

I N D E X

PORT COMMISSION
OF THE
PORT OF HOUSTON AUTHORITY
OF THE PORTS OF HARRIS COUNTY, TEXAS

October 4, 2017

Minute No.

Event/Action

General

Chairman Longoria convened the meeting of the Port Commission and called on Mr. Guenther

Executive

2017-1004-01

Authorize the Executive Director to waive certain Port Authority tariff charges as he determines to be reasonably necessary, to address the effects of Hurricane Harvey on Port Authority customers and stakeholders, and do any and all things in his opinion reasonable to give effect to the foregoing

Adjourn Meeting

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

**Houston, Texas
October 4, 2017**

A special meeting of the Port Commission of the Port of Houston Authority of Harris County, Texas was convened on October 4, 2017 at 2:00 p.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 R. Branch, III, Commissioner
Dean E. Corgey, Commissioner
Clyde E. Fitzgerald, Commissioner
Roger Guenther, Executive Director
Erik Eriksson, Chief Legal Officer

Chairman Longoria called the special meeting of the Port Commission to order and asked Mr. Guenther to address the day's agenda item.

Mr. Guenther reported on industry impacts caused by Hurricane Harvey. The Port Authority was closed for six and a half days and though there was minimal damage to its terminals, significant damage was reported by carriers and customers. For example, many trucks and chassis were flooded and will be out of service until they are inspected and repaired. Mr. Guenther added that the import supply chain was highly impacted, and as a result the September import volume had been significantly affected.

Port Authority tariffs provide for relief from the impacts of events when the Port Authority is closed and not able to provide service, Mr. Guenther continued, but the tariffs do not address catastrophic events. Accordingly, the Port Authority offered some free time for storage charges the period it was closed and unable to provide service. After the Port Authority reopened, the free time allowance no longer applied; however, many customers are still reporting supply chain issues and have requested additional free time.

Mr. Guenther concluded by noting that given the unprecedented and continued impacts of Hurricane Harvey, staff requested the Port Commission provide the Executive Director with authority to waive certain tariff charges for a period of time in order to preserve business.

The Port Commission then considered a Request for Port Commission Action ("RCA") attached to these minutes as Exhibit "A."

(2017-1004-01) RCA B1 was presented. Chairman Longoria asked Commissioner Fitzgerald if he had a motion. Commissioner Fitzgerald moved to authorize the Executive Director to waive certain Port Authority tariff charges as he determines to be reasonably necessary, to address the effects of Hurricane Harvey on Port Authority

customers and stakeholders, and do any and all things in his opinion reasonable to give effect to the foregoing, seconded by Commissioner Corgey.

Commissioner Branch asked if there was a date certain end to his proposed actions; Mr. Guenther responded there was not at that time, as staff was still trying to understand the magnitude and length of time needed for the supply chain to recover. He proposed that staff would notify the Port Commission when it was no longer needed. Commissioner Branch replied that a date was not needed at this time, and that he only proposed the question.

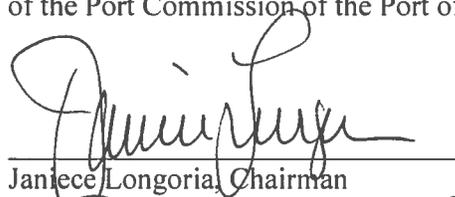
Chairman Longoria asked if a unanimous second could be reflected by Commissioners Corgey and Branch; both confirmed their approval.

She asked Mr. Guenther to keep the Port Commission updated on the progress of the matter.

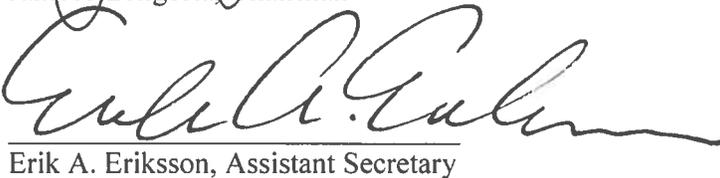
Chairman Longoria called the item for question. Chairman Longoria, and Commissioners Branch, Corgey, and Fitzgerald voted Aye. Nays none. RCA B1 PASSED.

At 2:05 p.m., Chairman Longoria adjourned the special meeting.

The above is a correct copy of the Minutes of the October 4, 2017 special meeting of the Port Commission of the Port of Houston Authority.



Janiece Longoria, Chairman



Erik A. Eriksson, Assistant Secretary

G. EXECUTIVE

Subject **1. Consideration of and possible action regarding the authority of the Executive Director to address certain tariff charges in connection with Hurricane Harvey.**

Meeting Oct 4, 2017 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

Access Public

Type Action

Recommended Action The Port Commission, at its October 4, 2017 meeting, consider and possibly take action regarding the authority of the Executive Director to address certain tariff charges in connection with Hurricane Harvey and do any and all things in his opinion reasonable to give effect to the foregoing.

Category:
General

Department:
Executive

Staff Contact:
Roger Guenther

Background:
The effects of Hurricane Harvey continue to be felt throughout our region, as residents dispose of debris, pursue damage claims, and begin to repair their homes and rebuild their lives.

Although the Port Authority reopened for business on Friday, September 1, and the following day ships resumed their arrivals at Barbours Cut and Bayport Container Terminals, other logistics providers that work with the Port Authority continue to experience impacts as their employees recover from Harvey's effects.

Staff Evaluation/Justification:
Port Authority tariffs provide the Port Authority flexibility to adjust charges based on certain service and market considerations, but do not currently provide such flexibility following events of force majeure. Given the unprecedented impacts of Hurricane Harvey, staff requests that the Port Commission provide the Executive Director with the authority to waive certain tariff charges as he determines to be reasonably necessary, to address the effects of Hurricane Harvey on Port Authority customers and stakeholders.