

April 12, 2018

NOTICE OF MEETING
OF THE
PORT COMMISSION
OF THE
PORT OF HOUSTON AUTHORITY

In accordance with the official practice of the Port Commission of the Port of Houston Authority, there is attached hereto a copy of the Agenda of the regular meeting to be held on April 16, 2018. The Port Commission will meet at 10:00 a.m., or thereafter, at the Port of Houston Authority Executive Office Building, Fourth Floor Boardroom, 111 East Loop North, Houston, Texas 77029, with the Executive Session convening following the adjournment of the Public Session and the Public Session reconvening following the adjournment of the Executive Session, to consider any items from the Executive Session that may require action and conduct any further business.

PORT OF HOUSTON AUTHORITY
of
HARRIS COUNTY, TEXAS



SECRETARY



Monday, April 16, 2018
PORT COMMISSION OF THE PORT OF HOUSTON AUTHORITY

10:00 a.m.
111 East Loop North
Houston, TX 77029
Fourth Floor Boardroom

A. CALL TO ORDER

B. CHAIRMAN'S REMARKS

1. Governance, legislative, policy, and operational matters

C. APPROVAL OF MINUTES

1. Port Commission Public Meeting - March 27, 2018

D. PORT COMMISSION COMMITTEE UPDATES

1. Audit Committee Meeting - April 10, 2018

E. APPEARANCES

1. University of Houston Graduate Design/Build Studio, Gerald D. Hines College of Architecture - Update on planned shade canopy at the Turning Basin Terminal's Sam Houston Landing
2. Public Comment

F. STAFF REPORTS

1. Summary of selected financial and operational matters - Roger Guenther, Executive Director

G. EXECUTIVE

General

1. Approve the (i) Foreign Corrupt Practices Act Compliance Policy and (ii) Office of Foreign Assets Control Compliance Policy.
2. Approve the CyberSecurity Policy of the Port Authority.

H. COMMERCIAL

Leases

1. Approve a four-year lease agreement with Watco Transloading, LLC for approximately 12.58 acres out of Block 20 at Industrial Park East effective no earlier than May 1, 2018, at an annual rental of \$452,880 subject to an annual increase of 3%.

2. Approve a three-year lease agreement with Cooper/Ports America LLC, for approximately 1.72 acres out of Block 12 at Barbours Cut Terminal effective May 1, 2018, at an annual rental of \$69,203 subject to an annual increase of the greater of 3% or the increase in the Consumer Price Index.
3. Approve a one-year lease agreement with Watco Transloading, LLC for approximately 5.31 acres out of Block 28 at Industrial Park East effective no earlier than May 1, 2018, at an annual rental of \$109,107 subject to an annual increase of the greater of 3% or increase in the Consumer Price Index.
4. Approve a three-year lease agreement with Cooper/Ports America LLC, for approximately 5.6 acres out of Block 2 at Barbours Cut Terminal effective May 1, 2018, at an annual rental of \$237,990 subject to an annual increase of the greater of 3% or the increase in the Consumer Price Index.
5. Approve an amendment to extend the lease agreement with Cooper/Ports America LLC, effective no earlier than June 1, 2018 for approximately 3.20 acres at the Turning Basin Terminal, for a one-year term at an annual base rent of \$82,214.

I. FINANCE

Authority to Obtain Bids, Proposals, or Qualifications

1. Authorize advertisement and receipt of responses for four formal procurements.
 - (a) Request for competitive sealed bids for the rehabilitation of transit shed floors at Wharf 46 at Turning Basin Terminal
 - (b) Request for competitive sealed bids for replacement of the roof on Transit Shed 30-31 at Turning Basin Terminal
 - (c) Request for proposals for 2019 Port Authority employee, retiree, and dependent medical and other supplemental benefits
 - (d) Request for qualifications for professional engineering services to design the construction of East End at Bayport Container Terminal

General

2. Approve the Port Authority's fiscal year 2017 Comprehensive Annual Financial Report.
3. Approve and adopt the "Resolution Finding Necessity for the Issuance of Bonds and Providing for Certification to Commissioners Court" regarding: (i) the issuance of refunding bonds to purchase or refund and defease all or a portion of the following outstanding bonds of the Port Authority: (a) \$19,640,000 par value of the Unlimited Tax Refunding Bonds, Series 2006B (AMT); and (b) \$182,045,000 par value of the Unlimited Tax Refunding Bonds, Series 2008A (AMT); (ii) affirmatively find and declare that the best interests of the taxpayers of the Port Authority will be served by such a refunding, and that the Commissioners Court of Harris County, Texas, be petitioned to authorize the issuance thereof for and on behalf of the Port Authority; and (iii) appoint Bracewell LLP as bond counsel and disclosure counsel, FirstSouthwest, a division of Hilltop Securities Inc. as financial advisor, and J.P. Morgan Securities LLC (senior manager), Drexel Hamilton, LLC, FTN Financial Capital Markets, Piper Jaffray & Co., and Siebert Cisneros Shank & Co., LLC, as underwriters, to assist in the bond issuances.

4. Authorize staff to (a) negotiate the renewal of the Flexible Rate Revolving Note Program or such other debt financing agreements with financial institutions for such amounts and terms as deemed necessary or advantageous, (b) engage FirstSouthwest, a division of Hilltop Securities Inc., as financial advisor with advisory fees not to exceed \$100,000, (c) appoint Bracewell LLP as legal counsel to assist with such financing, and (d) engage up to two credit rating agencies at a cost not to exceed \$200,000 to obtain ratings for the new financing as may be necessary, with all proposed debt financing subject to final approval by the Port Commission.

J. PORT SECURITY AND EMERGENCY OPERATIONS

1. No items.

K. INFRASTRUCTURE

Awards, Amendments & Change Orders

1. Approve staff's ranking of vendors and award a professional services contract in an amount not to exceed \$1,047,288 for the design to construct Container 1 North and Container 2 North at Barbours Cut Terminal to the top-ranked proposers: staff ranking – first, BGE, Inc.; second, RPS, Inc.; and third, Lockwood, Andrews & Newnam, Inc.

2. Approve staff's ranking of vendors and award a professional services contract in an amount not to exceed \$100,000 to perform construction material testing services for all Port Authority facilities and locations to the top-ranked proposers: staff ranking – first, HVJ Associates, Inc.; second, Aviles Engineering Corporation; and third, Ninyo and Moore.

General

3. Enter into a Memorandum of Agreement with the U.S. Army Corps of Engineers for maintenance dredging of berths at the Bayport Container Terminal and Auto Terminal, and Barbours Cut Terminal for an amount not to exceed \$4,000,000.

Permits/Licenses/Pipeline Easements

4. Authorize Port Authority staff to enter into agreements with the U.S. Army Corps of Engineers in support of the Federal Section 217(b) process and Port Authority Dredged Material Placement Agreements with channel companies.

5. Approve fees effective on May 1, 2018 for barge fleeting leasing.

6. Approve the renewal of an expiring Port Authority license for a new ten-year term: Air Products LLC.

7. Issue a pipeline license to Targa NGL Pipeline Company LLC for two 6-inch natural gas liquids pipelines under and across Hunting Bayou in Galena Park.

8. Amend a license to add a 0.0296 acre (1,288 square foot) area for the construction of the Sam Houston Tollway Bridge and issue a license for a temporary construction workspace in connection with that project to the Harris County Toll Road Authority across the Southside Mainline railroad right-of-way.

L. OPERATIONS

Awards, Amendments & Change Orders

1. Issue a purchase order to Caldwell Country Chevrolet for the purchase of forty-one vehicles needed by Barbours Cut Terminal, Bayport Container Terminal, Central Maintenance, Fire Department, Project & Construction Management, and Port Police departments, using the Houston-Galveston Area Council Cooperative Purchasing Program, in a total amount not to exceed \$1,133,900.
2. Issue a purchase order to Heil of Texas for the purchase of one Schwarze regenerative air street sweeper for Barbours Cut Terminal, using the Houston-Galveston Area Council Cooperative Purchasing program, in an amount not to exceed \$229,950.
3. Amend a purchase order to Briggs Equipment for the rental of a 55,000 lb. capacity forklift in an amount not to exceed \$96,000.
4. Amend the Section 559 Reimbursable Services Agreement and Memorandum of Understanding with U.S. Customs and Border Protection for reimbursement of overtime services in an amount not to exceed \$150,000.

General

5. Amend the freight handling assignment agreement with Richardson Stevedoring and Logistics Services, Inc. to provide for a term coterminous with the proposed lease by its affiliated entity of the Woodhouse general cargo terminal.
6. Enter into a Marine Terminal Services Agreement with Evergreen Line Joint Service Agreement.
7. Enter into a Marine Terminal Service Agreement with Mediterranean Shipping Co. S.A.
8. Enter into a Marine Terminal Service Agreement with ZIM American Integrated Shipping Services Co. Inc.
9. Extend the current Marine Terminal Service Agreement with OOCL (USA) Inc. for an additional six months.
10. Approve the assignment by Nippon Yusen Kaisha (NYK) of its Marine Terminal Services Agreement to the Ocean Network Express (ONE).

M. PEOPLE

1. No items.

N. TECHNOLOGY

Awards, Amendments & Change Orders

1. Award a contract to Sogeti USA, LLC for project management and hands-on implementation services in support of the migration to Microsoft Office 365, using a Texas Department of Information Resources cooperative purchasing program, in an amount not to exceed \$125,000.

O. RECESS OPEN MEETING AND CONVENE EXECUTIVE SESSION

1. Consultation with Attorneys (Section 551.071, Texas Open Meetings Act), including consultation regarding the Memorandum of Settlement Agreement with the City of Seabrook, Texas

2. Real Estate (Section 551.072, Texas Open Meetings Act)
3. Economic Development Negotiations or Incentives (Section 551.087, Texas Open Meetings Act)
4. Employment and Evaluation of Public Employees (Section 551.074, Texas Open Meetings Act), including deliberations regarding public employees
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

P. RECONVENE OPEN MEETING

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

Q. ADJOURN MEETING

1. Next Meeting Requested - May 22, 2018
2. Adjourn Port Commission Meeting