

**Transition Committee of the
Board of Pilot Commissioners for Harris County Ports
Public Meeting**

**Houston, Texas
June 9, 2020**

A public meeting of the Transition Committee of the Board of Pilot Commissioners for Harris County Ports (the “Transition Committee”) was convened on June 9, 2020 at 1:02 p.m., by WebEx webinar. The following Commissioners, staff, and counsel were in attendance:

Frances Castañeda Dyess, Commissioner
Roland Garcia, Commissioner
Brenda Hellyer, Commissioner
Captain Reginald McKamie, Commissioner
Captain M. Tyler Gavis, Secretary and Compliance Coordinator
Erik Eriksson, General Counsel
Captain Marcus Woodring, Chairman, Application Review Committee (ARC)
and Pilot Board Investigation and Recommendation Committee (PBIRC)

Chairman Garcia called the meeting to order and thanked the attendees for their virtual attendance. Following Chairman Garcia’s request Mr. Eriksson called the roll and advised there was a quorum.

Chairman Garcia noted that the minutes had been previously circulated and called for a motion to approve the minutes of the February 28, 2020 Transition Committee meeting. Commissioner Dyess moved for approval, seconded by Commissioner Hellyer. Chairman Garcia and Commissioners Dyess and Hellyer, voted Aye. Nays none. MOTION APPROVED.

Mr. Eriksson advised that he noted some typographical errors on the first page that he would correct, and Chairman Garcia advised that implicit in the motion was approval to correct typographical errors.

Chairman Garcia moved on to ask if there were any public appearances; there were none.

Chairman Garcia moved to staff reports, and recognized Captain Woodring to report on the PBIRC and ARC.

Captain Woodring began his PBIRC report by noting that nine cases dating back to November were reviewed during the subcommittee meeting held a few weeks earlier. He reported that eight out of the nine cases were closed to file, with no need for a full hearing, since some of those issues were attributed to ship engine overheating or similar causes, with no potential pilot culpability requiring a deeper look. Captain Woodring advised that one case was recommended for a full hearing and he would move forward with scheduling that once Captain Gavis provided the information and case materials. Once the case was

completed, the PBIRC would provide the proposed findings and recommendations to the full Pilot Board.

Captain Woodring advised that the ARC held a virtual meeting earlier that day, during which one current pilot's renewal was approved, as well as two original branch pilot licenses. He explained that in the latter case, pilots that had completed their 3-year deputy program with the Houston Pilots were now at the stage where their applications could be sent to the state to become full pilots. In addition, Captain Woodring also noted two candidates successfully entered the Pilot Pool (the group from which the Houston Pilots selected when an opening or vacancy occurred).

Captain Woodring concluded by referencing his letter of March 26 stating that he intended to resign as chairman of the PBIRC and the ARC on June 30. He noted that his decision accorded with the spirit of the statutory change separating the Port Authority from the Pilot Board and added that he would be honored to continue to serve as a member of both the ARC and PBIRC. Captain Woodring also advised that his letter was on the agenda for the next week's full Pilot Board meeting, asking it to accept his resignation.

Chairman Garcia noted a transition by June had been anticipated, but due to intervening events, it was likely that the Interlocal Agreement would be extended through the end of the year, which indicated to him that a chairman would still be needed for the two committees. He asked how the chairmanship duties would be continued in the interim and asked for discussion.

Mr. Eriksson commented that while Captain Gavis was currently vice-chairman of both the ARC and PBIRC, given his other duties he did not believe it would necessarily make sense for Captain Gavis to take on the chairmanship responsibilities, though it was an option. Another option would be to name another member of the existing committee to carry out the duties of chairman, as both committees have long-serving members who could carry those duties out during the interim period. Captain Gavis added that he had a few members in mind that could carry out the chairman duties.

Chairman Garcia agreed that could be an option and suggested continuing the status quo through year-end, asking Captain Woodring if that suggestion would be out of the question and inquiring about his rationale for a June 30th resignation date.

In response, Captain Woodring advised that his rationale was the desire to move forward and continue with the separation. He further explained that waiting until the end of the year would bring it to the legislative session, and the legislature had made the change two years ago. He also noted that his boss felt that it would be better that he stepped down as chairman, to show progress toward separating the duties from the Port Authority in the

spirit of the new legislation. He added however, that he would be willing to continue to serve if necessary and reiterated Captain Gavis's comment regarding other members in both the ARC and PBIRC, who were fully capable of assuming the chairmanship, allowing him to step down as chairman, which would be a step forward to meeting the requirements of the new legislation.

Chairman Garcia asked if Captain Woodring and Captain Gavis could provide some suggestions for persons who would qualify to be good chairmen and be willing to accept the responsibility, at least through the end of the year before the formal handoff. Commissioner Hellyer commented that it was a great idea and asked to see the recommendations in order to decide.

Captain Woodring noted that he would get together with Captain Gavis to provide recommendations to the committee, but advised that asking a member if they were willing to serve was normally a function of the Pilot Board. He continued that he would get the names and contact information and commented that hopefully a recommendation could be provided next week to the full Pilot Board for action. Captain Gavis agreed it was a great plan and noted that he and Captain Woodring would follow up with those that were interested in order to provide some good recommendations for Pilot Board action.

Chairman Garcia requested that the recommendations be circulated as part of the Pilot Board packet, along with short biographies of those recommended. Chairman Woodring commented that he thought it was important that the Pilot Board speak with the recommended candidates before voting them in, to ensure they are willing to accept the position.

A brief discussion ensued following Commissioner Hellyer's inquiry regarding who had authority to reach out to the committees, to notify them about appointing a new chairman. Mr. Eriksson explained that the chairman had always been a Port Authority staff member and therefore the question had never come up; furthermore, Port Commissioners have always named individual ARC members and would individually reach out to those who might serve on it.

Mr. Eriksson further recommended that commissioners be provided with the names and biographies of the committee members, and if any were interested in volunteering, interviews could be held at the Pilot Board meeting next week, and the chairs could be announced at the end of the meeting or at another quick meeting thereafter. He added however that he did not think the absence of a chairman from the end of June through the first week of July would be a tremendous issue unless there was some type of emergency.

He also suggested that Captain Woodring notify committee members of these matters to ensure they are prepared for these communications, and also recommended that a pilot should not be the chair of either committee.

Captain Woodring concurred and advised that both he and Captain Gavis previously advised PBIRC and ARC members that he had submitted his letter to step down as chairman, to meet the spirit of the legislation and not because he did not want to serve anymore. Captain Woodring also added that he would be more than happy to serve through the first week of July or mid-July if there was a meeting to appoint a new chairman. Mr. Eriksson added that he did not foresee any committee meetings occurring soon unless there was a serious incident, in which case a subcommittee meeting would be needed.

Captain Gavis concurred this was a good plan and noted that the ARC and PBIRC subcommittee had each conducted meetings within the past week and a half and were in a good place, which allowed time to make a proper decision. He also confirmed that he would provide the list of committee members and recommendations via email in the next couple days. Captain Woodring advised Captain Gavis to send the email to the full Pilot Board as it would be a full Pilot Board action item.

Chairman Garcia asked Captain Woodring if there was any other information he had to report; there was none. He then asked Captain Gavis to proceed with his report.

Captain Gavis advised that the recent PBIRC subcommittee and ARC meetings were successful and once the Port Authority office re-opened, he would work to schedule a full PBIRC hearing. He also reiterated that he would assist with the appointment of chairmen for both committees as well as keeping both committees functioning.

Chairman Garcia moved on to the next item on the agenda. In response to Chairman Garcia's inquiry, Mr. Eriksson advised that Chairman Campo had suggested a three-month extension to keep the process moving. He added that he thought that would be enough time; if the solicitation documents went out soon, he was hopeful that answers would come back by the middle of July, and then a budget could be formulated and the transition implemented in August or September.

Chairman Garcia commented that it was hard to predict what would happen in the next couple of months given the recent lockdowns, and asked Mr. Eriksson to pass along to the Port Commission that to the degree things could happen beyond the parties' control, the committee would like to request another extension. Mr. Eriksson responded that there were certainly commissioners who would like to follow the lead of the legislature but agreed that the pandemic had affected the process.

Chairman Garcia called for a motion to authorize and request the Port Commission to approve a three-month extension to the Interlocal Agreement. Commissioner Hellyer moved for approval, seconded by Commissioner Dyess. Chairman Garcia and Commissioners Dyess and Hellyer, voted Aye. Nays none. MOTION APPROVED.

Mr. Eriksson noted that it would be added to the agenda for next week's full Pilot Board meeting.

Chairman Garcia moved on to discuss the three requests for proposals (RFPs). He noted that he had some comments and began with the maritime investigator proposal, inquiring about the 30-day response date. Mr. Eriksson commented that these proposals were a little unusual, as a full 30-day response time was not typically provided, but given the pandemic he did not think 30 days was unwarranted, since a longer response period would help facilitate more responses. Chairman Garcia agreed that 30 days was enough time.

In response to Commissioner Hellyer's inquiry, Mr. Eriksson explained that this information would be sent to parties who had registered through the Port Authority's online "BuySpeed" system, but in this case, potential proposers would be contacted as well, since not all of them were necessarily registered.

Chairman Garcia commented that he thought there was wording in the RFP that reserved the right to amend, withdraw, or supplement it. Mr. Eriksson advised that extensions were sometimes permitted, and noted the example of a construction contract where there might typically be questions surrounding a drawing or amendments to a specification, and where more time might be needed to digest the answer.

Chairman Garcia raised suggested editing of certain sections of the RFP, such as the Public Information Act provisions and Mr. Eriksson advised he would follow up. Chairman Garcia also inquired about background checks on the proposers and Mr. Eriksson replied that a formal police background check was not typically performed, though there was follow up on references and in some instances public records might be reviewed as well. He also noted a check would be performed to determine if a lawyer was in good standing with the bar, and the licensing and training of investigator candidates would be something that would be checked.

In response to Chairman Garcia's inquiry regarding advertising the RFPs, Mr. Eriksson advised that the online system was one means of doing that, but explained that the laws that cover how the Port Authority typically advertise procurements did not really contemplate the Pilot Board advertising them; however, since the Interlocal Agreement was in place, the Port Authority would advertise them on the Pilot Board's behalf and

follow its normal rules. These require the Port Authority to advertise twice in the Houston Chronicle. In addition, because these procurements were so out of the ordinary, reaching out to advise parties of the opportunity would be another form of advertising. Mr. Eriksson advised that companies supporting entities such as municipal utility districts and homeowners' associations would be potential parties to look into.

In response to Commissioner Hellyer's inquiry, Mr. Eriksson advised that a typical contract term would be one year with a 30-day "out." Commissioner Hellyer suggested a one-year contract with a 4-year renewal option and asked the committee what they felt comfortable with. Chairman Garcia commented that a one-year term with four renewal periods sounded acceptable to him and added there were even some contracts with an automatic renewal for the next term if not canceled. He noted if the contract had a clause with a 30-day termination, problems would be mitigated with automatic renewals, with or without such a clause.

Commissioner Dyess commented that she thought one year might be too short a time and suggested a 2-year or 3-year term with the 30-day termination clause to allow more time and avoid having these conversations every third meeting. She further noted that it required a rigorous interview process to find a good company to do a good job for two to three years, especially with the 30-day termination clause for non-compliance.

Chairman Garcia asked the committee members how they felt about a 3-year term and Commissioner McKamie commented that he thought a longer term would provide the company stability if it put resources into it, relieving it of worry about the contract ending in the short term and requiring lay-offs.

Captain Gavis commented that a consultancy option for the investigator, offering a more remote and flexible work environment, could be provided to respondents. Mr. Eriksson added that he believed that both the lawyer and investigator would charge by the hour, but the administrator might also propose a retainer.

Commissioner McKamie agreed that the investigator and lawyer would most likely work on an as-needed basis: if there were no incidents, they would not be working and if there were incidents, they would do what they needed to do and then leave. Captain Gavis noted that his vision of the job resulted from communicating with other folks around the country and added that the process made sense to him. He further noted that once the RFPs were published and responses received, they may provide different ways to handle the matters and suggest the best route to take.

In response to Commissioner McKamie's inquiry, Captain Gavis advised that determining whether the administrator would work on both ARC and PBIRC duties

depended on how much experience it had. He recommended some type of maritime background or at least an understanding of Coast Guard licensing to be involved with the ARC, as opposed to simply financial administration experience.

Mr. Eriksson commented that in years past, the ARC was separately administered, but in recent years that committee had the benefit of the background that Captain Gavis has suggested. He added that wording could be incorporated in the administrator RFP to provide for maritime background.

Commissioner McKamie reiterated that he thought it was important that those administering the program (even volunteers) had maritime expertise. Captain Gavis agreed that it would make for the easiest and best-respected committee process.

Following Chairman Garcia's inquiry, Captain Gavis advised that he had touched base with folks in New York and around the country and learned that normally an executive director handled these functions; on the other hand the investigator would be on call to assist on an hourly basis in case of an emergency. Another option was to have a remote consultant serve as executive director/administrator and an accountant to handle the bookkeeping. However, Captain Gavis believed that at the core someone needs to have a maritime background to understand the scope of things.

Commissioner McKamie commented that his thought was that the committee was searching for a full-time executive director who would oversee these functions, with an investigator as well as an attorney called in on a part-time basis. He also mentioned having a staff employee and office space to perform the work, as it was a major undertaking especially with ARC duties.

Commissioner McKamie further commented that many pilots would be retiring soon, resulting in a great need for the ARC function, but hopefully not as much of a need for the PBIRC. Chairman Garcia commented that he was in favor of that, and noted any significant organization such as the Pilot Board should have an executive director and suggested that Mr. Eriksson incorporate the term "Executive Director" into the RFP.

Mr. Eriksson suggested drafting the RFP to provide for the requested changes, if the successful candidate's proposal reflected what the committee is asking for. He suggested keeping options open until the market revealed itself and the committee knows what costs will be, but a talented administrator with a maritime background might well be considered the executive director.

Commissioner Hellyer weighed in on providing the "Executive Director" title in the RFP, and alluded to her email exchanges with Captain Gavis on that subject. She

further noted that she doubts that the committee would receive the responses needed for an executive director if it was not clear that the investigator and executive director were totally different. She saw the executive director as being in charge and suggested that was what was being asked in the RFP.

Captain Gavis commented that he concurred, that the committee must be able to make an informed decision as it looked at how other organizations handled the process, and that it was important to have someone at the core to keep everyone on the same page regardless of what the title might be.

Commissioner Hellyer added that the bottom line, however, was that there was currently no money to pay anyone, and as the organizational structure was defined, even the executive director could be under a contract and not an employee of the Pilot Board.

Mr. Eriksson concurred that was his thought as well. He further explained that in one model, the administrator, investigator, and attorney would all report to the Pilot Board and in another model, two of the contractors would arguably report to the executive director, and only the latter would report to the Pilot Board. The model was really the current setup, with Captain Gavis as the center of activity.

Commissioner McKamie commented that he thought the committee should choose one person that reported to the Pilot Board to oversee all the functions on a full-time basis and ensure everything was handled properly, versus three different people who worked part-time. One person would come to the Pilot Board with recommendations from the PBIRC and ARC, rather than the Pilot Board acting as administrators and managing all functions. Commissioner McKamie added that the Pilot Board should also begin discussions on funding as an important issue that needed to be handled.

Mr. Eriksson noted he would re-do the administrator RFP to reflect more comprehensive responsibilities, if that was the consensus. He recalled Captain Woodring's comment from the last meeting that the administrator was the hub and it could be made clear as to how the reporting would work as opposed to three different reporting relationships. Commissioner McKamie added that a chain of command was needed for a more efficient, easier, and better flow.

Commissioner Hellyer concurred and suggested that the proposal for administrator services provider could be revised, and that there should be multiple providers. She saw an administrative services provider as a bookkeeper also handling administrative functions. The executive director was to be the oversight person that the administrative services provider reported to, whether on a retainer or hourly basis; the counsel would work in the same way.

She noted that the executive director would be full-time and managing everything, if that was what the Pilot Board was looking for.

Further discussion ensued and Chairman Garcia concurred that an executive director was needed, noting that the RFPs blended some of the roles that an executive director would have. He directed the committee's attention to the administrator RFP and noted that the description offered more than just clerical, administrative, and bookkeeping duties, getting into more substantive and technical duties such as statutory responsibilities, licensing, rulemaking, rate matters, and others which were not duties of a typical bookkeeping clerk. Chairman Garcia suggested to add more of the executive director roles into the administrator RFP, i.e. that the executive director/administrator ran the office and the duties required for legal counsel and investigator would be separate.

He asked for confirmation that the executive director RFP should be expanded to encompass more of the executive director's traditional role, and Commissioner McKamie responded in agreement.

Chairman Garcia noted other duties such as website maintenance, and managing electronically-stored information and cybersecurity, a whole different type of vendor proposal, and asked Mr. Eriksson if those duties were included in the administrator RFP. Mr. Eriksson suggested they were, adding that the title may have been misleading, as he thought that many of the functions that had been discussed were centered in the administrator role, though with someone who would possibly serve part-time. He further noted that the opportunity could be recast to provide more clarity as well as adding some of the items that Captain Gavis included in his memo to the committee.

Commissioner McKamie commented that cybersecurity issues were generally handled under totally separate contracts, noting they were different from maintaining a website. Mr. Eriksson concurred and advised that currently there was a contract for maintaining the website. He recalled previous discussions that pilot records had a higher degree of confidentiality, and suggested that thought should be put into how to provide for a cybersecurity-proof process.

In response to Commissioner Hellyer's inquiry, Commissioner McKamie suggested sending out all three solicitations at once, to see what kind of talent was out there to select from. He also raised the possibility of selecting the executive director first, to provide it some input on the others. Captain Gavis commented that the RFPs were flexible to provide the most options and make the best decision.

In response to Commissioner Dyess's inquiry, Mr. Eriksson advised that he had not reached out to the Houston Pilots regarding this process as Captain Robert Thompson,

Presiding Officer and many of his colleagues had been in attendance at the meetings, but that he welcomed anyone's comments.

Commissioner Dyess asked Captain Thompson if he wanted to comment on anything as she wanted him to know that everyone is working as a team and should be on the same page and kept in the loop. Captain Thompson commented that a full-time person would be a little much for him and noted that he understood there were full-time employees at the Port Authority who also take time to work with the Houston Pilots.

He further advised that he had not reviewed Captain Gavis's memo regarding other ports, but noted that the Port of Houston was a unique port that had not been run very badly as far as keeping pilots in line. He also noted that he would like to have further discussion about the direction the process is going in.

Chairman Garcia suggested that Captain Thompson should review the next round of RFPs, highlighting the executive director one, as he may have some ideas for the committee since it needed to be rewritten; the investigator and legal counsel RFPs only needed minor tweaks. Chairman Garcia further advised that the administrator RFP should be broadened to include some of the services Captain Gavis included in his memo regarding executive director duties.

Commissioner McKamie recommended that the name of the administrator RFP be changed to executive director and Chairman Garcia concurred.

Mr. Eriksson commented that he preferred not to share the text of the RFPs with Captain Thompson due to the appearance of doing so, but noted that the committee could solicit his input as to what the duties may be. Chairman Garcia agreed to proceed with Mr. Eriksson's suggestion.

Captain Gavis made a recommendation to maintain things in line with how they have been, as things have been running smoothly on the support side.

He also raised concern about the procurement guidelines in place for COVID-19 and noted that his recommendations would allow the committee to operate efficiently under those guidelines. Following Commissioner McKamie's inquiry, Mr. Eriksson responded that up until some years ago, board members were involved to some degree in procurements as there was no ban on contact during the process. However, more recently communications had been restricted to one point of contact for asking questions once the procurements formally went to market, so that everyone was on an equal footing.

Mr. Eriksson added that there was no problem with approaching people to ask if they were interested in the RFPs before they formally went out, but recommended not to proactively recruit but rather direct them to the point of contact – Port Authority Procurement Services.

Commissioner Hellyer commented that San Jacinto College proposals and RFPs had restrictions on reaching out to employees, commissioners, or board members while the proposal was “on the street” and inquired if that language was in the three Pilot Board RFPs. In response, Mr. Eriksson explained that typically if someone had a question it would be submitted through the BuySpeed program where it would receive an answer that everyone was aware of. He noted that the language should be incorporated as it was standard and explicit policy.

Following Commissioner Hellyer’s recap of her understanding of the three RFPs, Mr. Eriksson confirmed that the administrator services RFP would be revised to reflect the executive director title and include the responsibilities that have been discussed, for a more refined description. In response to Chairman Garcia’s inquiry regarding interviews and office space for the executive director, Mr. Eriksson advised that explicit language could be incorporated into the RFP to reflect an address for office space as well as an opportunity for site inspection for its suitability. He also advised that staff evaluation of responses was a normal procedure, which would include Captain Woodring, Captain Gavis, and himself and noted that he had not necessarily anticipated interviews.

Mr. Eriksson further suggested that staff could make a recommendation for a short list once all proposals were received and the committee could determine if it wanted to have interviews or site inspections at another virtual meeting. Following further discussion, Chairman Garcia suggested Mr. Eriksson add language for interviews and site inspections in the executive director RFP as an option and not requirement.

In response to Commissioner Hellyer’s inquiry, Chairman Garcia advised that Mr. Eriksson could tweak the RFPs and get them back to the committee to have on the Pilot Board agenda for next week’s meeting.

Chairman Garcia called for a motion for the administrator RFP to be reconstituted as an executive director RFP to include duties of an executive director in part as Captain Gavis has laid out in his memo as well as approve the legal counsel RFP and maritime investigator RFP with minor tweaks to go to the Pilot Board next week for approval. Commissioner McKamie moved for approval, seconded by Commissioner Dyess. MOTION APPROVED.

Chairman Garcia asked Mr. Eriksson if there was any other business to be discussed; there was none. He noted the other items on the agenda were general topics such as budget and banking and acknowledged that he was aware the items needed to be addressed in due course.

There were no Executive Session items.

At 2:19 p.m. Chairman Garcia adjourned the meeting.

The above is a correct copy of the Minutes of the June 9, 2020 meeting of the Transition Committee of the Pilot Commissioners for Harris County.



Roland Garcia, Chairman



M. Tyler Gavis, Secretary