

**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 29th 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 II 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 II 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