

F. EXECUTIVE

Subject 1. Approve the actuarial audit of the Port of Houston Authority Restated Retirement Plan August 1, 2021 Actuarial Valuation.

Meeting Apr 26, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its April 26, 2022 meeting, approve the actuarial audit of the Port of Houston Authority Restated Retirement Plan August 1, 2021 Actuarial Valuation, including the Independent Auditors Report prepared by Gabriel, Roeder, Smith & Company dated March 11, 2022, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

General

Department:

Internal Audit

Staff Contact:

Shannon Williams

Background:

Section 802.1012 of the Texas Government Code requires an actuarial audit of any public retirement system in Texas with total assets of at least \$100 million. The assets in the Port of Houston Authority Restated Retirement Plan (the Pension Plan) as of August 1, 2021, were valued at \$226 million, and therefore, the Port Authority engaged Gabriel, Roeder, Smith & Company to perform the required actuarial audit.

The actuarial audit involved an independent verification and analysis of the assumptions, procedures, and methods used by Milliman, Inc., the Port Authority's retained actuary, in its valuation of Pension Plan assets as of August 1, 2021 to ensure that the conclusions were technically sound and conform to the appropriate Standards of Practice as promulgated by the Actuarial Standards Board.

The Independent Auditors Report prepared by Gabriel, Roeder, Smith & Company dated March 11, 2022, opines that the August 1, 2021 Actuarial Valuation of the Pension Plan prepared by Milliman, Inc. provides a fair and reasonable assessment of the financial position of the Pension Plan.

Staff Evaluation/Justification:

Port Commission members were previously provided a copy of the Independent Auditors Report prepared by Gabriel, Roeder, Smith & Company dated March 11, 2022, and each Commissioner was given the opportunity to discuss it with staff.

Staff recommends that the Port Commission approve the Independent Auditors Report, whereupon the Executive Director of the Port Authority will act to ensure a copy is submitted to the Texas Pension Review Board in compliance with statutory requirements.

F. EXECUTIVE

Subject	2. Adopt the Business Equity Committee Charter to amend and restate the Procurement and Small Business Development Task Force Charter.
Meeting	Apr 26, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 26, 2022 meeting, adopt the Business Equity Committee Charter to amend and restate the Procurement and Small Business Development Task Force Charter.

Category:
General

Department:
Executive

Staff Contact:
Erik Eriksson

Background:

In order to aid the efficient and transparent conduct of Port Authority affairs, at its May 24, 2011 meeting, the Port Commission formally designated five standing Port Commission task forces, including a Procurement and Small Business Development Task Force.

The Port Commission approved and adopted the Procurement and Small Business Development Task Force Charter at its March 26, 2013 meeting, and amended it at its September 27, 2016 meeting.

At its March 23, 2021 meeting, the Port Commission reconstituted the Port Commission's Procurement and Small Business Development Task Force as the Business Equity Committee.

At its October 19, 2021 and January 19, 2022 meetings, the Business Equity Committee considered revising its charter to reflect its focus on Business Equity matters and provide for a new mission statement to align with that focus, as well as its continued work to monitor the Port Authority's procurement activities and create and update relevant policies.

Staff Evaluation/Justification:

Following committee review of the draft amended charter, and its recommendation that the Port Commission approve the updated mission statement, legal staff is now submitting the draft charter, incorporating that mission statement and making other ministerial changes, to the Port Commission for its consideration.

H. COMMERCIAL

Subject **1. Approve an amendment to the lease with Cooper/Ports America, LLC for approximately 3.20 acres out of Block 21 at Northside Turning Basin, to extend the term for one year with four one-year mutual renewal options, effective no earlier than June 1, 2022, at an annual base rent of approximately \$94,329, subject to annual base rent escalation of the greater of 3% or the increase in the Consumer Price Index, upon the election of each one-year mutual renewal option.**

Meeting Apr 26, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its April 26, 2022 meeting, approve an amendment to the lease with Cooper/Ports America, LLC for approximately 3.20 acres out of Block 21 at Northside Turning Basin, to extend the term for one year with four one-year mutual renewal options, effective no earlier than June 1, 2022, at an annual base rent of approximately \$94,329, subject to annual base rent escalation of the greater of 3% or the increase in the Consumer Price Index, upon the election of the each one-year mutual renewal option, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

Category:

Leases

Department:

Real Estate

Staff Contact:

R.D. Tanner

Background:

By Minute No. 2017-0524-06, the Port Commission approved a one-year lease with Cooper/Ports America, LLC for approximately 3.20 acres, which includes (i) a concrete open storage area of approximately 57,210 square feet, (ii) Warehouse 21-A covering approximately 50,000 square feet, (iii) an apron area adjacent to Warehouse 21-A of approximately 12,500 square feet, and (iv) a rail spur of approximately 500 linear feet, out of Block 21 at Northside Turning Basin. This property is used for handling non-hazardous project and break-bulk cargo.

By Minute Nos. 2018-0416-11, 2019-0423-19, 2020-0428-13, and 2021-0427-12, the Port Commission approved multiple amendments to extend the term of the lease by one year in each of 2018, 2019, 2020, and 2021, respectively.

Cooper/Ports America, LLC has requested that the Port Authority extend the term of the lease for an additional one year with four one-year mutual renewal options. The annual base rent would be subject to annual base rent escalation of the greater of 3% or the increase in the Consumer Price Index upon the election of each one-year renewal option.

Staff Evaluation/Justification:

Staff recommends the Port Commission approve the proposed lease amendment and extension with four one-year mutual renewal options.

H. COMMERCIAL

Subject	2. Approve an amendment to the lease with Empire Stevedoring (Houston) Inc. for approximately 2.75 acres in Block 11 at the Turning Basin area (West), to extend the term for one year, effective no earlier than June 1, 2022, at an annual base rent of approximately \$64,825.
Meeting	Apr 26, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 26, 2022 meeting, approve an amendment to the lease with Empire Stevedoring (Houston) Inc. for approximately 2.75 acres in Block 11 at the Turning Basin area (West), to extend the term for one year, effective no earlier than June 1, 2022, at an annual base rent of approximately \$64,825, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #3 - PARTNERSHIPS (Develop and Strengthen External Partnerships) Strategic Objective 3a. - Cultivate key relationships to accomplish common goals STRATEGIC GOAL #4 - STEWARDSHIP (Create Greater Value for the Region) Strategic Objective 4d. - Support sustainable growth of Port Houston and the greater Port

Category:

Leases

Department:

Real Estate

Staff Contact:

R. D. Tanner

Background:

By Minute No. 2021-0323-33, the Port Commission approved a one-year lease with Empire Stevedoring (Houston) Inc. (Empire Stevedoring) for approximately 2.75 acres out of Block 11 at the Turning Basin area (West). The property is used for handling and storing steel products and general cargo.

Empire Stevedoring has requested that the Port Authority extend the term of the lease for an additional one year and would use the premises for the same purpose as described above.

Empire Stevedoring is also requesting a one-year lease extension under another lease for approximately 0.74 acres out of Block 1 at the Southside Wharves, under a separate agenda item at the April 26, 2022 Port Commission meeting.

Additionally, by Minute No. 2022-0321-32, the Port Commission approved amendments to another lease and an associated freight handling assignment agreement with Empire Stevedoring for approximately 5.08 acres at the Southside Wharves to extend the term for five years each.

Staff Evaluation/Justification:

Staff recommends the Port Commission approve the proposed lease amendment and extension.

H. COMMERCIAL

Subject	3. Approve an amendment to the lease with Empire Stevedoring (Houston) Inc. for approximately 0.74 acres out of Block 1 at the Southside Wharves, to extend the term for one year, effective no earlier than June 1, 2022, at an annual base rent of approximately \$33,879.
Meeting	Apr 26, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 26, 2022 meeting, approve an amendment to the lease with Empire Stevedoring (Houston) Inc. for approximately 0.74 acres out of Block 1 at the Southside Wharves, to extend the term for one year, effective no earlier than June 1, 2022, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #3 - PARTNERSHIPS (Develop and Strengthen External Partnerships) Strategic Objective 3a. - Cultivate key relationships to accomplish common goals STRATEGIC GOAL #4 - STEWARDSHIP (Create Greater Value for the Region) Strategic Objective 4d. - Support sustainable growth of Port Houston and the greater Port

Category:

Leases

Department:

Real Estate

Staff Contact:

R. D. Tanner

Background:

By Minute No. 2021-0323-33, the Port Commission approved a one-year lease with Empire Stevedoring (Houston) Inc. (Empire Stevedoring) for approximately 0.74 acres out of Block 1 at the Southside Wharves. The property is used for handling and storing steel products and general cargo.

Empire Stevedoring has requested that the Port Authority extend the term of the lease for an additional one year, and would use the premises for the same purpose as described above.

Empire Stevedoring is also requesting a one-year lease extension under another lease for approximately 2.75 acres out of Block 11 at the Turning Basin area (West), under a separate agenda item at the April 26, 2022 Port Commission meeting.

Additionally, by Minute No. 2022-0321-32, the Port Commission approved amendments to another lease and an associated freight handling assignment agreement with Empire Stevedoring for approximately 5.08 acres at the Southside Wharves to extend the term for five years each.

Staff Evaluation/Justification:

Staff recommends the Port Commission approve the proposed lease amendment and extension.

I. FINANCE

Subject	1. Approve the fiscal year 2021 Annual Comprehensive Financial Report.
Meeting	Apr 26, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 26, 2022 meeting, approve the fiscal year 2021 Annual Comprehensive Financial Report, including the Report of Independent Public Accountants prepared by BKD, LLP dated April 18, 2022, and further authorizes the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #4 - STEWARDSHIP (Create Greater Value for the Region)

Category:
General

Department:
Accounting

Staff Contact:
Curtis Duncan

Background:

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

By Minute No. 2020-0730-12, the Port Commission approved staff's ranking of vendors and awarded a professional services contract for professional auditing services for the fiscal year ending 2020, with options to renew for two additional one-year terms, to BKD, LLP.

Staff Evaluation/Justification:

BKD, LLP has completed its audit of the Port Authority's financial statements for the fiscal year ended December 31, 2021, and staff has now provided the Port Commission with the latest draft of the Port Authority's fiscal year 2021 Annual Comprehensive Financial Report (ACFR), which includes the Report of Independent Public Accountants prepared by BKD, LLP dated April 18, 2022.

Staff recommends that the Port Commission formally approve the 2021 ACFR, whereupon the Executive Director of the Port Authority would submit the ACFR, along with the required filing affidavit, to the Executive Director of the TCEQ.

J. INFRASTRUCTURE

Subject 1. Award a construction contract to AAA Asphalt Paving, Inc. for the 2022 annual pavement drainage and dust control work at Turning Basin Terminal in an amount not to exceed \$1,229,865.

Meeting Apr 26, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its April 26, 2022 meeting, award a construction contract to AAA Asphalt Paving, Inc. for the 2022 annual pavement drainage and dust control work at Turning Basin Terminal in an amount not to exceed \$1,229,865, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

Category:

Awards, Amendments & Change Orders

Department:

Project and Construction Management

Staff Contact:

Roger H. Hoh, P.E.

Background:

This project consists of asphalt, pavement, drainage, and dust suppression efforts at Turning Basin Terminal.

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

Staff Evaluation/Justification:

On March 9, 2022, two CSBs were received, opened, and publicly read. The responses were reviewed and evaluated by staff in accordance with the published criteria.

Staff recommends that the Port Authority award a contract to AAA Asphalt Paving, Inc., the responsible bidder submitting the lowest and best bid, for the annual pavement drainage and dust control work at Turning Basin Terminal in 2022.

J. INFRASTRUCTURE

Subject	2. Amend the Advanced Funding Agreement with the Texas Department of Transportation to increase the funding for drainage improvements connected to the Southbound Loop 610 Feeder Road at the Turning Basin Terminal in the amount of \$230,471.
Meeting	Apr 26, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 26, 2022 meeting, amend the existing Advanced Funding Agreement with Texas Department of Transportation Houston District Office to increase the funding for drainage improvements connected to the Southbound Loop 610 Feeder Road at the Turning Basin Terminal in the amount of \$230,471, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Awards, Amendments & Change Orders

Department:

Project and Construction Management

Staff Contact:

Roger H. Hoh, P.E.

Background:

By Minute No. 2016-1213-25, the Port Commission awarded a professional services contract to CivilTech Engineering for drainage improvements connected to the Southbound Loop 610 Feeder Road at the Turning Basin Terminal.

By Minute No. 2017-0926-29, the Port Commission authorized an Advanced Funding Agreement (AFA) with Texas Department of Transportation (TxDOT) in the amount of \$509,788 for these drainage improvements. Pursuant to the AFA, TxDOT agreed to fund up to \$200,000 and perform 100% of the construction management/inspection and material testing, including all environmental permitting in its right-of-way.

By Minute No. 2019-0326-28, the Port Commission authorized an AFA with TxDOT in the amount of \$334,967 due to an expanded scope. The additional work consisted of the removal and installation of a security fence, a traffic control plan, tree planting, supplementary pipe installation, temporary shoring, asphalt pavement, and more signs, barricades, and inlets.

This amendment would consist of nine construction change orders and an increase due to overrun bid items totaling \$230,471.

CivilTech Engineering has reviewed the construction cost estimate and found it to be fair and reasonable.

Staff Evaluation/Justification:

The aforementioned work is necessary, and staff recommends the Port Commission approve the amendment of the AFA with TxDOT.

J. INFRASTRUCTURE

Subject	3. Amend the professional services contract with Lockwood, Andrews & Newnam, Inc. to perform services for additional design for the rail spur at Bayport Container Terminal in an amount not to exceed \$172,710.
Meeting	Apr 26, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 26, 2022 meeting, approve an amendment to the professional services contract with Lockwood, Andrews & Newnam, Inc. to perform services for additional design for the rail spur at Bayport Container Terminal in an amount not to exceed \$172,710, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Awards, Amendments & Change Orders

Department:

Project and Construction Management

Staff Contact:

Roger H. Hoh, P.E.

Background:

This proposed amendment would consist of structural design phase, construction phase services, electrical design phase, subsurface utility engineering (SUE) investigation, permitting, drafting, and surveying.

Staff Evaluation/Justification:

Staff has reviewed Lockwood, Andrews & Newnam, Inc.'s proposal and found it to be fair and reasonable.

Staff recommends the Port Commission approve the amendment of the professional services contract with Lockwood, Andrews & Newnam, Inc.

J. INFRASTRUCTURE

Subject	4. Approve a change order with George Hedge Contractors, Inc. for ballast material cost escalation associated with construction of the rail spur at Bayport Container Terminal Phase 2 in an amount not to exceed \$70,268.
Meeting	Apr 26, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 26, 2022 meeting, approve a change order with George Hedge Contractors, Inc. to perform additional work associated with construction of the rail spur at Bayport Container Terminal Phase 2 in an amount not to exceed \$70,268, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #2 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)

Category:

Awards, Amendments & Change Orders

Department:

Project and Construction Management

Staff Contact:

Roger H. Hoh, P.E.

Background:

By Minute No. 2018-0925-28, the Port Commission awarded a construction contract to George Hedge Contractors, Inc. for construction of the rail spur at Bayport Container Terminal Phase 2.

This proposed change order addresses material (ballast) cost escalation. The contractor has requested an increase for the remaining quantity of ballast at the new cost:

<u>Quantity</u>	<u>Unit</u>	<u>Unit Price</u>	<u>Total Amount</u>
9,540	Net Ton	\$7.3656	\$70,268

This is the first change order to this contract for a total change order value to date of \$70,268, which is 14.5% of the total contract value.

Staff Evaluation/Justification:

Port Authority staff has reviewed the proposal submitted by George Hedge Contractors, Inc. and found it to be fair and reasonable.

Therefore, staff recommends that the Port Commission authorize this change order.

J. INFRASTRUCTURE

Subject	5. Approve a change order with Jerdon Enterprise, Inc. to perform additional work associated with the annual pavement replacement at Barbours Cut Terminal and Bayport Container Terminal 2021-2022 in an amount not to exceed \$604,120.
Meeting	Apr 26, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 26, 2022 meeting, approve a change order with Jerdon Enterprise, Inc. to perform additional work associated with the annual pavement replacement at Barbours Cut Terminal and Bayport Container Terminal in 2021-2022 in an amount not to exceed \$604,120, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #2 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)

Category:

Awards, Amendments & Change Orders

Department:

Project and Construction Management

Staff Contact:

Roger H. Hoh, P.E.

Background:

By Minute No. 2021-1207-23, the Port Commission awarded a construction contract to Jerdon Enterprise, Inc. for the annual pavement replacement at Barbours Cut Terminal and Bayport Container Terminal in 2021-2022.

This proposed change order addresses two items: overtime and scope increase for Task Order No. 6.

This is the first change order to this contract, for a total change order value to date of \$604,120, which is 22% of the total contract value.

Staff Evaluation/Justification:

Port Authority staff has reviewed the proposal submitted by Jerdon Enterprise, Inc. and found it to be fair and reasonable.

Therefore, staff recommends that the Port Commission authorize this change order.

J. INFRASTRUCTURE

Subject **6. Approve an agreement with HGS, LLC d.b.a. RES Environmental Operating Company, LLC to acquire wetland mitigation credits relating to the U.S. Army Corps of Engineers development permit for the Port Authority's 64-acre tract southwest of Bayport Terminal, in the amount not to exceed \$1,270,000.**

Meeting Apr 26, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its April 26, 2022 meeting, approve an agreement with HGS, LLC d.b.a. RES Environmental Operating Company, LLC to acquire wetland mitigation credits relating to the U.S. Army Corps of Engineers development permit for the Port Authority's 64-acre tract southwest of Bayport Terminal as depicted on the attached, in the amount not to exceed \$1,270,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Goals Strategic Objective 4a. - Implement an innovative environmental leadership strategy

Category:
General

Department:
Environmental Affairs

Staff Contact:
Trae Camble

Background:

The Port Authority is preparing its 64-acre tract south of Port Road and east of the Hwy 146 northbound exit ramp (as shown on the attached) for pre-development activity. This process includes applying for a U.S. Army Corps of Engineers construction permit for properties containing wetlands. As part of the permitting process, the Port Authority is responsible for purchasing credits for wetland mitigation. Securing these mitigation credits is critical to development of the property as the credits are difficult to obtain and are not widely available. HGS, LLC d.b.a. RES Environmental Operating Company, LLC previously worked with the Port Authority for mitigation of the Wah Chang (Greens Bayou Terminal) property.

Staff Evaluation/Justification:

Port Authority staff recommends the Port Commission authorize an agreement with HGS, LLC d.b.a. RES Environmental Operating Company, LLC, in order to secure the necessary wetland mitigation credits needed to develop this property.

J. INFRASTRUCTURE

Subject	7. Issue a roadway crossing license to CenterPoint Energy Houston Electric, LLC for improvements to a gate, access road, and pad site at the Clinton Tract.
Meeting	Apr 26, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 26, 2022 meeting, authorize a roadway crossing license to CenterPoint Energy Houston Electric, LLC for improvements to a gate, access road, and pad site at the Clinton Tract, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Operations

Staff Contact:

Garry McMahan

Background:

CenterPoint Energy Houston Electric, LLC, Port Authority File No. 2022-0045, has applied for a roadway crossing license to improve a gate, access road, and pad site at the Clinton Tract in the Earle Thomas Survey, A-73. These improvements would allow access to existing transmission facilities authorized in Port Authority File No. 2000-0070.

Staff Evaluation/Justification:

The application was reviewed and approved by the Port Authority's Channel Operations department and the Port Terminal Railroad Association. The license is subject to the Port Authority's usual terms and conditions and at a fee of \$8,016. The \$675 application fee and the \$2,500 as-built deposit have been paid.

Staff recommends approval.

J. INFRASTRUCTURE

Subject	8. Issue a transmission line license to CenterPoint Energy Houston Electric, LLC for two 138kV transmission lines over and across Greens Bayou, approximately 0.63 miles upstream of the Crosby Freeway bridge.
Meeting	Apr 26, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 26, 2022 meeting, authorize a transmission line license to CenterPoint Energy Houston Electric, LLC for two 138kV transmission lines over and across Greens Bayou, approximately 0.63 miles upstream of the Crosby Freeway bridge, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Operations

Staff Contact:

Garry McMahan

Background:

CenterPoint Energy Houston Electric, LLC, Port Authority File No. 2022-0068, has applied for a transmission line license for two 138kV transmission lines over and across Greens Bayou, approximately 0.63 miles upstream of the Crosby Freeway bridge, in the P. Reels and J. Trobough Survey, A-59.

Staff Evaluation/Justification:

The application was reviewed and approved by the Port Authority's Channel Operations department and the Port Terminal Railroad Association. The license is subject to the Port Authority's usual terms and conditions and at a fee of \$4,446. The \$675 application fee and the \$2,500 as-built deposit have been paid.

Staff recommends approval.

J. INFRASTRUCTURE

Subject **9. Issue a transmission line license to Comcast of Houston, LLC for one fiber optic cable line under and across the Port Terminal Railroad Association Southside Mainline railroad right-of-way at the Beltway 8 bridge.**

Meeting Apr 26, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its April 26, 2022 meeting, authorize a transmission line license to Comcast of Houston, LLC for one fiber optic cable line under and across the Port Terminal Railroad Association Southside Mainline railroad right-of-way at the Beltway 8 bridge, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Operations

Staff Contact:

Garry McMahan

Background:

Comcast of Houston, LLC, Port Authority File No. 2022-0070, has applied for a transmission line license for one fiber optic cable line under and across the Port Terminal Railroad Association Southside Mainline railroad right-of-way at the Beltway 8 bridge, in the Thomas Earle Survey, A-18.

Staff Evaluation/Justification:

The application was reviewed and approved by the Port Authority's Channel Operations department and the Port Terminal Railroad Association. The license is subject to the Port Authority's usual terms and conditions and at a fee of \$1,709. The \$675 application fee and the \$2,500 as-built deposit have been paid.

Staff recommends approval

J. INFRASTRUCTURE

Subject	10. Amend the barge fleeting lease with and marine construction permit issued to Pelican Marine Services, LLC, to authorize the addition of up to fourteen pilings in the Houston Ship Channel along the southern boundary of the Beltway 8 property.
Meeting	Apr 26, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 26, 2022 meeting, authorize the Port Authority to amend the barge fleeting lease with and marine construction permit issued to Pelican Marine Services, LLC, to authorize the addition of up to fourteen pilings in the Houston Ship Channel along the southern boundary of the Beltway 8 property, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

Permits/Licenses/Pipeline Easements

Department:

Channel Operations

Staff Contact:

Garry McMahan

Background:

Pelican Marine Services, LLC, Port Authority File No. 2019-0153 (lease) and 2019-0149 (permit), has applied to add up to fourteen pilings in the Houston Ship Channel along the southern boundary of the Port Authority's Beltway 8 property, in the Richard and Robert Vince Survey, A-76. This project would amend its existing barge fleeting lease and marine construction permit authorized in 2019 by removing two spud barges and adding up to fourteen pilings.

By Minute No. 2019-0729-35, the Port Commission authorized Canal Barge Company, Inc. (Canal) as tenant and by Minute No. 2019-0729-36, the Port Commission authorized Canal as permittee. By Minute No. 2019-1022-30, the Port Commission authorized Pelican Marine Services, LLC (Pelican) to succeed Canal as tenant and permittee. Pelican is a wholly owned subsidiary of Canal. Canal is a family owned, independent marine transportation company headquartered in New Orleans, and was founded in 1933.

Staff Evaluation/Justification:

The application was reviewed and approved by the Port Authority's Channel Operations department. The lease and permit are subject to the Port Authority's usual terms and conditions. The \$675 application fee has been paid. Rent would remain unchanged.

Staff recommends approval.

K. OPERATIONS

Subject	1. Approve staff's ranking of vendors and award a contract in an amount not to exceed \$1,483,000 for the purchase of two loaded-container handling machines for Barbours Cut Terminal and Bayport Container Terminal to the top-ranked proposers: staff ranking - first, Taylor Machine Works, Inc.; and second, Briggs Industrial Solutions Inc. fka Briggs Equipment, Inc.
Meeting	Apr 26, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 26, 2022 meeting: (a) approve staff's ranking of vendors, based on the selection criteria, in the following order – first, Taylor Machine Works, Inc.; and second, Briggs Industrial Solutions, Inc.; (b) award a contract to the top-ranked proposer for the purchase of two loaded-container handling machines for Barbours Cut Terminal and Bayport Container Terminal in an amount not to exceed \$1,483,000; (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 Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing. Goals
Goals	STRATEGIC GOAL #2 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)

Category:

Awards, Amendments & Change Orders

Department:

Maintenance

Staff Contact:

Paulo Soares

Background:

The Port Authority currently owns five loaded-container handling machines manufactured by Taylor Machine Works, Inc., including four at Barbours Cut Terminal and one at Bayport Container Terminal. These units are used daily by the Port Operations Department to optimize container storage and for lifting/transporting loaded containers. Of the four units at Barbours Cut Terminal, one 1995 unit has been out of service for several months due to the lack of parts availability. Staff recommends this unit be surplus. A second unit is also needed at Bayport Container Terminal to meet growing operational demand.

These new machines requested by staff would be equipped with enhanced safety features, produce fewer emissions, and provide needed coverage in the swing lane.

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

Staff Evaluation/Justification:

On March 17, 2022, three RFP responses were received and opened. The responses were reviewed and evaluated by staff in accordance with the published selection criteria. One response was deemed unresponsive. Staff identified the following vendors, listed in order of ranking, as most qualified to provide the required product:

- Taylor Machine Works, Inc.
- Briggs Industrial Solutions, Inc.

Following staff Executive Committee review, staff recommends that the Port Commission award a contract to Taylor Machine Works, Inc. and act as otherwise described above.

K. OPERATIONS

Subject	2. Award a two-year contract to Apache Oil Company for the purchase of grease and miscellaneous engine, transmission, and hydraulic oils for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal in an amount not to exceed \$850,000.
Meeting	Apr 26, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 26, 2022 meeting, award a two-year contract to Apache Oil Company for the purchase of grease and miscellaneous engine, transmission, and hydraulic oils for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal in an amount not to exceed \$850,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #2 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)

Category:

Awards, Amendments & Change Orders

Department:

Maintenance

Staff Contact:

Paulo Soares

Background:

The Port Authority owns numerous equipment items that require grease and miscellaneous oils for daily operations. A reliable supply of these commodities ensures adequate performance and reliability thus minimizing equipment downtime.

By Minute No. 2020-0428-62, the Port Commission awarded a two-year contract to Apache Oil Company, Inc. in an amount not to exceed \$650,000, for the purchase of grease and miscellaneous engine, transmission, and hydraulic oils for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal. Contract funds are nearly depleted.

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

Staff Evaluation/Justification:

On March 9, 2022, five CSB responses were received and opened. The responses were reviewed by staff, and one response was deemed unresponsive.

Following staff Executive Committee review, staff recommends that the Port Commission award a two-year contract to Apache Oil Company, the company submitting the lowest and best bid, for the purchase of miscellaneous engine, transmission, and hydraulic oils for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal.

K. OPERATIONS

Subject	3. Award a two-year contract to Paige Electric, LP for the purchase of miscellaneous electrical cables for wharf and rubber-tired gantry cranes at Barbours Cut Terminal and Bayport Container Terminal in an amount not to exceed \$1,250,000.
Meeting	Apr 26, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 26, 2022 meeting, award a two-year contract to Paige Electric, LP for the purchase of miscellaneous electrical cables for wharf and rubber-tired gantry (RTG) cranes at Barbours Cut Terminal and Bayport Container Terminal in an amount not to exceed \$1,250,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #2 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)

Category:

Awards, Amendments & Change Orders

Department:

Maintenance

Staff Contact:

Paulo Soares

Background:

By Minute No. 2018-0925-45, the Port Commission awarded a two-year contract to Anixter, Inc. in an amount not to exceed \$1,000,000 for the purchase of miscellaneous electrical cables for wharf and rubber-tired gantry (RTG) cranes at Barbours Cut Terminal and Bayport Container Terminal. Contract funds have been depleted.

The Port Authority currently operates sixteen wharf and fifty RTG cranes at Barbours Cut Terminal and twelve wharf and sixty-six RTG cranes at Bayport Container Terminal. These cranes are fitted with power cables, multi-cable festoon systems, and spreader cables for various functions. The useful life of these cables is often shortened by a combination of exposure to weather elements and heavy traffic conditions during vessel operations. The ability to obtain these cables quickly when failures occur is critical to ensure crane uptime.

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

Staff Evaluation/Justification:

On March 16, 2022, one CSB response was received and opened. The response was reviewed by staff.

Staff recommends that the Port Commission award a two-year contract to Paige Electric, LP, the responsible bidder submitting the only bid, for the purchase of miscellaneous electrical cables for wharf and RTG cranes at Barbours Cut Terminal and Bayport Container Terminal.

K. OPERATIONS

Subject	4. Issue a purchase order to R.B. Everett & Company for the purchase of one Doosan DL220-5 wheel loader for Turning Basin Terminal, using Local Government Purchasing Cooperative's BuyBoard, a cooperative purchase program, in a total amount not to exceed \$176,000.
Meeting	Apr 26, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 26, 2022 meeting, issue a purchase order to R.B. Everett & Company for the purchase of one Doosan DL220-5 wheel loader for Turning Basin Terminal, using Local Government Purchasing Cooperative's BuyBoard, a cooperative purchase program, in a total amount not to exceed \$176,000, determine that this procurement method provides the best value to the Port Authority, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #2 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)

Category:

Award, Amendments & Change Orders

Department:

Maintenance

Staff Contact:

Paulo Soares

Background:

The Port Authority currently owns five wheel loaders in operation at Turning Basin Terminal. These units are used daily in wharf clean-up operations. The oldest one, a 2011 Kawasaki machine, has over 10,000 hours of operation and has reached the end of its useful life. The replacement unit would promote both a safe work environment and cost-effective operation.

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

Staff Evaluation/Justification:

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

The BuyBoard website lists many pre-approved providers of equipment. Central Maintenance staff looked at several such providers and determined that the Doosan DL220-5 wheel loader is the model that best meets the Port Authority's requirements, and that R.B. Everett & Company is the vendor with the best price for that model, and its pricing for the selected model was reviewed and approved by BuyBoard.

Staff recommends that the Port Commission approve this best value determination and issuance of a purchase order to R.B. Everett & Company for the purchase of one Doosan DL220-5 wheel loader.

K. OPERATIONS

Subject **5. Issue a purchase order to Rush Bus Centers for the purchase of two twenty-six passenger buses for Barbours Cut Terminal, using the Houston-Galveston Area Council Cooperative Purchase Program, in a total amount not to exceed \$230,000.**

Meeting Apr 26, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its April 26, 2022 meeting, issue a purchase order to Rush Bus Centers for the purchase of two twenty-six passenger buses for Barbours Cut Terminal, using the Houston-Galveston Area Council Cooperative Purchase Program, in an amount not to exceed \$230,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

Category:

Awards, Amendments & Change Orders

Department:

Maintenance

Staff Contact:

Paulo Soares

Background:

The Port Authority currently owns three twenty-six passenger buses in operation at Barbours Cut Terminal. Additionally, the Port Authority is currently renting two shuttle buses. These units are used daily to transport longshoremen to and from parking lots and wharves. These new twenty-six passenger buses are needed to replace 1987 and 2002 model buses, which have reached the end of their useful life.

Staff Evaluation/Justification:

The Director of Procurement Services has determined that procuring this vehicle through the H-GAC cooperative purchase program is the method that both satisfies competitive purchase requirements and provides the best value to the Port Authority.

Staff has compared prices for passenger buses obtained from non-Houston-Galveston Area Council local dealerships and Houston-Galveston Area Council (H-GAC) providers. The H-GAC website lists several pre-approved vendors. Staff has reviewed the passenger bus specifications from H-GAC providers and determined that Rush Bus Centers is the vendor with the best price for this unit that meets the Port Authority's requirements. Rush Bus Centers pricing for the selected model was reviewed and approved by H-GAC.

Staff recommends that the Port Commission approve this best value determination and issuance of a purchase order to Rush Bus Centers for the purchase of two twenty-six passenger buses.

K. OPERATIONS

Subject	6. Amend the contract previously awarded to Konecranes, Inc., the sole source provider, for the replacement of festoon system on three wharf cranes at Bayport Container Terminal for a revised contract amount not to exceed \$2,600,000.
Meeting	Apr 26, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 26, 2022 meeting, amend the amount of the contract previously awarded to Konecranes, Inc., the sole source provider, for the replacement of festoon system on three wharf cranes at Bayport Container Terminal for a revised contract amount not to exceed \$2,600,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.
Goals	STRATEGIC GOAL #2 - INFRASTRUCTURE (Optimize Infrastructure and Channel Capacity to Serve the Region)

Category:

Awards, Amendments & Change Orders

Department:

Operations

Staff Contact:

Jeff Davis

Background:

By Minute No. 2022-0321-29, the Port Commission approved the award of a contract to Konecranes, Inc., the sole source provider, for the replacement of festoon system on three wharf cranes at Bayport Container Terminal in an amount not to exceed \$2,260,000.

Thereafter, in March 2022, prior to execution of the contract or issuance of a purchase order, Konecranes informed Port Authority staff that the contract amount initially quoted was incorrect and would increase it due to a miscalculation in the original quote provided by Konecranes. Konecranes has provided an updated quotation increasing the original price authorized by the Port Commission by \$340,000 to a total of \$2,600,000.

Staff Evaluation/Justification:

Staff recommends the Port Commission approve the above on the terms described for the replacement of festoon system on three wharf cranes at Bayport Container Terminal.

K. OPERATIONS

Subject **7. Approve a change order with Rush Truck Center of Texas, LP dba Rush Truck Center Houston for the purchase of Cummins diesel engine parts and related services for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal in an amount not to exceed \$110,000.**

Meeting Apr 26, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its April 26, 2022 meeting, approve a change order with Rush Truck Center of Texas, LP dba Rush Truck Center Houston for the purchase of Cummins diesel engine parts and related services for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal in an amount not to exceed \$110,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

Category:

Award, Amendments & Change Orders

Department:

Maintenance

Staff Contact:

Paulo Soares

Background:

By Minute No. 2019-0729-48, the Port Commission awarded a two-year contract to Rush Truck Center of Texas, LP dba Rush Truck Center Houston in an amount not to exceed \$1,200,000 for the purchase of Cummins diesel engine parts and related services for Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal. Contract funds have been depleted.

Staff Evaluation/Justification:

Port Authority staff believes that issuing a change order to Rush Truck Center of Texas, LP dba Rush Truck Center Houston to ensure continued operation and servicing of terminal equipment such as rubber-tired gantry (RTG) cranes and yard tractors is the appropriate way to proceed until a new two-year contract has been issued.

Accordingly, staff recommends that a change order for the above-referenced contract in an amount not to exceed \$110,000 be issued to Rush Truck Center of Texas, LP dba Rush Truck Center Houston.

K. OPERATIONS

Subject	8. Approve the lease of approximately 6.5 acres and the Shed No. 3 warehouse at Barbours Cut Terminal to Cooper/Ports America, LLC for a term of ten years at an annual rent of \$224,400, subject to escalation and possible abatement as provided in the lease.
Meeting	Apr 26, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 26, 2022 meeting, approve the lease of approximately 6.5 acres and the Shed No. 3 warehouse at Barbours Cut Terminal to Cooper/Ports America, LLC for a term of ten years, at an annual rent of \$224,400, subject to escalation and possible abatement as provided in the lease, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:
General

Department:
Operations

Staff Contact:
Jeff Davis

Background:

Cooper/Ports America, LLC has requested that the Port Authority lease it 6.5 acres and the Shed No. 3 warehouse at Barbours Cut Terminal. The tenant would use the leased premises for warehouse operations and freight handling.

The tenant would also be obligated under the proposed lease to make certain improvements to the leased premises:

- Replace the roof and walls of Shed No. 3;
- Replace the concrete of the truck quay/yard; and
- Repair the restroom of Shed 3, including the restroom plumbing.

Tenant would obtain abatement of a portion of the monthly base rent in connection with these improvements, subject to refund if the improvements were not timely completed.

Staff Evaluation/Justification:

Staff has determined that the proposed new lease is an advantageous and effective use of the real property at issue, and recommends the Port Commission approve the lease of approximately 6.5 acres and the warehouse known as Shed No. 3 at Barbours Cut Terminal to Cooper/Ports America, LLC.

K. OPERATIONS

Subject 9. Approve the Memorandum of Agreement to Reimburse U.S. Customs and Border Protection (CBP), providing for Port Authority responsibility for data cabling and electrical components and for reimbursement of CBP for an amount not to exceed \$285,964.90 for communications and information technology hardware purchased by CBP for use at Barbours Cut Terminal and Bayport Container Terminal.

Meeting Apr 26, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its April 26, 2022 meeting, approve the Memorandum of Agreement to Reimburse U.S. Customs and Border Protection (CBP), providing for Port Authority responsibility for data cabling and electrical components and for reimbursement of CBP for an amount not to exceed \$285,964.90 for communications and information technology hardware purchased by CBP for use at Barbours Cut Terminal and Bayport Container Terminal, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

General

Department:

Operations

Staff Contact:

Jeff Davis

Background:

U.S. Customs and Border Protection (CBP) mandates that all import containers exiting United States terminals have Radiation Portal Monitor (RPM) inspections performed by CBP. The Port Authority, in turn, is required to shoulder certain responsibilities in connection with the equipment required to perform such inspections, as set out in the proposed Memorandum of Agreement to reimburse CBP.

The Port Authority would be responsible for the procurement and installation of all data cabling and electrical components required for connectivity of systems and equipment, according to specifications provided by the CBP Office of Information Technology.

The Port Authority would also reimburse for CBP's equipment and connectivity costs, including installation, maintenance, and recurring costs. The term of the agreement between the Port Authority and CBP would be five years, and the annual support cost is included in this reimbursement amount.

Staff Evaluation/Justification:

Staff recommends the Port Commission approve the agreement between the Port Authority and CBP.

K. OPERATIONS

Subject	10. Amend the Section 559 Reimbursable Services Agreement and Memorandum of Understanding with U.S. Customs and Border Protection in an amount not to exceed \$1,000,000 to cover a projected two years of reimbursement for overtime services.
Meeting	Apr 26, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its April 26, 2022 meeting, authorize amendment of the Section 559 Reimbursable Services Agreement and Memorandum of Understanding with U.S. Customs and Border Protection in an amount not to exceed \$1,000,000 to cover a projected two years of reimbursement for overtime services, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:

General

Department:

Operations

Staff Contact:

Jeff Davis

Background:

U.S. Customs and Border Protection (CBP) mandates that all import containers exiting United States terminals have Radiation Portal Monitor (RPM) inspections performed by CBP. These inspections are carried out as containers exit Port Authority facilities during normal gate operating hours. Port Authority customers routinely request container deliveries outside CBP's normal operating hours, and the Port Authority also occasionally requests that CBP provide services outside its normal operating hours to improve operational efficiencies. CBP funds a limited number of hours for these operations and allows the industry to fund additional hours through the "Section 559" program.

By Minute No. 2014-1216-56, the Port Commission authorized the Port Authority to enter into a Section 559 Reimbursable Services Agreement (Agreement) and Memorandum of Understanding (MOU) that set forth the terms and conditions relating to the provision of services and reimbursement of CBP for the performance of these services. The Agreement has been standardized by CBP for national use, while the MOU includes operating parameters agreed upon by Port Authority staff and CBP's local port director and staff. CBP's services under the program may include not only additional RPM inspection services but also other container inspection services, such as agriculture and Vehicle and Cargo Inspection System inspections.

By Minute Nos. 2016-0322-40 and 2018-0416-27, the Port Commission approved additional increases of \$150,000 each for reimbursement of CBP overtime services.

By Minute Nos. 2018-1212-34 and 2021-0223-40, the Port Commission approved additional increases of \$400,000 each.

Staff Evaluation/Justification:

The Port Authority frequently receives requests from customers to extend the hours of RPM gate operations at the Port Authority's container handling facilities. Amending the Agreement and the MOU would enable the Port Authority to provide additional CBP services needed by its customers and to obtain additional CBP services when needed for its own operations. If amendment of the agreement is approved by the Port Commission, the Port Authority would continue to pass through CBP's charges to customers requesting the additional services, and pay the costs itself when the services are for the Port Authority's direct benefit. Based on the current usage rate to support the needs of industry partners, staff expects \$1,000,000 to cover the need for two years of CBP's man-hours available under the program.

Staff requests that the Port Commission approve these amendments.

N. TECHNOLOGY

Subject 1. Award a one-year contract to Mythics Inc. for Oracle Cloud Services and Licensing, using Texas Department of Information Resources cooperative purchase program, in an amount not to exceed \$361,598.

Meeting Apr 26, 2022 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its April 26, 2022 meeting, award a one-year contract to Mythics Inc. for Oracle Cloud Services and Licensing, using Texas Department of Information Resources cooperative purchase program, beginning June 1, 2022, in an amount not to exceed \$361,598, determine that this procurement method provides the best value to the Port Authority, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

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

Category:

Awards, Amendments & Change Orders

Department:

Information Technology

Staff Contact:

Christopher Brown

Background:

The Port Authority uses Oracle software services, and Information Technology staff has determined that the services and associated licensing may be obtained through the "cloud". The Texas Department of Information Resources (DIR) is a department of the State of Texas, and has cooperative purchasing programs which may be used by the Port Authority.

Staff Evaluation/Justification:

The Director of Procurement Services has determined that procuring Oracle Cloud Services and Licensing through the Texas Department of Information Resources (DIR) purchasing program is the method that both satisfies competitive purchase requirements and provides best value to the Port Authority.

The Information Technology department has determined that the best availability, price, and contract term for the item needed is provided by Mythics Inc. under the pricing schedule obtained from that vendor's contract with DIR, and is therefore recommending this purchase in an amount not to exceed \$361,598 for Oracle Public Cloud Services (Infrastructure as a Service [IaaS]/Platform as a Service [PaaS]).

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