

I N D E X

PORT COMMISSION
OF THE
PORT OF HOUSTON AUTHORITY
OF THE PORTS OF HARRIS COUNTY, TEXAS
April 23, 2024

Minute No.

Event/Action

General

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

Minutes

2024-0423-01 Approve the minutes of the March 26, 2024 Port Commission meeting

Staff Reports

2024-0423-02 Roger Guenther, Executive Director, presented a summary of selected financial and operational matters

Appearances

2024-0423-03(a) Chairman Campo introduced Clara Goodwin, Healthy Port Communities Coalition, who addressed the Port Commission

2024-0423-03(b) Chairman Campo introduced Cleophus Sharp, Achieving Community Tasks Successfully (ACTS), who addressed the Port Commission

2024-0423-03(c) Chairman Campo asked if anyone else would like to address the Port Commission, there was no response

F. Executive

2024-0423-04 Staff Report – Selected agenda items – Jordan Frisby, Director, Technical and Business Analytics

2024-0423-05 Enter into a professional services contract with PortXchange Products B.V. to develop an AIS (automatic identification system)-based vessel tracking, analysis, and reporting tool to support the possible future development of the Project 11 User Fee

G. Business Equity (no items)

H. Channel Infrastructure

<u>Minute No.</u>	<u>Event/Action</u>
2024-0423-06	Staff Report – Selected agenda items – Lori Brownell, Director, Channel Infrastructure
2024-0423-07	Approve staff’s ranking and award a two-year service contract for the maintenance and monitoring of dredged material placement areas to the top- ranked proposer: staff ranking – first, Yellowstone Landscape; and second, Ikon Environmental Solutions, LP Port Commission adopted the staff-recommended ranking and authorized award
2024-0423-08	Approve the renewal of the following expiring Port Authority licenses for new thirty-year terms: Concha Chemical Pipeline LLC, Enterprise Houston Ship Channel, L.P., Enterprise TE Products Pipeline Company LLC, INEOS USA LLC, Linde Inc., and Shell Pipeline Company LP
2024-0423-09	Issue a transmission line license to CenterPoint Energy Houston Electric, LLC for one 34.5kV electrical line and three power poles along the Port Terminal Railroad Association’s railroad tracks east of the Industrial Park East entrance
2024-0423-10	Assign a marine construction permit from San Jacinto River Fleet LLC to Houston Fleeting Services LLC for one dock, a sheet pile bulkhead, and ten pilings I. Commercial
2024-0423-11	Staff Report – Selected agenda items – Rina Lawrence, Manager, Economic Development
2024-0423-12	Approve (i) the merger of Empire Stevedoring (Houston) Inc. with and into QSL New Orleans, LLC, (ii) issuance of a stevedore license to QSL America Inc. and QSL – Texas Terminals, LLC, (iii) assignments of a freight handling assignment agreement and various leases from QSL New Orleans, LLC to QSL America Inc., and (iv) subleases of such leases by QSL America Inc. to QSL – Texas Terminals, LLC
2024-0423-13	Approve the change of control of QSL America Inc. and QSL – Texas Terminals, LLC, parties to various Port Authority instruments, resulting from the acquisition of a majority of the equity interests of their parent company QSL International Ltd. by an entity owned by funds advised by iCON Infrastructure LLP and Caisee de dépôt et placement du Québec
2024-0423-14	Approve the assignment of the professional services contract for trade development services with Sergio Ojeda Ossa to Ossa Shipping Consultants, S.A.

Minute No.

Event/Action

J. Finance

- 2024-0423-15 Staff Report – Selected agenda item – Curtis Duncan, Controller
- 2024-0423-16 Approve the Port Authority’s fiscal year 2023 Annual Comprehensive Financial Report

K. Infrastructure

- 2024-0423-17 Staff Report – Selected agenda items – Rohit Saxena, Director, Facility Planning
- 2024-0423-18 Approve staff’s ranking of vendors and award a construction contract for clearing the "u-shaped property" at Bayport Container Terminal, to the top-ranked proposer URSA Corporation dba Great Bear Construction
- 2024-0423-19 Approve staff’s ranking of vendors and award a construction contract for the annual 2024 fender system maintenance at Barbours Cut Terminal and Bayport Container Terminal, to the top-ranked proposer Taylor Marine Construction, Inc
- 2024-0423-20 Approve staff’s ranking of vendors and award a construction contract for expansion of exit-gate facilities at Bayport Container Terminal, to the top-ranked proposer Satterfield & Pontikes Construction, Inc.
- 2024-0423-21 Authorize a month-to-month lease with 2Plus of Texas, Inc. dba STAR to lease vans under the Houston-Galveston Area Council METROVan Program for a two-year period
- 2024-0423-22 Amend the general environmental services agreement with Heritage Crystal Clean for non- hazardous and hazardous waste recycling, disposal, and management
- 2024-0423-23 Approve a change order with David E. Harvey Builders, Inc. to perform additional work associated with construction of the maintenance complex at Barbours Cut Terminal

L. Maintenance

- 2024-0423-24 Staff Report – Selected agenda items – Paulo Soares, Chief Port Maintenance Officer
- 2024-0423-25 Award a contract to Kalmar USA Inc. Bromma Americas, the sole source provider, for the purchase of SCS-Modular upgrades for twelve Bromma spreader bars at Bayport Container Terminal

<u>Minute No.</u>	<u>Event/Action</u>
2024-0423-26	Award a contract to Konecranes, Inc., the sole source provider, for the replacement of the festoon system on one wharf crane at Barbours Cut Terminal and one wharf crane at Bayport Container Terminal
2024-0423-27	Issue a two-year purchase order to Southern Tire Mart, LLC for the purchase of tire repair services for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal, using the Local Government Purchasing Cooperative's BuyBoard, a cooperative purchase program
2024-0423-28	Issue a two-year purchase order to Beasley Tire Service, Inc. for the purchase of miscellaneous tires for trucks, passenger vehicles, and equipment at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal, using the Local Government Purchasing Cooperative's BuyBoard, a cooperative purchase program

M. Operations

2024-0423-29	Staff Report – Selected agenda items – Ryan Mariacher, Chief Port Operations Officer
2024-0423-30	Award a gate operating system and optical character recognition system contract to Smart TecS, the sole source provider, for the expansion of the Bayport Container Terminal Out-Gate complex
2024-0423-31	Award a three-year professional services contract to Navis, the sole source provider, for the execution and visibility platform, berth window management, and berth optimization services, in an amount not to exceed \$463,410: three years at \$154,470 annually, with a one-time installation fee of \$17,267
2024-0423-32	Enter into a contract to West Gulf Maritime Association for payroll services, safety training, and related services at set rates based on the gross payroll for each month for a five-year term
2024-0423-33	Authorize amendments to Tariff 14 and Tariff 15 to update language regarding the Excessive Import Dwell Fee and Sustained Long Dwell Fee invoicing and billing practices consistent with the Federal Maritime Commission's final rule taking effect May 28, 2024

N. People (no items)

O. Security and Emergency Operations (no items)

P. Technology (no items)

Recess Open Meeting and Convene Executive Session

Reconvene Open Meeting

<u>Minute No.</u>	<u>Event/Action</u>
2024-0423-34	Authorize the Port Authority to settle the claims of Cooper/Ports America, LLC on the terms discussed in Executive Session, and authorize the Executive Director to do all other things reasonable or necessary to give effect to the foregoing
2024-0423-35	Authorize the Port Authority to amend the agreement for legal support services with the TC&B/GBA joint venture of AECOM Technical Services Inc. and Gahagan & Bryant Associates, Inc. on the terms discussed in Executive Session, and authorize the Chief Legal Officer to do all other things reasonable or necessary to give effect to the foregoing
2024-0423-36	Authorize the Port Authority to amend the employment agreement with Roger Guenther on the terms discussed in Executive Session, and authorize the Chairman and Chief Legal Officer to do all other things reasonable or necessary to give effect to the foregoing
2024-0423-37	Authorize the Port Authority to approve an employment agreement with Charlie Jenkins on the terms discussed in Executive Session, and authorize the Chairman and Chief Legal Officer to do all other things reasonable or necessary to give effect to the foregoing

Closing Remarks by Chairman and Commissioners

Adjourn Meeting

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

**Houston, Texas
April 23, 2024**

A public meeting of the Port Commission of the Port of Houston Authority of Harris County, Texas was convened on April 23, 2024, at 9:16 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
Clyde Fitzgerald, Commissioner
Thomas Jones, 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 announcing that the U.S. Army Corps of Engineers (Army Corps) recently released its U.S. Coastal and Inland Navigation System 2022 Transportation Facts and Information report that included its most current tonnage and waterway rankings. The Houston Ship Channel was once again ranked number one in the nation for waterborne tonnage, a feat first reached in 2019 and continued every year since.

In 2022, 293.8 million tons moved across the Houston Ship Channel, a 10% increase from 2021. Foreign tonnage accounted for 73% of the total. Chairman Campo observed that there was a gap of 67 million in annual tonnage between the Port of Houston and the number two port in the nation, and that the gap was larger than the cargo totals of 91% of all U.S. ports.

Chairman Campo emphasized that the report confirmed that the Houston Ship Channel was a vital economic engine to the nation, and served as the basis for expediting Project 11, which provides growth, and improved efficiency and emissions for the benefit of the region. It also underscored the importance of continued federal funding to maintain the nation's busiest waterway, to meet the daily needs of the region it serves.

Chairman Campo noted that the Port Authority was notified by the Houston Pilots that the group had approved an interim rule for its Navigation Safety Guidelines, to continue incrementally moving the daylight restriction reference point up the channel as Project 11 dredging was completed. This meant that the daylight restriction was moved up to Buoys 61/62, allowing vessels affected by the safety guidelines to arrive at their berths approximately thirty minutes earlier and sail thirty minutes later, for a total gain of about an hour and a half total in each direction, since the commencement of Project 11.

Chairman Campo explained that approximately fifteen of the twenty-six miles of Galveston Bay reach of the ship channel had been widened to date. He thanked the Coast Guard, the Port Authority team, and the Army Corps for working together and for their diligence in making the timely acceptance of the next segment possible.

Chairman Campo also thanked the dredging company teams and all those involved in getting this done: Project 11 was the largest, fastest, cleanest federal project ever done in the U.S. He also thanked Port Authority partners, the International Longshoremen's Association (ILA), seafarers, and Port Authority staff who work on the docks every day.

(2024-0423-01) Chairman Campo called for a motion to approve the minutes of the March 26, 2024 Port Commission meeting. Commissioner Cloonan moved for approval, seconded by Commissioner Corgey. The minutes were approved as written.

(2024-0423-02) Roger Guenther, Executive Director, presented a summary of selected financial and operational matters:

- Container volumes were strong through March, up 15% in twenty-foot equivalent units (TEUs).
- Import and export loads were much stronger than originally forecasted.
- Total TEUs had eclipsed the 1 million mark in the first quarter of 2024.
- Multipurpose facilities were down.
- The National Retail Federation (NRF) forecasts that imports would remain strong for the remainder of the year.
- Exports continued to exceed budget expectations for container volumes.
- Port Authority investments had positioned it to efficiently handle solid growth efficiently for its customers.

The overall agenda totaled more than \$17 million in recommendations, much of which included capital projects to continue to add capacity.

Mr. Guenther introduced Amy Seymour as the new Chief of Port Security and Emergency Operations. Ms. Seymour has a great background in the port industry, and experience with ocean carriers, terminal operations, and the trucking industry, through her main background as a safety professional.

Strategic planning for 2025 had kicked off the previous week, with an extremely enthusiastic design team. Mr. Guenther had explained to them that it would be FUN – “furious urgency now.” He was very appreciative of the engagement of the team. It was a great start, and stakeholder engagement with the community, customer base, users, and other partners would begin soon.

Chairman Campo added for those who did not know the reference, FUN – “furious urgency now,” was a quote from Colonel Timothy Vail, who recently retired from the Army Corps, who used it to describe the work that would be done on Project 11.

(2024-0423-03) Appearances

(a) Chairman Campo recognized Clara Goodwin, Healthy Port Communities Coalition, who addressed the Port Commission.

Ms. Goodwin referenced a recent meeting sponsored by the Environmental Protection Agency (EPA) at which members of the community were invited to discuss and understand impacts from flooding and drainage issues. The Port Authority, Army Corps, City of Houston, Harris County Flood Control District, and independent technical experts were in attendance. The community appreciated the opportunity for a dialogue, but was only provided a general overview of the design process that did not address many of the community concerns on the agenda.

Ms. Goodwin felt that the communities were vulnerable to flooding due to hurricanes and there were concerns over the National Oceanic and Atmospheric Administration (NOAA) Atlas 14 report on rainfall estimates. However, the Army Corps indicated it did not have plans to evaluate flooding impacts. Ms. Goodwin added that the Army Corps had recently updated its environmental justice guidelines and she believed they should be used to reevaluate the cumulative impacts on communities next to dredge placement areas.

Ms. Goodwin wanted to know who would be legally liable for the potentially negative impacts of dredge sites. The Army Corps claimed that dredge material did not pose a risk to human health, but it did not follow EPA sampling guidelines when conducting its testing. The conclusions of the testing did not appear to be supported by the data in the appendix to the National Environmental Policy Act (NEPA) documents.

(b) Chairman Campo recognized Cleophus Sharp, Achieving Community Tasks Successfully (ACTS), who addressed the Port Commission.

Mr. Sharp commended the Port Commission for its effort to develop a positive working relationship with the communities impacted by business development around the port, and its inclusion of communities in various grant opportunities. The concern of the various communities was the lack of data being provided concerning the toxicity testing of the dredge sites. Runoff from major storm events caused flooding that could carry the materials from the dredge sites into the community.

Mr. Sharp referenced an event in 1957 when a dredge site was breached and washed sludge into surrounding homes. Concern that such a breach could happen again was still

present amongst residents, and the community had not seen testing data on the material that was currently in the dredge sites.

(2024-0423-04) Chairman Campo recognized Jordan Frisby, Director, Technical and Business Analytics, to provide a report of selected Executive agenda items.

Mr. Frisby explained that Item F1 was for permission to enter into a contract to develop an AIS-based (automatic identification system) vessel tracking and analysis tool to support the development of a Project 11 user fee.

(2024-0423-05) RCA F1 was presented, moved by Commissioner Corgey, seconded by Commissioner Jones. Chairman Campo, and Commissioners Cloonan, Corgey, Fitzgerald, and Jones voted Aye. Nays none. RCA F1 PASSED.

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

(2024-0423-06) Chairman Campo recognized Lori Brownell, Director, Channel Infrastructure, to provide a report of selected Channel Infrastructure agenda items.

Ms. Brownell gave a high-level Project 11 update: three contracts had been completed to date, with an additional two to follow in the next month or two. In conjunction with the Army Corps, an award for the final two Galveston Bay-area contracts was anticipated by the end of the summer. Debris in the Bayport Ship Channel caused a delay in completion of the construction work by about a month, but it was hoped that the time could be made up.

The Port Authority would continue to work with the Army Corps over the next twelve to fourteen months to complete Project 11. Pending federal appropriations, the target was toward the end of 2027.

Ms. Brownell highlighted Item H1, a contract to monitor and maintain the upland dredge placement areas. The contract included a 30% small business commitment.

(2024-0423-07) RCA H1 was presented. Commissioner Fitzgerald moved for staff's ranking of vendors - first, Yellowstone Landscape; and second, Ikon Environmental Solutions, LP, seconded by Commissioner Jones. Chairman Campo, and Commissioners Cloonan, Corgey, Fitzgerald, and Jones voted Aye. Nays none. RCA H1 PASSED.

(2024-0423-08) RCA H2 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Jones. Chairman Campo, and Commissioners Cloonan, Corgey, Fitzgerald, and Jones voted Aye. Nays none. RCA H2 PASSED.

(2024-0423-09) RCA H3 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Jones. Chairman Campo, and Commissioners Corgey, Fitzgerald, and Jones voted Aye. Commissioner Cloonan recused herself. Nays none. RCA H3 PASSED.

(2024-0423-10) RCA H4 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Jones. Chairman Campo, and Commissioners Cloonan, Corgey, Fitzgerald, and Jones voted Aye. Nays none. RCA H4 PASSED.

(2024-0423-11) Chairman Campo recognized Rina Lawrence, Manager, Economic Development, to provide a report of selected Commercial agenda items.

Ms. Lawrence explained that she managed the Port Authority's Foreign Trade Zone (FTZ) 84 program, the largest and top-producing FTZ in the U.S., responsible for the employment of over 12,000 people on average, and with approximately \$50 billion of value in warehouse distribution and production operations in 2022. Additionally, 7-10% of the Port Authority's container volume was generated through the FTZ. There were currently 161 projects in the regional pipeline, which equated to 65,600 jobs and a capital expenditure of \$71 billion, 35% of which was directly tied to manufacturing, distribution, and logistics, which lead to cargo increases.

Chairman Campo asked for a brief explanation as to how FTZs work. Ms. Lawrence explained that an FTZ is an area in the U.S. that is considered outside of Custom and Border Protection's territory. Entities conducting importing or manufacturing were subject to reduced tariffs and duties.

Ms. Lawrence stated that agenda Items I1 and I2 were for the approval of a merger and a change of control for one of the Port Authority's tenants, while Item I3 was an assignment for the Port Authority's contract with its trade development consultant from Sergio Ojeda Ossa, an individual, to his company Ossa Shipping Consultants.

(2024-0423-12) RCA I1 was presented, moved by Commissioner Corgey, seconded by Commissioner Jones. Chairman Campo, and Commissioners Cloonan, Corgey, Fitzgerald, and Jones voted Aye. Nays none. RCA I1 PASSED.

(2024-0423-13) RCA I2 was presented, moved by Commissioner Corgey, seconded by Commissioner Jones. Chairman Campo, and Commissioners Cloonan, Corgey, Fitzgerald, and Jones voted Aye. Nays none. RCA I2 PASSED.

(2024-0423-14) RCA I3 was presented, moved by Commissioner Corgey, seconded by Commissioner Jones. Chairman Campo, and Commissioners Cloonan, Corgey, Fitzgerald, and Jones voted Aye. Nays none. RCA I3 PASSED.

(2024-0423-15) Chairman Campo recognized Curtis Duncan, Controller, to provide a report of selected Finance agenda items.

Mr. Duncan reported that the one agenda item was for the approval of the Port Authority's 2023 Annual Comprehensive Financial Report, which was approved earlier in the day at the Audit Committee meeting.

(2024-0423-16) RCA J1 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Cloonan, Corgey, Fitzgerald, and Jones voted Aye. Nays none. RCA J1 PASSED.

(2024-0423-17) Chairman Campo recognized Rohit Saxena, Director, Facility Planning, to provide a report of selected Infrastructure agenda items.

Mr. Saxena remarked that staff was actively advancing grant applications. Additionally, several members of staff had presented at the recent Port of the Future conference, covering key topics such as port growth in Houston, community relations, and a discussion on the local work force, for which Commissioner Robb was a panelist.

The Port Authority would be joining other delegations in the next day at a White House roundtable focused on a national zero emission freight corridor strategy.

Mr. Saxena highlighted Item K1, a contract for the clearing and grubbing of the Port Authority's "u-shaped property" near the Bayport Container Terminal. This was a component of the broader initiative to enhance the marketability of the Port Authority's properties and meet escalating demand. Item K3 was for expansion of the Port Authority's exit gate at the Bayport Container Terminal, a part of the broader infrastructure expansion that included the widening of Port Road to accommodate growth.

(2024-0423-18) RCA K1 was presented. Commissioner Jones moved to award a construction contract to the top-ranked proposer URSA Corporation dba Great Bear Construction, seconded by Commissioner Corgey. Chairman Campo, and Commissioners Cloonan, Corgey, Fitzgerald, and Jones voted Aye. Nays none. RCA K1 PASSED.

(2024-0423-19) RCA K2 was presented. Commissioner Jones moved to award a construction contract to the top-ranked proposer Taylor Marine Construction, Inc., seconded by Commissioner Corgey. Chairman Campo, and Commissioners Cloonan, Corgey, Fitzgerald, and Jones voted Aye. Nays none. RCA K2 PASSED.

(2024-0423-20) RCA K3 was presented. Commissioner Jones moved to award a construction contract to the top-ranked proposer Satterfield & Pontikes Construction, Inc., seconded by Commissioner Corgey. Chairman Campo, and

Commissioners Cloonan, Corgey, Fitzgerald, and Jones voted Aye. Nays none. RCA K3 PASSED.

(2024-0423-21) RCA K4 was presented, moved by Commissioner Jones, seconded by Commissioner Corgey. Chairman Campo, and Commissioners Cloonan, Corgey, Fitzgerald, and Jones voted Aye. Nays none. RCA K4 PASSED.

(2024-0423-22) RCA K5 was presented, moved by Commissioner Jones, seconded by Commissioner Corgey. Chairman Campo, and Commissioners Cloonan, Corgey, Fitzgerald, and Jones voted Aye. Nays none. RCA K5 PASSED.

(2024-0423-23) RCA K6 was presented, moved by Commissioner Jones, seconded by Commissioner Corgey. Chairman Campo, and Commissioners Cloonan, Corgey, Fitzgerald, and Jones voted Aye. Nays none. RCA K6 PASSED.

(2024-0423-24) Chairman Campo recognized Paulo Soares, Chief Port Maintenance Officer, to provide a report of selected Port Maintenance agenda items.

Mr. Soares noted that of the 26 rubber-tired gantry (RTG) cranes purchased in July 2022, all those at Barbours Cut Container Terminal had been commissioned and the first batch at Bayport Container Terminal were currently being tested. The ship-to-shore (STS) cranes at the container terminals had worked a combined 27,300 hours, a 13% increase over 2023, and both terminals also boasted a combined up-time of 99%. The cranes were doing well.

Mr. Soares continued: at the Turning Basin Terminal, about \$2 million had been invested in refurbishments of docks 10, 18, 19, and 27.

Mr. Soares remarked that Item L2 was an award for the replacement of the festoon systems for two wharf cranes, one at the Barbours Cut Container Terminal and one at the Bayport Container Terminal. The systems are comprised of 8,500 feet of cable connecting crane controls to the cab.

(2024-0423-25) RCA L1 was presented, moved by Commissioner Cloonan, seconded by Commissioner Jones. Chairman Campo, and Commissioners Cloonan, Corgey, Fitzgerald, and Jones voted Aye. Nays none. RCA L1 PASSED.

(2024-0423-26) RCA L2 was presented, moved by Commissioner Cloonan, seconded by Commissioner Jones. Chairman Campo, and Commissioners Cloonan, Corgey, Fitzgerald, and Jones voted Aye. Nays none. RCA L2 PASSED.

(2024-0423-27) RCA L3 was presented, moved by Commissioner Cloonan, seconded by Commissioner Jones. Chairman Campo, and Commissioners Cloonan, Corgey, Fitzgerald, and Jones voted Aye. Nays none. RCA L3 PASSED.

(2024-0423-28) RCA L4 was presented, moved by Commissioner Cloonan, seconded by Commissioner Jones. Chairman Campo, and Commissioners Cloonan, Corgey, Fitzgerald, and Jones voted Aye. Nays none. RCA L4 PASSED.

(2024-0423-29) Chairman Campo recognized Ryan Mariacher, Chief Port Operations Officer, to provide a report of selected Port Operations agenda items.

Mr. Mariacher reported that March 2024 was a very strong month for containers. Total TEUs were up 15%, loaded TEUs were up 18% over March 2023, and the one million TEU mark was surpassed in the first quarter of 2024. Container volumes were currently outpacing the forecast to date; however, multipurpose facility tonnage volumes were down 16% for the year, with general cargo down 23%.

Mr. Mariacher noted that export volumes were strong, primarily from wheat, import cement was down for the month but was expected to rebound, and steel was down 23%.

Mr. Mariacher provided an update on the crane optimization software project currently underway: the software was currently being rolled out and was designed to help staff better manage the 120 RTG cranes used every day, and would also help provide better visibility for crane operators to help efficiently streamline workflow. Early feedback had been extremely positive.

Mr. Mariacher highlighted Item M2, a contract for a cloud-based enterprise solution visibility platform to implement a data sharing initiative intended to enhance visibility and connectivity across the supply chain. This would also assist in planning vessel schedules when looking three or four weeks in advance.

Commissioner Fitzgerald commended Mr. Mariacher on his work at the container terminals.

(2024-0423-30) RCA M1 was presented, moved by Commissioner Corgey, seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Cloonan, Corgey, Fitzgerald, and Jones voted Aye. Nays none. RCA M1 PASSED.

(2024-0423-31) RCA M2 was presented, moved by Commissioner Corgey, seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Cloonan, Corgey, Fitzgerald, and Jones voted Aye. Nays none. RCA M2 PASSED.

(2024-0423-32) RCA M3 was presented, moved by Commissioner Corgey, seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Cloonan, Corgey, Fitzgerald, and Jones voted Aye. Nays none. RCA M3 PASSED.

(2024-0423-33) RCA M4 was presented, moved by Commissioner Corgey, seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Cloonan, Corgey, Fitzgerald, and Jones voted Aye. Nays none. RCA M4 PASSED.

Chairman Campo noted that there were no People, Security and Emergency Operations, or Technology agenda items.

At 9:59 a.m. Chairman Campo called for a brief recess, and at 10:04 a.m. called for an Executive Session and asked Mr. Eriksson to make the following announcement:

It is now 10:04 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, (ii) proposed agreement for legal services with Mayer Brown LLP, and (iii) proposed amendment to the agreement for legal support services with the TC&B/GBA joint venture of AECOM Technical Services Inc. and Gahagan & Bryant Associates, Inc.; 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*), including deliberation regarding employment of an Executive Director of the Port Authority, and other matters related thereto; 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 11:16 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
Clyde Fitzgerald, Commissioner
Thomas Jones, Commissioner
Roger Guenther, Executive Director
Erik Eriksson, Chief Legal Officer

Tom Heidt, Chief Operating Officer
J. Kent Friedman, outside counsel

(2024-0423-34) Commissioner Jones moved to authorize the Port Authority to approve the agreement for legal services with Mayer Brown LLP on the terms discussed in Executive Session, and authorize the Chief Legal Officer to do all other things reasonable or necessary to give effect to the foregoing, seconded by Commissioner Corgey, Chairman Campo, and Commissioners Cloonan, Corgey, Fitzgerald, and Jones voted Aye. Nays none. MOTION PASSED.

(2024-0423-35) Commissioner Fitzgerald moved to authorize the Port Authority to amend the agreement for legal support services with the TC&B/GBA joint venture of AECOM Technical Services Inc. and Gahagan & Bryant Associates, Inc. on the terms discussed in Executive Session, and authorize the Chief Legal Officer to do all other things reasonable or necessary to give effect to the foregoing, seconded by Commissioner Cloonan, Chairman Campo, and Commissioners Cloonan, Corgey, Fitzgerald, and Jones voted Aye. Nays none. MOTION PASSED.

(2024-0423-36) Commissioner Corgey moved to authorize the Port Authority to amend the employment agreement with Roger Guenther on the terms discussed in Executive Session, and authorize the Chairman and Chief Legal Officer to do all other things reasonable or necessary to give effect to the foregoing, seconded by Commissioner Cloonan, Chairman Campo, and Commissioners Cloonan, Corgey, Fitzgerald, and Jones voted Aye. Nays none. MOTION PASSED.

(2024-0423-37) Commissioner Cloonan moved to authorize the Port Authority to approve an employment agreement with Charlie Jenkins on the terms discussed in Executive Session, and authorize the Chairman and Chief Legal Officer to do all other things reasonable or necessary to give effect to the foregoing, seconded by Commissioner Fitzgerald, Chairman Campo, and Commissioners Cloonan, Corgey, Fitzgerald, and Jones voted Aye. Nays none. MOTION PASSED.

Chairman Campo congratulated Mr. Guenther on his upcoming retirement on August 30, 2024 and thanked him for all his work on behalf of the Port of Houston. He then congratulated Mr. Jenkins on his appointment as interim [stet] CEO through August 30, 2024 and his role as CEO thereafter.

Chairman Campo stressed that all the internal candidates that applied for the position were amazing, and any one of them could have assumed the role effectively. It was very exciting to have Mr. Jenkins leading the Port Authority in the future. A seamless transition was anticipated.

Commissioner Fitzgerald offered his congratulations to Mr. Jenkins. He was likewise very proud of all the internal candidates.

Commissioner Corgey noted that he knew Mr. Jenkins' son, who was a deck officer on a U.S. flagged vessel.

Mr. Guenther thanked everyone and stressed that the certainty and continuity provided by the Port Commission over the years and its guidance and commitment to staff and the entire Port Authority has been a good thing.

At 11:23 a.m., Chairman Campo adjourned the Port Commission meeting.

The above is a correct copy of the Minutes of the April 23, 2024 meeting of the Port Commission of the Port of Houston Authority.

A handwritten signature in black ink, appearing to read 'Ric Campo', written over a horizontal line.

Ric Campo, Chairman

A handwritten signature in blue ink, appearing to read 'Erik A. Eriksson', written over a horizontal line.

Erik A. Eriksson, Secretary

F. EXECUTIVE

Subject	1. Enter into a professional services contract with PortXchange Products B.V. to develop an AIS (automatic identification system)-based vessel tracking, analysis, and reporting tool to support the possible future development of the Project 11 User Fee in an amount not to exceed \$200,000.
Meeting	Apr 23, 2024 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 23, 2024 meeting, authorize the Port Authority to enter into a professional services contract with PortXchange Products B.V. to develop an AIS (automatic identification system)-based vessel tracking, analysis, and reporting tool to support the possible future development of the Project 11 User Fee in an amount not to exceed \$200,000, effective April 24, 2024, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Awards, Amendments & Change Orders

Department:

Legal

Staff Contact:

Erik Eriksson

Background:

The Port Authority currently contracts with PortXchange Products B.V. to provide the EmissionInsider services to the environmental department, based on tracking ship movements in the Houston Ship Channel. PortXchange is also active with several partners in the Houston Ship Channel, including the Greater Houston Port Bureau (GHPB). The PilotTracker program is a joint offering of GHPB and PortXchange. PortXchange also offers the Synchronizer product to coordinate vessel scheduling.

In order to support the development of the Project 11 User Fee, it is necessary to acquire an AIS (automatic identification system)-based vessel tracking, analysis, and reporting tool to better understand and monitor the movements of vessels waiting offshore of the Port of Houston. PortXchange is already active in the Houston Ship Channel with its three tools EmissionsInsider, PilotTracker, and PortXchange. PortXchange has proposed building on their existing platforms to develop the needed tracking and outputs to support the User Fee development.

Staff Evaluation/Justification:

Staff recommends that the Port Commission authorize a professional services contract with PortXchange Products B.V. to develop an AIS (automatic identification system)-based vessel tracking, analysis, and reporting tool to support the possible future development of the Project 11 User Fee.

H. CHANNEL INFRASTRUCTURE

Subject	1. Approve staff's ranking and award a two-year service contract in an amount not to exceed \$1,329,350 for the maintenance and monitoring of dredged material placement areas to the top-ranked proposer: staff ranking – first, Yellowstone Landscape; and second, Ikon Environmental Solutions, LP.
Meeting	Apr 23, 2024 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 23, 2024 meeting: (a) approve staff's ranking of the highest-ranked proposers offering the best value to the Port Authority, based on the selection criteria, in the following order – first, Yellowstone Landscape; and second, Ikon Environmental Solutions, LP; (b) award a two-year service contract to Yellowstone Landscape for the maintenance and monitoring of dredged material placement areas in an amount not to exceed \$1,329,350; (c) grant authority, if a contract cannot be negotiated with the first-ranked vendor, to formally, and in writing, end negotiations with that vendor and proceed to the next vendor in the order of ranking until a contract is reached or all proposals are rejected; and (d) further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Awards, Amendments & Change Orders

Department:

Channel Infrastructure Real Property

Staff Contact:

Garry McMahan/Leia Wilson

Background:

The proposed project consists of dredged material placement area maintenance and monitoring, including weekly and monthly site inspections and reporting, mowing and edging of grass, vegetation control, tire/trash/waste pick-up and disposal, mosquito control, total suspended solids monitoring and board removal, monitoring no-trespassing signage, monitoring for sixty days after placement of dredged material, attending community meetings as needed, and providing transportation for Port Authority staff to the dredged material placement sites.

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

Staff Evaluation/Justification:

On March 21, 2024, two CSP responses were received and opened. The responses were reviewed and evaluated by staff in accordance with the selection criteria published in the CSP. Staff identified the following vendors, listed in order of ranking, as having proposals offering the best value to the Port Authority in providing the required services:

- Yellowstone Landscape
- Ikon Environmental Solutions, LP

Exhibit A

Following staff Executive Committee review, staff recommends that the Port Commission award a contract to Yellowstone Landscape, the provider offering the best value for dredged material placement area maintenance and monitoring, and act as otherwise described above.

H. CHANNEL INFRASTRUCTURE

Subject	2. Approve the renewal of the following expiring Port Authority licenses for new thirty-year terms: Concha Chemical Pipeline LLC, Enterprise Houston Ship Channel, L.P., Enterprise TE Products Pipeline Company LLC, INEOS USA LLC, Linde Inc., and Shell Pipeline Company LP.
Meeting	Apr 23, 2024 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 23, 2024 meeting, authorize the Port Authority to approve renewal of the following expiring Port Authority licenses for new thirty-year terms: Concha Chemical Pipeline LLC, Enterprise Houston Ship Channel, L.P., Enterprise TE Products Pipeline Company LLC, INEOS USA LLC, Linde Inc., and Shell Pipeline Company LP, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:
Permits/Licenses/Pipeline Easements

Department:
Channel Infrastructure Real Property

Staff Contact:
Garry McMahan

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

30 Year Term

Company	File No.	License Fee*
Concha Chemical Pipeline LLC	2000-0009	\$4,772
Enterprise Houston Ship Channel, L.P.	2015-0215	\$7,953
Enterprise Houston Ship Channel, L.P.	2015-0216	\$14,316
Enterprise TE Products Pipeline Company LLC	2004-0041	\$4,772
INEOS USA LLC	2003-0160	\$96,442
Linde Inc.	2004-0064	\$4,772
Shell Pipeline Company LP	2000-0104	\$5,727
Shell Pipeline Company LP	2001-0108	\$11,454
Shell Pipeline Company LP	1999-0147	\$3,418
Total		\$153,626

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

Staff Evaluation/Justification:

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

Staff recommends approval.

H. CHANNEL INFRASTRUCTURE

Subject	3. Issue a transmission line license to CenterPoint Energy Houston Electric, LLC for one 34.5kV electrical line and three power poles along the Port Terminal Railroad Association's railroad tracks east of the Industrial Park East entrance.
Meeting	Apr 23, 2024 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 23, 2024 meeting, authorize the Port Authority to issue a transmission line license to CenterPoint Energy Houston Electric, LLC for one 34.5kV electrical line and three power poles along the Port Terminal Railroad Association's railroad tracks east of the Industrial Park East entrance, 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 Infrastructure Real Property

Staff Contact:

Garry McMahan

Background:

CenterPoint Energy Houston Electric, LLC, Port Authority File No. 2024-0069, has applied for a transmission line license for one 34.5kV electrical line and three power poles along the Port Terminal Railroad Association's railroad tracks east of the entrance road into Industrial Park East, in the Ezekiel Thomas League Survey, A-73.

Staff Evaluation/Justification:

The application was reviewed and approved by the Port Authority's Channel Infrastructure Real Property department and Port Terminal Railroad Association. The license is subject to the Port Authority's usual terms and conditions for a ten-year license and at a fee of \$3,711. The \$1,000 application fee and the \$10,000 as-built deposit have been paid.

Staff recommends approval.

AFFIDAVIT OF SUBSTANTIAL INTEREST

STATE OF TEXAS §
 §
COUNTY OF HARRIS §

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

On this day appeared Wendy Montoya Cloonan, who after being duly sworn, stated as follows:

1. I am twenty-one (21) years of age or over and competent to make this Affidavit of Substantial Interest, based upon facts within my personal knowledge.
2. I am a member of the Port Commission (the "Port Commission") of the Port of Houston Authority (the "Port Authority").
3. I am filing this Affidavit with the official record keeper of the Port Authority, pursuant to §171.004 of the Texas Local Government Code, to comply with the provisions of Chapter 171 of the Texas Local Government Code.
4. I have, or may have, a substantial interest in the matter of Item H3 as set forth in the agenda for the meeting of the Port Commission scheduled for April 23, 2024:

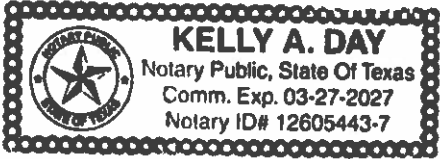
Issue a transmission line license to CenterPoint Energy Houston Electric, LLC for one 34.5kV electrical line and three power poles along the Port Terminal Railroad Association's railroad tracks east of the Industrial Park East entrance.

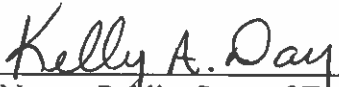
5. The nature and extent of the substantial interest described above is as follows: my service as a director of CenterPoint Energy Inc., a company affiliated with CenterPoint Energy Houston Electric, LLC, CenterPoint Energy Intrastate Pipeline, Inc, and CenterPoint Energy Resources Corp. d/b/a CenterPoint Energy Texas Gas Operations. Funds received by me in connection with such employment may exceed 10 percent of my gross income for the previous year.
6. This substantial interest also derives from an interest in CenterPoint Energy Inc., on which the action requested in the above matter will have a special economic effect, distinguished from the effect on the public. This substantial interest derives from possible ownership of \$15,000 or more of the fair market value of such entity.
7. Action on the matter will have a special economic effect on the entities described in the forgoing paragraph that is distinguishable from the effect on the public.

8. By virtue of the foregoing described interest, I have not and will not participate in any consideration, vote, or decision by the Port Commission regarding such matter.


Wendy Montoya Cloonan

SWORN TO AND SUBSCRIBED before me this April 23, 2024.




Notary Public, State of Texas

H. CHANNEL INFRASTRUCTURE

Subject	4. Assign a marine construction permit from San Jacinto River Fleet LLC to Houston Fleeting Services LLC for one dock, a sheet pile bulkhead, and ten pilings.
Meeting	Apr 23, 2024 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 23, 2024 meeting, authorize the Port Authority to assign a marine construction permit from San Jacinto River Fleet LLC to Houston Fleeting Services LLC for one dock, a sheet pile bulkhead, and ten pilings, 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 Infrastructure Real Property

Staff Contact:

Garry McMahan

Background:

San Jacinto River Fleet LLC, Port Authority File No. 2017-0072, has applied to assign its marine construction permit to Houston Fleeting Services LLC for one dock, a sheet pile bulkhead, and 10 pilings, in the Nathaniel Lynch Survey, A-44.

Staff Evaluation/Justification:

The application was reviewed and approved by the Port Authority's Channel Infrastructure Real Property department and Port Terminal Railroad Association. The \$1,000 application fee has been paid.

Staff recommends approval.

I. COMMERCIAL

Subject	1. Approve (i) the merger of Empire Stevedoring (Houston) Inc. with and into QSL New Orleans, LLC, (ii) issuance of a stevedore license to QSL America Inc. and QSL – Texas Terminals, LLC, (iii) assignments of a freight handling assignment agreement and various leases from QSL New Orleans, LLC to QSL America Inc., and (iv) subleases of such leases by QSL America Inc. to QSL – Texas Terminals, LLC.
Meeting	Apr 23, 2024 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 23, 2024 meeting, approve (i) the merger of Empire Stevedoring (Houston) Inc. with and into QSL New Orleans, LLC, (ii) issuance of a stevedore license to QSL America Inc. and QSL – Texas Terminals, LLC, (iii) assignments of a freight handling assignment agreement and various leases from QSL New Orleans, LLC to QSL America Inc., and (iv) subleases of such leases by QSL America Inc. to QSL – Texas Terminals, LLC, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Leases

Department:

Real Estate

Staff Contact:

William Fehmer

Background:

Empire Stevedoring (Houston) Inc. (Empire) has been party to a stevedore license, freight handling assignment agreement, and five leases with the Port Authority. The leases consist of term and month-to-month leases for various properties at the Port Authority's Turning Basin Terminal and Southside Wharves.

Port Authority staff was informed by QSL America Inc. (QSL America) that, effective January 1, 2024, it completed an internal reorganization of its corporate structure involving the merger of certain entities, as well as the transfer of all leases and certain other agreements related to its U.S. stevedoring activities to QSL America as the holding company.

As a result, Empire merged with and into QSL New Orleans, LLC, an operating subsidiary of QSL America, on January 1, 2024. The resulting entity will conduct stevedoring activities exclusively in New Orleans, Louisiana.

QSL America's Texas operations will be conducted by an operating subsidiary QSL – Texas Terminals, LLC. QSL America has confirmed that operations at Port Authority facilities will not be disrupted or in any way affected by the reorganization.

Accordingly, QSL America has requested that the Port Authority approve the above described measures. In conjunction with the reorganization, the stevedore license held by Empire would be cancelled.

I. COMMERCIAL

Subject	2. Approve the change of control of QSL America Inc. and QSL – Texas Terminals, LLC, parties to various Port Authority instruments, resulting from the acquisition of a majority of the equity interests of their parent company QSL International Ltd. by an entity owned by funds advised by iCON Infrastructure LLP and Caisee de dépôt et placement du Québec.
Meeting	Apr 23, 2024 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 23, 2024 meeting, change of control of QSL America Inc. and QSL – Texas Terminals, LLC, parties to various Port Authority instruments, resulting from the acquisition of a majority of the equity interests of their parent company QSL International Ltd. by an entity owned by funds advised by iCON Infrastructure LLP and Caisee de dépôt et placement du Québec, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Leases

Department:

Real Estate

Staff Contact:

William Fehmer

Background:

On or around March 14, 2024, QSL International Ltd. (QSL International) requested that the Port Authority consent to a change of control transaction involving QSL International and, indirectly, its subsidiary QSL America Inc. and the latter's subsidiary QSL – Texas Terminals, LLC (the Transaction).

The Transaction would involve the acquisition of a majority of the outstanding equity shares of QSL International by an entity beneficially owned by funds advised by iCON Infrastructure LLP and Caisse de dépôt et placement du Québec (collectively, Acquiror). The Transaction was announced on February 23, 2024 and is anticipated to be completed in the second quarter of 2024. The Transaction would be considered a change of control of QSL America Inc. and QSL – Texas Terminals, LLC. Accordingly, QSL International has requested the Port Authority consent to the change of control.

This change of control would follow the Port Authority's consent to the issuance of a stevedore license, assignments of a freight handling assignment agreement and leases, and subleases of such leases, involving QSL America Inc. and QSL – Texas Terminals, LLC, as described in a separate agenda item at the Port Commission's April 23, 2024 meeting.

Staff Evaluation/Justification:

Staff has reviewed information provided by QSL International and Acquiror relating to the change of control, available financial data, and publicly available information relating to QSL International, QSL America Inc., QSL – Texas Terminals, LLC, and Acquiror.

QSL International has confirmed that the Transaction would not impact the operations of its subsidiaries, its management and operations would remain the same, and QSL International will remain headquartered in Québec. Additionally, QSL America Inc. and QSL – Texas Terminals, LLC

would remain as parties under the stevedore license, freight handling assignment agreement, and leases, as applicable, and remain subject to their terms and obligations.

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

I. COMMERCIAL

Subject	3. Approve the assignment of the professional services contract for trade development services with Sergio Ojeda Ossa to Ossa Shipping Consultants, S.A.
Meeting	Apr 23, 2024 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 23, 2024 meeting, approve the assignment of the professional services contract for trade development services with Sergio Ojeda Ossa to Ossa Shipping Consultants, S.A., and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

General

Department:

Trade Development

Staff Contact:

John Moseley/Dominic Sun

Background:

On January 1, 2023, the Port Authority and Sergio Ojeda Ossa (Mr. Ojeda) entered into a professional services contract for Mr. Ojeda to provide trade development services on behalf of the Port Authority in Central and South America for a two-year term with a one-year mutual extension option.

In early 2024, Mr. Ojeda formed Ossa Shipping Consultants, S.A., a Panamanian corporation (Ossa Shipping Consultants), and is now requesting that the Port Commission approve the assignment of the professional services contract from Mr. Ojeda to Ossa Shipping Consultants.

Staff Evaluation/Justification:

Ossa Shipping Consultants would continue to provide the same services under the contract without interruption following approval of the assignment described above. Therefore, staff recommends the Port Commission approve the assignment of the professional services contract from Mr. Ojeda to Ossa Shipping Consultants.

J. FINANCE

Subject	1. Approve the Port Authority's fiscal year 2023 Annual Comprehensive Financial Report.
Meeting	Apr 23, 2024 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 23, 2024 meeting, approve the fiscal year 2023 Annual Comprehensive Financial Report (ACFR), including the report of independent public accountants prepared by FORVIS, LLP dated April 23, 2024, 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:

Accounting

Staff Contact:

Curtis Duncan

Background:

Texas Water Code, Sections 60.002 and 49.191, requires the Port Authority to secure an annual audit by a certified public accountant or a public accountant holding a license from the Texas State Board of Public Accountancy. In addition, Texas Water Code, Section 49.194, requires the Port Authority's governing body approve the audit report annually, and ensure that a copy of the report is submitted with an accompanying filing affidavit to the Executive Director of the Texas Commission on Environmental Quality (TCEQ) within 135 days after the close of the Port Authority's fiscal year.

Effective June 1, 2022, the public accounting firm Dixon Hughes Goodman (DHG) LLP merged with BKD, with BKD as the surviving entity. Subsequently, BKD merged with FORVIS, LLP (FORVIS), with FORVIS as the surviving entity. Effective August 1, 2022, the Port Authority and FORVIS entered into an amendment to the professional audit services agreement to, among other things, exercise the option to extend the term by two years to provide audit services for the fiscal year ended December 31, 2024.

Staff Evaluation/Justification:

FORVIS has completed its audit of the Port Authority's financial statements for the fiscal year ended December 31, 2023, and staff has provided the Port Commission with the latest draft of the Port Authority's fiscal year 2023 Annual Comprehensive Financial Report (ACFR), which includes the Report of Independent Public Accountants prepared by FORVIS dated April 23, 2024.

The Audit Committee and staff recommend that the Port Commission formally approve the 2023 ACFR, where after the Executive Director of the Port Authority would submit the ACFR, including the required audit, along with the required filing affidavit, to the Executive Director of the TCEQ.

K. INFRASTRUCTURE

Subject	1. Approve staff's ranking of vendors and award a construction contract in an amount not to exceed \$986,480 for clearing the "u-shaped property" at Bayport Container Terminal, to the top-ranked proposer URSA Corporation dba Great Bear Construction.
Meeting	Apr 23, 2024 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 23, 2024 meeting, approve staff's ranking of vendors and award a construction contract in an amount not to exceed \$986,480 for clearing the "u-shaped property" at Bayport Container Terminal, to the top-ranked proposer URSA Corporation dba Great Bear Construction, 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 at the "u-shaped property" consists of clearing, grubbing, and grading approximately sixty-six acres of heavily-wooded lands, an additional twenty-eight acres of grading at stockpile locations, and necessary drainage features. The intent of this work is to pre-develop the site in preparation for future lease improvements.

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. Twenty vendors downloaded the project materials from BuySpeed.

Staff Evaluation/Justification:

On January 24, 2024, eight 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 URSA Corporation dba Great Bear Construction, the proposer providing best value for the u-shaped property clearing at Bayport Container Terminal, and act as otherwise described above.

K. INFRASTRUCTURE

Subject	2. Approve staff’s ranking of vendors and award a construction contract in an amount not to exceed \$523,480 for the annual 2024 fender system maintenance at Barbours Cut Terminal and Bayport Container Terminal, to the top-ranked proposer Taylor Marine Construction, Inc.
Meeting	Apr 23, 2024 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 23, 2024 meeting, approve staff’s ranking of vendors and award a construction contract in an amount not to exceed \$523,480 for the annual 2024 fender system maintenance at Barbours Cut Terminal and Bayport Container Terminal, to the top-ranked proposer Taylor Marine Construction, 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:

As part of the ongoing annual fender maintenance program at the container terminals, the Port Authority is seeking to hire a qualified contractor to perform on-call tasks for repair and replacement of fender system elements including safety nets, shackles, fender bumpers, timber logs, and bolts.

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. Fifteen vendors downloaded the project materials from BuySpeed.

Staff Evaluation/Justification:

On March 13, 2024, two CSB 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 Taylor Marine Construction, Inc., the proposer providing the lowest and best bid for the annual 2024 fender system maintenance at Barbours Cut Terminal and Bayport Container Terminal, and act as otherwise described above.

K. INFRASTRUCTURE

Subject	3. Approve staff's ranking of vendors and award a construction contract in an amount not to exceed \$5,697,681 for expansion of exit-gate facilities at Bayport Container Terminal, to the top-ranked proposer Satterfield & Pontikes Construction, Inc.
Meeting	Apr 23, 2024 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 23, 2024 meeting, approve staff's ranking of vendors and award a construction contract in an amount not to exceed \$5,697,681 for expansion of exit-gate facilities at Bayport Container Terminal, to the top-ranked proposer Satterfield & Pontikes Construction, 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 new infrastructure at Bayport Container Terminal to support gate operations and future terminal growth. The scope includes additional processing lanes, secondary screening area, extension of canopy structures, a camera bridge, pavement repair, electrical, and telecommunication infrastructure.

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. Twenty-five vendors downloaded the project materials from BuySpeed.

Staff Evaluation/Justification:

On March 13, 2024, two 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 Satterfield & Pontikes Construction, Inc., the proposer providing best value for the expansion of exit-gate facilities at Bayport Container Terminal, and act as otherwise described above.

K. INFRASTRUCTURE

Subject	4. Authorize a month-to-month lease with 2Plus of Texas, Inc. dba STAR to lease vans under the Houston-Galveston Area Council METROVan Program for a two-year period in the amount not to exceed \$80,000.
Meeting	Apr 23, 2024 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 23, 2024 meeting, authorize Port Authority staff to enter into a month-to-month lease with 2Plus of Texas, Inc. dba STAR to lease vans under the Houston-Galveston Area Council METROVan Program for a two-year period and for the amount not to exceed \$80,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	<p>Strategic Objective 4d. - Support sustainable growth of Port Houston and the greater Port</p> <p>STRATEGIC GOAL #1 - PEOPLE AND ORGANIZATION (Be the Best Place to Work)</p>

Category:

Awards, Amendments & Change Orders

Department:

Environmental Affairs Department

Staff Contact:

Trae Camble

Background:

In September 2007, the Environmental Affairs Department initiated a vanpool program for Port Authority employees by participating in the Houston-Galveston Area Council METROVan Program. The program is available to riders in Harris, Galveston, Brazoria, Liberty, Chambers, Fort Bend, Montgomery, and Waller counties.

The vanpool program was implemented as a means of improving local air quality, by reducing various vehicular emissions and the number of vehicles on roadways, and reducing overall fuel consumption.

In order to participate in the METROVan Program, the Port Authority leases vans on a month-to-month basis from 2Plus of Texas, Inc. dba STAR (STAR). By Minute Nos. 2008-0219-52, 2008-0722-42, 2009-0623-27, 2011-0125-21, 2013-0723-20, 2015-0929-40, 2017-0926-30, 2018-0925-34, 2019-0924-29, 2021-0622-16, and 2022-0802-32, the Port Commission approved prior participation in the program.

The METROVan Program provides a \$35-per-month incentive discount per rider on vanpool fares to the Port Authority. Each rider in turn is responsible for paying \$25 monthly, in addition to all fuel and toll costs. An average monthly lease cost of \$1,000 per van is incurred by the Port Authority.

Employees at Barbours Cut Terminal and Bayport Container Terminal also participate in the Port Authority's vanpool program.

Staff Evaluation/Justification:

Staff agrees that a one-year program extension would enable current vanpool groups to continue operating and for more vanpools to form during the next year.

Staff recommends the Port Commission approve the program above with 2Plus of Texas, Inc. dba STAR through May of 2026 and act as otherwise described above.

K. INFRASTRUCTURE

Subject	5. Amend the general environmental services agreement with Heritage Crystal Clean for non-hazardous and hazardous waste recycling, disposal, and management in an amount not to exceed \$125,000.
Meeting	Apr 23, 2024 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 23, 2024 meeting, amend the environmental services agreement with Heritage Crystal Clean for non-hazardous and hazardous waste recycling, disposal, and management in the amount not to exceed \$125,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #4 - STEWARDSHIP (Create Greater Value for the Region)

Category:

Awards, Amendments & Change Orders

Department:

Environmental Affairs

Staff Contact:

Trae Camble

Background:

By Minute No. 2022-0524-16, the Port Commission authorized the Port Authority to enter into an agreement with Heritage Crystal Clean to pick up, remove, transport, manage, and dispose or recycle non-hazardous and hazardous wastes generated from Port Authority terminals and property locations; sample, profile, and dispose of any unknown products, as well as abandoned wastes that may be discovered; and provide various field services such as tank cleaning, lab packing, vacuum truck pump and haul, and special waste disposal.

In January 2024, the original agreement was amended, to add \$75,000 to the contract amount and extend the term to May 2025.

Since January 2024, Barbours Cut Terminal and the East Two Clinton Dredged Material Site have required several large waste pickups, that have exhausted most of these additional funds.

Staff Evaluation/Justification:

Staff has determined the services of Heritage Crystal Clean have been beneficial to the Port Authority. Hazardous and non-hazardous wastes and recyclables continue to need pick up, removal, transport, management, and disposal or recycling as they are generated by Port Authority terminals and other property locations.

Staff recommends the Port Commission approve amending the contract in an amount not to exceed \$125,000, for a total contract amount of \$425,000.

K. INFRASTRUCTURE

Subject	6. Approve a change order with David E. Harvey Builders, Inc. to perform additional work associated with construction of the maintenance complex at Barbours Cut Terminal in an amount not to exceed \$546,292.
Meeting	Apr 23, 2024 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 23, 2024 meeting, approve a change order with David E. Harvey Builders, Inc. to perform additional work associated with the construction of the maintenance complex at Barbours Cut Terminal in an amount not to exceed \$546,292, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #2 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)

Category:

Awards, Amendments & Change Orders

Department:

Project and Construction Management

Staff Contact:

Roger H. Hoh, P.E.

Background:

By Minute No. 2022-0927-31, the Port Commission awarded a contract to David E. Harvey Builders, Inc. for the construction of the maintenance complex at Barbours Cut Terminal.

This proposed change order addresses:

- Office 126 Window relocation;
- Printer power and data;
- Removal of a monument sign;
- Modification of the security package, to add additional cameras, gate arm, and card reader;
- Additional power to fuel island;
- Paving existing concrete wash out pit;
- Replacing specified galvanized struts with stainless steel struts on electrical cabinets;
- Adding sink in shop area;
- Adding power and conduit to fire dampers;
- Demolition and paving an area at existing roll-on/roll-off ramp;
- Fire sealant at elevator shaft;
- Adding plumbing and equipment for additional water bottle filling fountains;
- Adding power for equipment in engine drive room;
- Adding plumbing for a new building chlorinator;
- Adding power and circuit for can lights;
- Adding power and data outlets as requested;
- Building a riser room wall;
- Build-out around an exposed column base; and
- Information Technology room sprinkler system change.

This is the third change order to this contract, for a total change order value to date of \$953,916.36, which is 2.3% of the total contract value.

Staff Evaluation/Justification:

Port Authority staff has reviewed the proposal submitted by David E. Harvey Builders, Inc. and found it to be fair and reasonable, and recommends that the Port Commission authorize this change order.

L. MAINTENANCE

Subject	1. Award a contract to Kalmar USA Inc. Bromma Americas, the sole source provider, for the purchase of SCS-Modular upgrades for twelve Bromma spreader bars at Bayport Container Terminal in an amount not to exceed \$150,000.
Meeting	Apr 23, 2024 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 23, 2024 meeting, award a contract to Kalmar USA Inc. Bromma Americas, the sole source provider, for the purchase of SCS-Modular upgrades for twelve Bromma spreader bars at Bayport Container Terminal in an amount not to exceed \$150,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #2 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)

Category:

Awards, Amendments & Change Orders

Department:

Maintenance

Staff Contact:

Paulo Soares

Background:

The Port Authority currently owns a total of twenty-three spreader bars manufactured by Bromma for wharf crane operations at Bayport Container Terminal. Spreader bars play a critical role in container handling, and are equipped with a variety of mechanical, hydraulic, and electrical components that must properly communicate with crane controls. Twelve of these units are equipped with control modules that have become obsolete and no longer supported by Bromma, and as a result, the Port Authority's inventory of spare modules is nearly depleted.

SCS-Modular is a spreader control system which offers a range of different features stretching from basic spreader control to a full-fledged system including diagnostics, connectivity, and an on-board information display.

Staff recommends that twelve Bromma spreader bars be retrofitted with new SCS-Modular upgrades, to facilitate troubleshooting and extend their useful life.

Staff Evaluation/Justification:

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

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

L. MAINTENANCE

Subject	2. Award a contract to Konecranes, Inc., the sole source provider, for the replacement of the festoon system on one wharf crane at Barbours Cut Terminal and one wharf crane at Bayport Container Terminal in an amount not to exceed \$1,900,000.
Meeting	Apr 23, 2024 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 23, 2024 meeting, award a contract to Konecranes, Inc., the sole source provider, for the replacement of the festoon system on one wharf crane at Barbours Cut Terminal and one wharf crane at Bayport Container Terminal in an amount not to exceed \$1,900,000, 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 maintains a total of six wharf cranes for loading and unloading containers at Barbours Cut Terminal and Bayport Container Terminal that are equipped with large festoon systems manufactured by Conductix-Wampfler of Germany. These festoon systems are comprised of approximately 10,000 feet of electrical cables and nineteen trolleys connecting crane controls in the machinery house to the operator cab.

The festoon systems on two wharf cranes at these facilities are in need of replacement. They are fourteen and sixteen years old respectively, and have been patched numerous times. To ensure the safety and reliability of these critical systems, staff recommends they are replaced as a turn-key project with materials and labor included.

Staff Evaluation/Justification:

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

Staff recommends that the Port Commission award a contract to Konecranes Inc. for the replacement of the festoon system on one wharf crane at Barbours Cut Terminal and one wharf crane at Bayport Container Terminal.

L. MAINTENANCE

Subject	3. Issue a two-year purchase order to Southern Tire Mart, LLC for the purchase of tire repair services for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal, using the Local Government Purchasing Cooperative's BuyBoard, a cooperative purchase program, in a total amount not to exceed \$800,000.
Meeting	Apr 23, 2024 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 23, 2024 meeting, award a two-year contract to Southern Tire Mart, LLC for the purchase of tire repair services for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal, using the Local Government Purchasing Cooperative's BuyBoard, in an amount not to exceed \$800,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #2 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)

Category:

Awards, Amendments & Change Orders

Department:

Maintenance

Staff Contact:

Paulo Soares

Background:

By Minute No. 2022-0321-27, the Port Commission awarded a two-year contract to Southern Tire Mart, LLC in the amount not to exceed \$600,000 for the purchase of tire repair services for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal. These contract funds have been depleted.

Tire repair services are needed to maintain Port Authority equipment, including 2,352 tires on rubber-tired gantry (RTG) cranes, 408 tires on yard tractors, 800 tires on chassis, and more than 1,200 tires on fleet vehicles. This service is necessary to minimize equipment downtime and ensure efficient terminal operations.

Local Government Purchasing Cooperative (LGPC) is a Texas nonprofit association that performs cooperative government procurement services. BuyBoard is LGPC's electronic cooperative procurement system. This cooperative is administered by the Texas Association of School Boards. The Port Commission authorized the Port Authority to become a member in 2006.

Staff Evaluation/Justification:

The Director of Procurement Services has determined that procuring tires through the BuyBoard Cooperative Purchasing Program is the method that both satisfies competitive purchase requirements and provides best value to the Port Authority.

Staff compared tire repair prices obtained from local tire repair vendors, taking into consideration the statutory competitive procurement requirements, and has determined that purchasing tire repair services using the LGPC of BuyBoard satisfies statutory requirements and provides the best value to

the Port Authority. The BuyBoard website lists several pre-approved tire repair vendors. Staff reviewed tire repair quotes from these providers and determined that Southern Tire Mart, LLC is the vendor with the best price for tire repairs pursuant to that vendor's contract with the LGPC's BuyBoard and meets the Port Authority's requirements.

Staff recommends that the Port Commission approve the best value determination and award a two-year contract to Southern Tire Mart, LLC for the purchase of tire repair services for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal.

L. MAINTENANCE

Subject	4. Issue a two-year purchase order to Beasley Tire Service, Inc. for the purchase of miscellaneous tires for trucks, passenger vehicles, and equipment at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal, using the Local Government Purchasing Cooperative's BuyBoard, a cooperative purchase program, in a total amount not to exceed \$900,000.
Meeting	Apr 23, 2024 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 23, 2024 meeting, award a two-year contract to Beasley Tire Service, Inc. for the purchase of miscellaneous tires for trucks, passenger vehicles, and equipment at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal, using the Local Government Purchasing Cooperative's BuyBoard, in an amount not to exceed \$900,000, 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 hundreds of vehicles and industrial equipment requiring tires of various sizes and capacities. This includes more than 1,200 for passenger vehicles, nearly 800 for chassis, and 300 for yard tractors.

By Minute No. 2021-0720-27, the Port Commission awarded a two-year contract to Southern Tire Mart, LLC in the amount not to exceed \$800,000 for the purchase of miscellaneous tires for trucks, passenger vehicles, and yard tractors for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal. These contract funds have been depleted.

Local Government Purchasing Cooperative (LGPC) is a Texas nonprofit association that performs cooperative government procurement services. BuyBoard is LGPC's electronic cooperative procurement system. This cooperative is administered by the Texas Association of School Boards. The Port Commission authorized the Port Authority to become a member in 2006.

Staff Evaluation/Justification:

The Director of Procurement Services has determined that procuring tires through the BuyBoard Cooperative Purchasing Program is the method that both satisfies competitive purchase requirements and provides best value to the Port Authority.

Staff compared miscellaneous tire prices obtained from local tire vendors, taking into consideration the statutory competitive procurement requirements, and has determined that purchasing these tires using the LGPC of BuyBoard satisfies statutory requirements and provides the best value to the Port

Authority. The BuyBoard website lists several pre-approved tire vendors. Staff reviewed miscellaneous tire quotes from these providers and determined that Beasley Tire Service, Inc. is the vendor with the best price for miscellaneous tires pursuant to that vendor's contract with the LGPC's BuyBoard and meets the Port Authority's requirements.

Staff recommends that the Port Commission approve the best value determination and award a two-year contract to Beasley Tire Services, Inc. for the purchase of miscellaneous tires for trucks, passenger vehicles, and equipment for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal.

M. OPERATIONS

Subject	1. Award a gate operating system and optical character recognition system contract to Smart Tecs, the sole source provider, for the expansion of the Bayport Container Terminal Out-Gate complex in an amount not to exceed \$457,046.
Meeting	Apr 23, 2024 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 23, 2024 meeting, award a gate operating system (GOS) and optical character recognition (OCR) system contract to Smart Tecs, the sole source provider, for the expansion of the Bayport Container Terminal Out-Gate complex in an amount not to exceed \$457,046, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Awards, Amendments & Change Orders

Department:

Operations

Staff Contact:

Mike Shaffner

Background:

The Port Authority is seeking to increase the gate-throughput capacity to accommodate increased gate volumes and provide appropriate service levels at the Bayport Container Terminal. The Bayport Container Terminal out gate expansion project would add two additional optical character recognition (OCR) portals, for a total of eight, and four additional out-gate processing lanes, for a total of sixteen.

The amount requested represents the purchase of new hardware for the additional OCR and gate processing lanes, retrofit of existing equipment, software adjustments, installation services, and one-year maintenance and support. The Smart Tecs GOS was installed in 2017, and since that time the solution has enhanced Port Authority service levels and prepared it for additional gate volumes. Due to the proprietary nature of the associated hardware and software, Smart Tecs is the only source to supply these 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 Smart Tecs is the sole authorized source to support the expansion of the Bayport Container Terminal Out-Gate complex in the United States.

Staff recommends the Port Commission award a contract for GOS and OCR to Smart Tecs, for the expansion of the Bayport Container Terminal Out-Gate complex.

M. OPERATIONS

Subject	2. Award a three-year professional services contract to Navis, the sole source provider, for the execution and visibility platform, berth window management, and berth optimization services, in an amount not to exceed \$463,410: three years at \$154,470 annually, with a one-time installation fee of \$17,267.
Meeting	Apr 23, 2024 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 23, 2024 meeting, award a three-year professional services contract to Navis, the sole source provider, for the execution and visibility platform, berth window management, and berth optimization services, in an amount not to exceed \$463,410: three years at \$154,470 annually, with a one-time installation fee of \$17,267, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Awards, Amendments & Change Orders

Department:

Operations

Staff Contact:

Mike Shaffner

Background:

The Navis execution and visibility platform (EVP) is a cloud-based solution intended to enhance visibility and connectivity across the supply chain through the use of an application programming interface (API). The use of APIs enable stakeholders to obtain real-time data in key operational areas. EVP also supports Berth Window Management (BWM) and Berth Optimization Services (BOS).

BWM is a web application that digitizes the berth plan and enables terminals to plan berths against proforma plans, manage and compare different berthing scenarios, and provide stakeholders with visibility to the real-time berth plan. This facilitates improved planning and optimizes berth utilization.

BOS works alongside BWM to help reduce inefficiencies in the berth planning process. It utilizes artificial intelligence and machine learning (AI/ML) to optimize yard utilization and reduce travel distances within the terminal, based on cargo location and vessel schedules.

Upon completion of a ninety-day trial, the installation fee would be deducted from the first year subscription fee.

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 Navis is the sole authorized source to support EVP, BWM, and BOS in the United States.

These applications are all part of the Navis Smart Suite of cloud-based services that, together, provide data insights to help drive efficient planning and reduce uncertainties between the terminals and stakeholders.

Staff recommends the Port Commission award a contract to Navis for the EVP, BWM, and BOS.

M. OPERATIONS

Subject	3. Enter into a contract to West Gulf Maritime Association for payroll services, safety training, and related services at set rates based on the gross payroll for each month for a five-year term.												
Meeting	Apr 23, 2024 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY												
Access	Public												
Type	Action												
Recommended Action	<p>The Port Commission, at its April 23, 2024 meeting:</p> <p>(a) award a contract to the West Gulf Maritime Association to provide payroll and administrative services; safety, health, and training services; and related services for the Port Authority's International Longshoremen's Association workers for a five-year term beginning May 1, 2024 and ending April 30, 2029 (i) at the following set rates based on the gross payroll for each month;</p> <table border="0" style="margin-left: 40px;"> <thead> <tr> <th>YEAR</th> <th>CHARGE PER MANHOUR</th> </tr> </thead> <tbody> <tr> <td>Year 1</td> <td>\$0.10</td> </tr> <tr> <td>Year 2</td> <td>\$0.13</td> </tr> <tr> <td>Year 3</td> <td>\$0.17</td> </tr> <tr> <td>Year 4</td> <td>\$0.21</td> </tr> <tr> <td>Year 5</td> <td>\$0.25</td> </tr> </tbody> </table> <p>and (ii) provide labor-related additional services for a fee calculated at one-half percent (0.5%) of the gross payroll; and</p> <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>	YEAR	CHARGE PER MANHOUR	Year 1	\$0.10	Year 2	\$0.13	Year 3	\$0.17	Year 4	\$0.21	Year 5	\$0.25
YEAR	CHARGE PER MANHOUR												
Year 1	\$0.10												
Year 2	\$0.13												
Year 3	\$0.17												
Year 4	\$0.21												
Year 5	\$0.25												

Category:

Awards, Amendments & Change Orders

Department:

Operations

Staff Contact:

Ryan Mariacher

Background:

The West Gulf Maritime Association (WGMA) is a non-profit corporation with a separate Payroll division that currently processes all payrolls for direct employers and other parties hiring International Longshoremen's Association, AFL-CIO (ILA) workers at Port Authority terminals and handles all management information system functions for the ILA pension, vacation, and welfare plans.

By Minute No. 2019-0423-36, the Port Commission most recently authorized a five-year contract with the WGMA to provide these payroll processing services and numerous other services to the Port Authority for its ILA workers. This contract is set to expire on April 30, 2024.

Staff Evaluation/Justification:

The WGMA is uniquely qualified to provide payroll and other services to the Port Authority for its ILA workers since the WGMA processes all other ILA member payrolls, and is in a unique position to compile workers' hours for submission to benefit plans from one central source, provide uniform drug testing services pursuant to ILA's collective bargaining agreement, and coordinate the training and certification of all ILA equipment operators working at the Port Authority.

The WGMA has agreed to continue to provide payroll processing services for a rate of \$0.10 per manhour in year one of the contract, and the rate will be subject to annual increases for the remaining four years of the contract, all as follows:

<u>YEAR</u>	<u>CHARGE PER MANHOUR</u>
Year 1	\$0.10
Year 2	\$0.13
Year 3	\$0.17
Year 4	\$0.21
Year 5	\$0.25

Additional services that the WGMA would provide for the Port Authority's ILA workers include (i) handling unemployment compensation claims, time-off data involving suspensions from work, light duty, insurance runs, record auditing, and accident data and reports; (ii) providing direct access to all safety, health and training programs, HAZMAT/HAZCOM training, required physical examinations for ILA workers, Occupational Safety and Health Administration (OSHA) record keeping analysis, training and certification of all ILA equipment operators, Powered Industrial Truck (PIT) compliance and re-certification, new skills training, new entry training, including safety awareness, as well as supervisory training; (iii) providing for the Port Authority's participation in the distribution of personal protective equipment and the required longshore, warehouse, and clerks and checkers physical examinations; and (iv) performing random and post-accident drug testing.

Additionally, the WGMA has agreed to continue to provide labor-related additional services, for a fee which would be calculated at one-half percent (0.5%) of the gross payroll.

The total forecasted amount payable by the Port Authority during the term is \$3,505,836.

This contract would be for a term of sixty months, beginning May 1, 2024 and terminating April 30, 2029, and would include a provision for early termination after ninety days' notice.

Port Authority staff has determined that continuing these services would be beneficial to the Port Authority, and requests that the Port Commission approve this proposed agreement.

M. OPERATIONS

Subject	4. Authorize amendments to Tariff 14 and Tariff 15 to update language regarding the Excessive Import Dwell Fee and Sustained Long Dwell Fee invoicing and billing practices consistent with the Federal Maritime Commission's final rule taking effect May 28, 2024.
Meeting	Apr 23, 2024 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 23, 2024 meeting, authorize amendments to Tariff 14 and Tariff 15 to update language regarding the Excessive Import Dwell Fee and Sustained Long Dwell Fee invoicing and billing practices consistent with the Federal Maritime Commission's final rule taking effect May 28, 2024, 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:

In accordance with the Ocean Shipping Reform Act of 2022, the Federal Maritime Commission (the "FMC") has announced that it will issue a final rule governing demurrage and detention billing requirements. This final rule outlines certain detention and demurrage billing practices for marine terminal operators, such as the determination of which parties may appropriately be billed for demurrage or detention charges, and other requirements relating to billing and invoicing for demurrage and detention. This final rule is effective on May 28, 2024, except for certain specific provisions which will take effect at a later time.

Staff recommends updating language in Tariff 14 and Tariff 15 to be consistent with the practices and requirements set forth in the new final rule. This includes setting forth parties that may be billed for the Excessive Import Dwell Fee and Sustained Long Dwell Fee, including, but not limited to, the beneficial cargo owner, the carrier, and/or the consignee, and setting forth conditions where certain third parties may voluntarily pay the Excessive Import Dwell Fee or Sustained Long Dwell Fee on behalf of a billed party.

Staff Evaluation/Justification:

In order for the tariff and Port Authority practices to remain consistent with the FMC's final rule, staff recommends the Port Commission approve the proposed tariff update.