

I N D E X

PORT COMMISSION  
OF THE  
PORT OF HOUSTON AUTHORITY  
OF THE PORTS OF HARRIS COUNTY, TEXAS  
January 26, 2023

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**

2023-0126-01 Approve the minutes of the November 18, 2022 and December 6, 2022 Port Commission meetings

**Staff Reports**

2023-0126-02 Roger Guenther, Executive Director, presented a summary of selected financial and operational matters

**Appearances**

2023-0126-03(a) Chairman Campo introduced Dr. Carla Wyatt, Harris County Treasurer, who addressed the Port Commission

2023-0126-03(b) Chairman Campo recognized Bridgette Murray, Pleasantville Area Super Neighborhood Council #57, who addressed the Port Commission

**F. Executive**

2023-0126-04 Staff Report – Selected agenda items – Tom Heidt, Chief Operating Officer

2023-0126-05 Amend the Procurement Policy to permit Design Build and Construction Manager-at- Risk as best value procurement methods

**G. Business Equity**

2023-0126-06 Staff Report – Selected agenda items – Maxine Buckles, Chief Business Equity Officer

<u>Minute No.</u>	<u>Event/Action</u>
2023-0126-07	Issue a purchase order to B2Gnow, the sole source provider, for the purchase of annual software services for the B2Gnow Diversity Management Compliance system
	<b>H. Commercial</b>
2023-0126-08	Staff Report – Selected agenda items – John Moseley, Chief Commercial Officer
2023-0126-09	Award a contract to Hilton Americas hotel for services as venue and caterer, and for additional event services for the Houston International Maritime Conference
2023-0126-10	Award a contract for professional services to Barbara Spector Yeninas Associates Inc. (BSYA) to coordinate sponsorship sales, ticket sales, advertising, promotion, hospitality, panelists, and entertainment for the Houston International Maritime Conference for a base amount of \$67,000, plus 20% commission on sponsorship, advertising, and ticket sales in an amount not to exceed \$153,000, and reimbursable expenses not to exceed \$8,000
2023-0126-11	Approve a lease for a one-year term with a one-year mutual renewal option with Suderman Contracting Stevedores, Inc. d/b/a Metro Ports for approximately 10.74 acres out of Block 10 at Northside Turning Basin, effective no earlier than February 15, 2023, at an base rent of approximately \$483,300, subject to base rent escalation of the greater of 3% or the increase in the Consumer Price Index, upon the exercise of the renewal option
2023-0126-12	Approve an amendment to the lease with Auto Warehousing Co. for approximately 8.15 acres out of Block 14 at the Bayport Auto Terminal to extend the term for five months, effective no earlier than February 1, 2023, at a monthly base rent of \$33,362.99, subject to rent escalation of the 3% increase in the Consumer Price Index in May
	<b>I. Finance</b>
2023-0126-13	Staff Report – Selected agenda items – Tim Finley, Chief Financial Officer
2023-0126-14	Award a contract to Truist Bank for depository banking services for five-year period commencing on or about March 1, 2023 in an annual amount of \$50,000, excluding interest earned on account balances
2023-0126-15	Approve the audited financial statements for the Port of Houston Authority Restated Retirement Plan for the fiscal year ended July 31, 2022

Minute No.

Event/Action

**J. Infrastructure**

2023-0126-16	Staff Report – Selected agenda items –Rich Byrnes, Chief Infrastructure Officer
2023-0126-17	Approve staff’s ranking of vendors and award a construction contract for the repair of infrastructure along Wharf 18 dredge pipe at the Turning Basin Terminal to the top-ranked proposers: staff ranking – first, Boyer, Inc.; and second, Forde Construction Company, Inc.  Port Commission adopted the staff-recommended ranking and authorized award
2023-0126-18	Approve staff’s ranking of vendors and award a professional services contract for the design of the yacht basin bulkhead repair at CARE Terminal to the top-ranked proposers: staff ranking – first, Lloyd Engineering; second, DE Corporation; and third, Wiss, Janey, Elstner Associates, Inc.  Port Commission adopted the staff-recommended ranking and authorized award
2023-0126-19	RCA J3 was pulled from the agenda
2023-0126-20	Award a purchase order to Yellowstone Landscape to plant screening plantings at Barbours Cut Terminal, using Choice Partners, a cooperative purchase program contract
2023-0126-21	Amend the professional services contract with Walter P Moore and Associates, Inc. to perform additional work associated with structural analysis and repair options for rehabilitation of roofs at Sheds 21-22 at Turning Basin Terminal and CARE Terminal
2023-0126-22	Approve the change of control of Weeks Marine, Inc. under its contract for Houston Ship Channel Expansion Channel Improvement Project dredging services, dated June 17, 2022, resulting from the purchase of its capital stock by Kiewit Infrastructure Group Inc.
2023-0126-23	Approve the revised fees for Port Authority licenses and permits, and barge fleeting leases and permits according to the attached schedule, effective February 1, 2023
2023-0126-24	Issue a transmission line license to CenterPoint Energy Houston Electric, LLC for one 138kV electrical line over and across the Port Terminal Railroad Association Southside Mainline railroad right-of-way near Light Company Road

<u>Minute No.</u>	<u>Event/Action</u>
2023-0126-25	Issue a transmission line license to CenterPoint Energy Houston Electric, LLC for one 138kV electrical line over and across the Port Terminal Railroad Association Northside Mainline railroad right-of-way near Fidelity Street
2023-0126-26	Approve the transfer of a 36-inch crude oil pipeline license from HFOTCO LLC dba Houston Fuel Oil Terminal Company to E T Crude Pipeline LLC, for crossing Carpenter's Bayou in three locations
2023-0126-27	Issue a marine construction permit to Sesco Cement Corporation for construction of a cantilevered sheet pile toe wall at City Dock 3 in the Turning Basin Terminal
	<b>K. Operations</b>
2023-0126-28	Staff Report – Selected agenda items – Jeff Davis, Chief Operations Officer
2023-0126-29	Approve staff's ranking of vendors and award a professional services contract for gate interchange cards for Barbours Cut Terminal and Bayport Container Terminal to the top-rank proposers: staff ranking - first, Cole Ticket Solutions, Inc.; and second, Southland Printing Company, Inc.  Port Commission adopted the staff-recommended ranking and authorized award
2023-0126-30	Award a one-year maintenance and support contract to Id Solutions, the sole source provider, for equipment, software licensing, and installation services to expand the Transportation Worker Identification Credential (TWIC) reader application to an additional two lanes, for a total of seven lanes, at Barbours Cut Terminal
2023-0126-31	Award a one-year professional services contract to Kalmar USA Inc., the sole source provider, for maintenance and service for Position Detection System (PDS) equipment for twenty-six rubber-tired gantry cranes
2023-0126-32	Award a contract to Kalmar USA Inc. Bromma Americas, the sole source provider, for the purchase of SCS-Modular upgrades for eight Bromma spreader bars at Barbours Cut Terminal
2023-0126-33	RCA K5 was pulled from the agenda
2023-0126-34	Award a purchase order to Greater Houston Office Products for the purchase and installation of office furniture for the Bayport Administration Building Operations suite, Walking Foremen's office, and Clerk's office, using the Omnia Partners, a cooperative purchase program contract

<u>Minute No.</u>	<u>Event/Action</u>
2023-0126-35	Award a three-year contract to Sunbelt Rentals, Inc. for rental of heavy equipment, using Omnia Partners (formally Sourcewell), a cooperative purchase program contract, in an amount not to exceed \$600,000; and award a three-year contract to Herc Rentals, Inc. for rental of heavy equipment, using Omnia Partners in an amount not to exceed \$600,000
2023-0126-36	Issue a purchase order to Direct Expansion Solutions (DXS) for the purchase of Daikin air conditioning units for equipment and buildings at Bayport Container Terminal, using Omnia Partners, a cooperative purchase program
	<b>L. People</b>
2023-0126-37	Staff Report – Selected agenda items – Jessica Shaver, Chief People Officer
2023-0126-38	Enter into a one-year agreement with the Houston International Seafarers' Center to provide humanitarian services to seafarers whose vessels call at the terminals of the Port Authority, effective January 1, 2023
2023-0126-39	Approve a contract with Houston Zoo, Inc. to provide the venue and customer event services for the 2023 Port Houston Employee and Retiree Appreciation Event
	<b>M. Security and Emergency Operations</b>
2023-0126-40	Staff Report – Selected agenda items – Marcus Woodring, Chief Port Security and Emergency Operations Officer
2023-0126-41	Award a three-year purchase order to 911Security, Inc, the sole source provider, for access to its AirGuard drone detection program and installation of a sensor that would integrate with the AirGuard drone detection program, in an amount not to exceed \$96,000, with an estimated net cost after Federal Emergency Management Agency (FEMA) Port Security Grant reimbursement of \$24,000
	<b>N. Technology</b>
2023-0126-42	Staff Report – Selected agenda items – Ron Farrow, Director Information Technology
2023-0126-43	Issue a purchase order to CDW Government LLC for purchase of miscellaneous computer parts and accessories, using Omnia Partners, a cooperative purchase program
	<b>Recess Open Meeting and Convene Executive Session</b>

Minute No.

Event/Action

**Reconvene Open Meeting**

2023-0126-44

Motion to authorize the Port Authority to settle the claims of Gilda Ramirez on the terms discussed in Executive Session, and authorize the Executive Director to do all other things reasonable or necessary to give effect to the foregoing

2023-0126-45

Motion to authorize the Port Authority to settle the claims of George Hedge Contractors, Inc. and Standard Constructors, Inc. on the terms discussed in Executive Session, and authorize the Executive Director to do all other things reasonable or necessary to give effect to the foregoing

2023-0126-46

Motion to authorize the Port Authority to approve an amendment to the employment agreement with Roger Guenther on the terms discussed in Executive Session, and authorize the Chairman and Chief Legal Officer to do any and 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  
January 26, 2023**

A public meeting of the Port Commission of the Port of Houston Authority of Harris County, Texas was convened on January 26, 2023, at 11:00 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, via WebEx  
Stephen DonCarlos, Commissioner, arrive 11:05 a.m.  
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 reflected on a great year in 2022, noting it was a record year with the highest total tonnage in Port Authority history, and commended the employees that contributed to that success and for exceeding the strategic goals of People, Partnership, Stewardship, and Infrastructure.

Chairman Campo highlighted a few of these accomplishments, such as the creation of employee development programs, that supported succession opportunities for future leaders and building a strong and diverse bench for the future.

The Port Authority continued its support of the communities in the Houston Ship Channel region, through the Community Grants Program and its investment in parks and green spaces.

The Port Authority also continued to enhance the Business Equity program, through engagement and enrollment in small- and minority-owned business enterprises (MWBE) and increased participation in procurement awards and contracts.

Additionally, the Port Authority developed and delivered an environmental, social, safety, and governance (ESSG) report and a Sustainability Action Plan which supported a roadmap to carbon neutrality in 2050.

Finally, more than \$300 million was awarded in new capital projects, a new record.

Chairman Campo remarked that he was recently at a real estate conference on the West Coast where the topic of ports was raised, and how important they were to the

movement of goods. One of the slides in the presentation showed that in 2017, 58% of containers imported to the U.S. came through West Coast ports. Today, only 43% of containers come through the West Coast, a fifteen-percentage point shift. At the same time, the Port Authority doubled its container volumes from 2016 to the present.

Chairman Campo gave an update on the deepening and widening of the Houston Ship Channel (Project 11), which continued forward at a rapid pace, while being on time and on schedule. Dredging was 99% complete on Segment 1A, which extended from Bolivar to Redfish Island in the lower bay. The 11.5 mile stretch of the segment was widened from 530 feet to 700 feet by Great Lakes Dredge & Dock Company. Final acceptance surveying by the Port Authority and the Army Corps of Engineers was ongoing and expected to be completed soon.

Chairman Campo continued: Long Bird Island was still in construction and was expected to take several more months to complete. Dredging had begun on the next phase, which included Segment 1B and 2, which stretched from Redfish Island to Bayport Container Terminal, and included the Bayport Channel. Weeks Marine, Inc. and Curtin Maritime, Corp. were the contractors for the segments, and were both on schedule and budget.

Chairman Campo commended the entire Channel Development department, including its consulting teams and contractors, for tremendous progress as the accelerated path to improve the Houston Ship Channel continued. He stressed that meeting with industry would resume in the forthcoming year to discuss the repayment of industry's commitment to fund Project 11, which was advanced by the Port Authority.

(2023-0126-01) Chairman Campo called for a motion to approve the minutes of the November 18, 2022 and December 6, 2022 Port Commission meetings. Commissioner Mease moved for approval, seconded by Commissioner Fitzgerald. The minutes were approved as written.

(2023-0126-02) Roger Guenther, Executive Director, presented a summary of selected financial and operational matters:

- Total tonnage was the highest ever in 2022 at 55 million tons, 22% better than 2021.
- General cargo and break bulk continued to prosper:
  - Docks remained full;
  - Steel volume in 2022 came in at 5.2 million tons;
  - Overall general cargo tonnage was up 47% for 2022; and
  - Real estate properties supporting the movement of general cargo were nearly 100% leased.



- Container terminals had another record year:
  - Total twenty-foot equivalent units (TEUs) were just shy of 4 million, an increase of nearly 500,000 in one year and up 14% against 2021;
  - To put into perspective:
    - Through November data provided by the National Retail Federation, total import loads (TEUs) into the U.S. were flat-
      - West Coast ports were down 6%
      - East Coast ports were up 5.5%
      - Houston saw the biggest increase, at 19.3%
    - Total export loads in the U.S. were down 5%-
      - West Coast ports were down 10%
      - East Coast ports were down 4.8%
      - Houston was up more than 18%
- The Port Authority saw a dip in imports in December 2022, but it was too early to tell if it was a trend: although it was currently unclear, predictions showed imports softening during the first half of 2023.
- Export of container cargo, containing polymers and other petrochemical products, remained strong.

Mr. Guenther remarked that it was an overall fantastic year for commerce and cargo at the Port Authority, and it was also a tremendous year for the achievements that staff had made toward meeting and exceeding goals and priorities.

Mr. Guenther echoed Chairman Campo's remarks and highlighted the Port Authority's accomplishments in meeting its goals of infrastructure, stewardship, partnership, and people. These accomplishments included numerous volunteer projects for the community; a commitment to environmental excellence and continual improvement; accelerating capital investments for future growth opportunities, including a third container terminal; "Next-Generation" enterprise resource planning; ensuring that the terminals were secure and safe; and promoting an inclusive culture and preparing a team of leaders for success in the future.

Mr. Guenther was proud of what the Port Authority and its employees accomplished in 2022 and looked forward to better things to come in 2023.

Commissioner Fitzgerald emphasized that staff deserved credit for being ahead of the infrastructure needs, and that the work could not stop, as ships were getting bigger and the cargo would keep coming, which was a good thing as it would create jobs for the region.

Commissioner Fitzgerald also congratulated Commissioners Mease and Corgay, along with Chairman Campo, on their recent reappointment to the Port Commission.

Commissioner Fitzgerald concluded his remarks by commenting on the creation of business to construct chassis at the Port Authority using International Longshoremen's Association (ILA) labor.

Commissioner Corgey remarked how every report he read showed the Port Authority firing on all cylinders - there were so many positive things going on, and he was proud to be part of the team.

Commissioner Mease observed that the progress on Project 11 had already cut two hours off vessel transit times, Commissioner Fitzgerald stressed the important role the Houston Pilots played.

Charlie Jenkins, Senior Director, Asset Management and Strategic Coordination added that the Houston Pilots were working on dredging restrictions as safety was the number one priority.

Commissioner Mease thanked staff for coordinating relief efforts to aid the residents of the City of Pasadena in the wake of a tornado that had touched down a few days before - water and volunteers had been sent by the Port Authority. Mr. Guenther added that such relief efforts came directly from staff, not at his direction.

(2023-0126-03)      Appearances

(a)      Chairman Campo introduced Dr. Carla Wyatt, Harris County Treasurer, who addressed the Port Commission.

Dr. Wyatt introduced herself and urged the Port Authority to call on her at any time for assistance. She had over twenty years of experience working for Harris County and looked forward to continuing to strengthen the great relationship between the county and the Port Authority.

(b)      Chairman Campo recognized Bridgette Murray, Pleasantville Area Super Neighborhood Council #57, who addressed the Port Commission.

Ms. Murray thanked Port Authority leadership for identifying projects eligible for funds from the Community Grants Program. It was an important opportunity to address many unmet needs in communities around the Houston Ship Channel.

Ms. Murray questioned if agenda Item J7 would result in long-term reviews and planning of future dredge sites. Many dredge sites currently in use were older than six years.

Rich Byrnes, Chief Infrastructure Officer, clarified that the increase in fees was for licenses, permits, and barge fleeting. He pledged to follow up with Ms. Murray to further discuss the implications of the fee increase and address any further concerns. Additionally, Mr. Byrnes noted that tipping fees for placement sites were not included, and Mr. Eriksson added that the fee schedule had been posted publicly.

Commissioner Corgey added that barge fleeting would not be an issue to the community either.

(2023-0126-04) Chairman Campo recognized Tom Heidt, Chief Operating Officer, to provide a report of selected Executive agenda items.

Mr. Heidt remarked that the single item for Executive was an amendment to the Port Authority's Procurement Policy to permit design build and construction manager-at-risk as best-value procurement methods. The methods were currently not part of the policy.

(2023-0126-05) RCA F1 was presented, moved by Commissioner Mease, seconded by Commissioner Corgey. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA F1 PASSED.

(2023-0126-06) Chairman Campo recognized Maxine Buckles, Chief Business Equity Officer, to provide a report of selected agenda items.

Ms. Buckles highlighted the inception of the Executive Leadership Program, which was scheduled to begin the next month. Sixteen individuals had been chosen to be part of the program and would be getting more exposure to senior leadership and the Port Commission. In addition, the Port Authority's MWBE training, called Opportunity U, was set to launch in the forthcoming weeks.

Ms. Buckles further explained that Item G1 was to approve the annual fee for software services for diversity compliance.

(2023-0126-07) RCA G1 was presented, moved by Commissioner Corgey, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA G1 PASSED.

(2023-0126-08) Chairman Campo recognized John Moseley, Chief Commercial Officer, to provide a report of selected agenda items.

Mr. Moseley stated that a recent CB Richard Ellis market report showed industrial development grew in the Houston region for the seventh consecutive quarter. The Houston

region cruised through the fourth quarter with record breaking growth. Heading into 2023, the market was well positioned to handle any economic uncertainty thanks to continued population growth, unprecedented demand, and companies' heightened reliance on safety stock.

Mr. Moseley explained that Item H2 was a contract for an event planner for the upcoming second annual Houston International Maritime Conference. The plan was for the conference to be twice the size as the previous inaugural event.

Commissioner DonCarlos asked how the Port Authority planned to determine its return on investment from the conference. Mr. Moseley explained that various import and export companies would be flying into Houston to attend the event. Additionally, the event projected to be self-sufficient, funded entirely through sponsorships with the goal of running net positive.

Mr. Guenther added that there had already been a large interest from various entities in sponsoring the conference.

(2023-0126-09) RCA H1 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA H1 PASSED.

(2023-0126-10) RCA H2 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA H2 PASSED.

(2023-0126-11) RCA H3 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA H3 PASSED.

(2023-0126-12) RCA H4 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA H4 PASSED.

(2023-0126-13) Chairman Campo recognized Tim Finley, Chief Financial Officer to provide a report of selected agenda items.

Mr. Finley noted that there were two items on the agenda for Finance. Item I1 related to a contract for depository banking services. Said contract was obtained through

a request for proposals (RFP) and received six responses. The RFP was exempt from MWBE requirements, but staff did reach out to two MWBE banks, but no response was submitted from either.

Mr. Eriksson observed that the annual amount of the contract was up to \$50,000.

Mr. Finley continued: In Item I2, staff sought approval of the audited financial statements for the Port Authority's Restated Retirement Plan for the fiscal year ended July 31, 2022. The item was presented earlier in the day to the Pension and Benefit Committee. Once approved, the statements would be filed with the Texas Pension Review Board as required by statute.

Commissioner Corgey congratulated Mr. Finley on the handling of the pension plan. Changes had been made resulting in higher levels and the fund being in good shape despite unfavorable market conditions.

(2023-0126-14) RCA I1 was presented, moved by Commissioner Mease, seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA I1 PASSED.

(2023-0126-15) RCA I2 was presented, moved by Commissioner Mease, seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA I2 PASSED.

(2023-0126-16) Chairman Campo recognized Mr. Rich Byrnes to provide a report of selected agenda items.

Mr. Byrnes began by reiterating that Segment 1A of Project 11 would be completed within the month, resulting in the first eleven miles of the Houston Ship Channel opening up to a wider and safer channel and allowing ships to transit earlier in the pre-dawn and later in the evening, effectively adding hours to the navigation window.

Mr. Byrnes specifically recognized the contributions of Lori Brownell, Director, Channel Improvement and Mr. Jenkins. Ms. Brownell excelled at the technical aspects of Project 11 while Mr. Jenkins drove all other aspects.

Mr. Byrnes highlighted that the Port Authority continued to win grants. In the past six weeks the following grants had been awarded: \$500,000 from the Catena Foundation to support expertise and resources to focus specifically on opportunities in the Infrastructure Investment and Jobs Act and the Inflation Reduction Act; approval for Seaport and Rail Yard Areas Emissions Reduction Program (SPRY) Grants for 26 new,

clean yard tractor and forklift replacements valued at approximately \$1.4 million; a United States Drug Administration (USDA) grant worth \$2.2 million, to support additions to the yard chassis fleet to help with cargo velocity; and a Port Security grant for generators and drone detection security.

The Port Authority continued to push forward with the Sustainability Action Plan and building partnerships with companies, neighboring communities, and non-governmental organizations (NGOs). The Port Authority supported events centered on clean truck technology hosted by Nikola Corporation and Hyzon Motors Inc., supporting working groups for the region-wide billion-dollar HyVelocity Hub hydrogen proposal.

Mr. Byrnes continued: the Port Authority began the quarter by leading meetings with the trucking community, a charette with public agencies in the region, and a visit from the Board of Trustees of the Environmental Defense Fund planned for March 2023. However, it was recently learned that the three-port collaborative GULFSTAR proposal for Mega Grant funding was not selected, but the Port Authority would continue to pursue additional avenues for funding.

With respect to the core business of providing capacity ahead of demand, Mr. Byrnes reported that approximately \$400 million in projects was planned, including investments in yards and wharves at Barbours Cut and Bayport Container Terminals, land development, facility rehabs at the Turning Basin Terminal, and the next installments of the Port Authority-led elements of Project 11.

Mr. Byrnes highlighted agenda Item J1 to repair and replace a dredge pipe sleeve. The sleeve was a conduit that went through the hill alongside High Level Road and under Port Terminal Railroad Association (PTRA) rail lines to send dredge material from the upper Turning Basin Channel to the placement areas. Business equity comprised 20% of the contract, of which 11% went to MWBEs.

Item J4 was for an investment in the Port Authority's partnership with the City of Morgan's Point for the planting of approximately 1.2 miles of foliage for sight and sound barriers between the Barbours Cut Container Terminal and the city.

Finally, Mr. Byrnes addressed Item J11, a marine construction permit to SESCO Cement to strengthen and deepen a bulkhead in anticipation of deeper ships calling on the public docks upon the completion of Project 11.

(2023-0126-17) RCA J1 was presented. Commissioner Corgey moved for staff's ranking of vendors - first, Boyer, Inc.; and second, Forde Construction Company, Inc., seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J1 PASSED.

(2023-0126-18) RCA J2 was presented. Commissioner Corgey moved for staff's ranking of vendors - first, Lloyd Engineering; second, DE Corporation; and third, Wiss, Janey, Elstner Associates, Inc., seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J2 PASSED.

(2023-0126-19) RCA J3 was pulled from the agenda.

(2023-0126-20) RCA J4 was presented, moved by Commissioner Corgey, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J4 PASSED.

(2023-0126-21) RCA J5 was presented, moved by Commissioner Corgey, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J5 PASSED.

(2023-0126-22) RCA J6 was presented, moved by Commissioner Corgey, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J6 PASSED.

(2023-0126-23) RCA J7 was presented, moved by Commissioner Corgey, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J7 PASSED.

(2023-0126-24) RCA J8 was presented, moved by Commissioner Corgey, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Commissioner Cloonan recused herself. Nays none. RCA J8 PASSED.

(2023-0126-25) RCA J9 was presented, moved by Commissioner Corgey, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Commissioner Cloonan recused herself. Nays none. RCA J9 PASSED.

(2023-0126-26) RCA J10 was presented, moved by Commissioner Corgey, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J10 PASSED.

(2023-0126-27) RCA J11 was presented, moved by Commissioner Corgey, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J11 PASSED.

(2023-0126-28) Chairman Campo recognized Jeff Davis, Chief Port Operations Officer, to provide a report of selected agenda items.

Mr. Davis noted that the container terminals had seen a softening in volume with TEUs down 4.5% in December 2022. Export containers were also down despite carriers' tendency to return empties to China. With fog, cold weather, and other delays affecting ships and labor, it was difficult to determine with certainty if the December 2022 decrease was a trend or an aberration.

The ship queue, once as high as 27 ships, was down to only four in December, and was down as low as one the previous week. Cement and lumber were strong general cargo commodities. Additionally, steel was coming across the docks in high volumes; the Port Authority handled 5.2 million tons in 2022, the second highest total of steel handled in the last decade.

Finally, Mr. Davis announced a new record, once again, of 15,275 gate transactions, with an average turn time of 52 minutes. Unfortunately, however, Saturday gate hours had not flourished. Only 1,800 transactions were carried out the previous Saturday, equivalent to a single hour during a weekday. Staff continued to evaluate ways to make the Saturday hours work.

Mr. Davis explained agenda Item K1, a contract for the order of 30 million gate interchange cards for Barbour's Cut and Bayport Container Terminals. The gate cards were used to document the transfer of custody of cargo entering and exiting the terminals. Paperless options were being explored in an effort to reduce the number of cards needed.

Commissioner Cloonan asked whether other ports used paperless methods, and Mr. Davis replied in the affirmative. Such methods involved the use of cell phones registered in a software system capable of generating digital cards. However, said paperless method did not eliminate the need for the physical cards, and again, staff was exploring options and expected to phase in a paperless system.

Mr. Davis concluded by explaining Item K7, the rental of heavy equipment for all Port Authority facilities on an as-needed basis, for projects such as repair of damages and the clearing of land, as well as repairs to utilities and equipment.

(2023-0126-29) RCA K1 was presented. Commissioner Mease moved for staff's ranking of vendors - first, Cole Ticket Solutions, Inc.; and second, Southland



Printing Company, Inc., seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Cloonan, Corgy, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K1 PASSED.

(2023-0126-30) RCA K2 was presented, moved by Commissioner Mease, seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Cloonan, Corgy, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K2 PASSED.

(2023-0126-31) RCA K3 was presented, moved by Commissioner Mease, seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Cloonan, Corgy, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K3 PASSED.

(2023-0126-32) RCA K4 was presented, moved by Commissioner Mease, seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Cloonan, Corgy, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K4 PASSED.

(2023-0126-33) RCA K5 was pulled from the agenda.

(2023-0126-34) RCA K6 was presented, moved by Commissioner Mease, seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Cloonan, Corgy, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K6 PASSED.

(2023-0126-35) RCA K7 was presented, moved by Commissioner Mease, seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Cloonan, Corgy, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K7 PASSED.

(2023-0126-36) RCA K8 was presented, moved by Commissioner Mease, seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Cloonan, Corgy, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K8 PASSED.

(2023-0126-37) Chairman Campo recognized Jessica Shaver, Chief People Officer, to provide a report of selected agenda items.

Ms. Shaver announced that the fourth cycle of the Community Grants Program would be launching in the forthcoming weeks. The program was a strategic outreach initiative to develop and strengthen community partnerships and create greater value to the

region. To date, the Port Authority had awarded over \$875,000 and was planning on awarding an addition \$375,000 in the upcoming cycle.

Port Authority grants had invested previously in 36 non-profit organizations. These included investments in parks and green spaces, debris and trash removal programs, addressing security and health issues, and supporting robust workforce development programs.

Letters of interest for the 2023 program were due to be submitted in March, and a large outreach campaign would be conducted to encourage participation.

Ms. Shaver explained that agenda Item L1 was for the annual agreement with the Houston International Seafarers' Center to provide humanitarian services to seafarers, and Item L2 was for a contract with the Houston Zoo for event space related to the Port Authority's employee and retiree appreciation event planned for the fall of 2023. The date would be held later in an attempt to avoid the hotter weather that befell the previous event.

Chairman Campo remarked that the event was a very fun time despite the heat and encouraged all the attend.

(2023-0126-38) RCA L1 was presented, moved by Commissioner Corgey, seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA L1 PASSED.

(2023-0126-39) RCA L2 was presented, moved by Commissioner Corgey, seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA L2 PASSED.

(2023-0126-40) Chairman Campo recognized Marcus Woodring, Chief Port Security and Emergency Operations Officer, to provide a report of selected agenda items.

Mr. Woodring described a busy week in the division, with a recent arrest of a truck driver with a fake Transportation Worker Identification Credential (TWIC) card, a large truck accident, a person presenting false government credentials, and, to top it off, a tornado touching down near the container terminals.

Mr. Woodring noted that Item M1 pertained to the purchase of a drone detection program. The purchase was made in part using Federal Emergency Management Agency (FEMA) grant funds.

Commissioner Fitzgerald commended Mr. Woodring and his division on doing a great job keeping everyone safe.

(2023-0126-41) RCA M1 was presented, moved by Commissioner Mease, seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners Cloonan, Corgy, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA M1 PASSED.

(2023-0126-42) Chairman Campo recognized Ron Farrow, Director, Information Technology, to provide a report of selected agenda items.

Mr. Farrow explained that Item N1 was a request for the purchase of miscellaneous IT parts such as cables, chargers, keyboards, mice, monitors, and other day-to-day items.

(2023-0126-43) RCA N1 was presented, moved by Commissioner Mease, seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners Cloonan, Corgy, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA N1 PASSED.

At 11:56 a.m. Chairman Campo called for a brief recess, and at 12:08 p.m. called for an Executive Session and asked Mr. Eriksson to make the following announcement:

It is now 12:08 p.m. The Port Commission of the Port of Houston Authority of Harris County, Texas will now convene in a closed meeting, as permitted by the Texas Open Meetings Act and Government Code (1) to conduct a private Consultation with Attorneys (*Section 551.071, Texas Open Meetings Act*), including consultation regarding (i) 33 U.S.C.A. §§5(b) and 2236, (ii) the Memorandum of Settlement Agreement with the City of Seabrook, Texas, (iii) assessment of City of Houston drainage fees for certain Port Authority properties, (iv) claims of Gilda Ramirez, and (v) claims of Standard Constructors, Inc. and claims of George Hedge Contractors, Inc.; deliberate regarding (2) Real Estate (*Section 551.072, Texas Open Meetings Act*), including disposition of Pelican Island property; (3) Economic Development Negotiations or Incentives (*Section 551.087, Texas Open Meetings Act*); (4) Employment and Evaluation of Public Employees (*Section 551.074, Texas Open Meetings Act*), including deliberation regarding the employment agreement with the Executive Director of the Port Authority; 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 1:23 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, via WebEx  
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

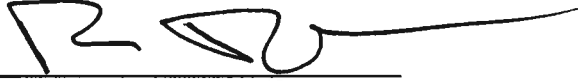
(2023-0126-44) Commissioner Fitzgerald moved to authorize the Port Authority to settle the claims of Gilda Ramirez on the terms discussed in Executive Session, and authorize the Executive Director to do all other things reasonable or necessary to give effect to the foregoing, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. MOTION PASSED.

(2023-0126-45) Commissioner Cloonan moved to authorize the Port Authority to negotiate and settle the claims of George Hedge Contractors, Inc. and Standard Constructors, Inc. on the terms discussed in Executive Session, and authorize the Executive Director to do all other things reasonable or 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.

(2023-0126-46) Commissioner Corgey moved to authorize the Port Authority to approve an amendment to the employment agreement with Roger Guenther on the terms discussed in Executive Session, and authorize the Chairman and Chief Legal Officer to do any and all things necessary to give effect to the foregoing, seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. MOTION PASSED.

At 1:25 p.m., Chairman Campo adjourned the Port Commission meeting.

The above is a correct copy of the Minutes of the January 26, 2023 meeting of the Port Commission of the Port of Houston Authority.

A handwritten signature in black ink, consisting of a stylized 'R' followed by a loop and a long horizontal line extending to the right.

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Ric Campo, Chairman

A handwritten signature in black ink, appearing to read 'Erik A. Eriksson' in a cursive script.

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Erik A. Eriksson, Secretary

## F. EXECUTIVE

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<b>Subject</b>	<b>1. Consideration and possible action to amend the Procurement Policy to permit Design Build and Construction Manager-at-Risk as best value procurement methods.</b>
Meeting	Jan 26, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its January 26, 2023 meeting, approve the amended Procurement Policy to permit Design Build and Construction Manager-at-Risk as best value procurement methods, 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:**

The Port Commission first adopted the Procurement Policy at its January 27, 2014 meeting. It amended the policy at its December 16, 2014 meeting to further address the solicitation of formal procurements, at its September 27, 2016 meeting to memorialize the Port Authority's wider use of competitive sealed bids, and at its meeting of March 26, 2019 to remove the requirement that the Port Commission approve all individual procurement solicitation advertisements in advance. These past amendments have also made other minor updates to the policy.

**Staff Evaluation/Justification:**

In recent years both the "design-build" and "construction manager-at-risk" methods of construction project delivery have come into more common use by Texas public agencies, and the Water Code permits the use of those methods by Port Authorities and navigation districts. Staff has now concluded that "best value" in the procurement and construction of selected facilities, including buildings for Port Authority staff, may in some instances be best achieved by using one of these methods.

Accordingly, staff requests that the Port Commission approve the amended Procurement Policy in the form attached as Exhibit A, to permit use of the "design-build" and "construction manager-at-risk" methods. The amended policy also includes other minor updates to nomenclature, and incorporates the 2021 update to "Requests for Proposals" provisions in the Water Code.

**Port of Houston Authority**  
**PROCUREMENT POLICY**  
**Amended \_\_\_\_\_**



I. Purpose

The Port Commission of the Port of Houston Authority (the "Port Authority") hereby establishes this policy (the "Procurement Policy") for the procurement of goods and services.

II. Policy Statement

It is the policy of the Port Authority that its procurement of goods and services should conform to the Port Authority's mission and applicable law.

III. Definitions

A. "Committee" means the Port Commission Business Equity Committee.

B. "Formal Procurement" means the procurement of goods and services that must be approved by the Port Commission pursuant to Texas Water Code Chapter 60.

C. "Item" means any service, equipment, goods, or other tangible or intangible personal property, including insurance and high technology items.

D. "Misconduct" means a violation of law or Port Authority procurement policies, standards, or procedures, by a Port Commissioner, employee, or third-party acting in connection with the Port Authority.

E. "No-Contact Period" for a particular solicitation for Formal Procurement proposals means the period commencing on public issuance by the Port Authority of such solicitation, and ending when the Port Authority publicly posts notice of the agenda for the Port Commission meeting, during which award of the Formal Procurement subject to such solicitation is scheduled for action.

F. "Respondents" means actual and prospective respondents (including their representatives and persons acting on their behalf) to a Formal Procurement, including those who have not been chosen as finalists for a solicitation for a Formal Procurement.

IV. Authority of the Port Commission

Port Authority procurement is under the sole control of the Port Commission, which approves and oversees Port Authority expenditures in conformity with the Texas Water Code and this Procurement Policy. This Procurement Policy is not intended to restrict the authority of the Port Commission as permitted by law.

## V. Adoption of Applicable Procurement Laws

The Port Commission hereby reaffirms its prior adoption of applicable Texas procurement laws, including without limitation, Texas Water Code Chapter 60, Subchapter N “Competitive Bidding Requirements.”

## VI. Solicitation of Formal Procurements

A. Port Commission Determination of Best Value. Prior to the advertisement or award, as applicable, of a Formal Procurement, the Port Commission shall determine which Formal Procurement purchasing method provides “best value” for the Port Authority.

B. Customary Best Value Methods. Unless the Port Commission otherwise takes action, the following purchasing methods (the “Customary Best Value Methods”), are determined to provide “best value” to the Port Authority:

1. Solicitation of “Competitive Sealed Bids” for:

a. construction, repair, rehabilitation, or alteration of facilities, for which the scope is limited, and price is the material evaluation factor (e.g. parking lot construction, annual concrete repair, annual painting, annual fencing, etc.);

b. construction, repair, rehabilitation, or alteration of facilities, in which the costs would be paid or reimbursed by third parties (e.g., “damage claims”); and

c. commodity-type or other simple non-construction Items for which price is the material evaluation factor (e.g. paper products, lighting equipment, parts and repair services, facility maintenance, etc.).

2. Solicitation of “Competitive Sealed Proposals” for:

a. construction, repair, rehabilitation, or alteration of facilities, for which the scope is complex and criteria in addition to price are material evaluation factors (e.g. wharf construction/rehabilitation, container yard construction/rehabilitation; installation or replacement of rail and switch equipment, crane painting, etc.); and

b. non-construction Items for which the scope is complex and criteria in addition to price are material evaluation factors.

3. Solicitation of “Requests for Proposals” for:



a. Items for which the proposals may be negotiated to obtain “best and final offers,” including information technology Items, “high-technology” Items, insurance services, professional services (*other than* engineering, architectural, land surveying), etc.; and

b. Items required in connection with a navigation project entered into with the United States.

4. Solicitations under Texas Water Code Sec. 60.460 “Design-Build Contracts for Facilities” and Texas Water Code Sec. 60.462 “Contracts for Facilities: Construction Manager-at-Risk” for construction, repair, rehabilitation, or alteration of facilities.

C. Requests for Qualifications. The Port Authority shall select providers of architectural, engineering, and land surveying services on the basis of demonstrated competence and qualifications to perform the services, in accordance with Texas Government Code Sec. 2254.004.

D. Approval to Advertise or Solicit Bids, Proposals, or Qualifications. In the event that a method other than the applicable Customary Best Value Method may offer “best value” to the Port Authority for a specified Formal Procurement for construction services, Port Authority staff may:

1. request that the Port Commission determine whether another statutory purchasing method may offer “best value” to the Port Authority for such Formal Procurement; and

2. request approval to advertise or solicit bids, proposals, or qualifications, as applicable.

E. Delegation of Authority. In the event that the Port Authority is considering using a method other than the applicable Customary Best Value Method for the purchase of non-construction Items, or the “Request for Qualifications” set out in subsection D, the Executive Director is delegated the authority to determine the purchasing method that provides the best value to the Port Authority. By its approval of the award of contract, the Port Commission shall ratify such best value determination.

## VII. Formal Procurement Communications

A. Respondent Restrictions. Except as provided below, during the No-Contact Period, Respondents are prohibited from communicating with members of the Port Commission and Port Authority employees regarding the subject Formal Procurement.

B. Port Commission and Port Authority Staff Restrictions. Except as provided below,

during the No-Contact Period, any Port Commissioner and any Port Authority employee contacted by a Respondent regarding the subject Formal Procurement shall instruct the Respondent to contact the Director of Procurement Services or his or her designee, and shall not otherwise communicate with the Respondent regarding such Formal Procurement.

C. Exceptions. Notwithstanding the foregoing, the following types of communications are permitted during the No-Contact Period:

1. Formal responses to the Port Authority's solicitation;
2. Publicly-made communications at the Port Authority's pre-bid/pre-proposal conferences, and public meetings of the Port Commission and Port Commission committees and task forces;
3. Written questions or clarification requests made to the Director of Procurement Services or his or her designee during the period designated by the Port Authority for such purpose, including questions or requests presented via electronic means;
4. Communications during oral interviews and presentations conducted at the request of the Port Authority to assist with its evaluation of the subject Formal Procurement proposals;
5. Authorized negotiation of the contract that is the subject of the Formal Procurement, engaged in by designated Port Authority employees; and
6. A report of Misconduct to a Port Commissioner and/or a Port Authority employee.

#### VIII. Formal Procurement Awards

The following procedures apply to Formal Procurements using the "Competitive Sealed Proposals," "Requests for Proposals," or "Requests for Qualifications" purchasing methods. Awards using the "Competitive Sealed Bids" purchasing method shall be governed by Texas Water Code Section 60.408.

##### A. Customary Staff Responsibilities for Evaluation of Proposals.

1. Port Authority staff should evaluate, in relation to the published selection criteria, the proposals received by the Port Authority in response to a Formal Procurement using the "Competitive Sealed Proposals" or the "Requests for Proposals" purchasing methods.
2. Thereafter, the staff should:

- a. Select the highest-ranked proposer that it believes may offer the “best value” to the Port Authority,
  - b. Rank all additional proposers that it believes may also offer “best value” to the Port Authority, and
  - c. Otherwise rank proposers as required by law.
3. Following the staff selection process, a staff “executive committee” should review the preliminary evaluations of proposals.
  - a. The executive committee should include (i) the Executive Director, (ii) the Chief Officers, (iii) the Director of Procurement Services, (iv) the Director, Business Equity, (v) the applicable department director, and (vi) any other responsible director or manager, unless the Executive Director reasonably determines otherwise.
  - b. Following its review, the executive committee may
    - i. Approve, modify, or reject each selection committee recommendation,
    - ii. Require that the selection committee reevaluate the proposers or service providers, or
    - iii. Require that staff conduct a new solicitation.
4. Following this two-step staff process, staff should submit its evaluations and rankings to the Port Commission for action at a public meeting.
5. Staff may terminate the Formal Procurement in the event that it determines that no proposal offers “best value” to the Port Authority, provided staff shall notify the Port Commission of such termination and obtain its concurrence in the event the Port Commission authorized such Formal Procurement.

**B. Port Commission Action on Proposals.**

1. The Port Commission may:
  - a. Approve the ranking and (i) authorize negotiation of a contract or (ii) award the contract (as applicable),

- b. Reject all proposals and require that staff conduct a new solicitation,  
or
- c. Reject all proposals and terminate the Formal Procurement.

2. In the event that the Port Commission authorizes negotiation with the proposer offering the best value, but staff cannot negotiate a satisfactory contract with that proposer, staff shall formally end negotiations with that proposer in accordance with applicable law. If the Port Commission approved a ranking of the additional proposers, staff may then continue to the next most highly-ranked proposer and attempt to negotiate a contract with that proposer.

3. In the event the Port Commission has only authorized negotiation of a contract, subsequent Port Commission action is required to award such contract following negotiation by staff.

C. Customary Staff Responsibilities for Evaluation of Qualifications.

1. Port Authority staff should evaluate, on the basis of demonstrated competence and qualifications to perform the services, the qualifications received by the Port Authority in response to a Formal Procurement using the “Request for Qualifications” purchasing method.

2. Thereafter, the staff should:

a. Select the most highly qualified provider of those services, on the basis of demonstrated competence and qualifications, and

b. Consider ranking one or more “next most highly qualified” provider(s) by the level of their qualifications, on the basis of demonstrated competence and qualifications.

3. Following the staff selection process, the staff executive committee should review the preliminary evaluations of qualifications.

a. Following its review, the executive committee may:

i. Approve, modify, or reject each selection committee recommendation,

ii. Require that the selection committee reevaluate the qualifications, or

iii. Require that staff conduct a new solicitation.

b. Provided that the executive committee has approved the selection committee's recommendation of the most highly qualified provider and the ranking, if any, of the next most highly qualified provider(s), the executive committee may authorize staff to negotiate a contract at a "fair and reasonable price" with the most highly qualified proposer.

4. Following this two-step staff process, staff should submit its selection and ranking to the Port Commission for action at a public meeting.

5. Staff may also request that the Port Commission consider taking action to award the contract at that time, in the event that staff has determined in good faith that only one provider is the most highly qualified on the basis of demonstrated competence and qualifications to perform the required services and staff has negotiated with the provider a contract at a fair and reasonable price.

6. Staff may terminate the Formal Procurement in the event that it determines that no proposal offers the most highly qualified provider of the required services on the basis of demonstrated competence and qualifications, provided staff shall notify the Port Commission of such termination and obtain its concurrence in the event the Port Commission authorized such Formal Procurement.

D. Port Commission Action on Qualifications.

1. The Port Commission may:

- a. Approve the staff's selection of the most highly qualified provider and (i) authorize negotiation of a contract, or (ii) award the contract (as applicable),
- b. Reject all proposals and require that staff conduct a new solicitation, or
- c. Reject all proposals and terminate the Formal Procurement.

2. In the event the Port Commission authorizes negotiation with the most highly qualified provider, but staff cannot negotiate a satisfactory contract with that provider, staff shall formally end negotiations with that provider. If the Port Commission approved a ranking of the additional providers in order of qualifications, staff may then continue to the next most highly qualified provider and attempt to negotiate a contract with that provider.

3. Following the successful negotiation of a contract for a fair and reasonable

price, subsequent Port Commission action is required to award such contract, except as otherwise described in subsection D(1)(a)(ii) above.

IX. Vendor Debarment

A. Debarment. The Port Authority may bar (“Debar”) any individual or firm (“Proposer”) from eligibility for participation in any Port Authority procurement for up to two years, as provided in this Procurement Policy.

B. Grounds for Debarment.

1. A Proposer found to have committed any of the following acts in the two-year period preceding referral to the Director of Procurement Services may be Debarred:

a. Any material breach of a contract, including without limitation, wrongfully or negligently:

i. Failing to fully perform work in accordance with the terms of a contract and accepted industry practices, including performance of the contract work within the contract time;

ii. Failing to comply with state, federal, or local laws or regulations applicable to the performance of the contract; or

iii. Failing to fully perform any other contract obligations.

b. Knowingly using a Debarred Proposer as a subcontractor or supplier.

c. Falsifying or misrepresenting the Proposer’s abilities.

d. Conferring or offering to confer upon any person conducting a procurement an unlawful or unethical gift, gratuity, favor, or advantage, present or future.

e. Violating a Port Authority policy, procedure, or standard with respect to procurement.

f. Any other conduct that evidences the inability of the Proposer to responsibly perform a contract on behalf of the Port Authority.

2. Conviction or civil adjudication of the Proposer, or the Proposer’s officers or owners, of a criminal offense or civil misconduct in connection with the Proposer’s

business.

3. A Proposer may be Debarred for actions taken in connection with work undertaken for the Port Authority, other public entities, or private entities.

C. Debarment Procedure.

1. In the event that grounds to Debar a Proposer are referred to Port Authority staff, the Executive Director shall select a hearing officer who shall conduct a hearing to consider whether such alleged conduct provides grounds for the Proposer to be Debarred.

a. Notice of such hearing, and the Proposer's alleged conduct, shall be provided to the Proposer at least fifteen (15) calendar days prior to the hearing.

b. Such hearing shall be conducted informally, but parties may be represented by counsel, present evidence, and cross-examine witnesses.

c. Following the hearing, the hearing officer shall promptly notify the Proposer of its determination whether, and for what period of time, the Proposer should be Debarred.

2. In the event that the hearing officer recommends that the Port Authority Debar such Proposer, the Proposer may appeal by filing a written notice of appeal with the Director of Procurement Services no later than fifteen (15) calendar days following notice of the final decision of the hearing officer.

3. Port Authority staff shall promptly submit the Proposer's appeal of the hearing officer's recommendation to the Port Commission for possible action. Notice thereof shall be provided to the appealing Proposer at least ten (10) calendar days prior to the Port Commission meeting at which the action may be taken.

4. The procedure for Port Commission action shall also be informal, without the formal admission of evidence as in a court of law. The hearing shall include:

a. The submission to the Port Commission of the hearing officer's recommendation, and written submissions by staff, the Proposer, and any other interested parties; and

b. Oral presentations by the staff, the Proposer, and any other interested parties, provided that the right to question presenters shall be limited to the Port Commission.

5. The Port Commission may:

- a. Adopt the recommendation and Debar the Proposer for the recommended period of time;
  - b. Adopt the recommendation with modifications;
  - c. Return the recommendation to the hearing officer for further action;
- or
- d. Reject the recommendation and take no action against the Proposer.

X. Other Staff Responsibilities

A. Routine Procurements. Except as may otherwise be provided by the Port Commission from time to time, the Executive Director and his or her designees shall have the authority to make routine purchases or contracts as permitted by Texas Water Code Section 60.403, as amended from time to time.

B. Emergency Procurements. Except as may otherwise be provided by the Port Commission from time to time, the Executive Director and the Chief Operating Officer shall have the authority to make emergency purchases or contracts or emergency amendments to existing purchase orders or contracts as permitted by Texas Water Code Section 60.4035, as amended from time to time.

C. Staff Procurement Standards and Procedures.

1. Staff shall prepare and from time-to-time update standards and procedures consistent with this Procurement Policy for Port Authority staff administration of procurement services.

2. Standards and procedures developed by staff shall not contain restrictions on the authority of the Port Commission or impose obligations on the Port Commission.

D. Periodic Procurement Reports. The Executive Director or his or her designees shall periodically report to the Port Commission or the Committee regarding Port Authority procurement and supply management activities.

XI. Policy Authority

A. Statutory.

- 1. Texas Government Code, Chapter 2254



2. Texas Special District Local Laws Code, Chapter 5007
3. Texas Water Code, Chapters 60, 61, and 62

B. Port Commission-enacted.

1. Amended and Restated Bylaws
2. Amended and Restated Code of Ethics
3. Amended and Restated Small Business Development Policy
4. Business Equity Committee Charter
5. Minority- and Woman-Owned Business Enterprise Development Policy
6. Promotion and Development Fund Policy and Standards
7. Surplus, Salvage, and Unclaimed Property Disposition Policy
8. Vendor Protest Procedure

XII. Policy Responsibility

A. Procurement Policy Updates. The Committee shall evaluate this Procurement Policy's effectiveness and recommend updates as needed to the Port Commission for possible action at regularly scheduled meetings.

B. Staff Responsibility. The Director of Procurement Services is responsible for implementation of this Procurement Policy and is the contact for staff members seeking its interpretation.

XIII. Adoption

This Procurement Policy was originally adopted by the Port Commission on January 27, 2014, as evidenced by Minute No. 2014-0127-01; amended by its action dated December 16, 2014, Minute No. 2014-1216-04(C); amended by its action dated September 27, 2016, Minute No. 2016-0927-16; amended by its action dated March 26, 2019, Minute No. 2019-0326-13; and amended by its action dated \_\_\_\_\_, 20\_\_, Minute No. \_\_\_\_\_

Policy Owner: Procurement Services  
Policy Version: Fourth Amendment

## G. BUSINESS EQUITY

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<b>Subject</b>	<b>1. Issue a purchase order to B2Gnow, the sole source provider, for the purchase of annual software services for the B2Gnow Diversity Management Compliance system in an amount not exceed \$79,088.</b>
Meeting	Jan 26, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its January 26, 2023 meeting, issue a purchase order to B2Gnow, the sole source provider, for the purchase of annual software services for the B2Gnow Diversity Management Compliance system, for a one-year period beginning January 2023 in an amount not to exceed \$79,088, 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:**

Business Equity

**Staff Contact:**

Maxine Buckles

**Background:**

The Port Authority has used the B2Gnow software that provides a baseline system, and vendor management, contract compliance, certification management, online application, purchase order payment analysis, outreach, and event management, dating back to 2016. The annual fees prior to 2022 were in the amount of \$40,000.

To assist with implementation of the Minority- and Woman-Owned Business initiative, the Port Authority's Business Equity department requested additional modules to the B2Gnow Diversity Management System, for expansion of the software program's capabilities. The expanded modules have increased the annual cost to \$79,087.50. The additional modules are Proposal Goal Setting Module, Minority Woman Business Enterprise (MWBE) Certification Management, and MWBE online application additions. These tools are designed to expand and capture small and/MWBE participation in Port Authority procurements.

**Staff Evaluation/Justification:**

Section 60.412 of the Water Code provides that 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 B2Gnow is the sole authorized source of this Diversity Management Compliance system software in the United States.

The contract describes the year-to-year service fees required for the program. The services provided under this contract, which have been in place since the beginning of the year, are critical to the proper functioning of the Business Equity program.

Staff recommends the Port Commission authorize the issuance of the purchase order to B2Gnow for purchase of the Diversity Management Compliance system annual services.

## H. COMMERCIAL

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<b>Subject</b>	<b>1. Award a contract to Hilton Americas hotel for services as venue and caterer, and for additional event services for the Houston International Maritime Conference in an amount not to exceed \$320,000.</b>
Meeting	Jan 26, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action, Information
Recommended Action	The Port Commission, at its January 26, 2023 meeting, award a contract to Hilton Americas hotel for services as venue and caterer, and for additional event services for the Houston International Maritime Conference in an amount not to exceed \$320,000, 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	<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 Objective 3c. - Engage in proactive two-way communication</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:**

Awards, Amendments & Change Orders

**Department:**

Commercial

**Staff Contact:**

Christine Abbruscato

**Background:**

The Houston International Maritime Conference is a Port Authority event promoting maritime trade, and commerce, import and export container trade, high, wide and heavy cargo, sustainability, warehousing/distribution, Foreign Trade Zone, and workforce development in the region. This event supports partnerships with customers, trade partners, elected officials, labor, environmental leaders, community representatives, and maritime education partners to advocate for the maritime industry. The Port Authority seeks to continue providing access to this conference to a larger audience, growing the event to further enable partners to engage and to continue to promote the Port Authority as America's distribution hub for the next generation.

This event was first hosted in 2022. In 2023 staff anticipates the attendance to grow for this event, and the Hilton Americas has the necessary event space and availability to serve as venue and caterer.

**Staff Evaluation/Justification:**

Staff recommends the Port Commission authorize entering into an agreement with the Hilton Americas hotel to host the Houston International Maritime Conference in 2023 as described above.

## H. COMMERCIAL

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<b>Subject</b>	<b>2. Award a contract for professional services to Barbara Spector Yeninas Associates Inc. (BSYA) to coordinate sponsorship sales, ticket sales, advertising, promotion, hospitality, panelists, and entertainment for the Houston International Maritime Conference for a base amount of \$67,000, plus 20% commission on sponsorship, advertising, and ticket sales in an amount not to exceed \$153,000, and reimbursable expenses not to exceed \$8,000 for a total amount not to exceed \$228,000.</b>
Meeting	Jan 26, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action, Information
Recommended Action	The Port Commission, at its January 26, 2023 meeting, award a contract for professional services to Barbara Spector Yeninas Associates Inc. (BSYA) to coordinate sponsorship sales, ticket sales, advertising, promotion, hospitality, panelists, and entertainment for the Houston International Maritime Conference for a base amount of \$67,000, plus 20% commission on sponsorship, advertising, and ticket sales in an amount not to exceed \$153,000, and reimbursable expenses not to exceed \$8,000 for a total amount not to exceed \$228,000, 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	<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 Objective 3c. - Engage in proactive two-way communication</p> <p>STRATEGIC GOAL #4 - STEWARDSHIP (Create Greater Value for the Region)</p> <p>Strategic Objective 4c. - Support development of a robust Regional maritime workforce</p> <p>Strategic Objective 4d. - Support sustainable growth of Port Houston and the greater Port</p>

**Category:**

Awards, Amendments & Change Orders

**Department:**

Commercial

**Staff Contact:**

Christine Abbruscato

**Background:**

The Houston International Maritime Conference is a Port Authority event promoting maritime trade, commerce, import and export container trade, high, wide and heavy cargo, sustainability, warehousing/distribution, Foreign Trade Zone, and workforce development in the region. This event supports partnerships with customers, trade partners, elected officials, labor, environmental leaders, community representatives, and maritime education partners to advocate for the maritime industry. The Port Authority seeks to continue providing access to this conference to a greater audience, growing the event to enable partners to engage, and to continue to promote the Port Authority as America's distribution hub for the next generation.

For nearly fifty years, Barbara Spector Yeninas Associates Inc. (BSYA) has provided the international maritime industry with marketing communications, public relations, conference and event planning, consulting, design creativity, social media, website development, and crisis management to a full array of shipping and related industries. This includes ocean carriers, ports, terminals, inland carriers, intermodal support, associations, and non-profit organizations, among others.

**Staff Evaluation/Justification:**

Staff recommends the Port Commission award a contract for professional services to BSYA to coordinate sponsorship sales, ticket sales, advertising, promotion, hospitality, panelists, and entertainment for the Houston International Maritime Conference.

## H. COMMERCIAL

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<b>Subject</b>	<b>3. Approve a lease for a one-year term with a one-year mutual renewal option with Suderman Contracting Stevedores, Inc. d/b/a Metro Ports for approximately 10.74 acres out of Block 10 at Northside Turning Basin, effective no earlier than February 15, 2023, at an base rent of approximately \$483,300, subject to base rent escalation of the greater of 3% or the increase in the Consumer Price Index, upon the exercise of the renewal option.</b>
Meeting	Jan 26, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its January 26, 2023 meeting, approve a lease for a one-year term with a one-year mutual renewal option with Suderman Contracting Stevedores, Inc. d/b/a Metro Ports for approximately 10.74 acres out of Block 10 at Northside Turning Basin, effective no earlier than February 15, 2023, at an base rent of approximately \$483,300, subject to base rent escalation of the greater of 3% or the increase in the Consumer Price Index, upon the exercise of the option, 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 #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:**

Ben Licata/John Moseley

**Background:**

Suderman Contracting Stevedores, Inc. d/b/a Metro Ports (Metro Ports) has requested that the Port Authority lease approximately 10.74 acres out of its Block 10 at Northside Turning Basin for a one-year term with a one-year mutual renewal option. Metro Ports plans to lease the property for storing and handling of lumber, steel, and general cargo.

**Staff Evaluation/Justification:**

Staff recommends the Port Commission approve the proposed lease with Suderman Contracting Stevedores, Inc. d/b/a Metro Ports under the terms described above.

## H. COMMERCIAL

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<b>Subject</b>	<b>4. Approve an amendment to the lease with Auto Warehousing Co. for approximately 8.15 acres out of Block 14 at the Bayport Auto Terminal to extend the term for five months, effective no earlier than February 1, 2023, at a monthly base rent of \$33,362.99, subject to rent escalation of the 3% increase in the Consumer Price Index in May.</b>
Meeting	Jan 26, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action, Information
Recommended Action	The Port Commission, at its January 26, 2023 meeting, approve an amendment to the lease with Auto Warehousing Co. for approximately 8.15 acres out of Block 14 at the Bayport Auto Terminal to extend the term for five months, effective no earlier than February 1, 2023, at a monthly base rent of \$33,362.99, subject to rent escalation of the 3% increase in the Consumer Price Index in May, 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 #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. 2020-0520-10, the Port Commission most recently approved an extension to the lease with Auto Warehousing Co. (Auto Warehousing) for a term of two years and eight months for approximately 8.15 acres out of Block 14 at the Bayport Auto Terminal. The property is used for motorized vehicle processing services, including loading, unloading, delivering, converting, installing accessories, repairs, inspection, processing, storage, and uses incidental thereto, and incidental handling and storage of other general, non-liquid cargo. Additionally, Auto Warehousing has a non-exclusive preferential right to berth certain qualifying vessels at the 3.32 acre dock adjoining the 8.15-acre property.

Auto Warehousing has requested that the Port Authority extend the lease term to continue to use the property for the purpose described above. With Port Commission approval in January 2023, the proposed extension would commence on February 1, 2023, for a five-month term. Auto Warehousing will be in holdover for the month of January until the proposed extension is approved and will continue to pay standard monthly rental rates per the Lease Agreement.

**Staff Evaluation/Justification:**

Staff recommends the Port Commission approve the proposed lease amendment under the terms described above.

## I. FINANCE

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**Subject**                    **1. Award a contract to Truist Bank for depository banking services for five-year period commencing on or about March 1, 2023 in an annual amount of \$50,000, excluding interest earned on account balances.**

Meeting                    Jan 26, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access                    Public

Type                    Action

Recommended Action    The Port Commission, at its January 26, 2023 meeting, award a contract to Truist Bank for depository banking services for a five-year period commencing on or about March 1, 2023 in an annual amount of \$50,000, excluding interest earned on account balances, 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:**

Tim Finley/Roland Gonzalez

**Background:**

By Minute No. 2022-1027-18, the Port Commission appointed Robert Timothy Finley, Chief Financial Officer, to act as the "designated officer" under Section 60.271 of the Texas Water Code and Chapter 105 of the Texas Local Government Code, to advertise and receive proposals for depository and other banking services on behalf of the Port Authority.

The Port Authority's current depository banking services contract with Truist Bank expires on March 1, 2023.

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. Fourteen vendors downloaded the project materials from BuySpeed.

**Staff Evaluation/Justification:**

Staff held a pre-proposal meeting on November 9, 2022. Seven financial institutions attended the meeting; six institutions submitted proposals.

The six proposals were found to be generally in conformity with the minimum qualifications and specifications outlined for depository banking services (e.g., shareholders' equity, deposits, legal compliance, insurance coverage, etc.). The evaluation criteria also included the ability to effectively provide various required banking services; the cost of such services; the net earnings potential on excess cash balances; the form of pledged collateral; the bank's electronic capabilities; and other considerations.

Staff identified the following financial institutions, listed in order of ranking, as providing the best value for the required services:

- Truist Bank
- PNC Bank
- JP Morgan Chase Bank

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

## I. FINANCE

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**Subject**                    **2. Approve the audited financial statements for the Port of Houston Authority Restated Retirement Plan for the fiscal year ended July 31, 2022.**

Meeting                    Jan 26, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access                    Public

Type                    Action

Recommended Action    The Port Commission, at its January 26, 2023 meeting, approve the audited financial statements for the Port Authority Restated Retirement Plan for the fiscal year ended July 31, 2022, 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:**

Accounting/Treasury

**Staff Contact:**

Curtis Duncan/Roland Gonzalez

**Background:**

Section 802.103, Texas Government Code, states:

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

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

The Port Authority engaged Forvis LLP, its external auditing firm, to conduct an audit of the Port of Houston Authority Restated Retirement Plan (Pension Plan) for the fiscal year ended July 31, 2022 in accordance with statutory requirements. Forvis presented the audit report to the Audit Committee and Pension and Benefits Committee on January 26, 2023 and received a recommendation for approval by the Port Commission.

The audited financial statements for the Pension Plan for the fiscal year ended July 31, 2022 included a statement of opinion by Forvis LLP, reading as follows:

“In our opinion, the financial statements referred to above present fairly, in all material respects, information regarding the Port of Houston Authority Restated Retirement Plan fiduciary net position as of July 31, 2022, and changes therein for the year then ended in conformity with accounting principles generally accepted in the United States of America.”

**Staff Evaluation/Justification:**

Staff recommends that the Port Commission approve the audited financial statements for the Pension Plan for the fiscal year ended July 31, 2022, whereupon the Port Authority will file such financial statements with the Texas Pension Review Board.



## J. INFRASTRUCTURE

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<b>Subject</b>	<b>1. Approve staff's ranking of vendors and award a construction contract in an amount not to exceed \$684,938 for the repair of infrastructure along Wharf 18 dredge pipe at the Turning Basin Terminal to the top-ranked proposers: staff ranking – first, Boyer, Inc.; and second, Forde Construction Company, Inc.</b>
Meeting	Jan 26, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its January 26, 2023 meeting: (a) approve staff's ranking of the most qualified vendors, based on the selection criteria, in the following order – first, Boyer, Inc.; and second, Forde Construction Company, Inc.; (b) award a contract to Boyer, Inc. for the repair of infrastructure along Wharf 18 dredge pipe at the Turning Basin Terminal, in an amount not to exceed \$684,938; (c) grant authority, if a contract cannot be negotiated with the first-ranked vendor, to formally, and in writing, end negotiations with that vendor and proceed to the next vendor in the order of ranking until a contract is reached or all proposals are rejected; and (d) further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

**Category:**

Awards, Amendments & Change Orders

**Department:**

Project and Construction Management

**Staff Contact:**

Roger H. Hoh, P.E.

**Background:**

This project consists of the repair of infrastructure utilized during annual maintenance dredging serving the Turning Basin Terminal. The repairs include the installation of casing by micro-tunneling and the open-cut repair of an intrusion within a segment of thirty-inch steel casing.

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

**Staff Evaluation/Justification:**

On December 14, 2022, 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:

- Boyer, Inc.
- Forde Construction Company, Inc.

Following staff Executive Committee review, staff recommends that the Port Commission award a contract to Boyer, Inc. 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 professional services contract in an amount not to exceed \$145,979 for the design of the yacht basin bulkhead repair at CARE Terminal to the top-ranked proposers: staff ranking – first, Lloyd Engineering; second, DE Corporation; and third, Wiss, Janey, Elstner Associates, Inc.</b>
Meeting	Jan 26, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its January 26, 2023 meeting: (a) approve staff's ranking of the most qualified vendors, based on the selection criteria, in the following order - first, Lloyd Engineering; second, DE Corporation; and third, Wiss, Janey, Elstner Associates, Inc.; (b) award a professional services contract to Lloyd Engineering for the design of the yacht basin bulkhead repair at CARE Terminal in an amount not to exceed \$145,979; (c) grant authority, if a contract cannot be negotiated with the first-ranked vendor, to formally, and in writing, end negotiations with that vendor and proceed to the next vendor in the order of ranking until a contract is reached or all proposals are rejected; and (d) further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

**Category:**

Awards, Amendments & Change Orders

**Department:**

Project and Construction Management

**Staff Contact:**

Roger H. Hoh, P.E.

**Background:**

The proposed contract is for design for replacing and repairing approximately seventy linear feet of sheet pile bulkhead within the yacht basin at the CARE Terminal that has shown signs of deterioration.

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. Ten vendors downloaded the project materials from BuySpeed.

**Staff Evaluation/Justification:**

On September 28, 2022, four RFQ responses were received and opened. The responses were reviewed and evaluated by staff in accordance with the selection criteria published in the RFQ. Staff identified the following vendors, listed in order of ranking, as most qualified to provide the required analysis and design services:

- Lloyd Engineering, Inc.
- DE Corporation
- Wiss, Janey, Elstner Associates, Inc.

Following staff Executive Committee review, staff recommends that the Port Commission award a contract to Lloyd Engineering, Inc. for the design of the yacht basin bulkhead repair at CARE Terminal, and act as otherwise described above.

## J. INFRASTRUCTURE

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<b>Subject</b>	<b>3. Award a construction contract to Power Lineman, LLC for medium voltage electrical cable installation at Bayport Container Terminal in an amount not to exceed \$1,043,824.</b>
Meeting	Jan 26, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its January 26, 2023 meeting, award a construction contract to Power Lineman, LLC for medium voltage electrical cable installation at Bayport Container Terminal, in an amount not to exceed \$1,043,824, 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:**

Project and Construction Management

**Staff Contact:**

Roger H. Hoh, P.E.

**Background:**

The project consists of the installation, splicing, and testing of medium voltage and low voltage conductors within the Bayport Container Terminal to support the on-going Wharf 6 construction project.

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

**Staff Evaluation/Justification:**

On December 14, 2022, two CSBs were received, opened, and publicly read; however, one was deemed non-responsive. The remaining response was reviewed and evaluated by staff in accordance with the published selection criteria.

Staff recommends that the Port Commission award a contract to Power Lineman, LLC, the responsible bidder submitting the bid, for medium voltage electrical cable installation at Bayport Container Terminal.

## J. INFRASTRUCTURE

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<b>Subject</b>	<b>4. Award a purchase order to Yellowstone Landscape to plant screening plantings at Barbours Cut Terminal, using Choice Partners, a cooperative purchase program contract, in an amount not to exceed \$80,000.</b>
Meeting	Jan 26, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its January 26, 2023 meeting, award a purchase order to Yellowstone Landscape to plant screening plantings at Barbours Cut Terminal, using Choice Partners, a cooperative purchase program contract, in an amount not to exceed \$80,000, determine that this procurement method provides the best value to the Port Authority, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	Strategic Objective 4a. - Implement an innovative environmental leadership strategy STRATEGIC GOAL #4 - STEWARDSHIP (Create Greater Value for the Region) STRATEGIC GOAL #3 - PARTNERSHIPS (Develop and Strengthen External Partnerships)

**Category:**

Awards, Amendments & Change Orders

**Department:**

Environmental Affairs

**Staff Contact:**

Trae Camble

**Background:**

As a term of its Industrial District Agreement with the City of Morgan's Point, the Port Authority agreed to plant screening plantings along Barbours Cut Blvd. Ideally, the planting would happen during the spring planting season, and would consist mostly of oleanders and some bushes as the parties have agreed to.

**Staff Evaluation/Justification:**

The Director of Procurement Services has determined that procuring a contract to plant screening plantings through the Choice Partners cooperative purchase program is the method that both satisfies competitive purchase requirements and provides the best value to the Port Authority.

Port Authority staff have selected Yellowstone Landscape through the Choice Partners cooperative purchase program. Yellowstone also has extensive history with the Port Authority for planting projects. This action coincides with the Port Authority's environmental stewardship objectives and adds value to the community and environment.

Staff recommends the Port Commission approve this best value determination and issuance of a contract to Yellowstone Landscape.

## J. INFRASTRUCTURE

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**Subject**                    **5. Amend the professional services contract with Walter P Moore and Associates, Inc. to perform additional work associated with structural analysis and repair options for rehabilitation of roofs at Sheds 21-22 at Turning Basin Terminal and CARE Terminal in an amount not to exceed \$86,000.**

Meeting                    Jan 26, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access                    Public

Type                    Action

Recommended Action    The Port Commission, at its January 26, 2023 meeting, approve an amendment to the professional services contract with Walter P Moore and Associates, Inc. to perform additional work associated with structural analysis and repair options for rehabilitation of roofs at Sheds 21-22 at Turning Basin Terminal and CARE Terminal in an amount not to exceed \$86,000, 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:**

Project and Construction Management

**Staff Contact:**

Roger H. Hoh, P.E.

**Background:**

By Minute No. 2022-0224-14, the Port Commission awarded a professional services contract to Walter P Moore and Associates, Inc. to perform work associated with the structural analysis and development of repair options for rehabilitation of roofs at Sheds 21-22 at Turning Basin Terminal and CARE Terminal. This action also anticipated that staff would recommend a future amendment to this contract for final design, once it selected the most cost-effective option(s).

This proposed amendment would consist of the following:

- Design of an overlay structure for Transit Sheds 21-22 and CARE Terminal;
- Creation of ready-to-bid construction documents, including drawings, technical specifications for the overlay roofing retrofit over the existing roofing system, and front-end bidding documents; and
- Bid phase and construction phase support.

**Staff Evaluation/Justification:**

Staff has reviewed Walter P Moore and Associates, 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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<b>Subject</b>	<b>6. Approve the change of control of Weeks Marine, Inc. under its contract for Houston Ship Channel Expansion Channel Improvement Project dredging services, dated June 17, 2022, resulting from the purchase of its capital stock by Kiewit Infrastructure Group Inc.</b>
Meeting	Jan 26, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its January 26, 2023 meeting, approve the change of control of Weeks Marine, Inc. under its contract for Houston Ship Channel Expansion Channel Improvement Project dredging services, dated June 17, 2022, resulting from the purchase of its capital stock by Kiewit Infrastructure Group Inc., 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 Improvement

**Staff Contact:**

Lori Brownell

**Background:**

By Minute No. 2022-0617-02, the Port Commission approved the award of a contract to Weeks Marine, Inc. (Weeks Marine) for Houston Ship Channel Expansion Channel Improvement dredging services (the Contract).

**Staff Evaluation/Justification:**

Late last year, Weeks Marine notified the Port Authority that Weeks Marine intended to enter into an agreement with Kiewit Corporation, pursuant to which, among other things, a wholly owned subsidiary of the acquiror would acquire the stock of Weeks Marine (the Transaction). Weeks Marine confirmed that Weeks Marine would remain the counterparty to the Contract and that Weeks Marine and the Port Authority would continue to have the same rights and obligations as currently in effect under the Contract. The Transaction closed January 1, 2023. Accordingly, Weeks Marine has requested the Port Authority's consent to the change of control of Weeks Marine as a result of the Transaction.

Staff has reviewed the matter, determined that Weeks Marine is expected to continue to operate without disruption to the services provided by Weeks Marine under the Contract, and accordingly recommends that the Port Commission approve the change of control of Weeks Marine.

## J. INFRASTRUCTURE

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<b>Subject</b>	<b>7. Approve the revised fees for Port Authority licenses and permits, and barge fleeting leases and permits according to the attached schedule, effective February 1, 2023.</b>
Meeting	Jan 26, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its January 26, 2023 meeting, approve revised fees for Port Authority licenses and permits, and barge fleeting leases and permits according to the attached schedule, effective February 1, 2023, 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:**

By Minute No. 2022-0927-49, the Port Commission approved a revised license fee schedule for petroleum and chemical pipelines and approved term lengths for petroleum and chemical pipelines of up to thirty years. That September 2022 action did not address term lengths or fees for non-petroleum and non-chemical pipelines.

The application fee for the various licenses, permits, and letters issued by the Channel Operations department has remained at either \$500 or \$675 (depending on the type of application) for over fifteen years. Similarly, the deposit required to secure the submission of accurate and complete "as-built" drawings has remained at \$2,500 for over fifteen years.

**Staff Evaluation/Justification:**

The action now recommended would allow term lengths of up to thirty years on all license types (not just petroleum and chemical pipelines) and would increase non-petroleum and non-chemical pipeline rates per the typical schedule.

Staff also recommends increasing the application fee for all license, permit, lease, and letter types from \$500/\$675 to \$1,000 per request. Finally, staff additionally recommends increasing the as-built deposit from \$2,500 to \$10,000 per request. As-built deposits are refunded to the applicant when as-built data is provided per contract requirements.

Staff recommends that the Port Commission approve the revised fees and terms for Port Authority licenses and permits, and barge fleeting leases and permits according to the attached rate schedule, effective February 1, 2023.

**FEE SCHEDULE FOR PORT OF HOUSTON AUTHORITY LICENSES AND PERMITS**  
**Effective February 1, 2023**

**APPLICATIONS**

**Application Fees** \$1,000

A \$1,000 fee is required for new issuances, renewals, and amendments of the following: Licenses (pipelines, transmission, or communication lines), Surface Site Licenses, Marine Construction Permits (e.g., for docks, dredging, bulkheads, moorings, etc.), Dredged Material Placement Agreements, Temporary Access Licenses, Seismic Exploration and other Right-of-Entry Letters, including transfers, assignments, name changes, and other amendments.

**As-Built Deposit Fee** \$10,000

A \$10,000 deposit for “As-Built” drawings is required for all new and alteration construction work for licensed and permitted improvements. Such deposit will be refunded when acceptable “As-Built” drawings are furnished to the Port Authority as required in the license/permit, or if the applicable work project is canceled. If “As-Built” drawings have not been furnished within one year of completion of project installation, the \$10,000 deposit will be forfeited to the Port Authority.

**LICENSES**

See below. Provided that the Port Authority reserves the right to charge lease rates, rather than license fees, for pipelines, transmission lines, or communication lines on or crossing Port Authority terminals.

Application Fee plus the license rate described below.

<b>Pipelines Petroleum/Chemical<sup>1</sup></b>	<b>Rate per LF</b>	<b>Minimum, per line per crossing</b>
8" and under	\$9.64	\$4,772.00
Over 8" but not over 16" diameter	\$11.57	\$5,727.00
Over 16" but not over 32" diameter	\$21.21	\$7,953.00
Over 32" but not over 48" diameter	\$33.74	\$14,316.00
Over 48" but not over 64" diameter	\$46.28	\$17,497.00
Over 64" but not over 80" diameter	\$60.73	\$20,678.00
Over 80" but not over 96" diameter	\$74.23	\$24,450.00
96" and greater	\$86.76	\$30,223.00

<sup>1</sup> The following provisions are applicable to petroleum and chemical pipeline licenses only:

A. **Terms:** Upon the licensee’s request, newly issued or renewal petroleum and chemical pipeline licenses may run for terms of up to thirty years, with payment being due at 10-year intervals (in years 1, 11, and 21) and rate adjustments in year 11 and year 21 based on the then-prevailing license rate as determined below.

B. **Rate Adjustments:**

i. The Port Authority shall maintain the license rates for petroleum and chemical pipeline licenses as prescribed in this Fee Schedule through December 31, 2029.

ii. The rates for new or renewal petroleum and chemical pipeline licenses would be adjusted beginning January 1, 2030 and on January 1 of each following year of the term of the license, based upon the July CPI of the prior calendar year.

iii. Rate adjustments under No. 2(b) above would be not less than 2.5% or more than 6%.



<b>Pipelines Non-Petroleum / Non-Chemical<sup>2</sup> (e.g. water lines, conduits, etc.)</b>	<b>Rate per LF</b>	<b>Minimum, per line per crossing</b>
8" and under	\$3.85	\$1,902.00
Over 8" but not over 16" diameter	\$5.29	\$2,167.00
Over 16" but not over 32" diameter	\$10.07	\$4,164.00
Over 32" but not over 48" diameter	\$16.84	\$6,866.00
Over 48" but not over 64" diameter	\$22.84	\$8,399.00
Over 64" but not over 80" diameter	\$30.28	\$10,753.00
Over 80" but not over 96" diameter	\$36.99	\$13,108.00
96" and greater	\$37.62	\$15,465.00

<b>Electrical Transmission / Distribution / Communication Lines<sup>2</sup></b>	<b>Rate per LF</b>	<b>Minimum, per line per crossing</b>
12KV / Communication	\$3.85	\$1,902.00
35KV	\$4.46	\$2,094.00
69KV	\$4.61	\$2,284.00
138KV	\$5.01	\$2,474.00
345KV	\$5.37	\$2,665.00
Wooden support poles	\$250.00	each
Steel towers	\$1,000.00	each

### **OTHER**

Application Fee plus the license rate described below.

<b>Type</b>	<b>Rate</b>	<b>Unit</b>	<b>Minimum</b>
Surface Site Licenses (e.g. valve sites, road grade crossings, pipe bridges, access)	\$4.86	per sq. ft.	\$8,016.00
Dredged Material Placement Agreements	\$4.12	per cubic yard	NA
Seismic Exploration (Right-of-Entry Letter) 3D	\$25.00	per acre	\$2,475.00
Seismic Exploration (Right-of-Entry Letter) 2D	\$2,475.00	per mile	\$2,475.00
Barge Fleeting	See separate rate schedule		

### **DELINQUENT RENEWAL FEES**

The Licensee/Permittee must apply to renew its License before expiration (renewal notices are a curtesy only).

For delinquencies of 30 days or less, the greater of 5% of the License Fee or \$25.00
For delinquencies of more than 30 days, the greater of 10% of the License Fee or \$50.00

<sup>2</sup> The following provisions are applicable to non-petroleum and non-chemical pipelines, electrical transmission/distribution, communication, and surface site licenses only:

A. **Terms:** Upon the licensee's request, newly issued or renewal non-petroleum and non-chemical pipeline, electrical transmission/distribution, and surface site licenses may run for terms of up to thirty years, with payment being due at 10-year intervals (in years 1, 11, and 21) and rate adjustments as determined below.

B. **Rate Adjustments:** The rates for new or renewal non-petroleum and non-chemical pipeline, electrical transmission/distribution, and surface site licenses will be adjusted on January 1 of each year, for the term of the existing licenses and new licenses, based upon the July CPI of the prior calendar year.

**FEE SCHEDULE FOR PORT OF HOUSTON AUTHORITY  
BARGE FLEETING PERMITS AND LEASES  
Effective February 1, 2023**

**BARGE FLEETING PERMIT APPLICATIONS**

**Application Fees** \$1,000

A \$1,000 fee is required for barge fleeting installations and other work (e.g., bulkheads, moorings, docks, dredging, etc.) on the Houston Ship Channel, its tributaries, and other Port Authority property.

**As-Built Deposit Fee** \$10,000

A \$10,000 deposit for “As-Built” drawings is required at time of permit application. Such deposit will be refunded when acceptable “As-Built” drawings are furnished to the Port Authority as required in the permit, or if the applicable work project is canceled. If “As-Built” drawings have not been furnished within one year of completion of project installation, the \$10,000 deposit will be forfeited to the Port Authority.

**LEASES (SUBMERGED LANDS, PRIVATE ADJACENCY)**

A \$1,000 Application Fee is required for new leases, plus the lease rates listed below. \$1,000

<b>Leased Premises Categories</b>	<b>Monthly Lease Rate</b>
Piers, Docks, Breakwaters, Bulkheads, Moorings, Dolphins, etc.	\$1,500/acre
Fill Areas	\$1,500/acre
Dredged Areas	\$100/acre
Open Encumbered Areas	\$100/acre
Barge Fleeting Areas	\$300/acre

**LEASES (SUBMERGED LANDS, PUBLIC ADJACENCY and SUBMERGED LANDS, OPEN WATER)**

A \$1,000 Application Fee is required for new leases, plus the lease rate described below. \$1,000

<b>Leased Premises Categories</b>	<b>Monthly Lease Rate</b>
Piers, Docks, Breakwaters, Bulkheads, Moorings, Dolphins, etc. Fill Areas Dredged Areas Open Encumbered Areas Barge Fleeting Areas	Negotiated rates apply (typically as one parcel without regard to category)

**ASSIGNMENTS, NAME CHANGES, OR AMENDMENTS** \$1,000

**DELINQUENT LEASE RENEWALS**

The tenant must apply to renew before expiration (renewal notices are a curtesy only).

A new Application Fee will be required if leases are not timely renewed, and holdover rents may apply.

## J. INFRASTRUCTURE

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<b>Subject</b>	<b>8. Issue a transmission line license to CenterPoint Energy Houston Electric, LLC for one 138kV electrical line over and across the Port Terminal Railroad Association Southside Mainline railroad right-of-way near Light Company Road.</b>
Meeting	Jan 26, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its January 26, 2023 meeting, authorize the Port Authority to issue a transmission line license to CenterPoint Energy Houston Electric, LLC for one 138kV electrical line over and across the Port Terminal Railroad Association Southside Mainline railroad right-of-way near Light Company Road, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

**Category:**

Permits/Licenses/Pipeline Easements

**Department:**

Channel Operations

**Staff Contact:**

Garry McMahan

**Background:**

CenterPoint Energy Houston Electric, LLC, Port Authority File No. 2022-0367, has applied for one 138kV electrical line over and across the Port Terminal Railroad Association Southside Mainline railroad right-of-way near Light Company Road in the William Vince Survey, A-78.

**Staff Evaluation/Justification:**

The application was reviewed and approved by the Port Authority's Channel Operations department and Port Terminal Railroad Association. The license is subject to the Port Authority's usual terms and conditions and at a fee of \$2,334. The \$675 application fee and the \$2,500 as-built deposit have been paid.

Staff recommends approval.

**AFFIDAVIT OF SUBSTANTIAL INTEREST**

STATE OF TEXAS           §  
  §  
COUNTY OF HARRIS       §

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

On this day appeared Wendy Montoya Cloonan, 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 matters of Item J-8 and J-9 as set forth in the agenda for the meeting of the Port Commission scheduled for January 26, 2023:

Issue a transmission line license to CenterPoint Energy Houston Electric, LLC for one 138kV electrical line over and across the Port Terminal Railroad Association Southside Mainline railroad right-of-way near Light Company Road.

Issue a transmission line license to CenterPoint Energy Houston Electric, LLC for one 138kV electrical line over and across the Port Terminal Railroad Association Northside Mainline railroad right-of-way near Fidelity Street.

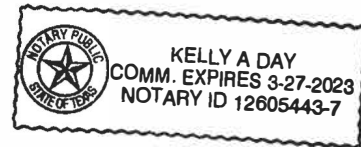
5. The nature and extent of the substantial interest described above is as follows: my service as a director of CenterPoint Energy Inc., a company affiliated with CenterPoint Energy Houston Electric, LLC, CenterPoint Energy Intrastate Pipeline, Inc, and CenterPoint Energy Resources Corp. d/b/a CenterPoint Energy Texas Gas Operations. Funds received by me in connection with such employment may exceed 10 percent of my gross income for the previous year.
6. This substantial interest also derives from an interest in CenterPoint Energy Inc., on which the action requested in the above matter will have a special economic

- effect, distinguished from the effect on the public. This substantial interest derives from possible ownership of \$15,000 or more of the fair market value of such entity.
7. Action on the matter will have a special economic effect on the entities described in the forgoing paragraph that is distinguishable from the effect on the public.
  8. By virtue of the foregoing described interest, I have not and will not participate in any consideration, vote, or decision by the Port Commission regarding such matter.

  
Wendy Montoya Cloonan

SWORN TO AND SUBSCRIBED before me this January 26, 2023.

  
Notary Public, State of Texas



## J. INFRASTRUCTURE

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<b>Subject</b>	<b>9. Issue a transmission line license to CenterPoint Energy Houston Electric, LLC for one 138kV electrical line over and across the Port Terminal Railroad Association Northside Mainline railroad right-of-way near Fidelity Street.</b>
Meeting	Jan 26, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its January 26, 2023 meeting, authorize the Port Authority to issue a transmission line license to CenterPoint Energy Houston Electric, LLC for one 138kV electrical line over and across the Port Terminal Railroad Association Northside Mainline railroad right-of-way near Fidelity Street, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

**Category:**

Permits/Licenses/Pipeline Easements

**Department:**

Channel Operations

**Staff Contact:**

Garry McMahan

**Background:**

CenterPoint Energy Houston Electric, LLC, Port Authority File No. 2022-0368, has applied for one 138kV electrical line over and across the Port Terminal Railroad Association Northside Mainline railroad right-of-way near Fidelity Street in the Ezekiel Thomas Survey, A-73.

**Staff Evaluation/Justification:**

The application was reviewed and approved by the Port Authority's Channel Operations department and Port Terminal Railroad Association. The license is subject to the Port Authority's usual terms and conditions and at a fee of \$2,334. 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>10. Approve the transfer of a 36-inch crude oil pipeline license from HFOTCO LLC dba Houston Fuel Oil Terminal Company to E T Crude Pipeline LLC, for crossing Carpenter's Bayou in three locations.</b>
Meeting	Jan 26, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its January 26, 2023 meeting, authorize the Port Authority to approve the transfer of a 36-inch crude oil pipeline license from HFOTCO LLC dba Houston Fuel Oil Terminal Company to E T Crude Pipeline LLC, for crossing Carpenter's Bayou in three locations, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

**Category:**

Permits/Licenses/Pipeline Easements

**Department:**

Channel Operations

**Staff Contact:**

Garry McMahan

**Background:**

E T Crude Pipeline LLC, Port Authority File No. 2013-0344, has applied to transfer an existing 36-inch crude oil pipeline license from HFOTCO LLC dba Houston Fuel Oil Terminal Company to E T Crude Pipeline LLC, for crossing Carpenter's Bayou in three locations.

**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. The \$675 application fee has been invoiced.

Staff recommends approval.

## J. INFRASTRUCTURE

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<b>Subject</b>	<b>11. Issue a marine construction permit to SESCO Cement Corporation for construction of a cantilevered sheet pile toe wall at City Dock 3 in the Turning Basin Terminal.</b>
Meeting	Jan 26, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its January 26, 2023 meeting, authorize the Port Authority to issue a marine construction permit to SESCO Cement Corporation for construction of a cantilevered sheet pile toe wall at City Dock 3 in the Turning Basin Terminal, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

**Category:**

Permits/Licenses/Pipeline Easements

**Department:**

Channel Operations

**Staff Contact:**

Garry McMahan

**Background:**

SESCO Cement Corporation (SESCO), Port Authority File No. 2022-0369, has applied for a marine construction permit to construct a cantilevered sheet pile toe wall at City Dock 3 in the Turning Basin Terminal.

SESCO has leased the upland property since June 1, 2017, and additionally has held a license agreement since December 1, 2018. SESCO has done extensive repairs to City Dock 3 for use in off loading ships to its cement facility. The proposed work would allow larger ships to dock at the facility, as the Houston Ship Channel is deepened.

**Staff Evaluation/Justification:**

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

Staff recommends approval.



## K. OPERATIONS

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<b>Subject</b>	<b>1. Approve staff's ranking of vendors and award a professional services contract in an amount not to exceed \$550,000 for gate interchange cards for Barbours Cut Terminal and Bayport Container Terminal to the top-rank proposers: staff ranking - first, Cole Ticket Solutions, Inc.; and second, Southland Printing Company, Inc.</b>
Meeting	Jan 26, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its January 26, 2023 meeting: (a) approve staff's ranking of the most qualified vendors, based on the selection criteria, in the following order - first, Cole Ticket Solutions, Inc.; and second, Southland Printing Company, Inc.; (b) award a professional services contract to Cole Ticket Solutions, Inc. for gate interchange cards for Barbours Cut Terminal and Bayport Container Terminal in an amount not to exceed \$550,000; (c) grant authority, if a contract cannot be negotiated with the first-ranked vendor, to formally, and in writing, end negotiations with that vendor and proceed to the next vendor in the order of ranking until a contract is reached or all proposals are rejected; and (d) further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

**Category:**

Awards, Amendments & Change Orders

**Department:**

Operations

**Staff Contact:**

Easton McIntosh

**Background:**

The Port Authority is seeking to obtain 30,000,000 gate interchange cards for Barbours Cut Terminal and Bayport Container Terminal. The gate cards are used to document the transfer of custody of intermodal equipment entering and exiting the terminals.

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. Sixteen vendors downloaded the project materials from BuySpeed.

**Staff Evaluation/Justification:**

On December 15, 2022, four CSPs were received, opened, and publicly read. The responses were reviewed and evaluated by staff in accordance with the published selection criteria. Staff identified the following vendors, listed in order of ranking, as providing the best value for the required services:

- Cole Ticket Solutions, Inc.
- Southland Printing Company, Inc.

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

## K. OPERATIONS

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<b>Subject</b>	<b>2. Award a one-year maintenance and support contract to Id Solutions, the sole source provider, for equipment, software licensing, and installation services to expand the Transportation Worker Identification Credential (TWIC) reader application to an additional two lanes, for a total of seven lanes, at Barbours Cut Terminal in an amount not to exceed \$57,278.</b>
Meeting	Jan 26, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its January 26, 2023 meeting, award a one-year maintenance and support contract to Id Solutions, the sole source provider, for equipment, software licensing, and installation services to expand the Transportation Worker Identification Credential (TWIC) reader application to an additional two lanes, for a total of seven lanes, at Barbours Cut Terminal in an amount not to exceed \$57,278, 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:**

By Minute No. 2018-1030-40, the Port Commission awarded a contract to Id Solutions for the Transportation Worker Identification Credential (TWIC) reader software application to be used at Bayport Container Terminal and Barbours Cut Terminal Truck Gates. The original contract provided equipment for a total of five truck lanes at Bayport Container Terminal and two at Barbours Cut Terminal. A scope first expansion approved under Minute No. 2021-1207-46 resulted in six lanes at Bayport Container Terminal and five lanes at Barbours Cut Terminal. This request represents the final expansion (full buildout) for seven lanes at Barbours Cut Terminal.

The application enables the automation of the TWIC verification process and is considered a security enhancement. idSoftware uses facial matching as the primary biometric, fingerprint as secondary, and remote vetting via live camera feed as a final method.

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 ID Solutions is the sole authorized source the TWIC Reader Software application in the United States.

**Staff Evaluation/Justification:**

The use of the TWIC reader software application provides an automated process to validate a TWIC card and/or the ability to manually validate from a remote location, thereby eliminating the need to have a physical guard in each TWIC truck lane. In addition, the software provides additional security checks resulting in an enhanced TWIC screening process.

Staff recommends the Port Commission award this contract to ID Solutions to expand the TWIC reader application for an additional two lanes for Barbours Cut Terminal.

## K. OPERATIONS

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<b>Subject</b>	<b>3. Award a one-year professional services contract to Kalmar USA Inc., the sole source provider, for maintenance and service for Position Detection System (PDS) equipment for twenty-six rubber-tired gantry cranes in an amount not to exceed \$658,976.</b>
Meeting	Jan 26, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its January 26, 2023 meeting, award a one-year professional services contract to Kalmar USA Inc., the sole source provider, for maintenance and service for Position Detection System (PDS) equipment for twenty-six rubber-tired gantry cranes in an amount not to exceed \$658,976, 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 Port Authority began implementation of marine terminal position detection system (PDS) in 2019, to support its safety initiatives by reducing the amount of inventory errors and therefore reducing the frequency of personnel having to enter safety sensitive operating areas to resolve problems. The use of PDS also provides automatic updates to container locations in the container yards as units are moved by International Longshoremen's Association (ILA) crane operators to and from trucks, as well as repositioned in the stacks eliminating manual updates by operators and clerks.

Kalmar USA Inc. provides this system, and ongoing maintenance and support of the PDS can only be provided by that company, and therefore its services are "sole source."

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. is the sole authorized source of the position detection software system in the United States.

**Staff Evaluation/Justification:**

The PDS solution serves as a technical foundation for additional optimization opportunities that support volume growth and service to our customers.

Staff recommends the Port Commission approve the one-year professional services contract with Kalmar USA Inc. as described above.

## K. OPERATIONS

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<b>Subject</b>	<b>4. Award a contract to Kalmar USA Inc. Bromma Americas, the sole source provider, for the purchase of SCS-Modular upgrades for eight Bromma spreader bars at Barbours Cut Terminal in an amount not to exceed \$90,000.</b>
Meeting	Jan 26, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its January 26, 2023 meeting, award a contract to Kalmar USA, Inc. Bromma Americas, the sole source provider, for the purchase of SCS-Modular upgrades for eight Bromma spreader bars at Barbours Cut Terminal in an amount not to exceed \$90,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #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-three spreader bars manufactured by Bromma for wharf crane operations at Barbours Cut Terminal. Spreader bars play a critical role in container handling, and are equipped with a variety of mechanical, hydraulic and electrical components that must properly communicate with crane controls. Eight of these units are equipped with control modules that have become obsolete and no longer supported by Bromma, and as a result, our inventory of spare modules are nearly depleted.

SCS-Modular is a spreader control system which offers a range of different features stretching from basic spreader control to a full-fledged system including diagnostics, connectivity, and an on-board information display. Staff recommends that eight Bromma spreader bars be retrofitted with new SCS-Modular upgrades, to facilitate troubleshooting and extend their useful life.

**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 source for purchase of SCS-Modular upgrades in the United States.

Staff recommends that the Port Commission award a contract to Kalmar USA Inc. Bromma Americas for the purchase of SCS-Modular upgrades for eight Bromma spreader bars at Barbours Cut Terminal.

## K. OPERATIONS

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<b>Subject</b>	<b>5. Award a contract to Konecranes Inc., the sole source provider, for the purchase, installation, and commissioning of hardware for auto-steering of rubber-tired gantry (RTG) cranes at Barbours Cut Terminal and Bayport Container Terminal in an amount not to exceed \$100,000.</b>
Meeting	Jan 26, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its January 26, 2023 meeting, award a contract to Konecranes, Inc., the sole source provider, for the purchase, installation, and commissioning of hardware for auto-steering of rubber-tired gantry (RTG) cranes at Barbours Cut Terminal and Bayport Container Terminal in an amount not to exceed \$100,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #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 fifteen rubber-tired gantry (RTG) cranes at Barbours Cut Terminal and twenty-four at Bayport Container Terminal that were manufactured by Konecranes Finland Corporation and are equipped with auto-steering technology. Additionally, the twenty-six units awarded at the August 2, 2022 Port Commission meeting will be equipped with same technology. The auto-steering feature steers the crane into position while the operator can focus on container handling. Additionally, this feature ensures containers are properly positioned on stacks minimizing time needed to handle them.

Currently, servers and antennas are installed at operations buildings at each facility to support this technology. These Information Technology (IT) components are obsolete and no longer supported by the manufacturer. Staff recommends that said obsolete IT components be replaced to ensure proper support to container handling operations and reliable service moving forward.

**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 Konecranes, Inc. is the sole source for the purchase, installation, and commissioning of hardware for auto-steering for Kone RTG cranes in the United States.

Staff recommends that the Port Commission award a contract to Konecranes, Inc. for the purchase, installation, and commissioning of hardware for auto-steering of RTG cranes at Barbours Cut Terminal and Bayport Container Terminal.

## K. OPERATIONS

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<b>Subject</b>	<b>6. Award a purchase order to Greater Houston Office Products for the purchase and installation of office furniture for the Bayport Administration Building Operations suite, Walking Foremen's office, and Clerk's office, using the Omnia Partners, a cooperative purchase program contract, in an amount not to exceed \$74,630.</b>
Meeting	Jan 26, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its January 26, 2023 meeting, award a purchase order to Greater Houston Office Products for the purchase and installation of office furniture for the Bayport Administration Building Operations suite, Walking Foremen's office, and Clerk's office, using the Omnia Partners, a cooperative purchase program contract, in an amount not to exceed \$74,630, 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:**

Evan Mays

**Background:**

The Port Authority is seeking to obtain office furniture for the Bayport Administration Building Operations suite, Walking Foremen's office, and Clerk's office. Staff has outgrown its current footprint in the operations and International Longshoremen's Association (ILA) offices, necessitating the need for new and differently sized cubicles and other furniture.

**Staff Evaluation/Justification:**

The Director of Procurement Services has determined that procuring furniture through Omnia Partners is the method that both satisfies competitive purchase requirements and provides best value to the Port Authority.

The Operations Division has determined that the best availability and price for the items needed is provided by Greater Houston Office Products under the pricing schedule obtained from Greater Houston Office Products' contract with the Omnia Partners and is therefore recommending this purchase.

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

## K. OPERATIONS

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<b>Subject</b>	<b>7. Award a three-year contract to Sunbelt Rentals, Inc. for rental of heavy equipment, using Omnia Partners (formally Sourcewell), a cooperative purchase program contract, in an amount not to exceed \$600,000; and award a three-year program contract to Herc Rentals, Inc. for rental of heavy equipment, using Omnia Partners in an amount not to exceed \$600,000, in a total amount not to exceed \$1,200,000.</b>
Meeting	Jan 26, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its January 26, 2023 meeting, award a three-year contract to Sunbelt Rentals, Inc. for rental of heavy equipment, using Omnia Partners (formally Sourcewell), a cooperative purchase program contract, in an amount not to exceed \$600,000; and award a three-year contract to Herc Rentals, Inc. for rental of heavy equipment, using Omnia Partners in an amount not to exceed \$600,000, in a total amount not to exceed \$1,200,000, determine that this procurement method provides the best value to the Port Authority, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #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. 2021-0323-28, the Port Commission awarded a two-year contract to Sunbelt Rental, Inc. in the amount of \$350,000 for rental of heavy equipment for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal. Funds have been depleted due to higher than anticipated demand.

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

**Staff Evaluation/Justification:**

The Director of Procurement Services has determined that procuring a contract for rental of heavy equipment through Omnia Partners is the method that both satisfies competitive purchase requirements and provides the best value to the Port Authority.

Staff has compared rental fees for heavy equipment obtained from non-Omnia Partners local dealers, other interlocal cooperative purchase program providers and Omnia Partners providers. Omnia Partners website lists several pre-approved vendors. Staff has reviewed heavy equipment specifications from Omnia Partners providers and determined that Sunbelt Rentals, Inc. and Herc Rentals, Inc. are the vendors with the best prices that meets the Port Authority's requirements. Sunbelt Rentals, Inc. and Herc Rentals, Inc. pricing for heavy equipment rentals were reviewed and approved by Omnia Partners.

Staff recommends that the Port Commission approve this best value determination and issuance of three-year contracts to Sunbelt Rentals, Inc. for rental of heavy equipment in an amount not to exceed \$600,000 and Herc Rentals, Inc. for rental of heavy equipment in an amount not to exceed \$600,000, in a total amount not to exceed \$1,200,000.

## K. OPERATIONS

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<b>Subject</b>	<b>8. Issue a purchase order to Direct Expansion Solutions (DXS) for the purchase of Daikin air conditioning units for equipment and buildings at Bayport Container Terminal, using Omnia Partners, a cooperative purchase program, in an amount not to exceed \$250,000.</b>
Meeting	Jan 26, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its January 26, 2023 meeting, issue a purchase order to Direct Expansion Solutions (DXS) for the purchase of Daikin air conditioning units for equipment and buildings at Bayport Container Terminal, using Omnia Partners (formally Sourcewell), a cooperative purchase program, in an amount not to exceed \$250,000, 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:**

Maintenance

**Staff Contact:**

Paulo Soares

**Background:**

The Port Authority currently owns twenty rubber-tired gantry (RTG) cranes and three buildings, including stevedoring support buildings 2, 3, and the fire barracks at Bayport Container Terminal, that are in need of replacement air conditioning units. A total of fifty-eight units which have become obsolete and parts have become increasingly harder to procure. Replacement which units would be of latest Seasonal Energy Efficiency Rating (SEER), are being sought for these.

**Staff Evaluation/Justification:**

The Director of Procurement Services has determined that procuring a contract for the purchase of Daikin air conditioning units through Omnia Partners is the method that both satisfies competitive purchase requirements and provides the best value to the Port Authority.

Omnia Partners and other interlocal cooperative purchase program provider websites list several pre-approved vendors, however those providers do not offer Daikin air conditioning units compatible to Port Authority specifications, and staff could not find a non-Omnia Partners local dealer meeting the required specifications. Accordingly, staff has determined that Direct Expansion Solutions (DXS) is the vendor with the best price that meets the Port Authority's requirements. Direct Expansion Solutions pricing for Daikin air conditioning units were reviewed and approved by Omnia Partners.

Staff recommends that the Port Commission approve the best value determination and issuance of a purchase order to Direct Expansion Solutions (DXS) for the purchase of Daikin air conditioning units for equipment and buildings at Bayport Container Terminal in an amount not to exceed \$250,000.



## L. PEOPLE

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<b>Subject</b>	<b>1. Enter into a one-year agreement with the Houston International Seafarers' Center to provide humanitarian services to seafarers whose vessels call at the terminals of the Port Authority, effective January 1, 2023, in an amount not to exceed \$90,000.</b>
Meeting	Jan 26, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its January 26, 2023 meeting, enter into a one-year agreement with the Houston International Seafarers' Center to provide humanitarian services to seafarers whose vessels call at the terminals of the Port Authority, effective January 1, 2023, in an amount not to exceed \$90,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #3 - PARTNERSHIPS (Develop and Strengthen External Partnerships)

**Category:**

Awards, Amendments & Change Orders

**Department:**

Community Relations & Events

**Staff Contact:**

Maria Aguirre

**Background:**

The Houston International Seafarers' Center (Seafarers' Center) is internationally recognized for its outstanding services and facilities for visiting seafarers. By providing a positive social, recreational, and ecumenical spiritual environment, the Seafarers' Center is an asset to both the Port Authority and the communities surrounding the Port of Houston.

This agreement with the Port Authority would permit the Seafarers' Center to continue to provide the following services on a non-discriminatory basis to seafarers from all commercial vessels that call on the public and private terminals in the Port of Houston: operations, transportation services, safety functions, communications, banking, emergency accommodations, recreational facilities, commissary facilities, a restaurant, mail and courier services, counseling services, and other services mutually deemed necessary. In addition, the Port Authority would also continue to invoice vessels docking at Port Authority terminals for the \$98 voluntary fee supporting the operations of the Seafarers' Center and further remit that payment within thirty days upon receipt to the Seafarers' Center. The current service agreement with the Seafarers' Center expired December 31, 2022.

**Staff Evaluation/Justification:**

At the September 27, 2022 meeting, the Community Relations Committee, a "committee of the whole" tasked with advising on community matters, approved the 2023 Promotion & Development (P&D) Fund plan and budget to optimize value for service partners, community organizations, and other stakeholders. The Community Relations Committee approved staff's recommendation to authorize a new agreement with the Seafarers' Center for one year in an amount not to exceed \$90,000.

Staff recommends that the Port Commission approve a one-year agreement with the Houston International Seafarers' Center to provide humanitarian services to seafarers whose vessels call at the terminals of the Port Authority, effective January 1, 2023, in an amount not to exceed \$90,000.

## L. PEOPLE

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**Subject**                    **2. Approve a contract with Houston Zoo, Inc. to provide the venue and customer event services for the 2023 Port Houston Employee and Retiree Appreciation Event in an amount not to exceed \$55,000.**

Meeting                    Jan 26, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access                    Public

Type                    Action

Recommended Action    The Port Commission, at its January 26, 2023 meeting, approve a contract with Houston Zoo, Inc. to provide the venue and customer event services for the 2023 Port Houston Employee and Retiree Appreciation Event in an amount not to exceed \$55,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

**Category:**

Awards, Amendments & Change Orders

**Department:**

People

**Staff Contact:**

Jessica Shaver

**Background:**

Following statutory changes in 2017, three employee and retiree appreciation events have been held, in 2018, 2019 and 2022, for the purpose of employee recognition or building morale.

Surveys sent to employees after each event to gauge employee interest and how each event impacted employees' perception of workplace culture and morale indicate that employees want more centrally-located venues and family-friendly, educational, and interactive experiences. Employees have also asked that the events better reflect appreciation for their colleagues' hard work.

An employee event advisory committee was formed to determine the venue for 2023 that would better reflect the results of the employee surveys and help serve the goal of boosting morale. The advisory committee determined the Houston Zoo would meet or exceed feedback requests from the employees in the survey and provide best value.

The current budget estimate assumes 919 attendees. Costs may change depending on employee and retiree responses, and will not be finalized until early August, when the estimated headcount is finalized. All efforts are being made to reduce the budget and comply with the Port Authority's Travel, Meals and Business Entertainment Authorization and Expense Reimbursement Policy, while keeping the event at a level to sufficiently recognize the hard work and contributions of employees and retirees.

**Staff Evaluation/Justification:**

The Port Houston Employee and Retiree Appreciation Event aligns with the Strategic Plan and provides the opportunity to thank and recognize the hard work of the Port Authority's most import asset - its people.

Therefore, staff recommends that the Port Commission authorize this event services contract with Houston Zoo, Inc.

## M. SECURITY AND EMERGENCY OPERATIONS

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**Subject**                    **1. Award a three-year purchase order to 911Security, Inc, the sole source provider, for access to its AirGuard drone detection program and installation of a sensor that would integrate with the AirGuard drone detection program, in an amount not to exceed \$96,000, with an estimated net cost after Federal Emergency Management Agency (FEMA) Port Security Grant reimbursement of \$24,000.**

Meeting                    Jan 26, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access                    Public

Type                    Action

Recommended Action    The Port Commission, at its January 26, 2023 meeting, award a three-year purchase order to 911Security, Inc, the sole source provider, for access to its AirGuard drone detection program and installation of a sensor that would integrate with the AirGuard drone detection program, in an amount not to exceed \$96,000, with an estimated net cost after Federal Emergency Management Agency (FEMA) Port Security Grant reimbursement of \$24,000, 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  
Strategic Objective 2c. - Enhance efficiency and resilience through innovative technology and other means

**Category:**

Awards, Amendment & Change Orders

**Department:**

Security

**Staff Contact:**

Jessica Thomas

**Background:**

The Port Authority was awarded a 2022 Port Security Grant to join the existing AirGuard drone detection network for the Houston region. This grant includes installation of a layer 1 RF Sensor which enhances coverage of the AirGuard network, and provides access to the AirGuard drone detection software platform for three years, including all services and support during the contract period.

The Port Authority Security Grant Program funding award is \$72,000 (75%), and after reimbursement the Port Authority's net contribution would be \$24,000 (25% match).

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 911Security, Inc is the sole authorized source of the AirGuard drone detection program in the United States.

**Staff Evaluation/Justification:**

Drone detection within the air space above Port Authority terminals is a priority for the Port Authority and other law enforcement agencies. By joining the AirGuard network, Port Authority Security would be able to track and detect drones, as well as provide focused coverage by the installation of an additional network sensor. A Federal Emergency Management Agency (FEMA) Port Security Grant is being utilized for 75% of the cost.

Staff recommends the Port Commission approve this purchase order with 911Security, Inc.

## N. TECHNOLOGY

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<b>Subject</b>	<b>1. Issue a purchase order to CDW Government LLC for purchase of miscellaneous computer parts and accessories, using Omnia Partners, a cooperative purchase program, in an amount not to exceed \$100,000.</b>
Meeting	Jan 26, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its January 26, 2023 meeting, issue a purchase order to CDW Government LLC for purchase of miscellaneous computer parts and accessories, using Omnia Partners, a cooperative purchase program, in an amount not to exceed \$100,000, 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:**

Information Technology

**Staff Contact:**

Ron Farrow

**Background:**

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

**Staff Evaluation/Justification:**

The Director of Procurement Services has determined that procuring miscellaneous computer parts and accessories, through Omnia Partners 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 CDW Government LLC under the pricing schedule obtained from that vendor's contract with Omnia Partners and is therefore recommending this purchase.

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