



# PORT COMMISSION MEETING

February 19, 2025 – AGENDA







**Wednesday, February 19, 2025**  
**PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY**

**11:00 a.m.**  
**111 East Loop North**  
**Houston, TX 77029**  
**Fourth Floor Boardroom**  
**And Via WebEx**

**A. CALL TO ORDER**

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**B. OPENING REMARKS BY CHAIRMAN AND COMMISSIONERS**

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1. Governance, legislative, policy, operational, and community matters
2. Resolution of the Port Commission in Honor of Commissioner Dean Corgey

**C. APPROVAL OF MINUTES**

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1. Port Commission Public Meeting - January 28, 2025

**D. STAFF REPORTS**

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1. Summary of selected financial and operational matters

**E. APPEARANCES**

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1. Employers Support of the Guard and Reserve (ESGR) Patriot Award Presentation - Ruth Rambaran, Eastern Region Manager, VST ESGR
2. Public Comment

**F. EXECUTIVE**

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**Staff Report** – Selected agenda items – Tom Heidt, Chief Operating Officer

***Awards, Amendments & Change Orders***

1. Enter into a professional services contract with The Daniels Group a/k/a The Daniels Strategy Group, LLC for civic engagement support and consulting for a one-year term in an amount not to exceed \$120,000.
2. Enter into a professional services contract with Pierpont Communications, Inc. for public relations consulting and support in an amount not to exceed \$216,000.

***General***

3. Approve the amended Port of Houston Authority Misconduct Reporting Policy.

4. Enter into an Amended and Restated Industrial District Agreement with the City of Seabrook.

#### **G. BUSINESS EQUITY**

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1. No items.

#### **H. CHANNEL INFRASTRUCTURE**

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**Staff Report** – Selected agenda items – Lori Brownell, Chief Channel Infrastructure Officer

##### ***Awards, Amendments & Change Orders***

1. Approve the revised fee schedules for Port Authority licenses and permits, barge fleeting leases and permits, and dredged material placement, effective March 1, 2025.
2. Amend the professional engineering and auditing services contract supporting the Houston Ship Channel Expansion Channel Improvement Project with AtkinsRéalis USA Inc. (formerly known as Atkins North America, Inc.) to increase the contract in an amount not to exceed \$2,845,521 and to extend the contract duration through December 31, 2029.

##### ***Permits/Licenses/Pipeline Easements***

3. Approve the renewal of expiring Port Authority pipeline and transmission line licenses for thirty-year terms for the following entities: Equistar Chemicals, LP, ExxonMobil Pipeline Company LLC, Houston Pipe Line Company LP, INEOS USA LLC, INV Propylene, LLC, Kinder Morgan Liquid Terminals LLC, and Sunoco Pipeline L.P.
4. Issue a pipeline license to ONEOK NGL Distribution System, LLC for two six-inch pipelines under and across the Southside Mainline railroad right-of-way.
5. Issue a marine construction permit to Southwest Shipyard, L.P. to dredge approximately 20,000 cubic yards adjacent to Brady Island along the Houston Ship Channel.
6. Amend a marine construction permit with Turn Services, LLC to (i) increase the submerged leased barge fleeting acreage by approximately 14.37 acres, for a total area of 30.76 acres, (ii) dredge approximately 569,444 cubic yards of material over an area of 56.2 acres, (iii) install eleven steel monopiles within the existing fleeting area, and (iv) install approximately 1,912 linear feet of sheet pile bulkhead directly in front of the existing bulkhead across from Alexander Island in San Jacinto Bay.

#### **I. COMMERCIAL**

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**Staff Report** – Selected agenda items – John Moseley, Chief Commercial Officer

##### ***Awards, Amendments & Change Orders***

1. Award a professional services contract to BSY Associates Inc. to coordinate sponsorship sales, ticket sales, advertising, promotion, hospitality, panelists, and entertainment for the Houston International Maritime Conference for a base amount of \$70,350, plus 20% commission on sponsorship, advertising, and ticket sales in an amount not to exceed \$153,000, and reimbursable expenses not to exceed \$9,000, for a total amount not to exceed \$232,350.



**General**

2. Approve a revision to the current Foreign Trade Zone 84 Zone Schedule to provide for an increase in annual zone fees, effective March 31, 2025.

**J. FINANCE**

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**Staff Report** – Selected agenda items – Tim Finley, Chief Financial Officer

***Awards, Amendments & Change Orders***

1. Authorize \$1,000,000 to fund the Port Authority's self-insurance loss fund account for workers' compensation and liability claims for insurance year 2025-2026 and authorize its third-party claims administrator to pay claims in accordance with the Amended Insurance Program and Indemnification Policy dated February 2018.
2. Approve the purchase of insurance from various carriers effective March 1, 2025, for annual primary and excess property and casualty insurance coverage needs, in a total amount not to exceed \$8,380,000.

**General**

3. Approve and adopt the proposed Internal Audit 2025 Annual Audit Plan

**K. INFRASTRUCTURE**

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**Staff Report** – Selected agenda items – Rich Byrnes, Chief Infrastructure Officer

***Awards, Amendments & Change Orders***

1. Approve staff's ranking of vendors and award a professional services contract in an amount not to exceed \$2,516,056, for the design of the Bayport Container Terminal southern access road, to the top-ranked proposer LJA Engineering, Inc.
2. Approve staff's selection of four vendors and award two-year professional services contracts, each in the amount of \$50,000, to perform construction material testing services for small projects at all Port Authority locations, to the following proposers: Atlas Technical Consultants LLC, HVJ Associates, Inc., Tolunay-Wong Engineers, Inc., and UES Professional Solutions 44, LLC.

**L. MAINTENANCE**

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**Staff Report** – Selected agenda items – Paulo Soares, Chief Port Maintenance Officer

***Awards, Amendments & Change Orders***

1. Approve staff's ranking of vendors and award a contract in an amount not to exceed \$700,000 for the purchase of one Hyster reach stacker for Bayport Container Terminal to the top-ranked proposer: staff ranking - first, Briggs Industrial Solutions, Inc.; second, Taylor Machine Works, Inc.; and third, Equipment Depot Texas, Inc.
2. Issue a purchase order to Caldwell Country Chevrolet for the purchase of approximately fifty-nine vehicles to be utilized by Barbours Cut Terminal, Bayport Container Terminal, Emergency Management, Information Technology, Port Police, Project & Construction Management, Real Estate, Security, and Turning Basin Maintenance, using Local Government Purchasing Cooperatives BuyBoard, a cooperative purchase program, in a total amount not to exceed \$3,000,000.

3. Award two, two-year contracts: one to Hunton Trane and one to Johnson Supply, Inc. for the purchase of spare and replacement parts for heating, ventilation, and air conditioning units at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal, using Local Government Purchasing Cooperatives BuyBoard, a cooperative purchase program, in an amount not to exceed \$700,000 each; and award two, two-year contracts: one to Carrier Enterprise, LLC and one to Heat Transfer Solutions for the purchase of spare and replacement parts for heating, ventilation, and air conditioning units at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal, using Local Government Purchasing Cooperatives BuyBoard, in an amount not to exceed \$300,000 each, for a total amount of contracts not to exceed \$2,000,000.

4. Amend the purchase order with Toplift North America, Inc. to provide for the rental of one Toplift Ferrari F579W reach stacker for Barbours Cut Terminal for an additional five months in an amount not to exceed \$160,000.

#### **M. OPERATIONS**

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**Staff Report** – Selected agenda item – Ryan Mariacher, Chief Port Operations Officer

##### ***General***

1. Approve a one-year Marine Terminal Service Agreement with Yang Ming Line.

#### **N. PEOPLE**

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1. No items.

#### **O. SECURITY AND EMERGENCY OPERATIONS**

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**Staff Report** – Selected agenda items – Amy Seymour, Chief Port Security and Emergency Operations Officer

##### ***General***

1. Approve the 2024 Port of Houston Authority Hazard Mitigation Plan and authorize final submission to the Texas Division of Emergency Management and the Federal Emergency Management Agency.

##### ***Awards, Amendments & Change Orders***

2. Amend the professional services contract with CAVU International I, LLC for a continuous performance improvement program in an additional amount not to exceed \$120,000.

#### **P. TECHNOLOGY**

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**Staff Report** – Selected agenda item – Charles Thompson, Chief Information Officer

##### ***Awards, Amendments & Change Orders***

1. Issue a purchase order to Smart-Tecs, the sole source provider, for spare kiosks for the Gate Operating System environment in an amount not to exceed \$165,000.

**Q. RECESS OPEN MEETING AND CONVENE EXECUTIVE SESSION**

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1. Consultation with Attorneys (Section 551.071, Texas Open Meetings Act), including consultations regarding (a) claims of Robert Jones, (b) proposed amendment to the agreements for legal services with Copeland & Rice LLP and Andrews Myers, P.C., and (c) agreement for legal support services with The Perryman Group
2. Real Estate (Section 551.072, Texas Open Meetings Act)
3. Economic Development Negotiations or Incentives (Section 551.087, Texas Open Meetings Act)
4. Employment and Evaluation of Public Officers and Employees (Section 551.074, Texas Open Meetings Act)
5. Security-Related Matters (Sections 418.175-418.183 of the Texas Government Code, and Section 551.076, Texas Open Meetings Act)
6. Adjourn Executive Session

**R. RECONVENE OPEN MEETING**

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1. Announce any items from Executive Session requiring Port Commission action

**S. CLOSING REMARKS BY CHAIRMAN AND COMMISSIONERS**

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1. Governance, legislative, policy, operational, and community matters

**T. ADJOURN MEETING**

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1. Next Meeting Requested - March 25, 2025
2. Adjourn Port Commission Meeting





## F. EXECUTIVE

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<b>Subject</b>	<b>1. Enter into a professional services contract with The Daniels Group a/k/a The Daniels Strategy Group, LLC for civic engagement support and consulting for a one-year term in an amount not to exceed \$120,000.</b>
Meeting	Feb 19, 2025 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission at its February 19, 2025 meeting, authorize the Port Authority to enter into a professional services contract with The Daniels Group a/k/a The Daniels Strategy Group, LLC for civic engagement support and consulting for a one-year term in an amount not to exceed \$120,000, effective March 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:**

Awards, Amendments & Change Orders

**Department:**

Public Relations

**Staff Contact:**

Lisa Ashley-Daniels

**Background:**

The Port Authority currently contracts with The Daniels Strategy Group, LLC to consult, recommend, and execute comprehensive support for community and public engagement and outreach efforts with ship channel communities. Staff seeks to continue these services.

**Staff Evaluation/Justification:**

Staff recommends that the Port Commission authorize the above-described contract with The Daniels Group a/k/a The Daniels Strategy Group, LLC.





## F. EXECUTIVE

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<b>Subject</b>	<b>2. Enter into a professional services contract with Pierpont Communications, Inc. for public relations consulting and support in an amount not to exceed \$216,000.</b>
Meeting	Feb 19, 2025 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its February 19, 2025 meeting, authorize the Port Authority to amend the professional services contract with Pierpont Communications for a one-year term in an amount not to exceed \$216,000, effective March 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:**

Awards, Amendments & Change Orders

**Department:**

Public Relations

**Staff Contact:**

Lisa Ashley-Daniels

**Background:**

The Port Authority currently contracts with Pierpont Communications, Inc. to consult, recommend, and continue working on consistent messaging that targets core Port Authority audiences, including industry, community, and legislative stakeholders. Staff seeks to continue these services.

**Staff Evaluation/Justification:**

Staff recommends that the Port Commission authorize the above-described contract with Pierpont Communications, Inc.



## F. EXECUTIVE

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<b>Subject</b>	<b>3. Approve the amended Port of Houston Authority Misconduct Reporting Policy.</b>
Meeting	Feb 19, 2025 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its February 19, 2025 meeting, approve the amended Port of Houston Authority Misconduct Reporting Policy, 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:**

Legal

**Staff Contact:**

Erik Eriksson

**Background:**

The Port Commission adopted the Port of Houston Authority Misconduct Reporting Policy in January 2012 and authorized its subsequent amendment in June 2014.

Port Authority legal internal and audit staff members have recently worked on an amended Misconduct Reporting Policy, the form of which is attached, to reflect Port Commission guidance and changed circumstances. Following its review of the draft, the Audit Committee acted in January to recommend Port Commission approval of the amended policy.

**Staff Evaluation/Justification:**

Staff recommends that the Port Commission approve the amended Port of Houston Authority Misconduct Reporting Policy as attached hereto.



**Port of Houston Authority  
MISCONDUCT REPORTING POLICY  
AMENDED \_\_\_\_\_, 2025**



A. Objectives. The Port of Houston Authority of Harris County, Texas (“Port Authority”) is committed to lawful, ethical, and nondiscriminatory behavior in all its activities and requires Port Commissioners and employees to act in accordance with all applicable laws, regulations, and policies and observe high standards of ethics in the conduct of their duties and responsibilities.

The objectives of this Port of Houston Authority Misconduct Reporting Policy (the “Whistleblower Policy”), are to establish policies, procedures, and protections for Whistleblowers, in order to:

1. Prevent or detect and correct improper activities.
2. Ensure compliance with the Whistleblower Act and all other state, local, and federal laws, administrative procedures, or other applicable governmental regulations regarding the reporting of wrongdoing.
3. Encourage Port Commissioners, employees, and any other individuals to report what they in good faith believe to be a violation of law or policy or any other Misconduct by the Port Authority.
4. Ensure the receipt, documentation, retention of records, and resolution of reports received under this Whistleblower Policy.
5. Protect Whistleblowers from retaliatory action.

B. Definitions. For the purposes of this Whistleblower Policy, capitalized terms used herein shall have the following meanings:

1. “Accounting Misconduct” means questionable accounting, internal accounting controls, or auditing matters, including without limitation:
  - a. Deficiencies in, or noncompliance with, the Port Authority’s internal accounting controls or accounting policies;
  - b. The circumvention or attempted circumvention of internal accounting controls;
  - c. Fraud or deliberate error in the preparation, evaluation, review, or audit of Port Authority financial statements or in the recording and maintaining of Port Authority financial records;

- d. Misrepresentation, false statements, or withholding material information regarding a matter contained in the Port Authority's financial statements, financial reports (including discussions in the Port Authority's periodic reports, audit reports, or any other failure to provide a full or fair reporting of the Port Authority's financial condition); or
  - e. Any other matter that would otherwise constitute a violation of the Port Authority's accounting policies.
- 2. "Audit Committee" means the Audit Committee of the Port Commission.
  - 3. "Audit Committee Chair" means the chairperson of the Audit Committee.
  - 4. "Chief Audit Executive" means the senior-most staff member of the department responsible for the internal audit function of the Port Authority.
  - 5. "Chief Executive Officer" means the senior-most staff executive of the Port Authority.
  - 6. "Chief Legal Officer" means the senior-most staff attorney of the Port Authority.
  - 7. "Investigator" means the Chief Legal Officer, Chief Audit Executive, or any other person, as appointed by the Chief Executive Officer, Chief Audit Executive, and/or Chief Legal Officer, Audit Committee, Audit Committee Chair, or Port Commission, as applicable, to undertake investigation of a report of Misconduct.
  - 8. "Investigator's Report" means the written report prepared by the Investigator upon conclusion of his or her investigation of alleged Misconduct.
  - 9. "Misconduct" means a violation of law or Port Authority policy by a Port Commissioner, employee, or third-party acting in connection with the Port Authority. Misconduct that should be reported includes, for purposes of illustration and without being limited to, the following:
    - a. Accounting Misconduct.
    - b. Providing false or misleading information on the Port Authority's public documents.
    - c. Providing false information to or withholding material information from the Port Commission or the Port Authority's representatives responsible for ensuring the Port Authority's compliance with legal responsibilities.

- d. Fraud or bribery.
  - e. Embezzlement, theft, or misappropriation of Port Authority funds or assets.
  - f. Use of the Port Authority funds or assets for private benefit.
  - g. Violation of Port Authority policy, including among others, the Port Authority's Code of Ethics, Standards for Employee Interaction with Interested Parties, and this Whistleblower Policy.
  - h. Violation of any applicable laws or regulations.
  - i. Unlawful harassment or retaliation, including retaliation based upon an individual's reporting of Misconduct in good faith or participating in an investigation of Misconduct in good faith.
  - j. Discrimination based on race, religion, gender, age, national origin, disability, or other impermissible grounds, including and without being limited to any violations of Title VI of the Civil Rights Act of 1964, 49 CFR, part 21, and all related regulations and directives, including Section 504 of the Rehabilitation Act of 1973; Title IX of the Education Amendments Act of 1972; Section 13 of the Federal Water Pollution Control Act Amendments of 1972; Age Discrimination Act of 1975; U.S. Department of Homeland Security regulation 6 C.F.R. Part 19; and any other non-discrimination laws implemented by 40 C.F.R. Parts 5 and 7.
  - k. Assisting or concealing any of the above or similar actions.
10. "Port Authority" means the Port of Houston Authority of Harris County, Texas.
11. "Port Commission" means the Port Commission of the Port of Houston Authority of Harris County, Texas.
12. "Reporting Service" means the Port Authority third-party managed toll free and online "hotline," that may be used to report incidents and matters of all kinds.
13. "Senior Staff Member" means any of the following Port Authority employees as designated by title or responsibilities:
- Chief Executive Officer,
  - Chief Operating Officer,
  - Chief Legal Officer,
  - Any other Chief Division Officer, or



Chief Audit Executive.

14. “Substantial Evidence” means evidence sufficient for a reasonable person to conclude that Misconduct has occurred.
15. “Whistleblower” means the Port Commissioner, employee, or any other person reporting that Misconduct has occurred, is occurring, or is likely to occur, including customers, contractors, vendors, community members, and other third parties.
16. “Whistleblower Act” means Chapter 554 of the Texas Government Code. A copy of Chapter 554 that is current as of the latest revision to this Whistleblower Policy is attached as Exhibit A.
17. “Whistleblower Act Retaliation Complaint” means a complaint under the Whistleblower Act.

C. Reporting of Misconduct.

1. Responsibility to Report. A Port Commissioner or Port Authority employee who believes in good faith that Misconduct has occurred, is occurring, or is likely to occur should report the facts or circumstances giving rise to this belief as provided in this Whistleblower Policy. Any customers, contractors, vendors, community members, and any other third parties are likewise encouraged to report Misconduct.
2. Method of Reporting. Anyone, including any Port Authority employee, may submit a report of Misconduct to the Reporting Service using one of the options set forth in Exhibit B.
  - a. Such reports can also be made to direct management either confidentially by contacting a Senior Staff Member in writing, including e-mail, or in person.
  - b. An individual may also report violation of law to a law enforcement authority that is a part of a state or local governmental entity or of the federal government that the individual in good faith believes is authorized to:
    - i. regulate under or enforce the law alleged to be violated in the report;  
or
    - ii. investigate or prosecute a violation of criminal law.
  - c. The Port Authority Employee Handbook provides additional guidance to

employees who wish to report Misconduct.

2. Timing of Report. A report of Misconduct should be made to the Reporting Service as promptly as possible, but no later than ninety (90) days after the Whistleblower becomes aware of facts or circumstances that appear to constitute Misconduct.
3. Content of Report. A report should provide sufficient information to facilitate investigation of the Misconduct, including:
  - a. A description of the Misconduct;
  - b. The date(s) and location(s) of the Misconduct;
  - c. Names of individuals involved and witnesses; and
  - d. Any evidence supporting the allegation.

In making a report, individuals should exercise reasonable care to ensure the accuracy of the information provided.

4. Reporting in Good Faith. If any facts or circumstances contained in a Whistleblower's report of Misconduct are later determined to be false or misleading, the Whistleblower shall be deemed to have committed no wrong and breached no rule under this Whistleblower Policy, provided that the report was made in good faith. However, a Port Commissioner or Port Authority employee who makes allegations that prove to be unsubstantiated, and that prove to have been made maliciously, recklessly, with gross negligence, or with the knowledge that the allegations are false, violates this Whistleblower Policy and commits Misconduct.

D. Receipt and Investigation of Allegations.

1. Alternative Measures to Achieve Policy Objectives. In the event that any action required under this Whistleblower Policy would likely create a conflict of interest or other situation that would undermine the objectives of this Whistleblower Policy, appropriate Senior Staff Member(s), Audit Committee member(s), and/or the Port Commissioner(s) may make good faith efforts to take alternative measures to achieve the objectives of this Whistleblower Policy.
2. Summary of Whistleblower Reports. The Chief Audit Executive shall periodically provide the Audit Committee with a verbal or written report summarizing all Reporting Service activity and other Whistleblower reports since the Chief Audit Executive's previous report.

3. Initial Relaying of Report of Misconduct.
  - a. Written Reports. Upon receiving a written report of Misconduct, the Reporting Service or any Port Commissioner or Port Authority employee who receives such a report shall promptly deliver such report to the Chief Audit Executive, with a copy to the Chief Legal Officer.
  - b. Verbal Report Made to Commissioner. If a Port Commissioner receives a verbal report of Misconduct, they shall relay such report to the Chief Audit Executive or Chief Legal Officer.
  - c. Verbal Report Made to Employee. If a Port Authority employee receives a verbal report of Misconduct, they shall promptly relay such report to their supervisor or manager, a Port Authority attorney, any member of Port Authority management, the Chief Audit Executive, or the Port Authority Human Resources Department.
  - d. No Relaying to Individual Involved in Misconduct. If an individual to whom a report of Misconduct would normally be relayed is alleged to have participated in or been aware of the Misconduct, then the Port Commissioner or Port Authority employee who receives the report should relay it to a Port Authority attorney, the Chief Executive Officer, the Chief Audit Executive, or a member of the Audit Committee who is not alleged to have participated in or been aware of the Misconduct.
4. Recusal. In the event a report of Misconduct alleges that any person who may participate in the investigation or decision-making process provided by this Whistleblower Policy is alleged to have participated in or been aware of the Misconduct, such person shall recuse himself or herself from the procedures set out herein.
5. Confidentiality.
  - a. Reasonable Steps. The Port Authority will take reasonable steps to maintain the anonymity and confidentiality of the Whistleblower and the information provided. However, anonymity and confidentiality cannot be guaranteed, as disclosure may be required to conduct a thorough investigation or otherwise required by applicable law, including the Texas Public Information Act, Chapter 554 of the Texas Government Code.
  - b. Voluntary Disclosure of Identity. Notwithstanding the foregoing, if the Whistleblower voluntarily discloses his or her identity to any Port Commissioner or employee of the Port Authority during or after the filing

of a report of Misconduct, the Port Authority has no responsibility to limit further dissemination or disclosure of the Whistleblower's identity, in connection with the investigation of the Whistleblower's report.

6. Determination of Further Action.

- a. Initial Discussion. Upon receiving any report of Misconduct, the Chief Audit Executive shall confer with the Chief Legal Officer regarding what actions to take in response to the report of Misconduct, provided that in the event either of them recuses themselves, the Chief Executive Officer shall appoint a replacement to carry out the duties of that person under the procedures set out herein.
- b. Determination Regarding Allegations and Next Steps. Following such consideration and discussion, if the Chief Audit Executive and Chief Legal Officer determine that:
  - i. The report does not describe Misconduct, then no further action shall be taken.
  - ii. The report describes Misconduct, but describes a violation subject to the Port Authority's employee grievance procedures or a routine workplace grievance, then:
    - a) If the employee grievance procedures relating to the allegations have not concluded, the Chief Audit Executive and Chief Legal Officer shall provide the report to the Director of Human Resources for further handling.
    - b) If the employee grievance procedures relating to the allegations have concluded, the Chief Legal Officer and any appropriate Senior Staff Member(s) shall determine if any further investigation is warranted pursuant to this Whistleblower Policy or otherwise.
  - iii. The report describes Misconduct other than that described in Section D(6)(b)(ii) above, then the Chief Audit Executive and Chief Legal Officer shall determine the appropriate individual(s) to serve as the initial Investigator(s) of the allegations.
- c. Summary of Determination. The Chief Audit Executive and Chief Legal Officer shall inform the Audit Committee Chair and/or Audit Committee of their determination and the designation of any Investigator(s).

- d. Hiring of Outside Investigators. Before hiring any outside party to serve as an Investigator, Port Authority staff shall obtain the approval of the Audit Committee Chair, Audit Committee, and/or Port Commission.
  - e. Changing Investigators. The Audit Committee Chair, Audit Committee, or Port Commission may, at any time before, during, or after an investigation, direct the Chief Executive Officer, Chief Audit Executive, and/or Chief Legal Officer to appoint additional Investigator(s) to assist with the investigation and/or replace any designated Investigator(s).
7. Conduct of Investigation.
- a. Chief Audit Officer and Chief Legal Officer Discretion. Unless otherwise instructed by the Audit Committee Chair, Audit Committee, or Port Commission, the Chief Audit Officer and Chief Legal Officer shall, subject to the other provisions of this Whistleblower Policy, retain discretion to establish and/or modify scope, sequence, and timing of the investigation and the designation of the Investigator(s).
  - b. Substantial Evidence. The Investigator shall promptly investigate the report of Misconduct, to determine whether the report is supported by Substantial Evidence. Substantial Evidence need not be admissible in a court of law.
  - c. Notice of Interviews. An Investigator shall provide notice to the Chief Legal Officer and the Chief Audit Executive prior to conducting an interview of any individual. In addition, an Investigator shall provide notice to the Audit Committee Chair and/or Audit Committee prior to conducting an interview of any Port Commissioner or Senior Staff Member.
  - d. Authorized Participants. Provided doing so serves the objectives of this Whistleblower Policy, the Investigator may authorize a member of the Audit Committee, the Chief Audit Executive, Chief Legal Officer, or any of their designees:
    - i. To participate in the investigation; or
    - ii. To inform any other the Port Authority employee, including the Whistleblower, regarding the pendency of the investigation.
  - e. Regular Updates. Members of the Audit Committee and, unless otherwise instructed by the Audit Committee Chair, Audit Committee, or Port Commission, the Chief Executive Officer, Chief Legal Officer, or their

designees may request and receive regular updates and reports concerning the progress of the investigation and the information obtained by the Investigator.

- f. Cooperation with Investigation. Port Authority employees and Port Commissioners shall cooperate fully with any investigation hereunder and provide truthful information, written statements, documents, and related materials upon the request of any Investigator. Any Port Commissioner or employee who fails to cooperate fully with any investigation hereunder violates this Whistleblower Policy and commits Misconduct.
  - g. Nondisclosure. Unless authorized by an Investigator, or as otherwise provided by this Whistleblower Policy or law, no Port Commissioner or employee may disclose to any person other than an Investigator the substance of any communication (whether verbal, electronic, or in writing) to or from any Investigator relating to the investigation.
- 8. Interference by Employees or Port Commissioners.
  - a. Except as provided in Section D(7)(d) above, no Port Commissioner or Port Authority employee (other than an Investigator) may request and/or obtain verbal or written statements or reports pertaining to the subject matter of any Misconduct investigation from any person alleged to be involved with the investigation as a Whistleblower, respondent, or witness, until such investigation is disposed of as provided herein.
  - b. No Interference. No Port Commissioner or employee shall interfere with any investigation of alleged Misconduct.
- 9. Disposition of Criminal Matters.
  - a. Substantial Evidence of Criminal Violation. Upon the Investigator's conclusion that Substantial Evidence supports an allegation of Misconduct that would violate state, local, or federal criminal law, the Investigator shall discontinue his or her investigation and deliver a copy of such Investigator's Report of such Misconduct, together with any related documents, to the Audit Committee Chair, with copies to the Chief Executive Officer, the Chief Legal Officer, and the Chief Audit Executive.
  - b. Referral of Evidence. If the Audit Committee Chair, Chief Executive Officer, Chief Legal Officer, or the Chief Audit Executive does not concur with the assessments contained in the Investigator's Report, the non-concurring party shall immediately notify the others. Unless such notice is received within twenty-four (24) hours of any such referral, the

Chief Legal Officer shall thereupon deliver such materials provided by the Investigator, in an envelope or other sealed container prominently marked “Privileged and Confidential Attorney-Client Communication – Attorney Work Product,” to the appropriate criminal law authorities.

- c. Immediate Referral. Notwithstanding the foregoing procedures, if the Audit Committee Chair, Chief Executive Officer, Chief Legal Officer, or the Chief Audit Executive concludes that a report alleging criminal Misconduct is of such a nature that immediate referral is warranted, such person may refer such matter to criminal law authorities prior to a determination of whether Substantial Evidence supports it. If any such party refers the matter to criminal law authorities, within twenty-four (24) hours thereafter, such party shall notify the others listed above of such referral.

- 10. Investigator’s Report on Allegations of Non-Criminal Misconduct. If the Investigator determines that substantial evidence supports an allegation of Misconduct but that the Misconduct does not violate a state, local, or federal criminal law (or that the violation is of such a *de minimis* nature that it is not reasonably likely to lead to criminal prosecution), the Investigator shall inform the Audit Committee Chair, with copies to the Chief Executive Officer, the Chief Legal Officer, and the Chief Audit Executive. The Investigator may prepare a verbal or written Investigator’s Report on the allegation of Misconduct.

- a. Marking Confidential. If a written report is prepared, each page of the Investigator’s Report shall be marked “Privileged and Confidential Attorney-Client Communication” and “Attorney Work Product,” as applicable.
- b. Delivery of Investigator’s Report. The Investigator shall deliver the Investigator’s Report to the Audit Committee, the Chief Executive Officer, the Chief Legal Officer, and the Chief Audit Executive.

- 11. Disposition of Non-Criminal Matters.

- a. Upon receipt of the Investigator’s Report, further action, whether disciplinary, remedial, or otherwise, regarding Misconduct by an employee of the Port Authority shall be taken at the sole discretion and direction of the Chief Executive Officer.
- b. If the Investigator’s Report contains evidence of Misconduct by the Chief Executive Officer or any person who is not an employee of the Port Authority, all further action shall be taken at the sole discretion of the Port

Commission.

- c. The Chief Executive Officer or the Port Commission, as applicable, shall send notice of the disposition of a report of Misconduct, describing the nature of an actions taken in response to the Investigator's Report, to the Audit Committee, the Chief Executive Officer, the Chief Legal Officer, and the Chief Audit Executive, as applicable. Provided doing so serves the objectives of this Whistleblower Policy, the Chief Executive Officer, the Chief Legal Officer, or the Chief Audit Executive may inform any other Port Authority employee regarding the disposition of the report.

12. Disposition of Whistleblower Act Retaliation Complaints.

- a. In addition the steps set forth above, the Chief Executive Officer or Port Commission, as applicable, may provide any remedy provided for in the Whistleblower Act to an employee whose employment is suspended or terminated or who has been subject to an adverse personnel action in violation of the Whistleblower Act.
- b. The Chief Executive Officer or the Port Commission, as applicable, shall send notice of the disposition of a Whistleblower Act Retaliation Complaint, describing the nature of the actions, if any, taken in response to the Investigator's Report, to the Audit Committee, the Chief Legal Officer, and the Chief Audit Executive, as applicable.

E. No Retaliation. The Port Authority strictly prohibits retaliation based upon any individual's reporting of Misconduct in good faith or participating in an investigation of Misconduct in good faith. Retaliation includes any adverse action taken against the individual, such as demotion, termination, harassment, discrimination, termination of agreements, or denial of opportunities.

F. Penalties for Violation of Policy. In addition to civil and criminal penalties provided under applicable law, violation of this Whistleblower Policy may subject a Port Authority employee to disciplinary action up to and including termination of employment and a Port Commissioner to reprimand or removal from office.

G. Conflict with Laws. This Whistleblower Policy does not relieve any Port Commissioner or employee of any duty to comply with state, local, and federal laws, administrative procedures, or other applicable governmental regulations regarding the reporting of legal misconduct



Exhibit "A"  
Whistleblower Act

**TEXAS GOVERNMENT CODE**  
**TITLE 5. OPEN GOVERNMENT; ETHICS**  
**SUBTITLE A. OPEN GOVERNMENT**  
**CHAPTER 554. PROTECTION FOR REPORTING VIOLATIONS OF LAW**

Sec. 554.001. DEFINITIONS. In this chapter:

- (1) "Law" means:
  - (A) a state or federal statute;
  - (B) an ordinance of a local governmental entity; or
  - (C) a rule adopted under a statute or ordinance.
- (2) "Local governmental entity" means a political subdivision of the state, including a:
  - (A) county;
  - (B) municipality;
  - (C) public school district; or
  - (D) special-purpose district or authority.
- (3) "Personnel action" means an action that affects a public employee's compensation, promotion, demotion, transfer, work assignment, or performance evaluation.
- (4) "Public employee" means an employee or appointed officer other than an independent contractor who is paid to perform services for a state or local governmental entity.
- (5) "State governmental entity" means:
  - (A) a board, commission, department, office, or other agency in the executive branch of state government, created under the constitution or a statute of the state, including an institution of higher education, as defined by Section 61.003, Education Code;
  - (B) the legislature or a legislative agency; or
  - (C) the Texas Supreme Court, the Texas Court of Criminal Appeals, a court of appeals, a state judicial agency, or the State Bar of Texas.

Sec. 554.002. RETALIATION PROHIBITED FOR REPORTING VIOLATION OF LAW. (a) A state or local governmental entity may not suspend or terminate the employment of, or take other adverse personnel action against, a public employee who in good faith reports a violation of law by the employing governmental entity or another public employee to an appropriate law enforcement authority.

(b) In this section, a report is made to an appropriate law enforcement authority if the authority is a part of a state or local governmental entity or of the federal government that the employee in good faith believes is authorized to:

- (1) regulate under or enforce the law alleged to be violated in the report; or
- (2) investigate or prosecute a violation of criminal law.

Sec. 554.003. RELIEF AVAILABLE TO PUBLIC EMPLOYEE. (a) A public employee whose employment is suspended or terminated or who is subjected to an adverse personnel action in violation of Section 554.002 is entitled to sue for:

- (1) injunctive relief;
- (2) actual damages;
- (3) court costs; and
- (4) reasonable attorney fees.

(b) In addition to relief under Subsection (a), a public employee whose employment is suspended or terminated in violation of this chapter is entitled to:

- (1) reinstatement to the employee's former position or an equivalent position;
- (2) compensation for wages lost during the period of suspension or termination; and
- (3) reinstatement of fringe benefits and seniority rights lost because of the suspension or termination.

(c) In a suit under this chapter against an employing state or local governmental entity, a public employee may not recover compensatory damages for future pecuniary losses, emotional pain, suffering, inconvenience, mental anguish, loss of enjoyment of life, and other nonpecuniary losses in an amount that exceeds:

(1) \$50,000, if the employing state or local governmental entity has fewer than 101 employees in each of 20 or more calendar weeks in the calendar year in which the suit is filed or in the preceding year;

(2) \$100,000, if the employing state or local governmental entity has more than 100 and fewer than 201 employees in each of 20 or more calendar weeks in the calendar year in which the suit is filed or in the preceding year;

(3) \$200,000, if the employing state or local governmental entity has more than 200 and fewer than 501 employees in each of 20 or more calendar weeks in the calendar year in which the suit is filed or in the preceding year; and

(4) \$250,000, if the employing state or local governmental entity has more than 500 employees in each of 20 or more calendar weeks in the calendar year in which the suit is filed or in the preceding year.

(d) If more than one subdivision of Subsection (c) applies to an employing state or local governmental entity, the amount of monetary damages that may be recovered from the entity in a suit brought under this chapter is governed by the applicable provision that provides the highest damage award.

Sec. 554.0035. WAIVER OF IMMUNITY. A public employee who alleges a violation of this chapter may sue the employing state or local governmental entity for the relief provided by this chapter. Sovereign immunity is waived and abolished to the extent of liability for the relief allowed under this chapter for a violation of this chapter.

Sec. 554.004. BURDEN OF PROOF; PRESUMPTION; AFFIRMATIVE DEFENSE. (a) A public employee who sues under this chapter has the burden of proof, except that if the suspension or termination of, or adverse personnel action against, a public employee occurs not later than the 90th day after the date on which the employee reports a violation of law, the suspension, termination, or adverse personnel action is presumed, subject to rebuttal, to be because the employee made the report.

(b) It is an affirmative defense to a suit under this chapter that the employing state or local governmental entity would have taken the action against the employee that forms the basis of the suit based solely on information, observation, or evidence that is not related to the fact that the employee made a report protected under this chapter of a violation of law.

Sec. 554.005. LIMITATION PERIOD. Except as provided by Section 554.006, a public employee who seeks relief under this chapter must sue not later than the 90th day after the date on which the alleged violation of this chapter:

(1) occurred; or

(2) was discovered by the employee through reasonable diligence.

Sec. 554.006. USE OF GRIEVANCE OR APPEAL PROCEDURES. (a) A public employee must initiate action under the grievance or appeal procedures of the employing state or local governmental entity relating to suspension or termination of employment or adverse personnel action before suing under this chapter.

(b) The employee must invoke the applicable grievance or appeal procedures not later than the 90th day after the date on which the alleged violation of this chapter:

(1) occurred; or

(2) was discovered by the employee through reasonable diligence.

(c) Time used by the employee in acting under the grievance or appeal procedures is excluded, except as provided by Subsection (d), from the period established by Section 554.005.

(d) If a final decision is not rendered before the 61st day after the date procedures are initiated under Subsection (a), the employee may elect to:

(1) exhaust the applicable procedures under Subsection (a), in which event the employee must sue not later than the 30th day after the date those procedures are exhausted to obtain relief under this chapter; or

(2) terminate procedures under Subsection (a), in which event the employee must sue within the time remaining under Section 554.005 to obtain relief under this chapter.

Sec. 554.007. WHERE SUIT BROUGHT. (a) A public employee of a state governmental entity may sue under this chapter in a district court of the county in which the cause of action arises or in a district court of Travis County.

(b) A public employee of a local governmental entity may sue under this chapter in a district court of the county in which the cause of action arises or in a district court of any county in the same geographic area that has established with the county in which the cause of action arises a council of governments or other regional commission under Chapter 391, Local Government Code.

Sec. 554.008. CIVIL PENALTY. (a) A supervisor who in violation of this chapter suspends or terminates the employment of a public employee or takes an adverse personnel action against the employee is liable for a civil penalty not to exceed \$15,000.

(b) The attorney general or appropriate prosecuting attorney may sue to collect a civil penalty under this section.

(c) A civil penalty collected under this section shall be deposited in the state treasury.

(d) A civil penalty assessed under this section shall be paid by the supervisor and may not be paid by the employing governmental entity.

(e) The personal liability of a supervisor or other individual under this chapter is limited to the civil penalty that may be assessed under this section.

Sec. 554.009. NOTICE TO EMPLOYEES. (a) A state or local governmental entity shall inform its employees of their rights under this chapter by posting a sign in a prominent location in the workplace.

(b) The attorney general shall prescribe the design and content of the sign required by this section.

Sec. 554.010. AUDIT OF STATE GOVERNMENTAL ENTITY AFTER SUIT. (a) At the conclusion of a suit that is brought under this chapter against a state governmental entity subject to audit under Section 321.013 and in which the entity is required to pay \$10,000 or more under the terms of a settlement agreement or final judgment, the attorney general shall provide to the state auditor's office a brief memorandum describing the facts and disposition of the suit.

(b) Not later than the 90th day after the date on which the state auditor's office receives the memorandum required by Subsection (a), the auditor may audit or investigate the state governmental entity to determine any changes necessary to correct the problems that gave rise to the whistleblower suit and shall recommend such changes to the Legislative Audit Committee, the Legislative Budget Board, and the governing board or chief executive officer of the entity involved. In conducting the audit or investigation, the auditor shall have access to all records pertaining to the suit.

Exhibit “B”  
Reporting Options

- Report online:  
*<https://secure.ethicspoint.com/domain/media/en/gui/65635/index.html>*
- Dial toll-free, within the United States, Guam, Puerto Rico and Canada:  
**1-800-892-2871**

## F. EXECUTIVE

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<b>Subject</b>	<b>4. Enter into an Amended and Restated Industrial District Agreement with the City of Seabrook.</b>
Meeting	Feb 19, 2025 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its February 19, 2025 meeting, authorize the Port Authority to enter into an Amended and Restated Industrial District Agreement with the City of Seabrook, 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:**

Executive

**Staff Contact:**

Jordan Frisby

**Background:**

In January 2008, the Port Commission approved a settlement agreement and associated Industrial District Agreement with the City of Seabrook, covering the southern portion Bayport Terminal property. The 15-year term for the agreement has expired and an amended and restated agreement has now been negotiated.

In conjunction with that negotiation, the Port Commission acted in January to authorize the Port Authority to amend the above-referenced settlement agreement with the City of Seabrook.

The amended and restated Industrial District Agreement provides, among other things, that during the 15-year term of the agreement, all Port Authority-owned property within the Bayport complex maintains extraterritorial status within the Seabrook Industrial District, is immune from annexation by the City of Seabrook, and is exempt from any exercise of the city's police power or powers of health, safety, and welfare. The agreement also acknowledges that the city has no obligation to provide any governmental, proprietary, or other municipal services to the Industrial District property during its term.

**Staff Evaluation/Justification:**

Staff recommends that the Port Commission authorize the Port Authority to enter into a the Amended and Restated and Industrial District Agreement with the City of Seabrook.



## H. CHANNEL INFRASTRUCTURE

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<b>Subject</b>	<b>1. Approve the revised fee schedules for Port Authority licenses and permits, barge fleeting leases and permits, and dredged material placement, effective March 1, 2025.</b>
Meeting	Feb 19, 2025 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its February 19, 2025 meeting, approve the revised fee schedules for Port Authority licenses and permits, barge fleeting leases and permits, and dredged material placement, effective March 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:**

Awards, Amendments & Change Orders

**Department:**

Channel Infrastructure Real Property

**Staff Contact:**

Garry McMahan

**Background:**

Revisions to three categories of rates under existing fee schedules are recommended.

First, annual rate adjustments have been updated on the rate schedule for non-petroleum pipelines, electrical/transmission/communications lines, and surface sites, for the standard yearly adjustment based on the July Consumer Price Index (CPI) of the prior calendar year.

Petroleum and chemical pipeline rates would remain the same through December 31, 2029.

In addition, historically, no application or license fees have been required for utilities serving Port Authority properties and no application fees or As-Built deposits have been required for environmental projects by non-profit organizations. This update to the fee schedule is intended to reflect historic and current practices.

Second, by Minute No. 2017-0627-36, the Port Commission approved a barge fleeting policy, and by Minute No. 2018-0416-20, the Port Commission approved the barge fleeting program rates. Many leases were executed with an effective date of January 1, 2019, for those customers who were fleeting on or before January 1, 2019. These lease terms also include an annual rental adjustment, usually the greater of 3% or the CPI. However, the current rate sheet does not apply the annual rental rate adjustment to the initial rental rate, meaning a private adjacency customer who enters into a lease today would have a lower rental rate than customers who have been leasing since 2019 and have been subject to annual adjustments.

Staff proposes to modify the barge fleeting lease rate so that new lessees would be subject to the same rental rates as existing lessees and to allow for future annual rate adjustments on January 1 of each year, to be the greater than 3% or CPI. However, barge fleeting permit application fees would remain unchanged.

Third, dredge material placement agreement rates have not been updated in nineteen years (since 2005). Staff evaluated the annual CPI since 2005 and have proposed a new rate consistent with the implementation of annual adjustments between 2005 and 2024, increasing the rate from \$4.12 to

\$6.73 per cubic yard. Users were notified in December 2024 of the upcoming price increase; no comments were received.

**Staff Evaluation/Justification:**

Staff recommends that the Port Commission approve the revised fee schedules for Port Authority licenses and permits, barge fleeting lease and permits, and dredged material placements effective March 1, 2025.



# FEE SCHEDULE FOR PORT OF HOUSTON AUTHORITY LICENSES AND PERMITS

## Effective March 1, 2025

### APPLICATIONS

**Application Fees** \$1,000

A \$1,000 fee is required for new issuances, renewals, and amendments of the following: Licenses (pipelines, transmission, or communication lines), Surface Site Licenses, Marine Construction Permits (e.g., for docks, dredging, bulkheads, moorings, etc.), Dredged Material Placement Agreements, Temporary Access Licenses, Seismic Exploration and other Right-of-Entry Letters, including transfers, assignments, name changes, and other amendments.

**As-Built Deposit Fee** \$10,000

A \$10,000 deposit for “As-Built” drawings is required for all new and alteration construction work for licensed and permitted improvements. Such deposit will be refunded, when acceptable “As-Built” drawings are furnished to the Port Authority as required in the license/permit, or if the applicable work project is canceled. If “As-Built” drawings have not been furnished within one year of completion of project installation, the \$10,000 deposit will be forfeited to the Port Authority.

### LICENSES

See below. Provided that the Port Authority reserves the right to charge lease rates, rather than license fees, for pipelines, transmission lines, or communication lines on or crossing Port Authority terminals.

**WAIVERS.** No Application or License fees are required for utilities serving Port Authority property. No Application Fees or As-Built Deposits are required for environmental projects by non-profit organizations.

Application Fee plus the license rate described below.

<b>Pipelines Petroleum/Chemical<sup>1</sup></b>	<b>Rate per LF</b>	<b>Minimum, per line per crossing</b>
8" and under	\$9.64	\$4,772.00
Over 8" but not over 16" diameter	\$11.57	\$5,727.00
Over 16" but not over 32" diameter	\$21.21	\$7,953.00
Over 32" but not over 48" diameter	\$33.74	\$14,316.00
Over 48" but not over 64" diameter	\$46.28	\$17,497.00
Over 64" but not over 80" diameter	\$60.73	\$20,678.00
Over 80" but not over 96" diameter	\$74.23	\$24,450.00
96" and greater	\$86.76	\$30,223.00

<sup>1</sup> The following provisions are applicable to petroleum and chemical pipeline licenses only:

A. **Terms:** Upon the licensee’s request, newly issued or renewal petroleum and chemical pipeline licenses may run for terms of up to thirty years, with payment being due at 10-year intervals (in years 1, 11, and 21) and rate adjustments in year 11 and year 21 based on the then-prevailing license rate as determined below.

B. **Rate Adjustments:**

i. The Port Authority shall maintain the license rates for petroleum and chemical pipeline licenses as prescribed in this Fee Schedule through December 31, 2029.

ii. The rates for new or renewal petroleum and chemical pipeline licenses would be adjusted beginning January 1, 2030 and on January 1 of each following year of the term of the license, based upon the July CPI of the prior calendar year.

iii. Rate adjustments under No. 2(b) above would be not less than 2.5% or more than 6%.

<b>Pipelines Non-Petroleum / Non-Chemical<sup>2</sup> (e.g. water lines, conduits, etc.)</b>	<b>Rate per LF</b>	<b>Minimum, per line per crossing</b>
8" and under	\$3.98	\$1,966.00
Over 8" but not over 16" diameter	\$5.47	\$2,240.00
Over 16" but not over 32" diameter	\$10.41	\$4,304.00
Over 32" but not over 48" diameter	\$17.41	\$7,097.00
Over 48" but not over 64" diameter	\$23.61	\$8,681.00
Over 64" but not over 80" diameter	\$31.30	\$11,114.00
Over 80" but not over 96" diameter	\$38.23	\$13,548.00
96" and greater	\$38.88	\$15,985.00

<b>Electrical Transmission / Distribution / Communication Lines<sup>2</sup></b>	<b>Rate per LF</b>	<b>Minimum, per line per crossing</b>
12KV / Communication	\$3.98	\$1,966.00
35KV	\$4.61	\$2,164.00
69KV	\$4.76	\$2,361.00
138KV	\$5.18	\$2,557.00
345KV	\$5.55	\$2,755.00
Distribution Poles	\$258.00	each
Transmission Towers	\$1,034.00	each

## **OTHER**

Application Fee plus the license rate described below.

<b>Type</b>	<b>Rate</b>	<b>Unit</b>	<b>Minimum</b>
Surface Site Licenses <sup>2</sup> (e.g. valve sites, road grade crossings, pipe bridges, access)	\$5.02	per sq. ft.	\$8,285.00
Dredged Material Placement Agreements	\$6.73	per cubic yard	NA
Seismic Exploration (Right-of-Entry Letter) 3D	\$25.00	per acre	\$2,475.00
Seismic Exploration (Right-of-Entry Letter) 2D	\$2,475.00	per mile	\$2,475.00
Barge Fleeting	See separate rate schedule		

## **DELINQUENT RENEWAL FEES**

The Licensee/Permittee must apply to renew its License before expiration (renewal notices are a courtesy only).

For delinquencies of 30 days or less, the greater of 5% of the License Fee or \$25.00
For delinquencies of more than 30 days, the greater of 10% of the License Fee or \$50.00
<u>Authority</u> <u>Minute No. 2025-0215-</u> <u>of Port Commission Meeting of February 15, 2025.</u>

<sup>2</sup> The following provisions are applicable to non-petroleum and non-chemical pipelines, electrical transmission/distribution, communication, and surface site licenses only:

A. **Terms:** Upon the licensee's request, newly issued or renewal non-petroleum and non-chemical pipeline, electrical transmission/distribution, and surface site licenses may run for terms of up to thirty years, with payment being due at 10-year intervals (in years 1, 11, and 21) and rate adjustments as determined below.

B. **Rate Adjustments:** The rates for new or renewal non-petroleum and non-chemical pipeline, electrical transmission/distribution, and surface site licenses will be adjusted on January 1 of each year, for the term of the existing licenses and new licenses, based upon the July CPI of the prior calendar year.

**FEE SCHEDULE FOR PORT OF HOUSTON AUTHORITY**  
**BARGE FLEETING PERMITS AND LEASES**  
**Effective March 1, 2025**

**BARGE FLEETING PERMIT APPLICATIONS**

**Application Fees** \$1,000

A \$1,000 fee is required for barge fleeting installations and other work (e.g., bulkheads, moorings, docks, dredging, etc.) on the Houston Ship Channel, its tributaries, and other Port Authority property.

**As-Built Deposit Fee** \$10,000

A \$10,000 deposit for “As-Built” drawings is required at time of permit application. Such deposit will be refunded, when acceptable “As-Built” drawings are furnished to the Port Authority as required in the permit, or if the applicable work project is canceled. If “As-Built” drawings have not been furnished within one year of completion of project installation, the \$10,000 deposit will be forfeited to the Port Authority.

**LEASES (SUBMERGED LANDS, PRIVATE ADJACENCY)**

A \$1,000 Application Fee is required for new leases,  
plus the lease rates listed below. \$1,000

<b>Leased Premises Categories<sup>1</sup></b>	<b>Monthly Lease Rate</b>
Piers, Docks, Breakwaters, Bulkheads, Moorings, Dolphins, etc.	\$1,905.65/acre
Fill Areas	\$1,905.65/acre
Dredged Areas	\$127.04/acre
Open Encumbered Areas	\$127.04/acre
Barge Fleeting Areas	\$381.13/acre

**LEASES (SUBMERGED LANDS, PUBLIC ADJACENCY and  
SUBMERGED LANDS, OPEN WATER)**

A \$1,000 Application Fee is required for new leases,  
plus the lease rate described below. \$1,000

<b>Leased Premises Categories</b>	<b>Monthly Lease Rate</b>
Piers, Docks, Breakwaters, Bulkheads, Moorings, Dolphins, etc. Fill Areas Dredged Areas Open Encumbered Areas Barge Fleeting Areas	Negotiated rates apply (typically as one parcel without regard to category)

**ASSIGNMENTS, NAME CHANGES, OR AMENDMENTS** \$1,000

**DELINQUENT LEASE RENEWALS AND UNAUTHORIZED ACTIVITY**

The tenant must apply to renew before expiration (renewal notices are a courtesy only).

A new Application Fee will be required if leases are not timely renewed, and holdover rents may apply.  
Authority Minute No. 2025-0219-\_\_\_\_\_ of Port Commission Meeting of February 19, 2025.

<sup>1</sup> Rate Adjustments: The rates for new or renewal leases will be adjusted on January 1 of each year based upon the July CPI of the prior calendar year.



## H. CHANNEL INFRASTRUCTURE

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Subject	<b>2. Amend the professional engineering and auditing services contract supporting the Houston Ship Channel Expansion Channel Improvement Project with AtkinsRéalis USA Inc. (formerly known as Atkins North America, Inc.) to increase the contract in an amount not to exceed \$2,845,521 and to extend the contract duration through December 31, 2029.</b>
Meeting	Feb 19, 2025 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its February 19, 2025, meeting, amend the professional engineering and auditing services contract supporting the Houston Ship Channel Expansion Channel Improvement Project with AtkinsRéalis USA Inc. (formerly known as Atkins North America, Inc.) to increase the contract in an amount not to exceed \$2,845,521 and to extend the contract duration through December 31, 2029, 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:**

Channel Infrastructure

**Staff Contact:**

Lori Brownell/Seth Danso

**Background:**

By Minute Nos. 2020-0428-39, 2020-0730-27, 2020-1027-18, 2021-1026-20, 2022-0617-03, and 2024-0123-06 the Port Commission awarded and amended the professional services contract to Atkins North America, Inc. (now known as AtkinsRéalis USA Inc.) to perform engineering and auditing services, and other general assistance, on an as-needed basis for the Houston Ship Channel Expansion Channel Improvement Project (Project 11).

The proposed amendment to the AtkinsRéalis contract would:

1. Extend the contract, which is set to expire on December 31, 2025, for four additional years;
2. Authorize AtkinsRéalis USA Inc. and its sub-consultant CohnReznick to provide continued accounting services for Project 11 Work in Kind (WIK) accounting and Land, Easements, Rights-of-Way, Relocation, and Disposal Areas (LERRD) support; and
3. Increase the contract amount by \$2,845,521, for a total contract amount not to exceed \$8,453,603.

**Staff Evaluation/Justification:**

In the judgment of Port Authority staff, AtkinsRéalis USA Inc. and its sub-consultant, CohnReznick, provide valuable auditing services and the staff recommends continuing their services for the duration of Project 11.

Staff recommends the Port Commission authorize an amendment to the professional services contract with AtkinsRéalis USA Inc. as described above.



## H. CHANNEL INFRASTRUCTURE

<b>Subject</b>	<b>3. Approve the renewal of expiring Port Authority pipeline and transmission line licenses for thirty-year terms for the following entities: Equistar Chemicals, LP, ExxonMobil Pipeline Company LLC, Houston Pipe Line Company LP, INEOS USA LLC, INV Propylene, LLC, Kinder Morgan Liquid Terminals LLC, and Sunoco Pipeline L.P.</b>
Meeting	Feb 19, 2025 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its February 19, 2025 meeting, authorize the Port Authority to renew expiring Port Authority pipeline and transmission line licenses for thirty-year terms for the following entities: Equistar Chemicals, LP, ExxonMobil Pipeline Company LLC, Houston Pipe Line Company LP, INEOS USA LLC, INV Propylene, LLC, Kinder Morgan Liquid Terminals LLC, and Sunoco Pipeline L.P.; 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/Chris Gossett

**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>
Equistar Chemicals, LP	1975-0131	\$254,120
Equistar Chemicals, LP	2005-0107	\$8,874
Equistar Chemicals, LP	2005-0108	\$128,023
Equistar Chemicals, LP	2017-0100	\$11,454
Equistar Chemicals, LP	2017-0102	\$9,544
ExxonMobil Pipeline Company LLC	2019-0158	\$7,953
Houston Pipe Line Company LP	2005-0033	\$5,727
INEOS USA LLC	1995-0105	\$9,544
INV Propylene, LLC	2005-0027	\$196,584
Kinder Morgan Liquid Terminals LLC	2005-0111	\$8,874
Kinder Morgan Liquid Terminals LLC	2015-0113	\$70,888
Kinder Morgan Liquid Terminals LLC	2015-0114	\$40,190
Kinder Morgan Liquid Terminals LLC	2015-0159	\$5,727
Sunoco Pipeline L.P.	2015-0016	\$11,134
<b>Total</b>		<b>\$768,636</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>4. Issue a pipeline license to ONEOK NGL Distribution System, LLC for two six-inch pipelines under and across the Southside Mainline railroad right-of-way.</b>
Meeting	Feb 19, 2025 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its February 19, 2025 meeting, authorize a pipeline license to ONEOK NGL Distribution System, LLC for two six-inch pipelines under and across the Southside Mainline railroad right-of-way, 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/Mollie Powell

**Background:**

ONEOK NGL Distribution System, LLC, Port Authority File No. 2025-0003, has applied for a pipeline license for two six-inch pipelines under and across the Southside Mainline railroad right-of-way, in the Thomas Earle Survey, A-18, to provide butane from the MVP Terminal to customers north of the railroad.

**Staff Evaluation/Justification:**

The application was reviewed and approved by the Port Authority's Channel Infrastructure Real Property department and Port Terminal Railroad Association. The \$1,000 application fee and the \$10,000 as-built deposit have been paid.

Staff recommends approval.



## H. CHANNEL INFRASTRUCTURE

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<b>Subject</b>	<b>5. Issue a marine construction permit to Southwest Shipyard, L.P. to dredge approximately 20,000 cubic yards adjacent to Brady Island along the Houston Ship Channel.</b>
Meeting	Feb 19, 2025 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its February 19, 2025 meeting, authorize the Port Authority to issue a marine construction permit to Southwest Shipyard, L.P. to dredge approximately 20,000 cubic yards adjacent to Brady Island along the Houston Ship Channel, 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/Chris Gossett

**Background:**

Southwest Shipyard, L.P., Port Authority File No. 2024-0372, has applied for a marine construction permit to dredge approximately 20,000 cubic yards adjacent to Brady Island along the Houston Ship Channel.

The dredged material would be transported off-site to a permitted private landfill.

**Staff Evaluation/Justification:**

The application was reviewed and approved by the Port Authority's Channel Infrastructure Real Property department. The \$1,000 application fee and the \$10,000 as-built deposit have been waived.

Staff recommends approval.



## H. CHANNEL INFRASTRUCTURE

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Subject	<b>6. Amend a marine construction permit with Turn Services, LLC to (i) increase the submerged leased barge fleeting acreage by approximately 14.37 acres, for a total area of 30.76 acres, (ii) dredge approximately 569,444 cubic yards of material over an area of 56.2 acres, (iii) install eleven steel monopiles within the existing fleeting area, and (iv) install approximately 1,912 linear feet of sheet pile bulkhead directly in front of the existing bulkhead across from Alexander Island in San Jacinto Bay.</b>
Meeting	Feb 19, 2025 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its February 19, 2025 meeting, authorize the Port Authority to amend a marine construction permit with Turn Services, LLC to (i) increase the submerged leased barge fleeting acreage by approximately 14.37 acres, for a total area of 30.76 acres, (ii) dredge approximately 569,444 cubic yards of material over an area of 56.2 acres, (iii) install eleven steel monopiles within the existing fleeting area, (iv) install approximately 1,912 linear feet of sheet pile bulkhead directly in front of the existing bulkhead across from Alexander Island in San Jacinto Bay, and (v) 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/Chris Gossett

**Background:**

Turn Services, LLC, Port Authority File No. 2021-0185, has applied to amend a marine construction permit to dredge approximately 569,444 cubic yards of material over an area of 56.2 acres, install eleven steel monopiles within the existing fleeting area, and install approximately 1,912 linear feet of sheet pile bulkhead directly in front of the existing bulkhead across from Alexander Island in San Jacinto Bay.

By Minute No. 2021-0720-23, Turn Services, LLC was issued a marine construction permit for barge fleeting activities on 16.39 acres adjacent to Alexander Island Barge Channel in the Enoch Brinson Survey, A-5.

**Staff Evaluation/Justification:**

The application was reviewed and approved by the Port Authority's Channel Infrastructure Real Property department. The \$1,000 application fee and the \$10,000 as-built deposit have been waived.

Staff recommends approval.



## I. COMMERCIAL

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Subject	<b>1. Award a professional services contract to BSY Associates Inc. to coordinate sponsorship sales, ticket sales, advertising, promotion, hospitality, panelists, and entertainment for the Houston International Maritime Conference for a base amount of \$70,350, plus 20% commission on sponsorship, advertising, and ticket sales in an amount not to exceed \$153,000, and reimbursable expenses not to exceed \$9,000, for a total amount not to exceed \$232,350.</b>
Meeting	Feb 19, 2025 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action, Information
Recommended Action	The Port Commission, at its February 19, 2025 meeting, award a professional services contract to BSY Associates Inc. to coordinate sponsorship sales, ticket sales, advertising, promotion, hospitality, panelists, and entertainment for the Houston International Maritime Conference for a base amount of \$70,350, plus 20% commission on sponsorship, advertising, and tickets sales in an amount not to exceed \$153,000, and reimbursable expenses not to exceed \$9,000, for a total amount not to exceed \$232,350, 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="#">PEOPLE AND ORGANIZATION Foster a collaborative, results-oriented organization and culture of shared leadership.</a> <a href="#">Strategic Objective PEOPLE AND ORGANIZATION - CAPITAL Ensure Fiscal Responsibility</a>

**Category:**

Awards, Amendments, & Change Orders

**Department:**

Commercial

**Staff Contact:**

Christine Abbruscato

**Background:**

The Houston International Maritime Conference (HIMC) is a Port Authority event promoting maritime trade, commerce, import and export container trade, high, wide, and heavy cargo, sustainability, warehousing/distribution, Foreign Trade Zone benefits, and regional workforce development. This event supports partnerships with customers, trade partners, elected officials, labor, environmental leaders, community representatives, and maritime education partners to advocate for the maritime industry. The Port Authority seeks to continue providing access to this conference to a greater audience, growing the event to enable partners to engage and promote the Port Authority as America's distribution hub for the next generation.

For nearly fifty years, BSY Associates Inc. (BSYA) has provided the international maritime industry with marketing communications, public relations, conference and event planning, consulting, design creativity, social media, website development, and crisis management for a full array of shipping and related industries. This includes ocean carriers, ports, terminals, inland carriers, intermodal support, associations, and non-profit organizations, among others.

**Staff Evaluation/Justification:**

Staff recommends the Port Commission award a contract for professional services to BSYA to coordinate sponsorship sales, ticket sales, advertising, promotion, hospitality, panelists, and entertainment for HIMC as described above.



## I. COMMERCIAL

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<b>Subject</b>	<b>2. Approve a revision to the current Foreign Trade Zone 84 Zone Schedule to provide for an increase in annual zone fees, effective March 31, 2025.</b>
Meeting	Feb 19, 2025 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its February 19, 2025 meeting, approve a revision to the current Foreign Trade Zone 84 Zone Schedule to provide for an increase in annual zone fees, effective March 31, 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.
Goals	<a href="#">PARTNERSHIPS Expand regional maritime opportunities and enhance collaboration with stakeholders.</a> <a href="#">MARITIME ECONOMIC DEVELOPMENT Facilitate safe navigation and grow maritime commerce within the Houston Ship Channel complex.</a>

**Category:**

General

**Department:**

Economic Development

**Staff Contact:**

Rina Lawrence

**Background:**

The Port Authority is grantee of Foreign Trade Zone (FTZ) 84, and that role manages and administers one of the largest zones in the United States. FTZ 84 has been a critical asset for facilitating international trade and enhancing the competitiveness of businesses within our region, and driving economic growth. The zone's services have consistently provided significant value to operators and users, contributing to operational efficiency and cost-effectiveness.

Currently, FTZ 84 operates under a well-defined Zone Schedule that outlines the rules, regulations, and policies governing the zone's operations. This schedule also details the annual fees assessed by the Port Authority. The Port Authority adopted this Zone Schedule when it became a grantee of FTZ 84 in 1983, and in 1992 made modifications to its zone fees. In 2014, the U.S. FTZ Board regulations required Zone Schedules to be updated and posted; there were no modifications to zone fees noted at that time.

Since the last revision of its fees in 1992, significant growth and economic changes have necessitated a reassessment of the fee structure.

Staff is now proposing that the fees assessed by the Port Authority for operators within FTZ 84 be revised as follows.

Annual Zone Fees, based on Zone Site Acreage

<b>Current Fees</b>	<b>Revised Fees</b>
Less than one acre - \$5,000	Less than one acre - \$7,000
Between one and five acres - \$7,000	Between one and five acres - \$9,000
Greater than five acres - \$9,000	Greater than five acres - \$12,000

The proposed fee increase is a proactive step to ensure the long-term success and sustainability of FTZ 84. This fee increase would allow the Port Authority to expand its FTZ services, attract new businesses to the zone, and create jobs and greater value for the region, which supports the Port Authority's Strategic Goal of Maritime Economic Development, and staff remains committed to maintaining the highest level of service to support the needs of zone operators and users.

**Staff Evaluation/Justification:**

Staff recommends the Port Commission approve the proposed revision to the current FTZ 84 Zone Schedule to provide for an increase to annual zone fees. This action would support the sustainability, efficiency, and competitiveness of FTZ 84 and uphold the Port Authority's role as a leading gateway for global trade.

## J. FINANCE

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Subject	<b>1. Authorize \$1,000,000 to fund the Port Authority's self-insurance loss fund account for workers' compensation and liability claims for insurance year 2025-2026 and authorize its third-party claims administrator to pay claims in accordance with the Amended Insurance Program and Indemnification Policy dated February 2018.</b>
Meeting	Feb 19, 2025 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its February 19, 2025 meeting, authorize \$1,000,000 to fund the Port Authority's self-insurance loss fund account for workers' compensation and liability claims for the insurance year 2025-26 and authorize its third-party claim administrator to pay claims from such account in accordance with the Amended Insurance Program and Indemnification Policy dated February 2018, 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 PEOPLE AND ORGANIZATION - CULTURE Elevate the Employee Experience</a> <a href="#">PEOPLE AND ORGANIZATION Foster a collaborative, results-oriented organization and culture of shared leadership.</a>

**Category:**

Awards, Amendments & Change Orders

**Department:**

Risk Management

**Staff Contact:**

Norma Essary

**Background:**

By Minute No. 2010-0928-09, the Port Commission authorized a self-insurance program effective March 1, 2010. Port Authority staff recommended several minor amendments in February 2015 and March 2018, and those were subsequently approved by the Port Commission when it adopted an Amended Insurance Program and Indemnification Policy (Program) by Minute No. 2015-0224-40, as amended by Minute No. 2018-0327-13.

The Program has been a cost-effective risk financing alternative to traditional insurance, and would continue to protect the Port Authority, the Port Commission, and employees for the insurance year from March 1, 2025 to February 28, 2026.

**Staff Evaluation/Justification:**

Based upon actuarial projections as of October 2023 and analysis of the cumulative funded position of the reserve, staff recommends the Port Commission authorize \$1,000,000 to be added into the dedicated self-insurance loss fund account, to pay for all covered claim costs and expenses related to workers compensation and liability claims expected to be incurred during the 2025-2026 insurance year.

These funds are initially retained by the Port Authority; periodic transfers would be made to the Port Authority's third-party claim administrator on an "as-needed" basis to enable payment of claim costs.

Staff recommends the Port Commission authorize funding the Port Authority's self-insurance loss fund account for workers' compensation and liability claims for insurance year 2025-2026, and as otherwise described above.

## J. FINANCE

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<b>Subject</b>	<b>2. Approve the purchase of insurance from various carriers effective March 1, 2025, for annual primary and excess property and casualty insurance coverage needs, in a total amount not to exceed \$8,380,000.</b>
Meeting	Feb 19, 2025 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	<p>The Port Commission, at its February 19, 2025 meeting, (i) approve the purchase of insurance from various carriers effective March 1, 2025, for annual primary and excess property and casualty insurance coverage needs as set forth below, in a total amount not to exceed \$8,380,000, (ii) authorize contract renewal negotiations with the insurance carriers prior to contract expiration, to better determine in advance the need to issue a formal request for proposals for the next contract year, and (iii) further authorize the Chief Executive Officer to do any and all things reasonable or necessary to give effect to the foregoing.</p> <p>Type of Coverage; Premium; Carrier(s)</p> <p>(1) Property - \$2,662,446 with various parties within a Layered Program, as depicted on the attached participation graph</p> <p>(2) Contractors Equipment (STS Cranes) - \$2,721,278 within a Layered Program, as depicted on the attached participation graph</p> <p>    a) Additional Cranes \$492,658 Layered</p> <p>(3) Boiler &amp; Machinery/Equipment Breakdown - \$139,466 with carrier Travelers</p> <p>(4) Terrorism - \$35,871 with carrier Lloyd's of London</p> <p>(5) Excess Workers' Compensation - \$294,794 with carrier Midwest Employers</p> <p>(6) Excess Umbrella - 1,127,568 with new carriers layered</p> <p>    a) 2024-25 Excess Umbrella Audit - \$202,000</p> <p>(7) Public Officials - \$299,778 with carriers AIG, ACE, Ironshore, RSUI, and Ascot</p> <p>(8) Crime - \$9,335 with carrier Travelers</p> <p>(9) Cyber - \$120,624 with carrier Crum &amp; Forster</p> <p>(10) Fiduciary Liability - \$58,900 with carriers Great American and Ironshore</p> <p>(11) Special Events - \$8,063 with carrier Nationwide</p> <p>(12) Fire Truck Auto PD - \$17,005 with carrier Great American</p> <p>(13) Foreign Package - \$2,500 with carrier AIG</p> <p>(14) Special Crime - \$10,838 with U.S. Specialty Insurance Co.</p> <p>(15) Mobile Command Center - \$29,951 with carrier Travelers Lloyds</p> <p>(16) Maritime Education - \$1,141 with carrier Federal Insurance</p> <p>(17) UST/AST - \$4,866 with carrier Commerce &amp; Industry</p> <p>(18) Hull/Protection &amp; Indemnity (Marine) - \$119,790 with carrier Travelers</p> <p>(19) Pollution for P/I (Vessels) - \$10,282 with carriers State National, Starr, and Ascot</p>
Goals	<p><b>MARITIME ECONOMIC DEVELOPMENT</b> Facilitate safe navigation and grow maritime commerce within the Houston Ship Channel complex.</p> <p><b>Strategic Objective PEOPLE AND ORGANIZATION - CAPITAL</b> Ensure Fiscal Responsibility</p>

**Category:**

Awards, Amendments & Change Orders

**Department:**

Risk Management

**Staff Contact:**

Norma Essary

**Background:**

McGriff Insurance Services (McGriff) serves as the Port Authority's Broker of Record in procuring coverage for its property and casualty insurance program.

McGriff's contractual responsibilities include assisting staff in developing insurance specifications, soliciting domestic and global insurance marketplace carriers, assisting in evaluating proposals and negotiating policy terms and conditions, with recommendations for placement of coverage.

**Staff Evaluation/Justification:**

Staff recommends, and McGriff concurs, that the Port Commission authorize entering into contracts with the carriers indicated herein for the type of coverage and maximum annual premiums listed, as providing the best value to the Port Authority to address its property and casualty risk exposures.

The total amount requested by staff of \$8,380,000 takes into account that premiums on several policies are subject to adjustment for asset additions, actual payroll amounts, and revenue, as well as the timing and values of asset additions.

## J. FINANCE

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<b>Subject</b>	<b>3. Approve and adopt the proposed Internal Audit 2025 Annual Audit Plan</b>
Meeting	Feb 19, 2025 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its February 19, 2025 meeting, approve and adopt the proposed 2025 Annual Audit 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:**

Audit

**Staff Contact:**

Shannon Williams

**Background:**

Section 5007.226(e) of the Texas Special District Local Laws Code requires that the Port Commission "create, approve, and make available on the Port Authority's website a risk-based annual audit plan" and Port Commission Charter to "[review] and approve the annual audit plan and all major changes to the plan."

**Staff Evaluation/Justification:**

The proposed project plan consists of a variety of performance/operational reviews, compliance audits, policy and procedure assessments, and internal control evaluation reviews, and anticipates unplanned management requests. The proposed project plan also includes special investigations, prior engagement monitoring, audit support projects, and the outsourcing of specialized technical skills, when needed.

The proposed plan was developed by considering prior audit results and plans, current entity projects, entity operating results, and input from entity-wide leadership and non-leadership resources, including audit staff knowledge and experience. The work plan was designed to address risk areas or areas with limited audit history, while realistically managing the scope of work the Internal Audit Department can accomplish with the staffing resources available.

The plan is a flexible commitment and may be revised during the year with guidance and input from the Audit Committee, input from Port Authority staff based on audit results and findings, and consideration of internal control procedures and assessment of high-risk areas.

The proposed annual audit plan was presented, discussed, and approved by the Audit Committee at its meeting on January 28, 2025.

Accordingly, staff recommends that the Port Commission act as described above.





## K. INFRASTRUCTURE

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<b>Subject</b>	<b>1. Approve staff's ranking of vendors and award a professional services contract in an amount not to exceed \$2,516,056, for the design of the Bayport Container Terminal southern access road, to the top-ranked proposer LJA Engineering, Inc.</b>
Meeting	Feb 19, 2025 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its February 19, 2025 meeting, approve staff's ranking of vendor and award a professional services contract in an amount not to exceed \$2,516,056 for the design of the Bayport Container Terminal southern access road to the top-ranked proposer LJA Engineering, 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	<a href="#">Strategic Objective MARITIME ECONOMIC DEVELOPMENT - CARGO</a> <a href="#">Maximize Capacity and Regional Competitiveness</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 the Bayport Southern Access Road. LJA Engineering, Inc. (LJA) would provide project management, design, and limited proposal phase support for the project. In addition, staff may amend the contract at a later date to include additional design for later phases and for construction phase services.

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

**Staff Evaluation/Justification:**

On November 20, 2024, eight RFQ responses were received and opened. The responses were reviewed and evaluated by staff in accordance with the selection criteria published in the RFQ.

Following staff Executive Committee review, staff recommends that the Port Commission award a contract to LJA, the most highly qualified provider, for the design of the Bayport Container Terminal southern access road, and act as otherwise described above.



## K. INFRASTRUCTURE

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Subject	<b>2. Approve staff's selection of four vendors and award two-year professional services contracts, each in the amount of \$50,000, to perform construction material testing services for small projects at all Port Authority locations, to the following proposers: Atlas Technical Consultants LLC, HVJ Associates, Inc., Tolunay-Wong Engineers, Inc., and UES Professional Solutions 44, LLC.</b>
Meeting	Feb 19, 2025 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its February 19, 2025 meeting, staff's selection of four vendors and award two-year professional services contracts, each in the amount of \$50,000, to perform construction material testing services for small projects at all Port Authority locations, to the following proposers: Atlas Technical Consultants LLC, HVJ Associates, Inc., Tolunay-Wong Engineers, Inc., and UES Professional Solutions 44, 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.
Goals	<a href="#">Strategic Objective MARITIME ECONOMIC DEVELOPMENT - CARGO</a> <a href="#">Maximize Capacity and Regional Competitiveness</a>

**Category:**

Awards, Amendments & Change Orders

**Department:**

Project and Construction Management

**Staff Contact:**

Roger H. Hoh, P.E.

**Background:**

This procurement would provide for construction material testing services (CMT) for smaller projects at all terminals which do not require a separate CMT budget. Per Section 60.463(c) of the Texas Water Code, in certain circumstances the Port Authority is required to hire a third-party inspection firm to independently test the acceptability of construction materials installed by the contractor. This procurement would provide such third-party inspection services for those projects.

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

**Staff Evaluation/Justification:**

On January 22, 2025, nine RFQ responses were received and opened. The responses were reviewed and evaluated by staff in accordance with the selection criteria published in the RFQ.

Following staff Executive Committee review, staff recommends that the Port Commission award four two-year professional services contracts, each in the amount of \$50,000 and act as otherwise described above.



## L. MAINTENANCE

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Subject	<b>1. Approve staff's ranking of vendors and award a contract in an amount not to exceed \$700,000 for the purchase of one Hyster reach stacker for Bayport Container Terminal to the top-ranked proposer: staff ranking - first, Briggs Industrial Solutions, Inc.; second, Taylor Machine Works, Inc.; and third, Equipment Depot Texas, Inc.</b>
Meeting	Feb 19, 2025 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its February 19, 2025 meeting: (a) approve staff's ranking of vendors, based on the selection criteria, in the following order – first, Briggs Industrial Solutions, Inc.; second, Taylor Machine Works, Inc.; and third, Equipment Depot Texas, Inc.; (b) award a contract to the top-ranked proposer for the purchase of one Hyster reach stacker for Bayport Container Terminal in an amount not to exceed \$700,000; (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 Objective MARITIME ECONOMIC DEVELOPMENT - CARGO</a> <a href="#">Maximize Capacity and Regional Competitiveness</a>

**Category:**

Award, Amendments & Change Orders

**Department:**

Maintenance

**Staff Contact:**

Michael Gignac

**Background:**

The Port Authority seeks to purchase one reach stacker for Bayport Container Terminal. Currently, a reach stacker is being leased at Barbours Cut Terminal with satisfactory results. To achieve the best value, purchasing a reach stacker is most cost-effective than continuing to lease one.

The Port Authority notified vendors regarding its request for proposals (RFP) for this purchase 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 January 15, 2025, six RFP 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 most qualified to provide the required services:

- Briggs Industrial Solutions, Inc.
- Taylor Machine Works, Inc.
- Equipment Depot Texas, Inc.

Following staff Executive Committee review, staff recommends that the Port Commission award a contract to Briggs Industrial Solutions, Inc. for the purchase of one Hyster Reach Stacker for Bayport Container Terminal, and act as otherwise described above.

## L. MAINTENANCE

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Subject	<b>2. Issue a purchase order to Caldwell Country Chevrolet for the purchase of approximately fifty-nine vehicles to be utilized by Barbours Cut Terminal, Bayport Container Terminal, Emergency Management, Information Technology, Port Police, Project &amp; Construction Management, Real Estate, Security, and Turning Basin Maintenance, using Local Government Purchasing Cooperatives BuyBoard, a cooperative purchase program, in a total amount not to exceed \$3,000,000.</b>
Meeting	Feb 19, 2025 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its February 19, 2025 meeting, issue a purchase order to Caldwell Country Chevrolet for the purchase of approximately fifty-nine vehicles to be utilized by Barbours Cut Terminal, Bayport Container Terminal, Emergency Management, Information Technology, Port Police, Project & Construction Management, Real Estate, Security, and Turning Basin Maintenance, using Local Government Purchasing Cooperatives BuyBoard, a cooperative purchase program, in a total amount not to exceed \$3,000,000, 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.
Goals	<a href="#">Strategic Objective MARITIME ECONOMIC DEVELOPMENT - CARGO</a> <a href="#">Maximize Capacity and Regional Competitiveness</a>

**Category:**

Awards, Amendments & Change Orders

**Department:**

Maintenance

**Staff Contact:**

Michael Gignac

**Background:**

The Central Maintenance department, with recommendations from Barbours Cut Terminal, Bayport Container Terminal, Emergency Management, Information Technology, Port Police, Project & Construction Management, Real Estate, Security, and Turning Basin Maintenance prepared specifications for new and replacement vehicles to promote a safe work environment and cost-effective operations.

Staff believes that an estimated total of fifty-nine vehicles would be needed for 2025 including eighteen vehicles for Barbours Cut Terminal (departments 127 and 128), sixteen vehicles for Bayport Container Terminal (departments 129 and 131), four vehicles for Emergency Management, six vehicles for Information Technology, five vehicles for Port Police, three vehicles for Project & Construction Management, one vehicle for Real Estate, two vehicles for Security and four vehicles for Turning Basin Terminal.

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

**Staff Evaluation/Justification:**

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

Staff compared vehicle prices obtained from local and non-local dealerships, taking into consideration the statutory competitive procurement requirements, and has determined that purchasing these vehicles using the LGPC of BuyBoard satisfies statutory requirements and provides the best value to the Port Authority. BuyBoard websites list several pre-approved dealerships. Staff reviewed the vehicle specifications from these providers and determined that Caldwell Country Chevrolet is the vendor with the best price of vehicles under the pricing schedule pursuant to that vendor's contract with the LGPC's BuyBoard and meets the Port Authority's requirements.

Staff recommends that the Port Commission issue a purchase order to Caldwell Country Chevrolet for the purchase of approximately fifty-nine vehicles and act as otherwise provided above.



## L. MAINTENANCE

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Subject	<b>3. Award two, two-year contracts: one to Hunton Trane and one to Johnson Supply, Inc. for the purchase of spare and replacement parts for heating, ventilation, and air conditioning units at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal, using Local Government Purchasing Cooperatives BuyBoard, a cooperative purchase program, in an amount not to exceed \$700,000 each; and award two, two-year contracts: one to Carrier Enterprise, LLC and one to Heat Transfer Solutions for the purchase of spare and replacement parts for heating, ventilation, and air conditioning units at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal, using Local Government Purchasing Cooperatives BuyBoard, in an amount not to exceed \$300,000 each, for a total amount of contracts not to exceed \$2,000,000.</b>
Meeting	Feb 19, 2025 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its February 19, 2025 meeting, award two, two-year contracts: one to Hunton Trane and one to Johnson Supply, Inc. for the purchase of spare and replacement parts for heating, ventilation, and air conditioning units at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal, using Local Government Purchasing Cooperatives BuyBoard, a cooperative purchase program, in an amount not to exceed \$700,000 each; and award two, two-year contracts: one to Carrier Enterprise, LLC and one to Heat Transfer Solutions for the purchase of spare and replacement parts for heating, ventilation, and air conditioning units at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal, using Local Government Purchasing Cooperatives BuyBoard, in an amount not to exceed \$300,000 each, for a total amount of contracts not to exceed \$2,000,000, and further authorize the Chief Executive Officer to do any and all things in his reasonable or necessary to give effect to the foregoing.

**Category:**

Awards, Amendments & Change Orders

**Department:**

Maintenance

**Staff Contact:**

Michael Gignac

**Background:**

The Port Authority owns several brands of heating, ventilation, and air conditioning (HVAC) systems ranging from small non-commercial units to more complex water-chilled systems. These systems are installed on hundreds of buildings and terminal equipment at all three terminals. The HVAC systems maintain an adequate work environment in all facility office buildings and additionally are relied upon daily for the proper operation of the Information Technology server rooms as well as terminal equipment. Given the large number of different brands, staff seeks the award of two-year contracts to four contractors using the Local Government Purchasing Cooperatives BuyBoard program.

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

**Staff Evaluation/Justification:**

The Procurement Services Department has determined that procuring spare and replacement parts for HVAC units through the BuyBoard Cooperative Purchasing Program is the method that both satisfies competitive purchase requirements and provides the best value to the Port Authority.

Staff compared prices obtained from local and non-local contractors, taking into consideration the statutory competitive procurement requirements, and has determined that purchasing these parts and supplies using the LGPC of BuyBoard satisfies statutory requirements and provides the best value to the Port Authority. BuyBoard websites list several pre-approved contractors. Staff reviewed specifications from these providers and determined that Hunton Trane, Johnson Supply, Inc., Carrier Enterprise, LLC, and Heat Transfer Solutions are the vendors with the best price for spare and replacement parts for HVAC units under the pricing schedule pursuant to the vendors' contract with the LGPC's BuyBoard and meets the Port Authority's requirements.

Staff recommends that the Port Commission approve awards to these four vendors for the purchase of spare and replacement parts for HVAC units at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal.

## L. MAINTENANCE

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**Subject**                      **4. Amend the purchase order with Toplift North America, Inc. to provide for the rental of one Toplift Ferrari F579W reach stacker for Barbours Cut Terminal for an additional five months in an amount not to exceed \$160,000.**

Meeting                      Feb 19, 2025 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access                      Public

Type                      Action

Recommended  
Action                      The Port Commission, at its February 19, 2025 meeting, amend the purchase order with Toplift North America, Inc. to provide for the rental of one Toplift Ferrari F579W reach stacker for Barbours Cut Terminal for an additional five months in an amount not to exceed \$160,000, 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:**

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. On October 22, 2024, this rental agreement was extended for another five months while staff solicited competitive proposals to purchase a reach stacker meeting its needs.

Purchase of a reach stacker is now expected to be readvertised to promote increased participation, however, the Port Authority Operations would benefit from continued use of this rental machine during the new solicitation period.

**Staff Evaluation/Justification:**

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



## M. OPERATIONS

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<b>Subject</b>	<b>1. Approve a one-year Marine Terminal Service Agreement with Yang Ming Line.</b>
Meeting	Feb 19, 2025 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its February 19, 2025 meeting, approve a one-year Marine Terminal Service Agreement with Yang Ming Line, and further authorize the Chief Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

**Category:**

General

**Department:**

Operations

**Staff Contact:**

Mike Shaffner

**Background:**

The Port Authority expects to continue to invest in the expansion of the Bayport Container Terminal and the improvement of facilities at Barbours Cut Terminal to add capacity ahead of demand and improve service to our customers at these terminals.

To support ongoing investment and to properly plan and prioritize capital investments in these terminals, the Port Authority has entered into Marine Terminal Services Agreements (MTSAs) with nearly all container carriers. The agreement requires a regional volume commitment to the Port Authority's public container terminals, and in return, a volume incentive is provided.

Yang Ming Line (YML) has been a long-standing customer of the Port Authority, but only recently crossed the minimum threshold of 10,000 loaded units required to qualify for an MTSA. This MTSA would provide for the benefits and obligations of the MTSA from that date.

**Staff Evaluation/Justification:**

Staff recommends the Port Commission approve the above on the terms described.



## O. SECURITY AND EMERGENCY OPERATIONS

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<b>Subject</b>	<b>1. Approve the 2024 Port of Houston Authority Hazard Mitigation Plan and authorize final submission to the Texas Division of Emergency Management and the Federal Emergency Management Agency.</b>
Meeting	Feb 19, 2025 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its February 19, 2025 meeting, approve the 2024 Port of Houston Authority Hazard Mitigation Plan and authorize final submission to the Texas Division of Emergency Management and the Federal Emergency Management Agency, 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="#">MARITIME ECONOMIC DEVELOPMENT</a> Facilitate safe navigation and grow maritime commerce within the Houston Ship Channel complex.

**Category:**

General

**Department:**

Emergency Management

**Staff Contact:**

Colin Rizzo

**Background:**

The purpose of the Port Authority's proposed hazard mitigation plan (HMP) is to document a strategy to reduce the impact of disasters that occur within the jurisdiction of the Port Authority. The planning process, which began in 2023, identified the natural disaster risks and vulnerabilities that are common to this area. After identifying these risks, the plan documents long-term strategies for protecting people and property from similar events.

Emergency Management staff, at the direction of a steering committee, worked with various Port Authority departments, port stakeholders and organizations, tenants, and local governmental jurisdictions, along with a consultant (Integrated Solutions), to complete the written plan. The completed plan was approved by the Texas Division of Emergency Management (TDEM) and Federal Emergency Management Agency (FEMA) on December 4, 2024, pending Port Commission approval.

A FEMA-approved hazard mitigation plan is required for eligibility for grant funds through FEMA's Hazard Mitigation Assistance programs. Funds from this federal grant program may be awarded directly to the Port Authority to implement mitigation projects identified in the HMP.

**Staff Evaluation/Justification:**

Staff recommends the Port Commission approve the 2024 Port of Houston Authority Hazard Mitigation Plan and authorize submittal to TDEM and FEMA.





## O. SECURITY AND EMERGENCY OPERATIONS

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<b>Subject</b>	<b>2. Amend the professional services contract with CAVU International I, LLC for a continuous performance improvement program in an additional amount not to exceed \$120,000.</b>
Meeting	Feb 19, 2025 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its February 19, 2025 meeting, amend the professional services contract with CAVU International I, LLC for a continuous performance improvement program in an additional amount not to exceed \$120,000, 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:**

Port Security and Emergency Operations

**Staff Contact:**

Amy Seymour

**Background:**

In August 2024, the Port Authority entered into a professional services contract for \$21,888 with CAVU International I, LLC (CAVU) for a continuous performance improvement (CPI) program for the Port Security and Emergency Operations (PSEO) Division. The scope of services under the professional services contract provided for leadership alignment (Phase 1) and workforce assessment (Phase 2) and contemplated additional services—onsite coaching (Phase 3) and program sustainment (Phase 4)—to be performed at a later time.

CAVU has completed Phase 1 and Phase 2 and has provided staff with a proposal and scope of services for Phase 3 in an amount not to exceed \$120,000. Phase 3 would include leadership training, onsite coaching and mentoring, and related deliverables.

The Port Authority has contracted with CAVU for similar services in the past for other divisions, including the Infrastructure and Commercial Divisions, and has been determined to be highly qualified to do so.

**Staff Evaluation/Justification:**

The CPI program is expected to result in a more collaborative and supportive workforce sustained by a culture of continuous improvement. Staff has reviewed and evaluated the proposal and scope of services for the additional services and recommends that the Port Commission authorize the amendment of the professional services contract on the terms described above.



## P. TECHNOLOGY

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<b>Subject</b>	<b>1. Issue a purchase order to Smart-Tecs, the sole source provider, for spare kiosks for the Gate Operating System environment in an amount not to exceed \$165,000.</b>
Meeting	Feb 19, 2025 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its February 19, 2025 meeting, issue a purchase order to Smart-Tecs LLC, the sole source provider, for the purchase of spare kiosks for the Gate Operating System environment in an amount not to exceed \$165,000, 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:**

Information Technology

**Staff Contact:**

Ron Farrow/Charles Thompson

**Background:**

The Port Authority currently utilizes Smart-Tecs LLC as its Gate Operating System (GOS) provider to maintain and support all components with the GOS environment. Purchasing these spare kiosks directly from Smart-Tecs LLC ensures that all components are supported by Smart-Tecs LLC and would continue to be supported in the event their kiosks are damaged in any way. In addition to these devices being supported by Smart-Tecs LLC, any installation assistant or warranty work would be handled directly with Smart-Tecs technical support.

**Staff Evaluation/Justification:**

Section 60.412 of the Water Code provides that a purchase for an item that can be obtained only from one source is exempt from certain procurement requirements of the Water Code. Port Authority staff has received a written statement from the manufacturer confirming that Smart-Tecs LLC is the sole authorized source of the Port Authority's GOS spare kiosks in the United States.

Staff recommends the Port Commission approve issuing a purchase order to Smart-Tecs LLC for spare kiosks for the GOS.

