PORT COMMISSION MEETING

OCTOBER 27, 2020 – AGENDA

Tuesday, October 27, 2020
PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

9:15 a.m.
111 East Loop North
Houston, TX 77029

A. CALL TO ORDER

B. CHAIRMAN'S REMARKS

1. Governance, legislative, policy, and operational matters

C. APPROVAL OF MINUTES

1. Port Commission Public Meeting - September 29, 2020

D. STAFF REPORTS

1. Summary of selected financial and operational matters

E. APPEARANCES

1. Public Comment

F. EXECUTIVE

1. No items.

G. COMMERCIAL

Leases

1. Approve a second amendment to the Lease Agreement with Cooper/Ports America, LLC for approximately 1,418 net rentable square feet of office space at the Barbours Cut Terminal C-6 Waterside Building, to extend the lease for an additional four-year term, effective no earlier than January 1, 2021, at an annual rent of $35,901.72 subject to annual base rent escalation of 3%.

2. Authorize the extended term of a month-to-month lease with Container Maintenance of Houston, LLC for approximately 1.17 acres out of the Bayport Container Terminal effective no earlier than January 1, 2021 with a 3% annual increase on the existing month-to-month premium rate, for an annual rent of $114,886.

3. Approve (i) a first lien in favor of Community Bank of Texas, N.A. on the leasehold interest of Dixie Cullen Interests, Inc., tenant of 10.42-acres premises located at 9100 Mississippi St. and 1100 Teal St. and a second lien in favor of Community Bank of Texas, N.A. to be assigned to Capital Certified Development Corporation on such leasehold estate and (ii) pre-approval of the both lender(s) as successor tenant(s) in the event of foreclosure.

4. Approve a waiver of the 10% premium increase for month-to-month leases effective January 1, 2020 for month-to-month leases negotiated with certain new tenants between November 1, 2020 and March 31, 2021.

H. FINANCE

Awards, Amendments & Change Orders

1. Approve the change of control of two investment management agreements with Barrow, Hanley, Mewhinney & Strauss, LLC, relating to management of small capitalization value assets of the Pension Plan and OPEB Plan.

General

2. Authorize the reduction of the investment rate of return assumption for the Restated Retirement Plan and the other post-employment benefits (OPEB) plan from 6.50% to 6.25%.

I. INFRASTRUCTURE

Awards, Amendments & Change Orders

1. Award a construction contract to Four Seasons Development Company for annual perimeter security fence replacement at Turning Basin Terminal in an amount not to exceed $150,000.

2. Amend the professional services contract with Wiss, Janney, Elstner Associates, Inc. for engineering services associated with the Port Authority Facility Inspection and Condition Assessment Program for corrosion on marine assets portwide in an amount not to exceed $300,000.

3. Approve a change order with McCarthy Building Companies, Inc. to perform additional work associated with the rehabilitation of Wharves 4 and 5 at Bayport Container Terminal in an amount not to exceed $84,614.

4. Approve a change order with Archer Western Construction, LLC to perform additional work associated with the expansion of gate facilities at Barbours Cut Terminal in an amount not to exceed $63,224.

5. Approve a change order with Forde Construction Company, Inc. to perform additional work associated with the rehabilitation and repair of Wharf 9 at Turning Basin Terminal in an amount not to exceed $209,009.

Project 11

6. Amend the professional engineering and auditing services contract supporting the Houston Ship Channel Expansion Channel Improvement Project with Atkins North America, Inc. to add an amount not to exceed $596,600.

7. Enter into a reimbursement agreement for design and permitting with Southtex 66 Pipeline Company, Ltd related to segment 4 of the Houston Ship Channel Expansion Channel Improvement Project at a cost not to exceed $2,000,000, for which the Port Authority would be responsible for one half the cost, for a total amount not to exceed $1,000,000.

Permits/Licenses/Pipeline Easements

8. Approve the renewal of the following expiring Port Authority licenses for new ten-year terms: Air Liquide Large Industries U.S. LP, Houston Pipe Line Company LP, and Monument Chemical Houston, LLC.

9. Issue a pipeline license to Odfjell Terminals (Houston) Inc. for one 4-inch acrylonitrile pipeline, one 4-inch butylacrylate pipeline, and one 2-inch fiber optic under and across the southwest corner of the Bayport Container Terminal.

10. Transfer two and renew one of the pipeline licenses from Cowboy Pipeline Service Company to Equistar Chemicals, LP for crossing the Houston Ship Channel and the Port Terminal Railroad Association Northside Mainline Railroad right-of-way.

11. Issue a transmission line license to Comcast of Houston, LLC for one fiber optic cable line over and across the Port Authority's Port Terminal Railroad Association Southside Mainline Railroad right-of-way

12. Issue a transmission line license to Southwestern Bell Telephone Company for one fiber optic cable line under and along the Port Authority's Port Terminal Railroad Association Northside Mainline Railroad right-of-way.

13. Amend a marine construction permit issued to TDWP Terminals 1, LLC to reconfigure the previously authorized ship docks to accommodate an additional ship dock and barge dock, reconfigure the bulkhead totaling 5,225 linear-feet, and reduce the dredge footprint to 60 acres in Buffalo Bayou/Houston Ship Channel.

J. OPERATIONS

Awards, Amendments & Change Orders

1. Award a two-year contract to Interamerican Motor, LLC for purchase of batteries for terminal equipment at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal in an amount not to exceed $250,000.

2. Award an annual contract to AssetWorks, LLC, the sole source provider, for software maintenance, support, and extended hardware warranty of Fleet Focus™ M5, Enterprise Asset Management System, and Fuel Focus software, the Port of Houston Authority's Fueling and Fleet management system in an amount not to exceed $80,000.

K. PEOPLE

Awards, Amendments & Change Orders

1. Authorize renewal of the contract with PlanSource Benefits Administration, Inc. for employee and retiree benefits and payroll integration services for an additional one-year period in an amount not to exceed $75,000.

2. Authorize renewal of a contract with Lockton Companies, LLC for employee and retiree benefits consulting services for a two-year period, at a cost of $115,000 per year and in a total amount not to exceed $230,000.

L. PORT SECURITY AND EMERGENCY OPERATIONS

Awards, Amendments & Change Orders

1. Authorize an agreement with the Houston Ship Channel Security District for payment of the current year (2020-2021) contribution in an amount not to exceed $53,625.

M. TECHNOLOGY

Awards, Amendments & Change Orders

1. Approve a purchase order to Red River Technology LLC for purchase of server and server hardware needed to utilize N4's XPS in a published app environment, using Texas Department of Information Resources' cooperative purchase program, in an amount not to exceed $70,000.

2. Approve a purchase order to Netsync Network Solutions for purchase of VMWare Horizon licensing needed to utilize N4's XPS in a published app environment, using Texas Department of Information Resources' cooperative purchase program, in an amount not to exceed $70,000.

N. RECESS OPEN MEETING AND CONVENE EXECUTIVE SESSION

1. Consultation with Attorneys (Section 551.071, Texas Open Meetings Act), including consultation regarding a proposed amendment to the agreement for legal services with Boyar Miller

2. Real Estate (Section 551.072, Texas Open Meeting Act), including disposition of Barbours Cut Terminal and Turning Basin Terminal vicinity properties and Pelican Island property

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

O. RECONVENE OPEN MEETING

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

P. ADJOURN MEETING

1. Next Meeting Requested - November 10, 2020 Budget Workshop

2. Adjourn Port Commission Meeting

G. COMMERCIAL

Subject	**1. Approve a second amendment to the Lease Agreement with Cooper/Ports America, LLC for approximately 1,418 net rentable square feet of office space at the Barbours Cut Terminal C-6 Waterside Building, to extend the lease for an additional four-year term, effective no earlier than January 1, 2021, at an annual rent of $35,901.72 subject to annual base rent escalation of 3%.**
Meeting	Oct 27, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its October 27, 2020 meeting, approve a second amendment to the Lease Agreement with Cooper/Ports America, LLC for approximately 1,418 net rentable square feet of office space at the Barbours Cut Terminal C-6 Waterside Building, to extend the lease for an additional four-year term, effective no earlier than January 1, 2021, at an annual rent of $35,901.72 subject to annual base rent escalation of 3%, 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 #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. 2015-1215-14, the Port Commission approved a two-year lease agreement with Shippers Stevedoring Co. Subsequently by Minute No. 2016-0297-57, a change of control occurred from Shippers Stevedoring Co. to Cooper/Ports America, LLC.

Cooper/Ports America, LLC (formerly Shippers Stevedoring Co.) was previously in the Barbours Cut Administration Building until 2015 when it expanded and relocated to the Barbours Cut Terminal C-6 Waterside Building, where it now occupies 1,418 net rentable square feet.

By Minute No. 2017-1212-18, the Port Commission approved a lease amendment to extend the lease with Cooper/Ports America, LLC for an additional three-years effective January 1, 2018.

Cooper/Ports America, LLC desires to amend their existing Lease Agreement to extend the term by an additional four-years. The intended use is for general office.

Staff Evaluation/Justification:
Staff recommends approval of a Second Amendment to the lease to extend the term for an additional four-years effective no earlier than January 1, 2021.

G. COMMERCIAL

Subject	**2. Authorize the extended term of a month-to-month lease with Container Maintenance of Houston, LLC for approximately 1.17 acres out of the Bayport Container Terminal effective no earlier than January 1, 2021 with a 3% annual increase on the existing month-to-month premium rate, for an annual rent of $114,886.**
Meeting	Oct 27, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its October 27, 2020 meeting, authorize the extended term of a month-to-month lease with Container Maintenance of Houston LLC for approximately 1.17 acres out of the Bayport Container Terminal effective no earlier than January 1, 2021 with a 3% annual increase on the existing month-to-month premium rate, for an annual rent of $114,886, 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)

Category:
Leases

Department:
Real Estate

Staff Contact:
R. D. Tanner

Background:
The Port Authority currently has a month-to-month lease with Container Maintenance of Houston LLC at the Port Authority's Bayport Container Terminal property that will have been in effect for a year as of December 31, 2020. Container Maintenance of Houston LLC's annual rental is currently $111,540 and is based upon the premium rate for a month-to-month lease. The leased premises is utilized for container storage.

An amendment to the Water Code adopted in the 2011 legislative session requires that the Port Commission approve month-to-month leases in effect for more than one year.

Staff Evaluation/Justification:
Staff recommends the extended term of a month-to-month lease with Container Maintenance of Houston LLC.

G. COMMERCIAL

Subject	**3. Approve (i) a first lien in favor of Community Bank of Texas, N.A. on the leasehold interest of Dixie Cullen Interests, Inc., tenant of 10.42-acres premises located at 9100 Mississippi St. and 1100 Teal St. and a second lien in favor of Community Bank of Texas, N.A. to be assigned to Capital Certified Development Corporation on such leasehold estate and (ii) pre-approval of the both lender(s) as successor tenant(s) in the event of foreclosure.**
Meeting	Oct 27, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its October 27, 2020 meeting, authorize the Port Authority to approve (i) a first lien in favor of Community Bank of Texas, N.A. on the leasehold interest of Dixie Cullen Interests, Inc., tenant of 10.42-acres premises located at 9100 Mississippi St. and 1100 Teal St. and a second lien in favor of Community Bank of Texas, N.A. to be assigned to Capital Certified Development Corporation on such leasehold estate and (ii) pre-approval of the both lender(s) as successor tenant(s) in the event of foreclosure, 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 #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:
On January 1, 2019, Dixie Cullen Interests, Inc. (Dixie Cullen) entered into a lease for 10.42-acres at 9100 Mississippi St. and 1100 Teal St. with the Port Authority for a 25-year term with 2 five-year options. The lease agreement requires Dixie Cullen to construct a new heavy lift warehouse of approximately 104,000 sq. ft. in the Phase II of the Construction Period. The approximate square footage of the new warehouse was originally anticipated to be 190,000 and has now been reduced to 104,000 sq. ft. due to City of Houston guidelines and setback boundaries.

Dixie Cullen has secured a Small Business Administration (SBA) loan, which includes two loan facilities: Community Bank of Texas, N.A. first lien holder and a second loan to be arranged by a Capital Certified Development Corporation to finance the construction of the 104,000 square-foot warehouse.

Staff Evaluation/Justification:
Staff reviewed the request by Dixie Cullen and recommends approval of (i) a first lien in favor of Community Bank of Texas, N.A. on Dixie Cullen's leasehold interest and a second lien in favor of Community Bank of Texas, N.A. to be assigned to a Capital Certified Development Corporation and (ii) the pre-approval of the both lender(s) as successor tenant(s) in the event of foreclosure.

G. COMMERCIAL

Subject	**4. Approve a waiver of the 10% premium increase for month-to-month leases effective January 1, 2020 for month-to-month leases negotiated with certain new tenants between November 1, 2020 and March 31, 2021.**
Meeting	Oct 27, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its October 27, 2020 meeting, authorize the Port Authority to waive the 10% premium increase for month-to-month leases approved by Port Commission Minute No. 2019-1022-06, effective January 1, 2020 for month-to-month leases negotiated with certain new tenants between November 1, 2020 and March 31, 2021, 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 4d. - Support sustainable growth of Port Houston and the greater Port STRATEGIC GOAL #4 - STEWARDSHIP (Create Greater Value for the Region)

Category:
Leases

Department:
Real Estate

Staff Contact:
R. D. Tanner

Background:
The rental rates for the Port Authority's month-to-month leases, as well as certain other term leases, are based on rates adopted by the Port Commission from time-to-time. By Minute No. 2019-1022-06, the Port Commission authorized a 10% premium to the 2020 adopted term lease rates for month-to-month leases effective January 1, 2020.

Staff has concluded that waiver of this 10% premium applicable to certain new tenants executing month-to-month leases would help reduce vacancy rates within the multi-tenant general cargo terminals (Turning Basin and Industrial Park East) in this challenging economic time, which has included downturns in oil and oil field services equipment, continued trade rules negotiations, and the COVID-19 pandemic, by providing a rate incentive to potential new tenants.

Staff Evaluation/Justification:
Staff recommends the Port Commission approve an exception to the 10% premium increase for month-to-month leases for new tenants entered into between the period of November 1, 2020 and March 31, 2021.

H. FINANCE

Subject	**1. Approve the change of control of two investment management agreements with Barrow, Hanley, Mewhinney & Strauss, LLC, relating to management of small capitalization value assets of the Pension Plan and OPEB Plan.**
Meeting	Oct 27, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its October 27, 2020 meeting, approve the change of control of two investment management agreements with Barrow, Hanley, Mewhinney & Strauss, LLC, from BrightSphere to Perpetual Limited, relating to management of small capitalization value assets of the Port Authority Restated Retirement Plan (Pension Plan) and the irrevocable trust established for other post-employment benefits (OPEB Plan), 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:
Treasury

Staff Contact:
Roland Gonzalez

Background:
By Minute No. 2004-1025-24, the Port Commission authorized an investment management agreement with Barrow, Hanley, Mewhinney & Strauss, LLC (Manager) for management of small capitalization value assets in the Pension Plan, and by Minute No. 2012-0124-33, the Port Commission authorized an investment management agreement with Manager for these assets in the OPEB Plan.

Staff Evaluation/Justification:
By notice dated August 7, 2020, Manager notified the Port Authority that Perpetual Limited ("Perpetual"), an Australian financial services firm, would acquire BrightSphere Investment Group Inc.'s equity interest in Manager in a transaction expected to close later this year, and requested Port Authority consent to the concomitant change of control.

- The Port Authority's agreements with the Manager requires Port Authority's consent to Manager's assignment of the agreement in accordance with the Investment Advisers Act of 1940 (the "Act").
- The Act in turn provides that "assignment" includes an indirect transfer of an investment advisory contract by transfer of "a controlling block of the assignor's outstanding voting securities by a security holder of the assignor" (Section 202(a)(1)).

Staff and the Port Authority's external pension consultants at AndCo Consulting have reviewed the matter, have determined that Manager is expected to continue to operate autonomously, and in any event the acquiror's management style would be consistent and complimentary to that of the Manager, and accordingly recommend that the Port Commission approve the change of control of the two investment management contracts with Manager.

H. FINANCE

Subject	**2. Authorize the reduction of the investment rate of return assumption for the Restated Retirement Plan and the other post-employment benefits (OPEB) plan from 6.50% to 6.25%.**
Meeting	Oct 27, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its October 27, 2020 meeting, authorize the reduction of the actuarial investment rate of return assumption for both the Restated Retirement Plan and other post-employment benefits (OPEB) Plan from 6.50% to 6.25%, 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 #4 - STEWARDSHIP (Create Greater Value for the Region)

Category:
General

Department:
Controller / Treasury

Staff Contact:
Curtis Duncan / Roland Gonzalez

Background:
An Actuarial Experience Study for the Port Authority Restated Retirement Plan (Pension Plan) is prepared every five years by Milliman, the Port Authority's actuary, and considers actual results for the assumption factors of mortality, withdrawal, service dates, etc. The results of the experience study also apply to the Port Authority's OPEB Plan. The study resulted in favorable results compared to the actuarial projections.

As a result of the favorable projections stemming from the Actuarial Experience Study, staff, and Milliman have evaluated a reduction in the rate of return assumption for both plans.

By Minute No. 2016-1213-20, the Port Commission approved a change in the actuarial assumption for the investment rate of return from 7.00% to 6.75%, for both the Pension Plan and the OPEB Plan.

By Minute No. 2019-0924-24, the Port Commission last approved a change in the rates from 6.75% to 6.50%, for both the Pension Plan and the OPEB Plan.

Staff Evaluation/Justification:
Based on the favorable outcome of the Actuarial Experience Study and projected liabilities of both plans, staff has concluded that it is an opportune time to reduce the investment rate of return assumption from 6.50% to 6.25%.

As a result of this rate reduction and other assumption changes provided by the Actuarial Experience Study for the Pension Plan as of August 1, 2019, Milliman estimated the 2019 Actuarial Accrued Liability would increase by approximately $330,000 and the Actuarial Determine Contribution (ADC) amount would decrease by approximately $100,000. Additionally, Milliman estimated the funded status would reduce by approximately 0.15% from 92.94% to 92.79%.

For the OPEB Plan, as a result of this rate reduction, Milliman estimated the December 31, 2019 Total OPEB liability would increase approximately $2.1 million and the funded status would decline from 116% to 113% (i.e. it would continue in an over-funded position).

Staff recommends the Port Commission reduce the investment return assumption rate to 6.25% for these plans. At its meeting of September 23, 2023, the Pension and Benefits Committee concurred with staff's recommendations.

I. INFRASTRUCTURE

Subject	**1. Award a construction contract to Four Seasons Development Company for annual perimeter security fence replacement at Turning Basin Terminal in an amount not to exceed $150,000.**
Meeting	Oct 27, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its October 27, 2020 meeting, award a construction contract to Four Seasons Development Company for annual perimeter security fence replacement at Turning Basin Terminal in an amount not to exceed $150,000, 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:
Project and Construction Management

Staff Contact:
Roger H. Hoh, P.E.

Background:
This project would provide for the removal and replacement of deteriorated or damaged perimeter security fencing at the Turning Basin Terminal. The existing 6-foot perimeter fencing would be replaced with 8-foot fencing and three stands of barbed wire. The project to replace 5400 linear-feet of perimeter fencing would include the following:

- Remove 6-foot fencing and barbed wire
- Remove existing footings
- Install new concrete footings
- Place 8-foot fencing with three strands of barbed wire

The Port Authority notified vendors regarding its request for competitive sealed bids (CSBs) for the annual perimeter security fence replacement at Turning Basin Terminal using the Port Authority's BuySpeed Eprocurement System and the project was advertised on the Port Authority's website and in a local newspaper. Fifty-one vendors downloaded the project materials from BuySpeed.

Staff Evaluation/Justification:
On September 30, 2020, five CSBs were received, opened, and publicly read. The responses were reviewed and evaluated by staff in accordance with the published selection criteria.

Staff recommends that the Port Authority award a contract to Four Seasons Development, the responsible bidder submitteing the lowest and best bid, for the annual perimeter security fence replacement at Turning Basin Terminal.

I. INFRASTRUCTURE

Subject	**2. Amend the professional services contract with Wiss, Janney, Elstner Associates, Inc. for engineering services associated with the Port Authority Facility Inspection and Condition Assessment Program for corrosion on marine assets portwide in an amount not to exceed $300,000.**
Meeting	Oct 27, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its October 27, 2020 meeting, approve an amendment to the professional services contract with Wiss, Janney, Elstner Associates, Inc. for engineering services associated with the Port Authority Facility Inspection and Condition Assessment Program (FICAP) for corrosion on marine assets portwide in an amount not to exceed $300,000, and 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. 2018-1212-17, the Port Commission awarded a professional services contract to Wiss, Janney, Elstner Associates, Inc. for engineering services associated with the Port Authority FICAP for corrosion on marine assets portwide.

The 2020 phase of inspections will be Turning Basin Wharves 23 through 26, and 28 through 31, with a total of eight wharf facilities. The 2020 work to be performed consists of the following:

- Perform baseline inspections above and below the water line for eight Port Authority wharf facilities
- Develop corrosion inspection plan for continuing routine inspections
- Development of engineering drawings with corrosion elements
- Convert engineering drawings into GIS database information
- Deliver reports and final data for inspected assets
- Perform functionality checks of corrosion protection systems

Staff Evaluation/Justification:
Staff has reviewed Wiss, Janney, Elstner Associates, 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 Wiss, Janney, Elstner Associates, Inc.

I. INFRASTRUCTURE

Subject	**3. Approve a change order with McCarthy Building Companies, Inc. to perform additional work associated with the rehabilitation of Wharves 4 and 5 at Bayport Container Terminal in an amount not to exceed $84,614.**
Meeting	Oct 27, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its October 27, 2020 meeting, approve a change order McCarthy Building Companies, Inc. to perform additional work associated with the rehabilitation of Wharves 4 and 5 at Bayport Container Terminal in an amount not to exceed $84,614, 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. 2020-0520-21, the Port Commission awarded a construction contract to McCarthy Building Companies, Inc. to perform additional work associated with the rehabilitation of Wharves 4 and 5 at Bayport Container Terminal.

This project consists of installing thirty-six concrete piles through the existing Wharf 5 deck, each 42-inches in diameter, by removing sections of the existing wharf deck. The initial plan to remove the required portions of the wharf deck utilized concrete saw cutting. Saw cutting was found to be limited around the edges and corners of each hole and instead, hydro-demotlition was identified as the only alternative.

This change order would provide for the labor and material differential between hydro-demoltion and saw cutting costs.

Staff Evaluation/Justification:
Port Authority staff has reviewed the proposal submitted by McCarthy Building Companies, Inc. and found it to be fair and reasonable. Therefore, staff recommends that the Port Commission authorize this change order.

I. INFRASTRUCTURE

Subject	**4. Approve a change order with Archer Western Construction, LLC to perform additional work associated with the expansion of gate facilities at Barbours Cut Terminal in an amount not to exceed $63,224.**
Meeting	Oct 27, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its October 27, 2020 meeting, approve a change order to Archer Western Construction, LLC to perform additional work associated with the expansion of gate facilities at Barbours Cut Terminal in an amount not to exceed $63,224, 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. 2019-0729-24, the Port Commission awarded a construction contract to Archer Western Construction, LLC for the expansion of gate facilities at Barbours Cut Terminal.

This change order would provide for the costs of following items:

- Furnishing and installing new access control door frames and hardware at the TWIC IDF Room 105
- Structural steel modifications to kiosk, optical character recognition, and rear camera poles and pedestals
- Purchase of one National Electrical Manufacturing Association (NEMA) enclosure cabinet wth internal air conditioning unit

Staff Evaluation/Justification:
Port Authority staff has reviewed the proposal submitted by Archer Western Construction, LLC and found it to be fair and reasonable. Therefore, staff recommends that the Port Commission authorize this change order.

I. INFRASTRUCTURE

Subject	**5. Approve a change order with Forde Construction Company, Inc. to perform additional work associated with the rehabilitation and repair of Wharf 9 at Turning Basin Terminal in an amount not to exceed $209,009.**
Meeting	Oct 27, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its October 27, 2020 meeting, approve a change order with Forde Construction Company, Inc. to perform additional work associated with the rehabilitation and repair of Wharf 9 at Turning Basin Terminal in an amount not to exceed $209,009, 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. 2020-0428-19, the Port Commission awarded a construction contract to Forde Construction Company, Inc. for the rehabilitation and repair of Wharf 9 at Turning Basin Terminal.

This change order would include the following items:

- Provide an entirely new deck with a double mat of reinforcing steel for uniform strength to meet the design criteria of the project
- Remove and replace eight cleat supports that have been compromised through multiple drilled holes
- Fix cracks in the buttress wall and replace with reinforced steel and concrete
- Complete replacement of the frontal beam, which would mitigate connection issues for the new fender, i.e. the existing frontal beam is not straight

Staff Evaluation/Justification:
Port Authority staff has reviewed the proposal submitted by Forde Construction Company, Inc. and found it to be fair and reasonable. Therefore, staff recommends that the Port Commission authorize this change order.

I. INFRASTRUCTURE

Subject	**6. Amend the professional engineering and auditing services contract supporting the Houston Ship Channel Expansion Channel Improvement Project with Atkins North America, Inc. to add an amount not to exceed $596,600.**
Meeting	Oct 27, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its October 27, 2020 meeting, authorize the Port Authority to amend the professional engineering and auditing services contract supporting the Houston Ship Channel Expansion Channel Improvement Project with Atkins North America, Inc. to add an amount not to exceed $596,600 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:
Project 11

Department:
Channel Improvement

Staff Contact:
Lori S Brownell, P.E.

Background:
By Minute Nos. 2020-0428-39 and 2020-0730-27, the Port Commission approved contracts totaling $1,300,000 with Atkins North America, Inc. and $200,000 with Freese and Nichols, Inc., for both firms to provide professional engineering and auditing services to support the Houston Ship Channel Expansion Channel Improvement Project on an as-needed basis. Atkins North America, Inc. is currently under contract to perform auditing services for Project 10 (the Houston Galveston Navigation Channel completed in 2005) and Project 11 (the Houston Ship Channel Expansion Channel Improvement Project, HSC ECIP) and perform a peer review for the 65% design package submittal. Additionally, Freese and Nichols, Inc. has participated in an environmental focused review of the 65% design package submittal.

Staff Evaluation/Justification:

An additional total not to exceed amount of $596,600 is requested for engineering and auditing services to be performed by Atkins North America, Inc for the HSC ECIP. Federal policy requires that planning, engineering, and designs (PED) provided by the local sponsor be reviewed and approved by the U.S. Army Corps of Engineers (USACE). The additional funding would allow the firm to complete the original intent for obtaining these professional engineering and auditing services, such as accounting related services, value engineering, and peer review, for the 95% and 100% deliverables. These final peer design reviews are expected to help the Port Authority to meet or exceed the applicable USACE regulations and guidance criteria.

Staff recommends the Port Commission approve this additional funding for Atkins North America, Inc.

I. INFRASTRUCTURE

Subject	**7. Enter into a reimbursement agreement for design and permitting with Southtex 66 Pipeline Company, Ltd related to segment 4 of the Houston Ship Channel Expansion Channel Improvement Project at a cost not to exceed $2,000,000, for which the Port Authority would be responsible for one half the cost, for a total amount not to exceed $1,000,000.**
Meeting	Oct 27, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its October 27, 2020 meeting, authorize the Port Authority to enter into a reimbursement agreement for design and permitting with Southtex 66 Pipeline Company, Ltd related to segment 4 of the Houston Ship Channel Expansion Channel Improvement Project at a cost not to exceed $2,000,000, for which the Port Authority would be responsible for one half the cost, for a total amount not to exceed $1,000,000, and further authorize the Executive Director to do any and all things in his opinion reasonable or necessary to give effect to the foregoing.

Category:
Project 11

Department:
Channel Operations

Staff Contact:
Garry McMahan

Background:
As part of the Houston Ship Channel Expansion Channel Improvement Project (HSC ECIP), several pipelines would have to be removed and relocated in order to meet U.S. Army Corps of Engineers safety requirements. The companies previously identified as pipeline owners include: Kinder Morgan Texas Pipeline LP (two pipelines); HSC Pipeline Partnership, LLC; Seminole Pipeline Company LLC; Explorer Pipeline Company; Colonial Pipeline Company; Praxair Inc, (two pipelines); Equistar Chemicals, LP; and INEOS USA LLC. Agreements with these companies were approved at the July Port Commission meeting.

Port Authority staff has identified one additional pipeline owned by Southtex 66 Pipeline Company, Ltd, that would have to be relocated in Segment 4.

Costs for relocation for all these pipelines are estimated to range of $4.2 million to $20 million per pipeline. The design phase is expected to help narrow down those costs, and the Port Authority would also be responsible for half of those costs.

Staff Evaluation/Justification:
Channel Operations Department staff recommends approval of this additional contract to facilitate continued accelerated progress on the HSC ECIP project.

I. INFRASTRUCTURE

Subject	**8. Approve the renewal of the following expiring Port Authority licenses for new ten-year terms: Air Liquide Large Industries U.S. LP, Houston Pipe Line Company LP, and Monument Chemical Houston, LLC.**
Meeting	Oct 27, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its October 27, 2020 meeting, authorize the Port Authority to approve the renewal of the following expiring licenses for new ten-year terms: Air Liquide Large Industries U.S. LP, Houston Pipe Line Company LP, and Monument Chemical Houston, LLC 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:
The pipeline licensees listed below have applied to renew their licenses:

Company	File No.	License Fee
Air Liquide Large Industries U.S. LP	2000-0266	$554,713
Houston Pipe Line Company LP	2000-0299	$17,672
Houston Pipe Line Company LP	2000-0300	$6,363
Monument Chemical Houston, LLC	2007-0162	55,360
Total		$634,108

Staff Evaluation/Justification:
The applications were reviewed and approved by the Port Authority's Channel Operations 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.

I. INFRASTRUCTURE

Subject	**9. Issue a pipeline license to Odfjell Terminals (Houston) Inc. for one 4-inch acrylonitrile pipeline, one 4-inch butylacrylate pipeline, and one 2-inch fiber optic under and across the southwest corner of the Bayport Container Terminal.**
Meeting	Oct 27, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its September 29, 2020 meeting, authorize the Port Authority to issue a pipeline license to Odfjell Terminals (Houston) Inc. for one 4-inch acrylonitrile pipeline, one 4-inch butylacrylate pipeline, and one 2-inch fiber optic under and across the southwest corner of the 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:
Permits/Licenses/Pipeline Easements

Department:
Channel Operations

Staff Contact:
Channel Operations

Background:
Odfjell Terminals (Houston) Inc., Port Authority File No. 2020-0233, has applied for a pipeline license for one 4-inch acrylonitrile pipeline, one 4-inch butylacrylate pipeline, and one 2-inch fiber optic under and across the southwest corner of the Bayport Container Terminal, in the William P Harris Survey, A-30.

Staff Evaluation/Justification:
The application was reviewed and approved by the Port Authority's Channel Operations department with input from the Port Operations department and others. Since the pipelines cross a Port Authority terminal, the license fee was negotiated: licensee would pay $0.12 per barrel of product transmitted through the pipelines (pipelines crossing terminals would not fall under the normal fee schedule). The negotiated fee is $52,551.84 for a 10-year license.

Staff recommends approval.

I. INFRASTRUCTURE

Subject	**10. Transfer two and renew one of the pipeline licenses from Cowboy Pipeline Service Company to Equistar Chemicals, LP for crossing the Houston Ship Channel and the Port Terminal Railroad Association Northside Mainline Railroad right-of-way.**
Meeting	Oct 27, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action, Information
Recommended Action	The Port Commission, at its October 27, 2020 meeting, authorize the Port Authority to transfer two and renew one of the pipeline licenses from Cowboy Pipeline Service Company to Equistar Chemicals, LP for crossings in the Houston Ship Channel and Port Terminal Railroad Association Northside Mainline Railroad right-of-way, 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:
Channel Operations

Department:
Permits/Licenses/Pipeline Easements

Staff Contact:
Garry McMahan

Background:
Cowboy Pipeline Service Company has applied to transfer two and renew one of its pipeline licenses to Equistar Chemicals, LP for pipelines crossing the Houston Ship Channel and the Port Terminal Railroad Association Northside Mainline Railroad right-of-way, in the Ezekiel Thomas Survey, A-73, and the William Vince Survey, A-78: Port Authority File No. 1995-0065 for one 10-inch pipeline (transfer and renew) and 2005-0107 for one 10-inch pipeline (transfer).

Cowboy Pipeline Service Company expects to convey the licensed pipeline assets to Equistar Chemicals, LP as of November 30, 2020 and seeks to transfer the licenses to the new owner.

Staff Evaluation/Justification:
The applications were reviewed and approved by the Port Authority's Channel Operations department. The licenses are subject to the Port Authority's usual terms and conditions, and the renewal license is a fee of $63,042. The $675 application fee for both licenses have been paid.

Staff recommends approval.

I. INFRASTRUCTURE

Subject	**11. Issue a transmission line license to Comcast of Houston, LLC for one fiber optic cable line over and across the Port Authority's Port Terminal Railroad Association Southside Mainline Railroad right-of-way**
Meeting	Oct 27, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its October 27, 2020 meeting, authorize the Port Authority to issue a transmission line license to Comcast of Houston, LLC for one fiber optic cable line over and across the Port Authority's Port Terminal Railroad Association Southside Mainline Railroad right-of-way, 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:
Channel Operations

Background:
Comcast of Houston, LLC, Port Authority File No. 2020-0275, has applied for a transmission line license for one fiber optic cable line over and across the Port Authority's Port Terminal Railroad Association Southside Mainline Railroad right-of-way, in the Arthur McCormick Survey,

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 $1,688. The $675 application fee and the $2,500 as-built deposit have been paid.

Staff recommends approval.

I. INFRASTRUCTURE

Subject	**12. Issue a transmission line license to Southwestern Bell Telephone Company for one fiber optic cable line under and along the Port Authority's Port Terminal Railroad Association Northside Mainline Railroad right-of-way.**
Meeting	Oct 27, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its October 27, 2020 meeting, authorize the Port Authority to issue a transmission line license to Southwestern Bell Telephone Company for one fiber optic cable line under and along the Port Authority's Port Terminal Railroad Association Northside Mainline Railroad right-of-way, 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:
Channel Operations

Department:
Permits/Licenses/Pipeline Easements

Staff Contact:
Garry McMahan

Background:
Southwestern Bell Telephone Company, Port Authority File No. 2020-0268, has applied for a transmission line license for one fiber optic cable line under and along the Port Authority's Port Terminal Railroad Association Northside Mainline Railroad right-of-way, in the William P Harris & Robert Wilson Survey, A-31, and Ezekiel Thomas Survey, A-73. The line provides service to the Port of Houston Authority.

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. Staff recommends the application fee, license fee, and as-built deposit fee be waived since this project will provide service to the Port Authority.

Staff recommends approval.

I. INFRASTRUCTURE

Subject	**13. Amend a marine construction permit issued to TDWP Terminals 1, LLC to reconfigure the previously authorized ship docks to accommodate an additional ship dock and barge dock, reconfigure the bulkhead totaling 5,225 linear-feet, and reduce the dredge footprint to 60 acres in Buffalo Bayou/Houston Ship Channel.**
Meeting	Oct 27, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its September 29, 2020 meeting, authorize the Port Authority to amend a marine construction permit issued to TDWP Terminals 1, LLC to reconfigure the previously authorized ship docks to accommodate an additional ship dock and barge dock, reconfigure the bulkhead totaling 5,225 linear-feet, and reduce the dredge footprint to 60 acres in Buffalo Bayou/Houston Ship Channel, 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:
TDWP Terminals 1, LLC, Port Authority File No. 2013-0123, has applied to amend a marine construction permit to reconfigure the previously authorized ship docks to accommodate an additional ship dock and barge dock, reconfigure the bulkhead totaling 5,225 linear-feet, and reduce the dredge footprint to 60 acres in Buffalo Bayou/Houston Ship Channel, in the Richard & Robert Vince Survey, A-76.

The dredge depth is -46.5 feet plus a 2-foot overdredge below Mean Lower Low Water, to remove approximately 5.62 million cubic yards of dredged material. As a component of the dock reconfiguration, the permitee would add a 977-foot-long trestle with product piping rack terminating in a 1,000 square-foot T-head Dock (accommodating two ships), construct a 160-foot by 50-foot barge dock, and construct three docks capable of berthing ships along the reconfigured bulkhead. The permitee would install 20 breasting dolphins, 20 mooring dolphins, 3 tire guide piles, and 1 barge stop pile.

Staff Evaluation/Justification:
The application was reviewed and approved by the Port Authority's Channel Operations department, Project 11 team, and the Houston Pilots. The permit is to be issued subject to the Port Authority's usual terms and conditions. The $675 application fee and $2,500 as-built deposit have been paid.

Staff recommends approval.

J. OPERATIONS

Subject	**1. Award a two-year contract to Interamerican Motor, LLC for purchase of batteries for terminal equipment at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal in an amount not to exceed $250,000.**
Meeting	Oct 27, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its October 27, 2020 meeting, authorize the Port Authority to enter into a two-year contract to Interamerican Motor, LLC for purchase of batteries for terminal equipment at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal in an amount not to exceed $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. 2017-0926-38, the Port Commission awarded a two-year contract to XL Parts, LLC in the amount not to exceed $300,000 for the purchase of batteries for terminal equipment at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal. This contract has been extended to September 30, 2021 however; staff wishes to terminate it for convenience.

The Port Authority currently owns ninety-eight rubber tired gantry cranes and over 700 vehicles and equipment that require one or more batteries for daily operation. In addition, some Information Technology and security hardware operate with batteries as well.

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. Thirty-two vendors downloaded the project materials from BuySpeed.

Staff Evaluation/Justification:
On September 30, 2020, four CSBs were received and opened. The responses were reviewed and evaluated by staff in accordance with the published selection criteria.

Following staff Executive Committee review, staff recommends that the Port Authority award a two-year contract to Interamerican Motor, LLC, the responsible bidder submitting the lowest and best bid, for purchase of batteries for terminal equipment at Barbours Cut Terminal, Bayport Container Terminal, and Turning Basin Terminal.

J. OPERATIONS

Subject	**2. Award an annual contract to AssetWorks, LLC, the sole source provider, for software maintenance, support, and extended hardware warranty of Fleet Focus™ M5, Enterprise Asset Management System, and Fuel Focus software, the Port of Houston Authority's Fueling and Fleet management system in an amount not to exceed $80,000.**
Meeting	Oct 27, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its October 27, 2020 meeting, authorize the Port Authority to enter into an annual contract to AssetWorks, LLC, the sole source provider, for software maintenance, support, and extended hardware warranty of Fleet Focus™ M5, Enterprise Asset Management System and Fuel Focus software, the Port of Houston Authority's Fueling and Fleet management system in an amount not to exceed $80,000, 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.

Category:
Awards, Amendments & Change Orders

Department:
Maintenance

Staff Contact:
Paulo Soares

Background:
By Minute No.2019-0924-53, the Port Authority awarded a one-year contract to AssetWorks, LLC for its Fueling/Fleet management system. This contract expired October 1, 2020. AssetWorks, LLC holds all rights to sales, distribution, implementation, and development services to Fleet Focus™ M5 and Fuel Focus, which include, but are not limited to, software licenses, maintenance, and support of the latter intellectual property.

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 AssetWorks, LLC confirming that AssetWorks, LLC is the sole authorized sole provider of Fleet Focus™ M5, Enterprise Asset Management System and Fuel Focus.

Staff Evaluation/Justification:
Staff recommends the Port Commission approve entering into an annual contract with AssetWorks, LLC, for software maintenance, support, and extended hardware warranty of Fleet Focus™ M5, Enterprise Asset Management System, and Fuel Focus software, the Port Authority's Fueling and Fleet management system.

K. PEOPLE

Subject	**1. Authorize renewal of the contract with PlanSource Benefits Administration, Inc. for employee and retiree benefits and payroll integration services for an additional one-year period in an amount not to exceed $75,000.**
Meeting	Oct 27, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its October 27, 2020 meeting, authorize renewal of the contract with PlanSource Benefits Administration, Inc. for employee and retiree benefits and payroll integration services for an additional one-year period in an amount not to exceed $75,000, 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 #1 - PEOPLE AND ORGANIZATION (Be the Best Place to Work)

Category:
Awards, Amendments & Change Orders

Department:
Human Resources

Staff Contact:
Roger Walter

Background:
By Minute No. 2019-07-29-55, the Port Commission awarded a contract to PlanSource Benefits Administration, Inc. for employee and retiree benefits and payroll integration services. The technology and services provided under this contract assist the Port Authority with benefits enrollments, administration, and reporting (including federal reporting requirements under the Affordable Care Act (ACA), including the Form 1095-C employee documents and electronic Internal Revenue Service reporting).

The initial term of the contract with PlanSource Benefits Administration, Inc. was from August 6, 2019 until December 31, 2020, for an amount not to exceed $87,460. It provided for two one-year renewals, at the option of the Port Authority, at an estimated amount of $75,000 per year. This would be the first additional one-year renewal option.

Staff Evaluation/Justification:
PlanSource Benefits Administration, Inc. has continually met its obligations under the agreement and exceeded expectations since the start of the contract.

Staff recommends that the Port Commission authorize renewal of the PlanSource Benefits Administration, Inc. contract under current contractual terms at an amount not to exceed $75,000.

K. PEOPLE

Subject	**2. Authorize renewal of a contract with Lockton Companies, LLC for employee and retiree benefits consulting services for a two-year period, at a cost of $115,000 per year and in a total amount not to exceed $230,000.**
Meeting	Oct 27, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its October 27, 2020 meeting, authorize renewal of a contract with Lockton Companies, LLC for employee and retiree benefits consulting services for a two-year period, at a cost of $115,000 per year and in a total 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 #1 - PEOPLE AND ORGANIZATION (Be the Best Place to Work)

Category:
Awards, Amendments & Change Orders

Department:
Human Resources

Staff Contact:
Roger Walter

Background:
By Minute No. 2018-0130-43, the Port Commission awarded a contract to Lockton Companies, LLC for employee and retiree benefits consulting services for an initial period of three years, renewable for a two-year period at the option of the Port Authority.

Under this contract, Lockton Companies LLC serves as the Port Authority's broker of record in the purchasing process for employee benefits insurance, which includes developing solicitations, marketing, evaluating, ranking, and recommending providers and programs. Other services provided include continued assessment of the Port Authority's employee benefits program, along with design, implementation, and maintenance of the benefits program. Professional consulting services related to Port Authority employee and retiree benefits (including medical and other related insurance) are an important component for further development and optimization of the Port Authority's strategy of standardizing benefits, controlling costs, and managing competitive benefits program designed to attract and retain talent.

The initial term of the contract with Lockton Companies, LLC was for a three-year period, beginning February 1, 2018. The one additional two-year term would be subject to the same terms and conditions. After this extension staff expects to issue a solicitation to the market for proposals from potential future service providers.

Staff Evaluation/Justification:
Lockton Companies, LLC has continually met its obligations under the agreement and exceeded expectations as the broker of record since the inception of this contract.

Staff recommends the Port Commission authorize renewal of the agreement with Lockton Companies, LLC for employee benefits consulting services under current contractual terms with no fee increase for a two-year period.

L. PORT SECURITY AND EMERGENCY OPERATIONS

Subject	**1. Authorize an agreement with the Houston Ship Channel Security District for payment of the current year (2020-2021) contribution in an amount not to exceed $53,625.**
Meeting	Oct 27, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its October 27, 2020 meeting, authorize an agreement with the Houston Ship Channel Security District for payment of the current year (2020-2021) contribution in an amount not to exceed $53,625, and 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 3a. - Cultivate key relationships to accomplish common goals Strategic Objective 4b. - Prepare for disruptive events and mitigate their impact

Category:
Awards, Amendments & Change Orders

Department:
Security

Staff Contact:
Jessica Thomas

Background:
In 2008, the Port Commission first authorized payments to the Houston Ship Channel Security District (HSCSD). These annual payments, along with the funds collected each year in assessments from the Security District's private industry members, allow the HSCSD to partner with many law enforcement entities in providing security enhancements in and around the Houston Ship Channel and the Port Authority's facilities. These water, land, and air enhancements include: (i) a security camera network monitored by the Harris County Sheriff's Office and linked to the U.S. Coast Guard and the Port Authority, (ii) additional boat patrols on the ship channel, (iii) additional landside law enforcement, (iv) air patrols over the Houston Ship Channel, and (v) cybersecurity information distribution.

By Sections 68.151-68.155 of the Water Code, the HSCSD is governed by eleven directors, eight from private industry and three from government agencies, including the Port Authority.

At this time, the HSCSD has preliminarily approved its budget for fiscal year 2021, and has determined the assessment amounts for its members, which are slightly increased over 2020. Accordingly, in line with its budget requirements and consistent with the assessment of its private industry members, the HSCSD has requested a contribution from the Port Authority of $53,625 for fiscal year 2021 (payable in 2020). The 2021 assessments from the district's private industry members and the Port Authority would enable the continued operation and maintenance of the mutually beneficial security assets for the Houston Ship Channel.

Pursuant to Section 68.315 of the Texas Water Code, the HSCSD and the Port Authority may enter into a contract for payment of assessments under mutually agreeable terms.

Staff Evaluation/Justification:
Staff recommends the Port Commission approve this agreement and payment to the HSCSD.

M. TECHNOLOGY

Subject	**1. Approve a purchase order to Red River Technology LLC for purchase of server and server hardware needed to utilize N4's XPS in a published app environment, using Texas Department of Information Resources' cooperative purchase program, in an amount not to exceed $70,000.**
Meeting	Oct 27, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its October 27, 2020 meeting, authorize the Port Authority to issue a purchase order to Red River Technology LLC for purchase of server and server hardware to utilize N4's XPS in a published app environment, using Texas Department of Information Resources' cooperative purchase program, in an amount not to exceed $70,000, 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 Objective 1c. - Deliver excellence and continuous improvement in all core functions

Category:
Awards, Amendments & Change Orders

Department:
Information Technology

Staff Contact:
Ron Farrow

Background:
The Port Authority is seeking to obtain approval to purchase server and server hardware needed to utilize N4's XPS in a published app environment, which will help provide a consistent version of this application to be used by all Port Authority staff and stevedores.

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, and which may be used for this procurement.

Staff Evaluation/Justification:
The Director of Procurement Services has determined that procuring the server and server hardware needed to utilize N4's XPS in a published app environment 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 Red River Technology LLC under the pricing schedule obtained from that vendor's contract with DIR, and is therefore recommending this purchase.

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

M. TECHNOLOGY

Subject	**2. Approve a purchase order to Netsync Network Solutions for purchase of VMWare Horizon licensing needed to utilize N4's XPS in a published app environment, using Texas Department of Information Resources' cooperative purchase program, in an amount not to exceed $70,000.**
Meeting	Oct 27, 2020 - PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY
Access	Public
Type	Action
Recommended Action	The Port Commission, at its October 27, 2020 meeting, authorize the Port Authority to issue a purchase order to Netsync Network Solutions for purchase of VMWare Horizon licensing to utilize N4's XPS in a published app environment, using Texas Department of Information Resources' cooperative purchase program, in an amount not to exceed $70,000, 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 Objective 1c. - Deliver excellence and continuous improvement in all core functions

Category:
Awards, Amendments & Change Orders

Department:
Information Technology

Staff Contact:
Ron Farrow

Background:
The Port Authority is seeking to obtain approval to purchase VMWare Horizon licensing needed to utilize N4's XPS in a published app environment, which will help provide a consistent version of this application being used by all Port Authority staff and stevedores.

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, and which may be used for this procurement.

Staff Evaluation/Justification:
The Director of Procurement Services has determined that procuring the VMWare Horizon licensing needed to utilize N4's XPS in a published app environment 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 Netsync Network Solutions under the pricing schedule obtained from that vendor's contract with DIR, and is therefore recommending this purchase.

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