

## I N D E X

PORT COMMISSION  
OF THE  
PORT OF HOUSTON AUTHORITY  
OF THE PORTS OF HARRIS COUNTY, TEXAS  
October 22, 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**

- 2024-1022-01 (a) Approve the minutes of the August 8, 2024 Special Port Commission meeting
- 2024-1022-01 (b) Approve the minutes of the September 24, 2024 Port Commission meeting

**Staff Reports**

- 2024-1022-02 Charlie Jenkins presented a summary of selected financial and operational matters

**Appearances (none)**

**F. Executive**

- 2024-1022-03 Staff Report – Jessica Shaver, Chief People Officer
- 2024-1022-04 Presentation regarding the Port Authority’s proposed 2025 Strategic Plan

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

**H. Channel Infrastructure**

- 2024-1022-05 Staff Report – Selected agenda items –Lori Brownell, Chief Channel Infrastructure Officer
- 2024-1022-06 Authorize an interlocal agreement with the Houston-Galveston Area Council to purchase remote sensing data and services
- 2024-1022-07 Approve the renewal of expiring Port Authority pipeline and transmission line licenses for thirty-year terms for the following entities: Air Liquide Large Industries U.S. LP and Chevron Phillips Chemical Company LP.

<u>Minute No.</u>	<u>Event/Action</u>
2024-1022-08	Approve the transfer of fourteen pipeline licenses from Easton Energy Pipelines LLC to ONEOK NGL Distribution Systems, LLC
2024-1022-09	Approve the transfer and renewal of twelve expiring Port Authority pipeline licenses for thirty-year terms, from ExxonMobil Pipeline Company to ExxonMobil Pipeline Company LLC
2024-1022-10	Approve the transfer and renewal of a 36-inch pipeline license from E T Crude Pipeline LLC to ETP Crude LLC, crossing Carpenter's Bayou in three locations
2024-1022-11	Transfer and amend an existing pipeline license for two 10-inch and two 16-inch pipelines across Harbor Drive from SESCO Cement Corporation to SESCO Terminals Corporation facilities and set the expiration date to be coterminous with the latter's lease
<b>I. Commercial</b>	
2024-1022-12	Staff Report – Selected agenda item – John Moseley, Chief Commercial Officer
2024-1022-13	Approve an amendment to the cattle lease with James H. Jackson Industries, Inc. for approximately 8.96 acres out of Block 5 at Bayport Container Terminal to extend the term for five years, at an annual base rent of \$179.20
<b>J. Finance</b>	
2024-1022-14	Staff Report – Selected agenda items – Tim Finley, Chief Financial Officer
2024-1022-15	Approve adoption of resolutions, agreements, and documents to give effect to a new \$150,000,000 Third Lien Revolving Note Purchase Program with Truist Bank and affiliates, including authorization to (a) draw under such financing, (b) incur borrowings thereunder, (c) incur rating agency fees, commitment fees, paying agent fees, financial advisory fees, and other costs related to the program (Costs) in an amount not to exceed \$1,800,000 for the period through November 7, 2029, and (d) in addition to the Costs, incur applicable interest costs relating to the borrowing thereunder
2024-1022-16	Adopt a resolution expressing the Port Authority's intent to finance expenditures related to the acquisition of land and equipment, for and design and construction of, terminal, dock, and wharf facilities and related channel improvements, with the proceeds of debt obligations
2024-1022-17	Approve the adoption of an Amended and Restated Third Supplemental Resolution establishing the Port Authority Third Lien Revenue Extendible Commercial Paper Program and related agreements and documents

<u>Minute No.</u>	<u>Event/Action</u>
2024-1022-18	Approve the external audit plan proposed by Forvis Mazars to conduct the scope of work for the 2024 financial statement audit, the Port Authority Promotion and Development Fund audit, and the Port of Houston Authority Restated Retirement Plan (Pension Plan)
2024-1022-19	Approve and ratify two one-year extensions of the term of the subscription agreement with FinQuery, LLC (formerly, LeaseQuery, LLC), in an aggregate amount not to exceed \$59,880, and approve a one-year extension of the term of the subscription agreement with FinQuery, LLC, in an amount not to exceed \$38,000
<b>K. Infrastructure</b>	
2024-1022-20	Staff Report – Selected agenda items – Ilana Harris, Lead Environmental Compliance Coordinator, Environmental Affairs
2024-1022-21	<p>Approve staff’s ranking of vendors and award an agreement for nonhazardous and hazardous waste recycling, disposal, and management to the top-ranked proposer: staff ranking – first, Heritage-Crystal Clean, LLC; second, Lone Star Hazmat Response, LLC; and third, Anderson Pollution Control, Inc. dba Horizon Environmental</p> <p>Port Commission adopted the staff-recommended ranking and authorized award</p>
2024-1022-22	Award a professional services contract to AECOM Technical Services, Inc. for the design of wharf crane tie-down to support larger ship-to-shore cranes on Wharf 5 at Bayport Container Terminal
2024-1022-23	Amend the professional services contract with WSP USA to perform additional work associated with the design of the fender system at Wharf 2 at Turning Basin Terminal
2024-1022-24	Amend the professional service contract with Jacobs Engineering Group, Inc. to perform additional work to design Bayport Container Terminal Wharf No. 1 East and the conceptual design of future Wharves 8 and 9 (Phase 3)
2024-1022-25	Approve a change order with McDonald Electric, Inc. to perform additional work associated with the installation of redundant power to serve Wharves 4, 5, and 6, and wheeled reefer power supply at Barbours Cut Terminal
2024-1022-26	Approve a change order with Russell Marine, LLC to perform additional work associated with the Yacht Basin repair at Care Terminal

<u>Minute No.</u>	<u>Event/Action</u>
2024-1022-27	Approve a change order with Diversified Fall Protection, the sole source provider, to perform additional work associated with the construction of rail spur at Bayport Container Terminal
	<b>L. Maintenance</b>
2024-1022-28	Staff Report – Selected agenda items – Paulo Soares, Chief Port Maintenance Officer
2024-1022-29	Approve staff's ranking of vendors and award a two-year contract for warehouse door repair services at Turning Basin Terminal to the top-ranked proposer: staff ranking - first, Johnson Equipment Company; and second, Generocity Services, Inc.  Port Commission adopted the staff-recommended ranking and authorized award
2024-1022-30	Award a two-year contract to Texas Marine Shipyard, LLC for marine vessel strap lifting, dry grounded storage, and shipyard services
2024-1022-31	Award a two-year contract to Kemah Hardware & Lumber Wholesale, LLC, for the purchase of wood products for general maintenance and repairs to infrastructure at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal
2024-1022-32	Award two-year contracts to (i) AutoZone Parts, Inc. in an amount not to exceed \$300,000 and (ii) Advance Stores Company Incorporated dba Advance Auto Parts in an amount not to exceed \$300,000, using Omnia Partners, a cooperative purchase program, for the purchase of auto parts for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal
2024-1022-33	Award a contract to Briggs Truck & Rail, using the Local Government Purchasing Cooperative's BuyBoard program, a cooperative purchase program, for the purchase of twenty clean diesel tier-4 engine yard tractors for Barbours Cut Terminal and Bayport Container Terminal, in an amount not to exceed \$3,300,000, that are subsidized by two SPRY grants in a total amount of \$1,391,733
2024-1022-34	Approve an amendment to the purchase order with Toplift North America, Inc. to provide for rental of one Toplift Ferrari F579W reach stacker for Barbours Cut Terminal for an additional five-month term
2024-1022-35	Approve a change order with Yellowstone Landscape for mowing services and landscape maintenance at Turning Basin Terminal

<u>Minute No.</u>	<u>Event/Action</u>
2024-1022-36	Approve a change order with Ardent Services LLC for the installation of feeder cable for crane 203 at Bayport Container Terminal

### **M. Operations**

2024-1022-37	Staff Report – Selected agenda items – Candice Armenoff, Director, Operation Planning- Bayport Terminal
2024-1022-38	Award a professional services contract to Kalmar USA Inc., the sole source provider, for position detection system equipment and installation services for five rubber tire gantry cranes
2024-1022-39	Enter into the following Freight Handling Assignment Agreements for terminal services at the Turning Basin Terminal: Cooper/Ports America, LLC, Metroports, and Restructure Richardson I LLC
2024-1022-40	Approve a fifteen-year lease (with two five-year unilateral extension options) with The Andersons, Inc. for the 20.22-acre site at the Woodhouse Terminal including Houston Public Grain Elevator No. 2, at an annual base rent of \$1,500,000 for each of the first four years followed by an annual base rent of \$2,750,000 beginning the fifth year, subject to annual base rent escalations, with a total reimbursement amount not to exceed \$13,000,000 and a total base rent abatement amount not to exceed \$10,000,000, for certain capital improvements

### **N. People**

2024-1022-41	Staff Report – Selected agenda items – Jessica Shaver, Chief People Officer
2024-1022-42	Authorize an agreement with Aetna Life Insurance Company for stop-loss insurance coverage for the calendar year 2024 for the Port Authority’s self-funded group medical benefits program for active employees, retirees who are not Medicare-eligible and dependents, and authorize renewal negotiations with Aetna Life Insurance Company prior to contract expiration
2024-1022-43	Renew agreement for the second-year option with Voya for group insurance coverage for both short-term and long-term disability for calendar year 2025 under the guaranteed rate

### **O. Security and Emergency Operations**

2024-1022-44	Staff Report – Selected agenda items – Jessica Thomas, Director, Security
2024-1022-45	Award a contract to Ready2Go Restroom Trailer Sales, LLC for the purchase of four trailer-mounted portable guard booths with generators

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2024-1022-46	Award two contracts for emergency standby products and services if required in the event of an emergency, in amounts not to exceed \$50,000 each, for three-year terms with options of two-year extensions each, to Garner Environmental Services, Inc. and Cotton Commercial USA, Inc.
2024-1022-47	Authorize an agreement with the Houston Ship Channel Security District for payment of the current year (2024-2025) contribution

#### **P. Technology**

2024-1022-48	Staff Report – Selected agenda items – Charles Thompson, Chief Information Officer
2024-1022-49	Issue a purchase order to SHI Government Solutions, Inc. for Microsoft licensing and subscriptions using the Texas Department of Information Resources cooperative purchase program over a three-year period and authorize a three-year renewal of the Microsoft Enterprise Agreement
2024-1022-50	Issue a purchase order to Xennex for the purchase of support and maintenance of the Port Authority's NetApp data storage environment (data and hard drive storage), using the Texas Department of Information Resources cooperative purchase program
2024-1022-51	Issue a purchase order to Cyber One for purchase of selected vulnerability management programs along with software subscriptions, using the United States General Services Administration, an agency of the United States, in an amount not to exceed \$160,000 over a three- year period, subject to potential Port Security Grant reimbursement of \$120,000
2024-1022-52	Amend and extend the professional services contract with GHD, Inc. to provide owner's representative services for the Next Generation Enterprise Resource Planning Program

#### **Recess Open Meeting and Convene Executive Session**

#### **Reconvene Open Meeting**

2024-1022-53	Authorize the Port Authority to quitclaim any interest it may have in certain Buffalo Bayou submerged lands to the State of Texas, acting by and through the Texas Transportation Commission on the terms discussed in Executive Session, and to authorize the Chief Legal Officer to do all things necessary to give effect to the foregoing
2024-1022-54	Authorize the Port Authority to amend the agreements for legal services with Andrews Myers, P.C. and Baker Wotring LLP on the terms discussed

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in Executive Session, and to authorize the Chief Legal Officer to do all things necessary to give effect to the foregoing

**Closing Remarks by Chairman and Commissioners**

**Adjourn Meeting**





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

**Houston, Texas  
October 22, 2024**

A public meeting of the Port Commission of the Port of Houston Authority of Harris County, Texas was convened on October 22, 2024, at 9:15 a.m., at the Port of Houston Authority Executive Offices, Fourth Floor Boardroom, at 111 East Loop North, Houston, Texas 77029, and via Cisco WebEx. The following commissioners, staff, and counsel were present:

Ric Campo, Chairman  
Wendy Cloonan, Commissioner  
Dean Corgey, Commissioner  
Stephen DonCarlos, Commissioner  
Clyde Fitzgerald, Commissioner  
Thomas Jones, Commissioner  
Alan Robb, Commissioner  
Charlie Jenkins, Chief Executive Officer  
Erik Eriksson, Chief Legal Officer  
Tom Heidt, Chief Operating Officer  
J. Kent Friedman, outside counsel

Chairman Campo began his opening remarks by addressing the recent strike by member of the International Longshoreman's Association (ILA). The strike did not impact the Port Authority's multipurpose facilities, and the Port Authority was not involved in the contract negotiations or discussions. Throughout the three-day strike, the Port Authority communicated regularly with its internal and external stakeholders before being notified on October 3, 2024 that an agreement had been reached to allow operations to resume.

The Port Authority had a business continuity plan in place and the container terminals were reopened swiftly and safely with extended gate hours being offered to assist customers.

Chairman Campo was incredibly proud of staff for their dedication throughout the strike. There was a lot of uncertainty, and staff worked together to plan, communicate, and execute plans to get the Port Authority back up and running normally in an efficient manner.

Chairman Campo continued, commenting that staff had been busy as usual with community outreach. A hiring fair had recently been held in partnership with SERJobs, Harris County Precinct Two, and the East End Chamber of Commerce, and the event was a huge success, with 37 business and industry partners, 600 registered job seekers, and fifteen Port Authority staff volunteers in attendance.

A new Port Authority event – Middle School Maritime Field Day – was set for November 1, 2024 at the San Jacinto Maritime & Technology Training Center. The focus of the event would be an important aspect of the Port Authority's stewardship efforts: to

develop its regional workforce and next generation of leaders. The Port Authority was planning it as a strategic initiative to increase the enrollment numbers for high school maritime programs. "Maritime Exploration" was the theme for the event and it would include hands-on experiences touching on different aspects of the maritime industry and maritime careers.

Several of the Port Authority's academic and industry partners would be in attendance promoting maritime education through engaging in these career activities, and more than two hundred middle school students and teachers were invited. This event, the first of its kind, was being sponsored by San Jacinto College, the Houston Pilots, Port of Houston Partners in Maritime Education, and the Port Authority.

Chairman Campo announced that Rich Byrnes, Port Infrastructure Officer, would be traveling to New York City in the forthcoming week to accept an environmental award from the North American Marine Environment Protection Association (NAMEPA) on behalf of the Port Authority. NAMEPA was comprised of over sixty leading ocean carriers and marine operators, ports, and industry players, and the award was given in recognition of an individual or organization's efforts to preserve the marine environment. NAMEPA stated that "Port Houston has been proactive in protecting the health of our seas with their support of current and future mariners."

Criteria for winning the award included setting specific objectives for environmental performance and improvement and conducting an innovative program that went beyond minimum compliance, and substantial impacts of the program on long-term efforts.

Chairman Campo moved on to give an update on the proposed user fee to help support the local cost share of the deepening and widening project (Project 11). The Port Authority continued to talk to stakeholders about the proposed fee, and a revised draft ordinance would be brought before the Port Commission following additional consideration.

Chairman Campo concluded his remarks by commenting on the recent Port Authority company picnic: it was great to see staff and family that attended.

Commissioner Corgey stressed that the Port Authority placed great emphasis and support on maritime education. He added that quality candidates were being produced, including the son of Kerrick Henny, Chief Government and Public Relations Officer, and emphasized that the Port Authority was a leader in such education, not a follower.

Commissioner Robb added that he appreciated the partnership between the ILA and the Port Authority.

(2024-1022-01) Chairman Campo called for a motion to approve the minutes of the: (a) August 8, 2024 Special Port Commission meeting and the (b) September 24, 2024 Port Commission Meeting. Commissioner Corgey moved for approval, seconded by Commissioner Cloonan. The minutes were approved as written.

(2024-1022-02) Charlie Jenkins, Chief Executive Officer, presented a summary of selected financial and operational matters:

- Total tonnage was up 7% for the year.
- General cargo was down slightly at 4% compared to 2023.
- Container volume – import and export loads combined – was up by 10%.

Mr. Jenkins remarked that he had recently attended the Breakbulk Americas conference held in Houston, along with staff from the Trade Development Department, Operations Division, and others. The Port Authority was the host port for this 29<sup>th</sup> annual event held over the course of three days. Staff exhibited, networked, shared, and learned from the over 6,000 attendees, a 13% increase from the prior year and the largest event to date.

It was a fantastic opportunity to meet customers and highlight the Port Authority's services and it was no coincidence that the event was held in Houston – the nation's largest breakbulk, steel, and petrochemical complex.

Mr. Jenkins reported that he had also recently traveled to Europe with John Moseley, Chief Commercial Officer, for the annual strategic alignment meetings with executive leadership of the Port Authority's top container customers. The two collected feedback on the market, capacity, and service strategies for the future, while also discussing regional market developments and sharing the Port Authority's vision, challenges, and opportunities.

Lastly, an update was provided on the Port Authority's infrastructure development for the Houston Ship Channel and its public terminals. The outlook remained positive and optimistic for future support and growth of service capacity calling on the Port Authority's marine terminals.

Mr. Jenkins shared that earlier in the month Jessica Shaver, Chief People Officer, spoke at the Texas House Transportation Committee Hearing. The topics included the return on state investment, a review of state funding from last session, and the status of state-funded projects. She reported on the recent Texas Department of Transportation grant of \$36 million for Wharfs 4 and 5 at Barbours Cut Container Terminal: the project was well underway and on schedule for completion in January of 2025.

A recent study conducted by economist John C. Martin stated that for every dollar the State of Texas invested in its seaports, it saw an annual return of 53.46% in state and local tax revenue, not to mention the job creation and economic value created as well. The Port Authority needed the state to invest to keep facilities growing and to remain competitive with other states.

Chairman Campo opened the floor for public comment. There was none.

(2024-1022-03) Chairman Campo recognized Ms. Shaver to provide a report of selected Executive agenda items.

Ms. Shaver gave an update on development of the Port Authority's 2025 Strategic Plan, which was required by state law to be updated every five years. The process had begun in April 2024 and staff had held one-on-one and focus group meetings seeking input from internal and external stakeholders to shape its priorities for the plan. The current plan was very staff-driven with an internal design team heading it. The current draft also defined the 2050 plan, which was much more detailed.

Ms. Shaver requested that the Port Commission review the current draft, deliberate, and guide staff. It was anticipated that the plan would be recommended for Port Commission approval at the November 2024 meeting.

(2024-1022-04) RCA F1 was presented, "Staff briefing, deliberation, public comment, and possible action regarding the Port Authority's proposed 2025 Strategic Plan."

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

(2024-1022-05) Chairman Campo recognized Lori Brownell, Chief Channel Infrastructure Officer, to provide a report of selected Channel Infrastructure agenda items.

Ms. Brownell gave a brief update on Project 11. Since the last update, the Port Authority had finished its fifth contract – relocation of the Bayport Channel aid-to-navigation – six weeks ahead of schedule and on budget. Dredging on Segment 1C, between Bayport and Barbours Cut, was ongoing and on track to be completed by the second quarter of 2025.

The Army Corps of Engineers was supposed to have awarded the Barbours Cut contract at the end of July 2024, but a bid protest had delayed the project.

Ms. Brownell noted that there were only six items on the agenda. Items H2 through H6 were standard pipeline licenses. Item H1 was an interlocal agreement for the purchase of remote sensing data and services – LiDAR – for elevation/topographic data.

(2024-1022-06) RCA H1 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Corgey. Chairman Campo, and Commissioners Cloonan, Corgey, DonCarlos, Fitzgerald, Jones, and Robb voted Aye. Nays none. RCA H1 PASSED.

(2024-1022-07) RCA H2 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Corgey. Chairman Campo, and Commissioners Cloonan, Corgey, DonCarlos, Fitzgerald, Jones, and Robb voted Aye. Nays none. RCA H2 PASSED.

(2024-1022-08) RCA H3 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Corgey. Chairman Campo, and Commissioners Cloonan, Corgey, DonCarlos, Fitzgerald, Jones, and Robb voted Aye. Nays none. RCA H3 PASSED.

(2024-1022-09) RCA H4 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Corgey. Chairman Campo, and Commissioners Cloonan, Corgey, DonCarlos, Fitzgerald, Jones, and Robb voted Aye. Nays none. RCA H4 PASSED.

(2024-1022-10) RCA H5 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Corgey. Chairman Campo, and Commissioners Cloonan, Corgey, DonCarlos, Fitzgerald, Jones, and Robb voted Aye. Nays none. RCA H5 PASSED.

(2024-1022-11) RCA H6 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Corgey. Chairman Campo, and Commissioners Cloonan, Corgey, DonCarlos, Fitzgerald, Jones, and Robb voted Aye. Nays none. RCA H6 PASSED.

(2024-1022-12) Chairman Campo recognized Mr. Moseley to provide a report of selected Commercial agenda items.

Mr. Moseley shared that the cargo base and associated value-added services to support maritime economic growth along the channel strengthened in the last quarter, per a recent CBRE report. The Houston industrial market was experiencing remarkable growth, as developers and companies continued to invest in large scale projects across the region.

The report also highlighted a rise in industrial supply with an additional 3.3 million square feet delivered during the quarter. That translated to cargo, whether it was importers, exporters, or value-added services that supported the maritime economic engine.

Mr. Moseley highlighted the single agenda item: an amendment to extend the term of a grazing lease for five additional years.

Commissioner Fitzgerald inquired about interest in the vacant 70 acres, formerly the Volkswagen leased premises, at the Turning Basin Terminal. Mr. Moseley replied that there were currently three interested parties and staff was evaluating each proposal.

(2024-1022-13) RCA 11 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Corgey. Chairman Campo, and Commissioners Cloonan, Corgey, DonCarlos, Fitzgerald, Jones, and Robb voted Aye. Nays none. RCA 11 PASSED.

(2024-1022-14) Chairman Campo recognized Tim Finley, Chief Financial Officer to provide a report of selected Finance agenda items.

Mr. Finley recognized and yielded the floor to Erica Brown, Senior Manager, Forvis Mazars (Forvis), the Port Authority's external auditing firm, to present plans for the upcoming audits.

Ms. Brown gave a high-level overview of the pending audits, which would focus on generally accepted accounting principles and standards. Forvis would issue an opinion at the end based on the financial statements provided by the Port Authority. Forvis would begin its audit with a focus on the pension plan and the Annual Comprehensive Financial Report.

Two areas that Forvis planned to pay particularly close attention to were management override of controls and benefit payments. The benefit payments were a big risk area, so employees would be randomly checked to make sure all proper payments were being made correctly; additionally, the qualitative aspects would be looked at to ensure everything was reasonable.

Ms. Brown concluded her remarks by noting that a final presentation would be issued once the audit was completed; she then gave the floor back to Mr. Finley.

Mr. Finley noted that the Other Post Employment Benefits and Promotion and Development Fund audits were not required, but rather were conducted in the interest of transparency.

Mr. Finley remarked that Item J1 pertained to a \$150 million Third Lien Revolving Note Purchase Program – essentially a line of credit for the Port Authority. Item J3 would provide the Port Authority a path to maintain the total amount of available interim financing at \$700 million. Following approval of the sixth supplemental resolution, the

reduction of the third supplemental resolution was recommended to provide the Port Authority with more flexible and attainable interim financing.

In response to Commissioner Fitzgerald's question, Mr. Finley emphasized that the items on the agenda were for award capacity.

Chairman Campo added that in order to award a contract, a source of funds was required that could not be future cash flow, even though the Port Authority would not draw on the credit facility because it would end up using its own funds.

(2024-1022-15) RCA J1 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Jones. Chairman Campo, and Commissioners Corgey, DonCarlos, Fitzgerald, Jones, and Robb voted Aye. Commissioner Cloonan recused herself. Nays none. RCA J1 PASSED.

(2024-1022-16) RCA J2 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Jones. Chairman Campo, and Commissioners Cloonan, Corgey, DonCarlos, Fitzgerald, Jones, and Robb voted Aye. Nays none. RCA J2 PASSED.

(2024-1022-17) RCA J3 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Jones. Chairman Campo, and Commissioners Corgey, DonCarlos, Fitzgerald, Jones, and Robb voted Aye. Commissioner Cloonan recused herself. Nays none. RCA J3 PASSED.

(2024-1022-18) RCA J4 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Jones. Chairman Campo, and Commissioners Cloonan, Corgey, DonCarlos, Fitzgerald, Jones, and Robb voted Aye. Nays none. RCA J4 PASSED.

(2024-1022-19) RCA J5 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Jones. Chairman Campo, and Commissioners Cloonan, Corgey, DonCarlos, Fitzgerald, Jones, and Robb voted Aye. Nays none. RCA J5 PASSED.

(2024-1022-20) Chairman Campo recognized Ilana Harris, Lead Environmental Compliance Coordinator, to provide a report of selected Infrastructure agenda items.

Ms. Harris reiterated that the Port Authority had been awarded the environmental award that Mr. Byrnes would be accepting in the future. The award was primarily for the standards and work set forth in the Project 11 contract awards. She also reported that the

Port Authority recently met with the Japan Hydrogen Forum for an event that focused on bringing hydrogen-related facilities and technologies to users.

A few months ago, the Port Authority signed a six-way memorandum of understanding (MOU) with the Port of Antwerp and other local industries focused on sustainable energy. Three working groups resulting from the MOU supported partners on promoting hydrogen trade growth, by creating a green shipping corridor between the two ports.

Ms. Harris remarked that the Environmental Affairs department partnered with the Texas Commission on Environmental Quality and local governments to provide centralized training for Port Authority tenants, to help them learn to be successful in compliance efforts.

Ms. Harris highlighted agenda Item K1, an agreement for non-hazardous and hazardous waste recycling and disposal generated from Port Authority terminals and property locations.

Commissioner DonCarlos asked whether new cranes were anticipated to be needed in the future and how the recently enacted tariffs on such purchases would affect the cost.

Mr. Jenkins explained that the tariffs on crane purchases had impacted a recent order made by the Port Authority and would also impact any future orders.

Chairman Campo noted that the tariff costs were paid by the Port Authority to the federal government, and the Port Authority could absorb the costs of the tariff or choose to pass the costs along to its customers.

Mr. Jenkins emphasized that the crane tariffs were a competitive disadvantage with no material benefit to anybody, just an additional cost, and the Port Authority would work hard to get rid of them, as there were no cranes manufactured in the U.S.

Commissioner DonCarlos asked whether the “reefer” trailers referenced in Item K5 could be moved around. Mr. Jenkins answered in the affirmative and elaborated by stating that the generator set would run on diesel and maintain the temperature of the “reefer” until it was plugged into a power supply.

Mr. Byrnes, responding to a comment from Commissioner Corgey, explained that there had been a lot of excitement of the hydrogen energy transition. The reality of a hundred companies making final investment decisions on projects that cost thousands of dollars meant that the transition would move at their pace. Federal funding was still being negotiated with the companies, so the transition was not moving at lightning speed, but it was moving a lot faster than it would have without federal dollars.



Commissioner DonCarlos remarked that Exxon had an enormous hydrogen project at its complex but would not move forward on it unless it received tax credits.

Mr. Jenkins stated that there would be an energy transition, and there would be more opportunities for ships to begin using the fuel. For example, an investment in the first green methanol facility, which cost approximately \$3 billion to serve six ships, had just been announced, and he added that the Port Authority needed to do its part to help facilitate the transition.

Chairman Campo remarked that the challenge about the energy transition was cost, and tax credits helped close the gap for companies looking to invest. It was “tough to be green,” and most business could not afford the high cost of being green unless subsidized by the government.

(2024-1022-21) RCA K1 was presented. Commissioner DonCarlos moved for staff's ranking of vendors - first, Heritage-Crystal Clean, LLC; second, Lone Star Hazmat Response, LLC; and third, Anderson Pollution Control, Inc. dba Horizon Environmental, seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Cloonan, Corgey, DonCarlos, Fitzgerald, Jones, and Robb voted Aye. Nays none. RCA K1 PASSED.

(2024-1022-22) RCA K2 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Clonan. Chairman Campo, and Commissioners Cloonan, Corgey, DonCarlos, Fitzgerald, Jones, and Robb voted Aye. Nays none. RCA K2 PASSED.

(2024-1022-23) RCA K3 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Clonan. Chairman Campo, and Commissioners Cloonan, Corgey, DonCarlos, Fitzgerald, Jones, and Robb voted Aye. Nays none. RCA K3 PASSED.

(2024-1022-24) RCA K4 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Clonan. Chairman Campo, and Commissioners Cloonan, Corgey, DonCarlos, Fitzgerald, Jones, and Robb voted Aye. Nays none. RCA K4 PASSED.

(2024-1022-25) RCA K5 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Clonan. Chairman Campo, and Commissioners Cloonan, Corgey, DonCarlos, Fitzgerald, Jones, and Robb voted Aye. Nays none. RCA K5 PASSED.

(2024-1022-26) RCA K6 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Clonan. Chairman Campo, and Commissioners Cloonan, Corgey, DonCarlos, Fitzgerald, Jones, and Robb voted Aye. Nays none. RCA K6 PASSED.

(2024-1022-27) RCA K7 was presented, moved by Commissioner DonCarlos, seconded by Commissioner Clonan. Chairman Campo, and Commissioners Cloonan, Corgey, DonCarlos, Fitzgerald, Jones, and Robb voted Aye. Nays none. RCA K7 PASSED.

(2024-1022-28) Chairman Campo recognized Paulo Soares, Chief Port Maintenance Officer, to provide a report of selected Port Operations agenda items.

Mr. Soares gave a shoutout to his staff and everyone else that worked hard to get the container terminals back up and running after the shutdown. The Port Authority would be receiving a shipment of five hybrid cranes in the forthcoming weeks, which would bring its total number to fifty seven, which was 39% of the fleet.

Mr. Soares noted that maintenance personnel at Barbours Cut had begun transitioning into their new building. Additionally, work was ongoing at the non-container facilities: more specifically, repairs were ongoing to all the buildings damaged by Hurricane Beryl.

Mr. Soares highlighted Item L5, the purchase of twenty clean diesel yard tractors, to be evenly split between the two container terminals. These diesel yard tractors were equipped with Tier 4 engines, which reduced NOx emissions by 94%. The purchase was funded in part by grants from the Seaport and Rail Yard Areas Emissions Reduction Program. If the Port Authority had instead elected to purchase electric yard tractors, the cost would have been more than doubled, with a significant delay due to production and availability.

Item L6 was an amendment to a purchase order for the rental of a Toplift Ferrari reach stacker. The Port Authority rented the reach stacker to see how it performed in the field, and staff had concluded that the Port Authority benefited from both continued use of the reach stacker.

(2024-1022-29) RCA L1 was presented. Commissioner Corgey moved for staff's ranking of vendors: first, Johnson Equipment Company; and second, Generocity Services, Inc., seconded by Commissioner Robb. Chairman Campo, and Commissioners Cloonan, Corgey, DonCarlos, Fitzgerald, Jones, and Robb voted Aye. Nays none. RCA L1 PASSED.

(2024-1022-30) RCA L2 was presented, moved by Commissioner Corgey, seconded by Commissioner Robb. Chairman Campo, and Commissioners Cloonan, Corgey, DonCarlos, Fitzgerald, Jones, and Robb voted Aye. Nays none. RCA L2 PASSED.

(2024-1022-31) RCA L3 was presented, moved by Commissioner Corgey, seconded by Commissioner Robb. Chairman Campo, and Commissioners Cloonan, Corgey, DonCarlos, Fitzgerald, Jones, and Robb voted Aye. Nays none. RCA L3 PASSED.

(2024-1022-32) RCA L4 was presented, moved by Commissioner Corgey, seconded by Commissioner Robb. Chairman Campo, and Commissioners Cloonan, Corgey, DonCarlos, Fitzgerald, Jones, and Robb voted Aye. Nays none. RCA L4 PASSED.

(2024-1022-33) RCA L5 was presented, moved by Commissioner Corgey, seconded by Commissioner Robb. Chairman Campo, and Commissioners Cloonan, Corgey, DonCarlos, Fitzgerald, Jones, and Robb voted Aye. Nays none. RCA L5 PASSED.

(2024-1022-34) RCA L6 was presented, moved by Commissioner Corgey, seconded by Commissioner Robb. Chairman Campo, and Commissioners Cloonan, Corgey, DonCarlos, Fitzgerald, Jones, and Robb voted Aye. Nays none. RCA L6 PASSED.

(2024-1022-35) RCA L7 was presented, moved by Commissioner Corgey, seconded by Commissioner Robb. Chairman Campo, and Commissioners Cloonan, Corgey, DonCarlos, Fitzgerald, Jones, and Robb voted Aye. Nays none. RCA L7 PASSED.

(2024-1022-36) RCA L8 was presented, moved by Commissioner Corgey, seconded by Commissioner Robb. Chairman Campo, and Commissioners Cloonan, Corgey, DonCarlos, Fitzgerald, Jones, and Robb voted Aye. Nays none. RCA L8 PASSED.

(2024-1022-37) Chairman Campo recognized Candace Armenoff, Director, Operations Planning - Bayport Terminal, to provide a report of selected Port Operations agenda items.

Ms. Armenoff commented that the Woodhouse and Jacinto Port terminals were showing positive growth. The container terminals had a 10% growth in twenty-foot equivalent units (TEU). Though there was a slight decline in exports during the month of

September, imports remained steady, and the import/export split was around 55% to 45%, respectively.

Prior to the work stoppage, the Operations Division did a lot of communication and planning. While there was a public assumption that it would take a significant amount of time to recover – and there was even a rumor that recovery would take upwards of a full week for every day the container terminals were closed – the Port Authority was actually able to get fully caught up inside of a week.

Ms. Armenoff highlighted agenda Item M2, an amendment to the Port Authority's Tariff Nos. 14 and 15, to change the chassis rental fee and adjust demurrage practices and rates for loaded import containers.

(2024-1022-38) RCA M1 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Jones. Chairman Campo, and Commissioners Cloonan, Corgey, DonCarlos, Fitzgerald, Jones, and Robb voted Aye. Nays none. RCA M1 PASSED.

(2024-1022-39) RCA M2 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Jones. Chairman Campo, and Commissioners Cloonan, Corgey, DonCarlos, Fitzgerald, Jones, and Robb voted Aye. Nays none. RCA M2 PASSED.

(2024-1022-40) RCA M3 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner Jones. Chairman Campo, and Commissioners Cloonan, Corgey, DonCarlos, Fitzgerald, Jones, and Robb voted Aye. Nays none. RCA M3 PASSED.

(2024-1022-41) Chairman Campo recognized Ms. Shaver, to provide a report of selected People agenda items.

Ms. Shaver informed everyone that her division had recently wrapped up the Great Place to Works survey. The results were still being tabulated, but initial indications were that the Port Authority achieved the certification for the first time, which was very exciting.

Most of the agenda items were related to the Port Authority's benefits plans. Staff sought approval for stop loss coverage, which provided coverage for claims in excess of \$200,000 per individual claimant and claims in excess of an aggregate amount of 120% of the projected claims amount.

Ms. Shaver stated that staff would come back in December with an additional item for the Port Authority's projected claims amounts after open enrollment was finished. As

had been mentioned previously, staff did not recommend any cost increase for employees – the fifth consecutive year with no increase.

Commissioner Corgey asked how the stop loss coverage differed from the prior year, and Ms. Shaver responded that while the rate increased slightly, the overall cost would be going down by 1%, due to a reduction in claims.

(2024-1022-42) RCA N1 was presented, moved by Commissioner Robb, seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners Cloonan, Corgey, DonCarlos, Fitzgerald, Jones, and Robb voted Aye. Nays none. RCA N1 PASSED.

(2024-1022-43) RCA N2 was presented, moved by Commissioner Robb, seconded by Commissioner Fitzgerald. Chairman Campo, and Commissioners Cloonan, Corgey, DonCarlos, Fitzgerald, Jones, and Robb voted Aye. Nays none. RCA N2 PASSED.

(2024-1022-44) Chairman Campo recognized Jessica Thomas, Director, Security, to provide a report of selected Security and Emergency Operations agenda items.

Ms. Thomas highlighted Item O1, the purchase of four trailer-mounted portable guard booths with generators for the temporary manning of access points that did not have a fixed guard house, which were very important and enhanced security operations. Item O2 was for a contract for emergency standby services – a service that would allow the Port Authority to obtain equipment needed in the wake of a disaster.

Ms. Thomas concluded with Item O3, an annual agreement with the Houston Ship Channel Security District. The agreement provided for partnerships with many law enforcement entities to provide security enhancements around the Houston Ship Channel.

(2024-1022-45) RCA O1 was presented, moved by Commissioner Jones, seconded by Commissioner Robb. Chairman Campo, and Commissioners Cloonan, Corgey, DonCarlos, Fitzgerald, Jones, and Robb voted Aye. Nays none. RCA O1 PASSED.

(2024-1022-46) RCA O2 was presented, moved by Commissioner Jones, seconded by Commissioner Robb. Chairman Campo, and Commissioners Cloonan, Corgey, DonCarlos, Fitzgerald, Jones, and Robb voted Aye. Nays none. RCA O2 PASSED.

(2024-1022-47) RCA O3 was presented, moved by Commissioner Jones, seconded by Commissioner Robb. Chairman Campo, and Commissioners Cloonan,

Corgey, DonCarlos, Fitzgerald, Jones, and Robb voted Aye. Nays none. RCA O3 PASSED.

(2024-1022-48) Chairman Campo recognized Charles Thompson, Chief Information Officer, to provide a report of selected Technology agenda items.

Mr. Thompson reported on the project called NXGEN Integration Wireless – a project that upgraded connectivity of both container terminals. Both the Maintenance and Operations Divisions helped support the integration., which had been a long time coming, and there were only a few punch list items left before it was fully completed.

The NXGEN ERP project was in full swing: there was a significant amount of collaboration ongoing and the project still had a long way to go, but it was currently on schedule. The NXGEN InfoSec project was working to revamp that policy and procedures at the Port Authority and was carried out in collaboration with the Internal Audit Division. Three port security grants had been awarded to the Port Authority to aid in the cost of the project.

Mr. Thompson noted that Items P1 and P2 were renewals for Microsoft subscription licensing and storage maintenance, and both had business equity components spend at 100%. Item P3 was for NXGEN InfoSec vulnerability management software and subscriptions to help proactively identify, assess, and improve security measures within information technology systems. Finally, Item P4 was for a contract amendment for NXGEN advisory services.

Commissioner Fitzgerald thanked all Port Authority staff for their hard work. It was a massive effort to keep the port running and staff did a fantastic job.

(2024-1022-49) RCA P1 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, DonCarlos, Fitzgerald, Jones, and Robb voted Aye. Nays none. RCA P1 PASSED.

(2024-1022-50) RCA P2 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, DonCarlos, Fitzgerald, Jones, and Robb voted Aye. Nays none. RCA P2 PASSED.

(2024-1022-51) RCA P3 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, DonCarlos, Fitzgerald, Jones, and Robb voted Aye. Nays none. RCA P3 PASSED.

(2024-1022-52) RCA P4 was presented, moved by Commissioner Fitzgerald, seconded by Commissioner DonCarlos. Chairman Campo, and Commissioners Cloonan, Corgey, DonCarlos, Fitzgerald, Jones, and Robb voted Aye. Nays none. RCA P4 PASSED.

At 10:27 a.m. Chairman Campo called for a brief recess, and at 10:42 a.m. called for an Executive Session and asked Mr. Eriksson to make the following announcement:

It is now 10:42 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) Port of Houston Authority v. Louis Dreyfus Company Houston Export Elevator LLC, in the Southern District of Texas, and (ii) Port of Houston Authority v. Ootzie Properties-Hou, LLC; deliberate regarding (2) Real Estate (*Section 551.072, Texas Open Meetings Act*), including disposition of Turning Basin Terminal property; (3) Economic Development Negotiations or Incentives (*Section 551.087, Texas Open Meetings Act*); (4) Employment and Evaluation of Public Employees (*Section 551.074, Texas Open Meetings Act*; and (5) Security-Related Matters (*Sections 418.175-418.183 of the Texas Government Code, and Section 551.076, Texas Open Meetings Act*).

The Port Commission will reconvene in public session after the closed meeting is adjourned.

At 11:03 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  
Thomas Jones, Commissioner  
Stephen DonCarlos, Commissioner  
Clyde Fitzgerald, Commissioner  
Alan Robb, Commissioner  
Charlie Jenkins, Chief Executive Officer  
Erik Eriksson, Chief Legal Officer  
Tom Heidt, Chief Operating Officer  
J. Kent Friedman, outside counsel

(2024-1022-53) Commissioner Jones moved to authorize the Port Authority to quitclaim any interest it may have in certain Buffalo Bayou submerged lands to the State

of Texas, acting by and through the Texas Transportation Commission on the terms discussed in Executive Session, and to authorize the Chief Legal Officer to do all things necessary to give effect to the foregoing, seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Cloonan, Corgey, DonCarlos, Fitzgerald, Jones, and Robb voted Aye. Nays none. MOTION PASSED.

(2024-1022-54) Commissioner Robb moved to authorize the Port Authority to amend the agreements for legal services with Andrews Myers, P.C. and Baker Wotring LLP on the terms discussed in Executive Session, and to authorize the Chief Legal Officer to do all things necessary to give effect to the foregoing, seconded by Commissioner Cloonan. Chairman Campo, and Commissioners Cloonan, Corgey, DonCarlos, Fitzgerald, Jones, and Robb voted Aye. Nays none. MOTION PASSED

At 11:05 a.m., Chairman Campo adjourned the Port Commission meeting.

The above is a correct copy of the Minutes of the October 22, 2024 meeting of the Port Commission of the Port of Houston Authority.

  
\_\_\_\_\_  
Ric Campo, Chairman  
\_\_\_\_\_  
Erik A. Eriksson, Secretary



## H. CHANNEL INFRASTRUCTURE

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<b>Subject</b>	<b>1. Authorize an interlocal agreement with the Houston-Galveston Area Council to purchase remote sensing data and services, in an amount not to exceed \$16,000.</b>
Meeting	Oct 22, 2024 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its October 22, 2024 meeting, authorize an interlocal agreement with the Houston-Galveston Area Council to purchase remote sensing data and services, in an amount not to exceed \$16,000, and further authorize the Chief Executive Officer to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

**Category:**

General

**Department:**

Geographic Information Systems

**Staff Contact:**

Grant Garrison, GISP

**Background:**

The Houston-Galveston Area Council (H-GAC) Light Detecting and Ranging (LiDAR) co-operative (co-op) project covers over 191 square miles, including Port Authority property. It includes LiDAR Survey Elevation/Topographic data at a US Geological Survey Quality Level 1 (USGS QL1).

The H-GAC LiDAR co-op project deliverables for partners include:

- Bare Earth Digital Elevation Model (DEM – Surface Model) file at 0.5meter Resolution & Hydro-Flattened;
- Classified Point Cloud dataset (LAS file 1.4);
- Hydro-Flattened Breaklines dataset;
- Survey Point data;
- Project Survey-Quality Assurance/Quality Control Report; and
- Project Metadata.

**Staff Evaluation/Justification:**

Staff recommends that the Port Commission approve this interlocal agreement.

## H. CHANNEL INFRASTRUCTURE

<b>Subject</b>	<b>2. Approve the renewal of expiring Port Authority pipeline and transmission line licenses for thirty-year terms for the following entities: Air Liquide Large Industries U.S. LP and Chevron Phillips Chemical Company LP.</b>
Meeting	Oct 22, 2024 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its October 22, 2024 meeting, authorize the Port Authority to approve the renewal of expiring Port Authority pipeline and transmission line licenses for thirty-year terms for the following entities: Air Liquide Large Industries U.S. LP and Chevron Phillips Chemical Company LP, and further authorize the Chief Executive Officer 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

<b>Company</b>	<b>File No.</b>	<b>License Fee*</b>
Air Liquide Large Industries U.S. LP	2004-0329	\$4,772
Chevron Phillips Chemical Company LP	2004-0331	\$31,497
<b>Total</b>		<b>\$36,269</b>

\*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

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<b>Subject</b>	<b>3. Approve the transfer of fourteen pipeline licenses from Easton Energy Pipelines LLC to ONEOK NGL Distribution Systems, LLC.</b>
Meeting	Oct 22, 2024 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its October 22, 2024 meeting, approve the transfer of fourteen pipeline licenses from Easton Energy Pipelines LLC to ONEOK NGL Distribution Systems, LLC, and further authorize the Chief Executive Officer 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:**

ONEOK NGL Distribution Systems, LLC has applied to transfer fourteen pipeline licenses from Easton Energy Pipelines LLC to ONEOK NGL Distribution Systems, LLC.

**File No.**

1997-0178  
 1999-0269  
 2001-0149  
 2002-0290  
 2004-0065  
 2012-0363  
 2013-0044  
 2013-0335  
 2015-0061  
 2019-0129  
 2020-0182  
 2021-0377  
 2021-0393  
 2022-0303

**Staff Evaluation/Justification:**

The applications were reviewed and approved by the Port Authority's Channel Infrastructure Real Property department. The \$1,000 application fee has been paid for each application.

Staff recommends approval.

## H. CHANNEL INFRASTRUCTURE

<b>Subject</b>	<b>4. Approve the transfer and renewal of twelve expiring Port Authority pipeline licenses for thirty-year terms, from ExxonMobil Pipeline Company to ExxonMobil Pipeline Company LLC.</b>
Meeting	Oct 22, 2024 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its October 22, 2024 meeting, authorize the transfer and renewal of twelve expiring Port Authority pipeline licenses for thirty-year terms, from ExxonMobil Pipeline Company to ExxonMobil Pipeline Company LLC, and further authorize the Chief Executive Officer 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:**

ExxonMobil Pipeline Company, the pipeline licensee, applied to transfer and renew the licenses listed below to ExxonMobil Pipeline Company, LLC:

**30-Year Term**

<b>Company</b>	<b>File No.</b>	<b>License Fee*</b>
ExxonMobil Pipeline Company LLC	1992-0178	\$115,390
ExxonMobil Pipeline Company LLC	2001-0409	\$665,685
ExxonMobil Pipeline Company LLC	2002-0181	\$127,894
ExxonMobil Pipeline Company LLC	2003-0035	\$4,772
ExxonMobil Pipeline Company LLC	2003-0323	\$16,204
ExxonMobil Pipeline Company LLC	2003-0373	\$66,573
ExxonMobil Pipeline Company LLC	2004-0037	\$1,902
ExxonMobil Pipeline Company LLC	2004-0113	\$5,302
ExxonMobil Pipeline Company LLC	2004-0116	\$10,285
ExxonMobil Pipeline Company LLC	2004-0120	\$1,902
ExxonMobil Pipeline Company LLC	2004-0328	\$4,346
ExxonMobil Pipeline Company LLC	2004-0419	\$27,445
<b>Total</b>		<b>\$1,047,700</b>

\*License fee is calculated for the first ten years of the agreement for the thirty-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

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<b>Subject</b>	<b>5. Approve the transfer and renewal of a 36-inch pipeline license from E T Crude Pipeline LLC to ETP Crude LLC, crossing Carpenter's Bayou in three locations.</b>
Meeting	Oct 22, 2024 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its October 22, 2024 meeting, approve the transfer and renewal of a 36-inch pipeline license from E T Crude Pipeline LLC to ETP Crude LLC, crossing Carpenter's Bayou in three locations, and further authorize the Chief Executive Officer 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:**

ETP Crude LLC, Port Authority File No. 2013-0344, has applied for the transfer of a pipeline license from E T Crude Pipeline LLC, and the renewal of the 36-inch pipeline license crossing Carpenter's Bayou in three locations, in the Peter J. Duncan Survey, A-232, the Richard and Robert Vince Survey, A-76, and the Harris and Carpenter Survey, A-28.

**Staff Evaluation/Justification:**

The application was reviewed and approved by the Port Authority's Channel Infrastructure Real Property department. The license is subject to the Port Authority's usual terms and conditions for a thirty-year license and at a fee of \$46,346 for the first ten years of the term. The \$1,000 application fee has been paid.

Staff recommends approval.

## H. CHANNEL INFRASTRUCTURE

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<b>Subject</b>	<b>6. Transfer and amend an existing pipeline license for two 10-inch and two 16-inch pipelines across Harbor Drive from Sesco Cement Corporation to Sesco Terminals Corporation facilities and set the expiration date to be coterminous with the latter's lease.</b>
Meeting	Oct 22, 2024 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its October 22, 2024 meeting, authorize the Port Authority to transfer and amend an existing pipeline license for two 10-inch and two 16-inch pipelines across Harbor Drive from Sesco Cement Corporation to Sesco Terminals Corporation facilities and set the expiration date to be coterminous with the latter's lease, and further authorize the Chief Executive Officer 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:**

Sesco Terminals Corporation (Sesco Terminal), Port Authority File No. 2024-0128, has applied to transfer and amend an existing pipeline license for two 10-inch gray and white cement pipelines on a pipe rack across Harbor Drive from Sesco Cement Corporation (Sesco Cement) and set the expiration date to be coterminous with the existing Sesco Terminals lease, in the John R Harris Survey, A-27, and the Samuel M Williams Survey, A-87.

By Minute No. 2024-0625-11, the Port Commission approved a pipeline license to Sesco Cement for two 10-inch and two 16-inch gray and white pipelines on a pipe rack across Harbor Drive.

By Minute No. 2021-0223-09, the Port Commission authorized assignment of the existing Sesco Cement, lease of approximately 20.14 acres out of the Turning Basin Terminal West area, to its affiliate, Sesco Terminals.

By Minute No. 2020-1208-11, the Port Commission approved a sixth amendment to the Lease Agreement to extend the original lease term from thirty-one years and six months to fifty years, effective January 1, 2021, at an annual rent of \$396,455 subject to annual base rent escalation of the Consumer Price Index not to exceed 4%.

**Staff Evaluation/Justification:**

The application was reviewed and approved by the Port Authority's Channel Infrastructure Real Property department. Except for the revised expiration date, the license is subject to the Port Authority's usual terms and conditions for a 30-year license. The \$1,000 application fee has been invoiced.

Staff recommends approval.

## I. COMMERCIAL

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**Subject**                    **1. Approve an amendment to the cattle lease with James H. Jackson Industries, Inc. for approximately 8.96 acres out of Block 5 at Bayport Container Terminal to extend the term for five years, at an annual base rent of \$179.20.**

Meeting                    Oct 22, 2024 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access                    Public

Type                    Action

Recommended Action                    The Port Commission, at its October 22, 2024 meeting, approve an amendment to the cattle lease with James H. Jackson Industries, Inc. for approximately 8.96 acres out of Block 5 at Bayport Container Terminal to extend the term for five years, at an annual base rent of \$179.20, and further authorize the Chief Executive Officer to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

**Category:**

Leases

**Department:**

Real Estate

**Staff Contact:**

Isaac Kyle/Diana Sechler

**Background:**

By Minute No. 2014-1216-66, the Port Commission approved a five-year lease with James H. Jackson Industries, Inc. for approximately 8.96 acres out of Block 5 at Bayport Container Terminal. The property is used for the grazing of livestock.

By Minute No. 2019-1211-25, the Port Commission approved a five-year extension to the term of the lease.

James H. Jackson Industries, Inc. has now requested that the Port Authority extend the lease term for an additional five years and intends to continue to use the property for the purpose described above.

**Staff Evaluation/Justification:**

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

## J. FINANCE

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<b>Subject</b>	<b>1. Approve adoption of resolutions, agreements, and documents to give effect to a new \$150,000,000 Third Lien Revolving Note Purchase Program with Truist Bank and affiliates, including authorization to (a) draw under such financing, (b) incur borrowings thereunder, (c) incur rating agency fees, commitment fees, paying agent fees, financial advisory fees, and other costs related to the program (Costs) in an amount not to exceed \$1,800,000 for the period through November 7, 2029, and (d) in addition to the Costs, incur applicable interest costs relating to the borrowing thereunder.</b>
Meeting	Oct 22, 2024 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its October 22, 2024 meeting, approve adoption of resolutions, agreements, and related documents, as identified on Exhibit A to give effect to a new \$150,000,000 Third Lien Revolving Note Purchase Program with Truist Bank and affiliates, including authorization to (a) draw under such financing, (b) incur borrowings thereunder, (c) incur rating agency fees, commitment fees, paying agent fees, financial advisory fees, and other costs related to the program (Costs) in an amount not to exceed \$1,800,000 for the period through November 7, 2029, and (d) in addition to the Costs, incur applicable interest costs relating to the borrowing thereunder, and authorize the Chief Executive Officer to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

**Category:**

General

**Department:**

Treasury

**Staff Contact:**

Roland Gonzalez/Tim Finley

**Background:**

By Minute No. 2021-0928-15, the Port Commission approved the adoption and execution of a new Master Resolution and the \$100,000,000 Third Lien Variable Rate Revolving Note Program with Truist Bank and affiliates.

By Minute Nos. 2022-0321-16 and 2024-0521-23, the Port Commission adopted a third and fifth supplemental resolutions authorizing a \$300,000,000 Third Lien Extendible Commercial Paper Program (Morgan Stanley, dealer), and a \$300,000,000 Third Lien Extendible Commercial Paper Program (Loop Capital, dealer), respectively.

The Port Commission adopted the new Master Resolution to enable the Port Authority to issue debt, pledging its Net Revenues, Senior Lien Obligations, and Junior Lien Obligations. These interim financing systems, Junior Lien Obligations, were established primarily to provide the Port Commission additional capital award capacity and if it decided, to finance such capital awards to preserve its cash and investments.

There are no obligations currently outstanding under these existing programs.



**Staff Evaluation/Justification:**

The Port Authority has generated good cash flows in recent years. However, based on various scenario planning and liquidity forecasts, the Port Authority would likely need additional access to short term liquidity for Port Commission award capacity in the years 2024-2028. Additionally, plans for future additional operating capacity could require investment in certain infrastructure, including real estate, where interim financing would be a viable option to preserve the Port Authority's existing cash and investments.

Staff recommends establishing a new \$150,000,000 Third Lien Variable Rate Revolving Note Program, with Truist Bank and affiliates, as lenders for a five-year term, to provide capacity to the Port Commission to award future capital projects and for other purposes, including a potential financing of those awards (see Exhibit A for identifications of resolutions and agreements).

## **Exhibit A**

### **The Port of Houston Authority of Harris County Texas Third Lien Variable Rate Revolving Note Program, Series B**

**See:**

- Approving Resolution
- Sixth Supplemental Resolution – Truist Revolving Notes 2024, Series B (Exhibit A to the Approving Resolution)
- Tax-Exempt Note Purchase Agreement (Exhibit B to the Sixth Supplemental Resolution)
- Taxable Note Purchase Agreement (Exhibit C to the Sixth Supplemental Resolution)

## J. FINANCE

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<b>Subject</b>	<b>2. Adopt a resolution expressing the Port Authority's intent to finance expenditures related to the acquisition of land and equipment, and for design and construction of, terminal, dock, and wharf facilities and related channel improvements, with the proceeds of debt obligations.</b>
Meeting	Oct 22, 2024 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its October 22, 2024 meeting, adopt a resolution expressing the Port Authority's intent to finance expenditures related to the acquisition of land and equipment, and for design and construction of, terminal, dock, and wharf facilities and related channel improvements, with the proceeds of debt obligations, and authorize the Chief Executive Officer to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

**Category:**

General

**Department:**

Finance

**Staff Contact:**

Roland Gonzalez/Janna Mouret

**Background:**

By Minute No. 2021-0928-15, the Port Commission adopted a master resolution establishing a revenue financing system, under which the Port Authority can issue both long-term and short-term debt. Pursuant to this authority, the Port Commission has created several interim financing programs that have been used for capital award capacity, with expenditure being paid from available revenues of the Port Authority. To date, no debt has been issued under the interim financing programs established under the Master Resolution.

The Port Authority's long-term capital improvement plans and long-term growth plans may include projects that require significant expenditures within the next 12 months. This resolution would preserve the Port Authority's ability to reimburse itself from future obligations for qualified costs associated with categories of capital projects identified in the resolution it issues.

**Staff Evaluation/Justification:**

The Port Authority maintains the flexibility to use available cash or issue debt under the available financing systems to fund various capital expenditures, including acquisition of land and equipment for, and design and construction of, terminal, dock, and wharf facilities and related channel improvements.

In order to permit the Port Authority to reimburse itself for expenditures made on the identified categories of capital projects in advance of the issuance of debt obligations, staff recommends that the Port Commission adopt the resolution attached as Exhibit A. This resolution would permit reimbursement for up to \$250,000,000 for the categories of capital expenditures discussed above.

**RESOLUTION EXPRESSING INTENT TO  
REIMBURSE CERTAIN EXPENDITURES**

October 22, 2024

**WHEREAS**, the Port of Houston Authority of Harris County, Texas (the “Authority”) is a political subdivision of the State of Texas authorized to finance its activities by issuing obligations; and

**WHEREAS**, the Authority will make, or has made not more than 60 days prior to the date hereof, payments with respect to the projects described in Exhibit A attached hereto (collectively, the “Financed Projects”); and

**WHEREAS**, in certain circumstances, federal and/or state law requires that the Authority express its official intent to issue obligations to reimburse itself for expenditures paid prior to the issuance of such obligations in order for such expenditures to be eligible for reimbursement from proceeds of such obligations; and

**WHEREAS**, Section 1.150-2(d)(2) of the Treasury Regulations sets forth limitations regarding the timing of reimbursements made from the proceeds of certain obligations.

**NOW, THEREFORE**, be it resolved that:

Section 1. The Authority reasonably expects to reimburse itself for costs that have been or will be paid subsequent to the date that is 60 days prior to the date hereof and that are to be paid in connection with the Financed Projects from the proceeds of obligations to be issued subsequent to the date hereof.

Section 2. The Authority reasonably expects that the maximum principal amount of obligations issued to reimburse the Authority for the capital costs associated with the Financed Projects will not exceed the amounts described in Exhibit A attached hereto. Such obligations may be issued in one or more series.

Section 3. Unless otherwise advised by bond counsel, any reimbursement allocation will be made not later than 18 months after the later of (1) the date the original expenditure is paid or (2) the date on which the Financed Project to which the expenditure relates is placed in service or abandoned, but in no event more than three years after the original expenditure is paid.

Section 4. If any word, phrase, clause, sentence, paragraph, section or other part of this resolution or the application thereof to any person or circumstance shall ever be held to be invalid or unconstitutional by any court of competent jurisdiction, the remainder of this resolution and the application of such word, phrase, clause, sentence, paragraph, section, or other part of this resolution to any other person or circumstance shall not be affected thereby.

Section 5. The terms that are defined in the recitals to this resolution are hereby adopted and incorporated in this resolution.

Minute No. 2024-1022-\_\_\_\_

Exhibit A

Section 6. The Port Commission of the Authority hereby finds, determines and declares that a sufficient written notice of the date, hour, place and subject of each meeting at which this resolution was discussed, considered or acted upon was given in the manner required by the Texas Open Meetings Act, as amended, and that each such meeting has been open to the public as required by law at all times during such discussion, consideration and action.

*[Signature Page Follows]*

Minute No. 2024-1022-\_\_\_\_

Exhibit A

ADOPTED by the Port Commission of the Port of Houston Authority of Harris County, Texas, at a meeting duly called and held on the \_\_\_\_ day of \_\_\_\_\_, 2024.

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Ric Campo  
Chairman, Port Commission  
Port of Houston Authority of  
Harris County, Texas

ATTEST:

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Erik Eriksson  
Secretary  
Port of Houston Authority of  
Harris County, Texas

Minute No. 2024-1022-

**EXHIBIT A**

**DESCRIPTION OF FINANCED PROJECTS**

<u>Purpose</u>	<u>Amount</u>
Acquisition of land and equipment for and design and construction of terminal, dock, and wharf facilities and related channel improvements.	[\$250,000,000]

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## J. FINANCE

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<b>Subject</b>	<b>3. Approve the adoption of an Amended and Restated Third Supplemental Resolution establishing the Port Authority Third Lien Revenue Extendible Commercial Paper Program and related agreements and documents.</b>
Meeting	Oct 22, 2024 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its October 22, 2024 meeting, approve the adoption of an Amended and Restated Third Supplemental Resolution establishing the Port Authority Third Lien Revenue Extendible Commercial Paper Program, by reducing the par amount from \$300,000,000 to \$150,000,000, and related agreements and documents, as identified on Exhibit A, and authorize the Chief Executive Officer to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

**Category:**

General

**Department:**

Treasury

**Staff Contact:**

Roland Gonzalez/Tim Finley

**Background:**

In 2021, the Port Commission adopted a master resolution establishing a revenue financing system, under which the Port Authority can issue both long-term and short-term debt. Pursuant to this authority, the Port Commission has created several interim financing programs that have been used for capital award capacity, with expenditure being paid from available revenues of the Port Authority. To date, no debt has been issued under the interim financing programs established under the Master Resolution.

By Minute Nos. 2022-0321-16 and 2024-0521-23, the Port Commission adopted a third and fifth supplemental resolution authorizing a \$300,000,000 Third Lien Extendible Commercial Paper Program (Morgan Stanley, Dealer), and a \$300,000,000 Third Lien Extendible Commercial Paper Program (Loop Capital, Dealer), respectively.

During the October 22, 2024 Port Commission meeting, staff intends to separately propose Port Commission approval of a sixth supplemental resolution authorizing a \$150,000,000 new Third Lien Revolving Note Purchase Program with Truist Bank and affiliates, to enable the Port Authority to finance the acquisition of land and equipment for, and design and construction of, terminal, dock, and wharf facilities and related channel improvements with the proceeds of debt obligations.

**Staff Evaluation/Justification:**

Following Port Commission approval of the sixth supplemental resolution, staff and the Port Authority's Financial Advisor (Masterson Advisors, LLC) recommend reducing the par amount authorized by the third supplemental resolution, documented above, which would provide the Port Authority with more flexible and attainable interim financing (See Exhibit A for identification of resolution and agreements).



## **Exhibit A**

### **The Port of Houston Authority of Harris County Texas Amended and Restated Third Supplemental Resolution Morgan Stanley ECP Program**

**See:**

- Approving Resolution
- Amended and Restated Third Supplemental Resolution (Exhibit A to the Approving Resolution)
- Issuing and Paying Agent Agreement and First Amendment to Issuing and Paying Agent Agreement (Exhibit E to the Amended and Restated Third Supplemental Resolution)
  - US Bank as Issuing and Paying Agent
- Dealer Agreement and First Amendment to the Dealer Agreement (Exhibit F to the Amended and Restated Third Supplemental Resolution)
  - Morgan Stanley as Dealer

## J. FINANCE

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<b>Subject</b>	<b>4. Approve the external audit plan proposed by Forvis Mazars to conduct the scope of work for the 2024 financial statement audit, the Port Authority Promotion and Development Fund audit, and the Port of Houston Authority Restated Retirement Plan (Pension Plan).</b>
Meeting	Oct 22, 2024 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its October 22, 2024 meeting, approve the external audit plan proposed by Forvis Mazars to conduct the scope of work for the 2024 financial statement audit, the Port Authority Promotion and Development Fund audit, and the Port of Houston Authority Restated Retirement Plan (Pension Plan) and further authorize the Chief Executive Officer 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 require 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 to annually approve the audit report 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.

**Staff Evaluation/Justification:**

Staff recommends the Port Commission approve the proposed external audit plan, presented by Forvis Mazars representatives to conduct the scope of work for the 2024 financial statement audit, the Port Authority Promotion and Development Fund audit, and the Port of Houston Authority Restated Retirement Plan (Pension Plan).

## J. FINANCE

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<b>Subject</b>	<b>5. Approve and ratify two one-year extensions of the term of the subscription agreement with FinQuery, LLC (formerly, LeaseQuery, LLC), in an aggregate amount not to exceed \$59,880, and approve a one-year extension of the term of the subscription agreement with FinQuery, LLC, in an amount not to exceed \$38,000.</b>
Meeting	Oct 22, 2024 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its October 22, 2024 meeting, approve and ratify two one-year extensions of the term of the subscription agreement with FinQuery, LLC (formerly, LeaseQuery, LLC), in an aggregate amount not to exceed \$59,880 and approve a one-year extension of the term of the subscription agreement with FinQuery, LLC, in an amount not to exceed \$38,000, and further authorize the Chief Executive Officer to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

**Category:**

Awards, Amendments & Change Order

**Department:**

Accounting

**Staff Contact:**

Curtis Duncan

**Background:**

In December 2021, the Port Authority entered into a one-year subscription agreement with FinQuery, LLC (LeaseQuery, LLC) (FinQuery) for a software subscription in an amount not to exceed \$45,000 to assist with the implementation GASB 87 for Leases. In each of 2022 and 2023, the Port Authority extended the term of the subscription agreement for one year to provide a similar subscription software. Additionally, in 2023, FinQuery further developed its application parameters to accommodate GASB 96 for Subscription-Based Information Technology Arrangements.

The Port Authority now proposes to extend the term of the subscription for one additional year, in an amount not to exceed \$38,000. The subscription for this additional year would include the Platform Standard Package with LeaseQuery Advanced up to 400 LeaseQuery Records.

FinQuery is a cloud-based solution that simplifies accounting for leased assets, including real estate property, equipment, and vehicles, in compliance with accounting standards such as ASC 842, IFRS 16, GASB 87, and GASB 96.

**Staff Evaluation/Justification:**

Staff recommends the Port Commission approve and ratify the two previous one-year extensions of the term of the subscription agreement with FinQuery and approve a one-year extension of the term of the same agreement as described above.

## K. INFRASTRUCTURE

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<b>Subject</b>	<b>1. Approve staff's ranking of vendors and award an agreement not to exceed \$200,000 for non-hazardous and hazardous waste recycling, disposal, and management to the top-ranked proposer: staff ranking – first, Heritage-Crystal Clean, LLC; second, Lone Star Hazmat Response, LLC; and third, Anderson Pollution Control, Inc. dba Horizon Environmental.</b>
Meeting	Oct 22, 2024 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its October 22, 2024 meeting: (a) approve staff's ranking of the most qualified vendors, based on the selection criteria, in the following order - first, Heritage-Crystal Clean, LLC; second, Lone Star Hazmat Response, LLC; and third, Anderson Pollution Control, Inc. dba Horizon Environmental; (b) award an agreement to Heritage-Crystal Clean, LLC for non-hazardous and hazardous waste recycling, disposal, and management in an amount not to exceed \$200,000 for a two-year term; (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 Chief Executive Officer to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	<a href="#">STRATEGIC GOAL #4 - STEWARDSHIP (Create Greater Value for the Region)</a> <a href="#">Strategic Objective 4a. - Implement an innovative environmental leadership strategy</a>

**Category:**

Awards, Amendments & Change Orders

**Department:**

Environmental Affairs

**Staff Contact:**

Trae Camble

**Background:**

The Port Authority is seeking to obtain an environmental service provider to pick up, remove, transport, manage, and dispose of 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.

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

**Staff Evaluation/Justification:**

On September 18, 2024, eight RFP responses were received and opened. The responses were reviewed and evaluated by staff in accordance with the selection criteria published in the RFP. Staff identified the following vendors, listed in order of ranking, as most qualified to provide the required waste recycling and disposal services:

- Heritage-Crystal Clean, LLC
- Lone Star Hazmat Response, LLC
- Anderson Pollution Control, Inc. dba Horizon Environmental

Following staff Executive Committee review, staff recommends that the Port Commission award a contract to Heritage-Crystal Clean, LLC for an agreement for non-hazardous and hazardous waste recycling, disposal, and management, and act as otherwise described above.

## K. INFRASTRUCTURE

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<b>Subject</b>	<b>2. Award a professional services contract to AECOM Technical Services, Inc. for the design of wharf crane tie-down to support larger ship-to-shore cranes on Wharf 5 at Bayport Container Terminal in an amount not to exceed \$239,678.</b>
Meeting	Oct 22, 2024 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its October 22, 2024 meeting, award a professional services contract to AECOM Technical Services, Inc. for the design of wharf crane tie-down to support larger ship-to-shore (STS) cranes on Wharf 5 at Bayport Container Terminal in an amount not to exceed \$239,678, and further authorize the Chief Executive Officer to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	<a href="#">STRATEGIC GOAL #2 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)</a>

**Category:**

Awards, Amendments & Change Orders

**Department:**

Project and Construction Management

**Staff Contact:**

Roger H. Hoh, P.E.

**Background:**

This project would consist of the design of wharf crane tie-down to support larger ship-to-shore (STS) cranes on Wharf 5 at Bayport Container Terminal.

When the design repair cost has been presented, staff anticipates that it would request that the Port Commission approve an amendment to the consultant's contract to include the full design of these wharves.

**Staff Evaluation/Justification:**

Staff recommends that the Port Commission award a contract to AECOM Technical Services, Inc., the most highly qualified provider, for the design of wharf crane tie-down to support larger STS cranes on Wharf 5 at Bayport Container Terminal, and act as otherwise described above.

## K. INFRASTRUCTURE

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<b>Subject</b>	<b>3. Amend the professional services contract with WSP USA to perform additional work associated with the design of the fender system at Wharf 2 at Turning Basin Terminal, in an amount not to exceed \$250,325.</b>
Meeting	Oct 22, 2024 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its October 22, 2024 meeting, approve an amendment to the professional services contract with WSP USA, to perform additional work associated with the design of the fender system at Wharf 2 at Turning Basin Terminal, in an amount not to exceed \$250,325, and further authorize the Chief Executive Officer to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	<a href="#">STRATEGIC GOAL #2 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)</a>

**Category:**

Awards, Amendments & Change Orders

**Department:**

Project and Construction Management

**Staff Contact:**

Roger H. Hoh, P.E.

**Background:**

On June 6, 2024, a professional services contract was issued to WSP for professional consulting engineering services for the Phase 1 design of the fender system at Wharf 2 on the Turning Basin Terminal in the amount of \$95,860.

This project would replace the existing, non-functional fender system at Wharf 2 with a robust fender system that meets performance objectives and is functionally compatible with the recently-constructed fender system at Wharf 1.

The approach was to break down the design scope of work into two phases. Phase 1 would develop a maximum of three viable fender alternatives for the Port Authority to review and to decide on the way forward. Phase 2 would design the preferred option and develop construction documents for the same.

This amendment is to perform the Phase 2 services, including detailed design, bid support, and construction support for constructing the fender system at Wharf 2 at the Turning Basin Terminal.

**Staff Evaluation/Justification:**

Staff has reviewed WSP USA's proposal and found it to be fair and reasonable and recommends that the Port Commission approve the proposed amendment.

## K. INFRASTRUCTURE

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<b>Subject</b>	<b>4. Amend the professional service contract with Jacobs Engineering Group, Inc. to perform additional work to design Bayport Container Terminal Wharf No. 1 East and the conceptual design of future Wharves 8 and 9 (Phase 3) in an amount not to exceed \$4,372,025.</b>
Meeting	Oct 22, 2024 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its October 22, 2024 meeting, approve an amendment to the professional service contract with Jacobs Engineering Group, Inc. to perform additional work to design Bayport Container Terminal Wharf No. 1 East and the conceptual design of future Wharves 8 and 9 (Phase 3) in an amount not to exceed \$4,372,025, and further authorize the Chief Executive Officer to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	<a href="#">STRATEGIC GOAL #2 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)</a>

**Category:**

Awards, Amendments & Change Orders

**Department:**

Project and Construction Management

**Staff Contact:**

Roger H. Hoh, P.E.

**Background:**

Phase 1:

By Minute No. 2023-0725-30, the Port Commission awarded Jacobs Engineering Group, Inc. a \$867,810 professional services contract for site investigation to support the design of Wharf 1.

Phase 1 work included geotechnical fieldwork, topographic and hydrographic surveying, coastal met-ocean data collection, and installing monitors to collect actual wave and passing vessel data.

Phase 2 (Amendment #1):

By Minute No. 2023-0926-34, the Port Commission amended the professional services contract with Jacobs Engineering Group, Inc., to perform additional work associated with the design of Wharf 1 at Bayport Container Terminal, in an amount not to exceed \$3,800,000. The Amendment #1 coastal modeling and hydrodynamic and passing vessel studies did not include the proposed breakwater and future Wharf 9.

Phase 2A (Amendment #2):

By Minute No. 2024-0924-24, the Port Commission amended the professional services contract with Jacobs Engineering Group, Inc. to perform additional work for the passing vessel, mooring, and berthing analysis of Wharf 1 East and future Wharves 8 and 9 at Bayport Container Terminal in an amount not to exceed \$226,725. This also includes the proposed breakwater.

Phase 3 (Proposed Amendment #3):

For Amendment #3, the proposed scope of services consists of the professional services contract to design the newly permitted Bayport Wharf No. 1 East, to modify the current design of Wharf No. 1 West, and to prepare the conceptual design of future Wharves 8 and 9. This amendment will provide



for a modification to the current design of Wharf No. 1 which will allow for crane sharing between wharves and provide construction and operation cost savings and will provide a complete and biddable set of documents for construction procurement.

For the conceptual design of future Wharves 8 and 9 the conceptual design task would develop two options along with cost estimates and comparisons of the pros and cons of each option.

**Staff Evaluation/Justification:**

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

## K. INFRASTRUCTURE

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<b>Subject</b>	<b>5. Approve a change order with McDonald Electric, Inc. to perform additional work associated with the installation of redundant power to serve Wharves 4, 5, and 6, and wheeled reefer power supply at Barbours Cut Terminal in an amount not to exceed \$266,012.</b>
Meeting	Oct 22, 2024 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its October 22, 2024 meeting, approve a change order with McDonald Electric, Inc. to perform additional work associated with the installation of redundant power to serve Wharves 4, 5, and 6, and wheeled reefer power supply at Barbours Cut Terminal in an amount not to exceed \$266,012, and further authorize the Chief Executive Officer to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	<a href="#">STRATEGIC GOAL #2 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)</a>

**Category:**

Awards, Amendments & Change Orders

**Department:**

Project and Construction Management

**Staff Contact:**

Roger H. Hoh, P.E.

**Background:**

By Minute No. 2023-0627-22, the Port Commission awarded a contract to McDonald Electric, Inc. for the installation of redundant power to serve Wharves 4, 5, and 6, and wheeled reefer power supply at Barbours Cut Terminal.

This proposed change order addresses:

- Electrical ductbank reroute to avoid unforeseen conflicts within the original route. These conflicts include two waterlines that are rerouted from their recorded locations, a tieback sheet pile wall that is shallower than recorded, and multiple storm drains and ductbanks servicing the old cruise terminal building;
- Additional saw cutting, excavation, backfill, and concrete repair for the re-routed path; and
- Additional time needed to complete this scope and subsequent critical path items.

This is the second change order to this contract, for a total change order value to date of \$269,011.58, which is 3.77% of the total contract value.

**Staff Evaluation/Justification:**

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

## K. INFRASTRUCTURE

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<b>Subject</b>	<b>6. Approve a change order with Russell Marine, LLC to perform additional work associated with the Yacht Basin repair at Care Terminal in an amount not to exceed \$153,820.</b>
Meeting	Oct 22, 2024 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its October 22, 2024 meeting, approve a change order with Russell Marine, LLC to perform additional work associated with the Yacht Basin repair at Care Terminal in an amount not to exceed \$153,820, and further authorize the Chief Executive Officer to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	<a href="#">STRATEGIC GOAL #2 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)</a>

**Category:**

Awards, Amendments & Change Orders

**Department:**

Project and Construction Management

**Staff Contact:**

Roger H. Hoh, P.E.

**Background:**

By Minute No. 2023-1024-24, the Port Commission awarded a contract to Russell Marine, LLC for the Yacht Basin repair at Care Terminal.

This proposed change order addresses the repairs to two existing sheet pile tears at the intersection of the Port Authority's property and the neighboring facility. This repair involves driving additional sheet pile, underwater welding, backfilling behind the sheet piling, and installing an additional extent of concrete cap.

This is the third change order to this contract, for a total change order value to date of \$374,848, which is 19.5% of the total contract value.

**Staff Evaluation/Justification:**

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

## K. INFRASTRUCTURE

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<b>Subject</b>	<b>7. Approve a change order with Diversified Fall Protection, the sole source provider, to perform additional work associated with the construction of rail spur at Bayport Container Terminal in an amount not to exceed \$120,750.</b>
Meeting	Oct 22, 2024 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its October 22, 2024 meeting, approve a change order with Diversified Fall Protection (DFP), the sole source provider, to perform additional work associated with the construction of rail spur at Bayport Container Terminal in an amount not to exceed \$120,750, and further authorize the Chief Executive Officer to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	<a href="#">STRATEGIC GOAL #2 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)</a>

**Category:**

Awards, Amendments & Change Orders

**Department:**

Project & Construction Management

**Staff Contact:**

Roger H. Hoh, P.E.

**Background:**

By Minute No. 2022-0321-20, the Port Commission awarded a contract to Diversified Fall Protection (DFP), the sole source provider, for the replacement of the fall protection system within GEON Performance Solutions, LLC property, in connection with the construction of a rail spur project at Bayport Container Terminal.

This proposed change order addresses:

- Drilling, casing, dewatering, reinforcing, and placing concrete and related activities for six pier foundations;
- Forming, reinforcing, and placing concrete for pier pads for two existing pier foundations; and
- Access within the Union Pacific Railroad right-of-way.

This is the first change order to this contract, for a total change order value to date of \$120,750, which is 60% of the total contract value.

**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 DFP is the sole authorized provider for this work.

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

## L. MAINTENANCE

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<b>Subject</b>	<b>1. Approve staff's ranking of vendors and award a two-year contract in an amount not to exceed \$800,000 for warehouse door repair services at Turning Basin Terminal to the top-ranked proposer: staff ranking - first, Johnson Equipment Company; and second, Generocity Services, Inc.</b>
Meeting	Oct 22, 2024 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its October 22, 2024 meeting: (a) approve staff's ranking of vendors, based on the selection criteria, in the following order – first, Johnson Equipment Company; and second, Generocity Services, Inc.; (b) award a contract to the top-ranked proposer for warehouse door repair services at Turning Basin Terminal in the amount not to exceed \$800,000; (c) grant authority, if a contract cannot be negotiated with the first-ranked vendor, to formally, and in writing, end negotiations with that vendor, and proceed to the next vendor in the order of ranking until a contract is reached or all proposals are rejected; and (d) further authorize the Chief Executive Officer to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	<a href="#">STRATEGIC GOAL #2 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)</a>

**Category:**

Awards, Amendments & Change Orders

**Department:**

Maintenance

**Staff Contact:**

Paulo Soares

**Background:**

By Minute No. 2022-1027-40, the Port Commission awarded a two-year contract to Generosity Services, Inc. in the amount of \$400,000 for warehouse door repair services at Turning Basin Terminal. This contract will soon expire and due to the large volume of repairs, funds have been depleted. Central Maintenance maintains eighteen warehouses at the Turning Basin Terminal.

Doors are in constant need of repair and/or replacement due to damage, age, and inability to close or open properly (U.S. Department of Agriculture and U.S. Coast Guard regulations require doors for warehouses containing food products to open and close completely).

The Port Authority is now seeking to obtain a new two-year contract for warehouse door repair services at Turning Basin Terminal.

The Port Authority notified vendors regarding its request for competitive seal 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. Six vendors downloaded the project materials from BuySpeed.

**Staff Evaluation/Justification:**

On September 22, 2024, two CSP responses were received and opened. The responses were reviewed and evaluated by staff in accordance with the published selection criteria. Staff identified the following vendors, listed in order of ranking, as providing best value for the required services:

- Johnson Equipment Company
- Generocity Services, Inc.

Following staff Executive Committee review, staff recommends that the Port Commission award a two-year contract to Johnson Equipment Company and act as otherwise described above.

## L. MAINTENANCE

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<b>Subject</b>	<b>2. Award a two-year contract to Texas Marine Shipyard, LLC for marine vessel strap lifting, dry grounded storage, and shipyard services in an amount not to exceed \$200,000.</b>
Meeting	Oct 22, 2024 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its October 22, 2024 meeting, award a two-year contract to Texas Marine Shipyard, LLC for marine vessel strap lifting, dry grounded storage, and shipyard services in an amount not to exceed \$200,000, and further authorize the Chief Executive Officer to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	<a href="#">STRATEGIC GOAL #2 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)</a>

**Category:**

Awards, Amendments & Change Orders

**Department:**

Maintenance

**Staff Contact:**

Paulo Soares

**Background:**

The Port Authority seeks to obtain a two-year contract for these periodic services at a local shipyard for its service vessels. The dry-docking work includes inspecting hull integrity, hull sandblasting, and scraping, aligning shafts and propellers, replacing shell plating, bottom painting, and many other marine-related repairs and preventative maintenance activities.

The Port Authority notified vendors regarding its request for proposals (RFP) for marine vessel strap lifting, dry grounded storage, and shipyard services using the Port Authority's BuySpeed E-procurement System, and the project was advertised on the Port Authority's website and in a local newspaper. Two vendors downloaded the project materials from BuySpeed.

**Staff Evaluation/Justification:**

On June 12, 2024, one RFP response was received and opened. Staff evaluated the proposal in accordance with the selection criteria published in the RFP. and found that Texas Marine Shipyard, LLC provides the required services necessary to meet the Port Authority's request.

Following staff Executive Committee review, staff recommends that the Port Commission award a two-year contract to Texas Marine Shipyard, LLC, and act as otherwise described above.

## L. MAINTENANCE

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<b>Subject</b>	<b>3. Award a two-year contract to Kemah Hardware &amp; Lumber Wholesale, LLC, for the purchase of wood products for general maintenance and repairs to infrastructure at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal in an amount not to exceed \$400,000.</b>
Meeting	Oct 22, 2024 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its October 22, 2024 meeting, award a two-year contract to Kemah Hardware & Lumber Wholesale, LLC, for the purchase of wood products for general maintenance and repairs to infrastructure at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal in an amount not to exceed \$400,000, and further authorize the Chief Executive Officer to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	<a href="#">STRATEGIC GOAL #2 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)</a>

**Category:**

Awards, Amendments & Change Orders

**Department:**

Maintenance

**Staff Contact:**

Paulo Soares

**Background:**

By Minute No. 2021-0223-37, the Port Commission awarded a two-year contract to Kemah Hardware & Lumber Wholesale, LLC in the amount of \$400,000 for the purchase of wood products for general maintenance and repairs to infrastructure at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal. Contract funds have been depleted.

Wood products are used daily by staff for general maintenance and repairs to infrastructure at all three facilities. With an increased demand for repairs due to the Facility Inspection and Conditional Assessment Program (FICAP), there has been a large number of requests for wood products to complete these projects.

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. Fourteen vendors downloaded the project materials from BuySpeed.

**Staff Evaluation/Justification:**

On September 18, 2024, two CSB responses were received and opened. 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 two-year contract to Kemah Hardware & Lumber Wholesale, LLC, the responsible bidder submitting the lowest and best bid, for the purchase of wood products.



## L. MAINTENANCE

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<b>Subject</b>	<b>4. Award two-year contracts to (i) AutoZone Parts, Inc. in an amount not to exceed \$300,000 and (ii) Advance Stores Company Incorporated dba Advance Auto Parts in an amount not to exceed \$300,000, using Omnia Partners, a cooperative purchase program, for the purchase of auto parts for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal.</b>
Meeting	Oct 22, 2024 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its October 22, 2024 meeting, award two-year contracts to (i) AutoZone Parts, Inc. in an amount not to exceed \$300,000 and (ii) Advance Stores Company Incorporated dba Advance Auto Parts in an amount not to exceed \$300,000, using Omnia Partners, a cooperative purchase program, for the purchase of auto parts for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal, determine that this procurement method provides the best value for the Port Authority, and further authorize the Chief Executive Officer to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	<a href="#">STRATEGIC GOAL #2 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)</a>

**Category:**

Awards, Amendments & Change Orders

**Department:**

Maintenance

**Staff Contact:**

Hugh Moore

**Background:**

By Minute No. 2022-0927-56, the Port Commission awarded two-year contracts to Allen Kerber Auto Supply in the amount not to exceed \$300,000 and IEH Auto Parts LLC dba Auto Plus Auto Parts in the amount not to exceed \$200,000, for the purchase of auto parts for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal.

The Port Authority owns 834 vehicles, including 591 light and heavy-duty trucks, 26 cars and vans, 32 forklifts, and 185 machines operating at these terminals. Staff is seeking to obtain suppliers to provide the auto parts needed to service and repair these vehicles for two years.

OMNIA Partners, Public Sector (OMNIA) is a corporate purchasing program that the Port Authority is authorized to use.

**Staff Evaluation/Justification:**

The Port Authority reviewed three cooperative contracts and recommended two from the OMNIA cooperative for a split award. The Director of Procurement Services has determined that procuring these parts via the OMNIA program is the method that both satisfies competitive purchase requirements and provides best value to the Port Authority.

The Maintenance department has determined that the best value for these items are obtained from these vendors' contracts with ONNIA.

Accordingly, staff recommends that the Port Commission award two-year contracts in an amount not to exceed \$300,000 to Advance Stores Company Incorporated dba Advance Auto Parts; and in an amount not to exceed \$300,000 to AutoZone Parts, Inc. for the best value, purchase of auto parts for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal, and approve this best value determination.

## L. MAINTENANCE

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<b>Subject</b>	<b>5. Award a contract to Briggs Truck &amp; Rail, using the Local Government Purchasing Cooperative's BuyBoard program, a cooperative purchase program, for the purchase of twenty clean diesel tier-4 engine yard tractors for Barbours Cut Terminal and Bayport Container Terminal, in an amount not to exceed \$3,300,000, that are subsidized by two SPRY grants in a total amount of \$1,391,733.</b>
Meeting	Oct 22, 2024 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its October 22, 2024 meeting, award a contract to Briggs Truck & Rail, using the Local Government Purchasing Cooperative's BuyBoard program, a cooperative purchase program, for the purchase of twenty clean diesel tier-4 engine yard tractors for Barbours Cut Terminal and Bayport Container Terminal, in an amount not to exceed \$3,300,000, that are subsidized by two SPRY grants in a total amount of \$1,391,733, determine that this procurement method provides best value to the Port Authority, and further authorize the Chief Executive Officer to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

**Category:**

Awards, Amendments & Change Orders

**Department:**

Maintenance

**Staff Contact:**

Paulo Soares

**Background:**

The Port Authority currently owns sixty-nine yard tractors operating at both Barbours Cut Terminal and Bayport Container Terminal. Their median age is sixteen years. These units are used daily to move containers through the terminals, rework grounded stacks, handle rail moves and USDA/VACIS exams, and move empty containers for stakeholders. Staff recommends that a total of twenty units be replaced, given their age and parts obsolescence.

For this purchase, the Port Authority has secured funding from the Seaport and Rail Yard Areas Emissions Reduction (SPRY) Program in the amounts of \$739,308 for ten units for Bayport Container Terminal and \$652,425 for ten units for Barbours Cut Terminal. These grants require that the replacement units be clean diesel tier-4 powered.

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

**Staff Evaluation/Justification:**

The Director of Procurement Services has determined that procuring these yard tractors through the BuyBoard program is the method that both satisfies competitive purchase requirements and provides the best value to the Port Authority.

The Maintenance department has determined that the best availability, price, and contract term for the equipment needed are provided by Briggs Truck & Rail under the pricing schedule obtained from that vendor's contract with BuyBoard Program and is therefore recommending this purchase.

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

## L. MAINTENANCE

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<b>Subject</b>	<b>6. Approve an amendment to the purchase order with Toplift North America, Inc. in an amount not to exceed \$95,000, to provide for rental of one Toplift Ferrari F579W reach stacker for Barbours Cut Terminal for an additional five-month term.</b>
Meeting	Oct 22, 2024 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its October 22, 2024 meeting, approve an amendment to the purchase order with Toplift North America, Inc. in an amount not to exceed \$95,000, to provide for rental of one Toplift Ferrari F579W reach stacker for Barbours Cut Terminal for an additional five-month term, and further authorize the Chief Executive Officer to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	<a href="#">STRATEGIC GOAL #2 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)</a>

**Category:**

Awards, Amendments & Change Orders

**Department:**

Maintenance

**Staff Contact:**

Paulo Soares

**Background:**

In March 2024, the Port Authority entered into a short-term rental agreement with Toplift North America, Inc., to evaluate how the Toplift Ferrari F579W reach stacker would perform in the field. During that time, maintenance staff gathered operator feedback and assessed this equipment's effectiveness in meeting the Port Authority's needs.

As a result of that assessment, staff concluded that Port Authority maintenance operations would benefit from both continued use and purchase of a reach stacker.

The proposed extension period will permit use of the on-site reach stacker, while staff solicits competitive proposals to purchase a reach stacker meeting its needs.

**Staff Evaluation/Justification:**

The additional funds to extend the term requires Port Commission approval. Accordingly, staff recommends that Port Commission approve an amendment to the purchase order with Toplift North America, Inc. and otherwise act as provided above.

## L. MAINTENANCE

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<b>Subject</b>	<b>7. Approve a change order with Yellowstone Landscape for mowing services and landscape maintenance at Turning Basin Terminal in an amount not to exceed \$300,000.</b>
Meeting	Oct 22, 2024 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its October 22, 2024 meeting, approve a change order with Yellowstone Landscape for mowing services and landscape maintenance at Turning Basin Terminal in an amount not to exceed \$300,000, and further authorize the Chief Executive Officer to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	<a href="#">STRATEGIC GOAL #2 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)</a>

**Category:**

Awards, Amendments & Change Orders

**Department:**

Maintenance

**Staff Contact:**

Paulo Soares

**Background:**

By Minute No. 2022-0802-37, the Port Commission awarded a two-year contract to Yellowstone Landscape in the amount not to exceed \$900,000 for mowing services and landscape maintenance at Turning Basin Terminal.

This proposed change order addresses:

- Additional mowing requests due to overgrowth during the year; and
- Cutting down and clearing trees from storm damage.

Given the increased demand for mowing services, general cleanup, and landscaping maintenance throughout the Turning Basin Terminal, the current contract funds have been depleted.

**Staff Evaluation/Justification:**

Staff believes that issuing a change order to Yellowstone Landscape, to pay for these services rendered is the appropriate way to proceed.

Accordingly, staff recommends the Port Commission issue a change order to Yellowstone Landscape in an amount not to exceed \$300,000.

## L. MAINTENANCE

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<b>Subject</b>	<b>8. Approve a change order with Ardent Services LLC for the installation of feeder cable for crane 203 at Bayport Container Terminal in an amount not to exceed \$15,414.</b>
Meeting	Oct 22, 2024 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its October 22, 2024 meeting, approve a change order with Ardent Services LLC for the installation of feeder cable for crane 203 at Bayport Container Terminal in an amount not to exceed \$15,414, and further authorize the Chief Executive Officer to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	<a href="#">STRATEGIC GOAL #2 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)</a>

**Category:**

Awards, Amendments & Change Orders

**Department:**

Maintenance

**Staff Contact:**

Hugh Moore

**Background:**

The Port Authority and Ardent Services LLC (Ardent) previously entered into a Services Agreement effective July 5, 2024, with a contract amount of \$99,531 for the installation of supplied 15 Kilovolt, 2/0 feeder cable for ship-to-shore crane 203, which arrived at Bayport Container Terminal on August 31, 2024. This work included installing power transmission and communication cables through below-ground conduits to a watertight junction box under the dock.

Changes to the Port Authority production requirements for energizing Container Yard 1 as well as weather conditions have now resulted in led to overages and necessitated this additional costs.

**Staff Evaluation/Justification:**

This change order is a requirement in connection with the completion of the installation of cable for crane 203 at Bayport Container Terminal.

Accordingly, staff recommends that the Port Commission approve this change order.

## M. OPERATIONS

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<b>Subject</b>	<b>1. Award a professional services contract to Kalmar USA Inc., the sole source provider, for position detection system equipment and installation services for five rubber tire gantry cranes in an amount not to exceed \$190,000.</b>
Meeting	Oct 22, 2024 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its October 22, 2024 meeting, award a professional services contract to Kalmar USA Inc., the sole source provider, for position detection system (PDS) equipment for five rubber tire gantry (RTG) cranes in an amount not to exceed \$190,000, and further authorize the Chief Executive Officer 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:**

Joey Purdue

**Background:**

By Minute No. 2019-0924-45, the Port Commission awarded a contract to Kalmar USA Inc. (Kalmar) for position detection system (PDS) equipment. Subsequently, the Port Authority has purchased five additional rubber tire gantry (RTG) cranes which require that Kalmar equipment to installed and additional software be licensed, to be compatible with the existing Kalmar PDS.

The use of PDS provides automatic updates to container locations in the container yards as units are moved by the International Longshoremen's Association (ILA) crane operators to and from trucks, as well as repositioned in the stacks eliminating manual updates by operators and clerks. No manning is replaced by PDS, but greater efficiencies are realized once deployed: the container position would automatically update based on the location of the crane and spreader bar when the container lock/unlock action is performed. PDS provides the operator with additional capacity to devote toward operating the crane resulting in improved efficiency and service levels.

The PDS also supports Port Authority safety initiatives by reducing the amount of inventory errors and therefore the frequency of personnel having to enter safety-sensitive operating areas to resolve problems. The PDS solution is expected to serve as a technical foundation for additional optimization opportunities that support volume growth and service to our customers.

**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. is the sole authorized source of PDS equipment in the United States.

Staff recommends the Port Commission approve awarding this contract to Kalmar USA Inc. for PDS equipment for five RTG cranes.

## M. OPERATIONS

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<b>Subject</b>	<b>2. Amend Tariff Nos. 14 and 15 governing Barbours Cut Terminal and Bayport Container Terminal to (i) amend the Port Authority Terminal Use Chassis Rental Fee, effective November 1, 2024, and (ii) adjust demurrage practices and rates for loaded import containers and authorize adjustments of the Sustained Import Dwell Fee and the Excessive Import Dwell Fee, effective January 1, 2025.</b>
Meeting	Oct 22, 2024 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its October 22, 2024 meeting, amend Tariff Nos. 14 and 15 governing Barbours Cut Terminal and Bayport Container Terminal to (i) amend the Port Authority Terminal Use Chassis Rental Fee, effective November 1, 2024, and (ii) adjust demurrage practices and rates for loaded import containers and authorize adjustments of the Sustained Import Dwell Fee and the Excessive Import Dwell Fee, effective January 1, 2025., and further authorize the Chief Executive Officer 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:**

Beginning during the pandemic, the Port Authority has leased terminal use chassis to provide value-added service to users and ensure there were chassis available onsite to ensure terminal fluidity. The Port Authority controls and operates this fleet of chassis for terminal use only (Port Authority Terminal Use Chassis), to be used for services as determined by terminal management in coordination with Users. Such services include but are not limited to, vessel discharge of wheeled units, wheeled reefer and out-of-gauge storage, fumigation, rail storage, swings, isolated units, rehandles, and on-site federal examinations. The Port Authority charges a chassis rental fee of \$23.84 per unit per day.

Staff evaluation of chassis cost and industry standards lead to a recommendation to decrease the chassis use fee to \$11.94. This would ensure we continue to provide value-added service to users at a reasonable fee while ensuring maintenance and lease costs are covered.

Staff now proposes reducing the Terminal Use Chassis fee as follows.

1. Chassis Use Fee. Amend Tariff No. 14, Subrule 093, and Tariff No. 15, Subrule 095:
  - a. Effective as of November 1, 2024 reduce Chassis Rental Fee to \$11.94.

**Additionally:**

To best serve efficient operations and benefit its customers and other supply chain stakeholders, the Port Authority manages its terminals to minimize container dwell time, i.e. the period that containers spend within its container yard. One of its tools for doing so is the imposition of container demurrage (i.e. storage) charges after the expiration of seven or ten days of "free time."



The Federal Maritime Commission (FMC), which regulates the Port Authority as a marine terminal operator (MTO) subject to the Federal Shipping Act,) recent appeals rulings reaffirm that these charges and related practices should function to incentivize cargo flow. Due to the recent appeals ruling and encouraged support for the incentive principle, the Port Authority is recommended to adjust demurrage charges back to calendar days to continue to encourage container fluidity while discouraging long dwell.

Staff now proposes revising Port Authority practices and implementing new fee structures as follows.

1. Demurrage. Amend Tariff No. 14, Subrule 093, and Tariff No. 15, Subrule 095:
  - a. Effective as of January 1, 2025.
  - b. Applies to all loaded import containers in inventory on that date and thereafter.
  - c. Those containers shall be assessed demurrage when the terminal gates are closed for scheduled terminal closures, e.g. weekends, holidays, etc.
  - c. Demurrage rates for loaded import containers shall be decreased to \$34.25 per unit per day for any container 20' in length and \$68.48 for any container 40' in length, after the expiration of free time, as defined in Tariff No. 15 Subrule 095 and Tariff No. 14 Subrule 093 (Free Time).
2. Dwell Fees. Amend Tariff No. 14, Subrule 093A, and Tariff No. 15, Subrule 095A:
  - a. Decreased rate to be implemented by the Executive Director, to take effect following at least ten business days public notice.
  - b. Applies to all loaded import containers in inventory on the effective date and thereafter.
  - c. Sustained Import Dwell Fee charges shall be charged for days when the terminal gates are closed due to scheduled terminal closures.
  - d. The Sustained Dwell Fee amount shall be decreased to \$46.44 per unit per day.
  - e. Excessive Import Dwell Fee charges shall be charged for days when the terminal gates are closed due to scheduled terminal closures.
  - f. Excessive Import Dwell Fee amounts shall be decreased as follows:
    - i. 1-3 days after expiration of Free Time: \$51.60 per unit per day excluding days when truck gates are closed for scheduled terminal closures
    - ii. 4-7 days after expiration of Free Time: \$77.40 per unit per day excluding days when truck gates are closed for scheduled terminal closures
    - iii. 8-13 days after expiration of Free Time: \$103.20 per unit per day excluding days when truck gates are closed for scheduled terminal closures
    - iv. 14 or more days after expiration of Free Time: \$154.80 per unit per day excluding days when truck gates are closed for scheduled terminal closures

References to accrued amounts of time in Subrule 093A and Subrule 095A shall be revised to clarify that the days on which the terminals are closed for scheduled terminal closures shall be counted toward the commencement or enhancements of fees.

Although staff is currently recommending approval for this change in demurrage and dwell fee rates which will take effect January 1, 2025, users are reminded that staff anticipates recommending further increases in these rates and other tariff rates at the November 2024 meeting of the Port Commission, in light of changes in the Consumer Price Index for all Urban Consumers (CPI-U) as well as the escalating costs and expense to keep Port Authority terminals operating; if approved such increases shall take effect January 1, 2025 as well.

**Staff Evaluation/Justification:**

Staff recommends the Port Commission approve the above amendment for Tariff Nos. 14 and 15.

## M. OPERATIONS

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<b>Subject</b>	<b>3. Approve a fifteen-year lease (with two five-year unilateral extension options) with The Andersons, Inc. for the 20.22-acre site at the Woodhouse Terminal including Houston Public Grain Elevator No. 2, at an annual base rent of \$1,500,000 for each of the first four years followed by an annual base rent of \$2,750,000 beginning the fifth year, subject to annual base rent escalations, with a total reimbursement amount not to exceed \$13,000,000 and a total base rent abatement amount not to exceed \$10,000,000, for certain capital improvements.</b>
Meeting	Oct 22, 2024 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its October 22, 2024 meeting, approve a fifteen-year lease (with two five-year unilateral extension options) with The Andersons, Inc. for the 20.22-acre site at the Woodhouse Terminal including Houston Public Grain Elevator No. 2, at an annual base rent of \$1,500,000 for each of the first four years followed by an annual base rent of \$2,750,000 beginning the fifth year, subject to annual base rent escalations, with a total reimbursement amount not to exceed \$13,000,000 and a total base rent abatement amount not to exceed \$10,000,000, for certain capital improvements, and further authorize the Chief Executive Officer to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

**Category:**

Leases

**Department:**

Operations

**Staff Contact:**

Randy Stiefel

**Background:**

In May 2018, the Port Commission approved a one-year lease (with a one-year extension option) for the 20.22-acre site including Houston Public Grain Elevator No. 2 to Lansing Trade Group, LLC (Lansing). The lease commenced on June 1, 2018, and, following multiple extensions approved by the Port Commission, expired on May 31, 2024. Lansing continues to lease the premises on a month-to-month basis.

In December 2018, the Port Commission approved a change of control of Lansing, which resulted in its control by The Andersons, Inc. (The Andersons) and related entities.

Before the expiration of the current lease, Lansing, The Andersons, and the Port Authority began discussions to extend the term of the lease or enter into a new lease for the same property with The Andersons as the tenant. As part of those discussions, the parties agreed that Lansing would continue to lease the property on a holdover basis and remain subject to the terms of the existing lease with Lansing.

The Andersons and the Port Authority now propose to enter into a new lease agreement for the same property, for a 15-year term with two five-year unilateral extension options, with such options being subject to certain terms and conditions being met by tenant. The lease would also provide for certain planned capital improvements to the property to be completed by The Andersons. Additionally, the lease would provide for (i) a reimbursement of costs for completed capital improvements up to a total of \$13,000,000, and (ii) a base rent abatement for costs of completed capital improvements up to a total of \$10,000,000, each subject to certain terms and conditions.

**Staff Evaluation/Justification:**

Staff recommends that the Port Commission approve the proposed lease with The Andersons under the terms described above.

## N. PEOPLE

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<b>Subject</b>	<b>1. Authorize an agreement with Aetna Life Insurance Company for stop-loss insurance coverage for the calendar year 2024 for the Port Authority's self-funded group medical benefits program for active employees, retirees who are not Medicare-eligible and dependents, in an amount not to exceed \$2,513,511, and authorize renewal negotiations with Aetna Life Insurance Company prior to contract expiration.</b>
Meeting	Oct 22, 2024 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its October 22, 2024 meeting, authorize an agreement with Aetna Insurance Company for stop-loss insurance coverage for the calendar year 2025 for the Port Authority's self-funded group medical benefits program for active employees, retirees who are not Medicare-eligible, and dependents, in an amount not to exceed \$2,513,511, and authorize renewal negotiations with Aetna Life Insurance Company prior to contract expiration, further authorize the Chief Executive Officer to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	<a href="#">STRATEGIC GOAL #1 - PEOPLE AND ORGANIZATION (Be the Best Place to Work)</a>

**Category:**

Awards, Amendments & Change Orders

**Department:**

Human Resources

**Staff Contact:**

Roger Walter

**Background:**

By Minute No. 2022-1206-50, the Port Commission awarded a three-year contract to Gallagher Benefit Services, Inc. (Gallagher) to serve as the Port Authority's broker of record for health and welfare benefits and provide employee benefits consulting services, including assisting in development of requests for proposals for group insurance coverages, evaluation of proposals, negotiation of renewal rates, and recommendations on provider selections.

In September 2018, after having reviewed proposals and analyzed the costs of a self-funded program compared to a fully insured program, the Port Authority proceeded with the implementation of a self-funded group medical benefit program.

By Minute Nos. 2018-1030-44, 2019-1022-39, 2020-1208-44, 2021-1026-34, and 2022-1027-50, 2023-1024-35 the Port Commission approved the purchase of insurance from Aetna Life Insurance Company (Aetna) to provide stop-loss coverage for calendar years 2019, 2020, 2021, 2022, 2023, and 2024, respectively, for the self-funded medical plan, and also authorized contract renewal negotiations with Aetna prior to contract expiration.

Gallagher and Port Authority staff have now negotiated a renewal with Aetna Life Insurance Company for stop-loss coverage for the 2025 self-funded group medical benefits program and determined that the negotiated terms offer the best value to the Port Authority.

**Staff Evaluation/Justification:**

Staff recommends the Port Commission award a one-year contract to Aetna for stop-loss insurance for the self-funded group medical plan for calendar year 2025. The stop-loss insurance would (i) cover eligible claims in excess of \$200,000 per individual claimant and (ii) cover eligible claims in excess of an aggregate amount of 120% of projected claims.

Additionally, staff recommends that the Port Commission authorize renewal negotiations with Aetna prior to contract expiration to better ascertain the need to solicit proposals for the following contract year.

## N. PEOPLE

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<b>Subject</b>	<b>2. Renew agreement for the second-year option with Voya for group insurance coverage for both short-term and long-term disability for calendar year 2025 under the guaranteed rate for a total amount not to exceed \$687,566.</b>
Meeting	Oct 22, 2024 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its October 22, 2024 meeting renew the agreement for the second year option with Voya for both short and long-term disability coverage in an amount not to exceed \$687,566 for calendar year 2025: (a) for short-term disability (STD) coverage for calendar year 2025, in an amount not to exceed \$281,657; (b) for long-term disability (LTD) coverage for calendar year 2025, in an amount not to exceed \$405,909 (i) authorize the Port Authority to continue to pay 100% of the cost of LTD and STD premiums for eligible active employees; (ii) authorize contract renewal negotiations with Voya prior to contract expiration; and (iii) further authorize the Chief Executive Officer to do any and all things in his opinion reasonable and necessary to give effect to all of the foregoing.
Goals	<a href="#">STRATEGIC GOAL #1 - PEOPLE AND ORGANIZATION (Be the Best Place to Work)</a>

**Category:**

Awards, Amendments & Change Orders

**Department:**

Human Resources

**Staff Contact:**

Roger Walter

**Background:**

By Minute No. 2022-1206-50, the Port Commission awarded a three-year contract to Gallagher Benefit Services, Inc. (Gallagher) to serve as the Port Authority's broker of record for health and welfare benefits and provide employee benefits consulting services, including assisting in requests for proposals for benefits and group insurance coverages, evaluation of proposals, negotiation of renewal rates, and recommendations on provider selections.

By Minute No. 2023-0926-52, the Port Commission awarded agreements for calendar year 2024 to Voya for LTD and STD coverage with a two year rate guarantee.

**Staff Evaluation/Justification:**

Gallagher Benefits Services, Inc. and Port Authority staff reviewed and evaluated the performance of Voya for these items and determined that Voya, the incumbent carrier, offers the best value to the Port Authority for continuing to provide those coverages through the second-year option.

The award to Voya was discussed at the Pension and Benefits Committee meeting on September 24, 2024. Staff recommends the selection of Voya for group insurance coverage for LTD and STD for calendar year 2025.

The individual not-to-exceed amounts are based on current employee participant levels and some anticipated increase in participation in 2025 but may be subject to amendment in order to account for actual participation levels.

## O. SECURITY AND EMERGENCY OPERATIONS

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<b>Subject</b>	<b>1. Award a contract to Ready2Go Restroom Trailer Sales, LLC for the purchase of four trailer-mounted portable guard booths with generators in an amount not to exceed \$175,000.</b>
Meeting	Oct 22, 2024 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its October 22, 2024 meeting, award a contract to Ready2Go Restroom Trailer Sales, LLC for the purchase of four trailer-mounted portable guard booths with generators in an amount not to exceed \$175,000, and further authorize the Chief Executive Officer to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	<a href="#">Strategic Objective 4b. - Prepare for disruptive events and mitigate their impact</a>

### Category:

Awards, Amendments & Change Orders

### Department:

Security

### Staff Contact:

Jessica Thomas

### Background:

Security is seeking to obtain four portable guard booths for temporary manning of access points that do not have a fixed guard house. These portable guard booths are utilized to meet U.S. Coast Guard requirements for access control in situations like temporary construction entrances or when a section of fence is damaged.

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. Five vendors downloaded the project materials from BuySpeed.

### Staff Evaluation/Justification:

On September 18, 2024, two CSB responses were received and opened. The responses were reviewed and evaluated by staff in accordance with the published selection criteria. The highest bidder was deemed not responsible.

Following staff Executive Committee review, staff recommends that the Port Commission award a contract to Ready2Go Restroom Trailer Sales, LLC, the responsible bidder submitting the lowest and best bid, for the purchase of four trailer-mounted portable guard booths with generators.



## O. SECURITY AND EMERGENCY OPERATIONS

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<b>Subject</b>	<b>2. Award two contracts for emergency standby products and services if required in the event of an emergency, in amounts not to exceed \$50,000 each, for three-year terms with options of two-year extensions each, to Garner Environmental Services, Inc. and Cotton Commercial USA, Inc.</b>
Meeting	Oct 22, 2024 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its October 22, 2024 meeting, award two contracts for emergency standby products and services if required in the event of an emergency, in amounts not to exceed \$50,000 each, for three-year terms with options of two-year extensions each, to both Garner Environmental Services, Inc. and Cotton Commercial USA, Inc., and further authorize the Chief Executive Officer to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	<p>Strategic Objective 4b. - Prepare for disruptive events and mitigate their impact</p> <p>STRATEGIC GOAL #4 - STEWARDSHIP (Create Greater Value for the Region)</p>

**Category:**

Awards, Amendments & Change Orders

**Department:**

Emergency Management

**Staff Contact:**

Colin Rizzo

**Background:**

The Port Authority is seeking to obtain standby contracts for equipment and services to serve Port Authority terminals during a disaster. By obtaining a list of equipment, with pre-negotiated prices before a disaster, the Emergency Management Department can expeditiously procure necessary emergency equipment at pre-disaster market rates. Examples of items on the equipment list include generators, fire pumps, light towers, and portable toilets.

By competitively bidding this contract in advance of a crisis, the procurement process is streamlined, and the equipment and services are potentially reimbursable under federal disaster declaration relief programs via the Federal Emergency Management Agency (FEMA).

These contracts are "standby" contracts that would only be activated in an emergency.

The Port Authority notified vendors regarding its request for proposals (RFP) for emergency standby products and services using the Port Authority's BuySpeed Eprocurement System, and the project was advertised on the Port Authority's website and in a local newspaper. Sixty-seven vendors downloaded the project materials from BuySpeed.

**Staff Evaluation/Justification:**

On September 30, 2024, five RFP responses were received and opened. Staff evaluated the proposal in accordance with the selection criteria published in the RFP and found that the named firms provide the required services necessary to meet the Port Authority's criteria.

Following staff Executive Committee review, staff recommends that the Port Commission award emergency standby products and services contracts to both Garner Environmental Services, Inc. and Cotton Commercial USA, Inc. for three-year terms, with options of two-year extensions each.

## O. SECURITY AND EMERGENCY OPERATIONS

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<b>Subject</b>	<b>3. Authorize an agreement with the Houston Ship Channel Security District for payment of the current year (2024-2025) contribution in an amount not to exceed \$61,675.</b>
Meeting	Oct 22, 2024 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its October 22, 2024 meeting, authorize an agreement with the Houston Ship Channel Security District for payment of the current year (2024-2025) contribution in an amount not to exceed \$61,675, and authorize the Chief Executive Officer to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	<p>Strategic Objective 4b. - Prepare for disruptive events and mitigate their impact</p> <p>Strategic Objective 3a. - Cultivate key relationships to accomplish common goals</p>

**Category:**

General

**Department:**

Security

**Staff Contact:**

Jessica Thomas

**Background:**

In 2008, the Port Commission first authorized payments to the Houston Ship Channel Security District (HSCSD). These annual payments, along with the funds collected each year in assessments from the Security District's private industry members, allow the HSCSD to partner with many law enforcement entities in providing security enhancements in and around the Houston Ship Channel and the Port Authority's facilities. These water, land, and air enhancements include: (i) a security camera network monitored by the Harris County Sheriff's Office and linked to the U.S. Coast Guard and the Port Authority, (ii) additional boat patrols on the ship channel, (iii) additional landside law enforcement, and (iv) air patrols over the Houston Ship Channel.

By Sections 68.151-68.155 of the Water Code, the HSCSD is governed by eleven directors, eight from private industry and three from government agencies, including the Port Authority, which is currently represented by Jessica Thomas, Security Director.

At this time, the HSCSD has preliminarily approved its budget for fiscal year 2025 and has determined that the assessment of its members would remain unchanged from 2024. Accordingly, in line with its budget requirements and consistent with the assessment of its private industry members, the HSCSD requests a contribution from the Port Authority of \$61,675 for fiscal year 2025 (payable in 2024). The 2025 assessments from the district's private industry members and the Port Authority would enable the continued operation and maintenance of the above-described security assets for the Houston Ship Channel.

Pursuant to Section 68.315 of the Water Code, the HSCSD, and the Port Authority may enter into a contract for payment of assessments under terms mutually agreeable to the parties.

**Staff Evaluation/Justification:**

Staff recommends the Port Commission approve the execution of such an agreement and payment to the HSCSD.

## P. TECHNOLOGY

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<b>Subject</b>	<b>1. Issue a purchase order to SHI Government Solutions, Inc. for Microsoft licensing and subscriptions using the Texas Department of Information Resources cooperative purchase program, in an amount not to exceed \$2,490,696 over a three-year period and authorize a three-year renewal of the Microsoft Enterprise Agreement.</b>
Meeting	Oct 22, 2024 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its October 22, 2024 meeting, issue a purchase order to SHI Government Solutions, Inc. for Microsoft licensing and subscriptions using the Texas Department of Information Resources cooperative purchase program, in an amount not to exceed \$2,490,696 over a three-year period and authorize a three-year renewal of the Microsoft Enterprise Agreement, determine that this method provides the best value to the Port Authority, and further authorize the Chief Executive Officer to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

**Category:**

Awards, Amendments & Change Orders

**Department:**

Technology Division

**Staff Contact:**

Charles Thompson/Courtney Sullivan-Ward

**Background:**

The Microsoft Enterprise Agreement allows organizations with 500 or more users to participate in a volume licensing program that significantly reduces the cost of Microsoft licensing and provides the maximum flexibility for both on-premise and cloud-based Microsoft solutions.

The current Microsoft Enterprise Agreement expires in November 2024. The Port Authority is seeking approval to enter into a three-year renewal Enterprise Agreement with Microsoft, via its fulfillment partner SHI Government Solutions, Inc., to run through November 2027. Payment for software, software assurance, and subscription services would be annually in an amount not to exceed \$830,232.

The Port Authority is seeking to obtain Microsoft licensing and subscriptions with SHI Government Solutions, Inc. The Texas Department of Information Resources (DIR) is a department of the State of Texas, and has cooperative purchasing programs which may be used by the Port Authority.

**Staff Evaluation/Justification:**

The Director of Procurement Services has determined that procuring support and maintenance of the Port Authority's Microsoft licensing and subscriptions through the DIR purchasing program is the method that both satisfies competitive purchase requirements and provides best value to the Port Authority.

The software and services provided by Microsoft are critical to running the ongoing business of the Port Authority. The Information Technology department has determined that renewing our Enterprise Agreement with Microsoft, with software, software assurance, and subscriptions provided by fulfillment partner SHI Government Solutions, Inc.

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

## P. TECHNOLOGY

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<b>Subject</b>	<b>2. Issue a purchase order to Xennex for the purchase of support and maintenance of the Port Authority's NetApp data storage environment (data and hard drive storage), using the Texas Department of Information Resources cooperative purchase program, in an amount not to exceed \$215,000.</b>
Meeting	Oct 22, 2024 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its October 22, 2024, meeting, issue a purchase order to Xennex for the purchase of support and maintenance of the Port Authority's NetApp data storage environment (data and hard drive storage), using the Texas Department of Information Resources cooperative purchase program, in an amount not to exceed \$215,000, determine that this procurement method provides the best value to the Port Authority, and further authorize the Chief Executive Officer to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

**Category:**

Awards, Amendments & Change Orders

**Department:**

Technology Division

**Staff Contact:**

Charles Thompson/Ron Farrow

**Background:**

The Port Authority is seeking to obtain approval for the annual hardware maintenance and support for the Port Authority's NetApp data storage environment.

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

**Staff Evaluation/Justification:**

The Director of Procurement Services has determined that procuring support and maintenance of the Port Authority's NetApp data storage environment through the DIR purchasing program is the method that both satisfies competitive purchase requirements and provides best value to the Port Authority.

The Information Technology department has determined that the best availability, price, and contract term for the item needed is provided by Xennex under the pricing schedule obtained from that vendor's contract with DIR, and is therefore recommending this purchase.

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

## P. TECHNOLOGY

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<b>Subject</b>	<b>3. Issue a purchase order to Cyber One for purchase of selected vulnerability management programs along with software subscriptions, using the United States General Services Administration, an agency of the United States, in an amount not to exceed \$160,000 over a three- year period, subject to potential Port Security Grant reimbursement of \$120,000.</b>
Meeting	Oct 22, 2024 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its October 22, 2024 meeting, issue a purchase order to Cyber One for purchase of selected vulnerability management programs along with software subscriptions, using the United States General Services Administration, an agency of the United States, in an amount not to exceed \$160,000 over a three-year period, determine that this procurement method provides the best value to the Port Authority, and further authorize the Chief Executive Officer to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

**Category:**

Awards, Amendments & Change Orders

**Department:**

Technology Division

**Staff Contact:**

Charles Thompson/James O'Brien

**Background:**

The Port Authority is seeking to obtain NXGEN INFOSEC vulnerability management program and software subscriptions not exceeding \$160,000. The Port Authority expects that these vulnerability management measures would help to proactively identify, assess, and improve security measures within the Port Authority Information Technology (IT) systems. By continuously monitoring and managing vulnerabilities, staff aims to reduce the risk of cyberattacks, ensure compliance with industry standards, and protect critical Port Authority assets. This strategic approach enhances the Port Authority's overall cybersecurity posture, enabling it to stay ahead of emerging threats and safeguard the organization from potential breaches.

In 2023, the Port Authority received a Port Security Grant from the Department of Homeland Security (DHS) to support this initiative to strengthen the Port Authority's IT cybersecurity posture. The Port Security Grant was approved for a total of \$160,000 and provides that the DHS would reimburse the Port Authority for 75 percent (\$120,000) of the purchase costs, with net Port Authority funding of the remaining 25 percent (\$40,000).

**Staff Evaluation/Justification:**

The Director of Procurement Services has determined that procuring these items through the United States General Services Administration (GSA), an agency of the United States, is the method that both satisfies competitive purchase requirements and provides best value to the Port Authority. The Port Authority, as a political subdivision of the State of Texas, is authorized to use GSA for the procurement of certain items (primarily technology, security, and fire/police items).

The IT department has determined that the best availability, price, and contract term for the items needed is provided by Cyber One under the pricing schedule obtained from that vendor's contract with United States GSA, and is therefore recommending this purchase.

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

## P. TECHNOLOGY

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<b>Subject</b>	<b>4. Amend and extend the professional services contract with GHD, Inc. to provide owner's representative services for the Next Generation Enterprise Resource Planning Program in an amount not to exceed \$800,000.</b>
Meeting	Oct 22, 2024 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its October 22, 2024 meeting, approve an amendment and extension to the professional services contract with GHD, Inc. to provide owner's representative services for the Next Generation Enterprise Resource Planning Program in an amount not to exceed \$800,00, and further authorize the Chief Executive Officer to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

**Category:**

Awards, Amendments & Change Orders

**Department:**

Technology Division

**Staff Contact:**

Charles Thompson/Christopher Brown

**Background:**

By Minute Nos. 2022-0524-24 and 2023-0627-10, the Port Commission approved a contract with GHD Inc. totaling \$1,302,803 to provide professional services to support the Asset Management Strategic Improvements Initiative (AMSII) project (Phase II).

Staff advised the Port Commission that it anticipated requesting future amendments to this professional services contract, pending the performance of GHD, Inc., to extend the term and add scope for implementing each year of the five-year Phase II actions recommended in the 2021 original AMSII project scope. The services provided under the scope of the contemplated amendment and extension would be year three of five, Phase II of the AMSII project for improving the asset management and geographic information system programs, to align with industry best practices. Additionally, these services would be integrated with the Next Generation Enterprise Resource Planning project, ahead of implementation of the Port Authority's new Enterprise Resource Planning system.

**Staff Evaluation/Justification:**

Staff recommends the Port Commission approve amending the professional service contract with GHD, Inc.