



## **Port of Corpus Christi**

### **Special Meeting**

**Monday, January 16, 2012 10:00 AM**

## NOTICE OF MEETING

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The Port Commission (“Commission”) of the Port of Corpus Christi Authority (“PCCA”) will hold a Special Meeting on **Monday, January 16, 2012, at 10:00 AM**, at the Ruben Bonilla Center for Global Trade located at 222 Power Street, Corpus Christi, Texas..

*Persons with disabilities who plan to attend this meeting and who may need auxiliary aids or services are requested to contact Sherry DuBois at 885-6174 at least 48 hours in advance so that appropriate arrangements can be made.*

*Si usted se dirige a la junta y cree que su inglés es limitado, habrá un intérprete inglés español en la reunión de la junta para ayudarle.*

*Members of the audience will be provided an opportunity to address the Port Commission. Please speak into the microphone located at the podium and state your name and address. Your presentation will be limited to three minutes.*

*PUBLIC NOTICE is given that the Commission may go into executive session at any time during the meeting to discuss matters listed on the agenda when authorized to do so by the provisions of Section 418.183 or Chapter 551 of the Texas Government Code. In the event the Commission elects to go into executive session regarding any agenda item, the presiding officer will publicly announce the section or sections of the Texas Government Code authorizing the executive session.*

The agenda for the meeting is as follows:

1. Call meeting to order and receive Conflict of Interest Affidavits.
2. Receive comments from the public. *(each speaker will be limited to three minutes)*
3. Discuss the status of PCCA's Sales Contract with Canyon Supply & Logistics, LLC, for the sale of approximately 186.546 acres of the former Naval Station Ingleside Main Base, an easement on approximately 84 acres of adjacent submerged land, and the improvements thereon. The Commission may take any action with respect to the Sales Contract it deems appropriate.
4. Accept and ratify a change to the Franchise granting CITGO Refining & Chemicals Company, L.P. the right to cross the south bulkhead line of the Industrial Canal from CITGO Docks 1 and 2 and related rights. 4
5. Accept and ratify a change to the Franchise granting CITGO Refining & Chemicals Company, L.P. the right to cross the south bulkhead line of the Tule Lake Channel from CITGO Docks 3 and 6 and related rights. 6
6. Accept and ratify a change to the Franchise granting CITGO Refining & Chemicals Company, L.P. the right to cross the south bulkhead line of the Industrial Canal from CITGO Dock 7 and related rights. 8
7. Adjourn.

***AGENDA ITEM NO. 3***

**NO ATTACHMENT**



**FRANCHISE**  
**PORT OF CORPUS CHRISTI AUTHORITY  
OF NUECES COUNTY, TEXAS  
TO  
CITGO REFINING AND CHEMICALS COMPANY, L.P.**

**CITGO Oil Docks 1 & 2**

**SECTION 1**

The Port of Corpus Christi Authority of Nueces County, Texas (“Authority”), hereby grants to CITGO Refining and Chemicals Company, L.P., a Delaware limited partnership whose business address is 1802 Nueces Bay Boulevard, Corpus Christi, Texas 78407, on behalf of itself and CITGO Petroleum Corporation, a Delaware corporation, and their respective successors and permitted assigns (“Grantee”), for the term specified in this Section 1, the right of access to and use of the Industrial Canal (“Channel”) from Grantee’s Land (hereinafter defined) for all purposes necessary, proper or expedient in connection with the maintenance of the Channel and the use and operation of docks and wharves constructed or to be constructed on Grantee’s Land. The term of this franchise shall begin when Grantee files its written acceptance of it with the Authority in accordance with Section 11 of this franchise and shall end on October 20, 2020. “Grantee’s Land” is that certain 35.86 acres of land situated in Nueces County, Texas, which is shown on the Authority’s Boundary Map attached hereto as Exhibit A and incorporated herein by reference, and being 35.86 acres of the 43.08 acres of land conveyed to H. G. Sherman, S. Gugenheim, Mrs. Anna Cohn, and Joseph A. Cohn by the Nueces County Navigation District No. 1 by that certain Mutual Conveyance described in Section 8 of this franchise.

**SECTION 2**

Grantee may also cross the South Bulkhead Line established by the Authority for the Channel where the Channel is adjacent to Grantee’s Land and may conduct and perform all dredging and excavation operations in, on and under the submerged lands owned by the Authority which lie between the Channel and Grantee’s Land, as may be necessary, proper or expedient in connection with the use of such submerged lands of the Authority as a means of access from the docks and wharves of Grantee to the Channel.

**SECTION 3**

For the rights granted to it hereunder, Grantee shall pay to the Authority a **reasonable** rental, based upon all property moving to or from docks and wharves on Grantee’s Land, as follows:

A. For all property transported as by a general cargo business (and by “general cargo business” is meant a business handling the shipment by water of any property or commodity owned by a party, or being purchased or sold by a party, other than the holder of this franchise or



**FRANCHISE**  
**PORT OF CORPUS CHRISTI AUTHORITY  
OF NUECES COUNTY, TEXAS  
TO  
CITGO REFINING AND CHEMICALS COMPANY, L.P.**

**CITGO Oil Dock 3 and Barge Dock 6**

**SECTION 1**

The Port of Corpus Christi Authority of Nueces County, Texas (“Authority”), hereby grants to CITGO Refining and Chemicals Company, L.P., a Delaware limited partnership whose business address is 1802 Nueces Bay Boulevard, Corpus Christi, Texas 78407, on behalf of itself and CITGO Petroleum Corporation, a Delaware corporation, and their respective successors and permitted assigns (“Grantee”), for the term specified in this Section 1, the right of access to and use of the Tule Lake Channel and Turning Basin (collectively, the “Channel”) from Grantee’s Land (hereinafter defined) for all purposes necessary, proper or expedient in connection with the maintenance of the Channel and the use and operation of docks and wharves constructed or to be constructed on Grantee’s Land. The term of this franchise shall begin when Grantee files its written acceptance of it with the Authority in accordance with Section 11 of this franchise and shall end on October 20, 2020. “Grantee’s Land” is that certain 12.325 acres of land situated in Nueces County, Texas, which is shown on the Authority’s Boundary Map attached hereto as Exhibit A and incorporated herein by reference, and being 0.168 acres out of Tract Three and 12.157 acres out of Tract Four of the tracts of land conveyed to W. Preston Pittman, Dr. McIver Furman, and T. S. Scibienski, Trustees of the Robert Driscoll and Julia Driscoll and Robert Driscoll, Jr. Foundation, et al, by the Nueces County Navigation District No. 1 by that certain Mutual Conveyance described in Section 8 of this franchise.

**SECTION 2**

Grantee may also cross the South Bulkhead Line established by the Authority for the Channel where the Channel is adjacent to Grantee’s Land and may conduct and perform all dredging and excavation operations in, on and under the submerged lands owned by the Authority which lie between the Channel and Grantee’s Land, as may be necessary, proper or expedient in connection with the use of such submerged lands of the Authority as a means of access from the docks and wharves of Grantee to the Channel.

**SECTION 3**

For the rights granted to it hereunder, Grantee shall pay to the Authority a reasonable rental, based upon all property moving to or from docks and wharves on Grantee’s Land, as follows:



John P. LaRue  
EXECUTIVE DIRECTOR

# PORTCORPUSCHRISTI

January 16, 2012

The Honorable Mike Carrell  
The Honorable Richard M. Borchard  
The Honorable Judy Hawley  
The Honorable Robert Kostelnik  
The Honorable Mike Scott  
The Honorable Al Jones  
The Honorable Charles Zahn  
Port Commissioners  
Port of Corpus Christi Authority

**Subject:** ***AGENDA ITEM NO. 6***  
**Accept and Ratify a Change to the Franchise Granting  
CITGO Refining and Chemicals Company, L.P., the  
Right to Cross the South Bulkhead Line of the Industrial Canal  
From CITGO Dock 7 and Related Rights**

Dear Commissioners:

At its meeting on December 13, 2011, the Port Commission granted a Franchise to CITGO Refining and Chemicals Company, L.P., giving CITGO the right to access the Avery Point Turning Basin and Industrial Canal from CITGO Oil Dock 7 and related rights. This dock is on land that was originally conveyed to Southern Alkali Corporation (later called PPG Industries Inc.) in a mutual conveyance with the Nueces County Navigation District No. 1.

CITGO accepted the Franchise, but made one change to it with our permission. We agreed that CITGO could add the word “reasonable” before the word “rental” in the introductory sentence of Section 3 of the Franchise as shown in the attachment to this letter. Staff recommends that you accept and ratify this change and authorize the Executive Director to initial it or substitute the page with this change.

This item is included on the agenda of the January 16 Commission meeting for your consideration and action. Should you have any questions, please call me.

Sincerely,

John P. LaRue  
Executive Director

Attachment

## **FRANCHISE**

### **PORT OF CORPUS CHRISTI AUTHORITY OF NUECES COUNTY, TEXAS TO CITGO REFINING AND CHEMICALS COMPANY, L.P.**

#### **CITGO Oil Dock 7**

### **SECTION 1**

The Port of Corpus Christi Authority of Nueces County, Texas (“Authority”), hereby grants to CITGO Refining and Chemicals Company, L.P., a Delaware limited partnership whose business address is 1802 Nueces Bay Boulevard, Corpus Christi, Texas 78407, on behalf of itself and CITGO Petroleum Corporation, a Delaware corporation, and their respective successors and permitted assigns (“Grantee”), for the term specified in this Section 1, the right of access to and use of the Avery Point Turning Basin and the Industrial Canal (collectively, the “Channel”) from Grantee’s Land (hereinafter defined) for all purposes necessary, proper or expedient in connection with the maintenance of the Channel and the use and operation of docks and wharves constructed or to be constructed on Grantee’s Land. The term of this franchise shall begin when Grantee files its written acceptance of it with the Authority in accordance with Section 11 of this franchise and shall end on October 20, 2020. “Grantee’s Land” is that certain 40.04 acres of land situated in Nueces County, Texas, which is shown on the Authority’s Boundary Map attached hereto as Exhibit A and incorporated herein by reference, and being 40.04 acres of the 216.764 acres of land conveyed to PPG Industries, Inc., by the Nueces County Navigation District No. 1 by those certain Mutual Conveyances, as amended, described in Section 8 of this franchise.

### **SECTION 2**

Grantee may also cross the South Bulkhead Line established by the Authority for the Channel where the Channel is adjacent to Grantee’s Land and may conduct and perform all dredging and excavation operations in, on and under the submerged lands owned by the Authority which lie between the Channel and Grantee’s Land, as may be necessary, proper or expedient in connection with the use of such submerged lands of the Authority as a means of access from the docks and wharves of Grantee to the Channel.

### **SECTION 3**

For the rights granted to it hereunder, Grantee shall pay to the Authority a reasonable rental, based upon all property moving to or from docks and wharves on Grantee’s Land, as follows:

A. For all property transported as by a general cargo business (and by “general cargo business” is meant a business handling the shipment by water of any property or commodity owned by a party, or being purchased or sold by a party, other than the holder of this franchise or one of its affiliates) a rental based upon the quantity of shipments made and to be equal to fifty