

I N D E X

THE BOARD OF PILOT COMMISSIONERS OF THE PORTS OF HARRIS COUNTY, TEXAS

March 26, 2020

Minute No.	Event/Action
	Chairman Campo convened the virtual meeting of the Board of Pilot Commissioners
	Minutes
(PB-2020-0326-01)	Approve the Minutes of the Board of Pilot Commissioners Meeting – January 9, 2020
	Appearances
(PB-2020-0326-02)	Chairman Campo asked if anyone would like to address the Pilot Board; there was no response
	Staff Reports
(PB-2020-0326-03a)	Chairman Campo recognized Captain Woodring, to provide a quick update
(PB-2020-0326-03b)	Chairman Campo recognized Captain Gavis, to provide a quick update
	General
(PB-2020-0326-04)	Ratify notice as of March 16, 2020 to extend the term of that certain Amended and Restated Interlocal Agreement for Governmental Functions and Services dated December 11, 2019 between the Port of Houston Authority and the Pilot Board to June 30, 2020
(PB-2020-0326-05)	Deliberation and possible actions regarding Pilot Board administrative matters
	Adjourn Meeting

**Board of Pilot Commissioners for Harris County Ports
Public Meeting**

**Houston, Texas
March 26, 2020**

A public meeting of the Board of Pilot Commissioners for Harris County Ports (the “Pilot Board”) was convened on March 26, 2020 at 10:00 a.m. by a WebEx webinar. The following commissioners and others were present:

Ric Campo, Chairman
Michel Bechtel, Commissioner
Frances Castañeda Dyess, Commissioner
Roland Garcia, Commissioner
Brenda Hellyer, Commissioner
Capt. Reginald McKamie, Commissioner
Darrell Morrison, Commissioner
Michael Lawson, Houston Pilots, retired
Captain M. Tyler Gavis – Secretary and Compliance Coordinator
Erik Eriksson, General Counsel
Captain Marcus Woodring, Chairman, Pilot Board Investigation and Recommendation Committee (PBIRC) and Application Recommendation Committee (ARC)

Chairman Campo convened the meeting of the Pilot Board by asking Mr. Eriksson to call the roll; after the participants resolved some technical difficulties, Mr. Eriksson advised that a quorum was present. Chairman Campo remarked that the webinar was a first, noted that participation in it would be an interesting process, and encouraged attendees to bear with the necessary adjustments to make it a productive meeting.

(PB-2020-0326-01) Minutes

Chairman Campo advised that the agenda was fairly short and noted that the first item on the agenda was to approve the minutes of the January 9, 2020 Pilot Board meeting. He then called for a motion to do so. Commissioner McKamie moved for approval, seconded by Commissioner Garcia. The minutes were approved as written.

(PB-2020-0326-02) Appearances

Chairman Campo asked if there were any public comments; there were none.

(PB-2020-0326-03) Staff Reports

(a) Chairman Campo recognized Captain Woodring to provide a quick update.

Captain Woodring advised that he had three items, noting that the first item was related to the PBIRC. He reported there were currently eight cases for which investigations

were underway or completed, and noted that a subcommittee meeting would be held in the near future to review them to determine if any required a full hearing.

Captain Woodring also provided a report on the ARC, noting that everything was going well with keeping the commissioning of pilots well ahead of deadlines. He reported that commissions were up to date through July, and that the ARC did not meet in March and would likely not meet in the following month.

Finally, Mr. Woodring stated that he had submitted a letter to the Pilot Board advising that he would be stepping down as Chairman of the PBIRC and ARC at the end of June. He remarked that following discussion with staff at the Port Authority, it was determined that the decision to step down aligned with the spirit of the law passed by the state. Captain Woodring added, however, that he would be more than happy and hoped to continue to serve as a regular member of the PBIRC and ARC, representing the Port Authority. He concluded by stating he hoped the Pilot Board would accept his decision, pointing out that there were many committee members who could act as chairman of each.

(b) Chairman Campo recognized Captain Gavis, to provide a quick update.

Captain Gavis advised that the next Branch Pilot renewals were three coming up on August 22, with one following in September. He advised that the next ARC meeting would be at the end of May or June, to stay ahead on the renewal cycle.

Captain Gavis also advised that he conducted research to see how various pilot boards around the nation were organized, as well as how they were funded, and noted that he submitted a document to the commissioners via email that showed the results of that research. He suggested that the Pilot Board review the materials to help develop the best way to move forward structurally.

Captain Gavis provided as an example that the state of Oregon has a pilot license fee in place that each pilot is charged annually, as well as a board operation fee that is charged per vessel transit.

In response to Commissioner McKamie's inquiries as to how to move forward with selecting a new Chairman of the PBIRC and ARC, and how business would continue to be conducted until a new chairman is selected, Chairman Campo advised that Captain Woodring would not resign until June 30, which was coterminous with the Port Authority agreement.

He further noted that nothing would change immediately and he was hopeful that the Transition Committee will make some progress in its April meeting on the structure going forward. He also reiterated that the Port Commission would not allow the Pilot

Board or its committees to lack the right support, and ultimately the Transition Committee would make a decision on how to approach the matter. Chairman Campo added that he was hopeful that new systems would be in place by the end of June to ensure no steps were missed and there were no delays with the transition from the old Pilot Board and old committees to the new Pilot Board and new committees.

Chairman Campo noted that the ultimate issue was that a new independent Pilot Board needed to be established and in order to do so, an understanding on how it would be funded and managed, as well as all other details, needed to be clear. He stressed that the legislature was very clear that it wanted distance between the Port Commission and the Pilot Board and noted that he wanted to comply as well as make sure there were no disruptions or challenges with maintaining and managing the Pilot Board the way it was currently structured.

Chairman Campo moved on to provide a brief update on the closure of the Port Authority and container terminals the previous week, noting he was incredibly proud of the Port Authority staff and teams. He highlighted its Emergency Management group and police and fire departments, as well as senior staff, regarding how they responded after being informed that an International Longshoremen's Union (ILA) member working at Bayport and Barbours Cut terminals had tested positive for Covid-19. Approximately 3-4 hours after being notified of the issue, an investigation was conducted, after which a decision was made to shut down both terminals.

The next morning further investigation was conducted by the Port Authority, Port Police, and ILA, that resulted in a thorough cleaning and disinfecting of the terminals. An interview with the ILA worker indicated he had limited contact with others, but those who he had been in contact with were notified, to permit them to self-quarantine.

The terminal reopened at 5 a.m. for ship operations only and fully opened for normal operations the following day.

Chairman Campo advised that he and staff had discussions with state, local, and federal officials regarding how to handle the issue and noted none had a protocol, which left matters up to the Port Authority to handle. He expressed how proud he was with the way the Port Authority managed, focused, and made serious decisions that affected a significant amount of commerce and people, showing its commitment to safety first while understanding economic impact, given the closure could have been for a long period of time.

He noted how interesting the process was, how amazing it was to see the commitment from the teams, and how well they executed in a complicated situation.

Chairman Campo opened the line for questions and advised that members of the team involved were present including Captain Woodring and Mr. Eriksson.

Following Commissioner Bechtel's inquiry, Chairman Campo advised there had been feedback and dialogue with the Army Corps of Engineers (Corps) and the team in Washington, D.C. on the deepening and widening project and noted there was no delay or slow-down of the process; Port Authority Executive Director Roger Guenther also confirmed that all indicators were still on track. Mr. Eriksson also added that the Port Authority team continued to work "full speed ahead" on the project – remotely.

In response to Commissioner Bechtel's other inquiry, Chairman Campo advised that nothing was happening on the financial side, due to work-from-home conditions and disruption in the capital markets, and noted that the financing part of the equation had definitely slowed and become more complicated. Following further explanation, he remarked that he was not concerned about being able to finance the deepening and widening project but there might be some changes in how the project was viewed as well as an effort to get creative on how it would be structured.

Chairman Campo emphasized that the Port Authority priority was to deepen and widen the channel and stressed that it would happen. He further advised that the bottom line was that as long as the Port Authority continued to move the project forward with the Corps, it would be financed.

Chairman Campo added that Mr. Guenther notified him that he had a meeting with representatives of the Coalition for a Fair and Open Port, who advised that the channel widening remains a massive priority even with the disruption in the energy market. Chairman Campo noted that energy companies would remain around after the crisis and knew that ultimately a deeper and wider channel was needed for safety and to permit more throughput. He concluded by further noting that he did not think the current situation would have any impact on the timing of the project.

(PB-2020-0326-04) Chairman Campo moved on to discuss ratification of extension of the Interlocal Agreement with the Port Authority, from the end of March until June and requested that Mr. Eriksson lead the discussion. Mr. Eriksson advised that since the Pilot Board meeting was scheduled for today and the contractual deadline to extend occurred before then, staff sent a letter as of March 16th to extend the term through the end of June. He further noted he assumed that was the direction to take based on conversations with the full Pilot Board in January and the Transition Committee in February. Mr. Eriksson then asked that the Pilot Board ratify that action. Commissioner Hellyer moved to ratify the action, seconded by Commissioner Garcia. MOTION APPROVED.

(PB-2020-0326-05) Chairman Campo moved on to discuss the transition plan and noted that the Transition Committee would meet at the end of April. He deferred to Mr. Eriksson to provide an update on proposals and procurement.

Mr. Eriksson advised of a draft of a procurement solicitation document to get out to the market in the next week to 10 days. He added that he had spoken with some companies that could perform administrative duties. Mr. Eriksson anticipated that once the document went out to the market, staff could review proposals.

Mr. Eriksson pointed out the wide range of budgets reported in the document Captain Gavis prepared and added that he suspected that not all of the required dollars were reflected in the budget information already provided to the Pilot Board. He further noted that once proposals were received, the next step would be to prepare a budget and provide a recommendation to the Pilot Board regarding how to structure and collect fees.

Chairman Campo asked if there were any questions or a need for discussion, and noted no action would be taken as the information was presented only for discussion purposes. He added that there had been a setback due to the current environment and he was confident that by at least June 30 there would be better data.

Following Commissioner Garcia's inquiry, Mr. Eriksson and Captain Gavis would discuss how many Requests for Proposals (RFPs) were needed and what they would cover. However, he thought that the attorney RFP would be a separate RFP, geared toward those within that market. He also noted that one question would be to determine if one divisible RFP or two separate RFPs should be prepared for the administrator and the investigator, who would provide two different types of services. Mr. Eriksson added that since the goal was to obtain as many responses as possible, the choice would come down to which of these choices would bring the best response from the proposing community, though he was inclined to suggest they be separate, as these were different vendor groups that would respond; if someone responded who could perform both jobs then that person could submit two responses. He concluded that he was leaning towards three solicitations but had not made a decision.

Commissioner Garcia commented that he liked the idea of three RFPs, since administration would definitely require different skills. He inquired if administering the office would include space as well, or if that was another task. Mr. Eriksson responded that he thought selecting a space would come after the administrator was in place. The administrator at the very least would have active files onsite, and less active files would go to storage, which could be a separate budget item. Mr. Eriksson hoped that while the space needed on a day-to-day basis could be relatively small, a secure space was needed for the pilot records. Furthermore, public meetings could be held, with the cooperation of

stakeholders, in a set place that such organizations could provide, or those locations could be rotated.

Mr. Eriksson deferred to Commissioner Garcia, Chairman of the Transition Committee, to respond to Commissioner Hellyer's next inquiry, and Commissioner Garcia advised that he thought remotely hosting the next Transition Committee meeting scheduled for April 24th would be a great idea. He added with the peak of the coronavirus expected in May, it would make sense to be limited to remote meetings in April.

Commissioner McKamie commented that he would recommend using Zoom to host the meeting, as that platform would make it easier for the community to call in or gain access. He expressed his disappointment with the current WebEx arrangement and suggested that Zoom meeting information be included in the notice for the next meeting.

Mr. Eriksson responded that staff would look into Zoom and explained that the Port Authority had a Cisco system, which was why WebEx had been used for meetings. He also noted that he would communicate after conducting research on Zoom but it would make more sense to use if it was easier. Mr. Eriksson added that one of the concerns was using the WebEx platform to allow for a large number of the public to participate, but reiterated that staff would look into Zoom.

In response to Commissioner Garcia's inquiry, Mr. Eriksson advised that he thought two weeks would be a reasonable amount of time for proposers to respond, adding that a final decision had not been arrived at. He further noted that targeted proposers would be contacted before the RFP goes out. Commissioner Garcia raised concerns about the two-week response time as he felt it might be too hard to respond, given the conditions people have to work under as a result of the pandemic. He advised that he wanted to make sure the greatest number of responses as possible was received, considering people were under difficult circumstances. Mr. Eriksson agreed that was a very good point and that he would discuss it with Port Authority Procurement Services staff.

Commissioner Garcia directed another concern to Chairman Campo, noting that he did not think the June hand-off of the Pilot Board was feasible, given all of the challenges with the current pandemic, and he inquired about a possible extension. Chairman Campo reiterated that he wanted a smooth and rational transition and noted he did not think anyone anticipated these extraordinary circumstances when the deadline was set. He advised that ultimately the plan was to get it done and expressed he would be happy to add some flexibility, although the challenge would be that those demanding it get done would continue to do so. He further noted that he did not want to be in a position where the narrative was that the Port Commission was dragging its feet.

Chairman Campo also advised there was a tension between the delay, and with having it done correctly without a slip or negative impact on the pilots. He added that issues would be balanced as they arose and advised there would be dialogue if an extension was needed, as he did not want an assumption made regarding an extension that alluded to the work not being done as needed to comply with the law.

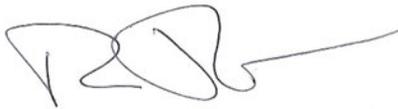
Commissioner Garcia thanked Chairman Campo for his explanation and remarked he could not imagine anyone suggesting the Port Commission would intentionally drag its feet, and adding they were welcome to call the Transition Committee where they would learn otherwise.

Chairman Campo replied that the good news was that there were resources in place and people focused on the issue, but he was concerned about those who believed there was a conflict. He concluded that the plans would move forward and an extension would be granted if there was the need to do so, and then opened the floor for any questions or comments.

Following Commissioner Garcia's inquiry, Mr. Eriksson advised there was no set date for the next meeting and that he would follow up in the next couple days to set a date. Commissioner Garcia suggested that the next meeting be scheduled after the Transition Committee meeting in order to have something to report to the full Pilot Board.

At 10:45 a.m., Chairman Campo adjourned the Pilot Board meeting.

The above is a correct copy of the Minutes of the March 26, 2020 meeting of the Board of Pilot Commissioners for Harris County Ports.



Ric Campo, Chairman



Tyler Gavis, Secretary