

I N D E X

PORT COMMISSION
OF THE
PORT OF HOUSTON AUTHORITY
OF THE PORTS OF HARRIS COUNTY, TEXAS
May 23, 2023

<u>Minute No.</u>	<u>Event/Action</u>
	General
	Chairman Campo convened the in-person and virtual Port Commission meeting and provided opening remarks along with Port Commissioners
	Minutes
2023-0523-01	Approve the minutes of the May 2, 2023 Port Commission meeting
	Staff Reports
2023-0523-02	Roger Guenther, Executive Director, presented a summary of selected financial and operational matters
	Appearances
2023-0523-03(a)	Chairman Campo recognized Captain Jason Smith, U.S. Coast Guard Captain of the Port, who addressed the Port Commission
2023-0523-03(b)	Chairman Campo introduced Naomi Yoder, Healthy Gulf, who addressed the Port Commission
2023-0523-03(c)	Chairman Campo introduced Erandi Trevino, Public Citizen, and Healthy Port Communities Coalition, who addressed the Port Commission
	F. Executive
2023-0523-04	Staff Report – Selected agenda items – Tom Heidt, Chief Operating Officer and Erik Eriksson, Chief Legal Officer
2023-0523-05	Award a two-year professional services contract to Critical Mention, Inc. to provide news media monitoring services, and a two-year professional services contract to Business Wire, Inc. to provide press release distribution services
2023-0523-06	Enter into an Interlocal Agreement for delinquent tax collection services with Harris County and other participating entities

Minute No.

Event/Action

G. Business Equity

- 2023-0523-07 Staff Report – Selected agenda item – Maxine Buckles, Chief Business Equity Officer
- 2023-0523-08 Enter into a strategic alliance memorandum between the U.S. Small Business Administration (SBA) Houston District Office and the Port Authority to codify, develop, and foster mutual understanding of the working relationship between the SBA and the Port Authority

H. Channel Infrastructure

- 2023-0523-09 Staff Report – Selected agenda items – Charlie Jenkins, Chief Channel Infrastructure Officer
- 2023-0523-10 Amend the professional services contract with HDR, Inc. to provide continued engineering, design, project coordination, and other general assistance for the Houston Ship Channel Expansion Channel Improvement Project (Project 11)
- 2023-0523-11 Approve the renewal of the following expiring Port Authority licenses for new thirty-year terms: Celanese Chemicals, Inc., Energy Transfer Mont Belvieu NGL Pipelines LLC, Enterprise Houston Ship Channel, L.P., and KM Liquids Terminals LLC
- 2023-0523-12 Issue a marine construction permit to Watco Dock and Rail, LLC for the expansion of existing Dock 5, including upland excavation, and dredging
- 2023-0523-13 Amend a pipeline license with HSC Pipeline Partnership, LLC for one 8-inch ethylene pipeline, adding an additional crossing of the Southside Mainline railroad right-of-way

I. Commercial

- 2023-0523-14 Staff Report – Selected agenda items – John Moseley, Chief Commercial Officer
- 2023-0523-15 Approve staff's ranking of vendors and award two contracts, each for a two-year term with a one-year mutual extension option, for photography and videography services to the two top-ranked proposers: staff ranking - first, Twice Media Productions; and second, CK Productions
- Port Commission adopted the staff-recommended ranking and authorized award

<u>Minute No.</u>	<u>Event/Action</u>
2023-0523-16	Award a service contract for two years with an option to renew for an additional year, to STS Brand, LLC for the promotional items ordering program
2023-0523-17	Approve a lease for a three-year term with AllTrans Port Services LLC for approximately 1.89 acres out of Block 23B at Industrial Park East, effective no earlier than June 1, 2023, at an annual base rent of approximately \$79,221, subject to annual base rent escalation of the greater of 3% or the increase in the Consumer Price Index
2023-0523-18	Approve a lease for a two-year term with Cooper/Ports America, LLC for approximately 3.04 acres out of Block 23 at Industrial Park East, effective no earlier than June 1, 2023, at an annual base rent of approximately \$102,144, subject to annual base rent escalation of the greater of 3% or the increase in the Consumer Price Index
2023-0523-19	Approve a lease for a two-year term with Enstructure Richardson I LLC for approximately 1.33 acres out of Block 27D at Industrial Park East, effective no earlier than June 1, 2023, at an annual base rent of approximately \$55,748, subject to annual base rent escalation of the greater of 3% or the increase in the Consumer Price Index
2023-0523-20	Approve an amendment to the lease with Galveston Bay Foundation for an approximate 1.5-acre oyster recycling site and 0.33-acre non-exclusive access road area out of the Memorial Tract, to extend the term for five years, effective no earlier than July 1, 2023, at an annual rent of \$10
2023-0523-21	Approve an amendment to the lease with Empire Stevedoring (Houston) Inc. for approximately 0.74 acres out of Block 1 at Southside Wharves, to extend the term for one year, effective no earlier than June 1, 2023, at an annual base rent of approximately \$35,573
2023-0523-22	Approve an amendment to the lease with Empire Stevedoring (Houston) Inc. for approximately 2.75 acres out of Block 11 at Turning Basin (West), to extend the term for one year, effective no earlier than June 1, 2023, at an annual base rent of approximately \$68,067
2023-0523-23	Approve the change of control of Dixie Cullen Interests Inc., a tenant under three Port Authority leases, resulting from the acquisition of a majority of its equity interests by affiliates of Briarwood Partners, LLC
	J. Finance
2023-0523-24	Staff Report – Selected agenda item – Roland Gonzalez, Director, Treasury

<u>Minute No.</u>	<u>Event/Action</u>
2023-0523-25	Award a two-year contract with 2 two-year extensions to Meeder Public Funds, Inc. for investment consulting and advisory services for the Port Authority's operating and bond funds cash and investments, effective July 1, 2023
K. Infrastructure	
2023-0523-26	Staff Report – Selected agenda items – Trae Camble, Director, Environmental Affairs
2023-0523-27	Award a contract to McDonald Municipal and Industrial for the purchase and delivery of electrical substation equipment for Container Yards 6 and 7 at Barbours Cut Terminal
2023-0523-28	Award a construction contract to Custer Fence, LLC for container yard perimeter security fence repair and installation at Barbours Cut Terminal west end
2023-0523-29	Amend a professional services contract with AECOM Technical Services, Inc. to perform additional work associated with the rehabilitation of Wharves 20 and 21 at Turning Basin Terminal
2023-0523-30	Amend the environmental consulting agreement with Terra Nova Consulting Inc. for general environmental consulting services
2023-0523-31	Approve a change order with McCarthy Building Companies, Inc. to perform additional work associated with the construction of Wharf 6 at Bayport Container Terminal
2023-0523-32	Approve a change order with McCarthy Building Companies, Inc. to perform additional work associated with the rehabilitation and repair of Wharf 8 at Turning Basin Terminal
2023-0523-33	Approve a change order with R&T Ellis Excavating, Inc. to perform additional work associated with land development of 35-acres south of Port Road at Bayport Container Terminal
2023-0523-34	Approve a change order with Rigid Constructors, LLC to perform additional work associated with the 12-acre interim container storage facility expansion at the west end of Barbours Cut Terminal
L. Operations	
2023-0523-35	Staff Report – Selected agenda items – Mike Shaffner, Director, Terminal Technology/Innovation
2023-0523-36	Approve staff's ranking of vendors and award a contract for the purchase

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and installation of truck service beds for Bayport Container Terminal to the top-ranked proposer: staff ranking – first, The Trux Super Store; and second, General Truck Body

Port Commission adopted the staff-recommended ranking and authorized award

2023-0523-37 Award a two-year contract to Monument Chevrolet for the purchase of General Motors parts and related services for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal, using Omnia Partners (formally Sourcewell), a cooperative purchase program contract

2023-0523-38 Award a two-year contract to Carrier Enterprise, LLC for the purchase of spare and replacement parts for Carrier heating, ventilation, and air conditioning units at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal, using the Local Government Purchasing Cooperative's BuyBoard Program

2023-0523-39 Amend the contract previously awarded to Dan R. Dalton, Inc. for structural repairs to wharf crane No. 308 at Barbours Cut Terminal

2023-0523-40 Authorize payment to Smart Tecs LLC for annual maintenance services for the Marine Terminal Gate Operating Software System for Barbours Cut Terminal and Bayport Container Terminal

2023-0523-41 Authorize payment to Navis LLC for annual maintenance services for the Marine Terminal Management Software System for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal

M. People

2023-0523-42 Staff Report – Selected agenda item – David McNamara, Assistant General Counsel

Open Hearing

2023-0523-43 Mr. McNamara reported at the hearing

Adjourn Hearing

2023-0523-44 Amend and restate the Port Authority's 401(a) Defined Contribution Plan in accordance with Internal Revenue Service restatement requirements

N. Security and Emergency Operations

<u>Minute No.</u>	<u>Event/Action</u>
2023-0523-45	Staff Report – Selected agenda item – Marcus Woodring, Chief Port Security and Emergency Operations Officer
2023-0523-46	Award a two-year contract, with a one-year mutual extension option, to Boot Barn for the purchase of safety footwear for designated employees

O. Technology

2023-0523-47	Staff Report – Selected agenda items – Charles Thompson, Chief Information Officer
2023-0523-48	Issue a purchase order to Precision Task Group, Inc. for the purchase of subscription-based licensing, training, and delivery assurance services for the Workday Enterprise Resource Planning platform, using Texas Department of Information Resources’ cooperative purchase program, over 15 years

Recess Open Meeting and Convene Executive Session

Reconvene Open Meeting

2023-0523-49	Authorize the Port Authority to respond to the mediator’s proposal regarding Standard Constructors, Inc. on the terms discussed in Executive Session, and to do all other things reasonable or necessary to give effect to the foregoing
2023-0523-50	Authorize the Port Authority to amend the agreement for legal services with Baker Botts L.L.P. on the terms discussed in Executive Session, and to authorize the Chief Legal Officer to do all things necessary to give effect to the foregoing

Closing Remarks by Chairman and Commissioners

Adjourn Meeting

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

**Houston, Texas
May 23, 2023**

A public meeting of the Port Commission of the Port of Houston Authority of Harris County, Texas was convened on May 23, 2023, at 9:15 a.m., at the Port of Houston Authority Executive Offices, Fourth Floor Boardroom, at 111 East Loop North, Houston, Texas 77029, and via Cisco WebEx. The following commissioners, staff, and counsel were present:

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

Chairman Campo began his opening remarks by sharing the results of the Port Authority's most recent Economic Impact Study, based on 2022 data. The study was performed by John Martin Associates, which also prepared the last report four years ago.

The Houston Ship Channel ("HSC") and its private and public terminals continued to be a major economic generator in the state of Texas as well as the U.S. economy, supporting 3.4 million jobs nationally, of which 1.5 million jobs were in Texas. Marine cargo activity at HSC terminals generated \$439 billion of economic value to the state of Texas and marine cargo activity supported \$10.6 billion of state and local taxes. Since 2018, growth in marine cargo activity, especially the strong growth in container activity at Port Authority terminals, resulted in the growth of nearly 190,000 jobs supported in the state, as well as a growth of more than \$100 billion of economic value to the State of Texas.

Chairman Campo continued: the HSC supported 3.37 million jobs in the U.S., representing a 5% growth in jobs since 2018. In 2022, the HSC generated \$906 billion of economic value to the U.S. which was a 13% growth in value since 2018. In Texas, the HSC supported 1.54 million jobs, a 14% growth, and generated \$439.2 billion of economic value, a 30% growth in value.

Chairman Campo remarked that it took a team to achieve such numbers and he thanked private industry, Port Authority staff, and the commissioners for all the hard work and dedication.

Commissioner Fitzgerald announced that he had recently met the newest County Commissioner Lesley Briones and had welcomed her to the Port Authority. Staff had done

a great job explaining the importance of the Port Authority and the County Commissioner had emphasized she was willing to assist the Port Authority in any way she could.

(2023-0523-01) Chairman Campo called for a motion to approve the minutes of the May 2, 2023 Port Commission meeting. Commissioner Mease moved for approval, seconded by Commissioner DonCarlos. The minutes were approved as written.

(2023-0523-02) Roger Guenther, Executive Director, presented a summary of selected financial and operational matters:

- Port Authority exports continued to outpace the historic 2022 volumes.
- Loaded exports were up 17% year-to-date due in large part to the demand for resin exports.
- In total, over 1 million loaded twenty-foot equivalent units (TEUs) were handled through April 2023, which was the fastest the Port Authority had ever reached the 1 million TEU mark.
- There was a slight softening of import container cargo compared to the record breaking volumes of 2022.
- Container volume was normalizing as projected and budgeted for the year.

Mr. Guenther shared pictures of the new ship-to-shore cranes that had been purchased and were currently on their way for delivery to the Port Authority. They were due to arrive in July 2023 and be in full operation by the following September or October.

(2023-0523-03) Appearances

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

Capt. Smith announced his retirement and the corresponding change of command that would be taking place in July. He thanked the Port Authority for all its work with the U.S. Coast Guard and the various partnerships the two entities had consummated. Over 700,000 transits had been supported over three years, while keeping workers safe – especially during the COVID-19 pandemic.

Capt. Smith noted as well that the HSC had been kept safe, yet functional, during the deepening and widening project (“Project 11”). Other accomplishments included hardening critical infrastructure security, educating over 3,000 students for a career in the maritime industry, and formalizing agreements for everyday response and communication, such as the Safe Harbor Agreement.

Mr. Guenther thanked Capt. Smith for all his work, especially his engagement in maritime education.

Chairman Campo also thanked Capt. Smith for his partnership and wished him luck in his next adventure.

(b) Chairman Campo recognized Naomi Yoder, Healthy Gulf, who addressed the Port Commission.

Ms. Yoder reminded the Port Commission that she had spoken about Project 11 at the previous Port Commission meeting. The Healthy Port Communities Coalition (“HPCC”), together with the Environmental Defense Fund and Lone Star Legal Aid, had reached out to appointed and elected officials regarding the placement of “toxic dredge spoils,” “diesel pollution” in connection with Project 11, and environmental justice. She believed that those issues had not been addressed by either the Army Corps of Engineers (“Army Corps”) or the Port Authority.

She noted that Mayor Turner met with Colonel Blackmon of the Army Corps on April 14, 2023 to express concern about placement of dredge material in areas adjacent to port communities already “overburdened” by poor air quality and other environmental concerns.

Ms. Yoder referenced a recent National Environmental Policy Act (“NEPA”) analysis on channel sediment. She wanted to see a reduction and elimination of harmful substances as she believed that lower-income areas were disproportionately impacted by Project 11. The Army Corps NEPA review was allegedly deficient as it incorrectly concluded, based on faulty methodology, that higher-income white residents would be more impacted by dredge spoils than lower-income minority residents. Ms. Yoder reported that the EPA Regional Administrator, Dr. Earthea Nance, met separately with Colonel Blackmon to express similar concerns and she believed that the original environmental impact statement should be revisited.

New FEMA flood map research published after Hurricane Harvey also suggested the need to reevaluate community and environmental risk posed by Project 11. Site visits were scheduled for June 2023.

Ms. Yoder described a letter, dated April of 2023, sent by the HPCC to Michael Connor, Assistant Secretary of the Army for Civil Works, detailing several concerns and requesting a meeting. Project 11 was projected to dump over 9.1 million cubic yards of dredge material into communities that were already over-burdened. She claimed that Army Corps dredges would generate as much pollution as a large petroleum refinery.

Ms. Yoder concluded by stating that the placement berms that have been constructed around the dredge sites were engineered to standards set in the 1950's and 1960's, and the Glendale placement site had already been breached once by Hurricane Harvey. U.S. Fish and Wildlife Service recommended that the Army Corps use at least 75% of clean dredged spoils for beneficial use, however the current plan was only using 11%.

Commissioner Mease asked Ms. Yoder if she was aware that the dredged materials she was talking about were being tested (the Port Authority was making sure that all the required testing was being done), and asked whether she did not trust the Port Authority or the Army Corps. Ms. Yoder stated that she was aware that such testing was being done but she had not seen the results.

Chairman Campo felt that it was important to keep the dialog going and continue to meet with the community. There were federal standards that were being adhered to.

Ms. Yoder emphasized that the Port Commission had input on how results were received and the timeline.

Mr. Guenther added that the Port Authority was also in receipt of the sixty-six page letter (from Lone Star Legal Aid) regarding these matters, and was currently working with its commissioners, the Army Corps, and the Texas Commission on Environmental Quality ("TCEQ") on a response. There was a lot to respond to in the letter, and the Port Authority would be doing so in due course.

(c) Chairman Campo recognized Erandi Trevino, Public Citizen and HPPC, who addressed the Port Commission.

Ms. Trevino remarked that she did not live very far from the port, and she thanked Rich Byrnes, Chief Port Infrastructure Officer, Trae Camble, Environmental Affairs Director, and Maria Aguirre, Community Relations Director, for their recent communication with the various port communities. Currently, port communities were on day eight or nine of an ongoing air quality alert, and, separately, there had been four recent accidents that had affected air quality in the region.

Ms. Trevino underscored that one in three Americans lived with unhealthy air. Latino children were twice as likely to die from asthma while a black child was four times as likely to be hospitalized from asthma. She alleged that the Port Authority renewed leases with chemical plants, and it could explore the creation of a good neighbor policy.

Ms. Trevino emphasized that a better solution needed to be figured out, and wanted to work with the Port Authority to explore solutions to environmental issues.

(2023-0523-04) Chairman Campo recognized Tom Heidt, Chief Operating Officer, and Erik Eriksson, Chief Legal Officer, to provide a report of selected Executive agenda items.

Mr. Heidt explained that Item F1 was for a news media monitoring contract and a separate press release distribution service contract.

Mr. Eriksson stated that agenda Item F2 was for an interlocal agreement for delinquent tax collection services. Harris County and other participating entities were currently contracted with a private law firm for the collection of delinquent taxes, and the County had recently provided the firm with notice that its contract would be terminating on June 20, 2023. The County Attorney would subsequently take over the responsibility of the collection of delinquent taxes on behalf of the Port Authority.

(2023-0523-05) RCA F1 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Cloonan, Corguey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA F1 PASSED.

(2023-0523-06) RCA F2 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Cloonan, Corguey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA F2 PASSED.

(2023-0523-07) Chairman Campo recognized Maxine Buckles, Chief Business Equity Officer, to provide a report of selected Business Equity agenda items.

Ms. Buckles highlighted the Executive Leadership Development Program currently underway. In addition, Cohort Three of the Port Authority's Opportunity U had recently completed its course work, and fifteen graduates had already secured contracts – the cohort was very successful.

Ms. Buckles thanked Charles Thompson, Chief Information Officer for his efforts in the Information Technology Division to secure Small, Women, and Minority-owned business participation in its contracts.

A new Business Equity Director had been hired and would be starting June 12, 2023.

Ms. Buckles explained agenda Item G1, a strategic alliance memorandum to codify, develop, and foster mutual understanding of, the working relationship between the U.S. Small Business Administration and the Port Authority. There was no associated cost.

(2023-0523-08) RCA G1 was presented, moved by Commissioner Creuzot, seconded by Commissioner Mease. Chairman Campo, and Commissioners Cloonan, Corgy, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA G1 PASSED.

(2023-0523-09) Chairman Campo recognized Charlie Jenkins, Chief Channel Infrastructure Officer, to provide a report of selected agenda items.

Mr. Jenkins acknowledged the community concerns regarding dredge placement sites and that the Port Authority took such concerns very seriously. He reiterated that staff and the Army Corps were reviewing the sixty-six page letter previously mentioned with the goal of providing a detailed, thoughtful, and thorough response.

Project 11 was currently on schedule and budget for all Port Authority-led contracts. There was a struggle to complete the island related to Segment 1A while Segment 1B/2 was ongoing and on schedule. The north shore bank dredging at the Bayport Container Terminal had been completed and may have been the cause of some concern, as the dredge was very close to the community.

Dock 1 dredging was set to commence in the near future. The oyster reef mitigation project, totaling over 300 acres, was nearing completion while the last segment, Segment 1C, was planned to be advertised in July 2023 with a completion date of late 2024.

Mr. Jenkins continued: the Army Corps would be advertising Package 7 in June, but did not receive full funding from Congress for Segment 4 to keep the project on schedule. The Army Corps continued to design Segment 5 and 6 with plans for the use of the Glendale placement site and then closing it out with a clay cap.

Mr. Jenkins reiterated that the Port Authority was following up on community concerns regarding the dredge sites and was planning site visits with the EPA. Dredging of the Turning Basin area was one year delayed.

Mr. Jenkins described Item H1 as an amendment to a contract for additional project management services, segment support, and design review in connection with Segments 3, 4, 5, and 6 of Project 11. Item H3 was for the issuance of a Marine Construction Permit near Greens Bayou for the expansion of an existing dock, which would save the Port Authority time and money dredging Segment 4.

Commissioner DonCarlos questioned Item H1. He wanted to know why the Port Authority continued to incrementally fund additional amounts of Project 11 above its one-half share. He noted that to date, the Port Authority's industry partners had not shown up and provided the funding assistance that was promised. He added that his understanding

was that any expenditures relating to segments of Project 11 above the container terminals would be carefully scrutinized, and the segments outlined in Item H1 were not critical to Port Authority operations. He added that there had not been any recent status updates on industry's commitment to help fund the project.

Mr. Guenther noted that staff was reviewing the Port Authority's statutory authority to implement a user fee to collect its proportionate expenditures as had been suggested by industry. The user fee could not be implemented until the project was complete.

Commissioner DonCarlos queried as to whether the proposed user fee would fund the entirety of industry's financial commitment and Commissioner Mease questioned who the user fee would be applied to.

Mr. Guenther answered that most of the user fee would be levied on private industry based on the benefit received from the wider channel. Container ships were not projected to be affected by the user fee.

Chairman Campo explained that the standard cost share of a project such as Project 11 was a sixty-five to thirty-five split between the federal government and the local sponsor, respectively. The Port Authority was funding more than its traditional share, but the project was not fully funded on the federal side.

Chairman Campo added that industry supported the user fee reimbursement structure. He explained that the Port Authority initially thought that it would receive cash contributions from industry instead of the proposed fee structure, especially since the fee could not be charged until the project was completed. Other ports in the region were in the process of implementing a similar fee structure and, by the time the Port Authority was ready to implement its fee, there would already be case law.

The premise of the fee structure was that ships benefiting from a wider channel would be subject to the fee, but in the meantime, the Port Authority had to be judicious with its capital.

Commissioner Fitzgerald emphasized that industry had initially committed to giving money, not implementing a user fee. The Port Authority may not ever get its money back should it continue to advance funds.

Commissioner Mease suggested putting Segment 4 on hold.

Mr. Jenkins explained that the \$605,000 requested in this item was for design at the Barbour's Cut Container Terminal, which was critical for the Port Authority. If the rest of the segment was not funded by Congress in the full amount of \$180 million, then the Port

Authority held credits in the amount of \$82 million for needed expenditures. That meant that the Port Commission held the keys to the funding of Segments 4, 5, and 6.

Chairman Campo reminded everyone that the timeline for completion of Segment 4 had been pushed back due to the aforementioned lack of funding by Congress. Mr. Jenkins confirmed and added that the project could be pushed back even further if Congress again did not fund in the winter.

Chairman Campo stressed that the project was already delayed by one year. If industry did not contribute additional funds, and Congress continued to delay its funding, then additional delays would result. Waiting on the user fee to be implemented could ultimately delay the project.

Commissioner DonCarlos noted that he was not opposed to Item H1; he was just pointing out the lack of industry funding to date despite the promise to do so.

Mr. Guenther commented that the Port Authority decided to move forward on its own to fund the bay in order to start Project 11, and the remainder of Project 11 was divided up according to the traditional cost share.

Commissioner DonCarlos asked if there was a contingency plan should a court find the user fee not to be legal.

Mr. Eriksson remarked he was confident in its legality: the user fee would not go beyond the statute. He added that the fee was on schedule to be implemented when the bay reach segments of Project 11 were completed.

Commissioner Mease suggested that the proposed user fee would constitute the portion of the funding that industry had committed to pay, and Mr. Eriksson clarified that it would be industry's vessels that would be subjected to the fee.

Commissioner Fitzgerald stressed that the user fee needed to be fair to everyone supporting the Port Authority and using the channel.

Chairman Campo clarified that the additional \$605,00 was currently needed otherwise the Barbours Cut portion of Project 11 would be delayed. A debate on the proposed user fee was a separate discussion.

Commissioner Mease suggested that since the proposed user fee would apply to all users of the channel, he wanted to know where the funds were that specific industry partners had committed to paying.

Chairman Campo replied that the fee would be passed on to customers. Mr. Jenkins added that the user fee would bring an infusion of capital into the project that did not come from the Port Authority's customer base.

(2023-0523-10) RCA H1 was presented, moved by Commissioner Mease, seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, and Fitzgerald voted Aye. Commissioner Mease voted Nay. RCA H1 PASSED.

(2023-0523-11) RCA H2 was presented, moved by Commissioner Mease, seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA H2 PASSED.

(2023-0523-12) RCA H3 was presented, moved by Commissioner Mease, seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA H3 PASSED.

(2023-0523-13) RCA H4 was presented, moved by Commissioner Mease, seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA H4 PASSED.

(2023-0523-14) Chairman Campo recognized John Moseley, Chief Commercial Officer, to provide a report of selected agenda items.

Mr. Moseley highlighted the spring issue of the Port Authority's *Navigator* magazine, adding that the finishing touches were being put on the 2022 annual report.

New commodities were making their way through the port, including solar panels. The Trade Development department recently helped clear out a large supply of solar panels that had been dwelling at the container facilities. Requests for information received through the Port Authority's Economic Development department also included solar components, and staff was working with economic development partners to bring such projects to the Houston Region.

Mr. Moseley remarked that there were nine items on the Commercial agenda: six being routine real estate matters. Item I6 was a request to extend a lease with the Galveston Bay Foundation for 1.5 acres that was used for an oyster recycling site.

(2023-0523-15) RCA I1 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Mease. Chairman Campo, and Commissioners Cloonan,

Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA I1 PASSED.

(2023-0523-16) RCA I2 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Mease. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA I2 PASSED.

(2023-0523-17) RCA I3 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Mease. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA I3 PASSED.

(2023-0523-18) RCA I4 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Mease. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA I4 PASSED.

(2023-0523-19) RCA I5 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Mease. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA I5 PASSED.

(2023-0523-20) RCA I6 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Mease. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA I6 PASSED.

(2023-0523-21) RCA I7 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Mease. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA I7 PASSED.

(2023-0523-22) RCA I8 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Mease. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA I8 PASSED.

(2023-0523-23) RCA I9 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Mease. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA I9 PASSED.

(2023-0523-24) Chairman Campo recognized Roland Gonzalez, Director, Treasury, to provide a report of selected Finance agenda items.

Mr. Gonzalez highlighted a contract for investment consulting and advisory services. The contract called for both monthly and quarterly performance reporting.

(2023-0523-25) RCA J1 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Mease. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J1 PASSED.

(2023-0523-26) Chairman Campo recognized Trae Camble, Director, Environmental Affairs, to provide a report of selected Infrastructure agenda items.

Mr. Camble reported that his department had engaged with the community recently to support the Port Authority's commitment to net zero emissions. The World Hydrogen North America Conference was held the previous month, with Ms. Aguirre and Mr. Byrnes sitting on various discussion panels.

Mr. Camble noted that there were eight items totaling approximately \$9 million on the agenda. He highlighted Item K4, an amendment to an environmental consulting agreement to support growth and capacity, due to several projects depleting the original funding.

Item K1 pertained to a purchase and delivery of electrical substation equipment for Container Yards 6 and 7 at the Barbours Cut Container Terminal.

Commissioner DonCarlos asked if the electrical equipment purchase factored in the need for additional reefer capacity, and Mr. Guenther answered that the master plan contained additional capacity: the challenge was determining how much to plan for.

(2023-0523-27) RCA K1 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K1 PASSED.

(2023-0523-28) RCA K2 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K2 PASSED.

(2023-0523-29) RCA K3 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners

Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none.
RCA K3 PASSED.

(2023-0523-30) RCA K4 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none.
RCA K4 PASSED.

(2023-0523-31) RCA K5 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none.
RCA K5 PASSED.

(2023-0523-32) RCA K6 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none.
RCA K6 PASSED.

(2023-0523-33) RCA K7 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none.
RCA K7 PASSED.

(2023-0523-34) RCA K8 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none.
RCA K8 PASSED.

(2023-0523-35) Chairman Campo recognized Mike Shaffner, Director, Terminal Technology/Innovation, to provide a report of selected Port Operations agenda items.

Mr. Shaffner reported that container volumes year-to-date were flat; in April specifically, TEUs were down 6%. Additionally, export loads were also down in April. General cargo totals were down year-to-date, but steel was up 1%. It was important to remember that 2022 was a record year and the forecast for 2023 expected a return to more normal volumes.

The railyard at the Barbour Cut Container Terminal was set to resume activity. BNSF had announced a service going to Dallas and a separate service to Denver.

In response to Chairman Campo's query about expected volumes, Mr. Shaffner explained that interest was strong. Jeff Davis, Chief Port Operations Officer, added that a train per week was currently expected.

Mr. Moseley remarked that the service would equate to 30,000 to 50,000 TEUs being shipped via rail, and Mr. Byrnes added that would mean about 30,000 trucks off the road.

Mr. Shaffner continued with the Port Operations report. Safety was a large priority of the Port Authority, and potential injury was inherent to the environment where over 700 employees were working. The Port Authority's lost time incident rate was at its lowest ever – a testament to its culture of safety.

Mr. Shaffner explained that Item L5 was for truck gate operating software. The average inbound transaction was completed in forty seconds and the software was critical to maintaining the efficient times. Item L6 pertained to the annual payment for implementation and maintenance of a marine terminal management software system that the Port Authority used at its terminals.

Commissioner Fitzgerald commented that the Port Authority recently had over 6,000 gate transactions at the Bayport Container Terminal with turn times under 30 minutes – an incredible achievement.

(2023-0523-36) RCA L1 was presented. Commissioner Mease moved for staff's ranking of vendors - first, The Trux Super Store; and second, General Truck Body, seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA L1 PASSED.

(2023-0523-37) RCA L2 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 L2 PASSED.

(2023-0523-38) RCA L3 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 L3 PASSED.

(2023-0523-39) RCA L4 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 L4 PASSED.

(2023-0523-40) RCA L5 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 L5 PASSED.

(2023-0523-41) RCA L6 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 L6 PASSED.

(2023-0523-42) Chairman Campo recognized David McNamara, Assistant General Counsel, to provide a report of selected People agenda items.

(2023-0523-43) Mr. McNamara opened a hearing and reported that during a recent review it was noted that the Port Authority's Defined Contribution Plan had not been recently restated as required by statute. However, the Internal Revenue Service allowed for the correction of that error, and so he requested that the corrected plan be adopted and executed by the Port Authority. He added that the restatement of the plan was not intended to substantively amend it.

There were no comments during the hearing and the hearing was subsequently closed.

(2023-0523-44) RCA M1 was presented, moved by Commissioner Mease, seconded by Commissioner Creuzot. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA M1 PASSED.

(2023-0523-45) Chairman Campo recognized Marcus Woodring, Chief Port Security and Emergency Operations Officer, to provide a report of selected agenda items.

Mr. Woodring recognized the late Sean Coutorie, a Port Authority firefighter who had recently passed away from cancer. The Port Authority was very generous in helping Mr. Coutorie's family during a difficult time. Plans for a memorial were currently in the works.

Mr. Woodring reported that the Port Authority had recently responded to a fire at Shell by sending all three of its fireboats to assist. Also, as part of a department reorganization, the Safety department had been moved from the Finance Division to the Security and Emergency Operations Division, and a new Director of Safety had been hired and would be starting soon.

Agenda Item N1 was for the award of a contract for the purchase of safety footwear for individual safety. Selected employees would be eligible for one pair of boots annually.

(2023-0523-46) RCA N1 was presented, moved by Commissioner Mease, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA N1 PASSED.

(2023-0523-47) Chairman Campo recognized Charles Thompson, Chief Technology Officer, to provide a report of selected agenda items.

Mr. Thompson reported that there was one item on the agenda for the Technology Division: a subscription-based licensing, training, and delivery assurance purchase for the Workday Enterprise Resource Planning (“ERP”) platform. The item incorporated 100% S/MWBE expenditures.

Mr. Thompson explained that the ERP integrated Port Authority core resources and optimized daily work, and this Workday platform was specifically selected to avoid constantly increasing annual subscription fees.

By way of background, in 2018, the Port Authority received notice that its current ERP provider would be terminating its services, and the integration of a new ERP was planned in three phases. Phase one and Phase two were complete. Phase three was currently on the street for bid.

Mr. Heidt added that the ERP implementation was a very complicated project. He thanked everyone who had helped as the transition was anticipated to be very clean.

(2023-0523-48) RCA O1 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 O1 PASSED.

At 10:42 a.m. Chairman Campo asked for a brief recess and at 10:53 a.m. he called for an Executive Session and asked Mr. Eriksson to make the following announcement:

It is now 10:53 a.m. The Port Commission of the Port of Houston Authority of Harris County, Texas will now convene in a closed meeting, as permitted by the Texas Open Meetings Act and Government Code (1) to conduct a private Consultation with Attorneys (*Section 551.071, Texas Open Meetings Act*), including consultations regarding (i) claims of Great Lakes Dredge & Dock Company, LLC, (ii) claims of the Port Authority against TPC Group LLC, (iii) claims of Standard Constructors, Inc., and (iv)

proposed amendment to the agreement for legal services with Baker Botts L.L.P.; deliberate regarding (2) Real Estate (*Section 551.072, Texas Open Meetings Act*), including disposition of Galveston Bay vicinity 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*); 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 11:15 a.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, via WebEx
Cheryl Creuzot, Commissioner
Stephen DonCarlos, Commissioner
Clyde Fitzgerald, Commissioner
Roy Mease, Commissioner
Roger Guenther, Executive Director
Erik Eriksson, Chief Legal Officer
Tom Heidt, Chief Operating Officer
J. Kent Friedman, outside counsel

(2023-0523-49) Commissioner Cloonan moved to authorize the Port Authority to respond to the mediator's proposal regarding Standard Constructors, Inc. on the terms discussed in Executive Session, seconded by Commissioner Creuzot. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. MOTION PASSED.

(2023-0523-50) Commissioner Fitzgerald moved to Authorize the Port Authority to amend the agreement for legal services with Baker Botts L.L.P. on the terms discussed in Executive Session, and to authorize the Chief Legal Officer to do all things necessary to give effect to the foregoing, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. MOTION PASSED.

At 11:16 a.m., Chairman Campo adjourned the Port Commission meeting.

The above is a correct copy of the Minutes of the May 23, 2023 meeting of the Port Commission of the Port of Houston Authority.



Ric Campo, Chairman



Erik A. Eriksson, Secretary

F. EXECUTIVE

Subject **1. Award a two-year professional services contract to Critical Mention, Inc. to provide news media monitoring services in an amount not to exceed \$16,000, and a two-year professional services contract to Business Wire, Inc. to provide press release distribution services in an amount not to exceed \$74,000.**

Meeting May 23, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its May 23, 2023 meeting:
 (a) award a two-year professional services contract to Critical Mention, Inc. to provide news media monitoring services in an amount not to exceed \$16,000, and authorize two one-year extensions;
 (b) award a two-year professional services contract to Business Wire, Inc. to provide press release distribution services in an amount not to exceed \$74,000, and authorize two one-year extensions; and
 (c) further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Awards, Amendments & Change Orders

Department:

Media Relations

Staff Contact:

Lisa Ashley-Daniels

Background:

The Public Relations department uses news releases and media monitoring services as tools to help support the dissemination of news and information concerning the Port Authority and the Houston Ship Channel. The service options and capabilities of news release distribution companies and media monitoring services are continuously evolving; additionally, in some cases there have been mergers and acquisitions among these service providers. Accordingly, a two-year professional services agreement with two one-year renewal options is expected to provide the Port Authority more stable pricing and customer service.

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. Twelve vendors downloaded the project materials from Buyspeed.

Staff Evaluation/Justification:

On May 01, 2023, five RFPs were received and opened. The RFP was divisible so that prospective vendors could bid on either news media monitoring services or press release distribution services, or on both.

Staff evaluated and ranked the proposals in accordance with the selection criteria published in the RFP. Staff identified the following vendors, listed in order of ranking, as providing the best value to the Port Authority:

- News media monitoring services: first – Critical Mention, Inc.; second, Meltwater New US, Inc.; third, Intrado Digital Media, LLC; and fourth, Pressrelations, Inc.
- Press release distribution services: first – Business Wire, Inc.; second, Meltwater New US, Inc.; third, Intrado Digital Media, LLC; and fourth, Pressrelations, Inc.

Following staff Executive Committee review, staff recommends that the Port Commission award a two-year professional services contracts to Critical Mention, Inc. to provide news media monitoring services in an amount not to exceed \$16,000, and authorize two one-year extensions, and award a two-year professional services contract to Business Wire, Inc. to provide press release distribution services in an amount not to exceed \$74,000, and authorize two one-year extensions.

F. EXECUTIVE

Subject	2. Enter into an Interlocal Agreement for delinquent tax collection services with Harris County and other participating entities.
Meeting	May 23, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its May 23, 2023 meeting, authorize the Port of Houston Authority to enter into an Interlocal Agreement effective June 21, 2023 by and among Harris County, the Harris County Flood Control District, the Harris County Hospital District d/b/a Harris Health System, the Port of Houston Authority of Harris County, Texas, and the Harris County Department of Education (collectively, the "Participating Entities"), for tax collection services in connection with delinquent ad valorem taxes due and owing to or becoming due and owing to the Participating Entities on or after June 21, 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:
General

Department:
Executive

Staff Contact:
Erik Eriksson

Background:

Pursuant to Special District Local Laws Code Sec. 5007.007(n), the Tax Assessor-Collector of Harris County acts on behalf of the Port Authority to collect taxes levied and assessed against Harris County property and receive compensation for such services, including tax collection services, as the Port Commission shall agree upon. In accordance with Texas Tax Code § 6.23(a)(1) and various acts of the Texas Legislature, the Harris County Tax Assessor-Collector assesses and collects ad valorem taxes for property located within Harris County, Texas for and on behalf of Harris County, the Harris County Flood Control District, the Harris County Hospital District d/b/a Harris Health System, the Port of Houston Authority of Harris County, Texas, and the Harris County Department of Education; the Harris County Flood Control District, the Harris County Hospital District, the Port of Houston Authority of Harris County, Texas, and the Harris County Department of Education, collectively the "Participating Entities."

Harris County and the Participating Entities are currently contracted with a private attorney for the collection of delinquent ad valorem taxes (the "Linebarger Contract"), which was approved by the Port Commission in its meeting on September 28, 2021. Harris County, on its own behalf and on behalf of the Participating Entities, has provided notice that the Linebarger Contract will terminate on June 20, 2023, and that, effective June 21, 2023, Harris County, through the Office of the Harris County Attorney and/or the Harris County Commissioners Court, will be responsible for collection of the delinquent ad valorem taxes owed to Harris County and the Participating Entities for property located within Harris County.

To eliminate duplication of services and promote governmental efficiency, the Port Authority desires Harris County to represent the Port Authority and other Participating Entities in enforcing collection of the Port Authority's delinquent ad valorem taxes for property located within Harris County. An interlocal agreement for performing this service is authorized by Sections 6.22, 6.23, 6.24 and 6.30 of the Texas Tax Code, and by Chapter 791 of the Texas Government Code. The interlocal agreement also includes a provision for the possibility of a contract with a private attorney to achieve the orderly transfer of operations.

Port Authority staff understands that Harris County would be paid for its tax collection services on behalf of the Port Authority from those collections.

Staff Evaluation/Justification:

Port Authority staff recommends that the Port Commission authorize the Port Authority to enter into such interlocal agreement.

G. BUSINESS EQUITY

Subject **1. Enter into a strategic alliance memorandum between the U.S. Small Business Administration (SBA) Houston District Office and the Port Authority to codify, develop, and foster mutual understanding of the working relationship between the SBA and the Port Authority.**

Meeting May 23, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its May 23, 2023 meeting, authorize the Port Authority to enter into a strategic alliance memorandum between the U.S. Small Business Administration (SBA) Houston District Office and the Port Authority to develop and foster mutual understanding of the working relationship between the SBA and the Port Authority, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect the foregoing.

Category:
General

Department:
Business Equity

Staff Contact:
Maxine Buckles

Background:

The Port Authority is committed to supplier diversity and inclusion and continually seeks ways to work collaboratively to strengthen and expand small business development in the Port Authority's regional area.

The mission of the U.S. Small Business Administration (SBA) is to aid, counsel, assist, and protect the interests of small businesses by providing financial, contractual, and business development assistance and advocating on their behalf within the government. The SBA district offices deliver SBA programs and services to the public.

Each party to the proposed memorandum has separate services and resources which, when delivered in coordination with each other, would provide maximum benefits to the small business communities served at no additional cost to either party.

The strategic alliance memorandum outlines the objectives and deliverables from each party, and documents the long standing partnership between the parties. This strategic alliance memorandum would commence upon signing by both parties and would continue for a two-year term, automatically renewing each year, until either party desires to terminate it with or without cause.

Staff Evaluation/Justification:

The draft strategic alliance memorandum was presented to the Business Equity Committee at its May 2, 2023 meeting. The Business Equity Committee and staff recommends that the Port Commission authorize the strategic alliance memorandum. No additional financial resources are required from the Port Authority in connection with the above agreement.

H. CHANNEL INFRASTRUCTURE

Subject **1. Amend the professional services contract with HDR, Inc. to provide continued engineering, design, project coordination, and other general assistance for the Houston Ship Channel Expansion Channel Improvement Project (Project 11) in an amount not to exceed \$605,000.**

Meeting May 23, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its May 23, 2023 meeting, authorize the Port Authority to amend the professional services contract with HDR, Inc. to provide continued engineering, design, project coordination, and other general assistance for the Houston Ship Channel Expansion Channel Improvement Project (Project 11) in an amount not to exceed \$605,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Awards, Amendments & Change Orders

Department:

Channel Improvement

Staff Contact:

Lori Brownell

Background:

By Minute No. 2019-1111-06, the Port Commission awarded a professional services contract to HDR, Inc. (HDR) to perform Pre-construction Engineering and Design (PED) services for Project 11. HDR serves as the lead designer and Engineer of Record for the HSC ECIP Segment 3 (Barbours Cut) and Segment 4 (Houston Ship Channel, Boggy Bayou to Sims Bayou). Having completed the bulk of the design documents in 2021, HDR is currently in the process of converting the referenced packages from Port-to U.S. Army Corps of Engineers (USACE)-led construction. The USACE is currently scheduled to advertise Segment 3 in June 2023 and award by September 2023, as part of the USACE FY22 Workplan for the Infrastructure Investment and Jobs Act (IIJA).

With USACE FY24 Workplan funding received in the amount of \$10.7 million, the USACE decided in April 2023 to split Segment 4 into three separate packages — (1) East 2 Clinton Placement Area Construction; (2) Beltway 8 Placement Area Construction; and (3) Dredging between Boggy Bayou to Sims Bayou with the intent to advertise East 2 Clinton Placement area construction by Fall 2023. As such, additional work by HDR is required to continue to split the previously developed Segment 4 packages and support the design reviews for Segment 3 and Segment 4 and, as a result of its effort and in-depth knowledge of the upper Turning Basin area surrounding Segment 4, provide support to staff for reviewing the USACE design work on Segment 5 (Sims Bayou to IH 610) and Segment 6 (IH 610 to Turning Basin).

Staff Evaluation/Justification:

In the judgment of Port Authority staff, HDR is the most highly qualified to provide the design and related support services required to complete Segments 3-6. Staff recommends the Port Commission authorize an amendment to the professional services contract with HDR, Inc.

H. CHANNEL INFRASTRUCTURE

Subject **2. Approve the renewal of the following expiring Port Authority licenses for new thirty-year terms: Celanese Chemicals, Inc., Energy Transfer Mont Belvieu NGL Pipelines LLC, Enterprise Houston Ship Channel, L.P., and KM Liquids Terminals LLC.**

Meeting May 23, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its May 23, 2023 meeting, authorize the Port Authority to (i) approve the renewal of the following expiring Port Authority licenses for new thirty-year terms: Celanese Chemicals, Inc., Energy Transfer Mont Belvieu NGL Pipelines LLC, Enterprise Houston Ship Channel, L.P., and KM Liquids Terminals LLC, and (ii) further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Operations

Staff Contact:

Garry McMahan

Background:

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

30 Year Term

Company	File No.	License Fee*
Celanese Chemicals, Inc.	2016-0175	\$5,727
Celanese Chemicals, Inc.	2016-0176	\$4,772
Celanese Chemicals, Inc.	2016-0177	\$1,902
Celanese Chemicals, Inc.	2016-0178	\$4,772
Energy Transfer Mont Belvieu NGL Pipelines LLC	2014-0013	\$11,928
Enterprise Houston Ship Channel, L.P.	2012-0419	\$6,293
KM Liquids Terminals LLC	2013-0306	\$42,141
Total		\$77,535

*License fee is calculated for the first 10 years of the agreement for the 30-year term licenses.

Staff Evaluation/Justification:

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

Staff recommends approval.

H. CHANNEL INFRASTRUCTURE

Subject	3. Issue a marine construction permit to Watco Dock and Rail, LLC for the expansion of existing Dock 5, including upland excavation, and dredging.
Meeting	May 23, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its May 23, 2023 meeting, authorize the Port Authority to issue a marine construction permit to Watco Dock and Rail, LLC for the expansion of existing Dock 5, including upland excavation, and dredging, 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:

Watco Dock and Rail, LLC (Watco), Port Authority File No. 2023-0136, has applied for a marine construction permit for the expansion of an existing dock, including upland excavation, and dredging located in the William P Harris and Robert Wilson Survey, A-31, and the William Vince Survey, A-79. Watco plans to extend the existing Dock 5 by 360 feet and remove an area of the land protruding into the waterway. The new dock area is to be dredged to -40.0 feet Mean Lower Low Water + 2.0 feet for maintenance.

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 \$1,000 application fee and \$10,000 as-built deposit fee have been paid.

Staff recommends approval.

H. CHANNEL INFRASTRUCTURE

Subject	4. Amend a pipeline license with HSC Pipeline Partnership, LLC for one 8-inch ethylene pipeline, adding an additional crossing of the Southside Mainline railroad right-of-way.
Meeting	May 23, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its May 23, 2023 meeting, authorize the Port Authority to amend a pipeline license with HSC Pipeline Partnership, LLC for one 8-inch ethylene pipeline, adding an additional crossing of the Southside Mainline railroad right-of-way, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Operations

Staff Contact:

Garry McMahan

Background:

HSC Pipeline Partnership, LLC, Port Authority File No. 2022-0278, has applied to amend a pipeline license to add an additional crossing for one 8-inch ethylene pipeline crossing of the Southside Mainline railroad right-of-way in several locations (five crossings total) in the Enoch Brinson Survey, A-5, Arthur McCormick Survey, A-46, and the GM Patrick Survey, A-624. The original project was approved by Minute No. 2022-1206-31, which approved four crossings.

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, for a 30-year term, and at an additional fee of \$13,737 for the first ten years of the 30-year term. The \$1,000 application fee has been paid. The as-built deposit was paid at the submission of the original project.

Staff recommends approval.

I. COMMERCIAL

Subject	1. Approve staff's ranking of vendors and award two contracts, each for a two-year term and each in an amount of \$60,000 annually with a one-year mutual extension option, in an amount of \$60,000, for photography and videography services to the two top-ranked proposers: staff ranking - first, Twice Media Productions; and second, CK Productions.
Meeting	May 23, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its May 23, 2023 meeting: a) approve staff's ranking of vendors, based on the selection criteria, in the following order - first, Twice Media Productions; and second, CK Productions; b) award a two-year service contract to each of the two top-ranked proposers for photography and videography services each in an amount not to exceed \$60,000 annually with the option to renew for an additional year in an amount of \$60,000 for each proposer; and c) further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #3 - PARTNERSHIPS (Develop and Strengthen External Partnerships) Strategic Objective 3c. - Engage in proactive two-way communication STRATEGIC GOAL #4 - STEWARDSHIP (Create Greater Value for the Region)

Category:

Awards, Amendments & Change Orders

Department:

Commercial

Staff Contact:

Christine Abbruscato

Background:

The Port Authority is the advocate and a strategic leader for the Houston Ship Channel, the busiest waterway in the nation. The Port Authority utilizes photography and videography to promote jobs, commerce, trade activity, community engagement, employee engagement, and environmental sustainability and support growth that impacts our local and regional economy.

Photography and videography are crucial to the Port Authority's marketing efforts and is used, for example, in advertising, social media, the Port Authority's website, and multiple publications. Video allows the Port Authority stakeholders to hear from the port's leadership on new developments, achievements and operations updates and also to keep updated in a visually dynamic and impactful way.

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. Eight vendors downloaded the project materials from BuySpeed.

Staff Evaluation/Justification:

On April 12, 2023, six RFPs responses were received and opened. The responses were reviewed and evaluated by staff in accordance with the selection criteria published in the RFP. Staff identified the following vendors, listed in order of ranking, as most qualified to provide the required services:

- Twice Media Productions
- CK Productions

Following staff Executive Committee review, staff recommends that the Port Commission award two contracts, one to Twice Media Productions and one to CK Productions, and act as otherwise described above.

I. COMMERCIAL

Subject	2. Award a service contract for two years with an option to renew for an additional year, to STS Brand, LLC for the promotional items ordering program in an amount not to exceed \$160,000 annually.
Meeting	May 23, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its May 23, 2023 meeting, award a service contract for two years with an option to renew for an additional year, to STS Brand, LLC for the promotional items ordering program in an amount not to exceed \$160,000 annually, and further authorize the Executive Director to do any and all things in his opinion reasonable for necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #3 - PARTNERSHIPS (Develop and Strengthen External Partnerships) STRATEGIC GOAL #4 - STEWARDSHIP (Create Greater Value for the Region) Strategic Objective 4c. - Support development of a robust Regional maritime workforce Strategic Objective 4d. - Support sustainable growth of Port Houston and the greater Port

Category:

Awards, Amendments & Change Orders

Department:

Commercial

Staff Contact:

Christine Abbruscato

Background:

Promotional items are utilized by departments across the organization to promote the Port Authority at outreach activities and events focused on community, maritime education, environmental awareness, internal engagement, recruiting, safety and security, customer engagement, government relations, and business development.

The promotional items ordering program supports ongoing use of promotional items while ensuring proper use of the Port Houston logo and branding for these purchases. The promotional items ordering program allows teams purchasing items to receive bulk order discount opportunities and access to a dedicated online store to enable purchase of branded apparel that meets branding guidelines to avoid incorrect use of the logo.

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. Fifteen vendors downloaded the project materials from BuySpeed.

Staff Evaluation/Justification:

On April 12, 2023, four RFP responses were received and opened. The responses were reviewed and evaluated by staff in accordance with the selection criteria published in the RFP.

Following staff Executive Committee review, staff recommends that the Port Commission award a contract to STS Brand, LLC for the promotional items ordering program and act as otherwise described above.

I. COMMERCIAL

Subject	3. Approve a lease for a three-year term with AllTrans Port Services LLC for approximately 1.89 acres out of Block 23B at Industrial Park East, effective no earlier than June 1, 2023, at an annual base rent of approximately \$79,221, subject to annual base rent escalation of the greater of 3% or the increase in the Consumer Price Index.
Meeting	May 23, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its May 23, 2023 meeting, approve a lease for a three-year term with AllTrans Port Services LLC for approximately 1.89 acres out of Block 23B at Industrial Park East, effective no earlier than June 1, 2023, at an annual base rent of approximately \$79,221, subject to annual base rent escalation of the greater of 3% or the increase in the Consumer Price Index, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	<p>STRATEGIC GOAL #3 - PARTNERSHIPS (Develop and Strengthen External Partnerships) Strategic Objective 3a. - Cultivate key relationships to accomplish common goals STRATEGIC GOAL #4 - STEWARDSHIP (Create Greater Value for the Region) Strategic Objective 4d. - Support sustainable growth of Port Houston and the greater Port</p>

Category:
Leases

Department:
Real Estate

Staff Contact:
John A. Moseley/Ben Licata

Background:
AllTrans Port Services LLC (AllTrans) has requested that the Port Authority lease approximately 1.89 acres out of its Block 23B at Industrial Park East for a three-year term. AllTrans is new to this property and plans to lease the property for the storing and handling of steel and steel cargo.

Staff Evaluation/Justification:
Staff recommends the Port Commission approve the proposed lease with AllTrans under the terms described above.

I. COMMERCIAL

Subject **4. Approve a lease for a two-year term with Cooper/Ports America, LLC for approximately 3.04 acres out of Block 23 at Industrial Park East, effective no earlier than June 1, 2023, at an annual base rent of approximately \$102,144, subject to annual base rent escalation of the greater of 3% or the increase in the Consumer Price Index.**

Meeting May 23, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its May 23, 2023 meeting, approve a lease for a two-year term with Cooper/Ports America, LLC for approximately 3.04 acres out of Block 23 at Industrial Park East, effective no earlier than June 1, 2023, at an annual base rent of approximately \$102,144, subject to annual base rent escalation of the greater of 3% or the increase in the Consumer Price Index, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

Category:
Leases

Department:
Real Estate

Staff Contact:
John Moseley / Ben Licata

Background:
Cooper/Ports America, LLC (CPA) has requested that the Port Authority lease approximately 3.04 acres out of its Block 23 at Industrial Park East for a two-year term. CPA plans to lease the property for the storing and handling of steel and general cargo.

Staff Evaluation/Justification:
Staff recommends the Port Commission approve the proposed lease with CPA under the terms described above.

I. COMMERCIAL

Subject **5. Approve a lease for a two-year term with Enstructure Richardson I LLC for approximately 1.33 acres out of Block 27D at Industrial Park East, effective no earlier than June 1, 2023, at an annual base rent of approximately \$55,748, subject to annual base rent escalation of the greater of 3% or the increase in the Consumer Price Index.**

Meeting May 23, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its May 23, 2023 meeting, approve a lease for a two-year term with Enstructure Richardson I LLC for approximately 1.33 acres out of Block 27D at Industrial Park East, effective no earlier than June 1, 2023, at an annual base rent of approximately \$55,748, subject to annual base rent escalation of the greater of 3% or the increase in the Consumer Price Index, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

Category:
Leases

Department:
Real Estate

Staff Contact:
John Moseley / Ben Licata

Background:
Enstructure Richardson I LLC (Enstructure Richardson) has requested that the Port Authority lease approximately 1.33 acres out of its Block 27D at Industrial Park East for a two-year term. Enstructure Richardson plans to lease the property for the storing and handling of steel and steel cargo.

Staff Evaluation/Justification:
Staff recommends the Port Commission approve the proposed lease with Enstructure Richardson under the terms described above.

I. COMMERCIAL

Subject	6. Approve an amendment to the lease with Galveston Bay Foundation for an approximate 1.5-acre oyster recycling site and 0.33-acre non-exclusive access road area out of the Memorial Tract, to extend the term for five years, effective no earlier than July 1, 2023, at an annual rent of \$10.
Meeting	May 23, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its May 23, 2023 meeting, approve an amendment to the lease with Galveston Bay Foundation for an approximate 1.5-acre oyster recycling site and 0.33-acre non-exclusive access road area out of the Memorial Tract, to extend the term for five years, effective no earlier than July 1, 2023, at an annual rent of \$10, 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) Strategic Objective 3a. - Cultivate key relationships to accomplish common goals STRATEGIC GOAL #4 - STEWARDSHIP (Create Greater Value for the Region) Strategic Objective 4d. - Support sustainable growth of Port Houston and the greater Port</p>

Category:
Leases

Department:
Real Estate

Staff Contact:
John A. Moseley/Diana Sechler

Background:
By Minute No. 2018-0517-05, the Port Commission approved a five-year lease agreement with Galveston Bay Foundation for an approximate 1.5-acre oyster shell recycling site and 0.33 acre non-exclusive access road area out of the Memorial Tract. The property is used for storage of reclaimed oyster shells from restaurants and used for Galveston Bay Foundation's oyster shell recycling program. The current lease is set to expire June 30, 2023.

Galveston Bay Foundation has requested that the Port Authority extend the lease term for an additional five years and intends to continue to use the property for the purpose described above.

Staff Evaluation/Justification:
Staff recommends the Port Commission approve the proposed lease amendment under the terms described above.

I. COMMERCIAL

Subject	7. Approve an amendment to the lease with Empire Stevedoring (Houston) Inc. for approximately 0.74 acres out of Block 1 at Southside Wharves, to extend the term for one year, effective no earlier than June 1, 2023, at an annual base rent of approximately \$35,573.
Meeting	May 23, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its May 23, 2023 meeting, approve an amendment to the lease with Empire Stevedoring (Houston) Inc. for approximately 0.74 acres out of Block 1 at Southside Wharves, to extend the term for one year, effective no earlier than June 1, 2023, at an annual base rent of approximately \$35,573, 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) Strategic Objective 3a. - Cultivate key relationships to accomplish common goals STRATEGIC GOAL #4 - STEWARDSHIP (Create Greater Value for the Region) Strategic Objective 4d. - Support sustainable growth of Port Houston and the greater Port</p>

Category:
Leases

Department:
Real Estate

Staff Contact:
John Moseley/Ben Licata

Background:
By Minute No. 2021-0323-33, the Port Commission approved a one-year lease with Empire Stevedoring (Houston) Inc. (Empire) for approximately 0.74 acres out of Block 1 at Southside Wharves in Harris County. The property is used for the storing and handling of steel products and general cargo.

By Minute No. 2022-0426-10, the Port Commission approved an amendment to the lease with Empire to extend the term for one year.

Empire has requested that the Port Authority extend the lease term for an additional one year and intends to continue to use the property for the purpose described above.

Staff Evaluation/Justification:
Staff recommends the Port Commission approve the proposed lease amendment under the terms described above.

I. COMMERCIAL

Subject **8. Approve an amendment to the lease with Empire Stevedoring (Houston) Inc. for approximately 2.75 acres out of Block 11 at Turning Basin (West), to extend the term for one year, effective no earlier than June 1, 2023, at an annual base rent of approximately \$68,067.**

Meeting May 23, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its May 23, 2023 meeting, approve an amendment to the lease with Empire Stevedoring (Houston) Inc. for approximately 2.75 acres out of Block 11 at Turning Basin (West), to extend the term for one year, effective no earlier than June 1, 2023, at an annual base rent of approximately \$68,067, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

Category:
Leases

Department:
Real Estate

Staff Contact:
John Moseley/Ben Licata

Background:
By Minute No. 2021-0323-33, the Port Commission approved a one-year lease with Empire Stevedoring (Houston) Inc. (Empire) for approximately 2.75 acres out of Block 11 at Turning Basin (West). The property is used for the storing and handling of steel products and general cargo.

By Minute No. 2022-0426-09, the Port Commission approved an amendment to the lease with Empire to extend the term for one year.

Empire has requested that the Port Authority extend the lease term for an additional one year and intends to continue to use the property for the purpose described above.

Staff Evaluation/Justification:
Staff recommends the Port Commission approve the proposed lease amendment under the terms described above.

I. COMMERCIAL

Subject	9. Approve the change of control of Dixie Cullen Interests Inc., a tenant under three Port Authority leases, resulting from the acquisition of a majority of its equity interests by affiliates of Briarwood Partners, LLC.
Meeting	May 23, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its May 23, 2023 meeting, approve the change of control of Dixie Cullen Interests Inc., a tenant under three Port Authority leases, resulting from the acquisition of a majority of its equity interests by affiliates of Briarwood Partners, LLC, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:
Leases

Department:
Real Estate

Staff Contact:
John A. Moseley/Jim Vo

Background:
The Port Authority has three leases with Dixie Cullen Interests Inc. (Dixie Cullen) as further described below.

By Minute No. 2018-1218-11, the Port Commission approved a 25-year lease with two additional 5-year lease extension options for approximately 10.402 acres of land at Turning Basin North.

By Minute No. 2019-0423-14, the Port Commission approved a lease for 24 years and 6 months with two additional 5-year lease extension options for approximately 2.350 acres of land at Turning Basin North.

By Minute No. 2020-0520-11, the Port Commission approved a lease for 23 years and 6 months with two additional 5-year extension options for approximately 2.494 acres at Turning Basin North.

Dixie Cullen proposes to enter into a transaction whereby, among other things, DCI Holdings, LLC, a Texas limited liability company and an affiliate of Briarwood Partners, LLC (DCI Holdings), would acquire the equity interests of Dixie Cullen, resulting in a change of control of control transaction. Another affiliate of Briarwood Partners, LLC (Briarwood Partners) would own a majority of the equity interests of DCI Holdings, and that affiliate would be managed by Briarwood Partners. Dixie Cullen has requested the Port Authority to provide its consent to this change of control transaction pursuant to the terms of the leases.

Staff Evaluation/Justification:
Staff has reviewed information provided by Dixie Cullen and Briarwood Partners relating to the change of control, available financial data, and publicly available information relating to Dixie Cullen and Briarwood Partners.

Dixie Cullen has confirmed that its management and operations would remain the same. Additionally, Dixie Cullen has confirmed it would remain the tenant under the leases and would remain subject to the terms and its obligations currently in effect under the leases.

Accordingly, staff recommends the Port Commission approve this change of control request.

J. FINANCE

Subject **1. Award a two-year contract with 2 two-year extensions to Meeder Public Funds, Inc. for investment consulting and advisory services for the Port Authority's operating and bond funds cash and investments, effective July 1, 2023 in an amount not to exceed \$125,000, per year, for the first two year term.**

Meeting May 23, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its May 23, 2023 meeting, award a two-year contract with 2 two-year extensions to Meeder Public Funds, Inc. for investment consulting and advisory services for the Port Authority's operating and bond funds cash and investments, effective July 1, 2023 in an amount not to exceed \$125,000, per year, for the two year term, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

Category:

Awards, Amendments & Change Orders

Department:

Treasury

Staff Contact:

Roland Gonzalez

Background:

The Port Authority's current investment advisor is Hilltop Securities Asset Management, LLC.

The Port Authority notified vendors regarding its request for proposals (RFP) on February 1, 2023 using the Port Authority's BuySpeed Eprocurement System and the project was advertised on the Port Authority's website and in a local newspaper. Eighteen vendors downloaded the project materials from BuySpeed.

The significant items included in the RFP-2599 scope of services are non-discretionary investment consulting, annual investment policy review and updates in accordance with Texas Public Funds Act, monthly and quarterly investment performance reporting, periodic market updates, investment credit rating tracking, investment policy compliance monitoring, and monthly listing of approved commercial paper investments.

Staff Evaluation/Justification:

Staff held a pre-proposal meeting on February 13, 2023. Seven individuals representing five firms attended the meeting. The Port Authority received proposals from three firms by the deadline of March 22, 2023.

Staff identified the following vendors, listed in order of ranking, as most qualified to provide the best value to the Port Authority:

- Meeder Public Funds, Inc.
- Hilltop Securities Asset Management, LLC
- Chandler Asset Management, Inc.

Following staff Executive Committee review, staff recommends that the Port Commission award an Investment Consulting and Advisory Agreement to Meeder Public Funds, and act as otherwise described above.

K. INFRASTRUCTURE

Subject	1. Award a contract to McDonald Municipal and Industrial for the purchase and delivery of electrical substation equipment for Container Yards 6 and 7 at Barbours Cut Terminal in an amount not to exceed \$2,743,000.
Meeting	May 23, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its May 23, 2023 meeting, award a contract to McDonald Municipal and Industrial for the purchase and delivery of electrical substation equipment for Container Yards 6 and 7 at Barbours Cut Terminal in an amount not to exceed \$2,743,000, 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:

The project consists of the purchase, fabrication, and delivery of electrical equipment for Container Yards 6 and 7 at Barbours Cut Terminal.

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. Eleven vendors downloaded the project materials from BuySpeed.

Staff Evaluation/Justification:

On April 26, 2023, one response was received, opened, and reviewed and evaluated by staff in accordance with the published selection criteria.

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

K. INFRASTRUCTURE

Subject	2. Award a construction contract to Custer Fence, LLC for container yard perimeter security fence repair and installation at Barbours Cut Terminal west end in an amount not to exceed \$280,294.
Meeting	May 23, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its May 23, 2023 meeting, award a construction contract to Custer Fence, LLC for container yard perimeter security fence repair and installation at Barbours Cut Terminal west end, in an amount not to exceed \$280,294, 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:

The Port Authority is seeking to award a construction contract for container yard perimeter security fence repair and installation at Barbours Cut Terminal west end. This purpose of this project is to expand the secured perimeter of Barbours Cut Terminal to include the new interim container yard on the west end.

The contract would include the following:

- Installation of approximately 6,800 LF of fence;
- Installation of eight swing gates of various lengths; and
- Removal of one existing dual swing gate.

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. Thirteen vendors downloaded the project materials from BuySpeed.

Staff Evaluation/Justification:

On May 3rd, 2023, five CSBs were received, opened, and publicly read. The response was reviewed and evaluated by staff in accordance with the published selection criteria.

Following staff Executive Committee review, staff recommends that the Port Commission award a contract to Custer Fence, LLC, the responsible bidder submitting the lowest and best bid, for container yard perimeter security fence repair and installation at Barbours Cut Terminal west end.

K. INFRASTRUCTURE

Subject **3. Amend a professional services contract with AECOM Technical Services, Inc. to perform additional work associated with the rehabilitation of Wharves 20 and 21 at Turning Basin Terminal in an amount not to exceed \$49,045.**

Meeting May 23, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its May 23, 2023 meeting, approve an amendment to the professional services contract with AECOM Technical Services, Inc. to perform additional work associated with the rehabilitation of Wharves 20 and 21 at Turning Basin Terminal in an amount not to exceed \$49,045, 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. 2020-0623-16, the Port Commission awarded a professional services contract to AECOM Technical Services, Inc. for the rehabilitation of Wharves 20 and 21 at Turning Basin Terminal.

This proposed amendment would consist of the following:

- Additional underwater investigation of Wharves 20 and 21 bulkhead vital to the design of the repair

Staff Evaluation/Justification:

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

K. INFRASTRUCTURE

Subject	4. Amend the environmental consulting agreement with Terra Nova Consulting Inc. for general environmental consulting services in an amount not to exceed \$250,000.
Meeting	May 23, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its May 23, 2023 meeting, amend the environmental consulting agreement with Terra Nova Consulting Inc. for general environmental consulting services in an amount not to exceed \$250,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	Strategic Objective 4a. - Implement an innovative environmental leadership strategy

Category:

Awards, Amendments & Change Orders

Department:

Environmental Affairs

Staff Contact:

Trae Camble

Background:

In October 2022, the Port Authority entered into an agreement with Terra Nova Consulting, Inc. to assist the Port Authority's Environmental Affairs department staff with general environmental consulting services, which includes conducting field studies and inspections, assisting with regulatory review and permitting, conducting environmental site assessments, assisting with asbestos and mold consulting, and assisting with other activities related to the environmental management system as directed by staff. The original contract amount was for \$250,000.

Since October 2022, the Port Authority has had several projects related to land acquisitions, permitting, and environmental site assessments which have quickly depleted the original funding. The original contract was two years and is set to expire in 2024. Based on the continuous need for environmental consulting, the Port Authority would like to add funding so that all necessary services can continue.

Staff Evaluation/Justification:

The Environmental Affairs department has determined that the services of Terra Nova have been beneficial to the Port Authority and continue to be needed to assist staff with providing environmental consulting. Staff recommends the Port Commission approve amending the contract in an amount not to exceed \$250,000 for a total contract amount of \$500,000.

K. INFRASTRUCTURE

Subject	5. Approve a change order with McCarthy Building Companies, Inc. to perform additional work associated with the construction of Wharf 6 at Bayport Container Terminal in an amount not to exceed \$191,624.
Meeting	May 23, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its May 23, 2023 meeting, approve a change order with McCarthy Building Companies, Inc. to perform additional work associated with the construction of Wharf 6 at Bayport Container Terminal in an amount not to exceed \$191,624, 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 Order

Department:

Project and Construction Management

Staff Contact:

Roger H. Hoh, P.E.

Background:

By Minute No. 2021-0223-16, the Port Commission awarded a construction contract to McCarthy Building Companies, Inc. for the construction of Wharf 6 at Bayport Container Terminal.

This change order addresses the following items:

- Off-site demobilization of marine equipment to accommodate P11 dredging sequence

This is the eighth change order to this contract, for a total change order value to date of \$6,428,836, which is 7.5% of the total contract value.

Staff Evaluation/Justification:

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

K. INFRASTRUCTURE

Subject	6. Approve a change order with McCarthy Building Companies, Inc. to perform additional work associated with the rehabilitation and repair of Wharf 8 at Turning Basin Terminal in an amount not to exceed \$165,190.
Meeting	May 23, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its May 23, 2023 meeting, approve a change order with McCarthy Building Companies, Inc. to perform additional work associated with rehabilitation and repair of Wharf 8 at Turning Basin Terminal in an amount not to exceed \$165,190, 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. 2022-0628-21, the Port Commission awarded a contract to McCarthy Building Companies, Inc. for the rehabilitation and repair of Wharf 8 at Turning Basin Terminal.

This proposed change order addresses solutions for:

- Repair newly discovered sheet pile wall repairs;
- Increase materials quantities to install safety net; and
- Increase quantities for five pile repairs.

This is the third change order to this contract, for a total change order value to date of \$10,906,865, which is 8.2% of the total contract value.

Staff Evaluation/Justification:

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

K. INFRASTRUCTURE

Subject	7. Approve a change order with R&T Ellis Excavating, Inc. to perform additional work associated with land development of 35-acres south of Port Road at Bayport Container Terminal in an amount not to exceed \$5,253,512.
Meeting	May 23, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its May 23, 2023 meeting, approve a change order with R&T Ellis Excavating, Inc to perform additional work associated with land development of 35-acres south of Port Road at Bayport Container Terminal in an amount not to exceed \$5,253,512, 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. 2022-1206-21, the Port Commission awarded a construction contract to R&T Ellis Excavating, Inc. for land development of 35-acres south of Port Road at Bayport Container Terminal.

This proposed change order addresses:

- Removal and replacement of soft soils within the project limits and an additional area of approximately 21-acres for future development of the Bayport Terminal Complex

This is the first change order to this contract, for a total change order value to date of \$5,253,512, which is 72.9% of the total contract value.

Staff Evaluation/Justification:

Port Authority staff has reviewed the proposal submitted by R&T Ellis Excavating, Inc. and found it to be fair and reasonable, and recommends that the Port Commission authorize this change order.

K. INFRASTRUCTURE

Subject	8. Approve a change order with Rigid Constructors, LLC to perform additional work associated with the 12-acre interim container storage facility expansion at the west end of Barbours Cut Terminal in an amount not to exceed \$144,426.
Meeting	May 23, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its May 23, 2023 meeting, approve a change order with Rigid Constructors, LLC to perform additional work associated with the 12-acre interim container storage facility expansion at the west end of Barbours Cut Terminal in an amount not to exceed \$144,426, 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:

As part of the redevelopment of the west end of Barbours Cut Terminal, by Minute No. 2022-1027-21, the Port Commission awarded a contract to Rigid Constructors, LLC for construction of the 12-acre interim container storage facility expansion,

This proposed change order addresses solutions for:

- Downtime compensation requested by the contractor for a saturated clay issue onsite that prevented the stabilization of the subgrade.
 - Compensation includes standby labor and rental equipment costs

This is the third change order to this contract, for a total change order value to date of \$1,615,546, which is 22.5% of the total contract value.

Staff Evaluation/Justification:

Port Authority staff has reviewed the proposal submitted by Rigid Constructors, LLC and found it to be fair and reasonable, and recommends that the Port Commission authorize this change order.

L. OPERATIONS

Subject	1. Approve staff's ranking of vendors and award a contract in an amount not to exceed \$130,000 for the purchase and installation of truck service beds for Bayport Container Terminal to the top-ranked proposer: staff ranking – first, The Trux Super Store; and second, General Truck Body.
Meeting	May 23, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its May 23, 2023 meeting: (a) approve staff's ranking of the most qualified vendors, based on the selection criteria, in the following order - first, The Trux Super Store; and second, General Truck Body; (b) award a contract to the top-ranked proposer for the purchase and installation of truck service beds for Bayport Container Terminal in an amount not to exceed \$130,000; (c) grant authority, if a contract cannot be negotiated with the first-ranked vendor, to formally, and in writing, end negotiations with that vendor and proceed to the next vendor in the order of ranking until a contract is reached or all proposals are rejected; and (d) further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #2 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)

Category:

Awards, Amendments & Change Orders

Department:

Maintenance

Staff Contact:

Paulo Soares

Background:

The Port Authority currently owns several heavy duty trucks in operation at its Bayport Container Terminal. These units are used daily in the maintenance and repair of container cranes and terminal equipment. Eight of these trucks need service beds for tools and equipment needed by maintenance personnel. Having trucks equipped with services beds would contribute to faster repairs and troubleshooting.

The Port Authority notified vendors regarding its request for competitive sealed proposals (CSP) for the purchase of truck service beds for Bayport Container Terminal using the Port Authority's BuySpeed Eprocurement System and the project was advertised on the Port Authority's website and in a local newspaper. Six vendors downloaded the project materials from BuySpeed.

Staff Evaluation/Justification:

On April 19, 2023, two CSP responses were received and opened. The responses were reviewed and evaluated by staff in accordance with the selection criteria published in the CSP. Staff identified the following vendors, listed in ranking order, as most qualified to provide the required service:

- The Trux Super Store
- General Truck Body

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

L. OPERATIONS

Subject **2. Award a two-year contract to Monument Chevrolet for the purchase of General Motors parts and related services for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal, using Omnia Partners (formally Sourcewell), a cooperative purchase program contract, in an amount not to exceed \$800,000.**

Meeting May 23, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its May 23, 2023 meeting, award a two-year contract to Monument Chevrolet for the purchase of General Motors parts and related services for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal, using Omnia Partners (formally Sourcewell), a cooperative purchase program contract, in an amount not to exceed \$800,000, 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:

Award, Amendments & Change Orders

Department:

Maintenance

Staff Contact:

Paulo Soares

Background:

By Minute No. 2022-0524-34, the Port Commission awarded a two-year contract to Monument Chevrolet for the purchase of General Motors parts and related services for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal in an amount not to exceed \$300,000. Funds have been depleted. Over 90% of the Port Authority's current fleet of vehicles was manufactured by General Motors (GM).

Monument Chevrolet is currently the only GM dealership located near the Port Authority's maintenance shops, and has partnered with GM to offer a Government Fleet Program through the Omnia Partners cooperative purchase program. This allows for seamless warranties, discounted parts, and other related services. In addition, this cooperative allows the Port Authority to enter the GM Government Fleet Services Program, which gives the Port Authority shops access to proprietary software, tools, and knowledge centers that are only available to GM shops. Furthermore, Port Authority shops gain access to instructor-led courses for electric vehicles, and Continued Education Units for Port Authority mechanics by certified GM Technicians.

Staff Evaluation/Justification:

The Director of Procurement Services has determined that procuring the two-year purchase agreement for GM parts and related services through an Omnia Partners contract is the method that both satisfies competitive purchase requirements and provides the best value to the Port Authority.

The Maintenance department has determined that the best availability, price and contract term for the items needed is provided by Monument Chevrolet 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 the best value determination and contract.

L. OPERATIONS

Subject **3. Award a two-year contract to Carrier Enterprise, LLC for the purchase of spare and replacement parts for Carrier heating, ventilation, and air conditioning units at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal, using the Local Government Purchasing Cooperative's BuyBoard Program, in an amount not to exceed \$200,000.**

Meeting May 23, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its May 23, 2023 meeting, issue a purchase order to Carrier Enterprise, LLC for the purchase of spare and replacement parts for Carrier heating, ventilation, and air conditioning units at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal, using the Local Government Purchasing Cooperative's BuyBoard Program, in an amount not to exceed \$200,000, determine that this procurement method provides the best value to the Port Authority, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

Category:

Award, Amendments & Change Orders

Department:

Maintenance

Staff Contact:

Paulo Soares

Background:

By Minute No. 2018-0626-30, the Port Commission awarded a two-year contract to Carrier Enterprise, LLC in the amount of \$150,000 for the purchase of spare and replacement parts for Carrier heating, ventilation, and air conditioning (HVAC) units at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal. Funds have been depleted.

The Port Authority currently owns and maintains a total of thirty-five Carrier HVAC units operating at its terminals. These units require a large number of spare and replacement parts, including but not limited to, commercial air conditioner units, compressors, tubing, control boards, and motors for preventative maintenance and repairs, to ensure continuous HVAC operations at Port Authority facilities.

The Local Government Purchasing Cooperative is an administrative agency of cooperating local governments and its BuyBoard purchasing program may be used for this purchase.

Staff Evaluation/Justification:

The Central Maintenance department has determined that the best availability, price and contract term for the items needed are provided by Carrier Enterprise, LLC under the pricing schedule obtained from that vendor's contract with the Local Government Purchasing Cooperative's BuyBoard Program, and the Director of Procurement Services has also determined that the use of this cooperative purchase program provides best value to the Port Authority for this purchase.

Staff recommends that the Port Commission approve this best value determination and the two-year contract with Carrier Enterprise, LLC for the purchase of spare and replacement parts for Carrier HVAC units at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal.

L. OPERATIONS

Subject	4. Amend the contract previously awarded to Dan R. Dalton, Inc. for structural repairs to wharf crane No. 308 at Barbours Cut Terminal in an amount not to exceed \$50,000, for a revised contract amount not to exceed \$100,000.
Meeting	May 23, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its May 23, 2023 meeting, amend the contract previously awarded to Dan R. Dalton, Inc. for structural repairs to wharf crane No. 308 at Barbours Cut Terminal in an amount not to exceed \$50,000, for a revised contract 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:

By Minute No. 2022-0321-29, the Port Commission awarded a contract to Konecranes Inc. in the amount of \$2,260,000 for the replacement of festoon systems on three wharves at Barbours Cut Terminal and Bayport Container Terminal. On February 10, 2023, wharf crane No. 308 at Barbours Cut Terminal sustained damage to its festoon system and crane structure due to fire. The replacement of the festoon system on wharf crane No. 308 is nearly completed.

An engineering company was also hired to conduct an assessment of its structural damage and provide a repair recommendation, which includes flame straightening of existing longitudinal stiffeners and reinforcement of bottom flange.

An informal purchase order no. 210230 in the amount of \$50,000 was issued to Dan R. Dalton, Inc. on May 4, 2023. Dan R. Dalton Inc. is well known in the structural repairs industry. The firm specializes-in steel flame straightening repairs and has been hired by the Port Authority on numerous occasions to repair crane structures.

Repair work began on May 8, 2023. Additional repairs were required to ensure bottom flange was sufficiently straightened to safely return this crane to container operators.

Staff Evaluation/Justification:

Staff recommends the Port Commission approve the above on the terms described, for additional structural repairs to wharf crane No. 308 at Barbours Cut Terminal.

L. OPERATIONS

Subject	5. Authorize payment to Smart Tecs LLC for annual maintenance services for the Marine Terminal Gate Operating Software System for Barbours Cut Terminal and Bayport Container Terminal in an amount not to exceed \$413,106.
Meeting	May 23, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its May 23, 2023 meeting, authorize payment to Smart Tecs LLC for annual maintenance services for the Marine Terminal Gate Operating Software System for Barbours Cut Terminal and Bayport Container Terminal pursuant to the contract between Smart Tecs LLC and the Port Authority, for a one-year term beginning July 1, 2023 in an amount not to exceed \$413,106, 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. 2016-1025-26, the Port Commission authorized a contract (Contract) award to Smart Tecs LLC to provide for the implementation and maintenance of Marine Terminal Gate Operating Software (Software) for use at Port Authority terminals. The Software is currently used by the Operations department to interchange trucks and containers at Bayport Container Terminal and Barbours Cut Terminal. Additional funding is required for the maintenance and support period starting July 1, 2023 through June 30, 2024.

The Contract describes the year-to-year maintenance services that are required to be performed and sets forth the maintenance fee for each one-year maintenance term. The services provided under this agreement are critical to the proper functioning of the container terminals gate operation.

Staff Evaluation/Justification:

Staff recommends that the Port Commission authorize payment to Smart Tecs LLC for annual maintenance services for Software for Barbours Cut Terminal and Bayport Container Terminal.

L. OPERATIONS

Subject	6. Authorize payment to Navis LLC for annual maintenance services for the Marine Terminal Management Software System for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal in an amount not to exceed \$876,631.
Meeting	May 23, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its May 23, 2023 meeting, authorize payment to Navis LLC for annual maintenance services for the Marine Terminal Management Software System for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal pursuant to the contract between Navis LLC and the Port Authority, for a one-year term beginning July 1, 2023 in an amount not to exceed \$876,631, 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:

Michael Shaffner

Background:

By Minute No. 2001-0326-32, the Port Commission awarded a contract (Contract) to Navis LLC to provide for the implementation and maintenance of a marine terminal management software system (Management Software System) for use at Port Authority terminals. The Management Software System is currently used by the Operations department to manage Barbours Cut Terminal, Bayport Container Terminal, Turning Basin Terminal, and the Accounting department for billing at the terminals. Since expiration of the initial one-year maintenance term, the Port Commission has approved each subsequent annual maintenance renewal. The current annual maintenance term is set to expire June 30, 2023.

Staff Evaluation/Justification:

The Contract describes the year-to-year maintenance services that are required to be performed and sets forth the maintenance fee for each one-year maintenance term. The maintenance fee for each one-year term is based upon the combined annual through-put (TEU) at the container terminals and tonnage for the general cargo facilities for the immediately preceding year, plus six fixed amounts associated to additional licensed software modules. The total maintenance fee for July 1, 2023 through June 30, 2024 in an amount not to exceed \$876,631.

Staff recommends the Port Commission approve the payment to Navis LLC for annual maintenance services for the Marine Terminal Management Software System.

M. PEOPLE

Subject	1. Hearing and possible action to amend and restate the Port Authority's 401(a) Defined Contribution Plan in accordance with Internal Revenue Service restatement requirements.
Meeting	May 23, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission conduct a hearing at its meeting on May 23, 2023, and take action to amend and restate the Port Authority's 401(a) Defined Contribution Plan in accordance with Internal Revenue Service (IRS) restatement requirements, 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:
General

Department:
Human Resources

Staff Contact:
Roger Walter

Background:

The Port Authority sponsors the Port of Houston Authority Defined Contribution Plan (the Plan), a defined contribution retirement benefit plan for employees hired or rehired on and after August 1, 2012, with a sliding scale for Port Authority contributions, based on percentages of base salary; such contributions vest after three years of service.

In order to maintain the tax advantages of the Plan, the Internal Revenue Service (IRS) and Department of Labor (DOL) require plan sponsors to restate their pre-approved plan documents approximately every six years to incorporate law changes, procedural changes, and any discretionary amendments that have been adopted since the last restatement.

During a file review, the Plan administrator, Nationwide Retirement Systems, determined that the Plan's Adoption Agreement was not restated during the period from May 1, 2014 to April 30, 2016, as required by the Pension Protection Act of 2006.

The IRS created a Voluntary Correction Program (VCP) to correct this sort of error. The Port Authority and Nationwide Retirement Systems have entered into an agreement, pursuant to which Nationwide Retirement Systems has agreed to prepare, file, and pay for the VCP submission. Per IRS guidelines, the correct restated Adoption Agreement must be adopted and executed by the Port Authority before the VCP submission is filed.

The restatement is intended only to put the Plan on a new form that has been pre-approved by the IRS. The restatement is not intended to substantively amend the Plan.

Staff Evaluation/Justification:

Staff recommends that the Port Authority amend and restate the Plan in accordance with IRS restatement requirements.

Port Authority staff, working with Nationwide Retirement Solutions and the Port Authority's benefits counsel, Haynes & Boone, have prepared the required restatement of the Plan Adoption Agreement.

Texas Water Code Sec. 60.011 provides that the Port Commission may change the Plan after notice to employees and a hearing. On May 18, 2023, notice was given to employees regarding (i) the recommendation to amend and restate the Plan as described, and (ii) the Port Commission hearing on the matter scheduled for May 23, 2023.

Staff recommends that the Port Commission conduct a hearing on this matter and adopt the restatement as described above.

N. SECURITY AND EMERGENCY OPERATIONS

Subject	1. Award a two-year contract, with a one-year mutual extension option, to Boot Barn for the purchase of safety footwear for designated employees in an amount not to exceed \$120,000.
Meeting	May 23, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its May 23, 2023 meeting, award a two-year contract, with a one-year mutual extension option, to Boot Barn for the purchase of safety footwear for designated employees in an amount not to exceed \$120,000, 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:

Safety

Staff Contact:

Marcus Woodring

Background:

The purchase of safety footwear for designated employees at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal is important for individual safety. The 427 personnel identified by the Safety department primarily include maintenance, police, and terminal operations employees. Identified personnel are eligible for one pair of boots annually via a voucher system which covers the first \$175 of each purchase. Staff's objectives include ensuring employees have safe footwear appropriate for the working environment, standardization of the types of safety footwear used by employees, and a reduction of the associated costs through a contract.

The Port Authority notified vendors regarding this 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. Nine vendors downloaded the project materials from BuySpeed.

Staff Evaluation/Justification:

On March 8, 2023, two CSB responses were received and opened. The responses were reviewed and evaluated by staff in accordance with the selection criteria published in the CSB.

Following staff Executive Committee review, staff recommends that the Port Authority award the contract to Boot Barn, the responsible bidder submitting the lowest and best bid, for the purchase of safety footwear for designated employees. If approved, Safety would return to the Port Commission in two years to either activate the option for one additional year with associated costs, or with a new Recommendation for Commission Action.

O. TECHNOLOGY

Subject	1. Issue a purchase order to Precision Task Group, Inc. for the purchase of subscription-based licensing, training, and delivery assurance services for the Workday Enterprise Resource Planning platform, using Texas Department of Information Resources' cooperative purchase program, in an amount not to exceed \$20,000,000 over 15 years.
Meeting	May 23, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its May 23, 2023 meeting, issue a purchase order to Precision Task Group, Inc. for the purchase of subscription-based licensing, training and delivery assurance services for the Workday Enterprise Resource Planning (ERP) platform, using Texas Department of Information Resources' cooperative purchase program, in an amount not to exceed \$20,000,000 over 15 years, 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:

Charles Thompson

Background:

The Port Authority is seeking to obtain Workday subscription-based licensing, training, and delivery assurance for use in the Next Generation (NXGEN) Enterprise Resource Planning (ERP) Project to replace Oracle JD Edwards ERP and the retirement of other existing applications, as appropriate. The NXGEN ERP Program has already completed two phases. Phase I scope contained requirements capture for features and functions, which were prioritized for importance by individual departments. Implementation scenarios and strategies investigated, with multiple application platforms. Phase II contained AS-IS and TO-BE business process mapping, alignment of features and functions, alignment of business processes, which included departmental pain points, moments that matter, and the development of demonstration scenarios. The demonstration scenarios were then scored by functional departments in extended sessions provided by the leading Software as a Service (SaaS) application platform providers, which led to the selection of Workday as one of selected platforms. The current matter is the first part of Phase III in the NXGEN ERP Program.

The Texas Department of Information Resources (DIR) is a department of the State of Texas and has cooperative purchasing programs which may be used by the Port Authority.

Staff Evaluation/Justification:

The Director of Procurement Services has determined that procuring Workday subscription-based licensing, training, and delivery assurance, through the Texas DIR purchasing program, is the method that both satisfies competitive purchase requirements and provides best value to the Port Authority.

The Information Technology department has determined that the best availability, price, and contract term for the item needed is provided by Precision Task Group, Inc. under the pricing schedule obtained from that vendor's contract with DIR (DIR-TSO-4242) and is therefore recommending this purchase.

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