

I N D E X
PORT COMMISSION
OF THE
PORT OF HOUSTON AUTHORITY
OF THE PORTS OF HARRIS COUNTY, TEXAS

September 5, 2017

Minute No.

Event/Action

General

Chairman Longoria convened the meeting of the Port Commission and provided opening remarks

Executive

2017-0905-01

Consideration and possible action regarding Hurricane Harvey disaster relief measures

Recess Open Meeting and Convene Executive Session

Reconvene Open Meeting

2017-0905-02

Motion to authorize the Port Authority to carry out Hurricane Harvey disaster relief measures, on the terms discussed in Executive Session and authorize the Executive Director to do all things necessary to give effect to the foregoing

2017-0905-03

Motion to authorize the Port Authority to pay and settle with Zachry Construction Corporation in connection with *Zachry Construction Corporation v. Port of Houston Authority* and related claims, on the terms discussed in Executive Session and authorize the General Counsel to do all things necessary to give effect to the foregoing

Adjourn Meeting

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

**Houston, Texas
September 5, 2017**

A special public meeting of the Port Commission of the Port of Houston Authority of Harris County, Texas was convened on September 5, 2017 at 1.30p.m., at the Port of Houston Authority Executive Offices, Fourth Floor Boardroom, at 111 East Loop North, Houston, Texas 77029. The following Commissioners and staff were present:

Janiece Longoria, Chairman
Theldon Branch, III, Commissioner
Dean E. Corgey, Commissioner
Stephen H. DonCarlos, Commissioner
Clyde E. Fitzgerald, Commissioner
John D. Kennedy, Commissioner
Roy D. Mease, Commissioner
Roger Guenther, Executive Director
Erik Eriksson, Chief Legal Officer

Chairman Longoria convened the meeting of the Port Commission and began with a few brief comments. She remarked that as the area continues to recover from the effects of Hurricane Harvey, commissioners will be keeping those that were impacted by the devastating storm in their thoughts and prayers.

Port Houston has estimated that 20% of its employees were negatively impacted or suffered home damage, and it stands ready to assist its employees as needed. Additionally, as stated repeatedly by Mayor Turner and Judge Emmett, it was important for the region, and for Port Houston in particular, to ramp up business and return to normal as soon as possible. Chairman Longoria thanked everyone for working together to make this happen.

Chairman Longoria announced that Port Houston has a phenomenal partnership that includes staff, the International Longshoremen's Union (ILA), the trucking community, the Houston Pilots, tugs, line handlers, ocean carriers, stevedores, vessel agents, and Customs and Border Protection, and with everybody's coordinated effort, Port Houston was able to open its terminals for business on Friday, September 1, 2017.

Barbours Cut and Bayport Container terminals were reopened for the receipt and delivery of containerized cargo and had five thousand gate transactions on Friday (a normal day numbers seven thousand), three thousand gate transactions on Monday, Labor Day, and 14 container vessels have called since the reopening. Initial conditions limited safe navigation of the Houston Ship Channel to transits up to and including Barbours Cut.

Chairman Longoria gave special thanks to the ILA and Commissioner Fitzgerald for everything he and his staff did to make this possible. In spite of the fact that it was a national holiday for labor, the ILA saw the importance of getting back to work and shaped over 120 gangs for ships from Friday night through Labor Day.

Port Houston is now back to normal working hours at all of its facilities, and the Coast Guard advises that the Houston Ship Channel is currently open for 40-foot draft vessels to Houston Cement, and 36-foot vessels to the 610 bridge.

No traffic is permitted past the 610 bridge without U.S. Coast Guard Vessel Traffic Services permission, to ensure salvage operations on an obstruction in the channel can continue. However, Port Houston has received one general cargo vessel at Dock 32. The public tours aboard the MV Sam Houston have been cancelled while assessments are made regarding safe navigation from its dock into the channel.

In closing Chairman Longoria stated that Port Houston was still in recovery mode and assessing damages to the terminals and channel, but the work of employees and partners along the channel had been phenomenal, everyone's cooperation was sincerely appreciated, and she noted that commissioners and employees extend the same care and concern to those they serve.

Chairman Longoria asked if the Port Commission had any comments. Commissioner Fitzgerald asked Mr. Guenther to give an update on the Turning Basin Channel and when it was expected to be reopened.

Mr. Guenther advised that its complete opening awaited the removal of a sunken dry dock, though one ship had made it to Dock 32 on the other side of the bridge. He asked Marcus Woodring, Chief Health, Safety, Security, and Emergency Management Officer, to address the status of the dry dock removal. Mr. Woodring reported that the dry dock was intentionally sunk to keep it safe but currents had moved it away from the dock. Divers reported everything appeared intact and it was hoped it would be raised by the end of the day, providing that it did not sustain any damage.

Commissioner Fitzgerald asked if any dredging of the channel would need to be carried out; Mr. Guenther replied that the U.S. Army Corps of Engineers (Corps) was still surveying the damage. Discussion ensued regarding federal funding to assist with the cost of additional dredging for silting due to Hurricane Harvey. Spencer Chambers, Government Relations Director, advised that there would be multiple appropriation bills addressed to Hurricane Harvey recovery.

Commissioner DonCarlos reported speaking to Congressman Brian Babin on the topic. Mr. Chambers noted that the current recovery bill only has funding for the Federal Emergency Management Agency and Small Business Administration, and though expected in the future there was nothing at this time for the Corps. Staff was instructed to pursue all possible avenues for disaster relief.

Commissioner Corgey asked if there was any update on oil refineries and fuel supplies. Commissioner DonCarlos responded that ExxonMobil should be up and running in a couple weeks as damage due to flooded instrumentation was not as widespread as expected; however, some other chemical plants in the area did not fare as well.

(2017-0905-01) Chairman Longoria moved to Item B1 on the agenda, "Consideration of and possible action regarding Hurricane Harvey disaster relief measures," noting it would be considered in Executive Session. She recessed the public meeting and instructed Mr. Eriksson to make the following announcement:

It is now 1:39 p.m. The Port Commission of the Port of Houston Authority of Harris County, Texas will now convene in a closed meeting, as permitted by the Texas Open Meetings Act and Government Code, (i) to conduct a private Consultation with Attorneys (Section 551.071, Texas Open Meetings Act); to deliberate regarding (ii) Real Estate (Section 551.072, Texas Open Meetings Act); (iii) Economic Development Negotiations or Incentives (Section 551.087, Texas Open Meetings Act); (iv) Employment and Evaluation of Public Employees (Section 551.074, Texas Open Meetings Act), including deliberations regarding public employees; and (v) Security-Related Matters (Sections 418.175-418.183 of the Texas Government Code, and Section 551.076, Texas Open Meetings Act). The Port Commission will reconvene in public session after the closed meeting is adjourned.

Immediately thereafter the Port Commission retired into closed session.

At 2:09 p.m., Chairman Longoria reconvened the open meeting at the Port of Houston Authority Executive Office Boardroom, at 111 East Loop North, Houston, Texas 77029, with the following Commissioners, staff, and counsel in attendance:

Janiece Longoria, Chairman
Theldon Branch, III, Commissioner
Dean E. Corgey, Commissioner
Stephen H. DonCarlos, Commissioner
Clyde E. Fitzgerald, Commissioner
John D. Kennedy, Commissioner
Roy D. Mease, Commissioner
Roger Guenther, Executive Director
Erik Eriksson, Chief Legal Officer

(2017-0905-02) Commissioner Corgey moved to authorize the Port Authority to carry out Hurricane Harvey disaster relief measures, on the terms discussed

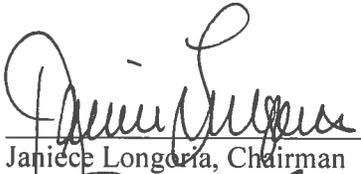
in Executive Session, and authorize the Executive Director to do all things necessary to give effect to the foregoing, seconded by Commissioner Fitzgerald. Chairman Longoria, and Commissioners Branch, Corgy, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. MOTION PASSED.

(2017-0905-03) Commissioner Branch moved to authorize the Port Authority to pay and settle with Zachry Construction Corporation in connection with *Zachry Construction Corporation v. Port of Houston Authority* and related claims, on the terms discussed in Executive Session, and authorize the General Counsel to do all things necessary to give effect to the foregoing, seconded by Commissioner Fitzgerald. Chairman Longoria, and Commissioners Branch, Corgy, DonCarlos, Fitzgerald, Kennedy, and Mease voted Aye. Nays none. MOTION PASSED.

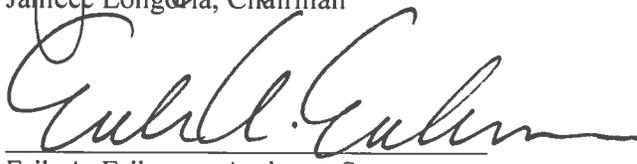
Chairman Longoria announced that the next Port Commission meeting would be September 26, 2017, at 9:00 a.m., and again thanked everyone on behalf of the Port Commission for continuing the great work being done at Port Houston.

At 2:10 p.m., Chairman Longoria adjourned the Port Commission meeting.

The above is a correct copy of the Minutes of the September 5, 2017 special meeting of the Port Commission of the Port of Houston Authority.



Janiece Longoria, Chairman



Erik A. Eriksson, Assistant Secretary