complete rail spur construction at Bayport Container Terminal Phase II to the top-ranked proposer: staff ranking - first, Standard Constructors, Inc.; second, McCarthy Building Companies, Inc.</b>
Meeting	Sep 28, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its September 28, 2021 meeting: (a) approve staff's ranking of the most qualified vendors, based on the selection criteria, in the following order – first, Standard Constructors, Inc.; second, McCarthy Building Companies, Inc.; (b) award a contract to Standard Constructors, Inc. to complete rail spur construction at Bayport Container Terminal Phase II, in an amount not to exceed \$1,426,217; (c) grant authority, if a contract cannot be negotiated with the first-ranked vendor, to formally, and in writing, end negotiations with that vendor and proceed to the next vendor in the order of ranking until a contract is reached or all proposals are rejected; and (d) further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #2 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)

**Category:**

Awards, Amendments & Change Orders

**Department:**

Project and Construction Management

**Staff Contact:**

Roger H. Hoh, P.E.

**Background:**

This project consists of:

- Construction of stabilized embankment and sub-ballast
- Existing culvert modification
- Grading
- Temporary access

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-five vendors downloaded the project materials from BuySpeed.

**Staff Evaluation/Justification:**

On August 25, 2021, three CSPs were received, opened, and publicly read: one vendor was deemed non-responsive. The remaining 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:

- Standard Constructors, Inc.
- McCarthy Building Companies, Inc.

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

## J. INFRASTRUCTURE

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<b>Subject</b>	<b>6. Amend the professional services contract with Hatch Associates Consultants, Inc. to perform services for the design for rehabilitation of Wharves 4, 5, and 6 at Barbours Cut Terminal in an amount not to exceed \$2,662,930.</b>
Meeting	Sep 28, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its September 28, 2021 meeting, approve an amendment to the professional services contract with Hatch Associates Consultants, Inc. to perform services for the design for rehabilitation of Wharves 4, 5, and 6 at Barbours Cut Terminal in an amount not to exceed \$2,662,930, and authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #2 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)

**Category:**

Awards, Amendments & Change Orders

**Department:**

Project and Construction Management

**Staff Contact:**

Roger H. Hoh, P.E.

**Background:**

By Minute No. 2021-0525-17, the Port Commission awarded a professional services contract with Hatch Associates Consultants, Inc. to perform services for the design for rehabilitation of Wharves 4, 5, and 6 at Barbours Cut Terminal.

This first amendment to this contract for a total amendment value of \$2,662,930 represents an increase of 238.55% over the original contract value.

This proposed amendment would consist of:

- Completion of the environmental assessment and Maritime Administration submittals
- Completion of the "Mini Master Plan"
- Completion of the 30% design for all the wharves
- Estimation of probable construction cost
- Field investigations necessary for the completion of the design

**Staff Evaluation/Justification:**

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



## J. INFRASTRUCTURE

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**Subject**                    **7. Amend the professional services contract with AECOM Technical Services, Inc. to perform services for planning and design for reconstruction of eighty-seven acres of container yards at Barbours Cut Terminal in an amount not to exceed \$1,612,584.**

Meeting                    Sep 28, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access                    Public

Type                      Action

Recommended Action    The Port Commission, at its September 28, 2021 meeting, approve an amendment to the professional services contract with AECOM Technical Services, Inc. to perform services for planning and design for reconstruction of eighty-seven acres of container yards at Barbours Cut Terminal in an amount not to exceed \$1,612,584, and authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Goals                      STRATEGIC GOAL #2 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)

**Category:**

Awards, Amendments & Change Orders

**Department:**

Project and Construction Management

**Staff Contact:**

Roger H. Hoh, P.E.

**Background:**

By Minute No. 2021-0525-16, the Port Commission awarded a professional services contract with AECOM Technical Services, Inc. to perform additional services for planning and design for reconstruction of eighty-seven acres of container yards at Barbours Cut Terminal.

This first amendment to this contract for a total amendment value of \$1,612,584 represents an increase of 147.21% over the original contract value.

This proposed amendment would consist of:

- Project Management
- Container Yard 4 North and Container Yard 5 North site investigation
- Grant and Maritime Administration support
- 100% design package
- Limited bid phase services
- Limited construction support services

**Staff Evaluation/Justification:**

Staff has reviewed AECOM Technical Services, Inc.'s proposal and found it to be fair and reasonable and recommends that the Port Commission approve the proposed amendment.

## J. INFRASTRUCTURE

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**Subject** 8. Approve a change order with 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 \$242,011.

Meeting Sep 28, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its September 28, 2021 meeting, authorize a change order with 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 \$242,011, 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 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)

**Category:**

Awards, Amendments & Change Orders

**Department:**

Project & 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.

This change order is the tenth change order to this contract, for a total change order value to date of \$772,773.79, 1.56% of the total contract value.

The change order proposed by the contractor addresses outstanding costs and credits received at project closeout including quantity overruns and underruns.

**Staff Evaluation/Justification:**

Staff has reviewed McCarthy Building Companies, Inc.'s proposal and found it to be fair and reasonable and recommends that the Port Commission authorize this change order with McCarthy Building Companies, Inc.

## J. INFRASTRUCTURE

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**Subject** 9. Approve a change order with Satterfield & Pontikes Construction, Inc. to perform additional work associated with the construction of Container Yard 2 South at Bayport Container Terminal in an amount not to exceed \$199,044.

Meeting Sep 28, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its September 28, 2021 meeting, authorize a change order with Satterfield & Pontikes Construction, Inc. to perform additional work associated with the construction of Container Yard 2 South at Bayport Container Terminal in an amount not to exceed \$199,044, 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 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)

**Category:**

Awards, Amendments & Change Orders

**Department:**

Project & Construction Management

**Staff Contact:**

Roger H. Hoh, P.E.

**Background:**

By Minute No. 2020-0730-18, the Port Commission awarded a construction contract to Satterfield & Pontikes Construction, Inc. for the construction of Container Yard 2 South at Bayport Container Terminal.

This change order is the fourth change order to this contract, for a total change order value to date of \$271,346.61, 1.37% of the total contract value.

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

- Additional striping to provide operational continuity between Container Yard 2 South and the recently re-purposed Container Yard 3
- Replacing network switches to updated model as required by the Information Technology department

**Staff Evaluation/Justification:**

Port Authority staff has reviewed the proposal submitted by Satterfield & Pontikes Construction, Inc. and found it to be fair and reasonable. Therefore, staff recommends that the Port Commission authorize this change order.

## J. INFRASTRUCTURE

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<b>Subject</b>	<b>10. Approve a change order with McCarthy Building Companies, Inc. to perform additional work associated with the rehabilitation of Container Yard 3 North at Barbours Cut Terminal in an amount not to exceed \$136,158.</b>
Meeting	Sep 28, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its September 28, 2021 meeting, approve a change order with McCarthy Building Companies, Inc. to perform additional work associated with the rehabilitation of Container Yard 3 North at Barbours Cut Terminal in an amount not to exceed \$136,158, 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 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)

**Category:**

Awards, Amendments & Change Orders

**Department:**

Project and Construction Management

**Staff Contact:**

Roger H. Hoh, P.E.

**Background:**

By Minute No. 2021-0223-18, the Port Commission awarded a construction contract to McCarthy Building Companies, Inc. for the rehabilitation of Container Yard 3 at Barbours Cut Terminal.

This change order is the first change order to this contract, for a total change order value to date of \$138,158, 0.99% of the total contract value.

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

- Removing striping paint originally placed for wheeled container storage
- Placing and re-purposing excess excavation material from Barbours Cut Terminal Container Yard 3 to Bayport Container Yard 1 North to support future development of Container Yard 1 North

**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.

## J. INFRASTRUCTURE

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**Subject** 11. Enter into a Memorandum of Understanding and a temporary license with the U.S. Army Corps of Engineers for the placement of maintenance-dredged material from berths at Jacintoport Terminal and Care Terminal into a federally-managed dredged material placement area at a cost of \$331,800 and approve any over-dredge cost at \$5.53 per cubic yard in an amount not to exceed \$66,360.

Meeting Sep 28, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its September 28, 2021 meeting, authorize the Port Authority to enter into a Memorandum of Understanding and a temporary license with the U.S. Army Corps of Engineers for the placement of maintenance-dredged material from berths at Jacintoport Terminal and Care Terminal into a federally-managed dredged material placement area at a cost of \$331,800 and approve any over-dredge cost at \$5.53 per cubic yard in an amount not to exceed \$66,360, 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:**  
Channel Operations

**Staff Contact:**  
Garry McMahan

**Background:**  
The U.S. Army Corps of Engineers (Corps) is expected to perform maintenance dredging of the Houston Ship Channel adjacent to Jacintoport Terminal and Care Terminal in late 2021. Berths at these terminals also require maintenance dredging, to remove siltation since the last maintenance dredging was completed in 2020. The Corps is authorized to perform berth dredging for the Port Authority on a reimbursable basis.

By Minute No. 2021-0525-23, the Port Commission authorized the Port Authority to enter into a Memorandum of Agreement with the Corps to perform this maintenance dredging. The action now requested is to authorize the placement of that dredged material into a dredged material placement area and pay the appropriate fees. The dredged material is expected to be placed into Peggy Lake at a cost of \$331,800. Dredged quantities are estimated and may differ from the actual quantity at the time dredging occurs, due to additional siltation and processing time of the Corps application. This action is to also authorize the cost, at \$5.53 per cubic yard, for quantities over the initial estimated quantity, in an amount not to exceed \$66,360.

**Staff Evaluation/Justification:**  
Section 217(b) of the Water Resources Development Act of 1996 (33 U.S.C. 2326a(b)) authorizes the Secretary of the Army to permit the use of dredged material placement facilities under the Secretary's jurisdiction by Non-Federal Interests and to impose fees to recover capital, operation, and maintenance costs associated with such use. Use of the Corps dredged material placement area under Section 217(b) would significantly reduce placement area federal fees and allow federal fees collected to be returned to the Corps for use on the Houston Ship Channel placement areas.

Staff recommends that the Port Commission authorize this agreement and license.

## J. INFRASTRUCTURE

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**Subject**                    **12. Enter into reimbursement agreements for pipeline relocation construction with eight pipeline companies for ten pipelines located in Segment 4 of the Houston Ship Channel Expansion Channel Improvement Project for which the Port Authority would be responsible for one-half the cost, in an amount not to exceed \$45 million.**

Meeting                    Sep 28, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access                    Public

Type                    Action

Recommended Action    The Port Commission, at its September 28, 2021 meeting, authorize the Port Authority to into reimbursement agreements for pipeline relocation construction with eight pipeline companies for ten pipelines located in Segment 4 of the Houston Ship Channel Expansion Channel Improvement Project for which the Port Authority would be responsible for one-half the cost, in an amount not to exceed \$45 million, 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:**

Project 11

**Department:**

Channel Operations

**Staff Contact:**

Garry McMahan

**Background:**

As part of the Houston Ship Channel Expansion Channel Improvement Project (HSC ECIP), pipelines in conflict with upcoming dredging must be removed and relocated (generally by a lower placement in the channel) in order to meet U.S. Army Corps of Engineers safety requirements. In the area of the HSC ECIP designated as Segment 4, the companies that own the pipelines that need to be relocated, and the estimated relocation costs, are: Kinder Morgan Texas Pipeline LP (two pipelines) at \$5.5 million; Southtex 66 Pipeline Company, Ltd at \$10 million; Seminole Pipeline Company LLC at \$4.5 million; Explorer Pipeline Company at \$5 million; Colonial Pipeline Company at \$18 million; Praxair Inc, (two pipelines) at \$12 million; Equistar Chemicals, LP at \$20 million; and INEOS USA LLC at \$15 million.

Federal regulations require the Port Authority, as the local sponsor, to pay half of the costs for the pipeline relocations, including but not limited to the costs of design, permitting, and construction (dredging); one half of the costs are estimated to total \$45 million.

The pipeline companies are continuing the design and permitting work under agreements to cost-share that work. Except for having final numbers for the cost of the construction work, the companies are ready to enter into cost-share agreements with the Port Authority for the construction work. Entering into cost-share agreements for the construction work at this time, using estimated amounts, would expedite the construction process by permitting the companies to make earlier purchases of long-lead items such as pipe and valves. In the event that the costs determined upon completion of the design work are higher than the estimated amount being requested, staff will request that the Port Commission approve additional funds at that time. In the event costs are lower, the Port Authority's total cost would also be less.

**Staff Evaluation/Justification:**

Channel Operations Department staff recommends that the Port Commission approve entering into the reimbursement agreements at this time to facilitate continued accelerated progress on the HSC ECIP project.

## J. INFRASTRUCTURE

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<b>Subject</b>	<b>13. Approve the renewal of the following expiring Port Authority licenses for new ten-year terms: Cargill Incorporated – Corn Milling Division, Chevron Phillips Chemical Company LP, Equistar Chemicals, LP, ExxonMobil Pipeline Company, Linde Inc., Matheson Tri-Gas Inc., Oxy Vinyls, LP, Southwestern Bell Telephone Company, TPC Group, LLC, and Valero Refining-Texas, LP.</b>
Meeting	Sep 28, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its September 28, 2021 meeting, authorize the Port Authority to approve the renewal of the following expiring licenses for new ten-year terms: Cargill Incorporated – Corn Milling Division, Chevron Phillips Chemical Company LP, Equistar Chemicals, LP, ExxonMobil Pipeline Company, Linde Inc., Matheson Tri-Gas Inc., Oxy Vinyls, LP, Southwestern Bell Telephone company, TPC Group, LLC, and Valero Refining-Texas, LP, 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 Operations

**Staff Contact:**

Garry McMahan

**Background:**

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

Company	File No.	License Fee
Cargill Incorporated – Corn Milling Division	1998-0059	\$4,906
Chevron Phillips Chemical Company LP	2001-0174	\$17,425
Equistar Chemicals, LP	1991-0200	\$10,604
Equistar Chemicals, LP	2001-0411	\$5,302
ExxonMobil Pipeline Company	2010-0100	\$54,523
Linde Inc.	1991-0223	\$116,086
Linde Inc.	2001-0207	\$10,604
Matheson Tri-Gas Inc.	2009-0216	\$19,089
Oxy Vinyls, LP	2011-0257	\$392,696
Oxy Vinyls, LP	1991-0054	\$5,302
Southwestern Bell Telephone Company	1990-0083	\$1,709
Southwestern Bell Telephone Company	1990-0194	\$13,672
Southwestern Bell Telephone Company	2001-0176	\$3,418
Southwestern Bell Telephone Company	2010-0380	\$0
TPC Group, LLC	2001-0148	\$10,604
TPC Group, LLC	2001-0181	\$78,734
TPC Group, LLC	2010-0191	\$42,416
Valero Refining-Texas, LP	2001-0340	\$12,338
Valero Refining-Texas, LP	1991-0197	\$14,022
Valero Refining-Texas, LP	2017-0063	\$52,891
Total		\$866,341

**Staff Evaluation/Justification:**

The applications were reviewed and approved by the Port Authority's Channel 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.



## J. INFRASTRUCTURE

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**Subject**                    **14. Issue a pipeline license to Linde Inc. for one 10-inch nitrogen pipeline adjacent to Port Road at the Old State Highway 146 intersection.**

Meeting                    Sep 28, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access                    Public

Type                    Action

Recommended Action    The Port Commission, at its September 28, 2021 meeting, authorize the Port Authority to issue a pipeline license to Linde Inc. for one 10-inch nitrogen pipeline adjacent to Port Road at the Old State Highway 146 intersection, 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 Operations

**Staff Contact:**

Garry McMahan

**Background:**

Linde Inc., Port Authority File No. 2021-0119, has applied for a pipeline license for one 10-inch nitrogen pipeline adjacent to Port Road at the Old State Highway 146 intersection, in the William P. Harris Survey, A-30.

**Staff Evaluation/Justification:**

The application was reviewed and approved by the Port Authority's Channel Operations department and the Port Terminal Railroad Association. The license is subject to the Port Authority's usual terms and conditions and at a fee of \$6,363. The \$675 application fee and the \$2,500 as-built deposit have been paid.

Staff recommends approval.

## J. INFRASTRUCTURE

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**Subject**                    **15. Issue a pipeline license to Celanese Chemicals, Inc. for one 11-inch acetic acid pipeline crossing under the Exxon Pipeline Corridor between State Highway 146 and the Bayport Turning Basin.**

Meeting                    Sep 28, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access                    Public

Type                    Action

Recommended Action    The Port Commission, at its September 28, 2021 meeting, authorize the Port Authority to issue a pipeline license to Celanese Chemicals, Inc. for one 11-inch acetic acid pipeline crossing under the Exxon Pipeline Corridor between State Highway 146 and the Bayport Turning Basin, 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 Operations

**Staff Contact:**

Garry McMahan

**Background:**

Celanese Chemicals, Inc., Port Authority File No. 2021-0266, has applied for a pipeline license for one 11-inch acetic acid pipeline crossing under the Exxon Pipeline Corridor between State Highway 146 and the Bayport Turning Basin, in the William P. Harris Survey, A-30.

**Staff Evaluation/Justification:**

The application was reviewed and approved by the Port Authority's Channel Operations department and the Port Terminal Railroad Association. The license is subject to the Port Authority's usual terms and conditions and at a fee of \$6,363. The \$675 application fee and the \$2,500 as-built deposit have been paid.

Staff recommends approval.

## J. INFRASTRUCTURE

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**Subject**                    **16. Issue a marine construction permit to TDWP Terminals 1, LLC to relocate a temporary barge dock located in Buffalo Bayou/Houston Ship Channel.**

Meeting                    Sep 28, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access                    Public

Type                    Action

Recommended Action    The Port Commission, at its September 28, 2021 meeting, authorize the Port Authority to issue a marine construction permit to TDWP Terminals 1, LLC to relocate a temporary barge dock located in Buffalo Bayou/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 Operations

**Staff Contact:**

Garry McMahan

**Background:**

TDWP Terminals 1, LLC, Port Authority File No. 2021-0228, has applied for a marine construction permit to relocate an existing temporary barge dock to the west side of the upland property, located in Buffalo Bayou/Houston Ship Channel, in the Richard & Robert Vince Survey, A-76. The temporary barge dock is planned for 3 to 5 years of operation.

**Staff Evaluation/Justification:**

The application was reviewed and approved by the Port Authority's Channel Operations and Channel Improvement departments and the Houston Pilots. 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.

## J. INFRASTRUCTURE

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**Subject**                    **17. Issue a marine construction permit to Oxy Vinyls, LP to make repairs to an existing barge dock facility located in Buffalo Bayou/Houston Ship Channel.**

Meeting                    Sep 28, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access                    Public

Type                    Action

Recommended Action    The Port Commission, at its September 28, 2021 meeting, authorize the Port Authority to issue a marine construction permit to Oxy Vinyls, LP to make repairs to an existing barge dock facility located in Buffalo Bayou/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 Operations

**Staff Contact:**

Garry McMahan

**Background:**

Oxy Vinyls, LP, Port Authority File No. 2021-0229, has applied for a marine construction permit to replace four monopile dolphins and replace an existing 265 linear foot bulkhead and retaining wall, located in Buffalo Bayou/Houston Ship Channel, in the George M. Patrick Survey, A-624. The intended use of the project site is a barge dock facility.

**Staff Evaluation/Justification:**

The application was reviewed and approved by the Port Authority's Channel Operations and Channel Improvement departments and the Houston Pilots. 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.

## J. INFRASTRUCTURE

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**Subject**                    **18. Issue a transmission line license to Comcast of Houston, LLC for one fiber optic cable line under the Port Terminal Railroad Association's right-of-way at Jacintoport Terminal.**

Meeting                    Sep 28, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access                    Public

Type                        Action

Recommended Action    The Port Commission, at its September 28, 2021 meeting, authorize the Port Authority to issue a transmission line license to Comcast of Houston, LLC for one fiber optic cable line under the Port Terminal Railroad Association's right-of-way at 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 Operations

**Staff Contact:**

Garry McMahan

**Background:**

Comcast of Houston, LLC, Port Authority File No. 2021-0265, has applied for a transmission line license for one fiber optic cable line under the Port Terminal Railroad Association's right-of-way at Jacintoport Terminal, in the William Harris and D. Carpenter Survey, A-28.

**Staff Evaluation/Justification:**

The application was reviewed and approved by the Port Authority's Channel Operations department and the Port Terminal Railroad Association. The license is subject to the Port Authority's usual terms and conditions and at a fee of \$1,709. The \$675 application fee and the \$2,500 as-built deposit have been paid.

Staff recommends approval.

## J. INFRASTRUCTURE

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<b>Subject</b>	<b>19. Amend a pipeline license issued to Enterprise Houston Ship Channel, L.P. to modify the length of pipe on the Beltway 8 property.</b>
Meeting	Sep 28, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its September 28, 2021 meeting, authorize the Port Authority to amend a pipeline license issued to Enterprise Houston Ship Channel, L.P. to modify the length of pipe on the Beltway 8 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 Operations

**Staff Contact:**

Garry McMahan

**Background:**

Enterprise Houston Ship Channel, L.P. (Enterprise), Port Authority File No. 2017-0071, has applied to amend a pipeline license to modify the length of pipe on the Beltway 8 property, in the Richard & Robert Vince Survey, A-76.

Enterprise installed the pipeline across the Southside Mainline railroad right-of-way, Vince Bayou, Little Vince Bayou, Pasadena Cut-Off railroad right-of-way, Deer Park Junction railroad right-of-way, Houston Ship Channel, and Beltway 8 property. The pipeline was shifted west from the proposed location on the Beltway 8 property extending the length of the pipeline 896 feet.

**Staff Evaluation/Justification:**

The application was reviewed and approved by the Port Authority's Channel Operations department. The license is subject to the Port Authority's usual terms and conditions and at a fee of \$7,267. The \$675 application fee has been paid.

Staff recommends approval.

## J. INFRASTRUCTURE

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**Subject**                    **20. Transfer a private adjacency submerged land lease from MARMAC, LLC to 17500 Market Street, LLC and consent to a sublease to ACBL Transportation Services LLC, for 12.84 acres of barge fleeting area and 3.84 acres of encumbered area in Old River.**

Meeting                    Sep 28, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access                    Public

Type                    Action

Recommended Action    The Port Commission, at its September 28, 2021 meeting, authorize the Port Authority to transfer a private adjacency submerged land lease from MARMAC, LLC to 17500 Market Street, LLC and consent to a sublease to ACBL Transportation Services LLC, for 12.84 acres of barge fleeting area and 3.84 acres of encumbered area 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 Operations

**Staff Contact:**

Garry McMahan

**Background:**

MARMAC, LLC, Port Authority File No. 2019-0261, has applied to transfer a private adjacency submerged land lease from (MMS) d/b/a McDonough Marine Services to 17500 Market Street, LLC and has requested the Port Authority's consent to a sublease to ACBL Transportation Services LLC, for 12.84 acres of barge fleeting area and 3.84 acres of encumbered area in Old River, in the Josiah T. Harrell Survey, A-330.

17500 Market Street, LLC (Market Street), is a new Texas limited liability company which is being formed by MMS's parent corporation, McDonough Corporation. MMS is, and Market Street will be, wholly owned subsidiaries of McDonough Corporation. Additionally, the adjacent upland property will be transferred to Market Street.

Staff is informed that the proposed sublessee, ACBL Transportation Services LLC (ACBL), is one of the largest marine transportation companies in the United States with over 100 years of experience, and a prominent service provider in the Houston area. The Port Authority has two other leases for barge fleeting with ACBL.

**Staff Evaluation/Justification:**

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

Staff recommends approval.

## J. INFRASTRUCTURE

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**Subject** **21. Issue a Port Authority adjacency barge fleeting lease agreement and amend a marine construction permit with AccuTRANS Fleeting Services LLC for approximately 5.92 acres of submerged lands in Old River at an initial monthly rental amount of \$8,880 for a ten-year term.**

Meeting Sep 28, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its September 28, 2021 meeting, authorize the Port Authority to issue a Port Authority adjacency barge fleeting lease agreement and amend a marine construction permit with AccuTRANS Fleeting Services LLC for approximately 5.92 acres of submerged lands in Old River at an initial monthly rental amount of \$8,880 for a ten-year term, 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:**

Channel Operations

**Staff Contact:**

Garry McMahan

**Background:**

AccuTRANS Fleeting Services LLC (AccuTRANS), Port Authority File No. 2021-0263 (lease of 5.92 acre - Port Authority adjacent), and Port Authority File No. 2020-0106 (marine construction permit for a total of 10.72 acres of submerged lands), has applied for a Port Authority adjacency submerged lands lease (and to amend a marine construction permit) to lease an additional 5.92 acres of submerged land for barge fleeting in Old River, adjacent to the Lost Lake Dredged Material Placement Area.

AccuTRANS has operated a barge fleet management service for over 20 years and has owned property in the vicinity of this project for over five years. The Port Authority has two other active barge fleeting leases with AccuTRANS.

**Staff Evaluation/Justification:**

The application was reviewed and approved by the Port Authority's Channel Operations department. The lease would be entered into pursuant to the Port Authority's submerged land lease terms and conditions for an initial rental amount of \$8,880 per month for a ten-year term for the Port Authority adjacency lease (negotiated fees). The permit is to be amended subject to the Port Authority's usual terms and conditions.

Staff recommends approval.



## J. INFRASTRUCTURE

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**Subject** 22. Approve a lease with Oxy Vinyls, LP for 0.89 acres of filled submerged land located in Patrick Bayou at an initial monthly rental amount of \$1,335 for a ten-year term.

Meeting Sep 28, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action, Information

Recommended Action The Port Commission, at its September 28, 2021 meeting, approve a lease with Oxy Vinyls, LP for 0.89 acres of filled submerged land located in Patrick Bayou at an initial monthly rental amount of \$1,335 for a ten-year term, 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:**

Channel Operations

**Staff Contact:**

Garry McMahan

**Background:**

Oxy Vinyls, LP, Port Authority File No. 1999-0154, has applied to renew a lease agreement for 0.89-acres of filled submerged land located in Patrick Bayou at an initial monthly rental amount of \$1,335 for a ten-year term. The original lease dates back to 1969. The leased filled submerged land, like the adjacent upland property (also owned by Oxy Vinyls, LP) would be used for the offloading onto barges raw materials for chemical manufacturing materials.

**Staff Evaluation/Justification:**

The application was reviewed and approved by the Port Authority's Channel Operations department. The lease would be entered into pursuant to the Port Authority's submerged land lease terms and conditions for an initial monthly rental amount of \$1,335 for a ten-year term.

Staff recommends approval.

## K. OPERATIONS

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<b>Subject</b>	<b>1. Approve staff's ranking of vendors and award a two-year contract in an amount not to exceed \$1,500,000 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, Sulzer Electro-Mechanical Services (US), Inc.</b>
Meeting	Sep 28, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its September 28, 2021 meeting: <ul style="list-style-type: none"> <li>(a) approve staff's ranking of the most qualified vendor, based on the selection criteria, in the following order – first, Northstar Industries; and second, Sulzer Electro-Mechanical Services (US), Inc.;</li> <li>(b) award a two-year contract to Northstar Industries for repair of motors, generators, and alternators for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal in an amount not to exceed \$1,500,000;</li> <li>(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</li> <li>(d) further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.</li> </ul>
Goals	STRATEGIC GOAL #2 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)

**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 one hundred and sixteen rubber tyred gantry (RTG) cranes and twenty-five 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. 2019-1211-57, 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 are nearly depleted due to a higher-than-expected incidence of motor repairs during the first twelve months of this contract. The increase in contract amount is due to a larger number of cranes operating at Bayport Container Terminal during new contract term.

The Port Authority notified vendors regarding its request for competitive sealed proposals (CSP) 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. Fourteen vendors downloaded the project materials from BuySpeed.

**Staff Evaluation/Justification:**

On August 18, 2021, three CSP responses were received and opened. The responses were reviewed and evaluated by staff in accordance with the selection criteria published in the CSP. One response was deemed unresponsive. Staff identified the following vendors, listed in ranking order, as most qualified to provide the required service:

- Northstar Industries
- Sulzer Electro-Mechanical Services (US), Inc.

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.

## K. OPERATIONS

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**Subject**                    **2. Approve staff's ranking of vendors and award a professional services contract in an amount not to exceed \$599,507 to perform inspection services for three dockside electric container cranes for Wharf No. 6 at Bayport Container Terminal to the top-ranked proposer: staff ranking – first, Liftech Consultants, Inc.; second, Laurence & Associates, LLC; and third, Paul Bridges & Associates, LLC.**

Meeting                    Sep 28, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access                    Public

Type                    Action

Recommended Action The Port Commission, at its September 28, 2021 meeting:

- (a) approve staff's ranking of vendors, based on the selection criteria, in the following order – first, Liftech Consultants, Inc.; second, Laurence & Associates, LLC; and third, Paul Bridges & Associates, LLC;
- (b) award a contract to the top-ranked proposer for inspection services for three dockside electric container cranes for Wharf No. 6 at Bayport Container Terminal in the amount not to exceed \$599,507;
- (c) grant authority, if a contract cannot be negotiated with the first-ranked vendor, to formally, and in writing, end negotiations with that vendor, and proceed to the next vendor in the order of ranking until a contract is reached or all proposals are rejected; and
- (d) further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Goals                    [STRATEGIC GOAL #2 - INFRASTRUCTURE \(Optimize Infrastructure and Channel Capacity to Serve the Region\)](#)

**Category:**

Awards, Amendments & Change Orders

**Department:**

Maintenance

**Staff Contact:**

Paulo Soares

**Background:**

By Minute No. 2021-0622-28, the Port Commission awarded a contract for the purchase of three dockside electric container cranes for Wharf No. 6 at Bayport Container Terminal to Shanghai ZhenHua Heavy Industries Co., Ltd (ZPMC) in the amount not to exceed \$36,585,000. These cranes require manufacturing inspection on a full-time basis. Inspection of overseas fabrication of these cranes is beyond current manpower capabilities of Port Authority staff, and therefore staff believes an inspection services consultant is required.

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

**Staff Evaluation/Justification:**

On July 7, 2021, 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 services:

- Liftech Consultants, Inc.

- Laurence & Associates, LLC
- Paul Bridges & Associates, LLC

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

## K. OPERATIONS

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<b>Subject</b>	<b>3. Award a contract to Davey Coach Sales Incorporated for the purchase of two used shuttle buses for Bayport Container Terminal in an amount not to exceed \$99,000.</b>
Meeting	Sep 28, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its September 28, 2021 meeting, award a contract to Davey Coach Sales Incorporated for the purchase of two used shuttle buses for Bayport Container Terminal in the amount not to exceed \$99,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #2 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)

**Category:**

Awards, Amendments & Change Orders

**Department:**

Maintenance

**Staff Contact:**

Paulo Soares

**Background:**

The Port Authority currently owns two fifteen-passenger vans operating at Bayport Container Terminal. These vans are 2011 and 2016 models and have limited useful life remaining, needing much maintenance to maintain their functionality. These vehicles transport ten to fifteen operators to and from the Administration Building and rubber tyred gantry (RTG) cranes three times daily, resulting in a high level of wear to the vehicle engine and interior. Due to increases in container volume, more RTG cranes are being ordered daily to meet demand, and shuttle buses are the most efficient vehicle to transport the resulting increasing number of crane operators at Bayport Container Terminal. Accordingly, staff recommends that these vans be replaced with shuttle buses.

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

**Staff Evaluation/Justification:**

On August 25, 2021, one RFP response was received. The response was reviewed and evaluated by staff in accordance with the published selection criteria.

Following staff Executive Committee review, staff recommends that the Port Authority award a contract to Davey Coach Sales Incorporated and act as otherwise described above.

## K. OPERATIONS

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<b>Subject</b>	<b>4. Award a two-year contract to Wesco Distribution for the purchase of electrical and lighting components for maintenance of facilities and equipment at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal in an amount not to exceed \$1,750,000.</b>
Meeting	Sep 28, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its September 28, 2021 meeting, award a two-year contract to Wesco Distribution for the purchase of electrical and lighting components for maintenance of facilities and equipment at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal in an amount not to exceed \$1,750,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #2 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)

**Category:**

Awards, Amendments & Change Orders

**Department:**

Maintenance

**Staff Contact:**

Paulo Soares

**Background:**

Assorted electrical and lighting components are needed for routine maintenance of facilities and equipment including relays, breakers, fittings, conduits, switches, connectors, receptacles, fixtures, panels, and other items frequently needed to perform routine maintenance and repair of cranes, equipment, and buildings at Port Authority facilities.

By Minute No. 2019-0729-49, the Port Commission awarded a two-year contract to Graybar Electric Company, Inc. in the amount not to exceed \$1,750,000 for the purchase of electrical and lighting components for maintenance of facilities and equipment at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal. This contract expired on July 31, 2021.

The Port Authority notified vendors regarding its request for competitive sealed bids (CSB) for the purchase of electrical and lighting components for maintenance of facilities and equipment at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal using the Port Authority's BuySpeed Eprocurement System and the procurement was advertised on the Port Authority's website and in a local newspaper. Fourteen vendors downloaded the procurement materials from BuySpeed.

**Staff Evaluation/Justification:**

On August 18, 2021, four CSB responses were received and opened. The responses were reviewed and evaluated by staff in accordance with the selection criteria published in the CSB.

Following staff Executive Committee review, staff recommends that the Port Commission award a two-year contract to Wesco Distribution, the responsible bidder submitting the best bid to provide the required services.

## K. OPERATIONS

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**Subject**                    **5. Award a two-year contract to Crane Tech Solutions, the sole source provider, for the purchase of spare and replacement parts for Stinis spreader bars and an over-height attachment at Barbours Cut Terminal and Bayport Container Terminal in an amount not to exceed \$600,000.**

Meeting                    Sep 28, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access                    Public

Type                    Action

Recommended Action    The Port Commission, at its September 28, 2021 meeting, award a two-year contract to Crane Tech Solutions, the sole source provider, for the purchase of spare and replacement parts for Stinis spreader bars and an over-height attachment at Barbours Cut Terminal and Bayport Container Terminal in an amount not to exceed \$600,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Goals                    [STRATEGIC GOAL #2 - INFRASTRUCTURE \(Optimize Infrastructure and Channel Capacity to Serve the Region\)](#)

**Category:**  
Awards, Amendments & Change Orders

**Department:**  
Maintenance

**Staff Contact:**  
Paulo Soares

**Background:**  
The Port Authority currently owns a total of twenty-six spreader bars and one over-height attachment manufactured by Stinis Holland B.V., including eleven spreaders at Barbours Cut Terminal, and fourteen spreaders and one over-height attachment operating at Bayport Container Terminal.

By Minute No. 2019-0924-51, the Port Commission awarded a two-year contract to Crane Tech Solutions in an amount not to exceed \$600,000 for the purchase of spare and replacement parts for Stinis spreader bars at Barbours Cut Terminal and Bayport Container Terminal. This contract is set to expire on September 30, 2021. The ability to expedite procurement of spare and replacement parts for these units is critical to efficient terminal operation.

**Staff Evaluation/Justification:**  
Section 60.412 of the Water Code provides that a purchase for an item that can be obtained only from one source is exempt from certain procurement requirements of the Water Code. Port Authority staff has received a written statement from the manufacturer confirming that Crane Tech Solutions is the sole authorized source for captive replacement Stinis parts in the United States.

Staff recommends that the Port Commission approve entering into a two-year contract with Crane Tech Solutions for the purchase of spare and replacement parts for Stinis spreader bars and over-height attachment, beginning on October 1, 2021 and ending on September 30, 2023. Replacement and spare parts will be purchased through this contract as needed.



## K. OPERATIONS

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<b>Subject</b>	<b>6. Award a three-year contract to Kalmar USA Inc., Bromma Americas, the sole source provider, for the purchase of twistlocks and spreader bar related parts for wharf and rubber tyred gantry cranes at Barbours Cut Terminal and Bayport Container Terminal in an amount not to exceed \$2,800,000.</b>
Meeting	Sep 28, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its September 28, 2021 meeting, award a three-year contract to Kalmar USA Inc., Bromma Americas, the sole source provider, for the purchase of twistlocks and spreader related parts for wharf and rubber tyred gantry (RTG) cranes at Barbours Cut Terminal and Bayport Container Terminal in an amount not to exceed \$2,800,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #2 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)

**Category:**

Awards, Amendments & Change Orders

**Department:**

Maintenance

**Staff Contact:**

Paulo Soares

**Background:**

The Port Authority owns a total of one hundred and forty-five spreader bars and thirteen over-height attachments manufactured by Bromma. These units are used daily on wharf and rubber tyred gantry (RTG) cranes currently in operation at Barbours Cut Terminal and Bayport Container Terminal. The ability to expedite procurement of spare and replacement parts for these spreaders and over-height attachments is critical to daily terminal operations.

By Minute No. 2019-0729-50, the Port Commission awarded a two-year contract to Kalmar USA Inc., Bromma Americas in the amount not to exceed \$2,000,000 for the purchase of twistlocks and spreader related parts for wharf and RTG cranes at Barbours Cut Terminal and Bayport Container Terminal. Funds for this contract are nearly depleted. Increase in contract amount is due to new cranes added to the fleet and the longer contract term.

**Staff Evaluation/Justification:**

Section 60.412 of the Water Code provides that a purchase for an item that can be obtained only from one source is exempt from certain procurement requirements of the Water Code. Port Authority staff has received a written statement from the manufacturer confirming that Kalmar USA Inc., Bromma Americas is the sole authorized distributor of captive replacement parts for Bromma products in the United States.

Staff recommends that the Port Commission award a three-year contract to Kalmar USA Inc., Bromma Americas for the purchase of twistlocks and spreader related parts for wharf and RTG cranes at Barbours Cut Terminal and Bayport Container Terminal.

## K. OPERATIONS

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<b>Subject</b>	<b>7. Award a three-year contract to Conductix, Inc. dba Conductix-Wampfler, the sole source provider, for the purchase of spare and replacement parts for Conductix-Wampfler festoon systems for wharf cranes at Barbours Cut Terminal and Bayport Container Terminal in the amount not to exceed \$750,000.</b>
Meeting	Sep 28, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its September 28, 2021 meeting, award a three-year contract to Conductix, Inc. dba Conductix-Wampfler, the sole source provider, for the purchase of spare and replacement parts for Conductix-Wampfler festoon systems for wharf cranes at Barbours Cut Terminal and Bayport Container Terminal in an amount not to exceed \$750,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #2 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)

**Category:**

Awards, Amendments & Change Orders

**Department:**

Maintenance

**Staff Contact:**

Paulo Soares

**Background:**

The Port Authority currently owns twenty-two wharf cranes that are equipped with Conductix-Wampfler festoon systems for transmission of power and control to operator cabs. Given the importance festoon systems have in container crane operations, it is advantageous to have a contract in place to purchase spare and/or replacement parts as needed in order to minimize crane downtime.

By Minute No. 2019-0625-32, the Port Commission awarded a three-year contract to Conductix-Wampfler in the amount not to exceed \$400,000 for the purchase of spare and replacement parts for Conductix-Wampfler festoon systems for wharf cranes at Barbours Cut Terminal and Bayport Container Terminal. Funds have been depleted for the Barbours Cut Terminal and only 15% of the contract amount remains for Bayport Container Terminal. The increase in the amount for the new three-year contract is due to upcoming repairs and upgrades to festoon systems.

**Staff Evaluation/Justification:**

Section 60.412 of the Water Code provides that a purchase for an item that can be obtained only from one source is exempt from certain procurement requirements of the Water Code. Port Authority staff has received a written statement from the manufacturer confirming that Conductix, Inc. dba Conductix-Wampfler is the sole source for captive replacement Conductix-Wampfler parts in the United States.

Staff recommends that the Port Commission award a three-year contract with Conductix, Inc. dba Conductix-Wampfler for the purchase of spare and replacement parts for Conductix-Wampfler festoon systems on wharf cranes at Barbours Cut Terminal and Bayport Container Terminal.

## K. OPERATIONS

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**Subject** **8. Ratify an emergency procurement with Dow Pipe & Fence Supply Co. in the amount not to exceed \$80,000 for fence installation at Barbours Cut rail ramp.**

Meeting Sep 28, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its September 28, 2021 meeting, ratify an emergency purchase order with Dow Pipe & Fence Supply Co. in the total amount not to exceed \$80,000 for fence installation at Barbours Cut rail ramp, 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 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)

**Category:**

Awards, Amendments & Change Orders

**Department:**

Maintenance

**Staff Contact:**

Paulo Soares

**Background:**

Water Code Section 60.4035 permits the Executive Director and authorized officers to make emergency purchases and contracts in amounts that exceed \$50,000 if necessary to, among other things, to respond to security directives issued by the U.S. Coast Guard (USCG), without complying with customary competitive bidding procedures or prior to Port Commission approval, provided staff notify the Port Commission of any such purchase not later than forty-eight hours after the purchase is made.

Due to a backed-up supply chain and labor shortages exacerbated by the COVID-19 pandemic, in recent weeks the Port Authority and the shipping industry have experienced a surge in imports and an increase in dwell (i.e., the time an import remains at a terminal). Due to the surge of import loads and extended terminal dwell time, Port Authority staff has temporarily converted the idle rail ramp at Barbours Cut Container Terminal into grounded container storage to accommodate the additional volume.

The additional storage area at the rail ramp is subject to the requirements of 33 C.F.R. § 105.255, which provides that the facility owner must implement security measures to control access to the facility. Additionally, the area must be added to the Port Authority's Facility Security Plan for Barbours Cut Terminal, which requires that all secure/restricted facility areas are fenced to establish a secure perimeter.

Due to the high degree of importance, the USCG has agreed to allow the Port Authority to operate the yard with the use of security officers, dedicated to securing the rail yard twenty-four hours a day, seven days a week (at a cost to the Port Authority in excess of \$22,000 per week), for only a short time while a barrier was erected around the area. At the same time, the Port Authority would amend and seek USCG approval to permit its Facility Security Plan to include the temporary storage area as a secure/restricted area.

Staff arranged for Dow Pipe & Fence Supply Company to install perimeter fence securing the temporary storage area at the rail ramp in an amount not to exceed \$80,000.

**Staff Evaluation/Justification:**

Staff has informed the Port Commission that a purchase order to Dow Pipe & Fence Supply Co. in the amount not to exceed \$80,000 has been issued in accordance with Water Code Section 60.4035.

Accordingly, staff requests that the Port Commission ratify the above purchase under Water Code Section 60.4035.

## K. OPERATIONS

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**Subject**                    **9. Issue a purchase order to Red River LLC for the purchase of twenty Cisco 829 routers to enhance yard crane Wi-Fi network connectivity performance, using Texas Department of Information Resources cooperative purchase program, in an amount not to exceed \$75,000.**

Meeting                    Sep 28, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access                    Public

Type                    Action

Recommended Action    The Port Commission, at its September 28, 2021 meeting, issue a purchase order to Red River LLC for the purchase of twenty Cisco 829 routers to enhance yard crane Wi-Fi network connectivity performance, using Texas Department of Information Resources cooperative purchase program, in an amount not to exceed \$75,000, 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.

**Category:**

Awards, Amendments & Change Orders

**Department:**

Operations

**Staff Contact:**

Mike Shaffner

**Background:**

The requested twenty Cisco 829 routers would replace the original Scalance devices (included with the rubber tyred gantry (RTG) cranes when purchased) that are currently used for twenty yard cranes RTGs for network connectivity, and are demonstrating poor performance. The requested routers are already deployed in the balance of the RTG fleet and have exhibited significantly better performance in terms of remaining connected to the Wi-Fi network. Robust network connectivity is required to ensure the accurate performance of the Position Detection System, and for inventory accuracy and operator efficiency.

**Staff Evaluation/Justification:**

The Director of Procurement Services has determined that procuring the twenty Cisco 829 Routers through the Texas Department of Information Resources purchasing program is the method that both satisfies competitive purchase requirements and provides best value to the Port Authority.

The Information Technology and Operations departments have determined that the best availability, price, and contract terms for the items needed is provided by Red River LLC.

Accordingly, staff recommends the Port Commission approve this best value determination and purchase order.

## K. OPERATIONS

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**Subject**                    **10. Approve a five-year extension of the existing contract with Houston Mooring Company, Inc. for spotting of vessels at all Port Authority facilities in an amount not to exceed \$1,500,000.**

Meeting                    Sep 28, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access                    Public

Type                    Action

Recommended Action    The Port Commission, at its September 28, 2021 meeting, approve a five-year extension of the existing contract with Houston Mooring Company, Inc. for spotting of vessels at all Port Authority facilities in an amount not to exceed \$1,500,000, 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 and Change Orders

**Department:**

Operations

**Staff Contact:**

Randy Stiefel

**Background:**

Currently two mooring companies (Houston Mooring Company, Inc. and Texas Mooring, LLC) operate at Port Authority facilities, and one or the other is appointed by the vessel's owner or the owner's representative to provide vessel services.

In 2018, the Port Authority entered into a contract with Houston Mooring Company, Inc. for spotting of vessels at all Port Authority facilities. On January 1, 2019, the Port Authority amended the contract with Houston Mooring Company, Inc. by Minute No. 2019-0924-44 to provide for a contract amount of \$600,000 for a term to expire on December 31, 2021.

**Staff Evaluation/Justification:**

Staff recommends the Port Commission approve this five-year extension of the existing contract with Houston Mooring Company, Inc.

## K. OPERATIONS

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**Subject** **11. Approve a five-year extension of the existing contract with Texas Mooring, LLC Inc for spotting of vessels at all Port Authority facilities in an amount not to exceed \$1,500,000.**

Meeting Sep 28, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its September 28, 2021 meeting, approve a five-year extension of the existing contract with Texas Mooring, LLC Inc for spotting of vessels at all Port Authority facilities in an amount not to exceed \$1,500,000, 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 and Change Orders

**Department:**

Operations

**Staff Contact:**

Randy Stiefel

**Background:**

Currently two mooring companies (Houston Mooring Company, Inc. and Texas Mooring, LLC) operate at Port Authority facilities, and one or the other is appointed by the vessel's owner or the owner's representative to provide vessel services.

In 2018, the Port Authority entered into a contract with Texas Mooring, LLC for spotting of vessels at all Port Houston facilities. In an amendment authorized by Minute No. 2019-0924-44, the Port Authority amended the contract with Texas Mooring, LLC to provide for a contract amount of \$600,000 for a term to expire on September 4, 2021. By an amendment dated September 5, 2021, the contract was extended for one month, with an expiration date of October 4, 2021.

**Staff Evaluation/Justification:**

Staff recommends the Port Commission approve this five-year extension of the existing contract with Texas Mooring, LLC.

## K. OPERATIONS

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**Subject**                    **12. Enter into the following Freight Handling Assignment Agreements for terminal services at the Turning Basin Terminal: Cooper/Ports America, LLC, Suderman Contracting Stevedores, Inc. DBA Metro Ports, Richardson Stevedoring and Logistics Services, Inc., and APS Stevedoring, LLC.**

Meeting                    Sep 28, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access                    Public

Type                    Action

Recommended Action    The Port Commission, at its September 28, 2021 meeting, authorize entering into the following Freight Handling Assignment Agreements for terminal services at the Turning Basin Terminal: Cooper/Ports America, LLC, Suderman Contracting Stevedores, Inc. DBA Metro Ports, Richardson Stevedoring and Logistics Services, Inc., and APS Stevedoring, 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:**

General

**Department:**

Operations

**Staff Contact:**

Jeff Davis

**Background:**

The cargo handling services at the public facilities at the Turning Basin Terminal are performed by stevedores working in assigned locations under Freight Handling Assignment Agreements (Agreements) with the Port Authority.

The Agreements set forth the terms and conditions under which the stevedores perform freight handling services at the assigned facilities. Pursuant to the Agreements, the stevedores guarantee to handle minimum tonnages or to pay specified revenue amounts based upon the square footage of the assigned areas. Port Authority staff considers the projected cargo volumes of the stevedores in evaluating and recommending stevedores for assignment of particular facilities.

By Minute No. 2017-0524-34, the Port Commission granted authority to enter into Agreements for terminal services at Turning Basin Terminal.

By Minute No. 2020-0730-51, the Port Commission granted authority for the Agreements to be extended for an additional four-month period for further evaluation and that the guaranteed minimum tonnages not be applied.

By Minute No. 2020-1208-38, the Port Commission granted authority for the Agreements to be extended for an additional three-month period for further evaluation and that the guaranteed minimum tonnages not be applied.

By Minute No. 2021-0323-32, the Port Commission granted authority for the Agreements to be extended for an additional six-month period for further evaluation and that the guaranteed minimum tonnages not be applied.

**Staff Evaluation/Justification:**

Staff has reviewed and evaluated the current freight handling assignments and future needs of the Port Authority and recommends entering into Freight Handling Assignment Agreements for the handling of cargo at its facilities for terms of three years with guaranteed tonnage of ½ ton per square foot assigned at the Turning Basin Terminal, effective October 1, 2021.

## K. OPERATIONS

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**Subject**                    **13. Approve an amendment to the Lease Agreement with CMC Americas LLC for 22.52 acres at Bayport Container Terminal Complex south of Port Road providing for construction of improvements on behalf of the Port Authority and reimbursement of the tenant's construction costs for certain work, not to exceed \$1,287,009.**

Meeting                    Sep 28, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access                    Public

Type                      Action

Recommended Action    The Port Commission, at its September 28, 2021 meeting, approve an amendment to the Lease Agreement with CMC Americas LLC dated September 9, 2021 for 22.52 acres at the Bayport Container Terminal Complex south of Port Road providing for construction of improvements on behalf of the Port Authority and reimbursement of the tenant's construction costs for certain work, not to exceed \$1,287,009, 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. 2021-0427-48, the Port Commission approved a ten-year lease to CMC Americas LLC for 22.52 acres at the Bayport Container Terminal Complex south of Port Road. Under the proposed amendment, tenant would perform certain work on the Port Authority's behalf in connection with improvement of the leased premises, including bringing utilities to the perimeter of the leased property, and constructing a bridge over a drainage area and a driveway from CFS Road to the property. The Port Authority would reimburse tenant for the verified costs of this work.

**Staff Evaluation/Justification:**

Staff has reviewed the proposed work and maximum reimbursement amount and has determined that the amount properly reflects potential construction costs for the improvements to be constructed by the tenant on behalf of the Port Authority; the actual costs would be verified by the Port Authority. Accordingly, Terminal Operations and Legal staff recommend the approval of lease amendment.



## L. PEOPLE

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**Subject** **1. Authorize renewal of group insurance agreements with the following carriers to include coverage for calendar year 2022 in a total amount not to exceed \$2,336,788: (a) Aetna Life Insurance Company, for dental, vision, and Medicare Advantage coverage; (b) Minnesota Life Insurance Company, for basic life, voluntary and dependent life, and retiree life coverage; and (c) Hartford Life and Accident Insurance Company, for long-term disability (LTD) coverage and short-term disability (STD) coverage.**

**Meeting** Sep 28, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

**Access** Public

**Type** Action

**Recommended Action** The Port Commission, at its September 28, 2021 meeting:

- (i) award group insurance agreements to the following carriers for coverage for calendar year 2022 in a total amount not to exceed \$2,336,788:
  - (a) Aetna Life Insurance Company, for dental coverage, in an amount not to exceed \$477,120;
  - (b) Aetna Life Insurance Company, for vision coverage, in an amount not to exceed \$93,626;
  - (c) Aetna Life Insurance Company, for Medicare Advantage medical coverage, in an amount not to exceed \$753,859;
  - (d) Minnesota Life Insurance Company, for basic life coverage and A D & D for eligible active employees, in an amount not to exceed \$127,128;
  - (e) Minnesota Life Insurance Company, for voluntary life coverage for eligible active employees and dependents, in an amount not to exceed \$279,341;
  - (f) Minnesota Life Insurance Company, for basic life coverage for eligible retirees, in an amount not to exceed \$142,848;
  - (g) Hartford Life and Accident Insurance Company, for long-term disability (LTD) coverage, in an amount not to exceed \$273,537;
  - (h) Hartford Life and Accident Insurance Company, for short-term disability (STD) coverage, in an amount not to exceed \$189,329;
- (ii) authorize the Port Authority to continue to pay: 50% of the cost of dental premiums for eligible active employees; 100% of the cost of the Medicare Advantage medical premiums for eligible retirees and dependents; 100% of the cost of basic life premiums for active employees and retirees; and 100% of the cost of LTD and STD premiums for eligible active employees;
- (iii) determine that Port Authority employees shall continue to reimburse the Port Authority for 50% of the cost of dental premiums and the full cost of any vision or voluntary life premiums;
- (iv) authorize contract renewal negotiations with insurance carriers prior to contract expiration; and
- (v) further authorize the Executive Director to do any and all things in his opinion reasonable and necessary to give effect to all of the foregoing.

**Goals** STRATEGIC GOAL #1 - PEOPLE AND ORGANIZATION (Be the Best Place to Work)

**Category:**

Awards, Amendments & Change Orders

**Department:**

Human Resources

**Staff Contact:**

Roger Walter

**Background:**

By Minute No. 2018-0130-43, the Port Commission awarded a contract to Lockton Companies LLC, (Lockton), to provide employee benefits consulting services, including assisting in: development of requests for proposals for group insurance coverages; evaluation of proposals; negotiation of renewal rates; and recommendations on provider selections.

By Minute No. 2020-0929-44, the Port Commission awarded agreements for calendar year 2021 to (a) Aetna Life Insurance Company, for dental, vision, and Medicare Advantage medical coverage; (b) Minnesota Life Insurance Company, for basic life, voluntary and dependent life, and retiree life coverage; and (c) Hartford Life and Accident Insurance Company, for long term disability (LTD) and short-term disability (STD) coverage. This action also authorized contract renewal negotiations with the insurance carriers prior to contract expiration. Accordingly, Lockton and Port Authority staff began negotiations with the incumbents for 2022 coverages.

On April 7, 2021, the Port Authority, through its Broker of Record, Lockton, issued a request for proposals (RFP) soliciting proposals for certain 2022 group insurance coverage, including dental, vision, and Medicare Advantage medical coverage.

**Staff Evaluation/Justification:**

Lockton and Port Authority staff reviewed and evaluated the proposals and proposed 2022 renewal rates and determined that the incumbent carriers offer the best value to the Port Authority, with a decrease in the dental, vision, and Medicare Advantage rates, and no change to the other 2021 rates, as these product lines are in multi-year price guarantees.

The renewals are anticipated to be discussed at the Pension and Benefits Committee meeting on September 21, 2021. Staff recommends, and anticipates that the Pension and Benefits Committee concurs, that group insurance contracts be awarded to the following incumbent carriers for calendar year 2021, as providing the best value to the Port Authority:

- (a) Aetna Life Insurance Company, for dental, vision, and Medicare Advantage medical coverage;
- (b) Minnesota Life Insurance Company, for basic life, voluntary and dependent life, and retiree life coverage;
- and
- (c) Hartford Life and Accident Insurance Company, for long term disability (LTD) and short-term disability (STD) coverage.

Staff further recommends, and anticipates that the Pension and Benefits Committee concurs, that:

1. The Port Authority continue to pay 50% of the cost of dental premiums for eligible employees and dependents;
2. The Port Authority continue to pay 100% of the cost of basic group life premiums for Port Authority active employees and retirees;
3. The Port Authority continue to pay 100% of the cost of Medicare Advantage medical premiums for eligible retirees and dependents;
4. The Port Authority continue to pay 100% of the cost of LTD and STD premiums for Port Authority active employees; and
5. Port Authority employees continue to reimburse the Port Authority for 50% of the cost of dental premiums and the full cost of any vision or voluntary life premiums.

Staff estimates that approximately \$611,527 of the \$2,336,788 total amount requested would be reimbursed to the Port Authority by employees, leaving a total cost to the Port Authority of approximately \$1,725,261.

The individual not-to-exceed amounts in the Recommended Action are based on current participant levels with adjustments for additional 2022 staffing levels. The total amount requested by staff allows for an increase in participation in 2022 based on current open positions and new 2022 headcount additions, but may be subject to amendment in order to account for actual participation levels.

## **M. SECURITY AND EMERGENCY OPERATIONS**

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**Subject** 1. Award a two-year professional services contract, with an option for a two-year extension, in an amount not to exceed \$100,000 for Hazardous Material Response services to Oil Mop LLC, dba OMI Environmental Solutions.

Meeting Sep 28, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its September 28, 2021 meeting, award a two-year professional services contract, with an option for a two-year extension, in an amount not to exceed \$100,000 for Hazardous Material Response services to Oil Mop LLC, dba OMI Environmental Solutions, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Goals Strategic Objective 4b. - Prepare for disruptive events and mitigate their impact

**Category:**

Awards, Amendments & Change Orders

**Department:**

Emergency Management

**Staff Contact:**

Colin Rizzo

**Background:**

The Port Authority Fire Department responds to hazardous materials incidents that occur on Port Authority property. When that occurs, the incident commander would initially contain the spill, and attempt to identify a responsible party that would be required to mitigate the hazardous materials. In the event a responsible party cannot be determined in a timely fashion, or it is determined that the Port Authority is the responsible party, the Port Authority would then seek assistance from an outside vendor to manage the hazardous materials clean-up, seeking eventual reimbursement from the responsible party.

The purpose of this contract is to pre-select a vendor that can provide these services in the event of a hazardous materials incident, providing the Port Authority with 1) a vendor on call; 2) a set price schedule; 3) a pre-vetted response company; and 4) the potential for Federal Emergency Management Agency (FEMA) reimbursement based on the competitively-bid contract. There is no fee associated with this contract until an incident response is requested from the Port Authority. Also, there would be no retainer fee for the duration of the contract, which contains an option for a two-year extension.

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

**Staff Evaluation/Justification:**

On August 4, 2021, two RFP responses were received and opened. The responses were reviewed and evaluated by staff in accordance with the selection criteria published in the RFP.

Following Staff Executive Committee review, staff recommends that the Port Commission award a contract to Oil Mop LLC, dba OMI Environmental Solutions for Hazardous Materials Incident Response services.

## **M. SECURITY AND EMERGENCY OPERATIONS**

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**Subject**                    **2. Award a purchase order to Genasys Corporation, the sole source provider, for the purchase of replacement parts and installation services for the existing Long-Range Acoustic Device Mass Notification outdoor siren system in an amount not to exceed \$95,000.**

Meeting                    Sep 28, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access                    Public

Type                    Action

Recommended Action    The Port Commission, at its meeting on September 28, 2021, authorize staff to issue a purchase order to Genasys Corporation, the sole source provider, for the purchase of replacement parts and installation services for the existing Long-Range Acoustic Device Mass Notification outdoor siren system in an amount not to exceed \$95,000, 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 4b. - Prepare for disruptive events and mitigate their impact

**Category:**

Awards, Amendments & Change Orders

**Department:**

Emergency Management

**Staff Contact:**

Colin Rizzo

**Background:**

The Long-Range Acoustic Device (LRAD) system is the outdoor siren component of Port Authority's PortAlert emergency notification system. Originally installed in 2017, the system is comprised of seventeen sirens that provide outdoor emergency notifications at Port Authority terminals. This system is capable of broadcasting warning sirens and intelligible voice messages in the event of an emergency, such as a shelter-in-place or facility evacuation.

Since originally installed, one siren has been destroyed by lightning and another was damaged after being struck by equipment inside the terminal, causing serious damage. Additional sirens have experienced failures requiring equipment replacement. This purchase order would provide parts to repair damaged sirens and spare part installation services.

**Staff Evaluation/Justification:**

Section 60.412 of the Water Code provides that a purchase for an item that can be obtained only from one source is exempt from certain procurement requirements of the Water Code. Port Authority staff has received a written statement from the manufacturer confirming that Genasys Corporation is the sole authorized source for these outdoor siren components in the United States.

Staff recommends the Port Commission authorize this purchase order to Genasys Corporation for the purchase of replacement parts and installation services for the existing LRAD Mass Notification outdoor siren system.

## **M. SECURITY AND EMERGENCY OPERATIONS**

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**Subject**                    **3. Enter into an Intergovernmental Agreement with the City of Morgan's Point for police services for one year in an amount not to exceed \$24,720.**

Meeting                    Sep 28, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access                    Public

Type                    Action

Recommended Action    The Port Commission, at its September 28, 2021 meeting, authorize the Port Authority to enter into an Intergovernmental Agreement with the City of Morgan's Point for police services for one year in an amount not to exceed \$24,720, 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 3a. - Cultivate key relationships to accomplish common goals  
Strategic Objective 4b. - Prepare for disruptive events and mitigate their impact

**Category:**

General

**Department:**

Police

**Staff Contact:**

Mark Smith

**Background:**

The Port Authority's Police Department has primary law enforcement jurisdiction within Barbours Cut Terminal, with the City of Morgan's Point providing primary police services within the city's jurisdiction that surrounds the terminal.

The current one-year Intergovernmental Agreement is set to expire September 30, 2021. The cost would be paid in twelve monthly amounts of \$2,060, for a total annual cost of \$24,720. If approved by the Port Commission, the agreement would be required to be approved by the Morgan's Point City Council.

**Staff Evaluation/Justification:**

The Port Authority and the City of Morgan's Point each stand to benefit from an Intergovernmental Agreement which fosters cooperation in responding to crime in and around the Barbours Cut Terminal.

Staff recommends that the Port Commission approve the above agreement.

## N. TECHNOLOGY

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**Subject**                    **1. Award purchase orders over a five-year period to HP Inc. for devices and related services, using City of Houston Contract #4600016154-2021-0499, in a total amount not to exceed \$2,000,000.**

Meeting                    Sep 28, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access                    Public

Type                    Action

Recommended Action    The Port Commission, at its September 28 2021 meeting, award purchase orders over a five-year period, to HP Inc. for devices and related services, using City of Houston Contract #4600016154-2021-0499, in a total amount not to exceed \$2,000,000, determine that this method provides the best value to the Port Authority, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Goals                    STRATEGIC GOAL #1 - PEOPLE AND ORGANIZATION (Be the Best Place to Work)

**Category:**

Awards, Amendments & Change Orders

**Department:**

Information Technology

**Staff Contact:**

Charles Thompson

**Background:**

The Port Authority deploys HP Inc. devices and related services for its users, and updates and replaces these devices and obtains related services on a regular basis. Accordingly, the Information Technology Division believes it would provide best value for the Port Authority to establish a long-term arrangement to obtain these items on an efficient and cost-effective basis.

Pursuant to Port Commission action identified as Minute No. 2012-0626-20, the City of Houston and the Metropolitan Transit Authority of Harris County (METRO) has an Interlocal Purchasing Agreement which may be used by the Port Authority for cooperative purchasing of materials and services.

**Staff Evaluation/Justification:**

The Director of Procurement Services has determined that procuring these devices and related services using the contract identified as #4600016154-2021-0499 between HP Inc., and the City of Houston is the method that both satisfies competitive purchase requirements and provides best value to the Port Authority.

The Information Technology Division has determined that the best availability, price, and contract terms for the items needed is provided by HP Inc. under the pricing schedule obtained from that vendor's contract with the City of Houston, and is therefore recommending these purchases.

Accordingly, staff recommends that Port Commission approve this best value determination and these purchase orders.

## N. TECHNOLOGY

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**Subject**                    **2. Issue a purchase order to Xennex LLC for purchase of replacement data storage and increased redundancy equipment, using Texas Department of Information Resources cooperative purchase program, in an amount not to exceed \$820,000.**

Meeting                    Sep 28, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access                    Public

Type                    Action

Recommended Action    The Port Commission, at its September 28, 2021, meeting, issue a purchase order to Xennex LLC for purchase of replacement data storage and increased redundancy equipment, using Texas Department of Information Resources, in an amount not to exceed \$820,000, determine that this procurement method provides the best value to the Port Authority, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Goals                    STRATEGIC GOAL #1 - PEOPLE AND ORGANIZATION (Be the Best Place to Work)

**Category:**

Awards, Amendments & Change Orders

**Department:**

Information Technology

**Staff Contact:**

Ron Farrow

**Background:**

The Port Authority is seeking to obtain replacement data storage and increased redundancy equipment for its current storage environment. The Texas Department of Information Resources (DIR) has cooperative purchasing programs which may be used by the Port Authority for this purchase.

**Staff Evaluation/Justification:**

The Director of Procurement Services has determined that procuring the purchase of additional data storage and increased redundancy equipment through the DIR purchasing program is the method that both satisfies competitive purchase requirements and provides best value to the Port Authority.

The Information Technology Department has determined that the best availability, price, and contract terms for the item needed is provided by Xennex LLC and is therefore recommending this purchase.

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

## N. TECHNOLOGY

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**Subject**                    **3. Issue a purchase order to Set Solutions, Inc. for renewal of Infoblox maintenance, which provides network-related functionality, using Texas Department of Information Resources' cooperative purchase program, in an amount not to exceed \$62,000.**

Meeting                    Sep 28, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access                    Public

Type                    Action

Recommended Action    The Port Commission, at its September 28, 2021 meeting, issue a purchase order to Set Solutions, Inc. for renewal of Infoblox maintenance, which provides network-related functionality, using Texas Department of Information Resources' cooperative purchase program, in an amount not to exceed \$62,000, determine that this procurement method provides the best value to the Port Authority, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Goals                    STRATEGIC GOAL #1 - PEOPLE AND ORGANIZATION (Be the Best Place to Work)

**Category:**

Awards, Amendments & Change Orders

**Department:**

Information Technology

**Staff Contact:**

Ron Farrow

**Background:**

The Port Authority is seeking to obtain the needed renewal of Infoblox maintenance, which provides network related functionality required for all devices on the Port Authority network. 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 for this purchase.

**Staff Evaluation/Justification:**

The Director of Procurement Services has determined that procuring the purchase of this maintenance through the Texas Department of Information Resources (DIR) purchasing program is the method that both satisfies competitive purchase requirements and provides 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 Set 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.



## N. TECHNOLOGY

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**Subject**                    **4. Issue a purchase order to CDWG LLC for purchase of annual software subscription and support services for ManageEngine Service Desk ticketing software, using the National Intergovernmental Purchasing Alliance, in an amount not to exceed \$60,000.**

Meeting                    Sep 28, 2021 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access                    Public

Type                    Action

Recommended Action    The Port Commission, at its September 28, 2021 meeting, issue a purchase order to CDWG LLC for purchase of annual software subscription and support services for ManageEngine Service Desk ticketing software, using the National Intergovernmental Purchasing Alliance (National IPA), in an amount not to exceed \$60,000, determine that this procurement method provides the best value to the Port Authority, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Goals                    STRATEGIC GOAL #1 - PEOPLE AND ORGANIZATION (Be the Best Place to Work)

**Category:**

Awards, Amendments & Change Orders

**Department:**

Information Technology

**Staff Contact:**

Ron Farrow

**Background:**

The Port Authority is seeking renewal of ManageEngine software. The Port Authority uses ManageEngine software as a tool for tracking Information Technology (IT) Service Desk tickets as well as the tracking and reporting of technology assets. Annual renewals offer support services to provide for software revision upgrades and technical support.

By Minute No. 2021-0720-39, the Port Commission approved the purchase from CDWG LLC of annual software subscription and support services for ManageEngine Service Desk ticketing software, using the State of Texas Department of Information Resources (DIR) cooperative purchasing program, in an amount not to exceed \$60,000. CDWG LLC has informed the Port Authority that it does not have a cooperative contract with DIR for the services at issue but may provide them pursuant to its National Intergovernmental Purchasing Alliance (National IPA) contract with the General Services Administration (GSA).

**Staff Evaluation/Justification:**

The Director of Procurement Services has determined that procuring the renewal of ManageEngine software through the National IPA purchasing program is the method that both satisfies competitive purchase requirements and provides best value to the Port Authority. The Port Authority, as a political subdivision of the State of Texas, is authorized to use the GSA for the procurement of certain items (primarily technology, security, and fire/police items).

The IT Department has determined that National IPA would be an acceptable order fulfiller and qualified product reseller for CDWG LLC and that the best availability, price, and contract term for the items needed is provided by CDWG LLC under the pricing schedule obtained from that vendor's contract with National IPA and is therefore recommending this purchase.

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