

I N D E X

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

Minute No.

Event/Action

**General**

Chairman Campo convened the in-person and virtual Port Commission meeting and recognized Congressman Wesley Hunt, District 38, who addressed the Port Commission

Chairman Campo provided opening remarks along with Port Commissioners

**Minutes**

2023-0926-01 Approve the minutes of the July 25, 2023 Port Commission meeting

**Staff Reports**

2023-0926-02 Roger Guenther, Executive Director, presented a summary of selected financial and operational matters

**Appearances**

2023-0926-03(a) Chairman Campo introduced Naomi Yoder, Healthy Gulf, who addressed the Port Commission

2023-0926-03(b) Chairman Campo introduced Rev. James Caldwell, Coalition of Community Organizations, who addressed the Port Commission

2023-0926-03(c) Chairman Campo introduced Erandi Trevino, Public Citizen, who addressed the Port Commission

2023-0926-03(d) Chairman Campo introduced Carolyn Stone, Channelview Health & Improvement Coalition, who addressed the Port Commission

2023-0926-03(e) Chairman Campo introduced Matt Woodruff, Kirby Corp, who addressed the Port Commission

**F. Executive (no items)**

Minute No.

Event/Action

**G. Business Equity (no items)**

**H. Channel Infrastructure**

- 2023-0926-04 Staff Report – Selected agenda items – Charlie Jenkins, Chief Channel Infrastructure Officer
- 2023-0926-05 Ratify the contract with Matthews Brothers Dredging, LLC for emergency maintenance dredging of Bayport berths 2 through 6
- 2023-0926-06 Restrict a 14.9172-acre tract of Port Authority railway right-of-way property to commercial/industrial use and plume management zone requirements, at the request of ExxonMobil Oil Corporation and as required by the Texas Commission on Environmental Quality
- 2023-0926-07 Issue a transmission line license to Comcast of Houston, LLC for one fiber optic/communication line under the Port Terminal Railroad Association railroad tracks outside the entrance to Industrial Park East
- 2023-0926-08 Approve a Port Authority adjacency barge fleeting lease agreement and issue a marine construction permit to Kirby Inland Marine, LP for approximately 15.95 acres of submerged land in the San Jacinto River at an initial monthly rental amount of \$55,825 for a ten-year term
- 2023-0926-09 Approve a private adjacency barge fleeting lease agreement and issue a marine construction permit to Kirby Inland Marine, LP for approximately 25.91 acres of submerged land in Old River at an initial monthly rental amount of \$8,359 for a ten-year term
- 2023-0926-10 Amend a marine construction permit to Vopak Terminal Deer Park, Inc. to repair a bulkhead, install soil anchors to stabilize an existing wall, and use approximately 1,194 cubic yards of flowable fill for the repair activities
- 2023-0926-11 Amend a pipeline easement with Kinder Morgan Texas Pipeline, LLC to relocate a pipeline in the Beltway 8 tract

**I. Commercial**

- 2023-0926-12 Staff Report – Selected agenda items – Dominic Sun, Director Trade Development
- 2023-0926-13 Authorize the sale of surplus real property totaling approximately 2.179 acres to Hugo Martinez Galarza, out of Block 19 in the John R. Harris Survey, Abstract No. 27 at the intersection of Erath and Fennell Streets in Houston, in the purchase amount of \$350,000

<u>Minute No.</u>	<u>Event/Action</u>
2023-0926-14	Approve a two-year professional services contract with a one-year mutual extension option with Flensburg and Associates GmbH for trade development services in Europe, the Middle East, and Africa in an amount not to exceed \$278,161 for the two-year contract period and in an amount not to exceed \$145,370 for the one-year extension option period, with such amounts including fees for the services and reimbursable expenses for related travel and business
2023-0926-15	Approve a two-year professional services contract with a one-year mutual extension option with Ben Line Agencies (Singapore) PTE LTD for trade development services in Asia in an amount not to exceed \$406,894 for the two-year contract period and in an amount not to exceed \$207,900 for the one-year extension option period, with such amounts including fees for the services and reimbursable expenses for related travel and business
2023-0926-16	Ratify the extended term of a month-to-month lease with Empire Stevedoring (Houston) Inc. for approximately 0.69 acres out of Block 12 at Southside Wharves, at an annual base rent of approximately \$20,401
<b>J. Finance</b>	
2023-0926-17	Staff Report – Selected agenda items – Tim Finley, Chief Financial Officer
2023-0926-18	Approve staff’s selection of five investment banking and debt underwriting firms to add to the existing Port Commission-approved pool from which to select firms for the Port Authority’s future financing requirements
2023-0926-19	Amend the contract for Excess Umbrella Liability coverage with carrier Lloyds of London
2023-0926-20	Adopt an amended investment policy for the Port of Houston Authority Restated Retirement Plan (Pension Plan)
2023-0926-21	Adopt an amended investment policy for the Port of Houston Authority Other Post-Employment Benefit (OPEB) Plan, an irrevocable trust established for other post-employment benefits
2023-0926-22	Adopt a revised Statement of Objectives and Policy for the Port Authority 401(a) Defined Contribution and 457(b) Deferred Compensation Plans
<b>K. Infrastructure</b>	
2023-0926-23	Staff Report – Selected agenda items – Craig Kasper, Manager Projects Portfolio

<u>Minute No.</u>	<u>Event/Action</u>
2023-0926-24	Approve staff's ranking of vendors and award a two-year environmental services agreement to WCA Waste Systems, Inc. dba GFL Environmental, for scrap tire removal and disposal services for Port Authority facilities
2023-0926-25	Approve staff's ranking of vendors and award a professional services contract for programing the proposed new administration building at Barbours Cut Terminal, to the top-ranked proposer PGAL, Inc.
2023-0926-26	Approve staff's ranking of vendors and award a professional services contract for the facility inspection and condition assessment program (FICAP) of marine structures for 2023, to the top-ranked proposer Green Rubiano & Associates
2023-0926-27	Approve staff's ranking of vendors and award a professional services contract for programing of the Maintenance Building Annex at Bayport Container Terminal, to the top-ranked proposer RDLR Architects, Inc
2023-0926-28	Approve staff's ranking of vendors and award a construction contract for demolition of the Auto Terminal Building at Bayport Container Terminal, to the top-ranked proposer Grant Mackay Company, Inc.
2023-0926-29	Award a construction contract to Pfeiffer and Son, Ltd. for electrical cable reroute to power four ship-to-shore cranes at Wharves 5 and 6 at Barbours Cut Terminal
2023-0926-30	Approve staff's ranking of vendors and award a construction contract for the construction of Wharf 7 at Bayport Container Terminal, to the top-ranked proposer Russell Marine, LLC
2023-0926-31	Approve staff's ranking and award a professional services contract to perform construction material testing services for the construction of Wharf 7 at Bayport Container Terminal, to the top-ranked proposer Aviles Engineering Corporation
2023-0926-32	Amend the professional services contract with Jacobs Engineering Group, Inc., to perform construction phase services for construction of Wharf 7 at Bayport Container Terminal
2023-0926-33	Amend a professional services contract with AECOM Technical Services, Inc., to perform additional work associated with the planning and design for reconstruction of 87 acres of container yard at Barbours Cut Terminal
2023-0926-34	Amend the professional services contract with Jacobs Engineering Group, Inc., to perform additional work associated with the design of Wharf 1 at Bayport Container Terminal

<u>Minute No.</u>	<u>Event/Action</u>
2023-0926-35	Approve a change order with Forde Construction Company, Inc., to perform additional work associated with the new fender system at Wharf 1 at Turning Basin Terminal
2023-0926-36	Approve a change order with Rigid Constructors, LLC, to perform additional work associated with the construction of the 12-acre expansion of an interim container storage facility for redevelopment of the west end of Barbours Cut Terminal
2023-0926-37	Approve a change order with Hi-Tech Electric, Inc., to perform additional work associated with the medium voltage electrical cable installation at Bayport Container Terminal
2023-0926-38	Approve a change order with George Hedge Contractors, Inc., to perform close-out work associated with construction of the rail spur at Bayport Container Terminal Phase 2
2023-0926-39	Enter into an Interlocal Agreement with Harris County to provide wage rate compliance services for a one-year term

#### **L. Operations**

2023-0926-40	Staff Report – Selected agenda items – Jeff Davis, Chief Port Operations Officer
2023-0926-41	Award a two-year contract to Dow Pipe & Fence Supply Company for the purchase of fence parts and supplies for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal
2023-0926-42	Award a two-year contract to Rush Truck Centers of Texas, LP dba Rush Truck Center, Houston, for the purchase of Cummins diesel engine parts and related services for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal
2023-0926-43	Award a three-year contract to Kalmar USA Inc., Bromma Americas, the sole source provider, for the purchase of twistlocks and spreader bar-related parts for wharf and rubber-tired gantry (RTG) cranes at Barbours Cut Terminal and Bayport Container Terminal
2023-0926-44	Award a contract to ZPMC North America, Inc., the sole source provider, for the purchase of three headblocks for wharf cranes at Barbours Cut Terminal
2023-0926-45	Award a two-year contract to Briggs Equipment, the sole source provider for the purchase of captive spare and replacement parts for Hyster container handling equipment at Barbours Cut Terminal

<u>Minute No.</u>	<u>Event/Action</u>
2023-0926-46	Award a contract to Cargotec CHS Pte Ltd, Bromma, the sole source provider, for the purchase of four telescopic spreader bars for Barbours Cut Terminal
2023-0926-47	Amend the contract with Gantrex, Inc. to perform additional services for replacement of trolley rails for nine machinery-on-trolley wharf cranes at Barbours Cut Terminal and Bayport Container Terminal
2023-0926-48	Authorize an interlocal agreement with San Jacinto Community College District for commercial driver license training courses and related services
2023-0926-49	Ratify the extended term of a month-to-month lease with Cooper/Ports America, LLC, for approximately 10.27 acres at BCT, at a monthly base rent of approximately \$22,547.53
2023-0926-50	Authorize a no-fee License Agreement with BWC Terminals LLC within Manchester Terminal Wharves 2 and 3, to implement the preconstruction improvements for operational use outside of the future construction limits of Manchester Wharf 2

### **M. People**

2023-0926-51	Staff Report – Selected agenda items – Jessica Shaver, Chief People Officer
2023-0926-52	Authorize renewal of group insurance agreements with the following carriers to include coverage for calendar year 2024 for: (a) Aetna Life Insurance Company, for dental, vision, and Medicare Advantage coverage and (b) Minnesota Life Insurance Company, for basic life, voluntary and dependent life, and retiree life coverage and (c) Voya, for long-term disability (LTD) coverage and short-term disability (STD) coverage
2023-0926-53	Authorize amendment of the agreement with PlanSource Benefits Administration, Inc., for employee and retiree benefits and payroll integration services for an additional two-year period
2023-0926-54	Authorize an amendment to increase the amounts of the group insurance agreements with Hartford Life and Accident Insurance Company for long-term disability (LTD) coverage and short-term disability (STD) coverage for active employees for the calendar year 2023

### **N. Security and Emergency Operations**

2023-0926-55	Staff Report – Selected agenda items – Tom Heidt, Chief Operating Officer
2023-0926-56	Approve a two-year extension to the professional services contract with E3 OMI for hazardous materials incident response services

<u>Minute No.</u>	<u>Event/Action</u>
2023-0926-57	Adopt a resolution regarding designation of the Houston Ship Channel Complex as a multisector critical infrastructure industrial zone

**O. Technology**

2023-0926-58	Staff Report – Selected agenda items – Charles Thompson, Chief Information Officer
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2023-0926-59	Issue a purchase order to Solid Border Inc., for annual technical support, software, subscriptions and maintenance for firewalls and virtual private network (VPN) connectivity at all Port Authority locations, using Local Government Purchasing Cooperative's BuyBoard, a cooperative purchase program
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2023-0926-60	Amend the contract with ManageForce Corporation for technical services regarding JDEdwards Enterprise Resource Planning Software to provide additional support services and extend the term through December 2025
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**Recess Open Meeting and Convene Executive Session**

**Reconvene Open Meeting**

2023-0926-61	Authorize the Port Authority to amend the agreement for legal services with Best Best & Krieger LLP on the terms discussed in Executive Session, and authorize the Chief Legal Officer to do all things necessary to give effect to the foregoing
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2023-0926-62	Regular Code of Ethics training and review
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**Closing Remarks by Chairman and Commissioners**

**Adjourn Meeting**

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

**Houston, Texas  
September 26, 2023**

A public meeting of the Port Commission of the Port of Houston Authority of Harris County, Texas was convened on September 26, 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  
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 introducing Congressman Wesley Hunt and thanked him for his support and the proposed \$24 million funding for the deepening and widening project (Project 11), which was currently in the House for a vote. Chairman Campo yielded the floor to Congressman Hunt.

Congressman Hunt thanked the Port Authority for its economic role in the country. The \$25 million funding was the result of a bipartisan effort, and the same bipartisanship was on display recently during a joint press conference among Congressman Hunt, Congressmen Lizzie Fletcher and Sheila Jackson-Lee, and others, to address human trafficking – an example of how both sides worked together to make Houston a better place.

Commissioner Corgey remarked that he was proud to have representatives such as Congressman Hunt advocating for Houston in Congress.

Chairman Campo thanked Congressman Hunt for his remarks and continued with his. A recent meeting of the Port Commission Community Advisory Council had yielded great discussion among those in attendance including members of the community, representatives of non-governmental organizations, Port Authority staff, and representatives from the Army Corps of Engineers. Project 11, “Dredging 101,” and the overall complexity of a project of the magnitude of Project 11 were the discussion topics.

Chairman Campo congratulated Charlie Jenkins, Chief Channel Infrastructure Officer for receiving the Industry Icon award at the recent Economic Alliance Houston’s Gulf Coast Industry Forum event. Mr. Jenkins, who has been with the Port Authority for over 32 years, was deserving of the award.



Chairman Campo next acknowledged Commission Mease on his final meeting as a Port Commissioner. Commissioner Mease was first appointed to the Port Commission in September 2013 and served on the Audit, Community Relations, and Pension and Benefits Committees. He represented the City of Pasadena and advocated passionately for his constituents. He added that the Pasadena City Council had appointed Alan A. Robb to succeed Commissioner Mease, effective October 1, 2023.

Chairman Campo thanked Commissioner Mease for his service and years of dedication to the Houston Ship Channel, the Port Authority, the region, and that work that has been done.

Commissioner Corgy added that he enjoyed working with Commissioner Mease and had a lot of respect for him.

Commissioner Fitzgerald was glad for the friendship that the two had developed over the years.

(2023-0926-01) Chairman Campo called for a motion to approve the minutes of the July 25, 2023 Port Commission meeting. Commissioner Corgy moved for approval, seconded by Commissioner Fitzgerald. The minutes were approved as written.

(2023-0926-02) Roger Guenther, Executive Director, presented a summary of selected financial and operational matters:

- Overall tonnage for Port Authority facilities was down 6% for the year.
- General cargo was down 22% for the year.
- Overall container volume was down 4% for the year, although loaded units were down only 1%.
- After a record year in both 2021 and 2022, the Port Authority was prepared to see a slight dip in import loads and export empty containers, which was what had happened.
- Retail imports cooled off and were not expected to peak for the remainder of the year.
- Empty container exports were not as numerous as they were in the prior year.
- Exports overall remained strong, and were up 8% for the year.
- The Port Authority maintained volumes that were nearly flat versus the prior record year.
- The Port Authority appreciated the confidence of its customers and also appreciated its team, terminal partners, labor, truckers, and all users of its facilities for keeping cargo flowing.

Mr. Guenther announced that Project 11 continued to move forward. The Bayport Channel portion was expected to be completed later in the year, and by late 2024 more than 27 miles of the Galveston Bay area should be completed. This would enhance the safety and efficiency of the channel for all who used it, and he added that the project was vital for commerce, jobs, and the overall future of the region.

Mr. Guenther stressed that the Port Authority was committed to, and ready to attend, a joint scientist/engineer meeting with the Environmental Protection Agency, Army Corps of Engineers, and scientists representing the community, in order to align on the facts of the work being done in the channel, and specifically matters related to dredge material.

Mr. Guenther noted that the commissioning of the new ship-to-shore cranes was almost complete and the new Wharf 6 at the Bayport Container Terminal was anticipated to receive its first vessel later in the year.

Mr. Guenther recognized two Port Authority staff members, both veterans, for their services. First, Ruben Garcia, Survey Field Crewman, was recognized for his service to the country and state, for nearly two-year active deployment along the southern border with the Texas National Guard. Mr. Garcia joined the U.S. Air Force in March 2008 and was honorably discharged in March 2016, and enlisted with the Texas Air National Guard in April 2017.

Mr. Garcia began his career with the Port Authority in June 2018 working as a field surveyor in the Infrastructure Division, before being activated in October 2021 by the State of Texas and spending 22 months in Brownsville and McAllen under operation Lone Star. Mr. Garcia's 22-month mission was completed and he was now back full time with the Port Authority.

Mr. Guenther next recognized Chris Hensler for his response to an incident at the Bayport Container Terminal. Mr. Hensler, Construction Inspector in the Infrastructure Division, had served in the U.S. Army from 2011 to 2013 as an active-duty combat medic. While carrying out inspection duties for the Port Authority, Mr. Hensler provided medical assistance to an employee of a Port Authority contractor, who had gotten his leg caught in a piece of equipment. Mr. Hensler obtained a tourniquet and used his medic training to restrict the blood flow.

Soon after, Port Authority Police and EMS personnel stabilized the situation and transported the individual to the hospital. Mr. Hensler noted later that he had practiced the procedure hundreds of times, but this was the first time he performed it in real life.

Commissioner Fitzgerald offered his congratulations to Mr. Jenkins and asked if the Port Authority had benefited from the completion of the construction segments of

Project 11. Mr. Jenkins answered that it had benefited – transit times had already been reduced by an hour and daylight restrictions were anticipated to be lifted after further completion of work.

Commissioner DonCarlos mentioned that the Baytown Chamber of Commerce was coordinating business opportunities with the Port Authority, and that Sabeeta Bidasie-Singh, Director of Business Equity, had been involved. He thanked her for her work.

Commissioner Fitzgerald thanked the Houston Pilots for all their work and help with the navigation of the channel.

Chairman Campo suggested that one person's expense was another's revenue, and that the Port Authority continued to provide revenue to others through its operations.

Commissioner Corgey recognized Maria Aguirre, Director Community Relations, and Garret Berg, Manager Community Engagement, for representing the Port Authority at a Hispanic heritage event and Vietnamese culture event. There was a tremendous amount of interest in the Port Authority at both events. He emphasized that it was important to continue to reach out to all segments of the community.

Commissioner Cloonan added that the ladies who attended the State of the Port did a great job representing the Port Authority.

(2023-0926-03) Appearances

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

Ms. Yoder shared concerns she had with Project 11, namely that the Port Authority did not appear to have concerns with dredging and dredge spoil, and endorsed the Army Corps of Engineers claim that there was nothing to worry about. If there was nothing to worry about, then logically the Port Authority should endorse extensive testing of the dredge material.

Ms. Yoder referenced several items in the agenda that totaled over \$5.6 million and presumed each cost was justified. She felt that the Port Authority should view the sediment and soil sampling testing in the same light – communities along the channel had been making such testing requests for many years.

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

Rev. Caldwell emphasized that economic growth was important, but not at the expense of the community. He stated that there had been an increase in truck traffic, which had increased overall traffic and air pollution, and that the Port Authority had not received any grants that were available as part of the Justice 40 Initiative to help combat this. The grants that the Port Authority had received did not meet the requirements of the Justice 40 Initiative and collaboration with the community could help rectify that by making the grant applications more competitive.

The Port Authority did not include projects to reduce truck idling, truck noise, truck turns, and the installation of sound barriers in its 2023 grant applications – all of which would benefit both the Port Authority and residents. This was a disappointment to the community.

Rev. Caldwell called upon the Port Authority to focus its future grant applications on projects that would benefit the community, such as through greenhouse gas reduction.

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

Ms. Treviño remarked that she had immigrated and grown up in Houston and appreciated the comments made earlier by Congressman Hunt, as she too had benefited from the opportunities created in the region. She stated that economic growth and job creation was important, but so was the health of the community and the balance between the two was important – health could not be sacrificed for jobs.

Ms. Treviño emphasized that she wanted to work with the Port Authority in any way possible. The ability to evolve as a business and a city was possible and things done a certain way did not need to continue in that way if they could be done better.

Ms. Treviño explained that she had been in Washington D.C. a short while ago and met with Congressional Black Caucus members, emphasizing people such as Congressman Sheila Jackson-Lee, Congressman Sylvia Garcia, and Secretary of Transportation Pete Buttigieg. She spoke to them about the Port Authority and asked if certain grants were limited to not including mitigation. Secretary Buttigieg answered that the grants were written to be open and available to mitigation.

(d) Chairman Campo recognized Carolyn Stone, Channelview Health and Improvement Coalition, who addressed the Port Commission.

Ms. Stone opposed agenda Items H4 and H5, a barge fleeting lease and marine construction permit for Kirby Inland Marine, LP. She lived in Channelview near the leased premises and had concerns about chemical leakage and the privatization of public

waterways, preventing public use and enjoyment. The Old River and San Jacinto waterways were not part of the Port Authority or the Houston Ship Channel.

Ms. Stone stated that submerged land could not be separated from a public waterway. Barge fleeting should be restricted to the Houston Ship Channel and the Port Authority should lease only the submerged lands contained within it, not the submerged lands located in the Old River and San Jacinto River waterways.

(e) Chairman Campo recognized Matt Woodruff, Kirby Corp., who addressed the Port Commission.

Mr. Woodruff spoke in favor of agenda Items H4 and H5. The areas had been used for barge fleeting for decades and helped reduce truck traffic on the road. He added that a standard two-barge with a tow boat was the equivalent of a 144 tank trucks, and there were 140,000 barge movements in the Houston Ship Channel the prior year, which equated to millions of truck trips that would be required to move the same amount of cargo.

Mr. Woodruff noted that Kirby was a pioneer in doubling the pressure capacity of barges to virtually eliminate fugitive emissions, even though there was no regulation to do so. Additionally, a plug-in hybrid towing vessel had just been put into service in the Channelview area.

Chairman Campo noted that there were no Executive agenda items.

Chairman Campo noted that there were no Business Equity agenda items.

(2023-0926-04) Chairman Campo recognized Mr. Jenkins, to provide a report of selected Channel Infrastructure agenda items.

Mr. Jenkins reiterated Mr. Guenther's earlier comments that Project 11 was on track and going well. The Army Corps of Engineers was getting ready to advertise Package 7 for the Barbours Cut Ship Channel, which would be funded with Infrastructure Investment and Jobs Act funds. The Port Authority was also prepared to advertise Package 6, the last portion of the bay, to be completed by the end of 2024.

Chairman Campo asked when Package 6 would be awarded, and Mr. Jenkins responded it would be February.

Mr. Jenkins highlighted Item H1, the ratification of emergency maintenance dredging of berths two through six at the Bayport Container Terminal. The silting there was not acceptable, adversely impacted both Port Authority and customer operations, and an investigation was underway to determine the cause of the siltation issues and resulting need for the emergency dredging.

Mr. Jenkins explained that agenda Items H4 and H5 had a very important component: the tenant was required to obtain a safety and security plan from the U.S. Coast Guard. Additionally, the Port Commission had previously approved a barge fleeting policy and the two agenda items were the result of following through on the program. To date, 24 barge fleeting leases had been issued for areas owned by the Port Authority but previously being used without a return – now revenue totaled approximately \$1.5 million per year.

Commissioner DonCarlos asked about capacity for future barge fleeting leases at Old River, to which Mr. Jenkins replied that space was almost full.

Commissioner Mease questioned the difference in rental amounts for the two agenda items. Mr. Jenkins explained that there were different rates for upland ownership and if the Port Authority owned the adjacent upland, for which the rates were higher.

Commissioner Corgy commented that more barges were needed, not less. Barges made for less truck traffic and increased the safety of the roadways.

(2023-0926-05) RCA H1 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners Cloonan, Corgy, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA H1 PASSED.

(2023-0926-06) RCA H2 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners Cloonan, Corgy, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA H2 PASSED.

(2023-0926-07) RCA H3 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners Cloonan, Corgy, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA H3 PASSED.

(2023-0926-08) RCA H4 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners Cloonan, Corgy, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA H4 PASSED.

(2023-0926-09) RCA H5 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners Cloonan, Corgy, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA H5 PASSED.

(2023-0926-10) RCA H6 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners Cloonan, Corgey, Cruzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA H6 PASSED.

(2023-0926-11) RCA H7 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners Cloonan, Corgey, Cruzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA H7 PASSED

(2023-092612) Chairman Campo recognized Dominic Sun, Director, Trade Development, to provide a report of selected Commercial agenda items.

Mr. Sun acknowledged the flat cargo performance on the year but noted that the Port Authority continued to outpace other ports in the nation (other ports were declining in double digits).

Mr. Sun highlighted a recent trip that Mr. Guenther and John Moseley, Chief Commercial Officer, took to visit the Port Authority's overseas customers. Feedback was extremely positive and the outlook was strong for continued growth of services.

Mr. Sun noted that Item I1 was for disposition of a small parcel of land, while I4 was for a ratification of a month-to-month lease, and Items I2 and I3, were renewals of contracts for trade representatives in Europe and Asia. These representatives were the Port Authority's "boots on the ground" overseas, maintaining and creating relationships, and carrying out intelligence gathering and the promotion of business. They will also represent the Port Authority in other areas such as government relations, on occasion.

(2023-0926-13) RCA I1 was presented, moved by Commissioner Corgey, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Cruzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA I1 PASSED.

(2023-0926-14) RCA I2 was presented, moved by Commissioner Corgey, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Cruzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA I2 PASSED.

(2023-0926-15) RCA I3 was presented, moved by Commissioner Corgey, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, Cruzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA I3 PASSED.

(2023-0926-16) RCA I4 was presented, moved by Commissioner Corgrey, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgrey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA I4 PASSED.

(2023-0926-17) Chairman Campo recognized Tim Finley, Chief Financial Officer to provide a report of selected Finance agenda items.

Mr. Finley explained that Item J1 was to approve five investment banking and debt underwriting firms to add to the existing pool for future financing transactions. Item J2 was to increase the contract amount for excess liability coverage: the underwriters' estimate of the premiums for 2022 came in low and additional coverage was needed.

Items J3 through J5 were administrative edits to various Port Authority plans, recommended and approved at the prior Audit Committee Meeting.

(2023-0926-18) RCA J1 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Corgrey. Chairman Campo, and Commissioners Corgrey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Commissioner Cloonan abstained. Nays none. RCA J1 PASSED.

(2023-0926-19) RCA J2 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Corgrey. Chairman Campo, and Commissioners Cloonan, Corgrey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J2 PASSED.

(2023-0926-20) RCA J3 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Corgrey. Chairman Campo, and Commissioners Cloonan, Corgrey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J3 PASSED.

(2023-0926-21) RCA J4 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Corgrey. Chairman Campo, and Commissioners Cloonan, Corgrey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J4 PASSED.

(2023-0926-22) RCA J5 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Corgrey. Chairman Campo, and Commissioners Cloonan, Corgrey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA J5 PASSED.



(2023-0926-23) Chairman Campo recognized Craig Kasper, Manager, Projects Portfolio, to provide a report of selected Infrastructure agenda items.

Mr. Kasper remarked that the new ship-to-shore cranes for Wharf 6 at the Bayport Container Terminal were still undergoing installation, and were expected to be operational by mid to late October. A ribbon cutting ceremony had been held and Secretary Buttigieg was in attendance.

An environmental workshop was held shortly after the Labor Day holiday for the trucking and dredge community in support of the Port Authority's commitment to net zero emissions by 2050. Other engagement with industry in decarbonization area were ongoing.

Mr. Kasper called attention to Item K7, a contract for the construction of Wharf 7 at the Bayport Container Terminal. Item K8 supported said contract by providing a contract for construction material testing services. Item K11 was a design contract to continue the development of Wharf 1 at the Bayport Container Terminal.

Commissioner DonCarlos asked if the Auto Terminal Building referenced in Item K5 was the old Cruise Terminal. Mr. Kasper acknowledged that it was.

Commissioner Fitzgerald asked when Wharf 6 would be operational; Paulo Soares, Senior Director, Maintenance, answered that mid to late October was the plan.

Chairman Campo noted that \$1.5 billion in landside infrastructure projects was planned for in the next five years, which had been communicated at the last Economic Alliance meeting.

(2023-0926-24) RCA K1 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Mease. Chairman Campo, and Commissioners Cloonan, Corgy, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K1 PASSED.

(2023-0926-25) RCA K2 was presented. Commissioner Fitzgerald moved to approve staff's ranking of vendors and award a professional services contract to the top-ranked proposer PGAL, Inc., seconded by Commissioner Mease. Chairman Campo, and Commissioners Cloonan, Corgy, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K2 PASSED.

(2023-0926-26) RCA K3 was presented. Commissioner Fitzgerald moved to approve staff's ranking of vendors and award a professional services contract to the top-ranked proposer Green Rubiano & Associates, seconded by Commissioner Mease. Chairman Campo, and Commissioners Cloonan, Corgy, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K3 PASSED.

(2023-0926-27) RCA K4 was presented. Commissioner Fitzgerald moved to approve staff's ranking of vendors and award a professional services contract to the top-ranked proposer RDLR Architects, Inc, seconded by Commissioner Mease. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K4 PASSED.

(2023-0926-28) RCA K5 was presented. Commissioner Fitzgerald moved to approve staff's ranking of vendors and award a construction contract to the top-ranked proposer Grant Mackay Company, Inc., seconded by Commissioner Mease. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K5 PASSED.

(2023-0926-29) RCA K6 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Mease. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K6 PASSED.

(2023-0926-30) RCA K7 was presented. Commissioner Fitzgerald moved to approve staff's ranking of vendors and award a construction contract to the top-ranked proposer Russell Marine, LLC, seconded by Commissioner Mease. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K7 PASSED.

(2023-0926-31) RCA K8 was presented. Commissioner Fitzgerald moved to approve staff's ranking of vendors and award a professional services contract to the top-ranked proposer Aviles Engineering Corporation, seconded by Commissioner Mease. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K8 PASSED.

(2023-0926-32) RCA K9 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Mease. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K9 PASSED.

(2023-0926-33) RCA K10 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Mease. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA K10 PASSED.

(2023-0926-34) RCA K11 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Mease. Chairman Campo, and Commissioners

Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none.  
RCA K11 PASSED.

(2023-0926-35) RCA K12 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Mease. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none.  
RCA K12 PASSED.

(2023-0926-36) RCA K13 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Mease. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none.  
RCA K13 PASSED.

(2023-0926-37) RCA K14 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Mease. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none.  
RCA K14 PASSED.

(2023-0926-38) RCA K15 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Mease. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none.  
RCA K15 PASSED.

(2023-0926-39) RCA K16 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Mease. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none.  
RCA K16 PASSED.

(2023-0926-40) Chairman Campo recognized Jeff Davis, Chief Port Operations Officer, to provide a report of selected Port Operations agenda items.

Mr. Davis acknowledged that August volumes were down, but that July volumes had been good at the container facilities. The emergency dredging previously reported by Mr. Jenkins had impacted volumes and created a queue of ships waiting to transit the channel to Port Authority facilities.

Imports in August were down while exports were still steady. There were still queue issues at both container terminals, but the past week saw a day in which gate transactions eclipsed 70,000. The bottom line was that Wharf 6 could not become operational soon enough.

Chairman Campo emphasized that, even though the Port Authority was reporting lower volumes, such decrease was expected, and was still on budget for the year. Additionally, the decreased volumes were still better than the national average.

Mr. Guenther added that 2023 volume was being compared to back-to-back record years in the past.

Mr. Davis reported that the annual Breakbulk Conference was set to begin in Houston that day, and Mr. Guenther was scheduled to give opening remarks.

Mr. Davis stressed that breakbulk cargo was down, but again, it was being compared to a record 2022 year. Many of the Port Authority's partners and tenants such as Cooper Ports/America, JacintoPort, Sesco, the Andersons, Metro Ports, Jacob Stern, and others had made numerous investments and upgrades at the multipurpose facilities. The Port Authority was the number one breakbulk facility in the United States.

Mr. Davis announced that agenda Item L3 was for the purchase of twistlocks and spreader bar-related parts for wharf and rubber-tired gantry (RTG) cranes for the container terminals. These constituted the most abused equipment at the Port Authority, just by their nature. Item L9 was for the ratification of a month-to-month lease.

(2023-0926-41) RCA L1 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Creuzot. Chairman Campo, and Commissioners Cloonan, Corgy, Creuzot, Fitzgerald, and Mease voted Aye. Commissioner DonCarlos recused himself. Nays none. RCA L1 PASSED.

(2023-0926-42) RCA L2 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Creuzot. Chairman Campo, and Commissioners Cloonan, Corgy, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA L2 PASSED.

(2023-0926-43) RCA L3 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Creuzot. Chairman Campo, and Commissioners Cloonan, Corgy, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA L3 PASSED.

(2023-0926-44) RCA L4 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Creuzot. Chairman Campo, and Commissioners Cloonan, Corgy, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA L4 PASSED.

(2023-0926-45) RCA L5 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Creuzot. Chairman Campo, and Commissioners Cloonan,

Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA L5 PASSED.

(2023-0926-46) RCA L6 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Creuzot. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA L6 PASSED.

(2023-0926-47) RCA L7 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Creuzot. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA L7 PASSED.

(2023-0926-48) RCA L8 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Creuzot. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA L8 PASSED.

(2023-0926-49) RCA L9 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Creuzot. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA L9 PASSED.

(2023-0926-50) RCA L10 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Creuzot. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA L10 PASSED.

(2023-0926-51) Chairman Campo recognized Jessica Shaver, Chief People Officer, to provide a report of selected People agenda items.

Ms. Shaver announced that a workshop was scheduled with the Community Relations Committee later in the day to review the recommendations for the 2024 Promotion and Development fund, along with reviewing other key programs.

Ms. Shaver remarked that the items on the agenda were related to the 2024 benefits program. The Port Authority transitioned to a self-funded medical program in 2019 and had been pleased that over the past three years it had been able to hold employee contributions flat in an environment where rates had gone up exponentially.

Ms. Shaver estimated that the Port Authority had saved an estimated \$6.8 million by being self-funded. Using conservative projections of a 20% increase for stop-loss, combined with the various savings identified in the pharmacy program, a 4.1% increase

was projected to the overall plan. The Pension and Benefits Committee recommended that the Port Authority absorb the increased cost and not pass on any additional increases to its employees.

Ms. Shaver noted that staff recommended remaining with Aetna healthcare coverage for the forthcoming year, despite identified cost savings with other providers: disruption to retiree coverage was the determining factor in staying with Aetna. Other recommendations for coverages were made as part of Item M1.

Item M2 pertained to the Port Authority's enrollment software. The system was planned to be integrated into the ERP program in 2025. Item M3 was a request to increase funds for the group insurance agreements for long-term disability coverage and short-term disability coverage. The initial coverage estimates were done in 2022 prior to the additional headcounts and now more funds were needed for 2023.

(2023-0926-52) RCA M1 was presented, moved by Commissioner Corgey, seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA M1 PASSED.

(2023-0926-53) RCA M2 was presented, moved by Commissioner Corgey, seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA M2 PASSED.

(2023-0926-54) RCA M3 was presented, moved by Commissioner Corgey, seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA M3 PASSED.

(2023-0926-55) Chairman Campo recognized Tom Heidt, Chief Operating Officer, to provide a report of selected Security and Emergency Operations agenda items.

Mr. Heidt announced that two firefighters, Gordon Penland and Shantel Lund, had recently attended and participated in firefighter challenges. Ms. Lund had set a national record in the challenge, and the two would be attending the international competition in October 2023 in Orlando.

The Port Authority won the Admiral Bennis award, given to the Port Authority with the best security. The Port Authority had won the award previously in 2018.

Mr. Heidt noted there were two items on the agenda, the first a two-year extension to a contract for hazardous materials incident response services. He noted that if there was

a hazardous material incident that the Port Authority caused on a Port Authority facility, the vendor would clean it up.

Item N2 was a resolution regarding the designation of the Houston Ship Channel as a multisector critical infrastructure industrial zone. This resolution was in support of Harris County, which has recently passed a similar resolution. The goal was to help secure future federal funding for security and resiliency for the channel.

(2023-0926-56) RCA N1 was presented, moved by Commissioner Mease, seconded by Commissioner Cruzot. Chairman Campo, and Commissioners Cloonan, Corgey, Cruzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA N1 PASSED.

(2023-0926-57) RCA N2 was presented, moved by Commissioner Mease, seconded by Commissioner Cruzot. Chairman Campo, and Commissioners Cloonan, Corgey, Cruzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA N2 PASSED.

(2023-0926-58) Chairman Campo recognized Charles Thompson, Chief Technology Officer, to provide a report of selected Technology agenda items.

Mr. Thompson stated that there were two items on the Technology agenda. Item O2 was for services regarding JDEdwards Enterprise Resource Planning Software to provide additional support services. The Port Authority did not have the expertise to perform these services itself.

(2023-0926-59) RCA O1 was presented, moved by Commissioner Corgey, seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners Cloonan, Corgey, Cruzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA O1 PASSED.

(2023-0926-60) RCA O2 was presented, moved by Commissioner Corgey, seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners Cloonan, Corgey, Cruzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. RCA O2 PASSED.

Chairman Campo recognized Alan Robb, the future Port Commissioner selected to replace Commissioner Mease. Mr. Robb quipped that he was cautiously excited to join the Port Commission.

At 10:38 a.m., Chairman Campo called for a brief recess, and at 10:48 a.m. called for an Executive Session and asked Mr. Eriksson to make the following announcement:

It is now 10:48 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) 33 U.S.C.A. §§5(b) and 2236 and (ii) proposed amendment to the agreement for legal services with Best Best & Krieger LLP; deliberate regarding (2) Real Estate (*Section 551.072, Texas Open Meetings Act*); (3) Economic Development Negotiations or Incentives (*Section 551.087, Texas Open Meetings Act*); (4) Employment and Evaluation of Public Officers and 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 11:41 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  
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

(2023-0926-61) Commissioner DonCarlos moved to authorize the Port Authority to amend the agreement for legal services with Best Best & Krieger LLP on the terms discussed in Executive Session, and authorize the Chief Legal Officer to do all things necessary to give effect to the foregoing, seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners Cloonan, Corgey, Creuzot, DonCarlos, Fitzgerald, and Mease voted Aye. Nays none. MOTION PASSED.

Commissioner Mease thanked the Port Authority staff for welcoming him as a commissioner. He made the decision to leave early because his successor was available and it was a good opportunity. The City of Pasadena was in a great position with Mr. Robb set to represent it.



Commissioner Mease admitted that he did not understand how important the Port Authority was to the region until he assumed his position. As a commissioner, he had made many important decisions, but his most important one was appointing Mr. Guenther as Executive Director; the Port Authority had become a family under Mr. Guenther's leadership.

Commissioner Mease remarked that he was proud to have made history twice in his life: once when he was younger and serving the City of Pasadena, and once as a commissioner when voting in favor of Project 11. He thanked everyone for their support and was grateful for his time serving as a Port Authority Commissioner.

(2023-0926-62) Chairman Campo recognized Rebecca Piller, Counsel, to give the regular Code of Ethics training and review.

Ms. Piller explained that the Code of Ethics presentation was intended to provide a general overview of the minimum requirements for behavior; further guidance could be found by consulting a copy of the code or a Port Authority attorney.

Ms. Piller reviewed the Statement of Purpose: the Port Authority was committed to lawful and ethical behavior in all of its activities; the public interest should be placed above any private interest; confidence and integrity should be instilled, and the public trust gained; and commissioners should act in accordance with all applicable laws, regulations, and policies.

Ms. Piller began with the avoidance of conflicts of interest. A conflict of interest was the sum of a substantial outside interest plus a special economic effect. A conflict of interest existed if a Port Authority action could have a special effect on an individual or close relative, or a business or real property in which an individual or close relative had a "Substantial Interest." If a Port Authority action involved a business or real property action in which a commissioner had a "Substantial Interest," then (i) the commissioner could not participate in the action or decision and (ii) the commissioner should disclose the conflict by filing an affidavit with the chief legal officer.

Ms. Piller reviewed the disclosure for non-investment income. A commissioner or the executive director must file a conflicts disclosure if the Port Authority contracted with (or considered a contract with) a person from or with whom the commissioner or executive director had received taxable income, other than investment income, that exceeded \$2,500 in the recent 12-month period, received gifts that had an aggregate value of more than \$100 in the recent 12-month period, or a family relationship.

Ms. Piller stated that a commissioner or employee shall not: earn commissions or fees from Port Authority transactions; act as a surety for any Port Authority projects or bonds; make investments that could create a substantial conflict between one's private

interest and the public interest; or act as a lobbyist on behalf of a profession related to the operation of the Port Authority. Additionally, commissioners could not be (or be married to) an officer, employee (manager or spouse), or consultant of a Texas Trade Association that was in a field relating to maritime commerce and whose members were regulated by the Port Authority.

Regarding real property disclosure, Ms. Piller emphasized that commissioners must disclose if a government entity was acquiring their property. If a commissioner had an interest in real property that was to be acquired with public funds – by purchase or condemnation – the commissioner must file an affidavit with the clerk of the county in which the commissioner resided and all counties in which the property was located.

Ms. Piller addressed abuse of public office by stating that commissioners shall not use their status for pecuniary gain or other benefit, attempt to influence government decisions for personal gain or advantage, or otherwise bring discredit on the Port Authority. Further, commissioners shall not solicit or accept any benefit in exchange for an opinion, recommendation, exercise of discretion of powers, vote, or decision; or any violation of a duty imposed by law or policy.

Ms. Piller emphasized that commissioners could not accept benefits from any parties who were or may become interested in any Port Authority actions. There were possible exceptions such as benefits that were prescribed by law or legitimate consideration was given, a relationship independent of a role with the Port Authority, political contributions (as further explained in Title 15 of the Election Code), and non-cash benefits under fifty dollars. Commissioners were required to file annual personal financial statements to comply with the Government Code.

Ms. Piller explained that commissioners generally may not accept an honorarium in exchange for services performed as part of his or her Port Authority duties, but may accept certain travel, lodging, and meals in connection with services provided at a conference or seminar. Prohibitions on nepotism included no hiring of any relatives of any commissioner, no employee involvement in hiring relatives, no employee involvement in any employment decisions regarding relatives, and no trading.

Ms. Piller reviewed staff outside employment and compensation. Outside employment was permitted in limited circumstances; however, no outside employment was allowed that would impair independence or hinder performance of Port Authority duties. Senior managers must receive approval from the executive director and the executive director must receive Port Commission approval.

Ms. Piller noted that former commissioners and employees could not participate in matters worked on or that were within their area or responsibility while at the Port Authority. The Port Commission must approve certain contracts with former employees

or their new employers for twelve months after departure. Commissioners and the executive director had a two-year post-service ban on communications with intent to influence.

Ms. Piller stressed that Port Authority property shall not be used in violation of any agreement by which a commissioner or employee held the property, any contract of employment, any law, or the limited purpose for which the property was provided to the commissioner or employee. Discounts, awards, and coupons for travel were not considered Port Authority property.

Ms. Piller remarked that commissioners shall not solicit, obtain, use, or disclose confidential Port Authority information to obtain or help another obtain property or some other benefit, to coerce another into holding back information from a law enforcement agency, or to harm or defraud another.

Ms. Piller stated that it was the policy of the Port Authority to promote an atmosphere of respect, equality, and safety, and to prevent discrimination and harassment. Any instance of misconduct shall be reported promptly, investigated fully, and addressed appropriately. Acts of retaliation against a commissioner or employee reporting misconduct were prohibited. In addition to other penalties that may be imposed by law or other Port Authority policies, penalties for violations of the Code of Ethics by commissioners included official reprimand or a recommendation of removal from office by a majority of a quorum of the Port Commission. For employees, penalties included reprimand, suspension, or dismissal from employment. Contractors may have their contracts terminated and be excluded from future Port Authority business.

At 11:56 a.m., Chairman Campo adjourned the Port Commission meeting.

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



Ric Campo, Chairman



Erik A. Eriksson, Secretary

## H. CHANNEL INFRASTRUCTURE

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<b>Subject</b>	<b>1. Ratify the contract with Matthews Brothers Dredging, LLC for emergency maintenance dredging of Bayport berths 2 through 6 in the amount of \$4,518,500.</b>
Meeting	Sep 26, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its September 26, 2023 meeting, ratify the contract with Matthews Brothers Dredging, LLC for emergency maintenance dredging of Bayport berths 2 through 6 in the amount of \$4,518,500, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

**Category:**

Awards, Amendments & Change Orders

**Department:**

Channel Improvement

**Staff Contact:**

Charlie Jenkins/Lori Brownell/Garry McMahan/Leia Wilson

**Background:**

The Bayport Ship Channel and associated Bayport Container Terminal berths have experienced higher-than-expected shoaling since the U.S. Army Corps of Engineers (Army Corps) maintenance dredging work was completed in late 2022. As a result, in May 2023 the Houston Pilots imposed a vessel draft restriction in the area. To address this matter, the Army Corps put in place emergency dredging contracts to remove the excess material within Bayport channel, ending the draft restriction in June 2023. However, to resolve the draft restriction impacts on container terminal operations, the Port Authority must also remove significant shoals adjacent to the channel within the berth areas, matching the Army Corps efforts.

To carry out this work, the Port Commission approved an amendment in June with a dredging company already under contract with the Port Authority; however, staff subsequently learned that the approach contemplated by this amendment (since rescinded, in July) was not entirely feasible, since material from Docks 2 through 6 could not be placed at the intended dredged material placement area, due to adjacent area turbidity concerns.

As a result, staff had to identify an alternative placement area, and the most cost- and time-efficient method to conduct this dredging and the placement work to (1) avoid pending draft restriction concerns and (2) remove any shoaling concerns within the Bayport Ship Channel in time for the anticipated opening of Wharf 6 in early October 2023.

**Staff Evaluation/Justification:**

Staff's determination regarding the alternative placement area was based on the turbidity constraints imposed on placement. A placement contract, for the only available dredged material disposal site meeting water quality conditions required by the Bayport Army Corps permit, was awarded by the Port Commission to Adloy, LLC, in July 2023. Staff has additionally determined that under these circumstances, only one supplier could dredge the Bayport berths (i) at an economical cost and (ii) in the most efficient manner to potentially avoid the additional lost revenue that other dredging methods would impose on the Port Authority.

Therefore, under the authority of Texas Water Code Section 60.4035, staff moved forward with an emergency procurement awarding a contract to Matthews Brothers Dredging, LLC in August 2023 for emergency maintenance dredging for Bayport berths 2 to 6, in the amount of \$4,518,500, and informed the Port Commission of such actions on August 7, 2023. Staff now respectfully requests that the Port Commission ratify this action as is the Port Authority's practice.

## H. CHANNEL INFRASTRUCTURE

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<b>Subject</b>	<b>2. Restrict a 14.9172-acre tract of Port Authority railway right-of-way property to commercial/industrial use and plume management zone requirements, at the request of ExxonMobil Oil Corporation and as required by the Texas Commission on Environmental Quality.</b>
Meeting	Sep 26, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its September 26, 2023 meeting, authorize restriction of a 14.9172-acre tract of Port Authority railway right-of-way property to commercial/industrial use and plume management zone requirements at the request of ExxonMobil Oil Corporation, and as required by the Texas Commission on Environmental Quality, and authorize an agreement related thereto, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

**Category:**  
General

**Department:**  
Channel Operations

**Staff Contact:**  
Garry McMahan

**Background:**

A 14.9172-acre tract of land in the Pasadena area owned by the Port Authority and used for railroad operations is adjacent to property impacted by ExxonMobil Oil Corporation (ExxonMobil) activity. The Texas Commission on Environmental Quality (TCEQ), as part of its Texas Risk Reduction Program (TRRP), has identified groundwater in this area as containing certain chemicals of concern, and has required ExxonMobil to establish, maintain, and monitor a plume management zone in the vicinity, to protect groundwater resources (Plume Management Zone Requirements).

The tract, part of the South Side Main Line railroad tracks operated by Port Terminal Railroad Association (PTRA), was conveyed to the Port Authority in 1924 for railway purposes.

The TRRP requires that notice be filed of record by subject property owners, providing information about the affected property, that its use is restricted to commercial or industrial purposes absent further TCEQ action, indicating that there is no significant present or future risk to humans or the environment based on the use of the property for commercial or industrial operations, and that it is subject to Plume Management Zone Requirements. ExxonMobil has requested that such notice be filed in the deed records for the above-identified property (Port Authority File No. 2023-0322).

**Staff Evaluation/Justification:**

Because this property has been and is expected to continue to be used for the operation of a railway, staff has concluded that the proposed restrictions place no undue burden on the Port Authority and does not affect the use and value of the tract. Additionally, ExxonMobil has agreed to enter into an agreement with the Port Authority whereby they would (i) perform at their cost all Plume Management Zone Requirements as required by TCEQ, including those portions that are on and under the Port Authority tract and (ii) agree to comply with Port Authority and PTRA requirements when such activities require property entry.

TCEQ's notice of restriction and the agreement with ExxonMobil have been reviewed by the Port Authority's Environmental Affairs, Channel Operations, and Legal departments, and was found to be acceptable. Therefore, staff recommends the Port Commission approve the above matter.

## H. CHANNEL INFRASTRUCTURE

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**Subject**                    **3. Issue a transmission line license to Comcast of Houston, LLC for one fiber optic/communication line under the Port Terminal Railroad Association railroad tracks outside the entrance to Industrial Park East.**

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

Access                    Public

Type                    Action, Information

Recommended Action                    The Port Commission, at its September 26, 2023 meeting, authorize the Port Authority to issue a transmission line license to Comcast of Houston, LLC for one fiber optic/communication line under the Port Terminal Railroad Association railroad tracks outside the entrance to Industrial Park East, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

**Category:**

Permits/Licenses/Pipeline Easements

**Department:**

Channel Operations

**Staff Contact:**

Garry McMahan

**Background:**

Comcast of Houston, LLC, Port Authority File No. 2023-0271, has applied for a transmission line license for one fiber optic/communication line under the Port Terminal Railroad Association railroad tracks outside the entrance to Industrial Park East, in the John Brown Survey, A-8 and the Ezekiel Thomas Survey, A-73.

**Staff Evaluation/Justification:**

The application was reviewed and approved by the Port Authority's Channel Operations department and Port Terminal Railroad Association. The license is subject to the Port Authority's usual terms and conditions for a 10-year license and at an initial fee of \$1,902. The \$1,000 application fee and the \$10,000 as-built deposit have been paid.

Staff recommends approval.

## H. CHANNEL INFRASTRUCTURE

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<b>Subject</b>	<b>4. Approve a Port Authority adjacency barge fleeting lease agreement and issue a marine construction permit to Kirby Inland Marine, LP for approximately 15.95 acres of submerged land in the San Jacinto River at an initial monthly rental amount of \$55,825 for a ten-year term.</b>
Meeting	Sep 26, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its September 26, 2023 meeting, approve a Port Authority adjacency barge fleeting lease agreement and authorize the Port Authority to issue a marine construction permit to Kirby Inland Marine, LP for approximately 15.95 acres of submerged land in the San Jacinto River at an initial monthly rental amount of \$55,825 for a ten-year term, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

**Category:**

Permits/Licenses/Pipeline Easements

**Department:**

Channel Operations

**Staff Contact:**

Garry McMahan

**Background:**

Kirby Inland Marine, LP (Kirby), Port Authority File No. 2023-0243 (lease) and Port Authority File No. 2023-0246 (marine construction permit), has applied for a Port Authority adjacency barge fleeting lease agreement and a marine construction permit to barge fleet on 15.95 acres of submerged land in Old River, adjacent to land in the M Niedermeier et al. Survey, A-1736, Harris County, Texas.

Staff is informed that Kirby operates the nation's largest fleet of inland tank barges and towing vessels to transport liquid bulk cargo, petrochemicals, refined products, black oil, and agricultural chemicals from producers to intermediaries to end users, with a service area spanning the Intercoastal Waterway from Brownsville, Texas to St. Marks, Florida, and the Mississippi River and its tributaries.

**Staff Evaluation/Justification:**

The application was reviewed and approved by the Port Authority's Channel Operations department. The lease and permit are subject to the Port Authority's usual terms and conditions, for an initial lease fee of \$55,825 per month for a ten-year term. The \$675 application fee has been paid.

Staff recommends approval.

## H. CHANNEL INFRASTRUCTURE

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<b>Subject</b>	<b>5. Approve a private adjacency barge fleeting lease agreement and issue a marine construction permit to Kirby Inland Marine, LP for approximately 25.91 acres of submerged land in Old River at an initial monthly rental amount of \$8,359 for a ten-year term.</b>
Meeting	Sep 26, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its September 26, 2023 meeting, approve a private adjacency barge fleeting lease agreement and authorize the Port Authority to issue a marine construction permit to Kirby Inland Marine, LP for approximately 25.91 acres of submerged land in Old River at an initial monthly rental amount of \$8,359 for a ten-year term, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

**Category:**

Permits/Licenses/Pipeline Easements

**Department:**

Channel Operations

**Staff Contact:**

Garry McMahan

**Background:**

Kirby Inland Marine, LP (Kirby), Port Authority File No. 2023-0242 (lease) and Port Authority File No. 2023-0246 (marine construction permit), has applied for a private adjacency barge fleeting lease agreement and a marine construction permit to barge fleet on 25.91 acres of submerged land in Old River, adjacent to land in the J T Harrell Survey, A-330, Harris County, Texas.

Staff is informed that Kirby operates the nation's largest fleet of inland tank barges and towing vessels to transport liquid bulk cargo, petrochemicals, refined products, black oil, and agricultural chemicals from producers to intermediaries to end users, with a service area spanning the Intercoastal Waterway from Brownsville, Texas to St. Marks, Florida, and the Mississippi River and its tributaries.

**Staff Evaluation/Justification:**

The application was reviewed and approved by the Port Authority's Channel Operations department. The lease and permit are subject to the Port Authority's usual terms and conditions, for an initial lease fee of \$8,359 per month for a ten-year term. The \$675 application fee has been paid.

Staff recommends approval.



## H. CHANNEL INFRASTRUCTURE

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<b>Subject</b>	<b>6. Amend a marine construction permit to Vopak Terminal Deer Park, Inc. to repair a bulkhead, install soil anchors to stabilize an existing wall, and use approximately 1,194 cubic yards of flowable fill for the repair activities.</b>
Meeting	Sep 26, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its September 26, 2023 meeting, authorize the Port Authority to amend a marine construction permit to Vopak Terminal Deer Park, Inc. to repair a bulkhead, install soil anchors to stabilize an existing wall, and use approximately 1,194 cubic yards of flowable fill for the repair activities, 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:**

Vopak Terminal Deer Park, Inc., Port Authority File No. 2014-0146, has applied to amend a marine construction permit to repair the bulkhead, install soil anchors to stabilize an existing wall, and use approximately 1,194 cubic yards of flowable fill for the repair activities, in the George Ross Survey, A-64.

The existing permit authorizes reconstruction of approximately 350-feet of an existing bulkhead and replacement or reconditioning of 12 breasting dolphins. This permit amendment includes repairs to that bulkhead.

**Staff Evaluation/Justification:**

The application was reviewed and approved by the Port Authority's Channel Operations department. The permit is to be issued subject to the Port Authority's usual terms and conditions. The \$1,000 application fee and the \$10,000 as-built deposit have been paid.

Staff recommends approval.

## H. CHANNEL INFRASTRUCTURE

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<b>Subject</b>	<b>7. Amend a pipeline easement with Kinder Morgan Texas Pipeline, LLC to relocate a pipeline in the Beltway 8 tract.</b>
Meeting	Sep 26, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its September 26, 2023 meeting, amend a pipeline easement with Kinder Morgan Texas Pipeline, LLC to relocate a pipeline in the Beltway 8 tract, 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:**

As part of Project 11, a new one-time use dredged material placement area (DMPA) would be built on the Beltway 8 property. Several pipelines covered under several easements belonging to Kinder Morgan Texas Pipeline, LLC, Port Authority File No. 2023-0321, are being relocated around this new DMPA. The easements require the Port Authority to provide a new location for the pipelines and the relocations to be at pipeline owner expense.

**Staff Evaluation/Justification:**

The relocation has been coordinated with the Port Authority's Channel Operations department. The easement is to be issued with the same terms as the original easements.

Staff recommends approval.

## I. COMMERCIAL

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<b>Subject</b>	<b>1. Authorize the sale of surplus real property totaling approximately 2.179 acres to Hugo Martinez Galarza, out of Block 19 in the John R. Harris Survey, Abstract No. 27 at the intersection of Erath and Fennell Streets in Houston, in the purchase amount of \$350,000.</b>
Meeting	Sep 26, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its September 26, 2023 meeting, authorize the sale of surplus real property totaling approximately 2.179 acres to Hugo Martinez Galarza, out of Block 19 in the John R. Harris Survey, Abstract No. 27 at the intersection of Erath and Fennell Streets in Houston, in the purchase amount of \$350,000 as the highest and best bid, 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><a href="#">STRATEGIC GOAL #3 - PARTNERSHIPS (Develop and Strengthen External Partnerships)</a></p> <p><a href="#">Strategic Objective 3a. - Cultivate key relationships to accomplish common goals</a></p> <p><a href="#">STRATEGIC GOAL #4 - STEWARDSHIP (Create Greater Value for the Region)</a></p> <p><a href="#">Strategic Objective 4d. - Support sustainable growth of Port Houston and the greater Port</a></p>

**Category:**

General

**Department:**

Real Estate

**Staff Contact:**

John Moseley/Diana Secher

**Background:**

On March 22, 2016, the Port Commission (i) determined by resolution that the Port Authority's real property totaling approximately 3.3701 acres located at the intersection of Erath and Fennell Streets, Houston, which includes the 2.179 acres of land mentioned herein, was no longer needed for use by the Port Authority in connection with the development of a navigation project and (ii) authorized the public bid and sale of approximately 3.3701 acres of land by the Port Authority.

The Port Authority advertised a notice and solicitation of public bids (i) on the Port Authority's BuySpeed Eprocurement System July 6, 2023 through July 20, 2023, and (ii) in the Houston Chronicle July 11, 2023, July 13, 2023, July 18, 2023, and July 20, 2023, pursuant to Chapter 60 of the Texas Water Code. The solicitation invited interested parties to submit bids for the purchase of a total of approximately 2.179 acres of land, comprised of two tracts of 1.077 acres and 1.102 acres of unimproved land, out of Block 19 in the John R. Harris Survey, Abstract No. 27 (the "Property"). The established floor bid amount was \$300,000 and the due date for bid submission was July 20, 2023.

The solicitation only included a portion of the property previously determined by the Port Commission to be surplus property. The portion of the surplus property that was not included in the solicitation is encumbered by a Port Terminal Railroad Authority rail track.

After publicly advertising the sale of the Property, one bid was received in the amount of \$350,000 from Hugo Martinez Galarza, which staff has determined is not less than the reasonable market value in the locality at the time and place of the sale.

**Staff Evaluation/Justification:**

Staff recommends the Port Commission authorize the sale to Hugo Martinez Galarza as set forth above.

## I. COMMERCIAL

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<b>Subject</b>	<b>2. Approve a two-year professional services contract with a one-year mutual extension option with Flensburg and Associates GmbH for trade development services in Europe, the Middle East, and Africa in an amount not to exceed \$278,161 for the two-year contract period and in an amount not to exceed \$145,370 for the one-year extension option period, with such amounts including fees for the services and reimbursable expenses for related travel and business.</b>
Meeting	Sep 26, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its September 26, 2023 meeting, approve a two-year professional services contract with a one-year mutual extension option with Flensburg and Associates GmbH for trade development services in Europe, the Middle East, and Africa, in an amount not to exceed \$278,161 for the two-year contract period and in an amount not to exceed \$145,370 for the one-year extension option period, with such amounts including fees for the services and reimbursable expenses for related travel and business, 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><a href="#">STRATEGIC GOAL #3 - PARTNERSHIPS (Develop and Strengthen External Partnerships)</a></p> <p><a href="#">Strategic Objective 3a. - Cultivate key relationships to accomplish common goals</a></p> <p><a href="#">STRATEGIC GOAL #4 - STEWARDSHIP (Create Greater Value for the Region)</a></p> <p><a href="#">Strategic Objective 4a. - Implement an innovative environmental leadership strategy</a></p>

**Category:**

Awards, Amendments & Change Orders

**Department:**

Trade Development

**Staff Contact:**

Dominic Sun/Ty Reasonover

**Background:**

Flensburg and Associates GmbH, an independent contractor domiciled in Germany with over thirty years experience in the shipping industry in Europe, the Mediterranean, Africa, and the Middle East, has provided the Port Authority with port-related business development activities in the transatlantic trade since October 2018. The firm has deep relationships with beneficial cargo owners, ocean carriers, freight forwarders, and other maritime-related entities in both the container and multipurpose cargo sectors in those regions.

By Minute No. 2020-0929-13, the Port Commission authorized the award of a contract to Flensburg and Associates GmbH, for a two-year term not to exceed \$253,000 and a one-year mutual option not to exceed \$131,090. The Port Authority exercised the one-year mutual option with a contract amendment to not exceed \$137,025 in total. The term of this contract expires December 31, 2023, and staff now proposes to enter into a new contract on the terms described herein.

In 2022, loaded containerized imports and exports through the Port Authority container facilities to and from Europe and the Mediterranean represented 23% of loaded container throughput or 725,988 twenty-foot equivalent units (TEU) aboard eight of twenty-two regular container liner services calling Port Authority facilities. Belgium (Port Authority's number one transatlantic export partner), Turkey, and Spain account for 14.4% of the Port Authority's total loaded exports. The Northern Europe and Mediterranean regions represent 22.4% of the Port Authority's total loaded imports.

Four of the top five container ocean carriers and many of the world's top break bulk ocean carriers are headquartered in Europe. With the significant and ongoing expansion of Houston's regional petrochemical complex, the Port Authority's strong links with Europe's petrochemical, consumer products, and automotive sectors, increasing vessel sizes, and high beneficial cargo owner demand for cargo routing through the Port Authority, transatlantic volumes are expected to continue to trend upward.

**Staff Evaluation/Justification:**

Based on these circumstances, staff recommends the Port Authority advance its strategic positioning in Europe, the Mediterranean, Africa, and the Middle East through the award of a new two-year contract with Flensburg and Associates GmbH, not to exceed \$278,161 during the initial two-year term of the contract, and not to exceed \$145,370 for the one-year mutual extension option period. Such amounts include (i) the fees for the services, which would be \$9,012.50 per month for the first year, \$9,282.87 for the second, and \$9,561.36 for the third year, if the mutual option is exercised, and (ii) the reimbursable expenses for travel and business expense reimbursements, which would not exceed \$28,875.00 per year for the first year, \$29,741.25 per year for the second year, and \$30,633.49 for the third year, if the mutual option is exercised.

Staff recommends the Port Commission approve the proposed contract with Flensburg and Associates GmbH.

## I. COMMERCIAL

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<b>Subject</b>	<b>3. Approve a two-year professional services contract with a one-year mutual extension option with Ben Line Agencies (Singapore) PTE LTD for trade development services in Asia in an amount not to exceed \$406,894 for the two-year contract period and in an amount not to exceed \$207,900 for the one-year extension option period, with such amounts including fees for the services and reimbursable expenses for related travel and business.</b>
Meeting	Sep 26, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its September 26, 2023 meeting, approve a two-year professional services contract with a one-year mutual extension option with Ben Line Agencies (Singapore) PTE LTD for trade development services in Asia in an amount not to exceed \$406,894 for the two-year contract period and in an amount not to exceed \$207,900 for the one-year extension option period, with such amounts including fees for the services and reimbursable expenses for related travel and business, 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><a href="#">STRATEGIC GOAL #3 - PARTNERSHIPS (Develop and Strengthen External Partnerships)</a></p> <p><a href="#">Strategic Objective 3a. - Cultivate key relationships to accomplish common goals</a></p> <p><a href="#">STRATEGIC GOAL #4 - STEWARDSHIP (Create Greater Value for the Region)</a></p> <p><a href="#">Strategic Objective 4a. - Implement an innovative environmental leadership strategy</a></p>

**Category:**

Awards, Amendments & Change Orders

**Department:**

Trade Development

**Staff Contact:**

Dominic Sun / Jessica Nguyen

**Background:**

Ben Line Agencies (Singapore) PTE LTD, an independent contractor (Ben Line Agencies), using its experience for over 150 years in the shipping industry in Asia and its established network of over 100 offices across 15 countries, has promoted the Port Authority's facilities and services while helping maintain a positive image of Houston across Asia.

By Minute No. 2020-0929-14, the Port Commission most recently approved the award of a professional services contract to Ben Line Agencies for a two-year contract with a third-year mutual option in an amount not to exceed \$578,871.36. This contract expires December 31, 2023, and staff now proposes to enter into a new contract on the terms described herein.

In 2022, East Asian imports through the Port Authority container facilities grew 23%. Trade with Asia now represents nearly 42% of the total volume of import and export containers which move through Port Authority terminals. China was the Port Authority's number one country for container trade in 2022 and accounted for

over 34% of all loaded containers, nearly six times that of the next highest country, Vietnam, followed closely by India. With the addition of the Maersk/MSC/ZIM Asia service (which launched in August 2019), increasing Asia service vessel sizes, and high beneficial cargo owner demand for cargo routing through the Port Authority, Asian volumes are expected to continue to trend upward, and Asia continues to represent the fastest-growing trade area for the Port Authority.

**Staff Evaluation/Justification:**

Based on these circumstances, staff recommends the Port Authority advance its strategic positioning in Asia (i.e., China, South Korea, Japan, Hong Kong, Taiwan, Singapore, Philippines, Thailand, Indonesia, Malaysia, Vietnam, Cambodia, Myanmar, Australia, Sri Lanka, and India) through the award of a new two-year contract with Ben Line Agencies, not to exceed \$406,894 during the initial two-year term of the contract, and not to exceed \$207,900 for the one-year mutual extension option period. Such amounts include (i) the fees for the services would be \$12,371 per month for the first year, \$12,371 per month for the second year, and \$12,742 per month for the third year, if the mutual option is exercised, and (ii) the reimbursable expenses for travel and business, which would not to exceed \$55,000 per year, including the third year, if the mutual option is exercised.

Staff recommends the Port Commission approve the proposed contract with Ben Line Agencies Singapore, Limited.



## I. COMMERCIAL

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**Subject**            **4. Ratify the extended term of a month-to-month lease with Empire Stevedoring (Houston) Inc. for approximately 0.69 acres out of Block 12 at Southside Wharves, at an annual base rent of approximately \$20,401.**

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

Access            Public

Type            Action

Recommended Action    The Port Commission, at its September 26, 2023 meeting, ratify the extended term of a month-to-month lease with Empire Stevedoring (Houston) Inc. for approximately 0.69 acres out of Block 12 at Southside Wharves, at an annual base rent of approximately \$20,401, 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/Jim Vo

**Background:**

The Port Authority currently has a month-to-month lease with Empire Stevedoring (Houston) Inc. (Empire) for approximately 0.69 acres out of Block 12 at Southside Wharves that has have been in effect for more than one year. Empire uses the leased premises for the storing and handling of general cargo. If the extended term is ratified, the new annual base rent would be approximately \$20,401, which is based upon the current premium rate for a month-to-month lease agreement.

An amendment to the Texas Water Code adopted in the 2011 State of Texas legislative session requires that the Port Commission authorize month-to-month lease agreements in effect for more than one year.

**Staff Evaluation/Justification:**

Staff recommends the Port Commission ratify the extended term of a month-to-month lease with Empire under the terms described above.

## J. FINANCE

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<b>Subject</b>	<b>1. Approve staff's selection of five investment banking and debt underwriting firms to add to the existing Port Commission-approved pool from which to select firms for the Port Authority's future financing requirements.</b>
Meeting	Sep 26, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	<p>The Port Commission, at its September 26, 2023, meeting:</p> <p>(a) approve the following five investment banking and debt underwriting firms as additions to the existing Port Commission-approved pool from which to select firms for the Port Authority's future financing requirements:</p> <ul style="list-style-type: none"> <li>• Robert W. Baird &amp; Co. Incorporated;</li> <li>• BOK Financial Securities, Inc.;</li> <li>• Cabrera Capital Markets, LLC;</li> <li>• PNC Capital Markets, LLC; and</li> <li>• Truist Securities, Inc.; and</li> </ul> <p>(b) further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.</p>

**Category:**

Awards, Amendments & Change Orders

**Department:**

Treasury

**Staff Contact:**

Roland Gonzalez/Tim Finley

**Background:**

The Port Commission may authorize and approve the issuance of debt, and the firms to assist with the issuance of debt, to finance construction, and other related costs associated with potential Port Authority funding needs, including those for capital equipment, port facility improvements, channel improvement projects, and potential bond defeasance and refunding opportunities.

By Minute No. 2021-0525-14, the Port Commission approved the following twenty-six investment banking and debt underwriting firms from which to select teams to assist with the Port Authority's financing needs:

- Academy Securities, Inc.
- BofA Securities, Inc.
- Barclays Capital Inc.
- Blaylock Van, LLC
- Citigroup Global Markets Inc.
- Drexel Hamilton, LLC
- Estrada Hinojosa & Company, Inc.
- FHN Financial Capital Markets
- Goldman Sachs & Co. LLC
- Hilltop Securities Inc.
- Huntington Securities, Inc.
- J.P. Morgan Securities LLC
- Jefferies LLC
- Loop Capital Markets LLC
- Mesirow Financial, Inc.
- Morgan Stanley

- Piper Sandler & Co.
- Ramirez and Co., Inc.
- Raymond James & Associates, Inc.
- RBC Capital Markets, LLC
- Siebert Williams Shank & Co., LLC
- Stern Brothers
- Stifel, Nicolaus & Company, Incorporated
- UBS Financial Services Inc.
- UMB Bank, N.A.
- Wells Fargo Bank, N.A., Municipal Finance Group

Recently Port Authority staff notified the proposed five vendors of its informal request for information for investment banking services.

**Staff Evaluation/Justification:**

The proposed additional five underwriting firms are well qualified to serve on a financing team for the Port Authority's future needs. For example, Robert W. Baird & Co. Incorporated and Cabrera Capital Markets served as co-manager on the Port Authority's ad valorem tax refunding bond issues in 2015 and 2011, respectively.

With recent legislation (SB13 and SB19), some of the firms listed above have and may continue to be unavailable for this work in the State of Texas. Accordingly, adding more qualified underwriters to this list is in the best interest for future potential Port Authority financing needs.

Staff recommends the Port Commission approve the addition of the above five investment banking and bond underwriting firms to the Port Authority's existing bank underwriter pool.

## J. FINANCE

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<b>Subject</b>	<b>2. Amend the contract for Excess Umbrella Liability coverage with carrier Lloyds of London, in an amount not to exceed \$418,000.</b>
Meeting	Sep 26, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its September 26, 2023, meeting, authorize the Port Authority to amend the contract for Excess Umbrella Liability coverage with carrier Lloyds of London, in an amount not to exceed \$418,000, 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	<a href="#">STRATEGIC GOAL #4 - STEWARDSHIP (Create Greater Value for the Region)</a>
<b>Category:</b>	
General	
<b>Department:</b>	
Risk Management	
<b>Staff Contact:</b>	
Norma Essary	

**Background:**

By Minute No. 2023-0221-12, the Port Commission approved the purchase of insurance coverage contracts obtained with the assistance of McGriff Insurance Services as the Port Authority's Broker of Record, in the total amount of \$7,001,000. That purchase included Excess Umbrella liability coverage provided by Lloyds of London.

At the time of the purchase, underwriters representing Lloyds of London utilized an estimated amount of revenue in establishing the Port Authority's premium for this category of coverage. That estimate was lower than actual revenues; among other things, revenues were stronger than anticipated as a result of tariff charges associated with container unit dwell time.

These items contributed to a review by the underwriters and an increase in the premium amount owed to the carrier.

**Staff Evaluation/Justification:**

Accordingly, staff now recommends the Port Commission approve the above amendment for additional funds to pay the adjusted premium due to Lloyds of London.

## J. FINANCE

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<b>Subject</b>	<b>3. Adopt an amended investment policy for the Port of Houston Authority Restated Retirement Plan (Pension Plan).</b>
Meeting	Sep 26, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its September 26, 2023 meeting, adopt an amended investment policy for the Port of Houston Authority Restated Retirement Plan (Pension Plan), and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

**Category:**

General

**Department:**

Treasury

**Staff Contact:**

Roland Gonzalez

**Background:**

By Minute No. 2022-0927-22, the Port Commission last adopted an amended investment policy for the Port of Houston Authority Restated Retirement Plan (Pension Plan), which states:

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

**Staff Evaluation/Justification:**

Administrative revisions include an update to the fixed income benchmark name and removal of one benchmark from the real estate portfolio.

The proposed investment policy changes comply with applicable statutes, including Chapter 802, Texas Government Code.

Staff recommends, and anticipates that the Pension and Benefits Committee recommends that the Port Commission adopt an amended investment policy for the Port of Houston Authority Pension Plan, as proposed.

## J. FINANCE

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<b>Subject</b>	<b>4. Adopt an amended investment policy for the Port of Houston Authority Other Post-Employment Benefit (OPEB) Plan, an irrevocable trust established for other post-employment benefits.</b>
Meeting	Sep 26, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its September 26, 2023 meeting, adopt an amended investment policy for the Port of Houston Authority Other Post-Employment Benefit (OPEB) Plan, an irrevocable trust established for other post-employment benefits, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

**Category:**

General

**Department:**

Treasury

**Staff Contact:**

Roland Gonzalez

**Background:**

By Minute No. 2022-0927-23, the Port Commission last adopted an amended investment policy for the Port of Houston Authority OPEB Plan, which states:

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

**Staff Evaluation/Justification:**

Administrative revisions include an update to the fixed income benchmark name and removal of one benchmark from the real estate portfolio.

The proposed investment policy changes comply with applicable statutes, including Chapter 802, Texas Government Code.

Staff recommends, and anticipates that the Pension and Benefits Committee recommends, that the Port Commission adopt an amended investment policy for the OPEB Plan, as proposed.

## J. FINANCE

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<b>Subject</b>	<b>5. Adopt a revised Statement of Objectives and Policy for the Port Authority 401(a) Defined Contribution and 457(b) Deferred Compensation Plans.</b>
Meeting	Sep 26, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its September 26, 2023 meeting, adopt a revised Statement of Objectives and Policy for the Port Authority 401(a) Defined Contribution and 457(b) Deferred Compensation Plans, 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:**

Treasury

**Staff Contact:**

Roland Gonzalez

**Background:**

By Minute No. 2021-0427-17, the Port Commission reviewed and adopted the Statement of Objectives and Policy for the 401(a) Defined Contribution and 457(b) Deferred Compensation Plans.

By Minute No. 2023-0502-21, the Port Commission approved the replacement of the Goldman Sachs Small Cap Growth Insights Fund with the Hood River Small Cap Growth Retirement Fund in the fund options offered under these plans.

**Staff Evaluation/Justification:**

Administrative revisions include an update to the fixed income benchmark name and replacement of Goldman Sachs Small Cap Growth Insights Fund with the Hood River Small Cap Growth Retirement Fund.

The proposed Policy complies with applicable statutes, including all applicable state and federal laws and regulations governing Internal Revenue Code (IRC) §457(b) and IRC §401(a) plans, including Chapter 802 of the Texas Government Code, to the extent applicable.

Staff recommends, and anticipates that the Pension and Benefits Committee recommends, that the Port Commission adopt the current year Statement of Objectives and Policy for the Port of Houston Authority 401(a) Defined Contribution and 457(b) Deferred Compensation Plans, as proposed.

## K. INFRASTRUCTURE

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**Subject**            **1. Approve staff’s ranking of vendors and award a two-year environmental services agreement to WCA Waste Systems, Inc. dba GFL Environmental, for scrap tire removal and disposal services for Port Authority facilities in an amount not to exceed \$200,000.**

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

Access            Public

Type            Action

Recommended Action    The Port Commission, at its September 26, 2023 meeting, award an environmental services contract to WCA Waste Systems, Inc. dba GFL Environmental, for scrap tire removal and disposal services for all Port Authority facilities in an amount not to exceed \$200,000 for a 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:**

Environmental Affairs

**Staff Contact:**

Trae Camble

**Background:**

The Port Authority is seeking to obtain an environmental service provider to pick up, remove, transport, manage, and dispose/recycle scrap tires generated from Port Authority terminals and property locations. These services would include providing scrap tire collection containers at requested locations and transporting the scrap tires to a Texas Commission on Environmental Quality (TCEQ) permitted disposal/recycle facility.

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

**Staff Evaluation/Justification:**

On July 17, 2023, one CSP was reviewed and opened. The responses were reviewed and evaluated by staff in accordance with the selection criteria published in the CSP.

Following staff Executive Committee review, staff recommends that the Port Commission award a contract to WCA Waste Systems Inc., dba GFL Environmental, the proposer providing best value for scrap tire removal and disposal services, and act as otherwise described above.



## K. INFRASTRUCTURE

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**Subject**                    **2. Approve staff's ranking of vendors and award a professional services contract in an amount not to exceed \$182,002, for programing the proposed new administration building at Barbours Cut Terminal, to the top-ranked proposer PGAL, Inc.**

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

Access                    Public

Type                    Action

Recommended Action                    The Port Commission, at its September 26, 2023 meeting, approve staff's ranking of vendors and award a professional services contract in an amount not to exceed \$182,002, for programing the proposed new administration building at Barbours Cut Terminal, to PGAL, Inc., and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

**Category:**

Awards, Amendments & Change Orders

**Department:**

Project and Construction Management

**Staff Contact:**

Roger H. Hoh, P.E.

**Background:**

This project consists of programing of the proposed new administration building at Barbours Cut Terminal to support Port Authority staff working there. This programing work would primarily recommend the size of the building and associated parking, among other things. It is anticipated that staff would request permission to design the building via an amendment to this contract at a later date.

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

**Staff Evaluation/Justification:**

On October 19, 2022, eleven RFQ responses were received and opened. The responses were reviewed and evaluated by staff in accordance with the selection criteria published in the RFQ.

Following staff Executive Committee review, staff recommends that the Port Commission award a contract to PGAL, Inc., the most highly qualified provider, for programing of the proposed administration building at Barbours Cut Terminal, and act as otherwise described above.

## K. INFRASTRUCTURE

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<b>Subject</b>	<b>3. Approve staff's ranking of vendors and award a professional services contract in an amount not to exceed \$552,760 for the facility inspection and condition assessment program (FICAP) of marine structures for 2023, to the top-ranked proposer Green Rubiano &amp; Associates.</b>
Meeting	Sep 26, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its September 26, 2023 meeting, approve staff's ranking of vendor and award a professional services contract in an amount not to exceed \$552,760 for the facility inspection and condition assessment program (FICAP) of marine structures for 2023 to the top-ranked proposer Green Rubiano & Associates, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

**Category:**

Awards, Amendments & Change Orders

**Department:**

Project and Construction Management

**Staff Contact:**

Roger H. Hoh, P.E.

**Background:**

This project consists of performing structural inspections on marine assets at multiple terminals with the requirement to conduct the following tasks:

- Collect data and document condition of structures by written descriptions, pictures, and testing as needed, using the forms from the FICAP Marine Structures manual;
- Develop the asset condition rating (ACR) structural condition for the inspected asset classes, broken down by hierarchy and using the procedures described in the manual;
- Assess conditions that require maintenance, repair, or replacement, to maintain or extend the useful service life of the assets; and
- Enter new FICAP Inspection information, ACR calculations and computer-aided drawing (CAD) plan view drawings into the interim FICAP database to be ultimately integrated into the Port Authority's Asset Registry Database and geographic information system (GIS) Model Geodatabase.

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

**Staff Evaluation/Justification:**

On May 17, 2023, five RFQ responses were received and opened. The responses were reviewed and evaluated by staff in accordance with the selection criteria published in the RFQ.

Following staff Executive Committee review, staff recommends that the Port Commission award a contract to Green, Rubiano & Associates, the most highly qualified provider, for the FICAP of marine structures for 2023, and act as otherwise described above.

## K. INFRASTRUCTURE

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**Subject**            **4. Approve staff's ranking of vendors and award a professional services contract in an amount not to exceed \$154,000 for programing of the Maintenance Building Annex at Bayport Container Terminal, to the top-ranked proposer RDLR Architects, Inc.**

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

Access            Public

Type              Action

Recommended Action    The Port Commission, at its September 26, 2023 meeting, approve staff's ranking of vendors and award a professional services contract in an amount not to exceed \$154,000 for programing of the Maintenance Building Annex at Bayport Container Terminal, to the top-ranked proposer RDLR Architects, Inc., and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

**Category:**

Awards, Amendments & Change Orders

**Department:**

Project and Construction Management

**Staff Contact:**

Roger H. Hoh, P.E.

**Background:**

This project consists of programing of a new maintenance building annex to support Port Authority maintenance staff at Bayport Container Terminal. This programing would primarily recommend the size of the building and associated parking, among other things. It is anticipated that staff would request permission to design the building via an amendment to this contract at a later date.

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

**Staff Evaluation/Justification:**

On June 14, 2023, four RFQ responses were received and opened. The responses were reviewed and evaluated by staff in accordance with the selection criteria published in the RFQ.

Following staff Executive Committee review, staff recommends that the Port Commission award a contract to RDLR Architects, Inc., the most highly qualified provider, for programing of the Maintenance Building Annex at Bayport Container Terminal, and act as otherwise described above.

## K. INFRASTRUCTURE

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**Subject**            **5. Approve staff’s ranking of vendors and award a construction contract, in an amount not to exceed \$154,795 for demolition of the Auto Terminal Building at Bayport Container Terminal, to the top-ranked proposer Grant Mackay Company, Inc.**

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

Access            Public

Type              Action

Recommended Action    The Port Commission, at its September 26, 2023 meeting, approve staff’s ranking of vendors and award a construction contract, in an amount not to exceed \$154,795 for demolition of the Auto Terminal Building at Bayport Container Terminal to the top-ranked proposer Grant Mackay Company, Inc., and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

**Category:**

Awards, Amendments & Change Orders

**Department:**

Project and Construction Management

**Staff Contact:**

Roger H. Hoh, P.E.

**Background:**

This project consists of the demolition of the Auto Terminal Building and installation of security fencing.

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

**Staff Evaluation/Justification:**

On August 16, 2023, nine CSP responses were received, opened, and publicly read. The responses were reviewed and evaluated by staff in accordance with the published selection criteria.

Following staff Executive Committee review, staff recommends that the Port Commission award a contract to Grant Mackay Company, Inc., the proposer providing best value for demolition of the Auto Terminal Building, and act as otherwise described above.

## K. INFRASTRUCTURE

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<b>Subject</b>	<b>6. Award a construction contract to Pfeiffer and Son, Ltd. for electrical cable reroute to power four ship-to-shore cranes at Wharves 5 and 6 at Barbours Cut Terminal, in an amount not to exceed \$564,055.</b>
Meeting	Sep 26, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its September 26, 2023 meeting, award a construction contract to Pfeiffer and Son, Ltd. for electrical cable reroute to power four ship-to-shore cranes at Wharves 5 and 6 at Barbours Cut Terminal, in an amount not to exceed \$564,055, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

**Category:**

Awards, Amendments & Change Orders

**Department:**

Project and Construction Management

**Staff Contact:**

Roger H. Hoh, P.E.

**Background:**

This project consists of relocating Wharf Cranes 10, 9, 4, and 3 from Wharves 4 and 5 (Substation 5-2 feed) to Wharves 5 and 6 (Substation 6-2 feed). This includes removing old cables, cleaning the conduits, installing cable, and pulling cables from the cable horns to Substation 6-2.

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

**Staff Evaluation/Justification:**

On September 13, 2023, one CSP response was 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 Pfeiffer and Son, Ltd., the proposer providing best value for the relocation of four ship-to-shore cranes and power supply, and act as otherwise described above.

## K. INFRASTRUCTURE

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**Subject**            **7. Approve staff’s ranking of vendors and award a construction contract, in an amount not to exceed \$117,825,433 for the construction of Wharf 7 at Bayport Container Terminal, to the top-ranked proposer Russell Marine, LLC.**

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

Access            Public

Type              Action

Recommended Action    The Port Commission, at its September 26, 2023 meeting, approve staff’s ranking of vendors and award a construction contract, in an amount not to exceed \$117,825,433 for the construction of Wharf 7 at Bayport Container Terminal, to the top-ranked proposer Russell Marine, 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:**

Awards, Amendments & Change Orders

**Department:**

Project and Construction Management

**Staff Contact:**

Roger H. Hoh, P.E.

**Background:**

This project consists of constructing a new 1000 linear-foot wharf at Bayport Container Terminal, and dredging and excavating dry and submerged land, building a new stevedore support building, and installing electrical and telecommunication infrastructure at the terminal. The project scope also includes the construction of a west end mooring point, retaining wall, and new fireboat dock.

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

**Staff Evaluation/Justification:**

On August 16, 2023, four CSP responses were received, opened, and publicly read. The responses were reviewed and evaluated by staff in accordance with the published selection criteria.

Following staff Executive Committee review, staff recommends that the Port Commission award a contract to Russell Marine, LLC, the best value for the construction of Wharf 7 at Bayport Container Terminal, and act as otherwise described above.

## K. INFRASTRUCTURE

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<b>Subject</b>	<b>8. Approve staff's ranking and award a professional services contract, in an amount not to exceed \$800,000 to perform construction material testing services for the construction of Wharf 7 at Bayport Container Terminal, to the top-ranked proposer Aviles Engineering Corporation.</b>
Meeting	Sep 26, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its September 26, 2023 meeting, approve staff's ranking and award a professional services contract, in an amount not to exceed \$800,000 to perform construction material testing services for the construction of Wharf 7 at Bayport Container Terminal, to the top-ranked proposer Aviles Engineering Corporation, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

**Category:**

Awards, Amendments & Change Orders

**Department:**

Project and Construction Management

**Staff Contact:**

Roger H. Hoh, P.E.

**Background:**

This procurement includes construction material testing services during the construction of Wharf 7 at Bayport Container Terminal. Per Section 60.463(c) of the Texas Water Code, in certain circumstances the Port Authority is required to hire a third-party inspection firm to independently test the acceptability of construction materials installed by the contractor. This procurement would provide such third-party inspection services.

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

**Staff Evaluation/Justification:**

On August 9, 2023, thirteen RFQ responses were received and opened. The responses were reviewed and evaluated by staff in accordance with the selection criteria published in the RFQ.

Following staff Executive Committee review, staff recommends that the Port Commission award a contract to Aviles Engineering Corporation, the most highly qualified provider, and act as otherwise described above.

## K. INFRASTRUCTURE

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<b>Subject</b>	<b>9. Amend the professional services contract with Jacobs Engineering Group, Inc., to perform construction phase services for construction of Wharf 7 at Bayport Container Terminal, in an amount not to exceed \$810,761.</b>
Meeting	Sep 26, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its September 26, 2023 meeting, approve an amendment to the professional services contract with Jacobs Engineering Group, Inc., to perform construction phase services for construction of Wharf 7 at Bayport Container Terminal, in an amount not to exceed \$810,761, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

**Category:**

Awards, Amendments & Change Orders

**Department:**

Project and Construction Management

**Staff Contact:**

Roger H. Hoh, P.E.

**Background:**

By Minute No. 2022-1208-22, the Port Commission awarded a professional services contract to Jacobs Engineering Group, Inc. for the design of Wharf 7 at Bayport Container Terminal.

This proposed amendment would consist of additional funding for construction phase services to provide technical support and engineering services on the project.

**Staff Evaluation/Justification:**

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



## K. INFRASTRUCTURE

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**Subject**            **10. Amend a professional services contract with AECOM Technical Services, Inc., to perform additional work associated with the planning and design for reconstruction of 87 acres of container yard at Barbours Cut Terminal, in an amount not to exceed \$99,838.**

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

Access            Public

Type            Action

Recommended Action    The Port Commission, at its September 26, 2023 meeting, approve an amendment to the professional services contract with AECOM Technical Services, Inc., to perform additional work associated with the planning and design for reconstruction of 87 acres of container yard at Barbours Cut Terminal, in an amount not to exceed \$99,838, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

**Category:**

Awards, Amendments & Change Orders

**Department:**

Project and Construction Management

**Staff Contact:**

Roger H. Hoh, P.E.

**Background:**

By Minute No. 2021-0525-16, the Port Commission awarded a professional services contract to AECOM Technical Services, Inc. for the planning and design for reconstruction of 87 acres of container yard at Barbours Cut Terminal.

This proposed amendment would consist of the following:

- Revising the design of Container Yards 6 and 7 to include underground infrastructure for reefer racks, and modify electrical runs; and
- Project coordination.

**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

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<b>Subject</b>	<b>11. Amend the professional services contract with Jacobs Engineering Group, Inc., to perform additional work associated with the design of Wharf 1 at Bayport Container Terminal, in an amount not to exceed \$3,800,000.</b>
Meeting	Sep 26, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its September 26, 2023 meeting, approve an amendment to the professional services contract with Jacobs Engineering Group, Inc., to perform additional work associated with the design of Wharf 1 at Bayport Container Terminal, in an amount not to exceed \$3,800,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

**Category:**

Awards, Amendments & Change Orders

**Department:**

Project and Construction Management

**Staff Contact:**

Roger H. Hoh, P.E.

**Background:**

By Minute No. 2023-0725-30, the Port Commission awarded a professional services contract to Jacobs Engineering Group, Inc. for site investigation to support the design of Wharf 1 at Bayport Container Terminal.

This proposed amendment would consist of the following:

- Design of Wharf 1;
- Coastal modeling; and
- Hydrodynamic and passing vessel studies.

Construction phase services under the proposed contract would be added by amendment prior to construction start. In addition, staff contemplates that the proposed contract would provide for the option of amending the contract to complete additional services including the design of the Wharf 1 extension at a later date.

**Staff Evaluation/Justification:**

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

## K. INFRASTRUCTURE

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<b>Subject</b>	<b>12. Approve a change order with Forde Construction Company, Inc., to perform additional work associated with the new fender system at Wharf 1 at Turning Basin Terminal, in an amount not to exceed \$261,764.</b>
Meeting	Sep 26, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its September 26, 2023 meeting, approve a change order with Forde Construction Company, Inc., to perform additional work associated with the new fender system at Wharf 1 at Turning Basin Terminal, in an amount not to exceed \$261,764, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

**Category:**

Awards, Amendments & Change Orders

**Department:**

Project and Construction Management

**Staff Contact:**

Roger H. Hoh, P.E.

**Background:**

By Minute No. 2022-0802-23, the Port Commission awarded a construction contract to Forde Construction Company, Inc. for the construction of the new fender system at Wharf 1 at Turning Basin Terminal.

This proposed change order addresses:

- Concrete repair overages due to the deterioration of the existing wharf structure; and
- Strut beam repairs initially not encapsulated in the project scope.

This is the second change order to this contract, for a total change order value to date of \$266,764, which is 6.7% of the total contract value.

**Staff Evaluation/Justification:**

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

## K. INFRASTRUCTURE

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<b>Subject</b>	<b>13. Approve a change order with Rigid Constructors, LLC, to perform additional work associated with the construction of the 12-acre expansion of an interim container storage facility for redevelopment of the west end of Barbours Cut Terminal, in an amount not to exceed \$260,135.</b>
Meeting	Sep 26, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its September 26, 2023 meeting, approve a change order with Rigid Constructors, LLC, to perform additional work associated with the construction of the 12-acre expansion of an interim container storage facility for redevelopment of the west end of Barbours Cut Terminal, in an amount not to exceed \$260,135, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

**Category:**

Awards, Amendments & Change Orders

**Department:**

Project and Construction Management

**Staff Contact:**

Roger H. Hoh, P.E.

**Background:**

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

This proposed change order addresses:

- The installation of a french drain system to alleviate perched water along the western boundary of the site; and
- Additional asphalt paver mobilization, to expedite the completion of this activity along the available footprint.

**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.

## K. INFRASTRUCTURE

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<b>Subject</b>	<b>14. Approve a change order with Hi-Tech Electric, Inc., to perform additional work associated with the medium voltage electrical cable installation at Bayport Container Terminal, in an amount not to exceed \$321,401.</b>
Meeting	Sep 26, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its September 26, 2023 meeting, approve a change order with Hi-Tech Electric, Inc., to perform additional work associated with the medium voltage electrical cable installation at Bayport Container Terminal, in an amount not to exceed \$321,401, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

**Category:**

Awards, Amendments & Change Orders

**Department:**

Project and Construction Management

**Staff Contact:**

Roger H. Hoh, P.E.

**Background:**

By Minute No. 2023-0320-17, the Port Commission awarded a construction contract to Hi-Tech Electric, Inc. for the medium voltage electrical cable installation at Bayport Container Terminal.

This proposed change order addresses:

- Cleaning out existing manholes and hydro jet existing conduits for cable installation;
- Delays incurred due to owner-provided materials arriving late or in a damaged condition from the supplier;
- Medium voltage terminations not included in the original scope; and
- A damage claim due to an incident at contractor's work area.

This is the first change order to this contract, for a total change order value to date of \$321,401, which is 16.28% of the total contract value.

**Staff Evaluation/Justification:**

Port Authority staff has reviewed the proposal submitted by Hi-Tech Electric, Inc. and found it to be fair and reasonable, and recommends that the Port Commission authorize this change order.

## K. INFRASTRUCTURE

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<b>Subject</b>	<b>15. Approve a change order with George Hedge Contractors, Inc., to perform close-out work associated with construction of the rail spur at Bayport Container Terminal Phase 2, in an amount not to exceed \$457,032.</b>
Meeting	Sep 26, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its September 26, 2023 meeting, approve a change order with George Hedge Contractors, Inc., to perform close-out work associated with construction of the rail spur at Bayport Container Terminal Phase 2, in an amount not to exceed \$457,032, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

**Category:**

Awards, Amendments & Change Orders

**Department:**

Project and Construction Management

**Staff Contact:**

Roger H. Hoh, P.E.

**Background:**

By Minute No. 2022-0426-17, the Port Commission awarded a construction contract to George Hedge Contractors, Inc. for the construction of the rail spur at Bayport Container Terminal Phase 2.

This proposed change order addresses close-out work supporting Union Pacific (UP) construction coordination, as identified in the 2018 Industry Track Agreement with UP and the Port Authority, as well as work within TxDOT's Hwy 146 right-of-way and the relocation of safety platforms within GEON Industry's adjoining facility.

This is the 6th change order to this contract, for a total change order value to date of \$2,220,480.

**Staff Evaluation/Justification:**

Staff has reviewed the proposal submitted by George Hedge Contractors, Inc. and found it to be fair and reasonable, and recommends that the Port Commission authorize this change order.

## K. INFRASTRUCTURE

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<b>Subject</b>	<b>16. Enter into an Interlocal Agreement with Harris County to provide wage rate compliance services for a one-year term in an amount not to exceed \$98,905.</b>
Meeting	Sep 26, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its September 26, 2023 meeting, authorize the Port Authority to enter into an Interlocal Agreement with Harris County to provide wage rate compliance services for a one-year term in an amount not to exceed \$98,905, 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:**

Technical & Business Analytics

**Staff Contact:**

Brenda C Trevino, P.E.

**Background:**

Government Code Chapter 2258 requires that workers employed on public works projects by or on behalf of political subdivisions of the state be paid not less than the general prevailing rate of per diem wages for work of a similar character in the locality in which the work is performed. The Port Authority undertakes various efforts to provide that construction of its public works projects adheres to the provisions of Government Code Chapter 2258.

Since 2008, in connection with those efforts, the Port Commission has authorized annual Interlocal Agreements with Harris County to provide these wage rate compliance services. This proposed agreement would be for a one-year term, in an amount not to exceed \$98,905, from October 1, 2023 through September 30, 2024.

**Staff Evaluation/Justification:**

The Harris County Public Infrastructure Department has proposed that it continue to assist the Port Authority in these efforts by providing the services of a wage rate compliance officer. Such officer would attend pre-bid and pre-construction meetings, review payroll records, monitor construction projects, and handle claims under the statute.

Staff recommends that the Port Commission approve the agreement.

## L. OPERATIONS

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**Subject**            **1. Award a two-year contract to Dow Pipe & Fence Supply Company for the purchase of fence parts and supplies for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal in an amount not to exceed \$200,000.**

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

Access            Public

Type            Action

Recommended Action    The Port Commission, at its September 26, 2023 meeting, award a two-year contract to Dow Pipe & Fence Supply Company for the purchase of fence parts and supplies for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal in an amount not to exceed \$200,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing

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

**Category:**

Award, Amendments & Change Orders

**Department:**

Maintenance

**Staff Contact:**

Paulo Soares

**Background:**

The Port Authority maintains internal and perimeter fence lines. Occasionally sections of fence are damaged through aging, as well as from traffic/pedestrian incidents. By combining smaller purchase orders into a larger one, staff believes the Port Authority would benefit from better pricing as well as reduced administrative costs. The timely repair and replacement of fence is critical to safe terminal operation.

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

**Staff Evaluation/Justification:**

On August 9, 2023, three CSBs were received and opened. The responses were reviewed and evaluated by staff in accordance with the selection criteria.

Following staff's Executive Committee review, staff recommends that the Port Authority award a two-year contract to Dow Pipe & Fence Supply Company, the responsible bidder submitting the lowest and best bid, for the purchase of fence line parts and supplies for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal in an amount not to exceed \$200,000.



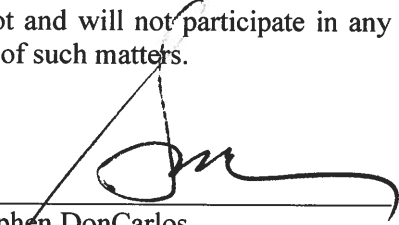
**AFFIDAVIT OF SUBSTANTIAL INTEREST**

STATE OF TEXAS           §  
  §  
COUNTY OF HARRIS       §

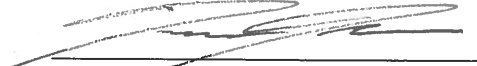
**Filed with the Port of Houston Authority  
In Compliance with Section 171.004 of the Texas Local Government Code**

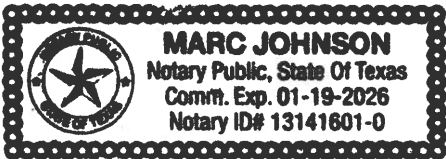
On this day appeared Stephen DonCarlos, who after being duly sworn, stated as follows:

- 1. I am twenty-one (21) years of age or over and competent to make this Affidavit of Substantial Interest, based upon facts within my personal knowledge.
- 2. I am a member of the Port Commission (the "Commission") of the Port of Houston Authority (the "Port Authority").
- 3. I am filing this Affidavit with the official record keeper of the Port Authority, pursuant to §171.004 of the Texas Local Government Code, to comply with the provisions of Chapter 171 of the Texas Local Government Code.
- 4. I have or may have a substantial interest in the matter of Item L-1 from the Commission Agenda dated September 26, 2023:  
  
Award a two-year contract to Dow Pipe & Fence Supply Company for the purchase of fence parts and supplies for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal.
- 5. The nature and extent of the substantial interest described above is a business relationship with the company that is the subject of the Request for Port Commission Action for the above-referenced Item L-1.
- 6. By virtue of the foregoing described interest, I have not and will not participate in any consideration, vote, or decision by the Port Commission of such matters.

  
\_\_\_\_\_  
Stephen DonCarlos

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

  
\_\_\_\_\_  
Notary Public, State of Texas



## L. OPERATIONS

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<b>Subject</b>	<b>2. Award a two-year contract to Rush Truck Centers of Texas, LP dba Rush Truck Center, Houston, for the purchase of Cummins diesel engine parts and related services for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal, in an amount not to exceed \$2,500,000.</b>
Meeting	Sep 26, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its September 26, 2023 meeting, award a two-year contract to Rush Truck Centers of Texas, LP dba Rush Truck Center, Houston, for the purchase of Cummins diesel engine parts and related services for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal, in the amount not to exceed \$2,500,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	<a href="#">STRATEGIC GOAL #2 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)</a>

**Category:**

Awards, Amendments & Change Orders

**Department:**

Maintenance

**Staff Contact:**

Paulo Soares

**Background:**

By Minute No. 2022-0524-33, the Port Commission awarded a two-year contract to Rush Truck Centers of Texas, LP dba Rush Truck Center, Houston for the purchase of Cummins diesel engine parts and related services for Barbours Cut Terminal and Bayport Container Terminal in the amount of \$1,100,000. This contract is set to expire on May 31, 2024. Funds are nearly depleted due to high demand for parts.

Parts and related services are necessary for the operation and maintenance of terminal equipment powered by Cummins engines. These engines are highly technical, requiring proprietary parts and software for efficient operation. A reliable source of Cummins diesel engine parts and related services is needed for proper repair and maintenance.

The Port Authority currently owns one-hundred and sixteen rubber-tired gantry (RTG) cranes, sixty-eight yard tractors, fifteen loaders, twenty-three heavy-duty forklifts, four fuel trucks, and nine emergency generators powered by Cummins diesel engines that are in operation at its terminals. Additionally, twenty-six additional RTG cranes would be delivered by second quarter of 2024. Except for wharf cranes, Cummins diesel engines power all container handling equipment at Barbours Cut Terminal and Bayport Container Terminal.

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. Nine vendors downloaded the procurement materials from BuySpeed.

**Staff Evaluation/Justification:**

On September 6, 2023, one CSB response was received and opened. The response was reviewed by staff.

## Exhibit A

Following staff Executive Committee review, staff recommends that the Port Commission award a two-year contract to Rush Truck Centers of Texas, LP dba Rush Truck Center, Houston, the responsible bidder submitting the only bid, for the purchase of purchase of Cummins diesel engine parts and related services for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal.

## L. OPERATIONS

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<b>Subject</b>	<b>3. Award a three-year contract to Kalmar USA Inc., Bromma Americas, the sole source provider, for the purchase of twistlocks and spreader bar-related parts for wharf and rubber-tired gantry (RTG) cranes at Barbours Cut Terminal and Bayport Container Terminal in an amount not to exceed \$4,500,000.</b>
Meeting	Sep 26, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its September 26, 2023 meeting, award a three-year contract to Kalmar USA Inc., Bromma Americas, the sole source provider, for the purchase of twistlocks and spreader bar-related parts for wharf and rubber-tired gantry (RTG) cranes at Barbours Cut Terminal and Bayport Container Terminal in an amount not to exceed \$4,500,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	<a href="#">STRATEGIC GOAL #2 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)</a>

**Category:**

Awards, Amendments & Change Orders

**Department:**

Maintenance

**Staff Contact:**

Paulo Soares

**Background:**

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

By Minute No. 2021-0928-47, the Port Commission awarded a three-year contract to Kalmar USA Inc., Bromma Americas in the amount not to exceed \$2,800,000 for the purchase of twistlocks and spreader related parts for these wharf and RTG cranes. Funds for this contract are nearly depleted. An increase in the proposed contract amount is requested following the addition of new cranes to the fleet, and higher than anticipated demand for parts.

**Staff Evaluation/Justification:**

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

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

## L. OPERATIONS

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<b>Subject</b>	<b>4. Award a contract to ZPMC North America, Inc., the sole source provider, for the purchase of three headblocks for wharf cranes at Barbours Cut Terminal in an amount not to exceed \$175,000.</b>
Meeting	Sep 26, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its September 26, 2023 meeting, award a contract to ZPMC North America, Inc., the sole source provider, for the purchase of three headblocks for wharf cranes at Barbours Cut Terminal in an amount not to exceed \$175,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

**Category:**

Awards, Amendments & Change Orders

**Department:**

Maintenance

**Staff Contact:**

Paulo Soares

**Background:**

The Port Authority currently owns a total of sixteen wharf cranes in operation at Barbours Cut Terminal. Ten of these units are 100-foot gauge and operate with two different sets of spreader bars. In order to standardize certain terminal equipment at Barbours Cut Terminal and meet operational demands, staff recommends that three headblocks with horizontal twistlock pin configuration be purchased. These headblocks will allow for the interchangeability of spreader bars among cranes 301 through 310 and eliminate an older set of spreader bars currently being used on cranes 308 through 310.

**Staff Evaluation/Justification:**

Section 60.412 of the Water Code provides that a purchase for an item that can be obtained only from one source is exempt from certain procurement requirements of the Water Code. Port Authority staff has received a written statement from the manufacturer confirming that ZPMC North America, Inc. is the sole authorized distributor of captive crane components for ZPMC cranes in the United States.

Staff recommends that the Port Commission award a contract to ZPMC North America, Inc. for the purchase of three headblocks for wharf cranes at Barbours Cut Terminal.

## L. OPERATIONS

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**Subject**            **5. Award a two-year contract to Briggs Equipment, the sole source provider, for the purchase of captive spare and replacement parts for Hyster container handling equipment at Barbours Cut Terminal in an amount not to exceed \$350,000.**

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

Access            Public

Type            Action

Recommended Action    The Port Commission, at its September 26, 2023 meeting, award a three-year contract to Briggs Equipment, the sole source provider, for the purchase of captive spare and replacement parts for Hyster container handling equipment at Barbours Cut Terminal in an amount not to exceed \$350,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Goals            [STRATEGIC GOAL #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 thirteen empty container handling machines and one forklift manufactured by Hyster, in operation at Barbours Cut Terminal. Captive spare and replacement parts for these units would be purchased through this contract as needed, to minimize equipment downtime and provide acceptable levels of service to the industry.

By Minute No. 2022-0125-25, the Port Commission awarded a three-year contract to Briggs Equipment for the purchase of captive spare and replacement parts for Hyster container handling equipment for Barbours Cut Terminal, and a new contract is required.

**Staff Evaluation/Justification:**

Section 60.412 of the Water Code provides that a purchase for an item that can be obtained only from one source is exempt from certain procurement requirements of the Water Code. Port Authority staff has received a written statement from Hyster-Yale Materials Handling confirming that Briggs Equipment is the sole authorized source for captive replacement parts in the Houston metro area.

Staff recommends the Port Commission award a three-year contract to Briggs Equipment for the purchase of captive spare and replacement parts for Hyster container handling equipment at Barbours Cut Terminal.

## L. OPERATIONS

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<b>Subject</b>	<b>6. Award a contract to Cargotec CHS Pte Ltd, Bromma, the sole source provider, for the purchase of four telescopic spreader bars for Barbours Cut Terminal in an amount not to exceed \$919,500.</b>
Meeting	Sep 26, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its September 26, 2023 meeting, award a contract to Cargotec CHS Pte Ltd, Bromma, the sole source provider, for the purchase of four telescopic spreader bars for Barbours Cut Terminal in an amount not to exceed \$919,500, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	<a href="#">STRATEGIC GOAL #2 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)</a>

**Category:**

Awards, Amendments & Change Orders

**Department:**

Maintenance

**Staff Contact:**

Paulo Soares

**Background:**

The Port Authority currently owns ten 100-foot gauge wharf cranes operating at Barbours Cut Terminal. They operate with two different sets of spreader bars, including eleven units for wharf cranes 301 through 307 and seven for wharf cranes 308 through 310. This creates operational and maintenance challenges due to lack of interchangeability. Additionally, the seven spreader bars being used on wharf cranes 308 through 310 have reached the end of their useful life and need to be replaced. By replacing these seven older units with four new ones, operations would achieve spreader bar interchangeability among wharf cranes 301 through 310 and equipment reliability.

**Staff Evaluation/Justification:**

Section 60.412 of the Water Code provides that a purchase for an item that can be obtained only from one source is exempt from certain procurement requirements of the Water Code. Port Authority staff has received a written statement from the manufacturer confirming that Cargotec CHS Pte Ltd, Bromma is the sole authorized seller of Bromma spreader bars in the United States.

Staff recommends that the Port Commission award a contract to Cargotec CHS Pte Ltd, Bromma for the purchase of four telescopic spreaders for Barbours Cut Terminal.

## L. OPERATIONS

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**Subject**            **7. Amend the contract with Gantrex, Inc. to perform additional services for replacement of trolley rails for nine machinery-on-trolley wharf cranes at Barbours Cut Terminal and Bayport Container Terminal in an amount not to exceed \$790,000.**

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

Access            Public

Type            Action

Recommended Action    The Port Commission, at its September 26, 2023 meeting, amend the contract with Gantrex, Inc. for the replacement of trolley rails for nine machinery-on-trolley wharf cranes at Barbours Cut Terminal and Bayport Container Terminal in an amount not to exceed \$790,000, 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:**

Operations

**Staff Contact:**

Paulo Soares

**Background:**

By Minute No. 2022-1206-38, the Port Commission approved the award of a contract to Gantrex, Inc. for the purchase of replacement trolley rails for nine machinery-on-trolley (MOT) wharf cranes at Barbours Cut Terminal and Bayport Container Terminal in the amount not to exceed \$4,473,357.

Thereafter, during the execution of the contract, staff was made aware that approximately 575 rail clips per crane can no longer be used due to excessive wear. As a result, Gantrex, Inc. would furnish and install approximately 5,160 rail clips, drill bolt holes on 36 short rails, and take three months longer to complete the work. Gantrex, Inc. has provided an updated quotation increasing the original price authorized by the Port Commission by \$790,000 for a total of \$5,263,357.

**Staff Evaluation/Justification:**

Staff recommends that the Port Commission approve the replacement of trolley rails for nine MOT wharf cranes at Barbours Cut Terminal and Bayport Container Terminal as described above.



## L. OPERATIONS

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<b>Subject</b>	<b>8. Authorize an interlocal agreement in an amount not to exceed \$25,000 with San Jacinto Community College District for commercial driver license training courses and related services.</b>
Meeting	Sep 26, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its September 26, 2023 meeting, authorize an interlocal agreement in an amount not to exceed \$25,000 with San Jacinto Community College District for commercial driver license training courses and related services, 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	<a href="#">STRATEGIC GOAL #1 - PEOPLE AND ORGANIZATION (Be the Best Place to Work)</a>

**Category:**

General

**Department:**

Maintenance

**Staff Contact:**

Paulo Soares

**Background:**

The Maintenance departments of the Port Authority operate multiple trucks and hauling equipment that require the driver to have a Commercial Driver's License (CDL) to operate on Department of Transportation (DOT) regulated roads outside of Port Authority facilities and to transport specialized equipment, heavy equipment, Hazardous Materials (HAZMAT), and multiple loads that exceed 25,000 pounds.

San Jacinto Community College District (SJCCD), a public community college district organized under Chapter 130 of the Texas Education Code is qualified to provide the following services to the Port Authority:

- Development of a customized CDL program, consisting of two courses;
- Train Port Authority employees as designated by the Port Authority; and
- Use of their training materials for the courses using equipment provided by the Port Authority.

**Staff Evaluation/Justification:**

Staff has determined that it would be more cost efficient to obtain an agreement with SJCCD to provide these training courses, on the road training, and training materials to the Port Authority.

The proposed agreement with SJCCD would permit the Port Authority access to SJCCD's facilities and course materials, and the use of materials for instructional and learning purposes in connection with the services under this contract.

Accordingly, staff recommends that the Port Commission authorize the proposed interlocal agreement with SJCCD in an amount not to exceed \$25,000.

## L. OPERATIONS

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<b>Subject</b>	<b>9. Ratify the extended term of a month-to-month lease with Cooper/Ports America, LLC, for approximately 10.27 acres at BCT, at a monthly base rent of approximately \$22,547.53.</b>
Meeting	Sep 26, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	Ratify the extended term of a month-to-month lease with Cooper/Ports America, LLC, for approximately 10.27 acres at BCT, at a monthly base rent of approximately \$22,547.53, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

**Category:**

General

**Department:**

Operations

**Staff Contact:**

Ryan Mariacher

**Background:**

The Port Authority began leasing a 10.27-acre tract at the Barbours Cut Terminal to Cooper/Ports America, LLC (CPA), on a month to month basis commencing October 1, 2022. CPA is permitted to use the leased premises for the evaluation, servicing, and repair of containers, chassis, and associated equipment as required by various shipping lines, commercial brands, and entities for customer needs. CPA previously leased this area as part of a larger leased premise pursuant to a lease dated May 1, 2021, which was terminated effective October 3, 2021.

The Section 60.039 of the Texas Water Code requires that the Port Commission authorize month-to-month lease agreements in effect in excess of one year.

This lease is expected to be extended to one month, since Port Authority staff expects to provide notice pursuant to the terms of the lease for CPA to vacate by November 30, 2023. This schedule would align with Wharves 4 and 5 and adjacent container yard redevelopment, that would require this area for construction laydown and support. The neighboring term lease with CPA for shed 3 is unchanged and is scheduled to expire May 1, 2032.

**Staff Evaluation/Justification:**

Staff recommends the Port Commission approve this above lease.

## L. OPERATIONS

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**Subject**            **10. Authorize a no-fee License Agreement with BWC Terminals LLC within Manchester Terminal Wharves 2 and 3, to implement the preconstruction improvements for operational use outside of the future construction limits of Manchester Wharf 2.**

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

Access            Public

Type            Action

Recommended Action    The Port Commission, at its September 26, 2023 meeting, authorize a no-fee License Agreement with BWC Terminals LLC within Manchester Terminal Wharves 2 and 3, to implement the preconstruction improvements for operational use outside of the future construction limits of Manchester Wharf 2, 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:**

General

**Department:**

Operations

**Staff Contact:**

Jeff Davis

**Background:**

Manchester Wharf 2 has been in design for a rehabilitation and reconstruction package for a number of years. During design, staff consulted with BWC Terminals to discuss impacts this project would have to its operations.

A preconstruction phase was developed to expand the berth pockets and install more mooring and berthing piles to stage vessels outside of the Manchester 2 construction zone. BWC has agreed to implement these changes in order to remain operational during Manchester 2 construction.

Given that Manchester 2 is a public wharf, a no-fee License Agreement with BWC Terminals LLC, as licensee is necessary. This would grant license rights within the Manchester Terminal Wharves 2 and 3 to implement the preconstruction improvements for staging vessels outside of the future construction limits, as both parties carry out work in the license area.

**Staff Evaluation/Justification:**

Staff recommends approval of a no-fee License Agreement between the Port Authority and BWC Terminals LLC.

## M. PEOPLE

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**Subject**            **1. Authorize renewal of group insurance agreements with the following carriers to include coverage for calendar year 2024 in a total amount not to exceed \$2,669,384 for: (a) Aetna Life Insurance Company, for dental, vision, and Medicare Advantage coverage and (b) Minnesota Life Insurance Company, for basic life, voluntary and dependent life, and retiree life coverage and (c) Voya, for long-term disability (LTD) coverage and short-term disability (STD) coverage.**

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

Access            Public

Type              Action

Recommended Action    The Port Commission, at its September 26, 2023 meeting:

- (i) award group insurance agreements to the following carriers for coverage for calendar year 2024 in a total amount not to exceed \$2,669,384;
  - (a) Aetna Life Insurance Company, for dental coverage, in an amount not to exceed \$574,104;
  - (b) Aetna Life Insurance Company, for vision coverage, in an amount not to exceed \$102,829;
  - (c) Aetna Life Insurance Company, for Medicare Advantage medical coverage, in an amount not to exceed \$666,948;
  - (d) Minnesota Life Insurance Company, for basic life coverage and AD&D for eligible active employees, in an amount not to exceed \$164,631;
  - (e) Minnesota Life Insurance Company, for voluntary life coverage for eligible active employees and dependents, in an amount not to exceed \$358,959;
  - (f) Minnesota Life Insurance Company, for basic life coverage for eligible retirees, in an amount not to exceed \$147,758;
  - (g) Voya, for long-term disability (LTD) coverage, in an amount not to exceed \$385,909;
  - (h) Voya, for short-term disability (STD) coverage, in an amount not to exceed \$268,245;
- (ii) authorize the Port Authority to continue to pay: 50% of the cost of dental premiums for eligible active employees; 100% of the cost of the Medicare Advantage medical premiums for eligible retirees and dependents; 100% of the cost of basic life premiums for active employees and retirees; and 100% of the cost of LTD and STD premiums for eligible active employees;
- (iii) determine that Port Authority employees shall continue to reimburse the Port Authority for the full cost of any vision or voluntary life premiums;
- (iv) authorize contract renewal negotiations with insurance carriers prior to contract expiration; and
- (v) further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to all of the foregoing.

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

**Category:**

Awards, Amendments & Change Orders

**Department:**

Human Resources

**Staff Contact:**

Roger Walter

**Background:**

By Minute No. 2022-1206-50, the Port Commission awarded a contract to Gallagher Benefit Services, Inc., (Gallagher), to provide employee benefits consulting services, including assisting in: development of requests for proposals for group insurance coverages; evaluation of proposals; negotiation of renewal rates; and recommendations on provider selections.

By Minute No. 2022-0927-70, the Port Commission awarded agreements for calendar year 2023 to (a) Aetna Life Insurance Company, for dental, vision, and Medicare Advantage medical coverage and (b) Minnesota Life Insurance Company, for basic life, voluntary and dependent life, and retiree life coverage. Additionally, by Minute No. 2022-0628-38, the Port Commission awarded agreements to The Hartford for short and long-term disability for the 2023 plan year. These actions also authorized contract renewal negotiations with the insurance carriers prior to contract expiration. Accordingly, Gallagher and Port Authority staff began negotiations with the incumbents for 2024 coverages.

In addition, on July 17, 2023, the Port Authority, through its Broker of Record, Gallagher, issued a request for proposals (RFP) soliciting proposals for dental, disability, and Medicare Advantage retiree medical coverage.

**Staff Evaluation/Justification:**

Gallagher and Port Authority staff reviewed and evaluated the proposals and proposed 2024 renewal rates and determined that the incumbent carriers offer the best value to the Port Authority.

The renewals are anticipated to be discussed at the Pension and Benefits Committee meeting on September 25, 2023. Staff recommends, and anticipates that the Pension and Benefits Committee concurs, that group insurance contracts be awarded to the following incumbent carriers for calendar year 2024, as providing the best value to the Port Authority:

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

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

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

Staff estimates that approximately \$748,840 of the \$2,669,384 total amount requested would be reimbursed to the Port Authority by employees, leaving a total cost to the Port Authority of approximately \$1,920,544.

The individual not-to-exceed amounts in the recommended action are based on current participant levels with adjustments for additional 2024 staffing levels. The total amount requested by staff allows for an increase in participation in 2024 based on current open positions and new 2024 headcount additions, but may be subject to amendment in order to account for actual participation levels.

## M. PEOPLE

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<b>Subject</b>	<b>2. Authorize amendment of the agreement with PlanSource Benefits Administration, Inc., for employee and retiree benefits and payroll integration services for an additional two-year period, in an amount not to exceed \$201,197.</b>
Meeting	Sep 26, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its September 26, 2023 meeting: (a) authorize amendment of the agreement with PlanSource Benefits Administration, Inc., for employee and retiree benefits and payroll integration services for an additional two-year period, in an amount not to exceed \$201,197; (b) authorize renewal negotiations with the PlanSource Benefits Administration, Inc. prior to contract expiration; 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	<a href="#">STRATEGIC GOAL #1 - PEOPLE AND ORGANIZATION (Be the Best Place to Work)</a>

**Category:**

Awards, Amendments & Change Orders

**Department:**

Human Resources

**Staff Contact:**

Roger Walter

**Background:**

By Minute No. 2019-07-29-55, the Port Commission authorized an agreement with PlanSource Benefits Administration, Inc. for employee and retiree benefits and payroll integration services. The technology and services provided under this contract assist the Port Authority with benefits enrollment, administration, and reporting (including federal reporting requirements under the Affordable Care Act, and the Form 1095-C employee documents and electronic Internal Revenue Service reporting).

The initial term of the contract with PlanSource Benefits Administration, Inc. was from August 6, 2019 until December 31, 2020 for an amount not to exceed \$87,460.

By Minute Nos. 2020-1028-49, 2021-1207-54, and 2022-1027-51, the Port Commission authorized the renewal of the agreement with PlanSource Benefits Administration, Inc. for three additional one-year terms.

**Staff Evaluation/Justification:**

PlanSource Benefits Administration, Inc. has continually met its obligations under the agreement and has exceeded expectations since the inception of the contract. The need for this software would continue until the implementation of the new NXGEN ERP system. The annual expenditure is based on projected headcount for 2024 and 2025.

Staff recommends that the Port Commission authorize an amendment to the agreement with PlanSource Benefits Administration, Inc. as described above.

## M. PEOPLE

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<b>Subject</b>	<b>3. Authorize an amendment to increase the amounts of the group insurance agreements with Hartford Life and Accident Insurance Company for long-term disability (LTD) coverage and short-term disability (STD) coverage for active employees for the calendar year 2023 in an amount not to exceed \$115,000.</b>
Meeting	Sep 26, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its September 26, 2023 meeting: (a) authorize an amendment to increase the group insurance agreements with Hartford Life and Accident Insurance Company, for long-term disability (LTD) coverage and short-term disability (STD) coverage for active employees for the calendar year 2023 in an amount not to exceed \$115,000: (i) not to exceed \$60,000 for LTD coverage and (ii) not to exceed \$55,000 for STD coverage; and (b) further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	<a href="#">STRATEGIC GOAL #1 - PEOPLE AND ORGANIZATION (Be the Best Place to Work)</a>

**Category:**

Awards, Amendments, & Change Orders

**Department:**

Human Resources

**Staff Contact:**

Roger Walter

**Background:**

By Minute No. 2022-06-28-38, the Port Commission awarded a contract to Hartford Life and Accident Insurance Company for fully-insured long-term disability (LTD) and short-term disability (STD) coverage for calendar year 2023, in an amount not to exceed \$295,406 for LTD coverage and \$153,364 for STD coverage.

The amount awarded to Hartford was based on the employee headcount and salaries as of March 1, 2022. Since that date, headcount has increased from 672 to approximately 771 employees and salaries have increased as well. As a result, additional funds are necessary for the 2023 coverage.

**Staff Evaluation/Justification:**

Staff recommends that the Port Commission authorize an amendment to increase the group insurance agreements with Hartford for LTD and STD coverage for active employees for the calendar year 2023 by a total amount not to exceed \$115,000.

## **N. SECURITY AND EMERGENCY OPERATIONS**

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**Subject**                    **1. Approve a two-year extension to the professional services contract with E3 OMI for hazardous materials incident response services in an amount not to exceed \$300,000.**

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

Access                    Public

Type                      Action

Recommended Action    The Port Commission, at its September 26, 2023 meeting, approve a two-year extension to the professional services contract with E3 OMI for hazardous materials incident response services in an amount not to exceed \$300,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Goals                      [Strategic Objective 4b. - Prepare for disruptive events and mitigate their impact](#)  
[Strategic Objective 4a. - Implement an innovative environmental leadership strategy](#)

**Category:**

Awards, Amendments & Change Orders

**Department:**

Emergency Management

**Staff Contact:**

Colin Rizzo

**Background:**

By Minute No. 2021-00928-58, the Port Commission awarded a two-year professional services contract, with an option for a two-year extension, to E3 OMI for hazardous materials incident response services.

The Port Authority Fire Department responds to hazardous materials incidents that occur on Port Authority property. When this occurs, the Fire Department initially contains the spill and attempts to identify a responsible party that would be required to mitigate the hazardous materials. If a responsible party cannot be determined in a timely fashion, or it is determined that the Port Authority is the responsible party, the Port Authority would then seek assistance from E3 OMI to manage the hazardous materials clean-up.

To date, the contract with E3 OMI has been utilized as expected to respond to hazardous materials incidents that have occurred on Port Authority property. E3 OMI has been responsive and performed satisfactorily under this contract.

**Staff Evaluation/Justification:**

Staff recommends that the Port Commission approve a two-year extension to the current professional services contract with E3 OMI.



## **N. SECURITY AND EMERGENCY OPERATIONS**

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**Subject**                    **2. Adopt a resolution regarding designation of the Houston Ship Channel Complex as a multisector critical infrastructure industrial zone.**

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

Access                    Public

Type                    Action

Recommended Action                    The Port Commission, at its September 26, 2023 meeting, adopt a resolution regarding designation of the Houston Ship Channel Complex as a multisector critical infrastructure industrial zone, 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:**

Security

**Staff Contact:**

Marcus Woodring

**Background:**

Over ten years ago the President of the United States issued the Presidential Policy Directive on Critical Infrastructure Security and Resilience, in order to advance a national unity of effort to strengthen and maintain secure, functioning, and resilient critical infrastructure. The policy directive identified sixteen critical infrastructure sectors comprising assets, systems, and networks so vital to the United States that their incapacitation or destruction would have a debilitating effect on security, national economic security, national public health or safety, or any combination thereof.

Many of these are located along the Houston Ship Channel complex.

In support of this directive, on August 8<sup>th</sup> Harris County Commissioners Court designated the Houston Ship Channel Corridor as a critical infrastructure cluster of national security significance, to enhance the protection of this complex, and urged government leaders to do the same, for the safety and resilience of the community. It is anticipated that this designation will help mitigate national security risks involving man-made threats, including those posed by cyber-criminals, violent extremists, and hazardous material releases, as well as those that can occur in the wake of natural disasters, such as Winter Storm Uri in 2021.

Staff believes that it is in the best interest of the Port Authority to join this effort and continue its leadership in enhancing the security of the ship channel complex, following its pioneering work fifteen years ago, alongside the Texas legislature, Harris County, and local industry, to establish, support, and operate the Houston Ship Channel Security District.

**Staff Evaluation/Justification:**

Staff therefore recommends that the Port Commission adopt a resolution regarding designation of the Houston Ship Channel Complex as a multisector critical infrastructure industrial zone. The draft resolution is attached.

RESOLUTION REGARDING  
DESIGNATION OF THE HOUSTON SHIP CHANNEL COMPLEX  
AS A MULTISECTOR CRITICAL INFRASTRUCTURE INDUSTRIAL ZONE

THE STATE OF TEXAS §  
COUNTY OF HARRIS §  
PORT OF HOUSTON AUTHORITY §

WHEREAS, the Houston Ship Channel extends 52 miles and includes more than 200 private terminals and 8 public terminals; and

WHEREAS, business activity along the Houston Ship Channel supports over one and a half million jobs throughout the State of Texas, nearly twenty percent of its GDP, and generates almost three and a half million jobs nationwide, amounting to more than \$439 billion in statewide economic value and more than \$906 billion in nationwide economic value; and

WHEREAS, the Houston Ship Channel complex is the busiest port in the United States and ranked first in the nation both for foreign waterborne tonnage and total foreign and domestic waterborne tonnage; and

WHEREAS, the Presidential Policy Directive on Critical Infrastructure Security and Resilience, in order to advance a national unity of effort to strengthen and maintain secure, functioning, and resilient critical infrastructure, has identified sixteen critical infrastructure sectors comprising assets, systems, and networks that are so vital to the United States that their incapacitation or destruction would have a debilitating effect on security, national economic security, national public health or safety, or any combination thereof; and

WHEREAS, these sectors include chemical, critical manufacturing, energy, government facilities, and transportation systems, all of which are located in the Houston Ship Channel complex, and

WHEREAS, these activities along the Houston Ship Channel have essential roles in national security, economic stability, and public safety, and should be given priority in security, national economic security, and national public health and safety; and

WHEREAS, the Port of Houston Authority has previously led the initiative to enhance the security of the Houston Ship Channel through its pioneering work with the Texas legislature, Harris County, and local industry to establish, support, and operate the Houston Ship Channel Security District; and

WHEREAS, the Port of Houston Authority should continue this leadership by joining efforts to provide national critical infrastructure protection to the Houston Ship Channel and its facilities and infrastructure, to enhance its security and resiliency and the security and resiliency of the region, Texas, and the nation.

Resolution Regarding Designation of the Houston Ship Channel Complex  
As a Multisector Critical Infrastructure Industrial Zone  
September 26, 2023  
Page 2

NOW THEREFORE be it resolved by the Port Commission of the Port of Houston Authority of Harris County, Texas:

The Port Commission of the Port of Houston Authority hereby declares that the Houston Ship Channel complex is a multisector critical infrastructure industrial zone; and

The Port Commission of the Port of Houston Authority hereby requests that state and federal leaders take all steps reasonably required to identify, prioritize and implement protections and measures to support the Houston Ship Channel complex as a multisector critical infrastructure industrial zone.

ADOPTED AND APPROVED this September 26, 2023.

\_\_\_\_\_  
Chairman, Port Commission  
Port of Houston Authority of Harris County, Texas

ATTEST:

\_\_\_\_\_  
Secretary, Port Commission  
Port of Houston Authority of Harris County, Texas

## O. TECHNOLOGY

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<b>Subject</b>	<b>1. Issue a purchase order to Solid Border Inc., for annual technical support, software, subscriptions and maintenance for firewalls and virtual private network (VPN) connectivity at all Port Authority locations, using Local Government Purchasing Cooperative's BuyBoard, a cooperative purchase program, in an amount not to exceed \$195,000.</b>
Meeting	Sep 26, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its September 26, 2023 meeting, issue a purchase order to Solid Border Inc., for annual technical support, software, subscriptions and maintenance for firewalls and virtual private network (VPN) connectivity at all Port Authority locations, using Local Government Purchasing Cooperative's BuyBoard, a cooperative purchase program, in an amount not to exceed \$195,000, determine that this procurement method provides the best value to the Port Authority, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

**Category:**

Awards, Amendments & Change Orders

**Department:**

Information Technology

**Staff Contact:**

Charles Thompson

**Background:**

The Port Authority is seeking to obtain approval for the purchase of annual technical support, software, subscriptions and maintenance of firewalls and virtual private network (VPN) connectivity at all Port Authority locations.

**Staff Evaluation/Justification:**

The Director of Procurement Services has determined that procuring the purchase of annual technical support, software, subscriptions and maintenance of firewalls and virtual private network (VPN) connectivity, through the Local Government Purchasing Cooperative's BuyBoard is the method that both satisfies competitive purchase requirements and provides best value to the Port Authority. This cooperative is administered by the Texas Association of School Boards (TASB).

The Information Technology Department has determined that the best availability, price, and contract term for the item needed is provided by Solid Border, Inc. under the pricing schedule obtained from that vendor's contract with Local Government Purchasing Cooperative's BuyBoard and is therefore recommending this purchase.

Staff recommends that the Port Commission approve this best value determination and contract.

## O. TECHNOLOGY

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<b>Subject</b>	<b>2. Amend the contract with ManageForce Corporation for technical services regarding JDEdwards Enterprise Resource Planning Software to provide additional support services and extend the term through December 2025, in an amount not to exceed \$748,230.</b>
Meeting	Sep 26, 2023 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its September 26, 2023 meeting, authorize the Port Authority to amend the contract with ManageForce Corporation for technical services regarding JDEdwards Enterprise Resource Planning Software to provide additional support services and extend the term through December 2025, in an amount not to exceed \$748,230, and further authorize the Executive Director to any and all things in his opinion reasonable or necessary to give effort to the foregoing.

**Category:**

Awards, Amendments & Change Orders

**Department:**

Information Technology

**Staff Contact:**

Christopher Brown

**Background:**

By Minute No. 2020-0730-54, the Port Commission approved a five-year service agreement to ManageForce Corporation for technical services in support of the Port's JDEdwards Enterprise Resource Planning software, to monitor and maintain its operating efficiencies and provide development and functional support.

The Port Authority is seeking to amend aspects of the Service Agreement to provide functional support services over the NXGEN ERP project timeline and extend the term of the agreement through the end of 2025, to coincide with the NXGEN ERP implementation schedule.

**Staff Evaluation/Justification:**

Staff has reviewed and evaluated future JDEdwards support requirements and recommends that the Port Commission authorize the amendment with ManageForce Corporation as described above.