Notice of Meeting of the Port Commission of the Port of Corpus Christi Authority of Nueces County, Texas, on Tuesday, December 13, 2016, at 9:00 AM Solomon P. Ortiz International Center 402 North Harbor Dr, Corpus Christi, TX

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 intéprete 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.

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1. CALL TO ORDER

2. SAFETY BRIEFING

3. PLEDGE OF ALLEGIANCE

4. INVOCATION

5. RECEIVE CONFLICT OF INTEREST AFFIDAVITS

5.a. Waiver of supporting materials deadline in the Commission Operating Rules.

6. MINUTES

6.a. Approve the minutes of the November 15 and December 6, 2016 Commission meetings.

November 15, 2016 Minutes
December 6, 2016 Minutes

7. PUBLIC COMMENT (Each speaker is limited to three minutes.)

8. RECEIVE REPORT FROM SECURITY COMMITTEE

9. RECEIVE REPORT FROM AUDIT COMMITTEE

10. RECEIVE REPORT FROM LONG-RANGE PLANNING COMMITTEE

11. PRESENTATIONS

11.a. Receive update from voestalpine Texas Holding, LLC

11.b. Receive progress report from Del Richardson & Associates Inc. on the Hillcrest Voluntary Real Estate Acquisition and Relocation Program. The Commission may take action on the Harbor Bridge Replacement Project Four Party Agreement.

12. OPEN AGENDA

12.a. Approve renewal of Health and Dental Benefits Plan and changes to the Plan, effective January 1, 2017.
Health & Dental Renewal - Memo
Health & Dental Plan - Amendent

12.b. Approve a reinsurance provider for the Health and Dental Benefits Plan, effective January 1, 2017.
Health & Dental Reinsurance Provider - Memo

12.c. Approve PCCA's Employer Contribution Rate for the Texas County and District Retirement System Plan for 2017.
TCDRS - Memo
TCDRS

12.d. Approve Producer Price Index (PPI) adjustment of +1.80% to the PCCA's Pipeline and Utility Easement Fee Schedule effective January 1, 2017.

2017_PPI_Fee_Schedule_Adjustment_CM.docx
Proposed 2017 PPI-Easement Fee Schedule A & B.pdf

12.e. Approve a Producer Price Index Adjustment of +1.80% to the PCCA's Dredge Material Placement Area Depletion Fees effective January 1, 2017.

DMPA PPI Increase - Memo
DMPA PPI Increase - Attachment

12.f. Approve a Producer Price Index Adjustment of +1.80% to all Wharfage and Dockage charges under PCCA's Tariff 100-A and to the following items under Bulk Terminal Tariff 1-A: Items 342 (Charges for Use of Traveling Gantry Crane), 344 (Charges for use of Radial Ship Loader) and 346 (Unloading of Rail Cars at Bulk Dock 2), all effective February 1, 2017.
Tariff PPI - Memo
Tariff PPI - Attachment

12.g. Discuss and possibly take action to approve a Security Surcharge increase.
Security Surcharge - Memo
Security Surcharge - Attachment

12.h. Approve PCCA's 2017 Operating and Capital Budget.
2017 Annual Budget- Memo

12.i. Approve selection of PCCA's bank depository for a three year period with two one-year option periods.
Depository Banking Services 2017 - Memo
Bank Depository - Resolution

12.j. Approve amendment to Memorandum of Understanding (MOU) between the Port of Corpus Christi Authority and the Panama Canal Authority (ACP).
Panama MOU - CM.docx
Panama MOU - Amendment
Panama MOU

12.k. Approve a resolution authorizing funding of the Port of Corpus Christi Promotion and Development Fund for 2017 and matters related thereto.
P&D Fund - Memo
P&D Fund Resolution

12.l. Development Services Agreements. Port Commissioners have been furnished with proposed Development Services Agreements for 2017 for each of the following organizations along with staff's recommendation with respect to each agreement. These agreements will be approved by one vote unless a Commissioner requests a separate vote on a particular agreement.

A. Coastal Bend Bays & Estuaries Program (CBBEP) - $160,000
B. Corpus Christi Regional Economic Development Corp. (CCREDC) - $320,000
C. South Texas Military Facilities Task Force (STMFTF) - $75,000
D. San Patricio Economic Development Corp (SPEDC) - $70,000
Development Services - Memo

So Tx Military Facilities Task Force
Coastal Bend Bays & Estuaries - Agreement
CC Regional Economic Development Corp
San Patricio EDC

12.m. Professional Services Agreements. The Port Commissioners have been furnished with proposed Professional Services Agreements or Consulting Agreements with each of the following persons or entities for 2016, along with staff's recommendation with respect to each agreement, and these agreements will be approved by one vote, unless a Commissioner requests a separate vote on a particular agreement.

A. Alvarez Business Consultants
B. Baker-Wotring, LLP
C. Berlanga Business Consultants
D. Borski Associates
E. Cassidy & Associates
F. Delisi Communications
G. Erben & Yarbrough
H. Fire Barge Captain Joe Harrington
I. Jorge Canavati
J. Mathiesen Maritime Services
K. Morehead, Dotts & Rybak
L. Pathfinder Public Affairs
M. Welder Leshin, LLP
N. W.L. Bates

Professional Services - Memo
Welder Leshin
Alvarez Business Consultant
Baker Wotring
Berlanga Business Consultants
Borski & Associate
Jorge Canavati
Cassidy & Associates
Delisi Communications
Mathiesen Maritime Services
Erben & Yarbrough
Fire Barge Capt. Joe Harrington
Morehead, Dotts & Rybak
Pathfinder Public Relations
WL Bates

13. CONSENT AGENDA

13.a. The Port Commissioners have been furnished with supporting documentation

and staff's recommendation for each of the following items. All Consent Agenda items will be approved, in accordance with the respective staff recommendations, by one vote without being discussed separately unless a Port Commissioner requests otherwise.

13.b. Approve an amendment to Service Order No. 11 in the amount of $68,000 with Govind Development, LLC, under Professional Services Master Agreement No. 13-03, to provide additional engineering services associated with the Fire System Pressurization Upgrades at North Bank Oil Dock Terminal Facilities project.
Govind SO Amend - Memo
Govind SO Amend - Exhibit
Govind SO Amend - Attachment

13.c. Approve an amendment to Service Order No. 6 in the amount of $37,000 with Coast & Harbor Engineering, d/b/a Mott MacDonald, under Professional Services Master Agreement No. 14-03, for engineering services associated with the La Quinta Terminal – Aquatic Habitat Mitigation – Phase II project.
Mott MacDonald SO Amend - Memo
Mott MacDonald SO Amend - Exhibit
Mott MacDonald SO Amend - Attachment

13.d. Approve payment to the U.S. Army Corps of Engineers in the amount of $92,600 for geotechnical borings, analysis, and design associated with the Operation and Maintenance of the South Shore Dredge Material Placement Area - Cell B and Dredge Material Placement Area 10.
Levee Raise Cost-Share - 1-CM.docx
Levee Raise Cost-Share - 2-Exhibit.pdf
Levee Raise Cost-Share - 3-Attachment.pdf

13.e. Approve a Second Amendment of Lease with Maritime Berthing Inc. giving MBI an option to extend its existing lease agreement for a layberth for two LMSR military vessels at Bulk Dock 3 and Cargo Docks 14 and 15 until March 31, 2017.
Maritime Berthing-2nd Amendment Lease - Memo
Maritime Berthing-2nd Amendment Lease - Exhibit
CORPUS-#304299-v2-Second_Amendment_to_MBI_Lease_PDF_11.22.16.doc.pdf

13.f. Approve a Fourth Amendment of Lease with Citgo Petroleum Corporation to extend the term of the existing Lease Agreement through December 31, 2018 and to increase the 13.891-acre pad site at the Bulk Terminal to 19.801 acres.
Citgo 4th Amendment - Memo
Citgo 4th Amendment - Exhibit

Citgo 4th Amendment - Lease

13.g. Approve a Second Amendment of Lease with Valero Refining Company – Texas to extend the term of the existing Lease Agreement through December 31, 2018 and reduce the 16.116-acre pad site situated at the Bulk Terminal to 11.47 acres.
Valero 2nd Amendment - Memo
Valero-2nd Amendment - Exhibit
Valero-2nd Amendment - Lease

13.h. Consent to Assignment of all Active Professional Services Contracts and Master Services Agreement Service Orders with Naismith Engineering, Inc. to Hanson Professional Services, Inc.
Naismith-Hanson Assignment Agreement - 1-CM.docx
Naismith-Hanson Assignment Agreement - 2-Attachment.pdf

13.i. Approve an Amendment to the 2016 Retention Agreement with Baker Wotring LLP for Legal Work Associated with Port Environmental Matters in an amount of $75,000.
Baker Wotring - Memo
Baker Wotring - Attachment

13.j. Approve a Storm Water Drainage Outfall and Storm Water Discharge License Agreement with M & G Resins USA, LLC for discharge of storm water runoff from M & G's plant site into Authority's storm water drainage ditch known as Drainage Channel C located on the north side of the Viola Channel.

M&G Storm Water Drainage Outfall & License-CM.docx
M&G Storm Water Drainage-Memo Exhibit.pdf
M&G Storm Water Drainage Outfall and Discharge License Agreement.pdf

13.k. Renew and amend the Ortiz Center Management Agreement with Ovations Food Services, LP.
Comm Memo - Ortiz Center Contract Renewal Request(3).docx
Ovations First Amendment Management Agreement.pdf

13.l. Approve a Lease Agreement with the Texas State Aquarium Association for a 2.7056 acre parcel of land located adjacent to the Corpus Christi Ship Channel and next to the Texas State Aquarium.
Tx State Aquarium - Letter Exhibit
16889 TSA 2.0756 ac Lease Agreement - CM 2016-12-13.docx
Tx State Aquarium- Lease
16 POCCA-TSAA Lease 1208 Final.pdf

13.m. Approve an Amendment of Temporary Construction Easement Agreement with Mossi & Ghisolfi Logistics Co. to extend the existing easement

agreement through December 12, 2018 for 27.84 acres located north of the M & G Resins plant site.
M&G Laydown - Memo
21795 M & G 27.84 ac Laydown Amendment - Easement Summary 2016-12-13.pdf
21795 M & G 27.84 ac Laydown Amendment - Memo Exhibit 2016-12-13.pdf
21795 M & G 27.84 ac Laydown Amendment - Easement Agreement 2016-12-13.pdf

13.n. Approve a Second Amendment of Lease Agreement with Superior Weighting Products, LLC to extend the term of the Agreement to include two additional option periods of five years each.

Superior Weighting_2nd Amendment_CM.docx
Superior Weighting-2nd Amendment of Lease-Memo Exhibit.pdf
Superior Weighting-2nd Amendment of Lease Agreement.pdf

13.o. Approve a Consulting Agreement with Gahagan & Bryant Associates, Inc. to provide services associated with coordinating and negotiating agreements with the United States Army Corps of Engineers for the construction, operation, and maintenance of the Corpus Christi Ship Channel System.
GBA Agmt - 1-CM.docx
GBA Agmt - 2-Attachment.pdf

14. STAFF/COMMISSION COMMENTS

14.a. Receive report from the Executive Director on upcoming community and PCCA events and activities of the following PCCA departments during the preceding month—Safety, Community Relations, Communications, Government Affairs, Business Development, Foreign Trade Zone, Ortiz Center, Human Resources, Security, Operations, Engineering Services, Finance, Real Estate, and Environmental.
Executive Director's Report

14.b. Receive comments from Port Commissioners on any of the agenda items for this meeting, the PCCA's activities during the preceding month, upcoming PCCA events, and suggestions for future agenda items.

15. EXECUTIVE SESSION

15.a. The Commission will go into executive session pursuant to §551.071 and §551.072 of the Texas Government Code to deliberate the purchase and value of certain real property accessible to the La Quinta Channel and to receive legal advice from PCCA counsel regarding this acquisition.

15.b. The Commission will go into executive session pursuant to §551.087 of the Texas Government Code to deliberate offering financial or other incentives to a business prospect that PCCA is encouraging to locate in San Patricio County and with which PCCA is conducting economic development negotiations.

15.c. The Commission will go into Executive Session pursuant to §551.072 of the Texas Government Code to deliberate the lease of certain PCCA real property on the main ship channel near Port Aransas.

15.d. The Commission will go into executive session pursuant to §551.071 of the Texas Government Code to receive legal advice from PCCA counsel regarding a settlement offer from Higman Barge Lines, Inc., for damage to Oil Dock No. 9. The Commission may take action on this item in open session.

15.e. The Commission will go into executive session pursuant to §551.072 and §551.087 of the Texas Government Code to deliberate (i) leasing certain PCCA real property on the north side of the Inner Harbor, and (ii) offering financial or other incentives to a business prospect that PCCA is encouraging to locate on the north side of the Inner Harbor and with which PCCA is conducting economic development negotiations.

15.f. The Commission will go into executive session pursuant to §551.072 of the Texas Government Code to deliberate the purchase of certain real property on the south side of the Corpus Christi Ship Channel.

15.g. The Commission will go into Executive Session pursuant to §551.071 of the Texas Government Code to receive legal advice from PCCA's counsel regarding certain bills to be introduced in the 85th Texas Legislature that would affect port authorities and related matters.

15.h. The Commission will go into Executive Session pursuant to §551.074 of the Texas Government Code to deliberate the performance of the Executive Director and the Deputy Executive Director/Chief Operating Officer.

15.i. RESUME OPEN SESSION AGENDA

15i-a. Take action in connection with PCCA's offer to purchase certain assets of Sherwin Alumina, LLC, and Sherwin Pipeline, Inc.

15i-b. Approve a lease agreement with the City of Port Aransas for a fishing pier and adjacent parking lot.

15i-c. Approve Release, Receipt and Indemnity Agreement with Higman Barge Lines, Inc., in settlement of claim for damage to Oil Dock No. 9

15i-d. Consider awarding year-end bonuses and salary increases to the Executive Director and the Deputy Executive Director/Chief Operating Officer.

15i-e. Determine whether the Design-Build method of contracting provides the best value to PCCA for constructing the New North Bank Cargo Dock.

New North Bank Cargo Dock - Memo
New North Bank Cargo Dock -Exhibit

16. ADJOURN

OFFICIAL MINUTES OF PORT COMMISSION MEETING
NOVEMBER 15, 2016

The Port Commissioners of the Port of Corpus Christi Authority convened at the Solomon P. Ortiz International Center, 402 Harbor Drive, Corpus Christi, Texas, on Tuesday, November 15, 2016, at 9:00 a.m., for the regular monthly meeting of the Port Commission.

Present:
Mr. Charles Zahn
Mr. Wayne Squires
Ms. Barbara Canales
Mr. David P. Engel
Mr. Richard Valls
Mr. Richard L. Bowers
Mr. Wes Hoskins

Present:
Mr. John P. LaRue
Mr. Sean Strawbridge
Mr. Jarl Pedersen
Mr. Darrin Aldrich
Ms. Rosie Collin
Mr. Dennis DeVries
Mr. Tyler Fuhrken
Ms. Sarah Garza
Mr. David Krams
Mr. Ruben Medina
Ms. Sandra Terrell-Davis
Ms. Nelda Olivo
Mr. Tom Mylett
Ms. Lynn Angerstein
Mr. Eric Battersby
Mr. Paul Carangelo
Ms. Audre Debler
Ms. Sherry DuBois
Mr. Sam Esquivel
Mr. Brett Flint
Ms. Donna James-Spruce
Mr. John Slubar
Mr. Dan Koesema
Ms. Angela Leyva
Ms. Sonya Lopez
Mr. Dave Michaelsen
Ms. Maggie Turner
Mr. Eddie Martinez
Mr. Bennie Benavides
Ms. Natasha Fudge

Ms. Peggy Mettlen
Ms. Jennifer Powell
Mr. Jesse Samu
Ms. Pamela Mota
Ms. Jerrilynn Ashcraft
Ms. Leslie Harris
Mr. James Haley
Ms. Danielle Converse

Others Present:

Mr. Leo J. Welder, Jr.
Mr. Dane Bruun

Others Present:

Ms. Nancy Zuniga
Mr. Fred Dotts
MDR
Ms. Carol Scott
Ms. Doreen Harrell
Kailo Communications
Ms. Becky Gallagher
Ms. JoAnn Ehmann
Mr. Chris Ramirez
Caller-Times
Ms. Del Richardson
DRA
Mr. David Cave
CITGO
Mr. Terry Arnold
Consultant
Capt. Louis Adams
Aransas/CC Pilots
Mr. Xavier Valverde
G&H Towing
Mr. Thomas Moore
Consultant
Mr. Scott Harris
LAN
Mr. Bob Paulison
Port Industries
Mr. Hugo Berlanga
Berlanga Business Associates
Capt. Mike Kershaw
Consultant
Mr. Iain Vasey
CC Regional EDC
Mr. Ronald Berglund
Robstown IDC

Ms. Denise Shinner
Mr. Mark Trexter
NuStar
Mr. Brent Moore
HDR
Mr. Joe Guzman
So. Tx. Military Facilities Task Force
Mr. Scott Southard
Mr. Chris Booth
Mr. Jon Shenider
Martin
Mr. John Pasch
Cheniere
Ms. Amy Hesseltine
LNV
Mr. Joseph Leto
EAI, Inc.
Mr. Scott Harris
LAN
Mr. Gasper D'Anna
John Bludworth Shipyard
Mr. Andrew Swank
Mr. Tom Boynton
Weeks Marine

1. Chairman Zahn called the meeting to order.

2. The Commission and audience received a safety briefing.

3. The Pledge of Allegiance was recited.

4. The invocation was given.

5. Chairman Zahn asked for Conflict of Interest Affidavits. None were submitted.

6. On motion made by Mr. Valls and seconded by Mr. Bowers, the Commission approved the minutes of the October 18, 2016 Commission meeting in the form presented to the meeting.

7. The Chair asked for comments from the public. Captain Tony Hahn, US Coast Guard, presented the Commission with a letter from the Coast Guard announcing that the La Quinta ATON project had been completed.

8. The Commission received a report from the Security Committee.

9. The Commission received a report from the Audit Committee.

10. The Chairman of the Long-Range Planning Committee reported that the committee had not had a meeting since the last Commission meeting.

11. PRESENTATIONS:

11a. The Commission received a report from the Robstown Improvement Development Corporation on services provided this year under their Development Services Agreement with the PCCA.

11b. The Commission received a presentation from EAI on market trends for 2017.

11c. The Commission received a general update from voestalpine Texas.

12. OPEN SESSION AGENDA:

12a. On motion made by Mr. Bowers and seconded by Mr. Squires, the Commission awarded a contract to Texas Mutual Insurance and Scarbrough, Medlin & Associates Inc. in the amount of $92,530 to provide Workers' Compensation Insurance and Claims Management Services for the 12-month period beginning January 1, 2017.

12b. On motion made by Mr. Engel and seconded by Mr. Squires, the Commission awarded a construction contract to Weeks Marine, Inc. for the removal of the Tule Lake Lift Bridge Foundations as outlined in the staff recommendation presented at the meeting. The contract includes: (a) Base Bid in the amount of $23,211,000; (b) Additive Bid Item #2 for cutting timber piles into 4' lengths at a rate of $375 per 20' pile; and (c) Additive/Deductible Bid Item #1 at $11/CY for adjustments in dredge volumes. The Commission also granted the Director of Engineering Services a 3% contingency should it be needed.

12c. On motion made by Mr. Valls and seconded by Ms. Canales, the Commission awarded a construction contract to Russell Marine LLC for the maintenance construction and repairs to the marine structures at Bulk Dock 2 as outlined in the staff recommendation presented at the meeting. The contract includes: (a) Base Bid $1,924,659; and (b) Additive Bid Item 2 (standby charges of $5,000/day) should it be required during the project. The Commission also granted the Director of Engineering Services (i) a 6% contingency in accordance with the PCCA's standard contingency guidelines for marine and rehabilitation projects, and (ii) an additional $25,000 allowance (standby for five days) for Additive Bid Item 2 should it be needed during the project.

12d. On motion made by Mr. Valls and seconded by Mr. Squires, the Commission awarded a construction contract to JM Davidson Ltd. for general improvements to Oil Dock 6 as outlined in the staff recommendation presented at the meeting. This

contract includes: (a) Base Bid of $273,238.11; and (b) Additive Bid Item 1 in the amount of $3,200.00 per day for the contractor's daily standby charge should the contractor not be afforded the contractual dock outage days on the dock to complete this work. The Commission also granted the Director of Engineering Services a 14% contingency should it be needed.

12e. Staff presented an Agenda Memorandum to the Commission at the meeting ("Staff Memo") advising the Commission that Martin Operating Partnership, L.P. ("Martin") is selling its terminalling assets in the Inner Harbor to NuStar Logistics, L.P. ("NuStar") (the "Transaction"), and recommending that the Commission take the following actions in connection with the Transaction as requested by Martin:

A. With respect to the Lease Agreement between Martin and PCCA dated May 19, 2011, for 10 acres of land located on the north side of the Inner Harbor between the Joe Fulton Corridor and PCCA's Dredge Material Placement Area #1 ("Tank Farm Lease"), consent to Martin's assignment of the Tank Farm Lease to NuStar in accordance with the Assignment of Lease attached to the Staff Memo as SCHEDULE ONE by approving the Landlord's Consent to Assignment of Lease attached to the Staff Memo as APPENDIX ONE;

B. With respect to the Lease Agreement between Martin and PCCA dated May 14, 2013 for Cargo Dock 10 ("Cargo Dock 10 Lease"), consent to Martin's assignment of the Cargo Dock 10 Lease to NuStar in accordance with the Assignment of Lease attached to the Staff Memo as SCHEDULE ONE by approving the Landlord's Consent to Assignment of Lease attached to the Staff Memo as APPENDIX TWO;

C. With respect to the Lease Agreement between Martin and PCCA dated June 1, 2016 for new Oil Dock 15 ("Oil Dock 15 Lease"), approve Martin's assignment of the Oil Dock 15 Lease to NuStar in accordance with the Assignment of Lease attached as SCHEDULE ONE by approving the Landlord's Approval of Assumption Agreement attached to the Staff Memo as APPENDIX THREE;

D. With respect to the various pipeline easements and right-of-way agreements granted to Martin and Martin's predecessors in interest covering Martin's pipelines shown on the map attached to the Staff Memo as Exhibit D ("Martin's Pipeline Easements"), consent to Martin's assignment of Martin's Pipeline Easements to NuStar in accordance with the Assignment of Assigned Easements attached to the Staff Memo as SCHEDULE TWO by approving the Landlord's Consent to Assignment of Pipeline Easements attached to the Staff Memo as APPENDIX FOUR;

E. With respect to PCCA's pipeline easement originally granted to Coastal Liquids Partners L.P., effective as of March 17, 2004, amend this pipeline easement to provide for an extension of the pipeline easement approximately

325 feet to the east by approving the Amendment to Pipeline Easement attached to the Staff Memo as APPENDIX FIVE;

F. With respect to the 10-acre tract of land ("10-Acre Tract") that Martin conveyed to PCCA by Special Warranty Deed dated February 12, 2014 ("Martin Deed"), reserve a utility easement sufficient to cover the utilities crossing the 10-Acre Tract to Martin's remaining property by approving the Correction Deed attached to the Staff Memo as APPENDIX SIX.

On motion made by Mr. Valls and seconded by Ms. Canales, the Commission (a) approved the Landlord's Consent to Assignment of Lease attached to the Staff Memo as APPENDIX ONE, (b) approved the Landlord's Consent to Assignment of Lease attached to the Staff Memo as APPENDIX TWO, (c) approved the Landlord's Approval of Assumption Agreement attached to the Staff Memo as APPENDIX THREE, (d) approved the Landlord's Consent to Assignment of Pipeline Easements attached to the Staff Memo as APPENDIX FOUR, (e) approved the Amendment to Pipeline Easement attached to the Staff Memo as APPENDIX FIVE, (f) approved the Correction Deed attached to the Staff Memo as APPENDIX SIX, (g) authorized the Executive Director to execute the foregoing agreements of behalf of PCCA in substantially the form presented to the Commission at the meeting, and (h) and authorize the Executive Director to execute any and all other documents he deems appropriate to effectuate the purposes of the foregoing agreements.

12f. Staff reported that PCCA is in need of consulting services to assist PCCA with the development and implementation of PCCA's Safety Management System, Safety Policies and Safety Manual. On motion made by Mr. Squires and seconded by Mr. Valls, the Commission (i) determined that obtaining these services through a request for proposals would provide the best value for PCCA, and (ii) authorized staff to issue a request for proposals for these services.

12g. On motion made by Mr. Engel and seconded by Mr. Squires, the Commission approved PCCA's third quarter financial report.

12h. On motion made by Mr. Engel and seconded by Mr. Valls, the Commission approved PCCA's third quarter investment report.

13. CONSENT AGENDA:

On motion made by Mr. Valls and seconded by Mr. Engel all items on the Consent Agenda were approved by one vote (the "Consent Agenda Motion"), in accordance with the respective staff recommendations furnished to the Commission at the meeting.

13a. By approval of the Consent Agenda Motion, the Commission approved a First Amendment and Supplement of Professional Engineering Services Contract

for an amount of $9,700 with Lockwood, Andrews & Newnam, Inc. for additional engineering services for Storm Water Quality Improvements at the Bulk Terminal

13b. By approval of the Consent Agenda Motion, the Commission approved an amendment to a professional services contract with Colwell and Associates, Inc., in the amount of $8,000 for additional engineering services associated with the construction phase of the General Improvements to Oil Dock 6 project.

13c. By approval of the Consent Agenda Motion, the Commission approved an Amended and Restated Transmission Lines Easement and Right of Way Agreement with AEP Texas Central Company for Connection to the AEP Hecker Substation at La Quinta Terminal.

14. EXECUTIVE DIRECTOR REPORT AND COMMISSIONER COMMENTS:

14a. The Executive Director submitted his report on upcoming community events, PCCA events and activities of the following PCCA departments during the preceding month – Safety, Community Relations, Communications, Government Affairs, Business Development, Foreign Trade Zone, Ortiz Center, Human Resources, Security, Operations, Engineering Services, Finance, Real Estate, and Environmental.

14b. Mr. Zahn asked for comments from Port Commissioners.

15. EXECUTIVE SESSION

At 11:08 a.m., Mr. Zahn announced that the Commission would go into executive session pursuant to §551.071, §551.072, §551.074 and §551.087 of the Texas Government Code to deliberate agenda items 15a, 15b, 15c, 15d, 15e, 15f, 15g, and 15h, which were described in the agenda of the meeting as follows:

15a. The Commission will go into executive session pursuant to §551.071 and §551.072 of the Texas Government Code to deliberate the purchase and value of certain real property on the south side of the Corpus Christi Ship Channel and to receive legal advice from PCCA counsel regarding appropriate due diligence before making this acquisition.

15b. The Commission will go into executive session pursuant to §551.072 of the Texas Government Code to deliberate the purchase and value of certain real property in the vicinity of the Inner Basin. The Commission may authorize the acquisition of this property in open session.

15c. The Commission will go into executive session pursuant to §551.071 and §551.072 of the Texas Government Code to deliberate the purchase and value of certain real property accessible to the La Quinta Channel and to receive legal advice from PCCA counsel regarding appropriate due diligence before making this acquisition.

15d. The Commission will go into executive session pursuant to §551.071 of the Texas Government Code to receive legal advice from PCCA's counsel regarding PCCA's obligations under the Harbor Bridge Replacement Project Four Party Agreement between the Texas Department of Transportation, PCCA, the City of Corpus Christi, and the Corpus Christi Housing Authority made effective as of January 8, 2016.

15e. The Commission will go into executive session pursuant to §551.087 of the Texas Government Code to deliberate offering financial or other incentives to a business prospect that PCCA is encouraging to locate in San Patricio County and with which PCCA is conducting economic development negotiations.

15f. The Commission will go into executive session pursuant to §551.074 of the Texas Government Code to deliberate the evaluation of the Executive Director and the Deputy Executive Director.

15g. The Commission will go into executive session pursuant to §551.072 of the Texas Government Code to deliberate the purchase and value of certain real property located on the south side of the Main Turning Basin. The Commission may authorize the acquisition of this property in open session.

15h. The Commission will go into executive session pursuant to §551.074 of the Texas Government Code to deliberate the duties of the Executive Director, the Chief Operating Officer, and the Chief Commercial Officer.

15i. The Commission will go into executive session pursuant to §551.072 and §551.087 of the Texas Government Code to deliberate the purchase and value of certain real property located on the north side of the Main Turning Basin. The Commission may authorize the acquisition of property in open session.

RESUME OPEN SESSION

At 1:50 p.m. the Commission reconvened into open session to take action on the following Agenda Items:

15i. On motion duly made and seconded, the Commission approved the purchase of Lots 1, 3, 5, and 7, Block 130 of the Brooklyn Addition of the City of Corpus Christi, Texas, for a total price not to exceed $51,000.

16. There being no further business, the meeting adjourned at 1:51 p.m.

17

OFFICIAL MINUTES OF PORT COMMISSION MEETING
December 6, 2016

The Port Commissioners of the Port of Corpus Christi Authority convened at the Ruben Bonilla Center for Global Trade, located at 222 Power Street,, Corpus Christi, Texas, on Tuesday, December 6, 2016, at 12:15 p.m., for a special called meeting of the Port Commission.

Present:	Mr. Charles Zahn Mr. Wayne Squires Ms. Barbara Canales Mr. David P. Engel Mr. Richard Valls Mr. Richard L. Bowers
Absent:	Mr. Wes Hoskins
Present:	Mr. John P. LaRue Mr. Sean Strawbridge Mr. Jarl Pedersen Mr. Darrin Aldrich Ms. Rosie Collin Mr. Dennis DeVries Mr. Tyler Fuhrken Ms. Sarah Garza Mr. David Krams Ms. Sandra Terrell-Davis Ms. Nelda Olivo Mr. Tom Mylett Ms. Lynn Angerstein Mr. Eric Battersby Ms. Audre Debler Ms. Sherry DuBois Ms. Sonya Lopez Ms. Natasha Fudge
Others Present:	Mr. Leo J. Welder, Jr. Mr. Dane Bruun
Others Present:	Ms. Darcy Schroeder Valero

1. Chairman Zahn called the meeting to order.

2. The Commission and audience received a safety briefing.

3. The Pledge of Allegiance was recited.

4. The invocation was given.

5. Chairman Zahn asked for Conflict of Interest Affidavits. Mr. Engel submitted an affidavit stating that he is a board member of the CHRISTUS Spohn Health Organization and would not be participating in the consideration of, nor vote on, any budget item specifically dedicated to a contract with the CHRISTUS Spohn Health System or the CHRISTUS Spohn Health Network or any affiliate or program of the CHRISTUS Spohn Health System of the CHRISTUS Spohn Health Network.

6. Chairman Zahn asked for public comments. None were received.

7. EXECUTIVE SESSION

At 12:18 p.m., Mr. Zahn announced that the Commission would go into executive session pursuant to §551.071, §551.072 and §551.087 of the Texas Government Code to deliberate agenda items 7a, 7b, 7c, 7d, and 7e, which were described in the agenda of the meeting as follows:

7a. The Commission will go into executive session pursuant to §551.071 of the Texas Government Code to receive legal advice from PCCA's counsel regarding the obligations of the Port of Corpus Christi Authority ("PCCA") under the Harbor Bridge Replacement Project Four Party Agreement between the Texas Department of Transportation, PCCA, the City of Corpus Christi, and the Corpus Christi Housing Authority made effective as of January 8, 2016.

7b. The Commission will go into executive session pursuant to §551.071 and §551.072 of the Texas Government Code to deliberate the purchase and value of certain real property accessible to the La Quinta Channel and to receive legal advice from PCCA counsel regarding this acquisition.

7c. The Commission will go into executive session pursuant to §551.087 of the Texas Government Code to deliberate offering financial or other incentives to a business prospect that PCCA is encouraging to locate in San Patricio County and with which PCCA is conducting economic development negotiations.

7d. The Commission will go into executive session pursuant to §551.071 of the Texas Government Code to receive legal advice from PCCA's counsel regarding PCCA's rights and obligations under its lease with voestalpine Texas Holding LLC.

7e. The Commission will go into executive session pursuant to §551.071 of the Texas Government Code to receive legal advice from PCCA's counsel

regarding the procedures for purchasing insurance under Chapter 60 of the Texas Water Code.

At 2:25p.m. the Commission reconvened in open session.

8. RESUME OPEN SESSION -- BUDGET WORKSHOP

8a. Staff presented PCCA's proposed 2017 operating and capital budgets for discussion. While the Commissioners made various suggestions about the proposed budgets, no action was taken.

9. There being no further business, the meeting adjourned at 4:32 p.m.

PORT CORPUS CHRISTI

AGENDA MEMORANDUM

Action Item for Port Commission Meeting of December 13. 2016

DATE: December 13, 2016

TO: Port Commission

FROM: Sandra Terrell-Davis, Director of Human Resources, sandra@pocca.com, 885-6177

Approve renewal of Health and Dental Benefits Plan and changes to the Plan, effective January 1, 2017

SUMMARY: Port staff met with the Audit Committee on November 9, 2016, to discuss PCCA's Health and Dental Benefits Plan renewal and suggested changes for the 2017 Plan year. Costs for the Plan have remained constant for the last eight years at an average annual cost of $2,405,000.

BACKGROUND: During 2016, the Plan experiences high medical and prescription costs over this same period for 2015. It is estimated that costs for 2016 will be 25% higher than the 2015 Plan year. The increase in overall costs for 2016 are attributed to higher medical claims and an increase in prescription costs.

Although, our Plan costs may have increased for 2016, however, according to the Segal Health Plan Cost Trend Survey, the Port's average costs trend is 2% lower than the national trend costs. Additionally, over the last eight (8) years due to the Port being self-funded, over this period the Plan savings has been $5,903,589.

The anticipated maximum Plan cost for 2017 is $4,978,175, which is an increase of $25.5% over 2016. As a result of the increase in our Plan costs and with the assistance of Entrust Inc. and Walker and Associates is recommending the attached amendment to the Plan for 2017. From the recommended changed, there may be as savings up to 2% of anticipated maximum Plan costs.

ALTERNATIVES

CONFORMITY TO PORT POLICY: Yes

EMERGENCY: No

FINANCIAL IMPACT: The renewal of the Health and Dental Benefits Plan costs for 2017 may be $4,978,175.00.

STAFF RECOMMENDATION: Staff recommends approval of the renewal of the Health and Dental Benefits Plan and Amendments effective January 1, 2017.

DEPARTMENTAL CLEARANCES:
Originating Department Human Resources

LIST OF SUPPORTING DOCUMENTS
Plan Amendments

ENTRUST℠
HEALTH. PLANNED.
22322 GRAND CORNER DRIVE
KATY, TX 77494
(281)368-7878

December 5, 2016

The Port of Corpus Christi
Attn: Ms. Sandra Davis
222 Power Street
Corpus Christi, TX 78401

Re: Amendment #1 to your Plan Document/ Summary Plan Description (SPD)

Dear Ms. Davis:

Enclosed is Amendment #1 reflecting a Summary of Material Modifications (SMM) to update your Summary Plan Description (SPD). The changes have been highlighted for your convenience.

Please review the enclosed amendment and, if it meets with your approval, sign where indicated and return the signed original to our office. We strongly recommend you distribute this amendment as soon as possible to avoid any participant concerns. Therefore, it is important that you review, sign and return the enclosed amendment as soon as possible. It is your responsibility to timely distribute this amendment in whatever format you choose.

If you should have any questions, please do not hesitate to contact your account manager or you may contact me at extension 124 or mmckinney@entrustinc.com

Sincerely,

Matt McKinney
Compliance Attorney
Entrust, Inc.

Enclosure

THE PORT OF CORPUS CHRISTI HEALTH AND DENTAL BENEFIT PLAN
AMENDMENT #1 to 2016 SPD
ORIGINAL PLAN EFFECTIVE DATE: JANUARY 1, 2016
AMENDMENT EFFECTIVE DATE: JANUARY 1, 2017

This Plan is changed to the following without altering any other provisions:

I. SUMMARY PLAN DESCRIPTION

Location: Schedule of Benefits

Delete: Schedule of Benefits in its Entirety

Replace With:

COVERED SERVICES	SPOHN NETWORK PROVIDERS	FIRST HEALTH NETWORK PROVIDERS (OUTSIDE SPOHN SERVICE AREA)	NON-NETWORK PROVIDERS & FIRST HEALTH PROVIDERS (IN SPOHN SERVICE AREA) (MAY BE SUBJECT TO BALANCE BILLING)
MONTHLY DEDUCTIBLE Per Single/Family Unit *Maximum of 6*	$500		
Maximum Out of Pocket Amount Includes Deductibles, Co-pays, and Coinsurance **Individual & Families**	$3,000		
LIFETIME MAXIMUM AMOUNT – *ALL MEDICAL BENEFITS*	Unlimited	Unlimited	Unlimited
HOSPITAL SERVICES – INPATIENT/OUTPATIENT Daily Room and Board limited to the average semi-private room rate. Intensive Care unit limited to Hospital's ICU charge.	90% after deductible	90% after deductible	$500 co-pay per hospital admission, then covered at 70% after deductible
EMERGENCY ROOM – HOSPITAL SERVICES Facility and Physician Services Co-pay applies to facility claims and will be waived if admitted as inpatient	$150 co-pay, then covered at 100% to a maximum of $300 per visit, then covered at 90% after deductible	$150 co-pay, then covered at 100% to a maximum of $300 per visit, then covered at 90% after deductible	$150 co-pay, then covered at 100% to a maximum of $300 per visit, then covered at 90% after deductible
PHYSICIAN OFFICE SERVICES Includes related services *(Lab work related to office visit performed on the same day but at a separate location does not require separate co-pay)*	$25 co-pay, then covered at 100% to a maximum of $300 per visit, then 90% after deductible	$25 co-pay, then covered at 100% to a maximum of $300 per visit, then 90% after deductible	70% after deductible
URGENT CARE FACILITY	$25 co-pay, then covered at 100% to a maximum of $300	$25 co-pay, then covered at 100% to a maximum	70% after deductible

	per visit, then 90% after deductible	of $300 per visit, then 90% after deductible	
ALLERGY INJECTIONS	100%	100%	70% after deductible
PREVENTIVE CARE (includes screenings, counseling, immunizations, birth control and other preventive care services) *For additional information, see the Preventive Care Services section of the Plan Document or https://www.healthcare.gov/what-are-my-preventive-care-benefits/*	100%	100%	70% after deductible
ANNUAL EYE EXAM Coverage includes: One vision/exam/refractions and all related testing each calendar year by state licensed Ophthalmologist or Optometrist, regardless of age or diagnosis	100% *Participant may be required to pay provider and submit claim for reimbursement.	100% *Participant may be required to pay provider and submit claim for reimbursement.	100% *Participant may be required to pay provider and submit claim for reimbursement.
MAMMOGRAM BENEFIT Coverage includes: One mammogram each calendar year, regardless of age or diagnosis. Includes 3D mammogram.	100%	100%	70% after deductible
COLONOSCOPY BENEFIT Coverage includes: One colonoscopy or sigmoidoscopy each calendar year, regardless of age or diagnosis.	100%	100%	70% after deductible
PRE-ADMISSION TESTING (within 7 days of confinement)	100%	100%	70% after deductible
SECOND SURGICAL OPINION	100%	100%	70% after deductible
OUTPATIENT DIAGNOSTIC TESTING, LABORATORY AND RADIOLOGY Outpatient Hospital & Free Standing Facility	$25 Co-pay, 100% to a maximum of $300 per visit, then 90% after deductible	$25 Co-pay, 100% to a maximum of $300 per visit, then 90% after deductible	70% after deductible
MATERNITY CARE Covered for Employee and Spouse	Benefits are the same as those stated under each Covered Services category	Benefits are the same as those stated under each Covered Services category	Benefits are the same as those stated under each Covered Services category
SURGERY – INPATIENT/OUTPATIENT SERVICES Includes surgeon and anesthesiologist services. Inpatient Services Outpatient Services Outpatient Surgery Facility	90% after deductible	90% after deductible	70% after deductible
INPATIENT DIAGNOSTIC X-RAY AND LAB	90% after deductible	90% after deductible	70% after deductible
HOSPICE CARE – INPATIENT/OUTPATIENT SERVICES *Outpatient maximum benefit is 50 visits per Calendar Year.*	Covered at 90% (deductible waived)	Covered at 90% (deductible waived)	Covered at 90% (deductible waived)
TEMPOROMANDIBULAR JOINT SYNDROME (TMJ) *Only covered if due to severe arthritic conditions and deemed medically necessary by the attending physician*	90% after deductible	90% after deductible	70% after deductible

COVERED SERVICES	**SPOHN NETWORK PROVIDERS**	**FIRST HEALTH NETWORK PROVIDERS (OUTSIDE SPOHN SERVICE AREA)**	**NON-NETWORK PROVIDERS & FIRST HEALTH PROVIDERS (IN SPOHN SERVICE AREA) (MAY BE SUBJECT TO BALANCE BILLING)**
INJURY TO OR CARE OF MOUTH, TEETH AND GUMS Coverage includes certain dental services under the medical benefits; please see section entitled "Injury to or Care of Mouth, Teeth and Gums" under the "MEDICAL BENEFITS" section	90% after deductible	90% after deductible	70% after deductible
ORGAN TRANSPLANTS	90% after deductible	90% after deductible	70% after deductible
SKILLED NURSING FACILITY – INPATIENT SERVICES Limited to 28 days per Calendar Year Subject to Prior authorization and/or case management.	80% after deductible	80% after deductible	60% after deductible
HOME HEALTH CARE Limited to 100 visits per Calendar Year	80% after deductible	80% after deductible	60% after deductible
OUTPATIENT PRIVATE DUTY NURSING	80% after deductible	80% after deductible	60% after deductible
AMBULANCE SERVICES	80% after deductible	80% after deductible	60% after deductible
OUTPATIENT SPEECH THERAPY	80% after deductible	80% after deductible	60% after deductible
OUTPATIENT OCCUPATIONAL THERAPY	80% after deductible	80% after deductible	60% after deductible
OUTPATIENT PHYSICAL THERAPY	80% after deductible	80% after deductible	60% after deductible
DURABLE MEDICAL EQUIPMENT	80% after deductible	80% after deductible	60% after deductible
SLEEP STUDY TESTING Sleep studies performed after the 1st night sleep study and any repeat sleep studies will require Pre-Determination. Benefits will be reduced by 50% if the Pre-Determination is not obtained.	80% after deductible	80% after deductible	60% after deductible

COVERED SERVICES	SPOHN NETWORK PROVIDERS	FIRST HEALTH NETWORK PROVIDERS (OUTSIDE SPOHN SERVICE AREA)	NON-NETWORK PROVIDERS & FIRST HEALTH PROVIDERS (IN SPOHN SERVICE AREA) (MAY BE SUBJECT TO BALANCE BILLING)
PROSTHETICS	80% after deductible	80% after deductible	60% after deductible
ORTHOTICS (Excluding orthopedic shoes or other devices for support of the feet)	80% after deductible	80% after deductible	60% after deductible
MENTAL HEALTH/SUBSTANCE ABUSE	Benefits will be the same as those stated under each Covered Services category.	Benefits will be the same as those stated under each Covered Services category.	Benefits will be the same as those stated under each Covered Services category.
ACUPUNCTURE	Not covered		
MASSAGE THERAPY	Not covered		
CHIROPRACTIC SERVICES	Not covered		
ALL OTHER COVERED EXPENSES	90% after deductible	90% after deductible	70 % after deductible

PRESCRIPTION DRUG BENEFITS

	30 DAY SUPPLY	RETAIL 90 / MAIL ORDER
GENERIC	$10 Co-pay	$15 Co-pay
BRAND NAME FORMULARY	$55 Co-pay	$82.50 Co-pay
NON-FORMULARY BRAND NAME DRUGS	$70 Co-pay	$105 Co-pay
SPECIALTY DRUGS	$200 Co-pay	Not Available
COMPOUND DRUGS Benefit Limited to $300 per 30 day supply	$70 Co-pay	Not Available
PREVENTIVE DRUGS & CONTRACEPTIVES**	$0 Co-pay	$0 Co-pay
SHINGLES AND MENINGITIS VACCINE AT THE PHARMACY	$0 Co-pay	

Prescription Co-Pays Apply to the Maximum Out of Pocket

If a Brand name drug is dispensed when a generic equivalent is available, the Co-pay will be the Brand Name Co-pay plus the difference in cost between the Brand Name drug and the Generic equivalent. If no Generic is available, the Brand Co-pay will apply.

****No co-pay for generic preventive drugs and contraceptives unless a generic drug is deemed medically inappropriate by the prescribing physician.**

_____ / /

Plan Administrator Signature **Date**

For Office Use Only
January 1, 2017
_____
Amendment Effective Date

PORT CORPUS CHRISTI

AGENDA MEMORANDUM

Action Item for Port Commission Meeting of
December 13. 2016

DATE: December 13, 2016

TO: Port Commission

FROM: Sandra Terrell-Davis, Director of Human Resources, sandra@pocca.com, 885-6177

Approve a reinsurance provider for the Health and Dental Benefits Plan, effective January 1, 2017

SUMMARY: Port staff met with the Audit Committee on November 9, 2016, to discuss the Reinsurance Provider for the Health and Dental Benefits Plan. The current Provider for Reinsurance is Companion Life Insurance Company

BACKGROUND: Entrust Inc. Third Party Administrator for the Port's Health and Dental Benefits Plan, surveys the market annually for a Reinsurance Provider. The search for a Reinsurance Provider includes insurance companies that offer an aggregate amount of $100,000 that reduces the financial exposure of the Plan. Three insurance companies were surveyed which included QBE, Companion Life Insurance and American Fidelity Insurance. After a review of the quotes submitted, Companion Life Insurance Company was selected as the Reinsurance Provider for the Health and Dental Benefits Plan. The A.M. Best Rating Services has issued Companion Life Insurance Company as A+ Superior Financial Strength rating.

ALTERNATIVES

CONFORMITY TO PORT POLICY: Yes

EMERGENCY: No

FINANCIAL IMPACT: The approval of the Reinsurance Provider for the Health and Dental Benefits Plan costs for 2017 is expected to be $308,133.00

STAFF RECOMMENDATION: Staff recommends approval of the Companion Life Insurance as the Reinsurance Provider for the Port's Health and Dental Benefits Plan, effective January 1, 2017.

DEPARTMENT CLEARENCES
Originating Department – Human Resources

LIST OF SUPPORTING DOCUMENTS;
None

PORT CORPUS CHRISTI

AGENDA MEMORANDUM

Action Item for Port Commission Meeting of
December 13. 2016

DATE: December 13, 2016

TO: Port Commission

FROM: Sandra Terrell-Davis, Director of Human Resources, sandra@pocca.com, 885-6177

Approve the PCCA's Employer Contribution Rate for the Texas County and District Retirement System Plan for 2017

Summary: Port staff met with the Audit Committee on November 9, 2016 to discuss the Employer Contribution Rate for the Port's retirement plan for 2017. The current employer contribution rate is set at 7%.

BACKGROUND: Each year The Port is required to establish its Employer Contribution Rate for the Texas County and District Retirement System (TCDRS). The contribution rate is a percentage of covered payroll that the Port pays into the PCCA's account. The required employer contribution rate for 2017 is 4.26%.

Since 2002, PCCA has elected to contribute at a higher percentage of payroll ("Elected Contribution Rate") that is required by TCDRS in order to reduce the unfunded Actuarial Accrued Liability under the Plan. .For the last four years, PCCA has established an elected employer contribution rate of 7%.

ALTERNATIVES:

CONFORMITY TO PORT POLICY: Yes

EMERGENCY: No

FINANCIAL IMPACT: By funding the Plan at the elected contribution rate of 7%, it is projected that the estimated cost to PCCA will be approximately $995,180.00

STAFF RECOMMENDATION; Staff recommends approval of the employer "Elected Contribution rate of 7% for 2017.

DEPARTMENTAL CLEARANCES:
Originating Department – Human Resources

LIST OF SUPPORTING DOCUMENTS:
Plan Assessment

Plan Assessment for Plan Year 2017
Port of Corpus Christi Authority – 620
Participation Date – 7/1/1992

It's that time of year again — time to look at your TCDRS retirement plan and decide whether or not your benefits meet your workforce needs and budget. This plan assessment will give you an overview of the benefits you provide as well as how much it will cost to provide these benefits in the upcoming plan year.

	2017 Plan
Basic Plan Options	
Employee Deposit Rate	7%
Employer Matching	125%
Prior Service Credit	100%
Retirement Eligibility	
Age 60 (Vesting)	10 years of service
Rule of	80 years total age + service
At Any Age	30 years of service
Optional Benefits	
Partial Lump-Sum Payment at Retirement	No
Group Term Life	None
Retirement Plan Funding	
Normal Cost Rate	3.86%
UAAL/(OAAL) Rate	0.40%
Required Rate	4.26%
Elected Rate	7.00%
Total Contribution Rate	
Retirement Plan Rate (greater of required or elected rate)	7.00%
Group Term Life Rate	N/A
Total Contribution Rate	7.00%
Valuation Results (as of Dec. 31, 2015)	
Actuarial Accrued Liability	$37,973,188
Actuarial Value of Assets	$37,078,189
Unfunded Actuarial Accrued Liability	$894,999
Funded Ratio	97.6%

Notes:

Last COLA 2013

PORT CORPUS CHRISTI

AGENDA MEMORANDUM

Action Item for Port Commission Meeting of December 13, 2016

DATE: December 13, 2016

TO: Port Commission

FROM: Darrin Aldrich, Director of Real Estate
Darrin@pocca.com
(361) 885-6169

Approve Producer Price Index (PPI) Adjustment of +1.80% to the PCCA's Pipeline and Utility Easement Fee Schedule Effective January 01, 2017

SUMMARY: Staff recommends approval of a Producer Price Index (PPI) adjustment to the PCCA's Pipeline and Utility Easement Fee Schedule effective January 01, 2017. As proposed in the 2017 budget, this years recommended PPI increase is 1.80%. The PPI adjustment would be applied to fees assessed for new pipeline and utility easements granted in 2017 and applied to existing pipeline and utility easements scheduled for a fee adjustment in 2017.

BACKGROUND: In 2012, PCCA staff conducted a survey to compare the PCCA's easement fee schedule with the fee schedules of selected ports along the gulf coast and the Texas General Land Office. The survey findings determined that the PCCA's fee schedule was below the rates charged by other ports surveyed and below the Texas General Land Office rates, which are traditionally well below easement rates charged involving private land owners. As a result of the survey, the PCCA's fee schedule was modified to reflect a competitive rate and has been adjusted annually by the *Produce Price Index for Ports and Harbors,* the same *PPI* used for Tariff adjustments.

In addition to the fee modification in 2012, the fee schedule was structured into two separate fee schedules, ***Schedule A*** *- For Port Customers Using Public Docks or Private Docks Covered by a Current Franchise Agreement*, and ***Schedule B*** *- For Companies that are not Port Customers or Use Private Docks Not Covered by a Current Franchise Agreement*. The lower **Schedule A** rate was established to take into consideration an easement that generates revenue from dockage and wharfage for the PCCA. The **Schedule B** rate was established at rates reflective of the rates charged in private landowner transactions in the area.

ALTERNATIVES: Do not adjust the fee schedule by PPI of 1.80%. Develop a new pricing model for pipeline and utility easements.

CONFORMITY TO PORT POLICY: N/A

EMERGENCY: N/A

FINANCIAL IMPACT: The PPI adjustment will increase a new easement granted or an existing easement due for a fee adjustment in 2017 by 1.8%.

Example:

2016 Easement for a 50 Rod 8" pipeline: $55.85 Per Rod x 50 Rods = $2,792.50
2017 Easement for a 50 Rod 8" pipeline: $56.67 Per Rod x 50 Rods = $2,843.00

$50.50 increase in 2017

STAFF RECOMMENDATION: Staff recommends approval of a Producer Price Index (PPI) adjustment of +1.80% to the PCCA's Pipeline and Utility Easement Fee Schedule effective January 01, 2017.

DEPARTMENTAL CLEARANCES:

Originating Department	Real Estate Department
Reviewed & Approved	Darrin Aldrich
Legal	Jimmy Welder
Senior Staff	John LaRue
	Sean Strawbridge
	Jarl Pedersen

LIST OF SUPPORTING DOCUMENTS:

Proposed 2017 PIPELINE AND UTILITY EASEMENT FEE SCHEDULE A – For Port Customers Using Public Docks or Private Docks Covered by a Current Franchise Agreement

Proposed 2017 PIPELINE AND UTILITY EASEMENT FEE SCHEDULE B – For Companies that are not Port Customers or Use Private Docks Not Covered by a Current Franchise Agreement

PORT OF CORPUS CHRISTI AUTHORITY
PIPELINE AND UTILITY
EASEMENT FEE SCHEDULE A
Effective January 01, 2017
For Port Customers Using Public Docks or Private Docks
Covered by a Current Franchise Agreement*

For pipeline, casing pipe, wireline and conduit installations along, across, under or within railroad right-of-way, submerged lands, or other lands:

DESCRIPTION	Proposed 2017	2016	
	10-Yr Rate	10-Yr Rate	
Not over 8" Diameter	$ 56.86	$ 55.85	per rod
Minimum	$ 1,705.49	$ 1,675.34	per line
Over 8" but not over 16" Diameter	$ 68.22	$ 67.02	per rod
Minimum	$ 2,046.59	$ 2,010.40	per line
Over 16" but not over 32" Diameter	$ 125.07	$ 122.85	per rod
Minimum	$ 2,842.49	$ 2,792.23	per line
Over 32" but not over 48" Diameter	$ 198.97	$ 195.45	per rod
Minimum	$ 5,116.48	$ 5,026.01	per line
Over 48" but not over 64" Diameter	$ 272.88	$ 268.05	per rod
Minimum	$ 6,253.47	$ 6,142.90	per line
Over 64" but not over 80" Diameter	$ 358.04	$ 351.71	per rod
Minimum	$ 7,390.47	$ 7,259.79	per line
Over 80" but not over 96" Diameter	$ 437.75	$ 430.01	per rod
Minimum	$ 9,095.96	$ 8,935.13	per line
96" or over	$ 511.65	$ 502.61	per rod
Minimum	$ 10,801.45	$ 10,610.47	per line
12 KV Electrical Transmission	$ 45.48	$ 44.67	per rod
Minimum	$ 1,364.39	$ 1,340.27	per line
35 KV	$ 51.16	$ 50.26	per rod
Minimum	$ 1,500.84	$ 1,474.30	per line
69 KV	$ 56.86	$ 55.85	per rod
Minimum	$ 1,637.27	$ 1,608.32	per line
138 KV	$ 85.27	$ 83.76	per rod
Minimum	$ 1,705.49	$ 1,675.34	per line
345 KV	$ 102.33	$ 100.52	per rod
Minimum	$ 2,046.59	$ 2,010.40	per line
Wooden Support Poles	$ 284.25	$ 279.23	each
Steel Tower Supports	$ 1,137.00	$ 1,116.89	each

*** Also for governmental agencies.**

*****Measurement determined by outside diameter of pipe including coating or insulation*****

PORT OF CORPUS CHRISTI AUTHORITY
PIPELINE AND UTILITY
EASEMENT FEE SCHEDULE B
Effective January 01, 2017
For Companies that are not Port Customers or Use Private Docks
Not Covered by a Current Franchise Agreement

For pipeline, casing pipe, wireline and conduit installations along, across, under or within railroad right-of-way, submerged lands, or other lands:

DESCRIPTION	Proposed 2017	2016	
	10-Yr Rate	10-Yr Rate	
Not over 8" Diameter	$ 170.55	$ 167.54	per rod
Minimum	$ 5,116.48	$ 5,026.01	per line
Over 8" but not over 16" Diameter	$ 204.65	$ 201.04	per rod
Minimum	$ 6,139.77	$ 6,031.21	per line
Over 16" but not over 32" Diameter	$ 375.21	$ 368.58	per rod
Minimum	$ 8,527.46	$ 8,376.68	per line
Over 32" but not over 48" Diameter	$ 596.93	$ 586.37	per rod
Minimum	$ 15,349.43	$ 15,078.03	per line
Over 48" but not over 64" Diameter	$ 818.64	$ 804.17	per rod
Minimum	$ 18,760.42	$ 18,428.70	per line
Over 64" but not over 80" Diameter	$ 1,074.46	$ 1,055.46	per rod
Minimum	$ 22,171.40	$ 21,779.38	per line
Over 80" but not over 96" Diameter	$ 1,313.23	$ 1,290.01	per rod
Minimum	$ 27,287.88	$ 26,805.39	per line
96" or over	$ 1,534.95	$ 1,507.81	per rod
Minimum	$ 32,404.36	$ 31,831.40	per line
12 KV Electrical Transmission	$ 136.44	$ 134.03	per rod
Minimum	$ 4,093.18	$ 4,020.81	per line
35 KV	$ 153.49	$ 150.78	per rod
Minimum	$ 4,502.50	$ 4,422.89	per line
69 KV	$ 170.55	$ 167.54	per rod
Minimum	$ 4,911.82	$ 4,824.97	per line
138 KV	$ 255.83	$ 251.30	per rod
Minimum	$ 5,116.48	$ 5,026.01	per line
345 KV	$ 306.99	$ 301.56	per rod
Minimum	$ 6,139.77	$ 6,031.21	per line
Wooden Support Poles	$ 852.75	$ 837.67	each
Steel Tower Supports	$ 3,410.99	$ 3,350.67	each

Measurement determined by outside diameter of pipe including coating or insulation*

PORT CORPUS CHRISTI

AGENDA MEMORANDUM

Action Item for Port Commission Meeting of December 13, 2016

DATE: December 13, 2016

TO: Port Commission

FROM: David L. Krams, P.E.
Director of Engineering Services
Krams@pocca.com
(361) 885-6134

Approve a Producer Price Index Adjustment to the PCCA's Dredge Material Placement Area Depletion Fees

SUMMARY: Staff requests approval of a Producer Price Index (PPI) adjustment to the Dredge Material Placement Area (DMPA) fees as detailed in the attached revised fee schedule, which includes the proposed new fees.

BACKGROUND: On December 15, 2015, the Port Commission approved a PPI adjustment to the fee schedules for DMPA depletion fees for PCCA customers' use of any of the PCCA-owned DMPAs. As proposed in the 2017 budget, the fees for use of PCCA-owned DMPAs should be adjusted again this year to reflect the increase in the PPI for Ports and Harbors. This year's PPI change is +1.80%. The new rate for the use of PCCA-owned DMPAs will be $4.46 per cubic yard. This rate does not include separate additional fees that could be charged by the U.S. Army Corps of Engineers nor additional fees the PCCA may need to charge to cover PCCA expenses to raise the height of levees to accommodate dredge material not associated with the Federal Ship Channel. If approved, the new depletion fees will go into effect on January 1, 2017.

CONFORMITY TO PORT POLICY: This request is consistent with the PCCA Strategic Plan (Strategic Goal #2 – Provide Facilities & Services to Meet Customer Needs).

EMERGENCY: No.

FINANCIAL IMPACT: Dredge Material Placement Area Depletion fees provide revenue to offset the depletion of lands required for deposit of dredged material.

STAFF RECOMMENDATION: Staff recommends approval of a PPI adjustment to the DMPA depletion fees as detailed in the attached revised fee schedule, which includes the proposed new fees.

DEPARTMENTAL CLEARANCES:

Originating Department	Engineering Services
Reviewed & Approved	David Krams
	Dan Koesema
Legal	Jimmy Welder
Senior Staff	John LaRue
	Sean Strawbridge
	Jarl Pedersen

LIST OF SUPPORTING DOCUMENTS:

Dredge Material Placement Area Depletion Fee Schedule

Dredge Material Placement Area Depletion Fee Schedule
(Proposed)
As of January 1, 2017

$500.00 Application Fee Plus

Dredge Material Placement Area No. 1 and Herbie Maurer Dredge Material Placement Area (USACE Name: IH-PA 1 and IH-PA 2)	Port Fee Corps Fee	$4.46/CY *
South Shore Dredge Material Placement Area Cells A, B & C (USACE Name: IH-PA 3, Cells A, B & C)	Port Fee Corps Fee	$4.46/CY *
Tule Lake Dredge Material Placement Area No. 6 (USACE Name: IH-PA 6)	Port Fee Corps Fee	$4.46/CY *
Suntide Dredge Material Placement Area (USACE Name: IH-PA 8)	Port Fee Corps Fee	$4.46/CY *
Placement Areas from Port Aransas to Ingleside Point Dredge Material Placement Areas 4, 6, 7, 8, 9 & 10 (USACE Name: PA's 4, 6, 7, 8, 9 & 10)	Port Fee Corps Fee	$4.46/CY *
Dredge Material Placement Area No. 13 (USACE Name: PA 13)	Port Fee Corps Fee	$4.46/CY *
Good Hope Dredge Material Placement Area USACE Name: N/A	Port Fee Corps Fee	$4.46/CY N/A
Dredge Material Placement Area No. 14 USACE Name: N/A	Port Fee Corps Fee	$4.46/CY N/A

* Corps fee to be determined by U.S. Army Corps of Engineers.

PORT CORPUS CHRISTI

AGENDA MEMORANDUM

Action Item for Port Commission Meeting of December 13, 2016

DATE: December 13, 2016

TO: Port Commission

FROM: Dennis Devries.
Director of Finance
dennis@pocca.com
(361) 885-6139

Approve Producer Price Index (PPI) Adjustment to the Wharfage and Dockage under PCCA Tariff 100-A and Wharfage, Dockage and Items 342, 344 and 346 under Bulk Terminal Tariff 1-A

SUMMARY: Staff recommends a PPI adjustment of 1.80% to the wharfage and dockage charges under PCCA Tariff 100-A and wharfage, dockage and Item 342 (Charges for Use of Traveling Gantry Crane), Item 344 (Charges for Use of Radial Ship Loader) and Item 346 (Unloading of Rail Cars at Bulk Dock 2) under Bulk Terminal Tariff 1-A effective February 1, 2017..

BACKGROUND: The PCCA has annually adjusted its Tariff rates since 2008. Staff feels it is important to annually adjust our rates in order to keep up with inflation and to avoid major increases as was done in 2004 and 2007 following a period of 23 years in which no increases were made. Port Industries has indicated that they prefer these smaller, regular increases.

ALTERNATIVES: N/A

CONFORMITY TO PORT POLICY: N/A

EMERGENCY: No.

FINANCIAL IMPACT: This year's proposed PPI change is 1.80%; last year's change was 2.28%. For example, with the proposed 1.80% PPI adjustment, our liquid petroleum wharfage rate would increase from $0.0987 to $0.1005 per barrel. The overall increase applied to all wharfage and dockage would generate approximately $1,176,137 in increased revenue.

STAFF RECOMMENDATION: According to above summary.

DEPARTMENTAL CLEARANCES:

Originating Department Dennis DeVries

Reviewed & Approved

Senior Staff	John LaRue
	Sean Strawbridge
	Jarl Pedersen

LIST OF SUPPORTING DOCUMENTS:

Attached Port of Corpus Christi Authority 2017 Budget Tariff Adjustment Summary

Port of Corpus Christi Authority
2017 Budget
Tariff Adjustment Summary

	Current	1.80% Tariff Adjustment **	Adjusted
Wharfage	$ 47,867,060	**$ 861,607**	$ 48,728,667
Dockage	$ 12,915,218	**$ 232,474**	$ 13,147,692
Security Surcharge-7.50%	$ 4,558,671	**$ 82,056**	$ 4,640,727
Total	**$ 65,340,949**	**$ 1,176,137**	**$ 66,517,086**

**** - Through September 2016**

PORT CORPUS CHRISTI

AGENDA MEMORANDUM

Action Item for Port Commission Meeting of December 13, 2016

DATE: December 13, 2016

TO: Port Commission

FROM: Tom Mylett, Chief of Port Security
tom@pocca.com
(361) 885-6180

AGENDA ITEM NO.

Increase in Security Surcharge

SUMMARY: Staff recommends the Commission approve an increase in the Port's Security Surcharge from the current 7.5% added to all wharfage/dockage to 9.5% added to wharfage/dockage billed to customers.

BACKGROUND: In response to the September 2001 terrorist attack on the United States, ports around the nation increased security efforts to better protect their facilities. These increased security efforts required, and continue to require, significant investment of capital funds and increased operating costs. On June 8, 2004, the Port of Corpus Christi Authority (PCCA) established a security surcharge of 10% to be added to all dockage and wharfage billed to customers. This surcharge supplemented approximately 60% of the PCCA's total security costs. The surcharge was increased one-half of one percent each year up to a maximum of 12% in January 2008. The surcharge was then lowered to 10% in January 2009. In March 2011, the Port Commission again lowered the surcharge to 7.5%, citing internal cost reduction measures that were completed, as well as the projection of increased development/increased revenues from the PCCA's diversification actions. While operating costs have increased, the anticipated increased revenues from recent development have not yet been seen. If the increase is approved, staff will report to the Security Committee at such time that a recommendation may be justified to implement this approved adjusted security surcharge.

ALTERNATIVES: N/A

CONFORMITY TO PORT POLICY: N/A

EMERGENCY: No.

FINANCIAL IMPACT: At the current security surcharge of 7.5%, the surcharge covers approximately 57% of the landside port security operating expenses. With the approval of the surcharge increase to 9.5%, the surcharge will cover approximately 72% of landside port security operating expenses. The increase is projected to result in an

approximately $1.24million dollars increase, for a projected total of $5.8 million dollars, which will be applied to cover the projected $8.5 million dollars operating expense for FY2017.

STAFF RECOMMENDATION: Staff recommends approval of an increase to the security surcharge from the current 7.5% to 9.5%.

DEPARTMENTAL CLEARANCES:

Originating Department	Director, Port Security
Reviewed & Approved	Chief Tom Mylett, Port Security
Legal	Dane Bruun
Senior Staff	Mr. Sean Strawbridge, Dep. Executive Director/COO

NOTE: This item has not yet been presented before the Port Security Committee

Port of Corpus Christi Authority
2017 Budget
Security Surcharge Adjustment Summary

	7.50% Current	2.00% Tariff Adjustment **	9.50% Adjusted
Wharfage	$ 48,728,667	$ 48,728,667	
Dockage	$ 13,147,692	$ 13,147,692	
Security Surcharge-7.50%	**$ 4,640,727**	**$ 1,237,527**	**$ 5,878,254**

2017 ANNUAL BUDGET

Commission Meeting – 12/13/16

PORT CORPUS CHRISTI®
Moving America's Energy

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Port of Corpus Christi Authority
2017 Operating Budget Change Summary

Net Income - Original	**$ 22,606,172**

Operating Revenues	Original	Adjustments	Revised
Dredging Fees	$ -	$ 500,000	$ 500,000
Total	**$ -**	**$ 500,000**	**$ 500,000**

Total Adjustments to Operating Revenues	**$ 500,000**

Operating Expenses	Original	Adjustments	Revised
Professional Services			
Asset Management Program	$ -	$ 200,000	$ 200,000
Channel Improvement Project-Business Plan	$ -	$ 129,000	$ 129,000
CCSC Construction, Operations & Maintenance Support	$ -	$ 75,000	$ 75,000
Waterway Planning Study of the CCSC System	$ -	$ 180,000	$ 180,000
Sandra Alvarez	$ -	$ 60,000	$ 60,000
W. L. Bates	$ 150,000	$ (100,000)	$ 50,000
Safety Management Program	$ 750,000	$ (250,000)	$ 500,000
Total	**$ 900,000**	**$ 294,000**	**$ 1,194,000**
Administrative Expenses			
Business/Community Development			
Economic Development	$ 600,000	$ (10,000)	$ 590,000
Sponsorships	$ 417,276	$ 100,000	$ 517,276
Total	**$ 1,017,276**	**$ 90,000**	**$ 1,107,276**

Total Adjustments to Operating Expenses	**$ 384,000**
Net Change to Net Income	**$ 116,000**
Net Income - Adjusted	**$ 22,722,172**

Port of Corpus Christi Authority
2017 Capital Budget Change Summary

Capital Budget - Original			**$ 112,372,514**
	Original	**Adjustments**	**Revised**
Bulk Dock 1 Dust Suppression System	$ 75,000	$ (75,000)	$ -
Construction of 8 inch Waterline at La Quinata Property	$ 50,000	$ 300,000	$ 350,000
Ortiz Center Redevelopment	$ 750,000	$ (250,000)	$ 500,000
Port Aransas Pier	$ -	$ 350,000	$ 350,000
Vehicles	$ 299,000	$ 51,000	$ 350,000
Asset Management Program System	$ 450,000	$ (450,000)	$ -
Total	**$ 1,624,000**	**$ (74,000)**	**$ 1,550,000**
Net Change to Capital Budget			**$ (74,000)**
Capital Budget - Adjusted			**$ 112,298,514**

Port of Corpus Christi Authority
2017 Cash Position Change Summary

Cash Position - Original			**$ 118,427,688**
	Original	**Adjustments**	**Revised**
Net Income	$ 22,606,172	$ 116,000	$ 22,722,172
Add: Depreciation	$ 13,128,071	$ -	$ 13,128,071
Grant Proceeds/Contribution	$ 7,226,725	$ 300,000	$ 7,526,725
Capital Budget	$ (112,372,514)	$ 74,000	$ (112,298,514)
Principal Debt Service	$ (4,395,000)	$ -	$ (4,395,000)
Total	$ (73,806,546)	$ 490,000	$ (73,316,546)
Net Change to Cash Position			**$ 490,000**
Cash Position - Adjusted			**$ 118,917,688**

Port of Corpus Christi Authority
Annual Operating Budget Summary
For the Year Ending December 31, 2017

	2015 Actual	Prior 12 Months	2016 Projected	2016 Budget	2017 Budget
Operating Revenues					
Wharfage	$45,779,919	$42,418,207	$41,459,542	$49,579,073	$48,728,666
Dockage	14,003,472	12,302,098	12,272,688	16,188,060	13,147,692
Security	6,673,781	6,105,143	5,998,023	7,132,535	7,878,254
Freight Handling	2,371,616	2,583,506	2,753,160	2,362,061	2,462,395
Storage	781,669	954,844	965,689	475,000	695,500
Rail Charges	699,535	1,076,764	1,005,253	686,200	2,405,470
Dredging Revenue	10,151,880	9,689,816	1,977,860	2,000,000	500,000
Other Revenue	899,970	824,076	718,992	1,591,400	1,197,486
Conference Center Services	2,382,114	2,579,674	2,278,482	2,194,901	2,275,119
Building and Land Rentals	9,391,040	21,368,661	21,724,795	9,470,652	12,178,304
Foreign Trade Zone User Fees	207,667	214,667	217,667	246,000	264,000
Intergovernmental Revenues	227,715	221,234	165,969	228,925	175,454
Operating Revenues	93,570,378	100,338,690	91,538,120	92,154,807	91,908,340
Operating Expenses					
Employee Services	20,543,278	21,682,559	19,450,816	22,148,680	23,423,178
Maintenance	4,450,228	6,101,142	6,436,043	6,839,667	8,835,770
Utilities	1,234,336	1,158,000	1,133,952	1,145,911	1,074,520
Telephone Expense	170,113	178,984	189,844	188,099	193,036
Insurance	1,855,150	1,708,998	1,694,390	2,088,465	1,665,228
Professional Services	5,228,184	5,060,082	4,575,063	5,469,694	6,487,681
Police Expenses	32,547	39,044	27,175	31,684	49,200
Contracted Services	1,384,257	1,803,053	1,764,570	1,366,758	1,697,462
Office and Equipment Rental	238,428	244,246	245,784	338,431	244,375
Operator and Event Expenses	1,624,343	1,782,789	1,592,103	1,685,701	1,638,745
Administrative Expenses	2,667,808	2,636,286	2,441,516	2,790,442	3,112,159
Trade and Sales Development	309,141	417,007	410,939	307,694	357,546
Media Advertising	311,183	336,226	290,799	203,550	227,430
Production Expenses	74,566	29,541	22,973	96,952	44,500
Safety/Environmental Expenses	113,834	123,022	126,831	128,345	128,401
Other Expenses	899,558	873,528	315,835	202,621	200,750
Depreciation	13,819,080	13,473,455	13,019,745	13,881,831	13,128,071
Operating Expenses	54,956,034	57,647,962	53,738,378	58,914,525	62,508,052
Net Operating Income(Loss)	38,614,344	42,690,728	37,799,742	33,240,282	29,400,288

Port of Corpus Christi Authority
Annual Operating Budget Summary
For the Year Ending December 31, 2017

	2015 Actual	Prior 12 Months	2016 Projected	2016 Budget	2017 Budget
Other Revenue(Expenses)					
Interest Income	$ 518,374	$ 1,438,458	$ 1,922,913	$ 713,925	$ 1,622,700
Other Income	276,308	271,477	109,760	251,002	254,257
Gain(Loss) Sale of Assets	(5,829,882)	(40,689)	(86,036)	0	0
Interest/Bond Issuance Expenses	(3,170,102)	(3,733,172)	(4,153,088)	(4,140,297)	(4,117,573)
Other Expenses	(3,000,051)	(3,000,000)	(3,000,000)	(3,000,000)	(3,000,000)
Other Revenue(Expenses)	(11,205,353)	(5,063,926)	(5,206,451)	(6,175,370)	(5,240,616)
Net Income(Loss) Before Hillcrest	$27,408,991	$37,626,802	$32,593,291	$27,064,912	$24,159,672
Hillcrest Project					
Hillcrest Expenditures	0	(1,042,620)	(1,390,161)	0	(32,369,500)
Hillcrest Reimbursement-TXDOT	0	0	0	0	30,932,000
Hillcrest Project Expenditures	0	(1,042,620)	(1,390,161)	0	(1,437,500)
Net Income(Loss) Before Contributions	$27,408,991	$36,584,182	$31,203,130	$27,064,912	$22,722,172

Port of Corpus Christi Authority
Three Year Operating Budget
For the Years Ending December 31, 2017, 2018 and 2019

Description	2017	2018	2019
Operating Revenues			
Wharfage	$ 48,728,666	$ 50,801,109	$ 56,085,349
Dockage	13,147,692	13,410,646	13,678,859
Security	7,878,254	8,074,936	8,575,060
Freight Handling	2,462,395	2,462,395	2,462,395
Storage	695,500	695,500	695,500
Rail Charges	2,405,470	2,779,627	2,779,627
Dredging Revenue	500,000	500,000	500,000
Other Revenue	1,197,486	1,626,672	768,300
Conference Center Services	2,275,119	2,275,119	2,275,119
Building and Land Rental	12,178,304	12,178,304	12,178,304
Foreign Trade User Fees	264,000	264,000	264,000
Intergovernmental Revenue	175,454	114,375	68,625
Operating Revenues	91,908,340	95,182,683	100,331,138
Operating Expenses			
Employee Services	23,423,178	23,891,642	24,369,474
Maintenance	8,835,770	7,000,659	4,692,672
Utilities	1,074,520	1,096,010	1,117,931
Telephone Expense	193,036	196,897	200,835
Insurance	1,665,228	1,698,533	1,732,503
Professional Services	6,487,681	5,586,993	5,132,633
Police Expenses	49,200	50,184	51,188
Contracted Services	1,697,462	1,731,411	1,766,039
Office and Equipment Rental	244,375	249,263	254,248
Operator and Event Expenses	1,638,745	1,671,520	1,704,950
Administrative Expenses	3,112,159	3,174,402	3,237,890
Trade and Sales Development	357,546	364,697	371,991
Media Advertising	227,430	231,979	236,618
Production Expenses	44,500	45,390	46,298
Safety/Environmental Expense	128,401	130,969	133,588
Other Expenses	200,750	204,765	208,860
Depreciation	13,128,071	13,390,632	13,658,445
Operating Expenses	62,508,052	60,715,945	58,916,164
Net Operating Income(Loss)	29,400,288	34,466,738	41,414,974

Port of Corpus Christi Authority
Three Year Operating Budget
For the Years Ending December 31, 2017, 2018 and 2019

Description	2017	2018	2019
Other Revenues(Expenses)			
Interest Income	$ 1,622,700	$ 1,655,154	$ 1,688,257
Other Income	254,257	259,342	264,529
Interest/Bond Issuance Expenses	(4,117,573)	(4,062,943)	(3,980,440)
Other Expenses	(3,000,000)	(3,000,000)	(3,000,000)
Other Revenues(Expenses)	(5,240,616)	(5,148,447)	(5,027,654)
Net Income(Loss) Before Hillcrest	$ 24,159,672	$ 29,318,291	$ 36,387,320
Hillcrest Project			
Hillcrest Expenditures	(32,369,500)	(17,997,500)	(12,027,500)
Hillcrest Reimbursement-TXDOT	30,932,000	27,960,000	18,490,000
Total Other Revenues(Expenses)	(1,437,500)	9,962,500	6,462,500
Net Income(Loss) Before Contributions	$ 22,722,172	$ 39,280,791	$ 42,849,820

Port of Corpus Christi Authority
Three Year Capital Project Expenditures Budget
For the Years Ending December 31, 2017, 2018 and 2019

	Project Title	Project Status	Total Project Cost Estimate	Estimated Expenditures to Date	Estimated Cost to Complete	2017	2018	2019	Out Years
	Strategic Projects								
	Oil Docks								
1	New Public Oil Dock 18 - Viola	UD	$26,100,000	$ 250,000	$25,850,000	$ 50,000	$ 0	$ 0	$25,800,000
2	New Public Oil Docks 20 & 21	NP	52,500,000	0	52,500,000	1,250,000	1,250,000	20,000,000	30,000,000
3	New Public Oil Dock 15	UC	20,987,000	3,327,900	17,659,100	17,659,100	0	0	0
			99,587,000	3,577,900	96,009,100	18,959,100	1,250,000	20,000,000	55,800,000
	Dry Cargo Dock								
4	North Bank Cargo Dock	NP	20,000,000	0	20,000,000	2,400,000	12,000,000	5,600,000	0
			20,000,000	0	20,000,000	2,400,000	12,000,000	5,600,000	0
	Bulk Terminal								
5	Bulk Dock 3 Dock, Rail and Civil Works	NP	44,200,000	200,000	44,000,000	2,000,000	32,000,000	10,000,000	0
6	Bulk Dock 3 Unloading Crane and Conveyor System	NP	36,000,000	0	36,000,000	3,000,000	7,000,000	10,000,000	16,000,000
			80,200,000	200,000	80,000,000	5,000,000	39,000,000	20,000,000	16,000,000
	La Quinta								
7	La Quinta Liquid Dock	NP	12,040,000	0	12,040,000	200,000	600,000	9,180,000	2,060,000
8	La Quinta Multipurpose Dock & Yard Expansion	NP	38,135,000	0	38,135,000	250,000	500,000	20,035,000	17,350,000
9	La Quinta Heavy Haul Road - East	NP	15,440,000	0	15,440,000	250,000	7,370,000	7,820,000	0
10	La Quinta 600-FT Dock Improvement and 10-Acre Yard	UD	48,061,100	2,261,100	45,800,000	400,000	20,500,000	24,900,000	0
			113,676,100	2,261,100	111,415,000	1,100,000	28,970,000	61,935,000	19,410,000
	Property and Buildings								
11	Mike Carrell Road Construction(51.1/48.9) **	UD	3,903,870	166,000	3,737,870	3,737,870	0	0	0
12	South Rincon Tract Development	NP	1,500,000	0	1,500,000	50,000	1,450,000	0	0
13	Rincon B 25-Acre Fencing	NP	210,000	0	210,000	210,000	0	0	0
			5,613,870	166,000	5,447,870	3,997,870	1,450,000	0	0
	Railroads								
14	Rincon B Rail Improvements	NP	4,000,000	0	4,000,000	400,000	3,600,000	0	0
15	Tule Lake Rail Yard Upgrades and Modifications	UD	10,200,000	450,000	9,750,000	100,000	9,650,000	0	0
16	Nueces River Rail Yard Phase 2(21.4/78.6) **	UC	27,400,000	21,800,000	5,600,000	5,600,000	0	0	0
			41,600,000	22,250,000	19,350,000	6,100,000	13,250,000	0	0
	Total Strategic Projects		360,676,970	28,455,000	332,221,970	37,556,970	95,920,000	107,535,000	91,210,000
	Channel Improvement Projects								
	Canals and Basins								
17	CCSC CIP - 52 Ft Deepening and Widening (50/50) and Barge Shelves (90/10)**	UD	178,632,500	1,000,000	177,632,500	0	11,295,000	10,570,000	155,767,500
18	CCSC CIP - La Quinta Channel Extension/Ecosystem Restoration**	UC	64,600,000	64,600,000	0	0	0	0	0
19	Tule Lake Foundation Removal	UC	25,050,000	700,000	24,350,000	10,000,000	14,350,000	0	0
			268,282,500	66,300,000	201,982,500	10,000,000	25,645,000	10,570,000	155,767,500
	Total Channel Improvement Projects		268,282,500	66,300,000	201,982,500	10,000,000	25,645,000	10,570,000	155,767,500

Port of Corpus Christi Authority
Three Year Capital Project Expenditures Budget
For the Years Ending December 31, 2017, 2018 and 2019

	Project Title	Project Status	Total Project Cost Estimate	Estimated Expenditures to Date	Estimated Cost to Complete	2017		2018	2019	Out Years
	Security Grant Projects									
	Security									
20	Security Grant 15 - Bulk Terminal Fencing(25/75)**	UC	$ 634,800	$ 25,997	$ 608,803	$ 608,803		$ 0	$ 0	$ 0
21	Security Grant 15 - Security Lighting along Fulton Corridor(25/75)**	UD	290,539	5,743	284,796	284,796		0	0	0
22	Security Grant 15 - Security Upkeep(25/75)**	UC	388,945	14,445	374,500	280,875		93,625	0	0
23	Security Grant 16 - Security Upkeep(25/75)**	NP	395,000	0	395,000	0	#	98,750	296,250	0
24	Marine Kohler Generators	NP	16,200	0	16,200	16,200	#	0	0	0
25	Marine Safeboat Trailer Replacements(75/25)**	NP	48,534	0	48,534	48,534	#	0	0	0
			1,774,018	46,185	1,727,833	1,239,208		192,375	296,250	0
	Total Security Grant Projects		1,774,018	46,185	1,727,833	1,239,208		192,375	296,250	0
	Supporting Infrastructure Projects									
	Oil Docks									
26	Fire System Pressurization Upgrades at North Bank Oil Terminal Facilities	UD	1,745,000	145,000	1,600,000	1,600,000		0	0	0
27	Breasting Structure Upgrade Oil Dock 3	UD	370,000	20,000	350,000	350,000		0	0	0
28	General Improvements to Oil Dock 6	UC	370,000	100,000	270,000	270,000		0	0	0
29	Escape Route at Oil Docks 4 & 7	NP	500,000	0	500,000	100,000		400,000	0	0
30	Improvements to Fire Protection Systems at Oil Docks 4, 7, 11	UD	600,000	50,000	550,000	200,000		350,000	0	0
31	Mooring Upgrades	NP	550,000	0	550,000	50,000		250,000	250,000	0
			4,135,000	315,000	3,820,000	2,570,000		1,000,000	250,000	0
	Dry Cargo Docks									
32	General Improvements to Cargo Dock 9	UD	1,600,000	200,000	1,400,000	1,400,000		0	0	0
			1,600,000	200,000	1,400,000	1,400,000		0	0	0
	Bulk Terminal									
33	Bulk Terminal Guard Station Relocation	UC	150,000	0	150,000	120,000		30,000	0	0
35	Bulk Terminal Paving Improvements	UD	800,000	100,000	700,000	700,000		0	0	0
36	Concrete Paving under Conveyor Belt 2	UD	250,000	0	250,000	250,000		0	0	0
37	Equipment Storage Building	UD	850,000	50,000	800,000	0		800,000	0	0
39	New PLC's and HMI for Shiploader at Bulk Dock 2	NP	150,000	0	150,000	150,000		0	0	0
40	Public Storage Pad Upgrades and New Pad 6	UD	3,050,000	50,000	3,000,000	300,000		2,700,000	0	0
41	Upgrades to Bulk Dock 2 Marine Structures	UC	1,194,878	203,978	990,900	990,900		0	0	0
42	Storm Water Quality Improvements - Bulk Terminal - Phase I	UD	3,640,814	416,807	3,224,007	3,224,007	&	0	0	0
43	Storm Water Quality Improvements - Bulk Terminal - Phase II	NP	4,643,143	0	4,643,143	690,396	&	3,952,747	0	0
44	Automated Water System for Bulk Dock 2 Operations	NP	1,361,551	0	1,361,551	400,000	&	961,551	0	0
45	Water Spray Equipment for Dust Control	UD	200,000	100,000	100,000	100,000		0	0	0
			16,290,386	920,785	15,369,601	6,925,303		8,444,298	0	0
	La Quinta									
46	La Quinta Terminal Mitigation - Aquatic Habitat - Phase 1	UC	150,000	0	150,000	30,000	&	30,000	30,000	60,000
47	La Quinta Terminal Mitigation - Aquatic Habitat - Phase 2	UC	3,530,000	1,745,000	1,785,000	1,650,000		45,000	45,000	45,000
48	La Quinta Terminal Mitigation - Upland Buffer Area	UD	4,065,000	195,000	3,870,000	935,000		2,935,000	0	0
49	Construction of 8 inch Waterline at La Quinta Property	UD	385,000	35,000	350,000	350,000		0	0	0
50	Kay Bailey Hutchison Road Upgrades	UD	195,000	60,000	135,000	135,000		0	0	0
			8,325,000	2,035,000	6,290,000	3,100,000		3,010,000	75,000	105,000

Port of Corpus Christi Authority
Three Year Capital Project Expenditures Budget
For the Years Ending December 31, 2017, 2018 and 2019

	Project Title	Project Status	Total Project Cost Estimate	Estimated Expenditures to Date	Estimated Cost to Complete	2017		2018	2019	Out Years
Canals and Basins										
51	Increase DMPA Capacity for Federal, PCCA and Third Party Use	NP	$ 3,721,400	$ 221,400	$ 3,500,000	$ 3,500,000		$ 0	$ 0	$ 0
52	New Access Road to Good Hope DMPA	UC	390,000	70,000	320,000	20,000		300,000	0	0
53	Rincon B Mitigation Design, Construction and Monitoring	UD	650,000	50,000	600,000	520,000		0	20,000	60,000
			4,761,400	341,400	4,420,000	4,040,000		300,000	20,000	60,000
Property and Buildings										
54	Storm Water System Quality Improvements - Maintenance Facility	UC	157,182	0	157,182	157,182	&	0	0	0
55	Electrical Consumption Reduction Project	NP	250,000	0	250,000	250,000	&	0	0	0
56	Phase I and Phase II Related to Property Acquisition	NP	300,000	0	300,000	100,000	&	100,000	100,000	0
57	Ortiz Center Redevelopment	UD	18,000,000	150,000	17,850,000	500,000		10,080,000	7,270,000	0
58	Annex Building Chiller Replacement	UC	81,450	71,450	10,000	10,000		0	0	0
59	Construction of Additional Lane & Security Gate at Avenue F	UD	550,000	50,000	500,000	100,000		400,000	0	0
60	Fall Protection at PCCA Annex Building	UD	63,000	13,000	50,000	50,000		0	0	0
61	New Fireboat House	NP	1,000,000	0	1,000,000	0		150,000	850,000	0
62	New Maintenance Facility	UD	5,306,000	56,000	5,250,000	50,000		200,000	5,000,000	0
63	Installation of Driveway and Gate at North Port Avenue	UD	50,000	0	50,000	50,000		0	0	0
64	Mitigation Reserve-Conceptual Design and Permitting	UD	275,000	75,000	200,000	50,000		150,000		0
65	Shoreline Protection & Revetment Projects (Inner & Outer Harbor)	NP	1,000,000	0	1,000,000	100,000		500,000	400,000	0
66	Port Aransas Pier	NP	1,400,000	0	1,400,000	350,000		1,050,000	0	0
67	Nueces Bay Shoreline Revetment	NP	350,000	0	350,000	100,000		250,000	0	0
68	Viola Barge Basin Bulkhead Addition	UD	750,000	50,000	700,000	700,000		0	0	0
69	Hillcrest Property Acquisition	NP	35,100,000	0	35,100,000	18,600,000	^	10,000,000	6,500,000	0
74	Reconstruction of Sam Rankin Road	UC	662,300	460,000	202,300	202,300		0	0	0
75	New Outfall at North Side Open Storage Area	NP	350,000	0	350,000	100,000		250,000	0	0
76	Security Command Center Expansion Project	UD	5,520,000	20,000	5,500,000	200,000		3,000,000	2,300,000	0
77	Storm Water Drainage Improvements at Public Fishing Areas	UC	120,000	100,000	20,000	20,000		0	0	0
78	Stablization of Permain Yard	UD	608,379	9,987	598,392	598,392	&	0	0	0
79	Truck Queuing Area	UD	5,050,000	50,000	5,000,000	200,000		4,800,000	0	0
			76,943,311	1,105,437	75,837,874	22,487,874		30,930,000	22,420,000	0
	Total Supporting Infrastructure Projects		112,055,097	4,917,622	107,137,475	40,523,177		43,684,298	22,765,000	165,000
	Other Projects									
Conference Center										
80	Chiller Replacement at Ortiz Center	UC	310,000	100,000	210,000	210,000		0	0	0
81	New Audio/Video System for Ballroom	NP	235,000	0	235,000	235,000	#	0	0	0
			545,000	100,000	445,000	445,000		0	0	0

Port of Corpus Christi Authority
Three Year Capital Project Expenditures Budget
For the Years Ending December 31, 2017, 2018 and 2019

	Project Title	Project Status	Total Project Cost Estimate	Estimated Expenditures to Date	Estimated Cost to Complete	2017		2018	2019	Out Years
Administration										
82	Environmental Managment Information System - Intelex Software	NP	$ 334,394	$ 68,761	$ 265,633	$ 213,072	&	$ 52,561	$ 0	$ 0
83	Storm Water Sampling Equipment	NP	42,087	0	42,087	42,087	&	0	0	0
84	Safety Management System Modules - Intelex Software	NP	50,000	0	50,000	50,000	*	0	0	0
85	Radio Equipment (Port Security)	NP	52,000	0	52,000	52,000	*	0	0	0
86	Project Management System	NP	150,000	0	150,000	150,000	*	0	0	0
87	Radio Equipment (HMO)	NP	25,000	0	25,000	25,000	*	0	0	0
88	EMC VNX SAN Storage Expansion	NP	40,000	0	40,000	40,000	*	0	0	0
89	EMC Vplex Data Replication	NP	170,000	0	170,000	170,000	*	0	0	0
90	Network Hardware Upgrades	NP	100,000	0	100,000	100,000	*	0	0	0
91	SAN/VM Servers	NP	75,000	0	75,000	75,000	*	0	0	0
92	Citrix Remote Access Software	NP	40,000	0	40,000	40,000	*	0	0	0
93	J D Edward Upgrade	NP	300,000	0	300,000	300,000	*	0	0	0
94	VTIS (HMO/PD/Security)	NP	500,000	0	500,000	500,000	*	0	0	0
95	Capital Management System	NP	150,000	0	150,000	150,000	*	0	0	0
96	Data Warehouse/Dashboards	NP	100,000	0	100,000	100,000	*	0	0	0
97	Employee Performance Management Software (HR)	NP	30,000	0	30,000	30,000	*	0	0	0
98	Kronos Timekeeping Software Upgrade	NP	80,000	0	80,000	80,000	*	0	0	0
99	Copiers	NP	40,000	0	40,000	40,000	#	0	0	0
			2,278,481	68,761	2,209,720	2,157,159		52,561	0	0
Port Operations										
100	Purchase of Equipment	NP	27,000	0	27,000	27,000	#	0	0	0
101	Purchase of Vehicles	NP	350,000	0	350,000	350,000	#	0	0	0
			377,000	0	377,000	377,000		0	0	0
	Total Other Projects		3,200,481	168,761	3,031,720	2,979,159		52,561	0	0
	Land Acquisition									
Property and Buildings										
102	Purchase of Land	NP	60,000,000	0	60,000,000	20,000,000	~	20,000,000	20,000,000	0
			60,000,000	0	60,000,000	20,000,000		20,000,000	20,000,000	0
	Total Land Acquisition		60,000,000	0	60,000,000	20,000,000		20,000,000	20,000,000	0
	Total Capital Expenditures		$805,989,066	$99,887,568	$706,101,498	$112,298,514		$185,494,234	$161,166,250	$247,142,500
	Less: Federal/State/Local Grant Funding **		(95,389,834)	(64,366,639)	(31,023,195)	(7,526,725)		(7,514,282)	(14,526,993)	(1,455,195)
	Total Capital Expenditures - Port Funded		$710,599,232	$35,520,929	$675,078,303	$104,771,789		$177,979,952	$146,639,257	$245,687,305

Workload	Total Project Cost Estimate	Estimated Expenditures to Date	Estimated Cost to Complete	2017		2018	2019	Out Years
Engineering Workload	$696,427,782	$99,392,013	$597,035,769	$65,414,644		$150,298,625	$134,240,000	$247,082,500
Environmental Workload	11,487,550	495,555	10,991,995	5,705,136	&	5,096,859	130,000	60,000
Procurement Workload	1,111,734	0	1,111,734	716,734	#	98,750	296,250	0
IT Workload	1,862,000	0	1,862,000	1,862,000	*	0	0	0
Land Acquisition	60,000,000	0	60,000,000	20,000,000	~	20,000,000	20,000,000	0
Hillcrest Property Acquisition	35,100,000	0	35,100,000	18,600,000	^	10,000,000	6,500,000	0
Total Capital Expenditures	$805,989,066	$99,887,568	$706,101,498	$112,298,514		$185,494,234	$161,166,250	$247,142,500

Port of Corpus Christi Authority
Three Year Maintenance Project Expenditures Budget
For the Years Ending December 31, 2017, 2018 and 2019

	Project Title	Project Status	Total Project Cost Estimate	Estimated Expenditures to Date	Estimated Cost to Complete	2017	2018	2019	Balance Out Years
Authority Oil Docks									
1	Electrical Upgrades at Various Public Oil Docks	NP	$ 340,000	$ 0	$ 340,000	$ 340,000	$ 0	$ 0	$ 0
2	General Oil Dock Facility Repairs and Maintenance	R	1,500,000	0	1,500,000	500,000	500,000	500,000	0
3	Structural Repairs and Cathodic Protection at Oil Docks 4 & 7	NP	1,875,000	0	1,875,000	475,000	1,400,000	0	0
			3,715,000	0	3,715,000	1,315,000	1,900,000	500,000	0
Authority Dry Cargo Docks									
4	Street Sweeper, Storm Water Maintenance	NP	50,000	0	50,000	50,000	0	0	0
			50,000	0	50,000	50,000	0	0	0
Bulk Terminal									
5	Shotcrete and Crack Repair at Bulk Dock 1	NP	1,080,000	0	1,080,000	280,000	800,000	0	0
6	General Maintenance at Bulk Terminal	NP	1,800,000	0	1,800,000	600,000	600,000	600,000	0
7	Pond Maintenance	NP	1,217,379	0	1,217,379	1,217,379	& 0	0	0
8	Street Sweeper, Storm Water Maintenance	NP	250,000	0	250,000	250,000	& 0	0	0
9	Upgrades and Repairs to Bulk Dock 2 Marine Structures	UD	1,225,000	400,000	825,000	825,000	0	0	0
			5,572,379	400,000	5,172,379	3,172,379	1,400,000	600,000	0
Canals and Basins									
10	PCCA Slip & Canal Maintenance Dredging	UC	390,000	350,000	40,000	40,000	0	0	0
11	Viola Turning Basin Bulkhead Maintenance	NP	300,000	0	300,000	300,000	0	0	0
			690,000	350,000	340,000	340,000	0	0	0
Conference Center									
12	Maintenance Projects at Ortiz Center	R	450,000	0	450,000	150,000	150,000	150,000	0
			450,000	0	450,000	150,000	150,000	150,000	0
Property and Buildings									
13	General Maintenance of Property and Buildings	R	3,000,000	0	3,000,000	1,000,000	1,000,000	1,000,000	0
14	General Maintenance and Repairs at Port Facilities	R	675,000	0	675,000	225,000	225,000	225,000	0
15	Street Sweeper, Storm Water Maintenance	NP	250,000	0	250,000	250,000	0	0	0
16	Kay Bailey Hutchison Road Maintenance	UD	325,000	100,000	225,000	225,000	0	0	0
			4,250,000	100,000	4,150,000	1,700,000	1,225,000	1,225,000	0
Railroads									
17	General Maintenance on Port Railroads	R	360,000	0	360,000	120,000	120,000	120,000	0
18	Savage Lane Railroad Drainage	UD	275,000	75,000	200,000	0	200,000	0	0
			275,000	75,000	200,000	120,000	200,000	0	0
	Total Maintenance Expenditures		$15,002,379	$ 925,000	$14,077,379	$ 6,847,379	$ 4,875,000	$ 2,475,000	$ 0
	Less: Federal Grant Funding **		0	0	0	0	0	0	0
	Total Maintenance Expenditures - Port Funded		$15,002,379	$ 925,000	$14,077,379	$ 6,847,379	$ 4,875,000	$ 2,475,000	$ 0

Port of Corpus Christi Authority
Cash Position
2017

	2016	2017
Total Cash Reserve Funds Available, Beginning of Period	$ 256,768,217	$ 246,737,330
Less Non-discretionary Funds:		
Operating Reserve	(28,500,000)	(31,000,000)
Contingency Reserve	(10,000,000)	(10,000,000)
Self Insurance Reserve	(5,000,000)	(5,000,000)
Debt Service Reserve	(8,503,096)	(8,503,096)
Total Non-discretionary Funds	(52,003,096)	(54,503,096)
Discretionary Reserves Available, Beginning of Period	204,765,121	192,234,234
Sources:		
Net Income	7,534,177	22,722,172
Add: Depreciation	3,254,936	13,128,071
Operating Cashflow	10,789,113	35,850,243
Grant Proceeds/Contributions	-	7,526,725
Additional Borrowing	-	-
Total Sources	10,789,113	43,376,968
Total Available Resources	215,554,234	235,611,202
Uses:		
Capital Projects:	(16,460,000)	
Strategic Projects	-	(37,556,970)
Channel Projects	-	(10,000,000)
Security Grant Projects	-	(1,239,208)
Supporting Infrastructure Projects	-	(40,523,177)
Land Acquisition	-	(20,000,000)
Other Projects	-	(2,979,159)
Total Capital Projects	(16,460,000)	(112,298,514)
Principal Debt Service	(4,360,000)	(4,395,000)
Total Uses	(20,820,000)	(116,693,514)
Net Source(Use) of Discretionary Reserves	(10,030,887)	(73,316,546)
Discretionary Reserves Available, End of Period	$ 194,734,234	$ 118,917,688

Port of Corpus Christi Authority
Cash Position
2017 - 2019

	2017	2018	2019
Total Cash Reserve Funds Available, Beginning of Period	$ 246,737,330	$ 173,420,784	$ 43,662,256
Less Non-discretionary Funds:			
Operating Reserve	(31,000,000)	(30,000,000)	(28,500,000)
Contingency Reserve	(10,000,000)	(10,000,000)	(10,000,000)
Self Insurance Reserve	(5,000,000)	(5,000,000)	(5,000,000)
Debt Service Reserve	(8,503,096)	(8,503,096)	(8,503,096)
Total Non-discretionary Funds	(54,503,096)	(53,503,096)	(52,003,096)
Discretionary Reserves Available, Beginning of Period	192,234,234	119,917,688	(8,340,840)
Sources:			
Net Income	22,722,172	39,280,791	42,849,820
Add: Depreciation	13,128,071	13,390,632	13,658,445
Operating Cashflow	35,850,243	52,671,424	56,508,266
Grant Proceeds/Contributions	7,526,725	7,514,282	14,526,993
Additional Borrowing	-	-	-
Total Sources	43,376,968	60,185,706	71,035,259
Total Available Resources	235,611,202	180,103,394	62,694,419
Uses:			
Capital Projects:			
Strategic Projects	(37,556,970)	(95,920,000)	(107,535,000)
Channel Projects	(10,000,000)	(25,645,000)	(10,570,000)
Security Grant Projects	(1,239,208)	(192,375)	(296,250)
Supporting Infrastructure Projects	(40,523,177)	(43,684,298)	(22,765,000)
Land Acquisition	(20,000,000)	(20,000,000)	(20,000,000)
Other Projects	(2,979,159)	(52,561)	-
Total Capital Projects	(112,298,514)	(185,494,234)	(161,166,250)
Principal Debt Service	(4,395,000)	(4,450,000)	(4,530,000)
Total Uses	(116,693,514)	(189,944,234)	(165,696,250)
Net Source(Use) of Discretionary Reserves	(73,316,546)	(129,758,528)	(94,660,991)
Discretionary Reserves Available, End of Period	$ 118,917,688	$ (9,840,840)	$ (103,001,831)

PORT CORPUS CHRISTI

AGENDA MEMORANDUM

Action Item for Port Commission Meeting of December 13, 2016

DATE: December 1, 2016

TO: Port Commission

FROM: Dennis DeVries
dennis@pocca.com
(361) 885-6139

AGENDA ITEM NO. 12.h.

Approve Selection of PCCA's Bank Depository for a Three Year Period With Two One-Year Option Periods

SUMMARY: Staff is seeking commission approval of Bank Depository Services to Wells Fargo Bank N.A..

BACKGROUND: In accordance with Texas Water Code 60.271 and Chapter 105 of the Local Government Code, every three to five years, the PCCA selects a depository through a competitive Request for Applications (RFA) solicitation for banking services to serve the PCCA with efficient and cost effective banking services. In October, three proposals were received in response to the Request for Applications (RFA) and were evaluated by staff with the assistance of PCCA consultant Patterson & Associates based on these objectives:

- Cost of required banking services
- Services offered and available
- Financial strength of the institution
- Earnings potential in differing account structures
- Collateralization
- Customer service structure and network

A three year contract will be issued effective February 1, 2017. Unless terminated, the depository services contract will automatically renew for one additional two-year term ending January 31, 2022.

ALTERNATIVES: None.

CONFORMITY TO PORT POLICY: Yes.

EMERGENCY: No.

FINANCIAL IMPACT: N/A

STAFF RECOMMENDATION: Staff recommends approval to award a contract to Wells Fargo Bank effective February 1, 2017.

DEPARTMENTAL CLEARANCES:

Originating Department	Procurement
Reviewed & Approved	Lynn Angerstein Dennis DeVries
Legal	Jimmy Welder
Senior Staff	John LaRue Sean Strawbridge Jarl Pederson
Commission	Audit Committee

LIST OF SUPPORTING DOCUMENTS: Resolution

RESOLUTION APPROVING
BANKING DEPOSITORY
AND RELATED MATTERS
(December 13, 2016)

WHEREAS, the Port Commission ("Commission") of the Port of Corpus Christi Authority ("PCCA") is required to select a depository for PCCA's funds in the same manner that a municipality selects a municipal depository under Chapter 105, Local Government Code; and

WHEREAS, PCCA's Director of Finance ("Finance Director") is PCCA's "designated officer" for purposes of both Chapter 105, Local Government Code, and Section 60.271(f), Water Code, and he has requested, received and reviewed applications for the performance of depository services; and

WHEREAS, in reviewing the applications, the Finance Director considered the terms and conditions for performance of depository services, including the type and cost of services to be provided to PCCA; and

WHEREAS, the Finance Director has presented the Commission the specifications of each application; and

WHEREAS, the members of the Audit Committee have also reviewed the applications;

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSION THAT:

Section 1. It is hereby ordered that _____ ("Bank") shall serve as the depository for PCCA's funds for a term of three years beginning February 1, 2017, and thereafter for an additional two-year period beginning on February 1, 2018, if the Commission so elects.

Section 2. The Finance Director is hereby authorized to execute on PCCA's behalf a depository services contract with the Bank consistent with the Bank's application for depository services and this Resolution.

Section 3. The Bank, to qualify as PCCA's depository, must, not later than five days before the commencement of the term of the depository services contract, provide security for PCCA's funds to be deposited in accordance with the terms of the depository services contract.

Section 4. No later than sixty days from the date of this Resolution (December 13, 2016), the Finance Director shall transfer to the Bank all of PCCA's funds covered by the depository services contract under the Finance Director's control.

Section 5. The Finance Director may draw checks on the Bank using the method or methods specified in the depository services contract, all of which are hereby approved by the Commission as the methods by which the Finance Director is authorized to direct payment from the funds of PCCA on deposit with the Bank.

Section 6. The methods of payment of PCCA's obligations set forth in the depository services contract are hereby approved by the Commission as the methods by which PCCA's obligations may be paid with funds of PCCA on deposit with the Bank.

Section 7. All checks, drafts or other orders of withdrawal against PCCA's accounts with the Bank shall be signed by any two of the following members of PCCA's staff:

John P. LaRue, Executive Director

Sean Strawbridge, Deputy Executive Director/Chief Operating Officer

Dennis J. DeVries, Director of Finance

Audre Debler, Chief Accountant

Lynn Angerstein, Procurement Manager

Section 8. The Finance Director shall continue to be PCCA's "designated officer" for purposes of both Chapter 105, Local Government Code, and Section 60.271(f), Water Code, and he is hereby authorized to execute and deliver to the Bank any and all additional certificates, documents or other papers and to do any and all things he deems necessary to carry out the intent and purposes of this Resolution.

* * * * * * * * * * * *

PORT CORPUS CHRISTI

AGENDA MEMORANDUM

Action Item for Port Commission Meeting of
December 13, 2016

DATE: December 13, 2016

TO: Port Commission

FROM: John LaRue
361.885.6189
John@pocca.com

Approve Amendment to Memorandum of Understanding (MOU) between the Port of Corpus Christi Authority and the Panama Canal Authority (ACP)

SUMMARY: Staff is seeking approval of an amendment to the 2011 Memorandum of Understanding (MOU) between the Port of Corpus Christi Authority and the Panama Canal Authority (ACP).

BACKGROUND: On September 13, 2011, the Commission approved and entered into an MOU with ACP to establish an alliance of cooperation aimed at facilitating international trade and generating new business by promoting the all water route between Asia, the west coast of South America and the Port of Corpus Christi in the Gulf of Mexico via the Panama Canal. The original MOU was for a term of five years with an option for an additional five years upon mutual agreement by both parties.

ALTERNATIVES: N/A

CONFORMITY TO PORT POLICY: Yes

EMERGENCY: No

FINANCIAL IMPACT: N/A

STAFF RECOMMENDATION: Staff recommends approval of the amendment to the 2011 Memorandum of Understanding for an additional five-year term.

DEPARTMENTAL CLEARANCES:
Originating Department: Executive Director

LIST OF SUPPORTING DOCUMENTS
Amendment to MOU
Original MOU

222 Power Street 78401 | PO Box 1541 78403 | Corpus Christi, Texas | T 361 882 5633 F 361 882 7110 | portofcorpuschristi.com

WRITTEN NOTICE No. 1

MEMORANDUM OF UNDERSTANDING between

THE PANAMA CANAL AUTHORITY

and the PORT OF CORPUS CHRISTI AUTHORITY

In accordance with paragraphs No. 2 and No. 5 of the MEMORANDUM OF UNDERSTANDING between the PANAMA CANAL AUTHORITY and the PORT OF CORPUS CHRISTI AUTHORITY ("MOU") dated September 14, 2011, the parties hereby agree to amend and renew the MOU for five (5) years, from the date of signature on this amendment, and may be renewed or extended in writing by the parties.

All other terms of the MOU not amended herein shall remain in full force and effect.

IN WITNESS WHEREOF, the Parties have caused this Amendment to be executed by their duly authorized representatives as follows:

PANAMA CANAL AUTHORITY

By: _____
Jorge L. Quijano
Administrator/CEO

Date: November 10, 2016

PORT OF CORPUS CHRISTI AUTHORITY

By: _____
Charles Zahn
Chairman

Date: _____

_____
John P. LaRue
Executive Director

Date: _____

Vicepresidencia de Asesoría Jurídica
Autoridad del Canal de Panamá

MEMORANDUM OF UNDERSTANDING

between the

PANAMA CANAL AUTHORITY

and

PORT OF CORPUS CHRISTI AUTHORITY

This Memorandum of Understanding (**MOU**) is entered between the **Panama Canal Authority (ACP)**, an autonomous legal entity established by the Constitution of the Republic of Panama under public law and having its main offices in Balboa, Panama in the Republic of Panama and the **Port of Corpus Christi Authority,** governed by a seven-member board of commissioners that operates under provisions of the Texas State Constitution, with its principal office located at the Port Corpus Christi at 222 Power Street, Corpus Christi, Texas (hereinafter collectively referred to as the "parties").

WHEREAS,

The **parties** hereto believe it is in their mutual interest to establish an alliance of cooperation aimed at facilitating international trade and generating new business by promoting the all water route between Asia and the Port of Corpus Christi in the Gulf of Mexico of the United States via the Panama Canal and;

Such new business would help to increase the present level of economic growth by increasing job opportunities and revenues within the Port of Corpus Christi and increasing revenues at the Panama Canal;

The **parties** are constantly undertaking a series of activities aimed at improving customer service; and,

The **parties** desire to cooperate in improving their business practices and increasing their level of services available.

NOW, THEREFORE, the **parties** agree to:

1. Undertake joint initiatives, subject to their respective authority and regulations, to satisfy the above stated objectives which will include
    a. Joint Marketing Activities – As convenient, the **parties** may elect to undertake joint marketing efforts to generate new shipping business. These joint marketing efforts may include, but are not limited to, joint advertising activities aimed at promoting the all water route; joint exhibitor booths at maritime events; joint press conferences; editorial placement and other public relations materials or activities of mutual interest.
    b. Data Interchange - The **parties** may elect to share data that may be helpful in forecasting future trade flows, developing marketing strategies and obtaining additional knowledge about the shipping market. The **parties** may also exchange information on subjects of interest that may include transit information, type of commodities, cargo tonnage, future plans, and liner services, among others.
    c. Market Studies - The **parties** may elect to exchange information contained in studies performed by them or by their consultants or representatives that may be of interest to the other party. The information contained in the studies shall be treated in a confidential manner to the extent permitted by law. The **parties** may also elect to perform joint studies that address their areas of respective interest.
    d. Modernization and Improvements - The **parties** may elect to share information regarding improvements and/or modernization efforts being undertaken and which may have as a purpose the need of satisfying an increase in demand or improved customer services.
    e. Training - The **parties** may elect to share information on training programs and may develop joint training seminars as well as cross-training activities.
    f. Technological Interchange - The **parties** may elect to share their technological capabilities and programs as well as the information contained in them.

2. It is intended that this relationship will last for five years, renewable upon mutual agreement by both **parties**.

3. The **parties** acknowledge that they are bound by their respective public laws and regulations involving the disclosure of public records to the public.

4. Nothing contained herein shall be construed as creating the relationship of principal and agent or of partnership or of joint venture between the **parties**, and neither party shall have the power to bind the other in contract to cause a party to be liable for the acts or conduct of the other party.

5. Either party may terminate this MOU, by informing the other, in writing, and giving a thirty (30) day notice of termination.

6. Both **parties** are free to form other partnerships, of a similar or identical nature, with other entities.

7. This document sets forth the complete agreement of the **parties** with regard to this alliance of cooperation. This MOU may be amended in writing only, and such amendment shall be signed and dated by both **parties**.

8. It is the intention of this MOU to set forth the general intentions of the **parties**, and not to set forth any legally binding rights or obligations. This MOU will be effective upon signature by the authorized representative of each of the **parties**.

Panama Canal Authority

_____
Alberto Alemán Zubieta
Administrator/CEO

Date: _____

Port of Corpus Christi Authority

_____
Mike Carrell
Chairman

Date: _____

_____
John P. LaRue
Executive Director
Date: _____

PORT CORPUS CHRISTI

AGENDA MEMORANDUM

for the Port Commission Meeting of December 13, 2015

DATE: December 13, 2016

FROM: John LaRue; 885-6189; john@pocca.com

Approve a Resolution Authorizing Funding of the Port of Corpus Christi Promotion and Development Fund for 2017 and Matters Related Thereto

PCCA has maintained a Promotion and Development Fund since 2004, as permitted under Section 60.201, Water Code. This section says:

> [Navigation] Districts in this state which operate ports or waterways and harbor and terminal facilities are in keen competition with other ports, waterways, harbors, and terminals outside the state and with privately owned port and terminal facilities inside the state. Well-situated and well-equipped ports and waterways in other nearby states and owners of substantial port and terminal facilities located inside and outside the state are advertising, promoting and developing their competing ports, waterways, harbors, and terminals through expenditure of large amounts of money without any audit or restriction on expenditure of the money. This activity or expenditure is thwarting and impeding the use, progress, and development of the ports, waterways, harbors, and terminals of this state. Continuation of this hardship and injustice can best be met and coped with by more liberal use of some relatively small fund set aside from the gross income from operations of the ports of this state to be used in the manner provided in this subchapter.

Staff recommends approval of the attached resolution, which authorizes setting aside up to two (2) percent of PCCA's gross income from operations in PCCA's Promotion and Development Fund for 2017 to be used to pay for the amounts payable under PCCA's Port Development Services Agreements, community event sponsorships, and similar promotion and development expenses.

LEAD CONTACT: John LaRue, 885-6189; john@pocca.com

222 Power Street 78401 | PO Box 1541 78403 | Corpus Christi, Texas | T 361 882 5633 F 361 882 7110 | portofcorpuschristi.com

RESOLUTION AUTHORIZING FUNDING OF THE PORT OF CORPUS CHRISTI PROMOTION AND DEVELOPMENT FUND FOR 2017 AND MATTERS RELATING THERETO

WHEREAS, Port of Corpus Christi Authority of Nueces County, Texas ("PCCA") established the *Port of Corpus Christi Promotion and Development Fund* (the "Development Fund") on December 14, 2004, pursuant to the authority granted in Subchapter H of Chapter 60 of the Texas Water Code ("Subchapter H"); and

WHEREAS, Section 60.202 of the Texas Water Code ("Water Code") provides that PCCA may set aside out of current income from its operations a promotion and development fund of not more than five percent of its gross income from operations in each calendar year; and

WHEREAS, Section 60.203 of the Water Code provides that money in a promotion and development fund shall be spent by the Port Commission or as the Port Commission may direct to pay any expenses connected with (1) any activity or matter incidental to the advertising, development, or promotion of the Port or its ports, waterways, harbors, or terminals; (2) furthering the general welfare of the Port and its facilities; or (3) the betterment of the Port's relation with steamship and rail lines, shippers, consignees of freight, governmental officials, or others interested or sought to be interested in [its] ports, waterways, harbors, or terminals; and

WHEREAS, Section 60.205 of the Water Code provides that Subchapter H authorizes disbursements from the Development Fund for unusual purposes and occasions not covered by other law;

NOW, THEREFORE, BE IT RESOLVED BY THE PORT COMMISWSION OF THE PORT OF CORPUS CHRISTI AUTHORITY OF NUECES COUNTY, TEXAS THAT:

Section 1. For purposes of this Resolution, the term "Business/Community Development Expenses" means (a) the Business/Community Development expenditures included in the Port of Corpus Christi Authority 2017 Annual Budget, (b) community event sponsorships, and (c) the amounts payable under PCCA's agreements, such as its Port Development Services Agreements, in effect during all or part of 2017 which provide by their terms that PCCA's payment obligations thereunder will be paid with money in the Development Fund (collectively, the "Development Contracts").

Section 2. During the calendar year 2017, an amount of money equal to the Business/Community Development Expenses shall be set aside in the Development Fund; provided, however, that the amount of money allocated to the Development Fund during 2017 shall not exceed two percent of PCCA's gross income from operations for that year.

Section 3. The Port Commission hereby authorizes and directs the Executive Director to use the money in the Development Fund to pay PCCA's obligations under the Development Contracts when due and to pay for other Business/Community Development Expenses at such times and in such amounts as he sees fit.

Section 4. The Director of Finance will be responsible for recording the allocations and the expenditures from the Development Fund.

Section 5. A copy of this Resolution shall be delivered to the Director of Finance.

PORT CORPUS CHRISTI

AGENDA MEMORANDUM

Action Item for Port Commission Meeting of
December 13. 2016

DATE: December 13, 2016

TO: Port Commission

FROM: Rosie Collin
rosie@pocca.com
(361) 885-6115

Approve Annual Development Services Agreements for 2017

The Texas Water Code allows the Port of Corpus Christi Authority to spend monies from the Promotion and Development Fund to pay expenses connected with any activity or matter incidental to the advertising, development, or promotion of the Port Authority or its ports, waterways, harbors, or terminals, or furthering the general welfare of the Port Authority and its facilities. The organizations listed below provide services to the Port Authority, promote the development of the Port Authority and its waters and facilities, and sponsor activities that advertise and promote the Port Authority. We pay these organizations for their services and assistance in promoting the development of the Port of Corpus Christi in accordance with the terms of the Development Services Agreement we have with each organization.

Staff has prepared a Development Services Agreement for each of the listed organizations for 2017 and recommends that the Port Commission approve these agreements. The amounts to be paid to each organization under its Development Services Agreement for 2017 are as follows:

Coastal Bend Bays & Estuaries Program:	$160,000
Corpus Christi Regional Economic Development Corporation:	$320,000
San Patricio Economic Development Corporation:	$70,000
South Texas Military Task Force	$75,000
TOTAL PAYMENTS:	**$720,000**

LEAD CONTACT: John LaRue; 885-6189; john@pocca.com

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ALTERNATIVES: None

CONFORMITY TO PORT POLICY: Yes.

EMERGENCY: No.

FINANCIAL IMPACT: N/A

STAFF RECOMMENDATION: Staff recommends approval of Annual Economic Development Agreements for the year 2017.

DEPARTMENTAL CLEARANCES:

Originating Department	Procurement
Reviewed & Approved	Rosie Collin
	Lynn Angerstein
Legal	Jimmy Welder
Senior Staff	John LaRue
	Sean Strawbridge
	Jarl Pederson

LIST OF SUPPORTING DOCUMENTS: EDC Agreements

PORT DEVELOPMENT SERVICES AGREEMENT
2017

This Port Development Services Agreement ("Agreement") is made and entered into effective as of January 1, 2017 (the "Effective Date"), by and between the PORT OF CORPUS CHRISTI AUTHORITY OF NUECES COUNTY, TEXAS (the "Port"), and the SOUTH TEXAS MILITARY FACILITIES TASK FORCE, a Texas non-profit corporation (the "Provider").

RECITALS:

Whereas, the Port is a political subdivision of the State of Texas, operating as a navigation district pursuant to Article XVI, Section 59 of the Texas Constitution and the laws of the State of Texas, particularly, Chapters 60 and 62 of the Texas Water Code (the "Water Code"); and

Whereas, under Section 60.202 of the Water Code, the Port may set aside out of current income from its operations a promotion and development fund ("Development Fund") of not more than five percent (5%) of its gross income from operations in each calendar year; and

Whereas, Section 60.203 of the Water Code provides that money in the Development Fund shall be spent by the Port Commission (*i.e.*, the governing body of the Port) or as the Port Commission may direct to pay any expenses connected with *(1)* any activity or matter incidental to the advertising, development, or promotion of the district or its ports, waterways, harbors, or terminals; *(2)* furthering the general welfare of the district and its facilities; or *(3)* the betterment of the district's relations with steamship and rail lines, shippers, consignees of freight, governmental officials, or others interested or sought to be interested in [its] ports, waterways, harbors, or terminals; and

Whereas, Section 60.003 of the Water Code provides that a district may contract with any person necessary or convenient to the operation or development of the district's ports and waterways; and

Whereas, the Port wishes to engage the Provider to provide the professional services and related items described in Exhibit A attached to this Agreement ("Exhibit A") and incorporated herein; and

Whereas, the Port Commission believes that the expenditure of Port funds pursuant to this Agreement is consistent with the authority granted to the Port Commission in Section 60.203 of the Water Code; and

Whereas, the Provider wishes to provide the professional services and related items described in Exhibit A on the terms and for the consideration described in this Agreement;

NOW, THEREFORE, for and in consideration of the mutual covenants, rights, and obligations set forth herein and the benefits to be derived therefrom, the receipt and sufficiency of which each party acknowledges, the parties agree as follows:

1. Term. The term of this Agreement shall commence on the Effective Date and shall continue until the following December 31st, unless sooner terminated as provided in this Agreement.

2. Development Services. During the term of this Agreement, the Provider agrees to provide to or on behalf of the Port the professional services and related items described in Exhibit A (collectively, the "Development Services") in accordance with the terms and conditions of this Agreement. The Provider specifically agrees to include at least one Port representative in any economic development negotiations or discussions in which the Provider is involved concerning *(i)* a port-related business prospect or *(ii)* a business transaction which will ultimately require Port involvement, financial or otherwise.

3. Consideration. In consideration of the Development Services to be provided hereunder, the Port agrees to pay the Provider the total lump sum of seventy-five thousand and No/100 Dollars ($75,000.00) (the "Contract Amount. The Provider agrees that any funds paid to it pursuant to this Agreement will be utilized solely for the purpose of providing Development Services.

4. Place for Payment. The funding required under this Agreement shall be mailed to the Provider at its address specified in Section 9 below, unless the Provider makes other arrangements for payment that are satisfactory to the Port.

5. Quarterly Reports. On a quarterly basis, the Provider shall submit to the Port a written activity report (the "Activity Report") of its Development Services and accomplishments for that particular quarter. Except as otherwise provided in this Section, the form of the Activity Report shall include, at a minimum, a narrative summary of the Development Services rendered during the quarter, a summary of year-to-date expenditures incurred by the Provider in providing the Development Services, information regarding the current status of any prospective new port-related business generated by the Provider, information regarding the current status of any prospective expansion of any existing port-related business generated by the Provider, and any other information which is reasonably requested by the Port pertaining to the Development Services. Notwithstanding anything to the contrary contained in this Section 5, the Provider may exclude Confidential Information from an Activity Report if the Provider gives an oral report of the Confidential Information to the Port's Executive Director or his designee contemporaneously with the delivery of the Activity Report from which such Confidential Information was excluded. For purposes of the preceding sentence, "Confidential Information" means *(i)* information regarding the current status of any prospective new port-related business generated by the Provider, if disclosure of such information to the public would, in the opinion of the Provider, jeopardize the realization of such business or *(ii)* information regarding the current status of any prospective expansion of any existing port-related business generated by the Provider, if disclosure of such information to the public would, in the opinion of the Provider, jeopardize the realization of such expansion.

6. Records. The Provider shall maintain fiscal records and supporting documentation in the form of cancelled checks, payroll records, and invoices evidencing the expenditure of all funds received by the Provider pursuant to this Agreement. The Provider

agrees to maintain proper accounting records reflecting the receipt and expenditure of funds paid to it by the Port pursuant to this Agreement in sufficient detail that a reasonable person could from a review of such records determine how all such funds were expended. Upon written request to do so, the Provider shall give the Port or its duly authorized representatives, at any reasonable time or times, access to all books, accounts, records, files or other papers belonging to or used by the Provider in connection with its performance of the Development Services. Failure to provide access to the foregoing documents shall constitute a breach of this Agreement by the Provider. The Provider agrees to keep in its possession for at least three (3) years after the termination of this Agreement all of the records described in this Section.

7. Performance Review. The Port may conduct a performance review on a semi-annual basis to evaluate the Provider's compliance with the provisions of this Agreement.

8. Early Termination. The Port shall have the right to terminate this Agreement any time prior to the expiration of the term specified in Section 1 if the Port determines that the Provider has breached or otherwise failed to comply with any terms of this Agreement. The Port shall give the Provider written notice of such termination at least thirty (30) days prior to the date of such termination. The notice shall include the reasons for such termination and the effective date of the termination. Furthermore, either party may terminate this Agreement at any time for any reason by giving written notice to the other party at least ninety (90) days prior to the termination date specified in such notice. Upon termination of this Agreement, the Port shall be liable to the Provider only for sums earned by the Provider prior to the date of termination.

9. Notices. All notices given pursuant to this Agreement shall be in writing, and if sent by mail shall be sent by certified mail, return receipt requested, postage prepaid, or by overnight delivery service, or by facsimile or electronic transmission as addressed below:

If to the Port:

Executive Director
Port of Corpus Christi Authority
P.O. Box 1541
Corpus Christi, Texas 78403
Ph: (361) 882-5633
Fax: (361) 882-7110

If to the Provider:

President & CEO
United Corpus Christi Chamber of Commerce
1501 N. Chaparral
Corpus Christi, Texas 78401
Ph: (361) 881-1800
Fax: (361) 882-4256

or to such other address as may be designated in writing from time to time. All notices sent by certified mail are deemed received on the third business day after mailing. All notices sent by

overnight delivery are deemed received on the next business day after being sent. All notices sent by facsimile or electronic transmission are deemed received on the day sent. Any party may change its address by giving notice to all other parties as set out herein.

10. Source of Funds. Any payments made to the Provider by the Port pursuant to this Agreement shall be made with funds in the Port's Development Fund.

11. Appropriations. Notwithstanding anything to the contrary contained in this Agreement, the parties acknowledge and understand that this Agreement is contingent upon the appropriation of funding by the Port Commission.

12. No Conflict of Interest. The Port and Provider each state independently that to the best of its knowledge no member of the Port Commission nor any officer, employee, or agent of the Port who will exercise any function or responsibility in connection with the carrying out of the provisions of this Agreement has any personal financial interest, direct or indirect, in this Agreement.

13. No Joint Enterprise or Liability. The parties do not intend, by entering into this Agreement, to create a partnership or joint enterprise with each other, and the Port shall at no time be responsible or liable for the acts of the Provider or the Provider's agents or employees. In no event shall the Port be liable *(i)* for the performance of any contracts made by the Provider with any other person or entity or *(ii)* for any damages, injuries, or losses charged to or adjudged against the Provider arising from its operations or the use or maintenance of its facilities. The Provider will be responsible for all costs and expenses incurred by it in providing the Development Services hereunder, and the Port shall be under no obligation to provide any additional funding or incur any other costs or expenses in connection with the Development Services beyond the Contract Amount.

14. Indemnity. The Provider agrees to defend, indemnify and hold harmless the Port, its Port Commissioners, employees and representatives for any claims or losses of any kind incurred by any of them because of or arising out of the Development Services performed by the Provider pursuant to this Agreement.

15. Confidential Information. The Provider agrees that any information given to the Provider by the Port concerning the financial or other affairs of the Port while in pursuit of the Provider's obligations under this Agreement will be held by the Provider in confidence and will not be revealed to any other person, entity or governmental body without the express written consent of the Port.

16. Severability. If any provision of this Agreement is held to be invalid, unconstitutional, or unenforceable by any court of competent jurisdiction, the other provisions of this Agreement will remain in full force and effect. Any provision of this Agreement held to be invalid, unconstitutional, or unenforceable only in part or degree will remain in full force and effect to the extent not held invalid, unconstitutional, or unenforceable.

17. No Waiver of Rights. It is understood and agreed that no failure or delay in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any

single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any right, power or privilege under this Agreement.

18. Governing Law and Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas. Venue for any action brought under this Agreement lies in Nueces County, Texas, exclusively.

19. Execution in Counterparts. This Agreement may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute but one and the same agreement.

20. Assignments and Successors. No party may assign any of its rights or delegate any of its obligations under this Agreement without the prior written consent of the other party. Subject to the preceding sentence, this Agreement will apply to, be binding in all respects on and inure to the benefit of the successors and permitted assigns of the parties.

21. Headings. The titles and headings in this Agreement are used only for reference, and in no way define or limit the scope or intent of a provision of this Agreement.

22. Compliance with Applicable Laws. The Provider agrees to comply with all applicable federal, state and local laws and regulations while performing the Development Services.

23. Special Terms and Conditions. Any special terms and conditions pertaining to the subject matter of this Agreement are set forth in Exhibit B attached hereto, which is incorporated herein.

24. Entire Agreement and Modification. This Agreement supersedes all prior agreements between the parties with respect to its subject matter. This Agreement constitutes a complete and exclusive statement of the terms of the agreement between the parties with respect to the subject matter of this Agreement. There are no written or oral representations or understandings that are not fully expressed in this Agreement. This Agreement may not be amended, supplemented, or otherwise modified except by written agreement executed by the party to be charged with the change.

[*The signature page follows this page*]

IN WITNESS WHEREOF, the Port and Provider, acting under the authority of their respective governing bodies, have caused this Agreement to be executed by their duly authorized representatives on the dates set forth below, but effective for all purposes as of the Effective Date.

PORT:

PORT OF CORPUS CHRISTI AUTHORITY OF NUECES COUNTY, TEXAS

By:_____
John P. LaRue
Executive Director

Date:_____

PROVIDER:

UNITED CORPUS CHRISTI CHAMBER OF COMMERCE

By: Annette Medlin

Name: Annette Medlin

Title: President | CEO

Date: 11-28-2016

EXHIBIT A

DEVELOPMENT SERVICES AND RELATED ITEMS

The Development Services to be provided to the Port by the Provider shall include the following:

A. The Provider will obtain professional representation in Washington D.C. and other locations to further the PCCA's interest to stimulate, encourage, and develop business location and commercial activity; including preparation and implementation of strategic plans for maximum utility of area military facilities – NAS Corpus Christi, the Corpus Christi Army Depot, and NAS Kingsville; and promoting or advertising the county and its vicinity by in-person presentation in other areas of the country for the economic benefit of Corpus Christi and surrounding areas within Nueces County.

B. The Provider will supervise such professional representation and ensure compliance with all necessary registrations and reporting requirements to appropriate governmental agencies.

C. The Provider will prepare briefing materials and conduct briefings in Washington, D.C. and elsewhere as to the value of the area military complex to the Department of Defense.

D. The Provider will host such receptions and meetings as the Provider deems useful in establishing favorable relations with members of Congress and the Executive Branch of Government and undertake such other efforts as it deems necessary to preserving and expanding the Corpus Christi Bay Area military facilities.

E. The Provider will report regularly to the Port on the activities of the Provider and the expenditure of funds from the special account.

F. The Provider will cause their funding under this agreement to be segregated from any activities which the Provider may undertake that are unrelated to the above described efforts. All such funds shall be maintained in a bank account separate and apart from the general account of the United Corpus Christi Chamber of Commerce.

EXHIBIT B

SPECIAL TERMS AND CONDITIONS

The Provider also agrees that the Port will receive the following advertising services and benefits without any additional cost to the Port:

1. None

PORT DEVELOPMENT SERVICES AGREEMENT

This Port Development Services Agreement ("Agreement") is made and entered into effective as of January 1, 2017 (the "Effective Date") by and is between the Port of Corpus Christi Authority of Nueces County, Texas ("Authority"), whose address is 222 Power Street, Corpus Christi, Texas 78401, and Coastal Bend Bays & Estuaries Program ("Service Provider"), whose address is 615 N. Upper Broadway, Suite 1200, Corpus Christi, Texas 78401.

RECITALS:

Whereas, the Authority is a political subdivision of the State of Texas, operating as a navigation district pursuant to Article XVI, Section 59 of the Texas Constitution and the laws of the State of Texas, particularly; Chapters 60 and 62 of the Texas Water Code (the "Water Code"); and

Whereas, Section 60.003 of the Water Code provides that a navigation district may contract with any person necessary or convenient to the operation or development of the district's ports and waterways; and

Whereas, the Authority wishes to engage Service Provider to provide the professional services and related items described in Exhibit A attached to this Agreement ("Exhibit A") and incorporated herein for all purposes; and

Whereas, the Service Provider wishes to provide the professional services and related items described in Exhibit A (collectively, the "Contracted Services") on the terms and for the consideration described in this Agreement; and

Whereas, the Port Commission believes that the expenditure of Authority funds pursuant to this Agreement is consistent with the authority granted to the Port Commission in Sections 60.003 and 60.203 of the Water Code, and will aid in the development of the Authority's ports and waterways and will further the general welfare of the Authority and the citizens of Nueces and San Patricio Counties, Texas;

NOW, THEREFORE, for and in consideration of the mutual covenants, rights, and obligations set forth herein and the benefits to be derived therefrom, the receipt and sufficiency of which each party acknowledges, the parties agree as follows:

AGREEMENT:

1. CONTRACTED SERVICES: During the term of this Agreement, the Service Provider will provide the Contracted Services to the Authority.

2. TERM AND CONSIDERATION: The term of this Agreement is from the 1st day of January 2017, to the 31st day of December 2017. In consideration of Service Provider's providing the Contracted Services, Authority will pay to Service Provider the sum of One Hundred Sixty Thousand Dollars ($160,000.00), which sum will be paid as follows: $40,000.00 in January, April, July, and October of 2017, upon submission of an invoice from the Service Provider for services to be performed. All payments to the Service Provider by the Authority

pursuant to this Agreement shall be made with funds from the Authority's Promotion and Development Fund.

3. COSTS AND EXPENSES: Service Provider will be responsible for all costs and expenses associated with providing the Contracted Services to Authority. Authority shall be under no obligation to provide any funding or incur any other costs or expenses in connection with the services to be provided.

4. OBLIGATION LIMITED: This Agreement shall be limited solely to the Contract Services. No obligation of Authority, expressed or implied, shall exist for funding any additional or different services by Service Provider.

5. BOARD OF DIRECTORS: The Authority will be entitled to appoint one (1) person to be a voting director of the board of directors of Service Provider, which person may be a Port Commissioner.

6. INDEPENDENT CONTRACTOR RELATIONSHIP: At all times during the term of this Agreement, the Service Provider shall be an independent contractor to the Authority, and the Service Provider shall not in any event be deemed an employee, partner, joint venture or other representative of the Authority. Any persons employed by the Service Provider shall at all times hereunder be deemed to be the employees of the Service Provider, and the Service Provider shall be solely liable for the payment of all wages, employment taxes or other benefits made available to such employees in connection with their employment by the Service Provider. If required by law or statute, the Service Provider will provide workers' compensation insurance for all of its employees engaged in providing services to Authority. The Service Provider shall remain solely responsible for the supervision and performance of any such employees and of its volunteers in completing its obligations under this Agreement. Service Provider has no authority to bind the Authority to any contract, obligation or any other liability.

7. RECORDS: The Service Provider agrees to maintain proper accounting records reflecting the receipt and expenditure of the funds paid to it by Authority in sufficient detail that a reasonable person could from a review of the said records determine the source and application of all funds paid the Service Provider by the Authority. In addition, if required to do so by the Authority, the Service Provider will provide the Authority a written report or reports which set forth the source and application of all funds paid the Service Provider by the Authority. The Service Provider will also make all reports to government or other entities necessary because of the nature of the services provided by the Service Provider.

8. COMPLIANCE: During the performance of this Agreement, the Service Provider agrees to comply with all applicable federal, state or local laws or regulations.

9. NOTICE: All notices or other communications relating to this Agreement will be made in writing and may be given by facsimile or electronic transmission addressed to the person to receive same, delivering the same to the person to be notified, or depositing the same in the United States mail, postage prepaid, certified return receipt requested, addressed as set forth in this paragraph. Until changed in writing, the notice addresses for the parties to this Agreement hereto shall be as follows:

Authority: Port of Corpus Christi
Authority P. 0. Box 1541
Corpus Christi, Texas 78403
Attn.: Executive Director

Service Provider: Coastal Bend Bays & Estuaries Program
615 N. Upper Broadway, Suite 1200
Corpus Christi, Texas 78401
Attn: Executive Director

10. DEFAULT: This Agreement may be terminated upon default by either party upon thirty (30) days written notice to the other party. No waiver of performance by either party shall be construed or operate as a waiver of any subsequent default in any terms, covenants, and conditions of this Agreement.

11. GOVERNING LAW: This Agreement shall be governed by and construed in accordance with the laws of the state of Texas, and it shall be performable in Nueces County, Texas.

12. SEVERABILITY: If for any reason any section, paragraph, subdivision, clause, phrase, word or provision of this Agreement shall be held invalid or unconstitutional by final judgment of a court of competent jurisdiction, it shall not affect any other section, paragraph, subdivision, clause, phrase, word or provision of this Agreement, for it is the definite intent of the parties that every section, paragraph, subdivision, clause, phrase, word or provision hereof be given full force and effect for its purpose.

13. ASSIGNMENT AND SUCCESSORS: Neither party may assign any of its rights or delegate any of its obligations under this Agreement without the prior written consent of the other party. Subject to the preceding sentence, this Agreement will apply to, be binding in all respects on, and inure to the benefit of the successors and permitted assigns of the parties.

14. AMENDMENTS AND COUNTERPARTS: No amendments, modifications or other changes to this Agreement shall be valid or effective without the written consent of the parties hereto. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which shall constitute but one and the same instrument.

15. ENTIRE AGREEMENT: This Agreement supersedes all prior agreements between the parties with respect to its subject matter. This Agreement constitutes a complete and exclusive statement of the terms of the agreement between the parties with respect to the subject matter of this Agreement. There are no written or oral representations or understandings that are not fully expressed in this Agreement

EXECUTED in duplicate originals effective the 1st day of January 2017.

AUTHORITY:

PORT OF CORPUS CHRISTI AUTHORITY OF NUECES CO

By: _____
John P. LaRue
Executive Director

SERVICE PROVIDER:

COASTAL BEND BAYS & ESTUARIES PROGRAM

By: _____
Ray Allen
Executive Director

EXHIBIT A
TO SERVICES AGREEMENT

The professional services and benefits to be provided to the Authority by the Service Provider consist of the environmental protection of the Coastal Bend bays and estuaries through various projects which would be advantageous to the future growth and vitality of the Port of Corpus Christi Authority and benefit the public welfare in Nueces and San Patricio Counties and shall include the following:

1. conduct research and development of information regarding the environmental conditions of the Coastal Bend bays and estuaries;

2. disseminate above information to the public through various and diverse educational processes such as the publication of the results of such research and development, conducting seminars, forums, discussion groups and participating in expositions, trade shows, conventions and other meetings;

3. advise the Port Commissioners of the Authority quarterly on environmental matters impacting port operations;

4. annual meeting sponsor status;

5. newsletter articles on community involvement, support, and initiatives in collaboration with the Authority's staff;

6. recognize the Authority as a member on the Coastal Bend Bays & Estuaries website and maintain hyperlink to the Authority's website;

7. support the Authority's legislative issues in Washington, D.C., through letters of support and testimony for community grants and infrastructure funds for projects benefiting the Authority and its customers, such as the I-69 Highway Project, the La Quinta Terminal Project, and the Corpus Christi Ship Channel Improvement Projects; and

8. any and all other lawful activities, which tend to aid, assist, or otherwise encourage the economic development of the Authority's ports and waterways.

End of Exhibit

PORT DEVELOPMENT SERVICES AGREEMENT
2017

This Port Development Services Agreement (.Agreement") is made and entered into effective as of January 1, 2017 (the .Effective Date"), by and between the PORT OF CORPUS CHRISTI AUTHORITY OF NUECES COUNTY, TEXAS (the "Port"), and the CORPUS CHRISTI REGIONAL ECONOMIC DEVELOPMENT CORPORATION, a Texas non-profit corporation (the "Provider").

RECITALS:

Whereas, the Port is a political subdivision of the State of Texas, operating as a navigation district pursuant to Article XVI, Section 59 of the Texas Constitution and the laws of the State of Texas, particularly, Chapters 60 and 62 of the Texas Water Code (the "Water Code"); and

Whereas, under Section 60.202 of the Water Code, the Port may set aside out of current income from its operations a promotion and development fund ("Development Fund") of not more than five percent (5%) of its gross income from operations in each calendar year; and

Whereas, Section 60.203 of the Water Code provides that money in the Development Fund shall be spent by the Port Commission *(i.e.,* the governing body of the Port) or as the Port Commission may direct to pay any expenses connected with *(1)* any activity or matter incidental to the advertising, development, or promotion of the district or its ports, waterways, harbors, or terminals; *(2)* furthering the general welfare of the district and its facilities; or *(3)* the bettennent of the district's relations with steamship and rail lines, shippers, consignees of freight, governmental officials, or others interested or sought to be interested in [its] ports, waterways, harbors, or terminals; and

Whereas, Section 60.003 of the Water Code provides that a district may contract with any person necessary or convenient to the operation or development of the district's ports and waterways; and

Whereas, the Port wishes to engage the Provider to provide the professional services and related items described in Exhibit A attached to this Agreement ("Exhibit A") and incorporated herein; and

Whereas, the Port Commission believes that the expenditure of Port funds pursuant to this Agreement is consistent with the authority granted to the Port Commission in Section 60.203 of the Water Code; and

Whereas, the Provider wishes to provide the professional services and related items described in Exhibit A on the terms and for the consideration described in this Agreement;

NOW, THEREFORE, for and in consideration of the mutual covenants, rights, and obligations set forth herein and the benefits to be derived therefrom, the receipt and sufficiency of which each party acknowledges, the parties agree as follows:

1. Term. The term of this Agreement shall commence on the Effective Date and shall continue until the following December 31st, unless sooner terminated as provided in this Agreement.

2. Development Services. During the term of this Agreement, the Provider agrees to provide to or on behalf of the Port the professional services and related items described in Exhibit A (collectively, the "Development Services") in accordance with the terms and conditions of this Agreement. The Provider specifically agrees to include at least one Port representative in any economic development negotiations or discussions in which the Provider is involved concerning *(i)* a port-related business prospect or *(ii)* a business transaction which will ultimately require Port involvement, financial or otherwise.

3. Consideration. In consideration of the Development Services to be provided hereunder, the Port agrees to pay the Provider the total sum of three hundred twenty thousand and No/I 00 Dollars ($320,000) (the "Contract Amount") as follows: *(i)* 20% of the Contract Amount shall be payable to Provider within ten (I 0) days after the execution of this Agreement by both parties; and *(ii)* the balance of the Contract Amount shall be payable to Provider in four equal quarterly installments of 20% of the Contact Amount, each on or before the last days of March, June, September, and December during the term of this Agreement. The Provider agrees that any funds paid to it pursuant to this Agreement will be utilized solely for the purpose of providing Development Services.

4. Place for Payment. The funding required under this Agreement shall be mailed to the Provider at its address specified in Section 9 below, unless the Provider makes other arrangements for payment that are satisfactory to the Port.

5. Quarterly Reports. On a quarterly basis, the Provider shall submit to the Port a written activity report (the "Activity Report") of its Development Services and accomplishments for that particular quarter. Except as otherwise provided in this Section, the form of the Activity Report shall include, at a minimum, a narrative summary of the Development Services rendered during the quarter, a summary of year-to-date expenditures incurred by the Provider in providing the Development Services, information regarding the current status of any prospective new port-related business generated by the Provider, information regarding the current status of any prospective expansion of any existing port-related business generated by the Provider, and any other information which is reasonably requested by the Port pertaining to the Development Services. Notwithstanding anything to the contrary contained in this Section 5, the Provider may exclude Confidential Information from an Activity Report if the Provider gives an oral report of the Confidential Information to the Port's Executive Director or his designee contemporaneously with the delivery of the Activity Report from which such Confidential Information was excluded. For purposes of the preceding sentence, "Confidential Information" means *(i)* information regarding the current status of any prospective new port-related business generated by the Provider, if disclosure of such information to the public would, in the opinion of the Provider, jeopardize the realization of such business or *(ii)* information regarding the current status of any prospective expansion of any existing port-related business generated by the Provider, if disclosure of such information to the public would, in the opinion of the Provider, jeopardize the realization of such expansion.

6. Records. The Provider shall maintain fiscal records and supporting documentation in the form of cancelled checks, payroll records, and invoices evidencing the expenditure of all funds received by the Provider pursuant to this Agreement. The Provider agrees to maintain proper accounting records reflecting the receipt and expenditure of funds paid to it by the Port pursuant to this Agreement in sufficient detail that a reasonable person could from a review of such records determine how all such funds were expended. Upon written request to do so, the Provider shall give the Port or its duly authorized representatives, at any reasonable time or times, access to all books, accounts, records, files or other papers belonging to or used by the Provider in connection with its performance of the Development Services. Failure to provide access to the foregoing documents shall constitute a breach of this Agreement by the Provider. The Provider agrees to keep in its possession for at least three (3) years after the termination of this Agreement all of the records described in this Section.

7. Performance Review. The Port may conduct a performance review on a semi-annual basis to evaluate the Provider's compliance with the provisions of this Agreement.

8. Early Termination. The Port shall have the right to terminate this Agreement any time prior to the expiration of the term specified in Section 1 if the Port determines that the Provider has breached or otherwise failed to comply with any terms of this Agreement. The Port shall give the Provider written notice of such termination at least thirty (30) days prior to the date of such termination. The notice shall include the reasons for such termination and the effective date of the termination. Furthermore, either party may terminate this Agreement at any time for any reason by giving written notice to the other party at least ninety (90) days prior to the termination date specified in such notice. Upon termination of this Agreement, the Port shalt be liable to the Provider only for sums earned by the Provider prior to the date of termination.

9. Notices. All notices given pursuant to this Agreement shall be in writing, and if sent by mail shall be sent by certified mail, return receipt requested, postage prepaid, or by overnight delivery service, or by facsimile or electronic transmission as addressed below:

If to the Port:

Executive Director
Port of Corpus Christi Authority
P.O. Box 1541
Corpus Christi, Texas 78403
Ph: (361) 882-5633
Fax: (361) 882-7110

If to the Provider:
President/Chief Executive Officer
Corpus Christi Regional Economic Development Corporation
Suite 1300 South Tower
800 N. Shoreline Blvd.
Corpus Christi, Texas 78401
Ph: (361) 822-7448
Fax: (361) 882-9930

or to such other address as may be designated in writing from time to time. All notices sent by certified mail are deemed received on the third business day after mailing. All notices sent by overnight delivery are deemed received on the next business day after being sent. All notices sent by facsimile or electronic transmission are deemed received on the day sent. Any party may change its address by giving notice to all other parties as set out herein.

10. Source of Funds. Any payments made to the Provider by the Port pursuant to this Agreement shall be made with funds in the Port's Development Fund.

11. Appropriations. Notwithstanding anything to the contrary contained in this Agreement, the parties acknowledge and understand that this Agreement is contingent upon the appropriation of funding by the Port Commission.

12. No Conflict of Interest. The Port and Provider each state independently that to the best of its knowledge no member of the Port Commission nor any officer, employee, or agent of the Port who will exercise any function or responsibility in connection with the carrying out of the provisions of this Agreement has any personal financial interest, direct or indirect, in this Agreement.

13. No Joint Enterprise or Liability. The parties do not intend, by entering into this Agreement, to create a partnership or joint enterprise with each other, and the Port shall at no time be responsible or liable for the acts of the Provider or the Provider's agents or employees. In no event shall the Port be liable *(i)* for the performance of any contracts made by the Provider with any other person or entity or *(ii)* for any damages, injuries, or losses charged to or adjudged against the Provider arising from its operations or the use or maintenance of its facilities. The Provider will be responsible for all costs and expenses incurred by it in providing the Development Services hereunder, and the Port shall be under no obligation to provide any additional funding or incur any other costs or expenses in connection with the Development Services beyond the Contract Amount.

14. Indemnity. The Provider agrees to defend, indemnify and hold harmless the Port, its Port Commissioners, employees and representatives for any claims or losses of any kind incurred by any of them because of or arising out of the Development Services performed by the Provider pursuant to this Agreement.

15. Confidential Information. The Provider agrees that any information given to the Provider by the Port concerning the financial or other affairs of the Port while in pursuit of the Provider's obligations under this Agreement will be held by the Provider in confidence and will not be revealed to any other person, entity or governmental body without the express written consent of the Port.

16. Severability. If any provision of this Agreement is held to be invalid, unconstitutional, or unenforceable by any court of competent jurisdiction , the other provisions of this Agreement will remain in full force and effect. Any provision of this Agreement held to be invalid, unconstitutional, or unenforceable only in part or degree will remain in full force and effect to the extent not held invalid, unconstitutional, or unenforceable.

17. No Waiver of Rights. It is understood and agreed that no failure or delay in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any right, power or privilege under this Agreement.

18. Governing Law and Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas. Venue for any action brought under this Agreement lies in Nueces County, Texas, exclusively.

19. Execution in Counterparts. This Agreement may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute but one and the same agreement.

20. Assignments and Successors. No party may assign any of its rights or delegate any of its obligations under this Agreement without the prior written consent of the other party. Subject to the preceding sentence, this Agreement will apply to, be binding in all respects on and inure to the benefit of the successors and permitted assigns of the parties.

21. Headings. The titles and headings in this Agreement are used only for reference, and in no way define or limit the scope or intent of a provision of this Agreement.

22. Compliance with Applicable Laws. The Provider agrees to comply with all applicable federal, state and local laws and regulations while performing the Development Services.

23. Special Terms and Conditions. Any special terms and conditions pertaining to the subject matter of this Agreement are set forth in Exhibit B attached hereto, which is incorporated herein.

24. Entire Agreement and Modification. This Agreement supersedes all prior agreements between the parties with respect to its subject matter. This Agreement constitutes a complete and exclusive statement of the terms of the agreement between the parties with respect to the subject matter of this Agreement. There are no written or oral representations or understandings that are not fully expressed in this Agreement. This Agreement may not be amended, supplemented, or otherwise modified except by written agreement executed by the party to be charged with the change.

[The signature page follows this page]

IN WITNESS WHEREOF, the Port and Provider, acting under the authority of their respective governing bodies, have caused this Agreement to be executed by their duly authorized representatives on the dates set forth below, but effective for all purposes as of the Effective Date.

Port:

PORT OF CORPUS CHRISTI AUTHORITY OF NUECES COUNTY, TEXAS

By: _____
John P. LaRue
Executive Director

Date: _____

PROVIDER:

CORPUS CHRISTI REGIONAL ECONOMIC DEVELOPMENT CORPORATION

By:
Name: [signature]
Title: PRESIDENT, CEO
Date: DEC 9 2016

EXHIBIT A

DEVELOPMENT SERVICES AND RELATED ITEMS

The Development Services to be provided to the Port by the Provider shall include the following:

1. produce economic impact studies or reports within the Provider's areas of expertise as requested by the Port to evaluate or support potential projects, industries or major cargo movements which may occur or be located in the Port of Corpus Christi;

2. prepare and execute a program with Port involvement to market the public and private property that will become accessible with the opening of the Joe Fulton International Trade Corridor, La Quinta Terminal and Harbor Island.

3. provide a calendar of shows, expos and exhibitions in which the Provider will participate as an exhibitor so that Port staff may decide if its participation would be beneficial.

4. ensure the Port has knowledge of and participates in all contacts, conversations and meetings with persons or entities inquiring about, interested in, or requiring Port of Corpus Christi land, facilities or services, with the approval of the prospective company interested in the Port;

5. research and develop information, within the Provider's areas of expertise, regarding the future growth of the Port of Corpus Christi and to assist the Port in the establishment and location of new industries and commercial and public enterprises on Port property;

6. disseminate the information described in item number 5 above to the public through various and diverse means as deemed appropriate by the Board of Directors of the Provider;

7. create and implement strategies and programs to retain and expand existing port-related industries and enterprises;

8. promote the Port at Provider scheduled tradeshows;

9. support the Port's state and federal legislative agenda with letters of support and testimony;

10. within the Provider's areas of expertise, provide demographic research for grant requests made by the Port for community development funds and infrastructure funds for Port projects such as the Joe Fulton International Trade Corridor; and

11. assist the Port with regional, national and international trade activities.

EXHIBIT B

SPECIAL TERMS AND CONDITIONS

The Provider also agrees that the Port will receive the following advertising services and benefits without any additional cost to the Port:

1. The Port shall be entitled to nominate two (2) persons to serve as members of the board of directors of the Provider, which persons may be Port Commissioners. Also, the Executive Director of the Port shall serve as an ex-officio, non-voting member of the Provider's board of directors. Both of the persons nominated by the Port shall be elected to the board of directors of the Provider by a majority vote of its board. If either of the Port's nominees is not elected to the Provider's board of directors when the vote is taken, this Agreement shall automatically terminate. In the event the Port fails to renew this Agreement or make the annual appropriations required under this Agreement, all directors nominated by the Port and appointed by the Provider shall forfeit their remaining terms of office.

2. The Port shall have one reserved table at each of the Provider's member events at no additional cost. At events that are open to the public and are designated as fund-raising events by the Provider's Board of Directors, a table shall not be provided.

3. The Provider shall, on request, prepare articles for publication on community involvement, support, and initiatives in collaboration with the Port.

4. The Port shall be recognized as a Provider member in areas and publications in which it is typical for the Provider's members to be recognized.

PORT DEVELOPMENT SERVICES AGREEMENT
2017

This Port Development Services Agreement ("Agreement") is made and entered into effective as of January 1, 2017 (the "Effective Date"), by and between the PORT OF CORPUS CHRISTI AUTHORITY OF NUECES COUNTY, TEXAS (the "Port"), and the SAN PATRICIO ECONOMIC DEVELOPMENT CORPORATION, a Texas non-profit corporation (the "Provider").

RECITALS:

Whereas, the Port is a political subdivision of the State of Texas, operating as a navigation district pursuant to Article XVI, Section 59 of the Texas Constitution and the laws of the State of Texas, particularly, Chapters 60 and 62 of the Texas Water Code (the "Water Code"); and

Whereas, under Section 60.202 of the Water Code, the Port may set aside out of current income from its operations a promotion and development fund ("Development Fund") of not more than five percent (5%) of its gross income from operations in each calendar year; and

Whereas, Section 60.203 of the Water Code provides that money in the Development Fund shall be spent by the Port Commission (*i.e.*, the governing body of the Port) or as the Port Commission may direct to pay any expenses connected with *(1)* any activity or matter incidental to the advertising, development, or promotion of the district or its ports, waterways, harbors, or terminals; *(2)* furthering the general welfare of the district and its facilities; or *(3)* the betterment of the district's relations with steamship and rail lines, shippers, consignees of freight, governmental officials, or others interested or sought to be interested in [its] ports, waterways, harbors, or terminals; and

Whereas, Section 60.003 of the Water Code provides that a district may contract with any person necessary or convenient to the operation or development of the district's ports and waterways; and

Whereas, the Port wishes to engage the Provider to provide the professional services and related items described in Exhibit A attached to this Agreement ("Exhibit A") and incorporated herein; and

Whereas, the Port Commission believes that the expenditure of Port funds pursuant to this Agreement is consistent with the authority granted to the Port Commission in Section 60.203 of the Water Code; and

Whereas, the Provider wishes to provide the professional services and related items described in Exhibit A on the terms and for the consideration described in this Agreement;

NOW, THEREFORE, for and in consideration of the mutual covenants, rights, and obligations set forth herein and the benefits to be derived therefrom, the receipt and sufficiency of which each party acknowledges, the parties agree as follows:

1. **Term.** The term of this Agreement shall commence on the Effective Date and shall continue until the following December 31st, unless sooner terminated as provided in this Agreement.

2. **Development Services.** During the term of this Agreement, the Provider agrees to provide to or on behalf of the Port the professional services and related items described in Exhibit A (collectively, the "Development Services") in accordance with the terms and conditions of this Agreement. The Provider specifically agrees to include at least one Port representative in any economic development negotiations or discussions in which the Provider is involved concerning *(i)* a port-related business prospect or *(ii)* a business transaction which will ultimately require Port involvement, financial or otherwise.

3. **Consideration.** In consideration of the Development Services to be provided hereunder, the Port agrees to pay the Provider the total sum of seventy thousand and No/100 Dollars ($70,000.00) (the "Contract Amount") as follows: *(i)* 20% of the Contract Amount shall be payable to Provider within ten (10) days after the execution of this Agreement by both parties; and *(ii)* the balance of the Contract Amount shall be payable to Provider in four equal quarterly installments of 20% of the Contact Amount, each on or before the last days of March, June, September, and December during the term of this Agreement. The Provider agrees that any funds paid to it pursuant to this Agreement will be utilized solely for the purpose of providing Development Services.

4. **Place for Payment.** The funding required under this Agreement shall be mailed to the Provider at its address specified in Section 9 below, unless the Provider makes other arrangements for payment that are satisfactory to the Port.

5. **Quarterly Reports.** On a quarterly basis, the Provider shall submit to the Port a written activity report (the "Activity Report") of its Development Services and accomplishments for that particular quarter. Except as otherwise provided in this Section, the form of the Activity Report shall include, at a minimum, a narrative summary of the Development Services rendered during the quarter, a summary of year-to-date expenditures incurred by the Provider in providing the Development Services, information regarding the current status of any prospective new port-related business generated by the Provider, information regarding the current status of any prospective expansion of any existing port-related business generated by the Provider, and any other information which is reasonably requested by the Port pertaining to the Development Services. Notwithstanding anything to the contrary contained in this Section 5, the Provider may exclude Confidential Information from an Activity Report if the Provider gives an oral report of the Confidential Information to the Port's Executive Director or his designee contemporaneously with the delivery of the Activity Report from which such Confidential Information was excluded. For purposes of the preceding sentence, "Confidential Information" means *(i)* information regarding the current status of any prospective new port-related business generated by the Provider, if disclosure of such information to the public would, in the opinion of the Provider, jeopardize the realization of such business or *(ii)* information regarding the current status of any prospective expansion of any existing port-related business generated by the Provider, if disclosure of such information to the public would, in the opinion of the Provider, jeopardize the realization of such expansion.

6. Records. The Provider shall maintain fiscal records and supporting documentation in the form of cancelled checks, payroll records, and invoices evidencing the expenditure of all funds received by the Provider pursuant to this Agreement. The Provider agrees to maintain proper accounting records reflecting the receipt and expenditure of funds paid to it by the Port pursuant to this Agreement in sufficient detail that a reasonable person could from a review of such records determine how all such funds were expended. Upon written request to do so, the Provider shall give the Port or its duly authorized representatives, at any reasonable time or times, access to all books, accounts, records, files or other papers belonging to or used by the Provider in connection with its performance of the Development Services. Failure to provide access to the foregoing documents shall constitute a breach of this Agreement by the Provider. The Provider agrees to keep in its possession for at least three (3) years after the termination of this Agreement all of the records described in this Section.

7. Performance Review. The Port may conduct a performance review on a semi-annual basis to evaluate the Provider's compliance with the provisions of this Agreement.

8. Early Termination. The Port shall have the right to terminate this Agreement any time prior to the expiration of the term specified in Section 1 if the Port determines that the Provider has breached or otherwise failed to comply with any terms of this Agreement. The Port shall give the Provider written notice of such termination at least thirty (30) days prior to the date of such termination. The notice shall include the reasons for such termination and the effective date of the termination. Furthermore, either party may terminate this Agreement at any time for any reason by giving written notice to the other party at least ninety (90) days prior to the termination date specified in such notice. Upon termination of this Agreement, the Port shall be liable to the Provider only for sums earned by the Provider prior to the date of termination.

9. Notices. All notices given pursuant to this Agreement shall be in writing, and if sent by mail shall be sent by certified mail, return receipt requested, postage prepaid, or by overnight delivery service, or by facsimile or electronic transmission as addressed below:

If to the Port:

Executive Director
Port of Corpus Christi Authority
P.O. Box 1541
Corpus Christi, Texas 78403
Ph: (361) 882-5633
Fax: (361) 882-7110

If to the Provider:

Executive Director
San Patricio County Economic Development Corporation
Box 238
Gregory, Texas 78359
Ph: (361) 643-4744
Fax: (361) 643-4394

or to such other address as may be designated in writing from time to time. All notices sent by certified mail are deemed received on the third business day after mailing. All notices sent by overnight delivery are deemed received on the next business day after being sent. All notices sent by facsimile or electronic transmission are deemed received on the day sent. Any party may change its address by giving notice to all other parties as set out herein.

10. Source of Funds. Any payments made to the Provider by the Port pursuant to this Agreement shall be made with funds in the Port's Development Fund.

11. Appropriations. Notwithstanding anything to the contrary contained in this Agreement, the parties acknowledge and understand that this Agreement is contingent upon the appropriation of funding by the Port Commission.

12. No Conflict of Interest. The Port and Provider each state independently that to the best of its knowledge no member of the Port Commission nor any officer, employee, or agent of the Port who will exercise any function or responsibility in connection with the carrying out of the provisions of this Agreement has any personal financial interest, direct or indirect, in this Agreement.

13. No Joint Enterprise or Liability. The parties do not intend, by entering into this Agreement, to create a partnership or joint enterprise with each other, and the Port shall at no time be responsible or liable for the acts of the Provider or the Provider's agents or employees. In no event shall the Port be liable *(i)* for the performance of any contracts made by the Provider with any other person or entity or *(ii)* for any damages, injuries, or losses charged to or adjudged against the Provider arising from its operations or the use or maintenance of its facilities. The Provider will be responsible for all costs and expenses incurred by it in providing the Development Services hereunder, and the Port shall be under no obligation to provide any additional funding or incur any other costs or expenses in connection with the Development Services beyond the Contract Amount.

14. Indemnity. The Provider agrees to defend, indemnify and hold harmless the Port, its Port Commissioners, employees and representatives for any claims or losses of any kind incurred by any of them because of or arising out of the Development Services performed by the Provider pursuant to this Agreement.

15. Confidential Information. The Provider agrees that any information given to the Provider by the Port concerning the financial or other affairs of the Port while in pursuit of the Provider's obligations under this Agreement will be held by the Provider in confidence and will not be revealed to any other person, entity or governmental body without the express written consent of the Port.

16. Severability. If any provision of this Agreement is held to be invalid, unconstitutional, or unenforceable by any court of competent jurisdiction, the other provisions of this Agreement will remain in full force and effect. Any provision of this Agreement held to be invalid, unconstitutional, or unenforceable only in part or degree will remain in full force and effect to the extent not held invalid, unconstitutional, or unenforceable.

17. No Waiver of Rights. It is understood and agreed that no failure or delay in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any right, power or privilege under this Agreement.

18. Governing Law and Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas. Venue for any action brought under this Agreement lies in Nueces County, Texas, exclusively.

19. Execution in Counterparts. This Agreement may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute but one and the same agreement.

20. Assignments and Successors. No party may assign any of its rights or delegate any of its obligations under this Agreement without the prior written consent of the other party. Subject to the preceding sentence, this Agreement will apply to, be binding in all respects on and inure to the benefit of the successors and permitted assigns of the parties.

21. Headings. The titles and headings in this Agreement are used only for reference, and in no way define or limit the scope or intent of a provision of this Agreement.

22. Compliance with Applicable Laws. The Provider agrees to comply with all applicable federal, state and local laws and regulations while performing the Development Services.

23. Special Terms and Conditions. Any special terms and conditions pertaining to the subject matter of this Agreement are set forth in Exhibit B attached hereto, which is incorporated herein.

24. Entire Agreement and Modification. This Agreement supersedes all prior agreements between the parties with respect to its subject matter. This Agreement constitutes a complete and exclusive statement of the terms of the agreement between the parties with respect to the subject matter of this Agreement. There are no written or oral representations or understandings that are not fully expressed in this Agreement. This Agreement may not be amended, supplemented, or otherwise modified except by written agreement executed by the party to be charged with the change.

[*The signature page follows this page*]

IN WITNESS WHEREOF, the Port and Provider, acting under the authority of their respective governing bodies, have caused this Agreement to be executed by their duly authorized representatives on the dates set forth below, but effective for all purposes as of the Effective Date.

PORT:

PORT OF CORPUS CHRISTI AUTHORITY OF NUECES COUNTY, TEXAS

By:_____
John P. LaRue
Executive Director

Date:_____

PROVIDER:

San Patricio County Economic Development Corporation

By: Foster Edwards

Name: Foster Edwards

Title: Exec. Director

Date: 12-9-16

EXHIBIT A

DEVELOPMENT SERVICES AND RELATED ITEMS

The Development Services to be provided to the Port by the Provider shall include the following:

1. assist the Port with the development of its La Quinta Trade Gateway Project;

2. assist the Port with the development of LNG Projects on Port-owned land;

3. assist with and provide support for the activities of the Port regarding the Rural Rail District;

4. ensure the Port's knowledge of and participation in all contacts, conversations and meetings with persons or entities inquiring about, interested in, or requiring Port of Corpus Christi land, facilities or services;

5. except as otherwise provided in Section 5 of the Agreement, include specifically in the Provider's quarterly Activity Reports information regarding all contacts, conversations and meetings with persons or entities inquiring about, interested in, or requiring Port of Corpus Christi land, facilities or services;

6. research and develop information regarding area economics, finance, education and training, housing, human relations, planning and development, and other similar matters of public concern to further the goal of the future growth of the Port of Corpus Christi and to assist the Port in the establishment and location of new industries and commercial and public enterprises on Port property;

7. disseminate the information described in item 6 above to the public through various and diverse educational processes such as the publication of the results of such research and development, conducting seminars, forums, discussion groups and participating in expositions, trade shows, conventions and other meetings;

8. aggressively promote the retention of all military facilities in the Corpus Christi Bay area, as well as the addition of new military facilities through contact with public officials, disseminating information, incentives, and any other appropriate activities;

9. promote San Patricio County to prospects for new port-related industries and enterprises, especially those that would substantially increase employment;

10. create and implement strategies and programs to keep and expand existing Port-related existing industries and enterprises; and

11. support the Port's state and federal legislative agenda with letters of support and testimony.

EXHIBIT B

SPECIAL TERMS AND CONDITIONS

The Provider also agrees that the Port will receive the following advertising services and benefits without any additional cost to the Port:

1. The Port shall be a member of the Provider during the term of this Agreement without having to pay any dues. The Port shall be entitled to appoint two representatives to the Provider's Board of Directors.

2. The Port shall have the status of an annual meeting sponsor at no additional cost to the Port.

3. The Provider shall prepare newsletter articles on community involvement, support, and initiatives in collaboration with Port staff.

4. The Port shall be recognized as a Provider member on the Provider's website, the Port's logo shall be displayed on the Provider's website, and the Provider's website shall contain a hyperlink to the Port's website under the Port's logo.

PORT CORPUS CHRISTI

AGENDA MEMORANDUM

Action Item for Port Commission Meeting of December 13, 2016

DATE: December 1, 2016

TO: Port Commission

FROM: John LaRue
john@pocca.com
(361) 885-6189

Approve Annual Consulting Services Contracts for 2017

SUMMARY: Staff is seeking commission approval of various Annual Consulting Services Contracts for 2017.

BACKGROUND: In order for the Port of Corpus Christi Authority (PCCA) to meet the needs of this port and the surrounding communities in which it is located, staff annually contracts with a number of firms to provide professional services in specific areas of expertise. In November 2016, a single standardized document was developed by procurement, risk management and Port counsel so that all consultants meet the same requirements.

The following annual consulting services contracts are due for renewed services effective January 1, 2017 and ending no later than December 31, 2017, unless otherwise terminated by written notice to the other party.

Alvarez Business Consultant: Sandra Alvarez has been providing consulting services to PCCA since October 2016 in response to numerous resident complaints on the east side of Portland regarding the sounds generated by the voestalpine HBI plant. **LEAD CONTACT: Rosie Collin**

Baker Wotring, LLP: Baker Wotring, LLP, has been providing professional legal services to the Port since 2012. They provide legal services on environmental matters supplementing the Port's general legal counsel as needed. Costs for these services for 2017 will not exceed $200,000. **LEAD CONTACT: Sarah Garza**

Berlanga Business Consultants: Berlanga Business Consultants has been providing professional services to the Port since 2000. They provide much needed assistance on the passage of key legislation for this Port and assist with state funding for port infrastructure. They also work with Representative Hunter and other legislators on the passage of windstorm legislation. Mr. Berlanga is a former Texas State Representative and he retains an excellent working relationship with the Governor's office, Lt. Governor's office, Speaker of the House, committee chairs, legislators and staff. Cost for services in 2017 will be $90,000.00 no increase from 2016. **LEAD CONTACT: Nelda Olivo**

Borski Associates: Robert Borski d/b/a Borski Associates began providing professional services to the Port in 2003. They helped develop and implement our federal policy strategy. They have worked with Congress and federal agencies to advance and explore funding opportunities for the Corpus Christi Ship Channel project, implementation of the Water Resources Reform & Development Act of 2014 (WRRDA), and preparation for the next WRRDA legislation. Borski Associates monitored the Port's federal grant program and surface transportation reauthorization legislation. He has an excellent working relationship with key congressional committees and the U.S. Department of Transportation. Mr. Borski served in Congress for 20 years on the Transportation and Infrastructure Committee. Costs for these services in 2017 will be $120,000. **LEAD CONTACT: Nelda Olivo**

Cassidy & Associates: Cassidy & Associates have been providing professional services to the Port since 2005. They represent the Port on the federal level to advance and explore funding opportunities for the Corpus Christi Ship Channel project, implementation of the Water Resources Reform & Development Act of 2014 (WRRDA) and preparation for next WRRDA legislation. They assist in facilitating appointments with congressional members and federal agencies. They monitor federal grant programs and surface transportation reauthorization legislation. Cassidy & Associates is a full service government relations firm that can easily assist the Port with a variety of issues as needed. Costs for 2017 services will be $210,000.00 no increase from 2016. **LEAD CONTACT: NELDA OLIVO**

Delisi Communications: Delisi Communications has provided professional services to the Port since 2012. Deirdre Delisi represents the Port on the state level and works with the Texas Department of Transportation and state legislators related to the Harbor Bridge project. As former Texas Transportation Chair, Ms. Delisi has an excellent working relationship with the Governor's office, Lt. Governor's office, Speaker of the House, state legislators and state agencies. Cost for Delisi services for 2017 will be $60,000.00 no increase from 2016. **LEAD CONTACT: Nelda Olivo**

Erben & Yarbrough: Erben & Yarbrough (formerly known as BGYarbrough & Associates) has been providing professional services to the Port since 2003, first with Randall Erben and now with Brian Yarbrough. They have been instrumental in the passage of key legislation beneficial to the Port and in acquiring funding for port infrastructure. They represent the Port before the Texas Legislature and state agencies in the areas of transportation, environmental, security and economic development. This year, they assisted San Patricio County and the San Patricio County Economic Development Corporation with passage of their rail eminent domain authority. Mr. Yarbrough also enjoys an excellent working relationship with the Governor's office, Lt. Governor's office, Speaker of the House, legislators and state agencies. Costs for these services for 2017 are $90,000. **LEAD CONTACT: Nelda Olivo**

Fire Barge Capt. Joe Harrington: Capt. Harrington, a licensed captain, has been providing services to the Port since 2003. He assists in the safe navigation of the fire barge, training of Port and RTFC personnel, and provides advice on vessel operations and maintenance. He also serves as the liaison with tugboats assisting the fire barge and with personnel on the distressed vessel. Costs for his services for 2017 will be $40,000. **LEAD CONTACT: Tom Mylett**

J. Canavati & Company LLC: Jorge Canavati has been providing professional services to PCCA since 2000. He represents the Port in various energy and logistics related activities and events focusing on cross-border business and trade across Latin America. Jorge lobbies to include Port representatives as speakers and participants in international conferences and trade missions such as ExpoCarga, CITEX, and trade missions to Mexico. He further assists in developing close relationships between the Port and key Latin American trade organizations. Further, Jorge is supporting the Port on opportunities to develop trade resulting from crude oil swap agreements between Mexico and the US. Costs for services in 2017 will be $48,000.00. **LEAD CONTACT: Jarl Pedersen**

Mathiesen Maritime Services: Palle Mathiesen has been providing consulting services to the Port since 2000. Mr. Mathiesen provides services regarding global wind turbine manufacturers, logistics providers, ship owners and operators. Mr. Mathiesen further assists the Port in best utilization and development of suitable open laydown areas for wind turbine cargo, analyze berth usage and options, communication with stakeholders, and application of wharfage rates. Mr. Mathiesen also assists the Port in the development of tools, such as the Project Matrix, used to monitor major orders for wind turbine components and other project cargo. Palle Mathiesen speaks five languages and is highly educated in international shipping. These unique skills are valuable to the Port when developing business opportunities with international customers. Cost for these services in 2017 will be $50,000.00. **LEAD CONTACT: Jarl Pedersen**

Morehead, Dotts, Rybak: Morehead, Dotts, Rybak has been providing professional services to the Port since 2000. They provide creative advertising and marketing services to assist the Port in the area of public information. Costs for these services for 2017 will be $102,000. **LEAD CONTACT: Patricia Cardenas**

Pathfinder Public Affairs: Pathfinder Public Affairs has provided professional services to the Port since 2012. Rene Ramirez represents the Port on the Texas Department of Transportation and other necessary entities to ensure continued progress on the Harbor Bridge Project and other transportation priorities. Cost for Pathfinder services for 2017 will be $60,000.00 no increase from 2016. **LEAD CONTACT: Nelda Olivo**

Welder Leshin: Welder Leshin provides professional legal services representation and advice to PCCA at the following hourly rates: $375 for Jimmy Welder; $325 for all other partners and attorneys of counsel to the firm; $295 for senior associates; $175 for junior associates and $75 for legal assistants an increase of $20 per hour for senior associates **LEAD CONTACT: John LaRue**

W. L. Bates: W.L. Bates Co., Inc. has been providing professional services in the area of real estate matters to the Port since 2009. Rick DuPriest, president of W.L. Bates, has consistently provided advise on the viability of industrial projects on both Port-owned and non-owned properties, marketing services for the sale or lease of PCCA properties, and information on the ownership of area industrial properties. W.L. Bates Co., Inc. is an active independent industrial and commercial brokerage in the region and is anticipated to continue to be comprehensively involved in potential property settlements and buyouts relating to the new Harbor Bridge project during 2017 as well as continued land acquisitions as required by the PCCA. Costs for services in 2017 will be on an "as needed" basis at an hourly rate of $250 for a cost-not-to-exceed limit of $50,000. **LEAD CONTACT: Darrin Aldrich**

ALTERNATIVES: None.

CONFORMITY TO PORT POLICY: Yes.

EMERGENCY: No.

FINANCIAL IMPACT: N/A

STAFF RECOMMENDATION: Staff recommends approval of the consulting services contracts listed above for calendar year 2017.

DEPARTMENTAL CLEARANCES:

Originating Department	Procurement
Reviewed & Approved	Lynn Angerstein Requesting Department Director
Legal	Dane Bruun / Jimmy Welder
Senior Staff	John LaRue Sean Strawbridge Jarl Pederson

LIST OF SUPPORTING DOCUMENTS: Signed Consulting Services Agreements

PROFESSIONAL CONSULTING SERVICES CONTRACT

THIS CONTRACT (the "Contract") is made and entered into effective as of the 10th day of October, 2016 ("Effective Date"), by and between the Port of Corpus Christi Authority of Nueces County, Texas ("Authority"), and Alvarez Business Consultants, LLC ("Consultant"), each a "Party" and collectively as "Parties".

NOW THEREFORE, in consideration of the promises and mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. CONTRACT: Authority hereby engages the Consultant and the Consultant hereby accepts its engagement for the purpose of providing to Authority the consulting services ("Services") as are more specifically described in the "Scope of Services" set forth in Exhibit A to this Contract which is incorporated herein by reference.

2. PERIOD OF SERVICE: The Consultant shall complete the Services on or before April 9, 2017 (the "Deadline"), unless the Authority agrees to extend the Deadline for good reason; provided, however, that the Authority may terminate this Contract at any time in accordance with Section 14. Time is of the essence in performance of this Contract. There will be no obligation established between Authority and the Consultant for performance of the Services until Authority provides the Consultant with a written notice to proceed which shall be issued upon execution of this Contract and receipt by the Authority of appropriate Certificates of Insurance and other documentation as may be required herein. The term of this Contract ("Term") shall begin on the Effective Date and shall end on the first to occur of the following: (1) the Deadline, as the same may have been extended by the Authority, (2) the date on which, in the opinion of Authority, all of the Services have been rendered, (3) the date on which this Contract is terminated by the Authority pursuant to Section 14, or (4) the date on which this Contract is terminated by the Consultant pursuant to Section 14.

3. COORDINATION OF SERVICES BY AUTHORITY: Authority shall designate a Project Representative who will, on behalf of Authority, coordinate with the Consultant and administer this Contract. It shall be the responsibility of the Consultant to coordinate all assignment-related activities with the Project Representative.

For the purposes of this Contract, the Project Representative shall be:

Rosie Collin
222 Power Street
Corpus Christi, Texas 78401
(361) 885-6115
rosie@pocca.com

Authority may change the Project Representative at any time by giving the Consultant written notice of such change.

4. NOTICES: Notices, demands, requests or other formal communication related to the Contract shall be deemed to have been given when received, whether delivered personally or mailed. E-mail communications may be considered as formal notification provided the e-mail message states the message is intended as a formal notice and the receiving Party acknowledges receipt of the message as a formal notification. Notices shall be addressed as follows:

If to the Authority: Rosie Collin
222 Power Street
Corpus Christi, Texas 78401
E-mail: rosie@pocca.com

If to the Consultant: Sandra Alvarez
P.O. Box 270273
Corpus Christi, Texas 78427
E-mail: abconsultants152@att.net

Either Party may change the mailing or E-mail address for notifications by providing written notice of such change to the other Party.

5. CHANGES: This Contract may be changed or modified at the request of either the Consultant or the Authority, provided both Parties agree to the requested change, and a written amendment or modification of this Contract is prepared and executed by the Parties.

6. CONSULTANT'S RESPONSIBILITIES: In addition to all other obligations contained herein, the Consultant agrees, warrants, and represents that:

6.1 The Consultant will furnish all material, equipment, labor and supplies in such quantities and of the proper quality to professionally and timely perform the Services, except as otherwise mutually agreed by the Parties;

6.2 The Consultant shall perform the Services with the professional skill and care ordinarily provided by competent consultants practicing in the same or similar locality and under the same or similar circumstances and professional license;

6.3 The Consultant will comply with the provisions of all federal, state, and local laws, regulations, ordinances, requirements and codes which are applicable to its performance of Services;

6.4 The Consultant is not and will not be bound by any agreement and has not assumed nor will assume any obligation which would, in any way, restrict its ability to perform the Services or be inconsistent with the Services;

6.5 In performing the Services, the Consultant will not use any third party's confidential or propriety information, or infringe the rights of another party, nor will the Consultant disclose to the Authority, or bring onto the Authority's premises, or induce the Authority to use any third party's confidential or proprietary information;

6.6 The Consultant does not have the authority to act for the Authority, bind the Authority in any respect, or incur any debts or liabilities in the name of or on behalf of the Authority, except as otherwise expressly authorized in writing by the Authority;

6.7 Consultant's Opinions of probable cost or other forms of cost estimates will be based on the Consultant's experience, the design, and current market conditions to the extent practicable. Authority hereby acknowledges that Consultant cannot warrant that estimates of probable cost provided by Consultant will not vary from actual market prices obtained by Authority;

6.8 Consultant is an independent contractor for the performance of his duties under this Contract. Accordingly, the Consultant shall be responsible for payment of all taxes including federal, state and local taxes arising out of the Consultant's activities in accordance with this Contract. Consultant is responsible for payment of the compensation, including any withholding, Social Security, or other taxes on such compensation, of any subcontractors retained by Consultant, or Consultant's employees performing Services consistent with its status as an independent contractor and in compliance with all applicable laws and regulations;

6.9 Consultant has and hereby retains full control of any supervision over the Consultant's obligations hereunder and over any persons employed or subcontracted by the Consultant for performing Services hereunder;

6.10 Consultant will in no way be considered an agent, partner, joint venturer, or employee of Authority at any time during the Term. Consultant will only consult and render advice to Authority and will not undertake to commit Authority to any course of action in relation to a third party unless expressly requested and authorized to do so by the Authority in writing.

6.11 As of the Effective Date and at all times while providing Services hereunder, the Consultant shall possess and maintain in good standing any and all licenses or other authorizations and approvals necessary to perform the Services.

7. COMPENSATION: The compensation to be paid Consultant for providing the Services shall be the compensation described in Exhibit B hereto, which is incorporated herein by reference. Consultant will obtain the approval of Authority's Project Representative relative to incurring travel and other expenses before incurring such costs.

8. INVOICE PROCEDURE AND PAYMENT: Consultant shall submit invoices monthly to the Authority for work performed during the preceding calendar month. Such invoices shall be due and payable by Authority on or before thirty (30) days from receipt by Authority. Monthly compensation will be for the Services actually performed during the billing period, invoiced in accordance with the Fee Schedule included in Exhibit B. Invoices shall also describe any work performed by subcontractors retained by Consultant and reimbursable costs. Consultant will provide sufficient detail with each invoice to substantiate the requested amount

of monthly payment. At the Authority's request, Consultant will provide additional backup such as signed time sheets, invoices for materials and subcontracted service or other documentation sufficient to establish the accuracy of the invoices. Invoices are to be submitted in a format previously approved by Authority.

9. INSURANCE: Consultant shall procure and maintain at its sole expense, for as long as Consultant is obligated to provide Services under this Contract, the policies of insurance described in Exhibit C attached hereto and in at least the minimum amounts specified in Exhibit C to protect Consultant from claims which may arise out of or result from Consultant's Services pursuant to this Contract, whether such operations be by Consultant, by any subcontractor of Consultant, by anyone directly or indirectly employed by Consultant or Consultant's subcontractor, or by anyone for whose acts Consultant or Consultant's subcontractor may be liable. At least five (5) days prior to execution of this Contract, Consultant will provide to Authority's Risk Program Manager certificates of insurance issued by each insurance company providing any of the required insurance coverage, and the text entered in each certificate must be acceptable to Authority. The requirement to provide acceptable certificates of insurance is a material condition of this Contract, and work under this Contract will not commence until certificates of insurance have been received, reviewed, and accepted by Authority. The minimum limits of liability and coverage for the insurance required are set forth in Exhibit C attached hereto, which is incorporated herein by reference.

10. INDEMNIFICATION AND RELEASE. Consultant hereby releases and discharges Authority and its agents, servants, representatives, employees, officers, directors, and Port Commissioners (collectively, the "Authority Parties") from liability for and assumes the risk of loss or damage to the property of Consultant and the injury or death of any person employed by Consultant. Consultant shall defend, indemnify and hold harmless the Authority Parties from and against all damages, losses, costs and expenses, of any nature whatsoever, whether incurred as a judgment, settlement, penalty, fine or otherwise (including reasonable attorneys' fees and the cost of defense), in connection with any action, proceeding, demand or claim but only to the extent caused by the negligent acts, errors, or omissions of the Consultant, its employees, agents, or subconsultants, or others for whom the Consultant is legally liable, in the performance of Services under this Contract. The Consultant is not obligated under this paragraph to indemnify the Authority Parties for the negligent acts of the Authority Parties.

Consultant's indemnity obligations under this Section 10 shall not be limited by a limitation on the amount or type of damages, compensation or benefits owed by Consultant to any employee of Consultant under workers' or workmen's compensation acts, disability benefit acts, or other employee benefit acts. The obligations of the Consultant under this Section 10 shall survive the end of the Term of the Contract.

11. LIMITATION OF LIABILITY: Except as otherwise expressly provided herein, neither Party shall be liable or responsible to the other Party for any indirect, incidental or consequential loss or damage of any nature whatsoever (including, but not limited to, contract, negligence or tort liability) of the other Party, including without limitation, any actual or anticipated profits, loss of time, inconvenience, commercial loss or any other damages, even if the Party has advance notice of the possibility of such damages.

12. DISCLOSURE OF INTERESTED PARTIES: Consultant will comply with the provisions of Section 2252.908 of the Texas Government Code and Chapter 46 of the Texas Ethics Commission Rules by preparing a Texas Form 1295, "Certificate of Interested Parties" and submitting the signed and notarized form to Authority at the time Consultant submits the signed contract to Authority.

13. ASSIGNMENT: Neither Authority nor Consultant will assign or transfer its interest in this Contract without the written consent of the other.

14. SUSPENSION OR TERMINATION: Authority may suspend or terminate this Contract for convenience with seven (7) days prior written notice to Consultant of such action. Upon termination of this Contract in accordance with this paragraph, Authority will have no further obligation to the Consultant hereunder except to pay the Consultant unpaid fees and expenses which the Consultant can reasonably show to have been earned under this Contract. **Under no circumstances may Consultant claim or recover consequential damages from Authority.**

In the event of suspension of Services, the Consultant shall resume the full performance of the Services when directed in writing to do so by Authority. Suspension of the Services for reasons other than the Consultant's negligence or failure to perform shall not affect the Consultant's compensation as provided for in this Contract. The schedule for performance of the Services shall be amended by a mutually agreed, written modification to this Contract to reflect the suspension.

Either Party may terminate this Contract by giving written notice to the other Party if the other Party ("Defaulting Party"): (a) materially breaches any term, condition or provision of this Contract and fails to cure the breach to the satisfaction of the notifying Party within ten (10) days after the Defaulting Party receives a written notice of the breach from the notifying Party, or (b) becomes the subject of any proceedings under state or federal law for the relief of debtors or otherwise becomes insolvent, or bankrupt, or makes any assignments for the benefit of one or more creditors.

15. DISPUTES: Each Party agrees that any dispute between the Parties relating to this Contract will first be submitted in writing to a panel of two senior executives of the Authority and Consultant, who shall promptly meet and confer in an effort to resolve such dispute through good faith consultation and negotiation. Each Party's executive shall be identified by notice to the other Party, and may be changed at any time thereafter also by notice to the other. Any decisions of the executives will be final and binding on the Parties. In the event the executives are unable to resolve any dispute within thirty (30) days after submission to them, either Party may then refer such dispute to mediation.

If the Parties refer to mediation any controversy or claim arising out of or relating to this Contract or the existence, validity, breach or termination thereof, whether during or after its term, they shall select a mutually acceptable mediator within forty-five (45) days thereafter. Neither Party shall unreasonably withhold consent to the selection of a mediator. The Parties shall share

equally the costs of mediation. If the Parties agree, they may substitute other forms of alternative dispute resolution. Any mediation shall not extend beyond thirty (30) days after the appointment of the mediator, and should the Parties fail to resolve any dispute by mediation within such 30-day period, the Parties shall have all rights available at law or in equity.

16. ATTORNEY'S FEES, DEFAULT: In the event Consultant or Authority breach any of the terms of this Contract and the Party not in default employs attorneys to protect or enforce its rights hereunder and prevails, then the defaulting Party agrees to pay reasonable attorney's fees and costs incurred by the prevailing Party.

17. STAFFING: Consultant will designate in writing to Authority its project representative, and the manner in which it will provide staff support for the project, which must be approved by Authority. Consultant must notify Authority's Project Representative of any change in personnel assigned to perform work under this Contract, and the Authority's Project Representative has the right to reject the person or persons assigned to fill the position or positions. The Authority's Project Representative shall also have the right to require the removal of the Consultant's previously assigned personnel, including Consultant's project representative, provided sufficient cause for such removal exists. The criteria for requesting removal of an individual will be based on, but not limited to, the following: technical incompetence, inability to meet the position's qualifications, failure to perform, poor attendance, ethics violation, unsafe work habits, or damage to Authority or other property. Upon notice for removal, Consultant shall replace such personnel with personnel substantially equal in ability and qualifications for the positions and shall submit the proposed replacement personnel qualification and abilities to the Authority, in writing, for approval.

18. OWNERSHIP OF WORK PRODUCT: Studies, plans, reports, surveys, drawings, specifications, cost estimates, computations and other information (collectively "Work Product") and documents prepared by the Consultant, subconsultants, and/or suppliers under this Contract will remain the Authority's property upon completion. This provision does not apply to pre-existing proprietary information of Consultant, subconsultants, and/or suppliers.

19. CONFIDENTIAL INFORMATION: It is understood that information developed by or communicated to Consultant in the performance of this Contract, as well as any and all information in whatever form or medium supplied to Consultant in connection herewith which is not generally available to the public is proprietary to the Authority and constitutes confidential information of the Authority. Consultant will make no oral or written disclosure of such information to third parties either during or after the term of this Contract, except as approved in writing by the Authority's Project Representative or as otherwise required by law. In the event the Consultant becomes aware that confidential information must be disclosed under a legal requirement, Consultant will notify Authority of the requirement and the affected information.

20. FORCE MAJEURE: Neither Party shall be considered in default in the performance of its obligations hereunder to the extent that the performance of such obligation is delayed by any cause beyond the reasonable control of the affected Party. In the event of such a delay, the time for performance for the affected Party shall be extended for a period equal to the

time lost during the delay, or the Contract may be terminated in accordance with terms herein should such delay be sufficient that termination is in the best interest of the Authority.

21. SEVERABILITY and WAIVER: If any part of this Contract is held to be invalid, illegal, or unenforceable in any respect, such determination shall not affect any other provision of this Contract, and this Contract shall then be construed as if the invalid, illegal, or unenforceable provision had not been included in this Contract. Further, the failure of either Party in any one or more instances to insist upon strict performance of any of the terms and provisions of this Contract or to exercise any option herein conferred shall not be construed as a waiver or relinquishment to any extent of the right to assert or rely upon any such terms, provisions or options on any future occasion.

22. GOVERNING LAW: This Contract shall be governed by and construed in accordance with the laws of the State of Texas. The Parties agree that venue of all claims and lawsuits arising out of this Contract shall lie in Nueces County, Texas.

23. OPEN RECORDS: The Authority is a governmental body subject to the requirements of the Texas Public Information Act (Texas Government Code, chapter 552), and as such the Authority is required to disclose to the public (upon request) this Contract and certain other information and documents relating to the consummation of the transactions contemplated hereby. In this regard, the Consultant agrees that the disclosure of this Contract or any other information or materials related to the consummation of the transactions contemplated hereby to the public by the Authority as required by the Texas Public Information Act or any other applicable law will not expose the Authority (or any party acting by, through or under the Authority) to any claim, liability or action by the Consultant.

24. NO ORGANIZATIONAL CONFLICT OF INTEREST: Consultant hereby certifies that it has no actual or potential Organizational Conflict of Interest. "Organizational Conflict of Interest" means that because of other activities or relationships with other persons or entities, the Consultant is unable or potentially unable to render impartial assistance or advice to Authority or the Consultant's objectivity in performing the services under this Contract is or might otherwise be impaired.. Consultant agrees to immediately notify Authority of any actual or potential Organizational Conflict of Interest that develops during the term of this Contract. Consultant agrees that Authority may terminate this Contract immediately if it becomes aware of any Organizational Conflict of Interest during the term of the Contract.

25. DEFAMATION: The Parties covenant and agree that in no event, and at no time during the Term or at any time thereafter, shall either of them disparage, denigrate, slander, libel or otherwise defame the other or the other's businesses, services, properties or assets, or employees, personnel, agents, or representatives.

26. HEADINGS: All Section headings or other titles used in this Contract are used solely for convenience and shall not affect or be used in connection with the interpretation or construction of this Contract.

27. ENTIRETY OF CONTRACT: This writing embodies the entire Contract and understanding between the Parties hereto, and there are no other contracts or understandings, oral or written, between them with reference to the subject matter hereof that are not merged herein and superseded hereby. No alteration, change, or modification of the terms of this Contract shall be valid unless made in writing and signed by both Parties hereto.

IN WITNESS WHEREOF, this Contract is made effective as of the Effective Date.

PORT OF CORPUS CHRISTI AUTHORITY OF NUECES COUNTY, TEXAS

By: _____
Name: JOHN P. LARUE
Title: EXECUTIVE DIRECTOR
Date: 10-10-16

"Authority"

By: _____
Name: SANDRA ALVAREZ
Title: CEO
Date: 10/10/2016

"Consultant"

EXHIBIT A

SERVICES

Authority leased a portion of its La Quinta Terminal property in San Patricio County, Texas to voestalpine Texas LLC (Tenant) for the construction and operation of a Hot Briquetted Iron manufacturing plant (HBI Plant). The HBI Plant is now operational and sounds generated by the plant have resulted in numerous complaints by residents on the east side of Portland, Texas. The Tenant is implementing noise reduction measures (see Exhibit D to this Agreement), but the residents are still complaining. Some of the residents have asked Authority to assist in resolving this issue and have insinuated that Authority's failure to do so will impede future industrial development of the area. Authority's objective is to encourage additional industrial development in the vicinity of the HBI Plant without creating undue hardship for the neighboring communities. Authority is engaging Consultant to assist Authority in delivering this message. Consultant agrees to devote as much time, attention, and resources as necessary to complete or achieve the following:

SCOPE OF SERVICES

a. Develop Communication Strategies consistent with POCCA's objectives;
b. Develop Key Messaging for collateral materials;
c. Crisis Communications;
d. Media Relations;
e. Attend meetings and provide weekly reports;
f. Protocol briefings for Project team & Port Commissioners;
g. Draft responses to incoming sensitive correspondences; and
h. Other communication tasks as necessary.

EXHIBIT B

FEE SCHEDULE

The Consultant will perform the Services described in Exhibit A in accordance with the terms and conditions of this Contract on the following hourly fee basis:

Staff	**Hourly Rate**
Sandra Alvarez – Public Affairs	$165.00
Public Relations Officer	$140.00
Communication Research Manager	$125.00

Additional 'Task' Expenses

Brochures/Graphic Design	$90.00 per Hour
Rental of supplies and material	At Cost
Experts Specialist	At Cost
Travel/Mileage Expense	IRS Allowed Rate

These fees will cover all of Consultant's overhead costs, including but not limited to, office rent, long distance telephone charges, postage, payroll and copying charges.

The Authority agrees to reimburse the Consultant for certain authorized and approved travel expenses incurred by the Consultant during the Term and directly resulting from the Consultant's performance of the Services under this Contract. Reimbursement for lodging and meals may not exceed the maximum allowable per diem rates for domestic or foreign travel as set by the U.S. Department of Defense, Defense Travel Management Office. Lodging and meal per diem rates for specific locations (foreign and domestic) may be found at: http://www.defensetravel.dod.mil/site/perdiemCalc.cfm. Authority will also reimburse the Consultant for document production costs and other direct costs (collectively, "Direct Costs") incurred by the Consultant in performing the Services. The Consultant shall submit proper documentation of any such approved travel expenses and Direct Costs to Authority from time to time, and such costs and expenses shall be billed to Authority at Consultant's actual cost.

Not later than the twentieth (20th) day of each calendar month, Consultant shall submit to Authority detailed invoices for all services performed and Direct Costs incurred, if any, pursuant to this Agreement during the prior calendar month. The invoices shall describe in detail the Services performed during the prior month and shall list the days and hours worked, the hourly rates charged, pre-approved Direct Costs, milestone achievements, tasks performed or completed, and the Services performed during each day of the prior month. Authority shall review the invoices and notify Consultant in writing (including email) within twenty (20) days of any disputed amounts.

EXHIBIT C

INSURANCE

Without limiting the indemnity obligations or liabilities of Consultant or its insurers, provided herein, Consultant agrees to carry and maintain at its sole expense policies of insurance ("the Policies") of the types and in the minimum amounts as follows:

	TYPE OF INSURANCE	LIMITS OF LIABILITY
A.	Workers' Compensation	Statutory
B.	Employer's Liability	$500,000 per Occurrence $500,000 Aggregate
C.	Commercial General Liability	$1,000,000 per Occurrence $2,000,000 Aggregate

The CGL Policy will provide contractual liability coverage at the aforementioned limits.

D.	Business Automobile Liability	$500,000 per Occurrence

Automobile liability insurance coverage will include all owned, non-owned, and hired vehicles.

E.	Professional Liability	$1,000,000

Consultant will procure and maintain professional liability insurance for protection from claims arising out of performance of its Services under this Contract caused by any error, omission, or act for which the Consultant is legally liable. Policies written on a claims-made basis shall have an extended reporting period of at least two (2) years beyond termination of the Contract.

Each policy, except Professional Liability, must contain an endorsement to the effect that the issuer waives any claim or right of subrogation to recover against the Authority, its Port Commissioners, officers and employees ("Authority Parties"). Additionally, the Authority Parties shall be designated as an Additional Insured either by a blanket additional insured or a specific endorsement on all policies, except for Worker's Compensation, Employer's Liability, and Professional Liability. In the event that the work of Consultant's employees fall within the purview of the United States Longshoremen's and Harbor Workers' Compensation Act, the Jones Act or the Federal Employer's Liability Act, Consultant shall extend its insurance coverage to provide insurance against the liabilities imposed under the applicable Act or Acts.

Should this Contract be terminated for any reason, the Consultant will be paid all fees earned up to the termination date and any approved direct expenses incurred.

Each policy, except Workers' Compensation and Professional Liability, must contain an endorsement that the policy is primary to any other insurance available to the Additional Insureds with respect to claims arising under this Contract.

The insurance required as listed above, shall apply to any contractor or subcontractor performing for or on behalf of Consultant, and Consultant shall ensure that any such subcontractor is aware of and is in compliance with the insurance requirements during any period such contractor is performing work under this Contract.

The minimum insurance required may be increased periodically upon request by Authority to commercially reasonable limits. The company writing each of the Policies must possess a current rating with A.M. Best Company of at least "A-, VII".

Consultant's liability shall not be limited to the specified amounts of insurance required herein.

BAKER WOTRING LLP

DEBRA TSUCHIYAMA BAKER
MANAGING PARTNER

DIRECT DIAL: (713) 980-1717
dbaker@bakerwotring.com

December 2, 2016

PRIVILEGED & CONFIDENTIAL

Mrs. Sarah L. Garza
Director of Environmental Planning and Compliance
Port of Corpus Christi Authority
P.O. Box 1541
Corpus Christi, Texas 78403

Re: Retention Agreement between Port of Corpus Christi Authority and Baker · Wotring LLP

Dear Mrs. Garza:

Thank you very much for asking Baker · Wotring LLP (the "Firm") to provide legal services to Port of Corpus Christi Authority ("POCCA"). The following constitutes the Firm's Retention Agreement for the provision of legal services.

Scope of Representation. We have agreed that this engagement is limited to performance of services related to the above-referenced matter. The Firm's acceptance of this engagement does not involve an undertaking to represent POCCA interests in any other matter, unless we are specifically retained for such matter. We will provide legal services to POCCA in accordance with this letter and in reliance upon information and guidance provided by POCCA representatives.

To enable us to represent POCCA effectively, POCCA agrees to cooperate in all matters relating to these efforts and to fully and accurately disclose to us all facts and documents that may be relevant to the matter or that we may otherwise request. Either at the commencement or during the course of our representation, we may express opinions or beliefs concerning various courses of action and the results that might be anticipated. Any such statement made by any partner or employee of our Firm is intended to be an expression of opinion only, based on information available to us at the time, and should not be construed by POCCA as a promise or guarantee.

General Fee & Billing Information. Each lawyer and legal assistant has an hourly billing rate based upon that individual's experience and specialized knowledge. For this specific matter, we have agreed that the Firm's fees (including consultant costs for consultants retained by the Firm) will not exceed $200,000.00, unless the POCCA provides written authorization for additional fees to be incurred. We will bill on an hourly basis up to the agreed-upon amount and will invoice you monthly. As a courtesy to you and to express our interest in developing a continuing relationship with POCCA, we propose to substantially discount our lawyers' standard

700 JPMORGAN CHASE TOWER 600 TRAVIS STREET HOUSTON, TEXAS 77002 (TEL) 713.980.1700 (FAX) 713.980.1701

hourly rates in recognition of the particular circumstances of this matter. We would propose that any attorneys billing on the matter charge a blended rate of $350.00 per hour and that legal assistant time, if any, be billed at $160.00 per hour. The rate multiplied by the time expended on POCCA's behalf, measured in tenths of an hour, will be the basis for billing up to the agreed-upon amount.

The Firm typically incurs costs in connection with legal representation. These costs may include such matters as long distance telephone charges, special postage, delivery charges, telecopy and photocopy charges and related expenses, travel expenses and meals. We separately bill for computerized legal research and related expenses. POCCA agrees to pay these charges, as well as any costs incurred for copying documents for retention in our files. Except for specialized word processing services, we do not make a separate charge for secretarial work unless there is a situation that requires overtime staff work. To the extent that we make disbursements to other service providers such as court reporters, expert witnesses and investigators, we will generally forward third-party charges (if any) directly to POCCA for payment.

Statements normally will be rendered monthly for work performed and expenses recorded on our books during the previous month. Payment is due promptly upon receipt of our statement. If any statement remains unpaid for more than 60 days, we may suspend performing services for POCCA until arrangements satisfactory to us have been made for payment of outstanding statements and the payment of future fees and expenses. POCCA agrees to pay our statements for services and other charges as stated herein. The fees and costs relating to this matter are not predictable. Accordingly, we have made no commitment to POCCA concerning the maximum fees and costs that will be necessary to resolve or complete this matter. Any estimate of fees and costs that we may have discussed represents only an estimate of such fees and costs. It is also expressly understood that payment of the firm's fees and costs is in no way contingent on the ultimate outcome of the matter.

POCCA may terminate our representation at any time by notifying us. POCCA's termination of our services will not affect its responsibility for payment of outstanding statements and accrued fees and expenses incurred before termination or incurred thereafter in connection with an orderly transition of the matter. If such termination occurs, POCCA papers and property will be returned to POCCA promptly upon receipt of payment for outstanding fees and costs. Our own files pertaining to the matter will be retained. These firm files may include, for example, firm administrative records, time and expense reports, personnel and staffing materials, and credit and accounting records; and internal lawyers' work product such as drafts, notes, internal memoranda, and legal and factual research, including investigative reports, prepared by or for the internal use of lawyers. We may withdraw from representation if POCCA fails to fulfill its obligations under this agreement, including its obligation to pay our fees and expenses, or as permitted or required under any applicable standards of professional conduct or rules of court, or upon our reasonable notice to POCCA.

We thank you for this opportunity to provide legal services. Please review this letter and, if it meets with your approval, please have the authorized parties sign the acknowledgement below and return a copy to me for our files. If you have any questions, please do not hesitate to contact me. We look forward to working with you.

Very truly yours,

Debra Tsuchiyama Baker

Agreed and accepted by Authorized Representative of Port of Corpus Christ Authority

By: _____

Title: _____

Date: _____

CONSULTING SERVICES CONTRACT

THIS CONTRACT (the "Contract") is made and entered into effective as of the 1st day of January, 2017 ("Effective Date") by and between the Port of Corpus Christi Authority of Nueces County, Texas ("Authority"), and Berlanga Business Consultants ("Consultant"), each a "Party" and collectively as "Parties".

NOW THEREFORE, in consideration of the promises and mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. CONTRACT: Authority hereby engages the Consultant and the Consultant hereby accepts its engagement for the purpose of providing to Authority the consulting services ("Services") as are generally described in the "Scope of Services" set forth in Exhibit A to this Contract which is incorporated herein by reference.

2. PERIOD OF SERVICE: The Consultant shall complete the Services on or before December 31, 2017 (the "Deadline"), unless the Authority agrees to extend the Deadline for good reason; provided, however, that the Authority may terminate this Contract at any time in accordance with Section 14. Time is of the essence in performance of this Contract. The term of this Contract ("Term") shall begin on the Effective Date and shall end on the first to occur of the following: (1) the Deadline, as the same may have been extended by the Authority, (2) the date on which, in the opinion of Authority, all of the Services have been rendered, (3) the date on which this Contract is terminated by the Authority pursuant to Section 14, or (4) the date on which this Contract is terminated by the Consultant pursuant to Section 14.

3. COORDINATION OF SERVICES BY AUTHORITY: Authority shall designate a Project Representative who will, on behalf of Authority, coordinate with the Consultant and administer this Contract. It shall be the responsibility of the Consultant to coordinate all assignment-related activities with the Project Representative.

For the purposes of this Contract, the Project Representative shall be:

(Name) Nelda Olivo
(Address) 222 Power St. Corpus Christi, Texas 78401
(Phone No.) 361 885-6113
(Email) nelda@pocca.com

Authority may change the Project Representative at any time by giving the Consultant written notice of such change.

4. NOTICES: Notices, demands, requests or other formal communication related to the Contract shall be deemed to have been given when received, whether delivered personally or mailed. E-mail communications may be considered as formal notification provided the e-mail

message states the message is intended as a formal notice and the receiving Party acknowledges receipt of the message as a formal notification. Notices shall be addressed as follows:

If to the Authority: John P. LaRue
Executive Director
Port of Corpus Christi Authority
222 Power Street
Corpus Christi, Texas 78401
E-mail: john@pocca.com

If to the Consultant: Hugo Berlanga
P.O. Box 6546
Corpus Christi, TX 78411
E-mail:_____

Either Party may change the mailing or E-mail address for notifications by providing written notice of such change to the other Party.

5. CHANGES: This Contract may be changed or modified at the request of either the Consultant or the Authority, provided both Parties agree to the requested change, and a written amendment or modification of this Contract is prepared and executed by the Parties.

6. CONSULTANT'S RESPONSIBILITIES: In addition to all other obligations contained herein, the Consultant agrees, warrants, and represents that:

6.1 The Consultant will furnish all material, equipment, labor and supplies in such quantities and of the proper quality to professionally and timely perform the Services, except as otherwise mutually agreed by the Parties;

6.2 The Consultant shall perform the Services with the professional skill and care ordinarily provided by competent consultants practicing in the same or similar locality and under the same or similar circumstances and professional license;

6.3 The Consultant will comply with the provisions of all federal, state, and local laws, regulations, ordinances, requirements and codes which are applicable to its performance of Services;

6.4 The Consultant is not and will not be bound by any agreement and has not assumed nor will assume any obligation which would, in any way, restrict its ability to perform the Services or be inconsistent with the Services;

6.5 In performing the Services, the Consultant will not use any third party's confidential or propriety information, or infringe the rights of another party, nor will the Consultant disclose to the Authority, or bring onto the Authority's premises, or induce the Authority to use any third party's confidential or proprietary information;

6.6 The Consultant does not have the authority to act for the Authority, bind the Authority in any respect, or incur any debts or liabilities in the name of or on behalf of the Authority, except as otherwise expressly authorized in writing by the Authority;

6.7 Consultant is an independent contractor for the performance of his duties under this Contract. Accordingly, the Consultant shall be responsible for payment of all taxes including federal, state and local taxes arising out of the Consultant's activities in accordance with this Contract. Consultant is responsible for payment of the compensation, including any withholding, Social Security, or other taxes on such compensation, of any subcontractors retained by Consultant, or Consultant's employees performing Services consistent with its status as an independent contractor and in compliance with all applicable laws and regulations;

6.8 Consultant has and hereby retains full control of any supervision over the Consultant's obligations hereunder and over any persons employed or subcontracted by the Consultant for performing Services hereunder;

6.9 Consultant will in no way be considered an agent, partner, joint venturer, or employee of Authority at any time during the Term. Consultant will not undertake to commit Authority to any course of action in relation to a third party unless expressly requested and authorized to do so by the Authority in writing.

6.10 As of the Effective Date and at all times while providing Services hereunder, the Consultant shall possess and maintain in good standing any and all licenses or other authorizations and approvals necessary to perform the Services.

7. COMPENSATION: The compensation to be paid Consultant for providing the Services shall be the compensation described in Exhibit B hereto, which is incorporated herein by reference; provided, however, the total paid to Consultant for the Services shall not exceed ninety thousand Dollars ($90,000.00). Consultant will obtain the approval of Authority's Project Representative relative to incurring travel and other expenses before incurring such costs.

8. INVOICE PROCEDURE AND PAYMENT: Consultant shall submit invoices monthly to the Authority for work performed during the preceding calendar month. Such invoices shall be due and payable by Authority on or before thirty (30) days from receipt by Authority. Monthly compensation will be for the Services actually performed during the billing period, invoiced in accordance with the Fee Schedule included in Exhibit B. Invoices shall also describe any work performed by subcontractors retained by Consultant and reimbursable costs. Consultant will provide sufficient detail with each invoice to substantiate the requested amount of monthly payment. At the Authority's request, Consultant will provide additional backup such as signed time sheets, invoices for materials and subcontracted service or other documentation sufficient to establish the accuracy of the invoices. Invoices are to be submitted in a format previously approved by Authority.

9. INSURANCE: Consultant shall procure and maintain at its sole expense, for as long as Consultant is obligated to provide Services under this Contract, the policies of

insurance described in Exhibit C attached hereto and in at least the minimum amounts specified in Exhibit C to protect Consultant from claims which may arise out of or result from Consultant's Services pursuant to this Contract, whether such operations be by Consultant, by any subcontractor of Consultant, by anyone directly or indirectly employed by Consultant or Consultant's subcontractor, or by anyone for whose acts Consultant or Consultant's subcontractor may be liable. At least five (5) days prior to execution of this Contract, Consultant will provide to Authority's Risk Program Manager certificates of insurance issued by each insurance company providing any of the required insurance coverage, and the text entered in each certificate must be acceptable to Authority. The requirement to provide acceptable certificates of insurance is a material condition of this Contract, and work under this Contract will not commence until certificates of insurance have been received, reviewed, and accepted by Authority. The minimum limits of liability and coverage for the insurance required are set forth in Exhibit C attached hereto, which is incorporated herein by reference.

10. INDEMNIFICATION AND RELEASE. Consultant hereby releases and discharges Authority and its agents, servants, representatives, employees, officers, directors, and Port Commissioners (collectively, the "Authority Parties") from liability for and assumes the risk of loss or damage to the property of Consultant and the injury or death of any person employed by Consultant. Consultant shall defend, indemnify and hold harmless the Authority Parties from and against all damages, losses, costs and expenses, of any nature whatsoever, whether incurred as a judgment, settlement, penalty, fine or otherwise (including reasonable attorneys' fees and the cost of defense), in connection with any action, proceeding, demand or claim but only to the extent caused by the negligent acts, errors, or omissions of the Consultant, its employees, agents, or subconsultants, or others for whom the Consultant is legally liable, in the performance of Services under this Contract. The Consultant is not obligated under this paragraph to indemnify the Authority Parties for the negligent acts of the Authority Parties.

Consultant's indemnity obligations under this Section 10 shall not be limited by a limitation on the amount or type of damages, compensation or benefits owed by Consultant to any employee of Consultant under workers' or workmen's compensation acts, disability benefit acts, or other employee benefit acts. The obligations of the Consultant under this Section 10 shall survive the end of the Term of the Contract.

11. LIMITATION OF LIABILITY: Except as otherwise expressly provided herein, neither Party shall be liable or responsible to the other Party for any indirect, incidental or consequential loss or damage of any nature whatsoever (including, but not limited to, contract, negligence or tort liability) of the other Party, including without limitation, any actual or anticipated profits, loss of time, inconvenience, commercial loss or any other damages, even if the Party has advance notice of the possibility of such damages.

12. DISCLOSURE OF INTERESTED PARTITES: Consultant will comply with the provisions of Section 2252.908 of the Texas Government Code and Chapter 46 of the Texas Ethics Commission Rules by preparing a Texas Form 1295, "Certificate of Interested Parties" and submitting the signed and notarized form to Authority at the time Consultant submits the signed contract to Authority. This Section 12 applies only to contracts that require an action or vote by the governing body of Authority.

13. ASSIGNMENT: Neither Authority nor Consultant will assign or transfer its interest in this Contract without the written consent of the other.

14. SUSPENSION OR TERMINATION: Authority may suspend or terminate this Contract for convenience with seven (7) days prior written notice to Consultant of such action. Upon termination of this Contract in accordance with this paragraph, Authority will have no further obligation to the Consultant hereunder except to pay the Consultant unpaid fees and expenses which the Consultant can reasonably show to have been earned under this Contract. **Under no circumstances may Consultant claim or recover consequential damages from Authority.**

In the event of suspension of Services, the Consultant shall resume the full performance of the Services when directed in writing to do so by Authority. Suspension of the Services for reasons other than the Consultant's negligence or failure to perform shall not affect the Consultant's compensation as provided for in this Contract. The schedule for performance of the Services shall be amended by a mutually agreed, written modification to this Contract to reflect the suspension.

Either Party may terminate this Contract by giving written notice to the other Party if the other Party ("Defaulting Party"): (a) materially breaches any term, condition or provision of this Contract and fails to cure the breach to the satisfaction of the notifying Party within ten (10) days after the Defaulting Party receives a written notice of the breach from the notifying Party, or (b) becomes the subject of any proceedings under state or federal law for the relief of debtors or otherwise becomes insolvent, or bankrupt, or makes any assignments for the benefit of one or more creditors.

15. DISPUTES: Each Party agrees that any dispute between the Parties relating to this Contract will first be submitted in writing to a panel of two senior executives of the Authority and Consultant, who shall promptly meet and confer in an effort to resolve such dispute through good faith consultation and negotiation. Each Party's executive shall be identified by notice to the other Party, and may be changed at any time thereafter also by notice to the other. Any decisions of the executives will be final and binding on the Parties. In the event the executives are unable to resolve any dispute within thirty (30) days after submission to them, either Party may then refer such dispute to mediation.

If the Parties refer to mediation any controversy or claim arising out of or relating to this Contract or the existence, validity, breach or termination thereof, whether during or after its term, they shall select a mutually acceptable mediator within forty-five (45) days thereafter. Neither Party shall unreasonably withhold consent to the selection of a mediator. The Parties shall share equally the costs of mediation. If the Parties agree, they may substitute other forms of alternative dispute resolution. Any mediation shall not extend beyond thirty (30) days after the appointment of the mediator, and should the Parties fail to resolve any dispute by mediation within such 30-day period, the Parties shall have all rights available at law or in equity.

16. ATTORNEY'S FEES, DEFAULT: In the event Consultant or Authority breach any of the terms of this Contract and the Party not in default employs attorneys to protect or enforce its rights hereunder and prevails, then the defaulting Party agrees to pay reasonable attorney's fees and costs incurred by the prevailing Party.

17. STAFFING: Consultant will designate in writing to Authority its project representative, and the manner in which it will provide staff support for the project, which must be approved by Authority. Consultant must notify Authority's Project Representative of any change in personnel assigned to perform work under this Contract, and the Authority's Project Representative has the right to reject the person or persons assigned to fill the position or positions. The Authority's Project Representative shall also have the right to require the removal of the Consultant's previously assigned personnel, including Consultant's project representative, provided sufficient cause for such removal exists. The criteria for requesting removal of an individual will be based on, but not limited to, the following: technical incompetence, inability to meet the position's qualifications, failure to perform, poor attendance, ethics violation, unsafe work habits, or damage to Authority or other property. Upon notice for removal, Consultant shall replace such personnel with personnel substantially equal in ability and qualifications for the positions and shall submit the proposed replacement personnel qualification and abilities to the Authority, in writing, for approval.

18. OWNERSHIP OF WORK PRODUCT: Studies, plans, reports, surveys, drawings, specifications, computations and other information (collectively "Work Product") and documents prepared by the Consultant, subconsultants, and/or suppliers under this Contract will remain the Authority's property upon completion. This provision does not apply to pre-existing proprietary information of Consultant, subconsultants, and/or suppliers.

19. CONFIDENTIAL INFORMATION: It is understood that information developed by or communicated to Consultant in the performance of this Contract, as well as any and all information in whatever form or medium supplied to Consultant in connection herewith which is not generally available to the public is proprietary to the Authority and constitutes confidential information of the Authority. Consultant will make no oral or written disclosure of such information to third parties either during or after the term of this Contract, except as approved in writing by the Authority's Project Representative or as otherwise required by law. In the event the Consultant becomes aware that confidential information must be disclosed under a legal requirement, Consultant will notify Authority of the requirement and the affected information.

20. FORCE MAJEURE: Neither Party shall be considered in default in the performance of its obligations hereunder to the extent that the performance of such obligation is delayed by any cause beyond the reasonable control of the affected Party. In the event of such a delay, the time for performance for the affected Party shall be extended for a period equal to the time lost during the delay, or the Contract may be terminated in accordance with terms herein should such delay be sufficient that termination is in the best interest of the Authority.

21. SEVERABILITY and WAIVER: If any part of this Contract is held to be invalid, illegal, or unenforceable in any respect, such determination shall not affect any other provision of this Contract, and this Contract shall then be construed as if the invalid, illegal, or unenforceable

provision had not been included in this Contract. Further, the failure of either Party in any one or more instances to insist upon strict performance of any of the terms and provisions of this Contract or to exercise any option herein conferred shall not be construed as a waiver or relinquishment to any extent of the right to assert or rely upon any such terms, provisions or options on any future occasion.

22. GOVERNING LAW: This Contract shall be governed by and construed in accordance with the laws of the State of Texas. The Parties agree that venue of all claims and lawsuits arising out of this Contract shall lie in Nueces County, Texas.

23. OPEN RECORDS: The Authority is a governmental body subject to the requirements of the Texas Public Information Act (Texas Government Code, chapter 552), and as such the Authority is required to disclose to the public (upon request) this Contract and certain other information and documents relating to the consummation of the transactions contemplated hereby. In this regard, the Consultant agrees that the disclosure of this Contract or any other information or materials related to the consummation of the transactions contemplated hereby to the public by the Authority as required by the Texas Public Information Act or any other applicable law will not expose the Authority (or any party acting by, through or under the Authority) to any claim, liability or action by the Consultant.

24. NO ORGANIZATIONAL CONFLICT OF INTEREST: Consultant hereby certifies that it has no actual or potential Organizational Conflict of Interest. "Organizational Conflict of Interest" means that because of other activities or relationships with other persons or entities, the Consultant is unable or potentially unable to render impartial assistance or advice to Authority or the Consultant's objectivity in performing the services under this Contract is or might otherwise be impaired. Consultant agrees to immediately notify Authority of any actual or potential Organizational Conflict of Interest that develops during the term of this Contract. Consultant agrees that Authority may terminate this Contract immediately if it becomes aware of any Organizational Conflict of Interest during the term of the Contract.

25. DEFAMATION: The Parties covenant and agree that in no event, and at no time during the Term or at any time thereafter, shall either of them disparage, denigrate, slander, libel or otherwise defame the other or the other's businesses, services, properties or assets, or employees, personnel, agents, or representatives.

26. HEADINGS: All Section headings or other titles used in this Contract are used solely for convenience and shall not affect or be used in connection with the interpretation or construction of this Contract.

27. ENTIRETY OF CONTRACT: This writing embodies the entire Contract and understanding between the Parties hereto, and there are no other contracts or understandings, oral or written, between them with reference to the subject matter hereof that are not merged herein and superseded hereby. No alteration, change, or modification of the terms of this Contract shall be valid unless made in writing and signed by both Parties hereto.

[Signature page follows this page]

IN WITNESS WHEREOF, this Contract is made effective as of the Effective Date.

PORT OF CORPUS CHRISTI AUTHORITY OF NUECES COUNTY, TEXAS

By: _____

Name: John P. LaRue
Title: Executive Director
Date: _____

"Authority"

By: _____

Name: HUGO BERLANGA
Title: Dir. BBC
Date: Dec 2 2016

"Consultant"

EXHIBIT A

SCOPE OF SERVICES

The Consultant will perform the following services in accordance with the terms and conditions set forth in this Contract:

- Consult with PCCA representatives, members of the Texas Legislature, state agencies, state officials and others who are involved with issues which may affect the PCCA at the state level.

- Monitor state environmental, security, transportation, economic development or administrative issues.

- Provide lobbying services with respect to state issues related to the PCCA.

EXHIBIT B

FEE SCHEDULE

The Consultant will perform the Services described in Exhibit A in accordance with the terms and conditions of this Contract on a fixed fee or hourly fee basis; provided, however, that the total fee for services rendered under this Contract will not to exceed $90,000.00, without Authority's written approval. Services provided by Consultant will be billed as specified in Exhibit B. These fees will cover all of Consultant's overhead costs, including but not limited to, office rent, long distance telephone charges, postage, payroll and copying charges.

The Authority agrees to reimburse the Consultant for certain authorized and approved travel expenses incurred by the Consultant during the Term and directly resulting from the Consultant's performance of the Services under this Contract. Reimbursement for lodging and meals may not exceed the maximum allowable per diem rates for domestic or foreign travel as set by the U.S. Department of Defense, Defense Travel Management Office. Lodging and meal per diem rates for specific locations (foreign and domestic) may be found at: http://www.defensetravel.dod.mil/site/perdiemCalc.cfm. Authority will also reimburse the Consultant for Direct Costs incurred by the Consultant in performing the Services. The Consultant shall submit proper documentation of any such approved travel expenses and Direct Costs to Authority from time to time, and such costs and expenses shall be billed to Authority at Consultant's actual cost.

Not later than the twentieth (20th) day of each calendar month, Consultant shall submit to Authority detailed invoices for all services performed and Direct Costs incurred, if any, pursuant to this Agreement during the prior calendar month. The invoices shall describe in detail the Services performed during the prior month and shall list the days and hours worked, the hourly rates charged (if applicable), approved Direct Costs, milestone achievements, tasks performed or completed, and the Services performed during each day of the prior month. Authority shall review the invoices and notify Consultant in writing (including email) within twenty (20) days of any disputed amounts.

Should this Contract be terminated for any reason, the Consultant will be paid all fees earned up to the termination date and any approved direct expenses incurred.

EXHIBIT C

INSURANCE

Without limiting the indemnity obligations or liabilities of Consultant or its insurers, provided herein, Consultant agrees to carry and maintain at its sole expense policies of insurance ("the Policies") of the types and in the minimum amounts as follows:

	TYPE OF INSURANCE	LIMITS OF LIABILITY
A.	Workers' Compensation	Statutory
	If Consultant engages employees Workers' Compensation coverage is required.	
B.	Employer's Liability	$500,000 per Occurrence
		$500,000 Aggregate
C.	Automobile Liability	$25,000 each person injured in an accident
		$50,000 entire accident
		$25,000 property damage

Each policy, must contain an endorsement to the effect that the issuer waives any claim or right of subrogation to recover against the Authority, its Port Commissioners, officers and employees ("Authority Parties"). Additionally, the Authority Parties shall be designated as an Additional Insured either by a blanket additional insured or a specific endorsement on all policies, except for Worker's Compensation, Employer's Liability.

Each policy, except Workers' Compensation must contain an endorsement that the policy is primary to any other insurance available to the Additional Insureds with respect to claims arising under this Contract.

The insurance required as listed above, shall apply to any contractor or subcontractor performing for or on behalf of Consultant, and Consultant shall ensure that any such subcontractor is aware of and is in compliance with the insurance requirements during any period such contractor is performing work under this Contract.

The minimum insurance required may be increased periodically upon request by Authority to commercially reasonable limits. The company writing each of the Policies must possess a current rating with A.M. Best Company of at least "A-, VII".

Consultant's liability shall not be limited to the specified amounts of insurance required herein.

CONSULTING SERVICES CONTRACT

THIS CONTRACT (the "Contract") is made and entered into effective as of the 1st day of January, 2017 ("Effective Date") by and between the Port of Corpus Christi Authority of Nueces County, Texas ("Authority"), and Robert Borski dba Borski Associates ("Consultant"), each a "Party" and collectively as "Parties".

NOW THEREFORE, in consideration of the promises and mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. CONTRACT: Authority hereby engages the Consultant and the Consultant hereby accepts its engagement for the purpose of providing to Authority the consulting services ("Services") as are generally described in the "Scope of Services" set forth in Exhibit A to this Contract which is incorporated herein by reference

2. PERIOD OF SERVICE: The Consultant shall complete the Services on or before December 31, 2017 (the "Deadline"), unless the Authority agrees to extend the Deadline for good reason; provided, however, that the Authority may terminate this Contract at any time in accordance with Section 14. Time is of the essence in performance of this Contract. The term of this Contract ("Term") shall begin on the Effective Date and shall end on the first to occur of the following: (1) the Deadline, as the same may have been extended by the Authority, (2) the date on which, in the opinion of Authority, all of the Services have been rendered, (3) the date on which this Contract is terminated by the Authority pursuant to Section 14, or (4) the date on which this Contract is terminated by the Consultant pursuant to Section 14.

3. COORDINATION OF SERVICES BY AUTHORITY: Authority shall designate a Project Representative who will, on behalf of Authority, coordinate with the Consultant and administer this Contract. It shall be the responsibility of the Consultant to coordinate all assignment-related activities with the Project Representative.

For the purposes of this Contract, the Project Representative shall be:

(Name) Nelda Olivo
(Address) 222 Power St. Corpus Christi, Texas 78401
(Phone No.) 361 885-6113
(Email) nelda@pocca.com

Authority may change the Project Representative at any time by giving the Consultant written notice of such change.

4. NOTICES: Notices, demands, requests or other formal communication related to the Contract shall be deemed to have been given when received, whether delivered personally or mailed. E-mail communications may be considered as formal notification provided the e-mail

message states the message is intended as a formal notice and the receiving Party acknowledges receipt of the message as a formal notification. Notices shall be addressed as follows:

If to the Authority: John P. LaRue
Executive Director
Port of Corpus Christi Authority
222 Power Street
Corpus Christi, Texas 78401
E-mail: john@pocca.com

If to the Consultant: Robert A. Borski
5023 S. Convent Lane, Unit J
Philadelphia, Pennsylvania 19114
E-mail: bob@borski.net

Either Party may change the mailing or E-mail address for notifications by providing written notice of such change to the other Party.

5. CHANGES: This Contract may be changed or modified at the request of either the Consultant or the Authority, provided both Parties agree to the requested change, and a written amendment or modification of this Contract is prepared and executed by the Parties.

6. CONSULTANT'S RESPONSIBILITIES: In addition to all other obligations contained herein, the Consultant agrees, warrants, and represents that:

6.1 The Consultant will furnish all material, equipment, labor and supplies in such quantities and of the proper quality to professionally and timely perform the Services, except as otherwise mutually agreed by the Parties;

6.2 The Consultant shall perform the Services with the professional skill and care ordinarily provided by competent consultants practicing in the same or similar locality and under the same or similar circumstances and professional license;

6.3 The Consultant will comply with the provisions of all federal, state, and local laws, regulations, ordinances, requirements and codes which are applicable to its performance of Services;

6.4 The Consultant is not and will not be bound by any agreement and has not assumed nor will assume any obligation which would, in any way, restrict its ability to perform the Services or be inconsistent with the Services;

6.5 In performing the Services, the Consultant will not use any third party's confidential or propriety information, or infringe the rights of another party, nor will the Consultant disclose to the Authority, or bring onto the Authority's premises, or induce the Authority to use any third party's confidential or proprietary information;

6.6 The Consultant does not have the authority to act for the Authority, bind the Authority in any respect, or incur any debts or liabilities in the name of or on behalf of the Authority, except as otherwise expressly authorized in writing by the Authority;

6.7 Consultant is an independent contractor for the performance of his duties under this Contract. Accordingly, the Consultant shall be responsible for payment of all taxes including federal, state and local taxes arising out of the Consultant's activities in accordance with this Contract. Consultant is responsible for payment of the compensation, including any withholding, Social Security, or other taxes on such compensation, of any subcontractors retained by Consultant, or Consultant's employees performing Services consistent with its status as an independent contractor and in compliance with all applicable laws and regulations;

6.8 Consultant has and hereby retains full control of any supervision over the Consultant's obligations hereunder and over any persons employed or subcontracted by the Consultant for performing Services hereunder;

6.9 Consultant will in no way be considered an agent, partner, joint venturer, or employee of Authority at any time during the Term. Consultant will not undertake to commit Authority to any course of action in relation to a third party unless expressly requested and authorized to do so by the Authority in writing.

6.10 As of the Effective Date and at all times while providing Services hereunder, the Consultant shall possess and maintain in good standing any and all licenses or other authorizations and approvals necessary to perform the Services.

7. COMPENSATION: The compensation to be paid Consultant for providing the Services shall be the compensation described in Exhibit B hereto, which is incorporated herein by reference; provided, however, the total paid to Consultant for the Services shall not exceed one hundred twenty thousand Dollars ($120,000.00). Consultant will obtain the approval of Authority's Project Representative relative to incurring travel and other expenses before incurring such costs.

8. INVOICE PROCEDURE AND PAYMENT: Consultant shall submit invoices monthly to the Authority for work performed during the preceding calendar month. Such invoices shall be due and payable by Authority on or before thirty (30) days from receipt by Authority. Monthly compensation will be for the Services actually performed during the billing period, invoiced in accordance with the Fee Schedule included in Exhibit B. Invoices shall also describe any work performed by subcontractors retained by Consultant and reimbursable costs. Consultant will provide sufficient detail with each invoice to substantiate the requested amount of monthly payment. At the Authority's request, Consultant will provide additional backup such as signed time sheets, invoices for materials and subcontracted service or other documentation sufficient to establish the accuracy of the invoices. Invoices are to be submitted in a format previously approved by Authority.

9. INSURANCE: Consultant shall procure and maintain at its sole expense, for as long as Consultant is obligated to provide Services under this Contract, the policies of insurance described in Exhibit C attached hereto and in at least the minimum amounts specified in Exhibit C to protect Consultant from claims which may arise out of or result from Consultant's Services pursuant to this Contract, whether such operations be by Consultant, by any subcontractor of Consultant, by anyone directly or indirectly employed by Consultant or Consultant's subcontractor, or by anyone for whose acts Consultant or Consultant's subcontractor may be liable. At least five (5) days prior to execution of this Contract, Consultant will provide to Authority's Risk Program Manager certificates of insurance issued by each insurance company providing any of the required insurance coverage, and the text entered in each certificate must be acceptable to Authority. The requirement to provide acceptable certificates of insurance is a material condition of this Contract, and work under this Contract will not commence until certificates of insurance have been received, reviewed, and accepted by Authority. The minimum limits of liability and coverage for the insurance required are set forth in Exhibit C attached hereto, which is incorporated herein by reference.

10. INDEMNIFICATION AND RELEASE. Consultant hereby releases and discharges Authority and its agents, servants, representatives, employees, officers, directors, and Port Commissioners (collectively, the "Authority Parties") from liability for and assumes the risk of loss or damage to the property of Consultant and the injury or death of any person employed by Consultant. Consultant shall defend, indemnify and hold harmless the Authority Parties from and against all damages, losses, costs and expenses, of any nature whatsoever, whether incurred as a judgment, settlement, penalty, fine or otherwise (including reasonable attorneys' fees and the cost of defense), in connection with any action, proceeding, demand or claim but only to the extent caused by the negligent acts, errors, or omissions of the Consultant, its employees, agents, or subconsultants, or others for whom the Consultant is legally liable, in the performance of Services under this Contract. The Consultant is not obligated under this paragraph to indemnify the Authority Parties for the negligent acts of the Authority Parties.

Consultant's indemnity obligations under this Section 10 shall not be limited by a limitation on the amount or type of damages, compensation or benefits owed by Consultant to any employee of Consultant under workers' or workmen's compensation acts, disability benefit acts, or other employee benefit acts. The obligations of the Consultant under this Section 10 shall survive the end of the Term of the Contract.

11. LIMITATION OF LIABILITY: Except as otherwise expressly provided herein, neither Party shall be liable or responsible to the other Party for any indirect, incidental or consequential loss or damage of any nature whatsoever (including, but not limited to, contract, negligence or tort liability) of the other Party, including without limitation, any actual or anticipated profits, loss of time, inconvenience, commercial loss or any other damages, even if the Party has advance notice of the possibility of such damages.

12. DISCLOSURE OF INTERESTED PARTITES: Consultant will comply with the provisions of Section 2252.908 of the Texas Government Code and Chapter 46 of the Texas Ethics Commission Rules by preparing a Texas Form 1295, "Certificate of Interested Parties" and submitting the signed and notarized form to Authority at the time Consultant submits the

signed contract to Authority. This Section 12 applies only to contracts that require an action or vote by the governing body of Authority.

13. ASSIGNMENT: Neither Authority nor Consultant will assign or transfer its interest in this Contract without the written consent of the other.

14. SUSPENSION OR TERMINATION: Authority may suspend or terminate this Contract for convenience with seven (7) days prior written notice to Consultant of such action. Upon termination of this Contract in accordance with this paragraph, Authority will have no further obligation to the Consultant hereunder except to pay the Consultant unpaid fees and expenses which the Consultant can reasonably show to have been earned under this Contract. **Under no circumstances may Consultant claim or recover consequential damages from Authority.**

In the event of suspension of Services, the Consultant shall resume the full performance of the Services when directed in writing to do so by Authority. Suspension of the Services for reasons other than the Consultant's negligence or failure to perform shall not affect the Consultant's compensation as provided for in this Contract. The schedule for performance of the Services shall be amended by a mutually agreed, written modification to this Contract to reflect the suspension.

Either Party may terminate this Contract by giving written notice to the other Party if the other Party ("Defaulting Party"): (a) materially breaches any term, condition or provision of this Contract and fails to cure the breach to the satisfaction of the notifying Party within ten (10) days after the Defaulting Party receives a written notice of the breach from the notifying Party, or (b) becomes the subject of any proceedings under state or federal law for the relief of debtors or otherwise becomes insolvent, or bankrupt, or makes any assignments for the benefit of one or more creditors.

15. DISPUTES: Each Party agrees that any dispute between the Parties relating to this Contract will first be submitted in writing to a panel of two senior executives of the Authority and Consultant, who shall promptly meet and confer in an effort to resolve such dispute through good faith consultation and negotiation. Each Party's executive shall be identified by notice to the other Party, and may be changed at any time thereafter also by notice to the other. Any decisions of the executives will be final and binding on the Parties. In the event the executives are unable to resolve any dispute within thirty (30) days after submission to them, either Party may then refer such dispute to mediation.

If the Parties refer to mediation any controversy or claim arising out of or relating to this Contract or the existence, validity, breach or termination thereof, whether during or after its term, they shall select a mutually acceptable mediator within forty-five (45) days thereafter. Neither Party shall unreasonably withhold consent to the selection of a mediator. The Parties shall share equally the costs of mediation. If the Parties agree, they may substitute other forms of alternative dispute resolution. Any mediation shall not extend beyond thirty (30) days after the appointment of the mediator, and should the Parties fail to resolve any dispute by mediation within such 30-day period, the Parties shall have all rights available at law or in equity.

16. ATTORNEY'S FEES, DEFAULT: In the event Consultant or Authority breach any of the terms of this Contract and the Party not in default employs attorneys to protect or enforce its rights hereunder and prevails, then the defaulting Party agrees to pay reasonable attorney's fees and costs incurred by the prevailing Party.

17. STAFFING: Consultant will designate in writing to Authority its project representative, and the manner in which it will provide staff support for the project, which must be approved by Authority. Consultant must notify Authority's Project Representative of any change in personnel assigned to perform work under this Contract, and the Authority's Project Representative has the right to reject the person or persons assigned to fill the position or positions. The Authority's Project Representative shall also have the right to require the removal of the Consultant's previously assigned personnel, including Consultant's project representative, provided sufficient cause for such removal exists. The criteria for requesting removal of an individual will be based on, but not limited to, the following: technical incompetence, inability to meet the position's qualifications, failure to perform, poor attendance, ethics violation, unsafe work habits, or damage to Authority or other property. Upon notice for removal, Consultant shall replace such personnel with personnel substantially equal in ability and qualifications for the positions and shall submit the proposed replacement personnel qualification and abilities to the Authority, in writing, for approval.

18. OWNERSHIP OF WORK PRODUCT: Studies, plans, reports, surveys, drawings, specifications, computations and other information (collectively "Work Product") and documents prepared by the Consultant, subconsultants, and/or suppliers under this Contract will remain the Authority's property upon completion. This provision does not apply to pre-existing proprietary information of Consultant, subconsultants, and/or suppliers.

19. CONFIDENTIAL INFORMATION: It is understood that information developed by or communicated to Consultant in the performance of this Contract, as well as any and all information in whatever form or medium supplied to Consultant in connection herewith which is not generally available to the public is proprietary to the Authority and constitutes confidential information of the Authority. Consultant will make no oral or written disclosure of such information to third parties either during or after the term of this Contract, except as approved in writing by the Authority's Project Representative or as otherwise required by law. In the event the Consultant becomes aware that confidential information must be disclosed under a legal requirement, Consultant will notify Authority of the requirement and the affected information.

20. FORCE MAJEURE: Neither Party shall be considered in default in the performance of its obligations hereunder to the extent that the performance of such obligation is delayed by any cause beyond the reasonable control of the affected Party. In the event of such a delay, the time for performance for the affected Party shall be extended for a period equal to the time lost during the delay, or the Contract may be terminated in accordance with terms herein should such delay be sufficient that termination is in the best interest of the Authority.

21. SEVERABILITY and WAIVER: If any part of this Contract is held to be invalid, illegal, or unenforceable in any respect, such determination shall not affect any other provision of

this Contract, and this Contract shall then be construed as if the invalid, illegal, or unenforceable provision had not been included in this Contract. Further, the failure of either Party in any one or more instances to insist upon strict performance of any of the terms and provisions of this Contract or to exercise any option herein conferred shall not be construed as a waiver or relinquishment to any extent of the right to assert or rely upon any such terms, provisions or options on any future occasion.

22. GOVERNING LAW: This Contract shall be governed by and construed in accordance with the laws of the State of Texas. The Parties agree that venue of all claims and lawsuits arising out of this Contract shall lie in Nueces County, Texas.

23. OPEN RECORDS: The Authority is a governmental body subject to the requirements of the Texas Public Information Act (Texas Government Code, chapter 552), and as such the Authority is required to disclose to the public (upon request) this Contract and certain other information and documents relating to the consummation of the transactions contemplated hereby. In this regard, the Consultant agrees that the disclosure of this Contract or any other information or materials related to the consummation of the transactions contemplated hereby to the public by the Authority as required by the Texas Public Information Act or any other applicable law will not expose the Authority (or any party acting by, through or under the Authority) to any claim, liability or action by the Consultant.

24. NO ORGANIZATIONAL CONFLICT OF INTEREST: Consultant hereby certifies that it has no actual or potential Organizational Conflict of Interest. "Organizational Conflict of Interest" means that because of other activities or relationships with other persons or entities, the Consultant is unable or potentially unable to render impartial assistance or advice to Authority or the Consultant's objectivity in performing the services under this Contract is or might otherwise be impaired. Consultant agrees to immediately notify Authority of any actual or potential Organizational Conflict of Interest that develops during the term of this Contract. Consultant agrees that Authority may terminate this Contract immediately if it becomes aware of any Organizational Conflict of Interest during the term of the Contract.

25. DEFAMATION: The Parties covenant and agree that in no event, and at no time during the Term or at any time thereafter, shall either of them disparage, denigrate, slander, libel or otherwise defame the other or the other's businesses, services, properties or assets, or employees, personnel, agents, or representatives.

26. HEADINGS: All Section headings or other titles used in this Contract are used solely for convenience and shall not affect or be used in connection with the interpretation or construction of this Contract.

27. ENTIRETY OF CONTRACT: This writing embodies the entire Contract and understanding between the Parties hereto, and there are no other contracts or understandings, oral or written, between them with reference to the subject matter hereof that are not merged herein and superseded hereby. No alteration, change, or modification of the terms of this Contract shall be valid unless made in writing and signed by both Parties hereto.

[Signature page follows this page]

IN WITNESS WHEREOF, this Contract is made effective as of the Effective Date.

PORT OF CORPUS CHRISTI AUTHORITY OF NUECES COUNTY, TEXAS

By: _____

Name: John P. LaRue
Title: Executive Director
Date: _____

"Authority"

By: Robert A Bodnar Jr

Name: ROBERT A BODNAR JR
Title: PRINCIPAL
Date: 12/5/16

"Consultant"

EXHIBIT A

SCOPE OF SERVICES

The Consultant will perform the following services in accordance with the terms and conditions set forth in this Contract:

- Consult regularly with PCCA representatives, congressional representatives, and federal agencies and officials and others with respect to issues related to the PCCA.

- Assist PCCA with its issues involving the federal government.

The Consultant will make oral and written reports as requested by the Executive Director or his duly authorized representative.

EXHIBIT B

FEE SCHEDULE

The Consultant will perform the Services described in Exhibit A in accordance with the terms and conditions of this Contract on a fixed fee or hourly fee basis; provided, however, that the total fee for services rendered under this Contract will not to exceed $120,000.00, without Authority's written approval. Services provided by Consultant will be billed as specified in Exhibit B. These fees will cover all of Consultant's overhead costs, including but not limited to, office rent, long distance telephone charges, postage, payroll and copying charges.

The Authority agrees to reimburse the Consultant for certain authorized and approved travel expenses incurred by the Consultant during the Term and directly resulting from the Consultant's performance of the Services under this Contract. Reimbursement for lodging and meals may not exceed the maximum allowable per diem rates for domestic or foreign travel as set by the U.S. Department of Defense, Defense Travel Management Office. Lodging and meal per diem rates for specific locations (foreign and domestic) may be found at: http://www.defensetravel.dod.mil/site/perdiemCalc.cfm. Authority will also reimburse the Consultant for Direct Costs incurred by the Consultant in performing the Services. The Consultant shall submit proper documentation of any such approved travel expenses and Direct Costs to Authority from time to time, and such costs and expenses shall be billed to Authority at Consultant's actual cost.

Not later than the twentieth (20th) day of each calendar month, Consultant shall submit to Authority detailed invoices for all services performed and Direct Costs incurred, if any, pursuant to this Agreement during the prior calendar month. The invoices shall describe in detail the Services performed during the prior month and shall list the days and hours worked, the hourly rates charged (if applicable), approved Direct Costs, milestone achievements, tasks performed or completed, and the Services performed during each day of the prior month. Authority shall review the invoices and notify Consultant in writing (including email) within twenty (20) days of any disputed amounts.

Should this Contract be terminated for any reason, the Consultant will be paid all fees earned up to the termination date and any approved direct expenses incurred.

EXHIBIT C

INSURANCE

Without limiting the indemnity obligations or liabilities of Consultant or its insurers, provided herein, Consultant agrees to carry and maintain at its sole expense policies of insurance ("the Policies") of the types and in the minimum amounts as follows:

	TYPE OF INSURANCE	LIMITS OF LIABILITY
A.	Workers' Compensation	Statutory
	If Consultant engages employees Workers' Compensation coverage is required.	
B.	Employer's Liability	$500,000 per Occurrence
		$500,000 Aggregate
C.	Automobile Liability	$25,000 each person injured in an accident
		$50,000 entire accident
		$25,000 property damage

Each policy, must contain an endorsement to the effect that the issuer waives any claim or right of subrogation to recover against the Authority, its Port Commissioners, officers and employees ("Authority Parties"). Additionally, the Authority Parties shall be designated as an Additional Insured either by a blanket additional insured or a specific endorsement on all policies, except for Worker's Compensation, Employer's Liability.

Each policy, except Workers' Compensation must contain an endorsement that the policy is primary to any other insurance available to the Additional Insureds with respect to claims arising under this Contract.

The insurance required as listed above, shall apply to any contractor or subcontractor performing for or on behalf of Consultant, and Consultant shall ensure that any such subcontractor is aware of and is in compliance with the insurance requirements during any period such contractor is performing work under this Contract.

The minimum insurance required may be increased periodically upon request by Authority to commercially reasonable limits. The company writing each of the Policies must possess a current rating with A.M. Best Company of at least "A-, VII".

Consultant's liability shall not be limited to the specified amounts of insurance required herein.

CONSULTING SERVICES CONTRACT

THIS CONTRACT (the "Contract") is made and entered into effective as of the 1st day of January, 2017 ("Effective Date") by and between the Port of Corpus Christi Authority of Nueces County, Texas ("Authority"), and J. Canavati & Co., LLC ("Consultant"), each a "Party" and collectively as "Parties".

NOW THEREFORE, in consideration of the promises and mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. CONTRACT: Authority hereby engages the Consultant and the Consultant hereby accepts its engagement for the purpose of providing to Authority the consulting services ("Services") as are generally described in the "Scope of Services" set forth in Exhibit A to this Contract which is incorporated herein by reference.

2. PERIOD OF SERVICE: The Consultant shall complete the Services on or before December 31, 2017 (the "Deadline"), unless the Authority agrees to extend the Deadline for good reason; provided, however, that the Authority may terminate this Contract at any time in accordance with Section 14. Time is of the essence in performance of this Contract. The term of this Contract ("Term") shall begin on the Effective Date and shall end on the first to occur of the following: (1) the Deadline, as the same may have been extended by the Authority, (2) the date on which, in the opinion of Authority, all of the Services have been rendered, (3) the date on which this Contract is terminated by the Authority pursuant to Section 14, or (4) the date on which this Contract is terminated by the Consultant pursuant to Section 14.

3. COORDINATION OF SERVICES BY AUTHORITY: Authority shall designate a Project Representative who will, on behalf of Authority, coordinate with the Consultant and administer this Contract. It shall be the responsibility of the Consultant to coordinate all assignment-related activities with the Project Representative.

For the purposes of this Contract, the Project Representative shall be:

(Name) Jarl Pedersen
(Address) 222 Power St. Corpus Christi, TX 78401
(Phone No.) 361 885-6698
(Email) jarl@pocca.com

Authority may change the Project Representative at any time by giving the Consultant written notice of such change.

4. NOTICES: Notices, demands, requests or other formal communication related to the Contract shall be deemed to have been given when received, whether delivered personally or mailed. E-mail communications may be considered as formal notification provided the e-mail

message states the message is intended as a formal notice and the receiving Party acknowledges receipt of the message as a formal notification. Notices shall be addressed as follows:

If to the Authority: John P. LaRue
Executive Director
Port of Corpus Christi Authority
222 Power Street
Corpus Christi, Texas 78401
E-mail: john@pocca.com

If to the Consultant: Jorge Canavati
21750 Hardy Oak Blvd Suite 102-4
San Antonio, Texas 78258
E-mail: jc@jcanavati.com

Either Party may change the mailing or E-mail address for notifications by providing written notice of such change to the other Party.

5. CHANGES: This Contract may be changed or modified at the request of either the Consultant or the Authority, provided both Parties agree to the requested change, and a written amendment or modification of this Contract is prepared and executed by the Parties.

6. CONSULTANT'S RESPONSIBILITIES: In addition to all other obligations contained herein, the Consultant agrees, warrants, and represents that:

6.1 The Consultant will furnish all material, equipment, labor and supplies in such quantities and of the proper quality to professionally and timely perform the Services, except as otherwise mutually agreed by the Parties;

6.2 The Consultant shall perform the Services with the professional skill and care ordinarily provided by competent consultants practicing in the same or similar locality and under the same or similar circumstances and professional license;

6.3 The Consultant will comply with the provisions of all federal, state, and local laws, regulations, ordinances, requirements and codes which are applicable to its performance of Services;

6.4 The Consultant is not and will not be bound by any agreement and has not assumed nor will assume any obligation which would, in any way, restrict its ability to perform the Services or be inconsistent with the Services;

6.5 In performing the Services, the Consultant will not use any third party's confidential or propriety information, or infringe the rights of another party, nor will the Consultant disclose to the Authority, or bring onto the Authority's premises, or induce the Authority to use any third party's confidential or proprietary information;

6.6 The Consultant does not have the authority to act for the Authority, bind the Authority in any respect, or incur any debts or liabilities in the name of or on behalf of the Authority, except as otherwise expressly authorized in writing by the Authority;

6.7 Consultant is an independent contractor for the performance of his duties under this Contract. Accordingly, the Consultant shall be responsible for payment of all taxes including federal, state and local taxes arising out of the Consultant's activities in accordance with this Contract. Consultant is responsible for payment of the compensation, including any withholding, Social Security, or other taxes on such compensation, of any subcontractors retained by Consultant, or Consultant's employees performing Services consistent with its status as an independent contractor and in compliance with all applicable laws and regulations;

6.8 Consultant has and hereby retains full control of any supervision over the Consultant's obligations hereunder and over any persons employed or subcontracted by the Consultant for performing Services hereunder;

6.9 Consultant will in no way be considered an agent, partner, joint venturer, or employee of Authority at any time during the Term. Consultant will not undertake to commit Authority to any course of action in relation to a third party unless expressly requested and authorized to do so by the Authority in writing.

6.10 As of the Effective Date and at all times while providing Services hereunder, the Consultant shall possess and maintain in good standing any and all licenses or other authorizations and approvals necessary to perform the Services.

7. COMPENSATION: The compensation to be paid Consultant for providing the Services shall be the compensation described in Exhibit B hereto, which is incorporated herein by reference; provided, however, the total paid to Consultant for the Services shall not exceed forty eight thousand Dollars ($48,000.00). Consultant will obtain the approval of Authority's Project Representative relative to incurring travel and other expenses before incurring such costs.

8. INVOICE PROCEDURE AND PAYMENT: Consultant shall submit invoices monthly to the Authority for work performed during the preceding calendar month. Such invoices shall be due and payable by Authority on or before thirty (30) days from receipt by Authority. Monthly compensation will be for the Services actually performed during the billing period, invoiced in accordance with the Fee Schedule included in Exhibit B. Invoices shall also describe any work performed by subcontractors retained by Consultant and reimbursable costs. Consultant will provide sufficient detail with each invoice to substantiate the requested amount of monthly payment. At the Authority's request, Consultant will provide additional backup such as signed time sheets, invoices for materials and subcontracted service or other documentation sufficient to establish the accuracy of the invoices. Invoices are to be submitted in a format previously approved by Authority.

9. INSURANCE: Consultant shall procure and maintain at its sole expense, for as long as Consultant is obligated to provide Services under this Contract, the policies of

insurance described in Exhibit C attached hereto and in at least the minimum amounts specified in Exhibit C to protect Consultant from claims which may arise out of or result from Consultant's Services pursuant to this Contract, whether such operations be by Consultant, by any subcontractor of Consultant, by anyone directly or indirectly employed by Consultant or Consultant's subcontractor, or by anyone for whose acts Consultant or Consultant's subcontractor may be liable. At least five (5) days prior to execution of this Contract, Consultant will provide to Authority's Risk Program Manager certificates of insurance issued by each insurance company providing any of the required insurance coverage, and the text entered in each certificate must be acceptable to Authority. The requirement to provide acceptable certificates of insurance is a material condition of this Contract, and work under this Contract will not commence until certificates of insurance have been received, reviewed, and accepted by Authority. The minimum limits of liability and coverage for the insurance required are set forth in Exhibit C attached hereto, which is incorporated herein by reference.

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Consultant's indemnity obligations under this Section 10 shall not be limited by a limitation on the amount or type of damages, compensation or benefits owed by Consultant to any employee of Consultant under workers' or workmen's compensation acts, disability benefit acts, or other employee benefit acts. The obligations of the Consultant under this Section 10 shall survive the end of the Term of the Contract.

11. LIMITATION OF LIABILITY: Except as otherwise expressly provided herein, neither Party shall be liable or responsible to the other Party for any indirect, incidental or consequential loss or damage of any nature whatsoever (including, but not limited to, contract, negligence or tort liability) of the other Party, including without limitation, any actual or anticipated profits, loss of time, inconvenience, commercial loss or any other damages, even if the Party has advance notice of the possibility of such damages.

12. DISCLOSURE OF INTERESTED PARTITES: Consultant will comply with the provisions of Section 2252.908 of the Texas Government Code and Chapter 46 of the Texas Ethics Commission Rules by preparing a Texas Form 1295, "Certificate of Interested Parties" and submitting the signed and notarized form to Authority at the time Consultant submits the signed contract to Authority. This Section 12 applies only to contracts that require an action or vote by the governing body of Authority.

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19. CONFIDENTIAL INFORMATION: It is understood that information developed by or communicated to Consultant in the performance of this Contract, as well as any and all information in whatever form or medium supplied to Consultant in connection herewith which is not generally available to the public is proprietary to the Authority and constitutes confidential information of the Authority. Consultant will make no oral or written disclosure of such information to third parties either during or after the term of this Contract, except as approved in writing by the Authority's Project Representative or as otherwise required by law. In the event the Consultant becomes aware that confidential information must be disclosed under a legal requirement, Consultant will notify Authority of the requirement and the affected information.

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provision had not been included in this Contract. Further, the failure of either Party in any one or more instances to insist upon strict performance of any of the terms and provisions of this Contract or to exercise any option herein conferred shall not be construed as a waiver or relinquishment to any extent of the right to assert or rely upon any such terms, provisions or options on any future occasion.

22. GOVERNING LAW: This Contract shall be governed by and construed in accordance with the laws of the State of Texas. The Parties agree that venue of all claims and lawsuits arising out of this Contract shall lie in Nueces County, Texas.

23. OPEN RECORDS: The Authority is a governmental body subject to the requirements of the Texas Public Information Act (Texas Government Code, chapter 552), and as such the Authority is required to disclose to the public (upon request) this Contract and certain other information and documents relating to the consummation of the transactions contemplated hereby. In this regard, the Consultant agrees that the disclosure of this Contract or any other information or materials related to the consummation of the transactions contemplated hereby to the public by the Authority as required by the Texas Public Information Act or any other applicable law will not expose the Authority (or any party acting by, through or under the Authority) to any claim, liability or action by the Consultant.

24. NO ORGANIZATIONAL CONFLICT OF INTEREST: Consultant hereby certifies that it has no actual or potential Organizational Conflict of Interest. "Organizational Conflict of Interest" means that because of other activities or relationships with other persons or entities, the Consultant is unable or potentially unable to render impartial assistance or advice to Authority or the Consultant's objectivity in performing the services under this Contract is or might otherwise be impaired. Consultant agrees to immediately notify Authority of any actual or potential Organizational Conflict of Interest that develops during the term of this Contract. Consultant agrees that Authority may terminate this Contract immediately if it becomes aware of any Organizational Conflict of Interest during the term of the Contract.

25. DEFAMATION: The Parties covenant and agree that in no event, and at no time during the Term or at any time thereafter, shall either of them disparage, denigrate, slander, libel or otherwise defame the other or the other's businesses, services, properties or assets, or employees, personnel, agents, or representatives.

26. HEADINGS: All Section headings or other titles used in this Contract are used solely for convenience and shall not affect or be used in connection with the interpretation or construction of this Contract.

27. ENTIRETY OF CONTRACT: This writing embodies the entire Contract and understanding between the Parties hereto, and there are no other contracts or understandings, oral or written, between them with reference to the subject matter hereof that are not merged herein and superseded hereby. No alteration, change, or modification of the terms of this Contract shall be valid unless made in writing and signed by both Parties hereto.

[Signature page follows this page]

IN WITNESS WHEREOF, this Contract is made effective as of the Effective Date.

PORT OF CORPUS CHRISTI AUTHORITY OF NUECES COUNTY, TEXAS

By: _____

Name: John P. LaRue
Title: Executive Director
Date: _____

"Authority"

By: _____

Name: JORGE CANAVATI
Title: PRESIDENT J. CANAVATI & CO LLC.
Date: DECEMBER 6, 2016

"Consultant"

EXHIBIT A

SCOPE OF SERVICES

The Consultant will perform the following services in accordance with the terms and conditions set forth in this Contract:

- Assist PCCA in development of strategies to attract new industry and investment beneficial to the greater Corpus Christi region.

- Assist in development of trade and business development opportunities with Mexico, including Monterrey.

- Assist in development of trade and business development opportunities with industry in the South Texas region including San Antonio, Laredo, and the Rio Grande Valley.

- Participate in events to promote trade, including events by chambers of commerce, transportation authorities, economic development organizations, and other trade promotion entities.

- Assist PCCA to reach out to potential new customers, trade groups, and business organizations in order to get information on new trade

- Collate and evaluate feedback and recommend strategies for the PCCA to more fully participate in regional economic initiatives.

The Consultant will provide monthly written reports and oral reports as requested by the Chief Commercial Officer or his duly authorized representative.

EXHIBIT B

FEE SCHEDULE

The Consultant will perform the Services described in Exhibit A in accordance with the terms and conditions of this Contract on a fixed fee or hourly fee basis; provided, however, that the total fee for services rendered under this Contract will not to exceed $48,000.00, without Authority's written approval. Services provided by Consultant will be billed as specified in Exhibit B. These fees will cover all of Consultant's overhead costs, including but not limited to, office rent, long distance telephone charges, postage, payroll and copying charges.

The Authority agrees to reimburse the Consultant for certain authorized and approved travel expenses incurred by the Consultant during the Term and directly resulting from the Consultant's performance of the Services under this Contract. Reimbursement for lodging and meals may not exceed the maximum allowable per diem rates for domestic or foreign travel as set by the U.S. Department of Defense, Defense Travel Management Office. Lodging and meal per diem rates for specific locations (foreign and domestic) may be found at: http://www.defensetravel.dod.mil/site/perdiemCalc.cfm. Authority will also reimburse the Consultant for Direct Costs incurred by the Consultant in performing the Services. The Consultant shall submit proper documentation of any such approved travel expenses and Direct Costs to Authority from time to time, and such costs and expenses shall be billed to Authority at Consultant's actual cost.

Not later than the twentieth (20th) day of each calendar month, Consultant shall submit to Authority detailed invoices for all services performed and Direct Costs incurred, if any, pursuant to this Agreement during the prior calendar month. The invoices shall describe in detail the Services performed during the prior month and shall list the days and hours worked, the hourly rates charged (if applicable), approved Direct Costs, milestone achievements, tasks performed or completed, and the Services performed during each day of the prior month. Authority shall review the invoices and notify Consultant in writing (including email) within twenty (20) days of any disputed amounts.

Should this Contract be terminated for any reason, the Consultant will be paid all fees earned up to the termination date and any approved direct expenses incurred.

EXHIBIT C

INSURANCE

Without limiting the indemnity obligations or liabilities of Consultant or its insurers, provided herein, Consultant agrees to carry and maintain at its sole expense policies of insurance ("the Policies") of the types and in the minimum amounts as follows:

	TYPE OF INSURANCE	LIMITS OF LIABILITY
A.	Workers' Compensation	Statutory
	If Consultant engages employees Workers' Compensation coverage is required.	
B.	Employer's Liability	$500,000 per Occurrence
		$500,000 Aggregate
C.	Automobile Liability	$25,000 each person injured in an accident
		$50,000 entire accident
		$25,000 property damage

Each policy, must contain an endorsement to the effect that the issuer waives any claim or right of subrogation to recover against the Authority, its Port Commissioners, officers and employees ("Authority Parties"). Additionally, the Authority Parties shall be designated as an Additional Insured either by a blanket additional insured or a specific endorsement on all policies, except for Worker's Compensation, Employer's Liability.

Each policy, except Workers' Compensation must contain an endorsement that the policy is primary to any other insurance available to the Additional Insureds with respect to claims arising under this Contract.

The insurance required as listed above, shall apply to any contractor or subcontractor performing for or on behalf of Consultant, and Consultant shall ensure that any such subcontractor is aware of and is in compliance with the insurance requirements during any period such contractor is performing work under this Contract.

The minimum insurance required may be increased periodically upon request by Authority to commercially reasonable limits. The company writing each of the Policies must possess a current rating with A.M. Best Company of at least "A-, VII".

Consultant's liability shall not be limited to the specified amounts of insurance required herein.

CONSULTING SERVICES CONTRACT

THIS CONTRACT (the "Contract") is made and entered into effective as of the 1st day of January, 2017 ("Effective Date") by and between the Port of Corpus Christi Authority of Nueces County, Texas ("Authority"), and Cassidy & Associates, Inc. ("Consultant"), each a "Party" and collectively as "Parties".

NOW THEREFORE, in consideration of the promises and mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. CONTRACT: Authority hereby engages the Consultant and the Consultant hereby accepts its engagement for the purpose of providing to Authority the consulting services ("Services") as are generally described in the "Scope of Services" set forth in Exhibit A to this Contract which is incorporated herein by reference.

2. PERIOD OF SERVICE: The Consultant shall complete the Services on or before December 31, 2017 (the "Deadline"), unless the Authority agrees to extend the Deadline for good reason; provided, however, that the Authority may terminate this Contract at any time in accordance with Section 14. Time is of the essence in performance of this Contract. The term of this Contract ("Term") shall begin on the Effective Date and shall end on the first to occur of the following: (1) the Deadline, as the same may have been extended by the Authority, (2) the date on which, in the opinion of Authority, all of the Services have been rendered, (3) the date on which this Contract is terminated by the Authority pursuant to Section 14, or (4) the date on which this Contract is terminated by the Consultant pursuant to Section 14.

3. COORDINATION OF SERVICES BY AUTHORITY: Authority shall designate a Project Representative who will, on behalf of Authority, coordinate with the Consultant and administer this Contract. It shall be the responsibility of the Consultant to coordinate all assignment-related activities with the Project Representative.

For the purposes of this Contract, the Project Representative shall be:

Nelda Olivo
222 Power St. Corpus Christi, Texas 78401
361 885-6113
nelda@pocca.com

Authority may change the Project Representative at any time by giving the Consultant written notice of such change.

4. NOTICES: Notices, demands, requests or other formal communication related to the Contract shall be deemed to have been given when received, whether delivered personally or mailed. E-mail communications may be considered as formal notification provided the e-mail

message states the message is intended as a formal notice and the receiving Party acknowledges receipt of the message as a formal notification. Notices shall be addressed as follows:

If to the Authority: John P. LaRue
Executive Director
Port of Corpus Christi Authority
222 Power Street
Corpus Christi, Texas 78401
E-mail: john@pocca.com

If to the Consultant: Barry Rhoads
Chairman
733 Tenth Street N.W., Suite 400
Washington, D.C. 20001
E-mail: brhoads@cassidy.com

Either Party may change the mailing or E-mail address for notifications by providing written notice of such change to the other Party.

5. CHANGES: This Contract may be changed or modified at the request of either the Consultant or the Authority, provided both Parties agree to the requested change, and a written amendment or modification of this Contract is prepared and executed by the Parties.

6. CONSULTANT'S RESPONSIBILITIES: In addition to all other obligations contained herein, the Consultant agrees, warrants, and represents that:

6.1 The Consultant will furnish all material, equipment, labor and supplies in such quantities and of the proper quality to professionally and timely perform the Services, except as otherwise mutually agreed by the Parties;

6.2 The Consultant shall perform the Services with the professional skill and care ordinarily provided by competent consultants practicing in the same or similar locality and under the same or similar circumstances and professional license;

6.3 The Consultant will comply with the provisions of all federal, state, and local laws, regulations, ordinances, requirements and codes which are applicable to its performance of Services;

6.4 The Consultant is not and will not be bound by any agreement and has not assumed nor will assume any obligation which would, in any way, restrict its ability to perform the Services or be inconsistent with the Services;

6.5 In performing the Services, the Consultant will not use any third party's confidential or propriety information, or infringe the rights of another party, nor will the Consultant disclose to the Authority, or bring onto the Authority's premises, or induce the Authority to use any third party's confidential or proprietary information;

6.6 The Consultant does not have the authority to act for the Authority, bind the Authority in any respect, or incur any debts or liabilities in the name of or on behalf of the Authority, except as otherwise expressly authorized in writing by the Authority;

6.7 Consultant is an independent contractor for the performance of his duties under this Contract. Accordingly, the Consultant shall be responsible for payment of all taxes including federal, state and local taxes arising out of the Consultant's activities in accordance with this Contract. Consultant is responsible for payment of the compensation, including any withholding, Social Security, or other taxes on such compensation, of any subcontractors retained by Consultant, or Consultant's employees performing Services consistent with its status as an independent contractor and in compliance with all applicable laws and regulations;

6.8 Consultant has and hereby retains full control of any supervision over the Consultant's obligations hereunder and over any persons employed or subcontracted by the Consultant for performing Services hereunder;

6.9 Consultant will in no way be considered an agent, partner, joint venturer, or employee of Authority at any time during the Term. Consultant will not undertake to commit Authority to any course of action in relation to a third party unless expressly requested and authorized to do so by the Authority in writing.

6.10 As of the Effective Date and at all times while providing Services hereunder, the Consultant shall possess and maintain in good standing any and all licenses or other authorizations and approvals necessary to perform the Services.

7. COMPENSATION: The compensation to be paid Consultant for providing the Services shall be the compensation described in Exhibit B hereto, which is incorporated herein by reference; provided, however, the total paid to Consultant for the Services shall not exceed two hundred ten thousand Dollars ($210,000.00). Consultant will obtain the approval of Authority's Project Representative relative to incurring travel and other expenses before incurring such costs.

8. INVOICE PROCEDURE AND PAYMENT: Consultant shall submit invoices monthly to the Authority for work performed during the preceding calendar month. Such invoices shall be due and payable by Authority on or before thirty (30) days from receipt by Authority. Monthly compensation will be for the Services actually performed during the billing period, invoiced in accordance with the Fee Schedule included in Exhibit B. Invoices shall also describe any work performed by subcontractors retained by Consultant and reimbursable costs. Consultant will provide sufficient detail with each invoice to substantiate the requested amount of monthly payment. At the Authority's request, Consultant will provide additional backup such as signed time sheets, invoices for materials and subcontracted service or other documentation sufficient to establish the accuracy of the invoices. Invoices are to be submitted in a format previously approved by Authority.

9. INSURANCE: Consultant shall procure and maintain at its sole expense, for as long as Consultant is obligated to provide Services under this Contract, the policies of insurance described in Exhibit C attached hereto and in at least the minimum amounts specified in Exhibit C to protect Consultant from claims which may arise out of or result from Consultant's Services pursuant to this Contract, whether such operations be by Consultant, by any subcontractor of Consultant, by anyone directly or indirectly employed by Consultant or Consultant's subcontractor, or by anyone for whose acts Consultant or Consultant's subcontractor may be liable. At least five (5) days prior to execution of this Contract, Consultant will provide to Authority's Risk Program Manager certificates of insurance issued by each insurance company providing any of the required insurance coverage, and the text entered in each certificate must be acceptable to Authority. The requirement to provide acceptable certificates of insurance is a material condition of this Contract, and work under this Contract will not commence until certificates of insurance have been received, reviewed, and accepted by Authority. The minimum limits of liability and coverage for the insurance required are set forth in Exhibit C attached hereto, which is incorporated herein by reference.

10. INDEMNIFICATION AND RELEASE. Consultant hereby releases and discharges Authority and its agents, servants, representatives, employees, officers, directors, and Port Commissioners (collectively, the "Authority Parties") from liability for and assumes the risk of loss or damage to the property of Consultant and the injury or death of any person employed by Consultant. Consultant shall defend, indemnify and hold harmless the Authority Parties from and against all damages, losses, costs and expenses, of any nature whatsoever, whether incurred as a judgment, settlement, penalty, fine or otherwise (including reasonable attorneys' fees and the cost of defense), in connection with any action, proceeding, demand or claim but only to the extent caused by the negligent acts, errors, or omissions of the Consultant, its employees, agents, or subconsultants, or others for whom the Consultant is legally liable, in the performance of Services under this Contract. The Consultant is not obligated under this paragraph to indemnify the Authority Parties for the negligent acts of the Authority Parties.

Consultant's indemnity obligations under this Section 10 shall not be limited by a limitation on the amount or type of damages, compensation or benefits owed by Consultant to any employee of Consultant under workers' or workmen's compensation acts, disability benefit acts, or other employee benefit acts. The obligations of the Consultant under this Section 10 shall survive the end of the Term of the Contract.

11. LIMITATION OF LIABILITY: Except as otherwise expressly provided herein, neither Party shall be liable or responsible to the other Party for any indirect, incidental or consequential loss or damage of any nature whatsoever (including, but not limited to, contract, negligence or tort liability) of the other Party, including without limitation, any actual or anticipated profits, loss of time, inconvenience, commercial loss or any other damages, even if the Party has advance notice of the possibility of such damages.

12. DISCLOSURE OF INTERESTED PARTITES: Consultant will comply with the provisions of Section 2252.908 of the Texas Government Code and Chapter 46 of the Texas Ethics Commission Rules by preparing a Texas Form 1295, "Certificate of Interested Parties" and submitting the signed and notarized form to Authority at the time Consultant submits the

signed contract to Authority. This Section 12 applies only to contracts that require an action or vote by the governing body of Authority.

13. ASSIGNMENT: Neither Authority nor Consultant will assign or transfer its interest in this Contract without the written consent of the other.

14. SUSPENSION OR TERMINATION: Authority may suspend or terminate this Contract for convenience with seven (7) days prior written notice to Consultant of such action. Upon termination of this Contract in accordance with this paragraph, Authority will have no further obligation to the Consultant hereunder except to pay the Consultant unpaid fees and expenses which the Consultant can reasonably show to have been earned under this Contract. **Under no circumstances may Consultant claim or recover consequential damages from Authority.**

In the event of suspension of Services, the Consultant shall resume the full performance of the Services when directed in writing to do so by Authority. Suspension of the Services for reasons other than the Consultant's negligence or failure to perform shall not affect the Consultant's compensation as provided for in this Contract. The schedule for performance of the Services shall be amended by a mutually agreed, written modification to this Contract to reflect the suspension.

Either Party may terminate this Contract by giving written notice to the other Party if the other Party ("Defaulting Party"): (a) materially breaches any term, condition or provision of this Contract and fails to cure the breach to the satisfaction of the notifying Party within ten (10) days after the Defaulting Party receives a written notice of the breach from the notifying Party, or (b) becomes the subject of any proceedings under state or federal law for the relief of debtors or otherwise becomes insolvent, or bankrupt, or makes any assignments for the benefit of one or more creditors.

15. DISPUTES: Each Party agrees that any dispute between the Parties relating to this Contract will first be submitted in writing to a panel of two senior executives of the Authority and Consultant, who shall promptly meet and confer in an effort to resolve such dispute through good faith consultation and negotiation. Each Party's executive shall be identified by notice to the other Party, and may be changed at any time thereafter also by notice to the other. Any decisions of the executives will be final and binding on the Parties. In the event the executives are unable to resolve any dispute within thirty (30) days after submission to them, either Party may then refer such dispute to mediation.

If the Parties refer to mediation any controversy or claim arising out of or relating to this Contract or the existence, validity, breach or termination thereof, whether during or after its term, they shall select a mutually acceptable mediator within forty-five (45) days thereafter. Neither Party shall unreasonably withhold consent to the selection of a mediator. The Parties shall share equally the costs of mediation. If the Parties agree, they may substitute other forms of alternative dispute resolution. Any mediation shall not extend beyond thirty (30) days after the appointment of the mediator, and should the Parties fail to resolve any dispute by mediation within such 30-day period, the Parties shall have all rights available at law or in equity.

16. ATTORNEY'S FEES, DEFAULT: In the event Consultant or Authority breach any of the terms of this Contract and the Party not in default employs attorneys to protect or enforce its rights hereunder and prevails, then the defaulting Party agrees to pay reasonable attorney's fees and costs incurred by the prevailing Party.

17. STAFFING: Consultant will designate in writing to Authority its project representative, and the manner in which it will provide staff support for the project, which must be approved by Authority. Consultant must notify Authority's Project Representative of any change in personnel assigned to perform work under this Contract, and the Authority's Project Representative has the right to reject the person or persons assigned to fill the position or positions. The Authority's Project Representative shall also have the right to require the removal of the Consultant's previously assigned personnel, including Consultant's project representative, provided sufficient cause for such removal exists. The criteria for requesting removal of an individual will be based on, but not limited to, the following: technical incompetence, inability to meet the position's qualifications, failure to perform, poor attendance, ethics violation, unsafe work habits, or damage to Authority or other property. Upon notice for removal, Consultant shall replace such personnel with personnel substantially equal in ability and qualifications for the positions and shall submit the proposed replacement personnel qualification and abilities to the Authority, in writing, for approval.

18. OWNERSHIP OF WORK PRODUCT: Studies, plans, reports, surveys, drawings, specifications, computations and other information (collectively "Work Product") and documents prepared by the Consultant, subconsultants, and/or suppliers under this Contract will remain the Authority's property upon completion. This provision does not apply to pre-existing proprietary information of Consultant, subconsultants, and/or suppliers.

19. CONFIDENTIAL INFORMATION: It is understood that information developed by or communicated to Consultant in the performance of this Contract, as well as any and all information in whatever form or medium supplied to Consultant in connection herewith which is not generally available to the public is proprietary to the Authority and constitutes confidential information of the Authority. Consultant will make no oral or written disclosure of such information to third parties either during or after the term of this Contract, except as approved in writing by the Authority's Project Representative or as otherwise required by law. In the event the Consultant becomes aware that confidential information must be disclosed under a legal requirement, Consultant will notify Authority of the requirement and the affected information.

20. FORCE MAJEURE: Neither Party shall be considered in default in the performance of its obligations hereunder to the extent that the performance of such obligation is delayed by any cause beyond the reasonable control of the affected Party. In the event of such a delay, the time for performance for the affected Party shall be extended for a period equal to the time lost during the delay, or the Contract may be terminated in accordance with terms herein should such delay be sufficient that termination is in the best interest of the Authority.

21. SEVERABILITY and WAIVER: If any part of this Contract is held to be invalid, illegal, or unenforceable in any respect, such determination shall not affect any other provision of this Contract, and this Contract shall then be construed as if the invalid, illegal, or unenforceable provision had not been included in this Contract. Further, the failure of either Party in any one or more instances to insist upon strict performance of any of the terms and provisions of this Contract or to exercise any option herein conferred shall not be construed as a waiver or relinquishment to any extent of the right to assert or rely upon any such terms, provisions or options on any future occasion.

22. GOVERNING LAW: This Contract shall be governed by and construed in accordance with the laws of the State of Texas. The Parties agree that venue of all claims and lawsuits arising out of this Contract shall lie in Nueces County, Texas.

23. OPEN RECORDS: The Authority is a governmental body subject to the requirements of the Texas Public Information Act (Texas Government Code, chapter 552), and as such the Authority is required to disclose to the public (upon request) this Contract and certain other information and documents relating to the consummation of the transactions contemplated hereby. In this regard, the Consultant agrees that the disclosure of this Contract or any other information or materials related to the consummation of the transactions contemplated hereby to the public by the Authority as required by the Texas Public Information Act or any other applicable law will not expose the Authority (or any party acting by, through or under the Authority) to any claim, liability or action by the Consultant.

24. NO ORGANIZATIONAL CONFLICT OF INTEREST: Consultant hereby certifies that it has no actual or potential Organizational Conflict of Interest. "Organizational Conflict of Interest" means that because of other activities or relationships with other persons or entities, the Consultant is unable or potentially unable to render impartial assistance or advice to Authority or the Consultant's objectivity in performing the services under this Contract is or might otherwise be impaired. Consultant agrees to immediately notify Authority of any actual or potential Organizational Conflict of Interest that develops during the term of this Contract. Consultant agrees that Authority may terminate this Contract immediately if it becomes aware of any Organizational Conflict of Interest during the term of the Contract.

25. DEFAMATION: The Parties covenant and agree that in no event, and at no time during the Term or at any time thereafter, shall either of them disparage, denigrate, slander, libel or otherwise defame the other or the other's businesses, services, properties or assets, or employees, personnel, agents, or representatives.

26. HEADINGS: All Section headings or other titles used in this Contract are used solely for convenience and shall not affect or be used in connection with the interpretation or construction of this Contract.

27. ENTIRETY OF CONTRACT: This writing embodies the entire Contract and understanding between the Parties hereto, and there are no other contracts or understandings, oral or written, between them with reference to the subject matter hereof that are not merged herein and superseded hereby. No alteration, change, or modification of the terms of this Contract shall be valid unless made in writing and signed by both Parties hereto.

IN WITNESS WHEREOF, this Contract is made effective as of the Effective Date.

PORT OF CORPUS CHRISTI AUTHORITY OF NUECES COUNTY, TEXAS

By: _____
Name: John P. LaRue
Title: Executive Director
Date: _____

"Authority"

By: _____
Name: ~~Barry D. Rhoads~~
Title: Chairman
Date: 6 Dec 2016

"Consultant"

EXHIBIT A

SCOPE OF SERVICES

The Consultant will perform the following services in accordance with the terms and conditions set forth in this Contract:

- Assist the PCCA in pursuing its governmental affairs objectives.
- Perform federal liaison activities both with the Executive Branch and Congress as well as substantive consulting services on achieving the PCCA's government relations objectives.
- Provide general government relations services to the PCCA on federal transportation issues, maritime matters, and economic development objectives.
- Services include consulting services and liaison activities on federal authorization and appropriations legislation relevant to the PCCA, including the La Quinta Trade Gateway and general port issues.

The Consultant will make oral and written reports as requested by the Executive Director or his duly authorized representative.

Cassidy gives no assurances and makes no representations as to the particular results of its services or the response and timeliness of actions taken by relevant government officials and their staffs or by others. It is understood that Cassidy cannot undertake to verify all facts supplied to it by the PCCA or related entities or all factual matters included in materials prepared or used by Cassidy and approved by the PCCA or related entities.

EXHIBIT B

FEE SCHEDULE

The Consultant will perform the Services described in Exhibit A in accordance with the terms and conditions of this Contract on a fixed fee or hourly fee basis; provided, however, that the total fee for services rendered under this Contract will not to exceed $210,000.00, without Authority's written approval. Services provided by Consultant will be billed as specified in Exhibit B. These fees will cover all of Consultant's overhead costs, including but not limited to, office rent, long distance telephone charges, postage, payroll and copying charges.

The Authority agrees to reimburse the Consultant for certain authorized and approved travel expenses incurred by the Consultant during the Term and directly resulting from the Consultant's performance of the Services under this Contract. Reimbursement for lodging and meals may not exceed the maximum allowable per diem rates for domestic or foreign travel as set by the U.S. Department of Defense, Defense Travel Management Office. Lodging and meal per diem rates for specific locations (foreign and domestic) may be found at: http://www.defensetravel.dod.mil/site/perdiemCalc.cfm. Authority will also reimburse the Consultant for Direct Costs incurred by the Consultant in performing the Services. The Consultant shall submit proper documentation of any such approved travel expenses and Direct Costs to Authority from time to time, and such costs and expenses shall be billed to Authority at Consultant's actual cost.

Not later than the twentieth (20th) day of each calendar month, Consultant shall submit to Authority detailed invoices for all services performed and Direct Costs incurred, if any, pursuant to this Agreement during the prior calendar month. The invoices shall describe in detail the Services performed during the prior month and shall list the days and hours worked, the hourly rates charged (if applicable), approved Direct Costs, milestone achievements, tasks performed or completed, and the Services performed during each day of the prior month. Authority shall review the invoices and notify Consultant in writing (including email) within twenty (20) days of any disputed amounts.

Should this Contract be terminated for any reason, the Consultant will be paid all fees earned up to the termination date and any approved direct expenses incurred.

EXHIBIT C

INSURANCE

Without limiting the indemnity obligations or liabilities of Consultant or its insurers, provided herein, Consultant agrees to carry and maintain at its sole expense policies of insurance ("the Policies") of the types and in the minimum amounts as follows:

	TYPE OF INSURANCE	LIMITS OF LIABILITY
A.	Workers' Compensation	Statutory
	If Consultant engages employees Workers' Compensation coverage is required.	
B.	Employer's Liability	$500,000 per Occurrence
		$500,000 Aggregate
C.	Automobile Liability	$25,000 each person injured in an accident
		$50,000 entire accident
		$25,000 property damage

Each policy must contain an endorsement to the effect that the issuer waives any claim or right of subrogation to recover against the Authority, its Port Commissioners, officers and employees ("Authority Parties"). Additionally, the Authority Parties shall be designated as an Additional Insured either by a blanket additional insured or a specific endorsement on all policies, except for Worker's Compensation, Employer's Liability.

Each policy, except Workers' Compensation must contain an endorsement that the policy is primary to any other insurance available to the Additional Insureds with respect to claims arising under this Contract.

The insurance required as listed above, shall apply to any contractor or subcontractor performing for or on behalf of Consultant, and Consultant shall ensure that any such subcontractor is aware of and is in compliance with the insurance requirements during any period such contractor is performing work under this Contract.

The minimum insurance required may be increased periodically upon request by Authority to commercially reasonable limits. The company writing each of the Policies must possess a current rating with A.M. Best Company of at least "A-, VII".

Consultant's liability shall not be limited to the specified amounts of insurance required herein.

CONSULTING SERVICES CONTRACT

THIS CONTRACT (the "Contract") is made and entered into effective as of the 1st day of January, 2017 ("Effective Date") by and between the Port of Corpus Christi Authority of Nueces County, Texas ("Authority"), and Delisi Communications ("Consultant"), each a "Party" and collectively as "Parties".

NOW THEREFORE, in consideration of the promises and mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. CONTRACT: Authority hereby engages the Consultant and the Consultant hereby accepts its engagement for the purpose of providing to Authority the consulting services ("Services") as are generally described in the "Scope of Services" set forth in Exhibit A to this Contract which is incorporated herein by reference

2. PERIOD OF SERVICE: The Consultant shall complete the Services on or before December 31, 2017 (the "Deadline"), unless the Authority agrees to extend the Deadline for good reason; provided, however, that the Authority may terminate this Contract at any time in accordance with Section 14. Time is of the essence in performance of this Contract. The term of this Contract ("Term") shall begin on the Effective Date and shall end on the first to occur of the following: (1) the Deadline, as the same may have been extended by the Authority, (2) the date on which, in the opinion of Authority, all of the Services have been rendered, (3) the date on which this Contract is terminated by the Authority pursuant to Section 14, or (4) the date on which this Contract is terminated by the Consultant pursuant to Section 14.

3. COORDINATION OF SERVICES BY AUTHORITY: Authority shall designate a Project Representative who will, on behalf of Authority, coordinate with the Consultant and administer this Contract. It shall be the responsibility of the Consultant to coordinate all assignment-related activities with the Project Representative.

For the purposes of this Contract, the Project Representative shall be:

(Name) Nelda Olivo
(Address) 222 Power St. Corpus Christi, Texas 78401
(Phone No.) 361 885-6113
(Email) nelda@pocca.com

Authority may change the Project Representative at any time by giving the Consultant written notice of such change.

4. NOTICES: Notices, demands, requests or other formal communication related to the Contract shall be deemed to have been given when received, whether delivered personally or mailed. E-mail communications may be considered as formal notification provided the e-mail

message states the message is intended as a formal notice and the receiving Party acknowledges receipt of the message as a formal notification. Notices shall be addressed as follows:

If to the Authority: John P. LaRue
Executive Director
Port of Corpus Christi Authority
222 Power Street
Corpus Christi, Texas 78401
E-mail: john@pocca.com

If to the Consultant: Deirdre Delisi
823 Congress Avenue, Suite 1000B
Austin, Texas 78701
E-mail:_____

Either Party may change the mailing or E-mail address for notifications by providing written notice of such change to the other Party.

5. CHANGES: This Contract may be changed or modified at the request of either the Consultant or the Authority, provided both Parties agree to the requested change, and a written amendment or modification of this Contract is prepared and executed by the Parties.

6. CONSULTANT'S RESPONSIBILITIES: In addition to all other obligations contained herein, the Consultant agrees, warrants, and represents that:

6.1 The Consultant will furnish all material, equipment, labor and supplies in such quantities and of the proper quality to professionally and timely perform the Services, except as otherwise mutually agreed by the Parties;

6.2 The Consultant shall perform the Services with the professional skill and care ordinarily provided by competent consultants practicing in the same or similar locality and under the same or similar circumstances and professional license;

6.3 The Consultant will comply with the provisions of all federal, state, and local laws, regulations, ordinances, requirements and codes which are applicable to its performance of Services;

6.4 The Consultant is not and will not be bound by any agreement and has not assumed nor will assume any obligation which would, in any way, restrict its ability to perform the Services or be inconsistent with the Services;

6.5 In performing the Services, the Consultant will not use any third party's confidential or propriety information, or infringe the rights of another party, nor will the Consultant disclose to the Authority, or bring onto the Authority's premises, or induce the Authority to use any third party's confidential or proprietary information;

6.6 The Consultant does not have the authority to act for the Authority, bind the Authority in any respect, or incur any debts or liabilities in the name of or on behalf of the Authority, except as otherwise expressly authorized in writing by the Authority;

6.7 Consultant is an independent contractor for the performance of his duties under this Contract. Accordingly, the Consultant shall be responsible for payment of all taxes including federal, state and local taxes arising out of the Consultant's activities in accordance with this Contract. Consultant is responsible for payment of the compensation, including any withholding, Social Security, or other taxes on such compensation, of any subcontractors retained by Consultant, or Consultant's employees performing Services consistent with its status as an independent contractor and in compliance with all applicable laws and regulations;

6.8 Consultant has and hereby retains full control of any supervision over the Consultant's obligations hereunder and over any persons employed or subcontracted by the Consultant for performing Services hereunder;

6.9 Consultant will in no way be considered an agent, partner, joint venturer, or employee of Authority at any time during the Term. Consultant will not undertake to commit Authority to any course of action in relation to a third party unless expressly requested and authorized to do so by the Authority in writing.

6.10 As of the Effective Date and at all times while providing Services hereunder, the Consultant shall possess and maintain in good standing any and all licenses or other authorizations and approvals necessary to perform the Services.

7. COMPENSATION: The compensation to be paid Consultant for providing the Services shall be the compensation described in Exhibit B hereto, which is incorporated herein by reference; provided, however, the total paid to Consultant for the Services shall not exceed sixty thousand Dollars ($60,000.00). Consultant will obtain the approval of Authority's Project Representative relative to incurring travel and other expenses before incurring such costs.

8. INVOICE PROCEDURE AND PAYMENT: Consultant shall submit invoices monthly to the Authority for work performed during the preceding calendar month. Such invoices shall be due and payable by Authority on or before thirty (30) days from receipt by Authority. Monthly compensation will be for the Services actually performed during the billing period, invoiced in accordance with the Fee Schedule included in Exhibit B. Invoices shall also describe any work performed by subcontractors retained by Consultant and reimbursable costs. Consultant will provide sufficient detail with each invoice to substantiate the requested amount of monthly payment. At the Authority's request, Consultant will provide additional backup such as signed time sheets, invoices for materials and subcontracted service or other documentation sufficient to establish the accuracy of the invoices. Invoices are to be submitted in a format previously approved by Authority.

9. INSURANCE: Consultant shall procure and maintain at its sole expense, for as long as Consultant is obligated to provide Services under this Contract, the policies of

insurance described in Exhibit C attached hereto and in at least the minimum amounts specified in Exhibit C to protect Consultant from claims which may arise out of or result from Consultant's Services pursuant to this Contract, whether such operations be by Consultant, by any subcontractor of Consultant, by anyone directly or indirectly employed by Consultant or Consultant's subcontractor, or by anyone for whose acts Consultant or Consultant's subcontractor may be liable. At least five (5) days prior to execution of this Contract, Consultant will provide to Authority's Risk Program Manager certificates of insurance issued by each insurance company providing any of the required insurance coverage, and the text entered in each certificate must be acceptable to Authority. The requirement to provide acceptable certificates of insurance is a material condition of this Contract, and work under this Contract will not commence until certificates of insurance have been received, reviewed, and accepted by Authority. The minimum limits of liability and coverage for the insurance required are set forth in Exhibit C attached hereto, which is incorporated herein by reference.

10. INDEMNIFICATION AND RELEASE. Consultant hereby releases and discharges Authority and its agents, servants, representatives, employees, officers, directors, and Port Commissioners (collectively, the "Authority Parties") from liability for and assumes the risk of loss or damage to the property of Consultant and the injury or death of any person employed by Consultant. Consultant shall defend, indemnify and hold harmless the Authority Parties from and against all damages, losses, costs and expenses, of any nature whatsoever, whether incurred as a judgment, settlement, penalty, fine or otherwise (including reasonable attorneys' fees and the cost of defense), in connection with any action, proceeding, demand or claim but only to the extent caused by the negligent acts, errors, or omissions of the Consultant, its employees, agents, or subconsultants, or others for whom the Consultant is legally liable, in the performance of Services under this Contract. The Consultant is not obligated under this paragraph to indemnify the Authority Parties for the negligent acts of the Authority Parties.

Consultant's indemnity obligations under this Section 10 shall not be limited by a limitation on the amount or type of damages, compensation or benefits owed by Consultant to any employee of Consultant under workers' or workmen's compensation acts, disability benefit acts, or other employee benefit acts. The obligations of the Consultant under this Section 10 shall survive the end of the Term of the Contract.

11. LIMITATION OF LIABILITY: Except as otherwise expressly provided herein, neither Party shall be liable or responsible to the other Party for any indirect, incidental or consequential loss or damage of any nature whatsoever (including, but not limited to, contract, negligence or tort liability) of the other Party, including without limitation, any actual or anticipated profits, loss of time, inconvenience, commercial loss or any other damages, even if the Party has advance notice of the possibility of such damages.

12. DISCLOSURE OF INTERESTED PARTITES: Consultant will comply with the provisions of Section 2252.908 of the Texas Government Code and Chapter 46 of the Texas Ethics Commission Rules by preparing a Texas Form 1295, "Certificate of Interested Parties" and submitting the signed and notarized form to Authority at the time Consultant submits the signed contract to Authority. This Section 12 applies only to contracts that require an action or vote by the governing body of Authority.

13. ASSIGNMENT: Neither Authority nor Consultant will assign or transfer its interest in this Contract without the written consent of the other.

14. SUSPENSION OR TERMINATION: Authority may suspend or terminate this Contract for convenience with seven (7) days prior written notice to Consultant of such action. Upon termination of this Contract in accordance with this paragraph, Authority will have no further obligation to the Consultant hereunder except to pay the Consultant unpaid fees and expenses which the Consultant can reasonably show to have been earned under this Contract. **Under no circumstances may Consultant claim or recover consequential damages from Authority.**

In the event of suspension of Services, the Consultant shall resume the full performance of the Services when directed in writing to do so by Authority. Suspension of the Services for reasons other than the Consultant's negligence or failure to perform shall not affect the Consultant's compensation as provided for in this Contract. The schedule for performance of the Services shall be amended by a mutually agreed, written modification to this Contract to reflect the suspension.

Either Party may terminate this Contract by giving written notice to the other Party if the other Party ("Defaulting Party"): (a) materially breaches any term, condition or provision of this Contract and fails to cure the breach to the satisfaction of the notifying Party within ten (10) days after the Defaulting Party receives a written notice of the breach from the notifying Party, or (b) becomes the subject of any proceedings under state or federal law for the relief of debtors or otherwise becomes insolvent, or bankrupt, or makes any assignments for the benefit of one or more creditors.

15. DISPUTES: Each Party agrees that any dispute between the Parties relating to this Contract will first be submitted in writing to a panel of two senior executives of the Authority and Consultant, who shall promptly meet and confer in an effort to resolve such dispute through good faith consultation and negotiation. Each Party's executive shall be identified by notice to the other Party, and may be changed at any time thereafter also by notice to the other. Any decisions of the executives will be final and binding on the Parties. In the event the executives are unable to resolve any dispute within thirty (30) days after submission to them, either Party may then refer such dispute to mediation.

If the Parties refer to mediation any controversy or claim arising out of or relating to this Contract or the existence, validity, breach or termination thereof, whether during or after its term, they shall select a mutually acceptable mediator within forty-five (45) days thereafter. Neither Party shall unreasonably withhold consent to the selection of a mediator. The Parties shall share equally the costs of mediation. If the Parties agree, they may substitute other forms of alternative dispute resolution. Any mediation shall not extend beyond thirty (30) days after the appointment of the mediator, and should the Parties fail to resolve any dispute by mediation within such 30-day period, the Parties shall have all rights available at law or in equity.

16. ATTORNEY'S FEES, DEFAULT: In the event Consultant or Authority breach any of the terms of this Contract and the Party not in default employs attorneys to protect or enforce its rights hereunder and prevails, then the defaulting Party agrees to pay reasonable attorney's fees and costs incurred by the prevailing Party.

17. STAFFING: Consultant will designate in writing to Authority its project representative, and the manner in which it will provide staff support for the project, which must be approved by Authority. Consultant must notify Authority's Project Representative of any change in personnel assigned to perform work under this Contract, and the Authority's Project Representative has the right to reject the person or persons assigned to fill the position or positions. The Authority's Project Representative shall also have the right to require the removal of the Consultant's previously assigned personnel, including Consultant's project representative, provided sufficient cause for such removal exists. The criteria for requesting removal of an individual will be based on, but not limited to, the following: technical incompetence, inability to meet the position's qualifications, failure to perform, poor attendance, ethics violation, unsafe work habits, or damage to Authority or other property. Upon notice for removal, Consultant shall replace such personnel with personnel substantially equal in ability and qualifications for the positions and shall submit the proposed replacement personnel qualification and abilities to the Authority, in writing, for approval.

18. OWNERSHIP OF WORK PRODUCT: Studies, plans, reports, surveys, drawings, specifications, computations and other information (collectively "Work Product") and documents prepared by the Consultant, subconsultants, and/or suppliers under this Contract will remain the Authority's property upon completion. This provision does not apply to pre-existing proprietary information of Consultant, subconsultants, and/or suppliers.

19. CONFIDENTIAL INFORMATION: It is understood that information developed by or communicated to Consultant in the performance of this Contract, as well as any and all information in whatever form or medium supplied to Consultant in connection herewith which is not generally available to the public is proprietary to the Authority and constitutes confidential information of the Authority. Consultant will make no oral or written disclosure of such information to third parties either during or after the term of this Contract, except as approved in writing by the Authority's Project Representative or as otherwise required by law. In the event the Consultant becomes aware that confidential information must be disclosed under a legal requirement, Consultant will notify Authority of the requirement and the affected information.

20. FORCE MAJEURE: Neither Party shall be considered in default in the performance of its obligations hereunder to the extent that the performance of such obligation is delayed by any cause beyond the reasonable control of the affected Party. In the event of such a delay, the time for performance for the affected Party shall be extended for a period equal to the time lost during the delay, or the Contract may be terminated in accordance with terms herein should such delay be sufficient that termination is in the best interest of the Authority.

21. SEVERABILITY and WAIVER: If any part of this Contract is held to be invalid, illegal, or unenforceable in any respect, such determination shall not affect any other provision of this Contract, and this Contract shall then be construed as if the invalid, illegal, or unenforceable

provision had not been included in this Contract. Further, the failure of either Party in any one or more instances to insist upon strict performance of any of the terms and provisions of this Contract or to exercise any option herein conferred shall not be construed as a waiver or relinquishment to any extent of the right to assert or rely upon any such terms, provisions or options on any future occasion.

22. GOVERNING LAW: This Contract shall be governed by and construed in accordance with the laws of the State of Texas. The Parties agree that venue of all claims and lawsuits arising out of this Contract shall lie in Nueces County, Texas.

23. OPEN RECORDS: The Authority is a governmental body subject to the requirements of the Texas Public Information Act (Texas Government Code, chapter 552), and as such the Authority is required to disclose to the public (upon request) this Contract and certain other information and documents relating to the consummation of the transactions contemplated hereby. In this regard, the Consultant agrees that the disclosure of this Contract or any other information or materials related to the consummation of the transactions contemplated hereby to the public by the Authority as required by the Texas Public Information Act or any other applicable law will not expose the Authority (or any party acting by, through or under the Authority) to any claim, liability or action by the Consultant.

24. NO ORGANIZATIONAL CONFLICT OF INTEREST: Consultant hereby certifies that it has no actual or potential Organizational Conflict of Interest. "Organizational Conflict of Interest" means that because of other activities or relationships with other persons or entities, the Consultant is unable or potentially unable to render impartial assistance or advice to Authority or the Consultant's objectivity in performing the services under this Contract is or might otherwise be impaired. Consultant agrees to immediately notify Authority of any actual or potential Organizational Conflict of Interest that develops during the term of this Contract. Consultant agrees that Authority may terminate this Contract immediately if it becomes aware of any Organizational Conflict of Interest during the term of the Contract.

25. DEFAMATION: The Parties covenant and agree that in no event, and at no time during the Term or at any time thereafter, shall either of them disparage, denigrate, slander, libel or otherwise defame the other or the other's businesses, services, properties or assets, or employees, personnel, agents, or representatives.

26. HEADINGS: All Section headings or other titles used in this Contract are used solely for convenience and shall not affect or be used in connection with the interpretation or construction of this Contract.

27. ENTIRETY OF CONTRACT: This writing embodies the entire Contract and understanding between the Parties hereto, and there are no other contracts or understandings, oral or written, between them with reference to the subject matter hereof that are not merged herein and superseded hereby. No alteration, change, or modification of the terms of this Contract shall be valid unless made in writing and signed by both Parties hereto.

[Signature page follows this page]

IN WITNESS WHEREOF, this Contract is made effective as of the Effective Date.

PORT OF CORPUS CHRISTI AUTHORITY OF NUECES COUNTY, TEXAS

By: _____

Name: John P. LaRue
Title: Executive Director
Date: _____

"Authority"

By: _____

Name: T. Delisi
Title: President, Delisi Communications
Date: 12/2/16

"Consultant"

EXHIBIT A

SCOPE OF SERVICES

The Consultant will perform the following services in accordance with the terms and conditions set forth in this Contract:

- Continue to work with the Texas Department of Transportation and other necessary entities to ensure continued progress on the Harbor Bridge Project and other transportation priorities.

- Confer, advise and participate in the passage or defeat of legislation during any regular or special session of the Legislature; advise on strategy to be followed to accomplish the desired results.

- Confer with legislative leaders on the organization of committees and subcommittees, reference of legislation to committees and subcommittees, and timing of consideration of legislation.

- Maintain a continuing relationship with members and key officers and employees of the House and Senate.

- Other projects as assigned by the client.

- Meet with the PCCA representatives as needed.

The Consultant will make oral and written reports as requested by the Executive Director or his duly authorized representative.

EXHIBIT B

FEE SCHEDULE

The Consultant will perform the Services described in Exhibit A in accordance with the terms and conditions of this Contract on a fixed fee or hourly fee basis; provided, however, that the total fee for services rendered under this Contract will not to exceed $60,000.00, without Authority's written approval. Services provided by Consultant will be billed as specified in Exhibit B. These fees will cover all of Consultant's overhead costs, including but not limited to, office rent, long distance telephone charges, postage, payroll and copying charges.

The Authority agrees to reimburse the Consultant for certain authorized and approved travel expenses incurred by the Consultant during the Term and directly resulting from the Consultant's performance of the Services under this Contract. Reimbursement for lodging and meals may not exceed the maximum allowable per diem rates for domestic or foreign travel as set by the U.S. Department of Defense, Defense Travel Management Office. Lodging and meal per diem rates for specific locations (foreign and domestic) may be found at: http://www.defensetravel.dod.mil/site/perdiemCalc.cfm. Authority will also reimburse the Consultant for Direct Costs incurred by the Consultant in performing the Services. The Consultant shall submit proper documentation of any such approved travel expenses and Direct Costs to Authority from time to time, and such costs and expenses shall be billed to Authority at Consultant's actual cost.

Not later than the twentieth (20th) day of each calendar month, Consultant shall submit to Authority detailed invoices for all services performed and Direct Costs incurred, if any, pursuant to this Agreement during the prior calendar month. The invoices shall describe in detail the Services performed during the prior month and shall list the days and hours worked, the hourly rates charged (if applicable), approved Direct Costs, milestone achievements, tasks performed or completed, and the Services performed during each day of the prior month. Authority shall review the invoices and notify Consultant in writing (including email) within twenty (20) days of any disputed amounts.

Should this Contract be terminated for any reason, the Consultant will be paid all fees earned up to the termination date and any approved direct expenses incurred.

EXHIBIT C

INSURANCE

Without limiting the indemnity obligations or liabilities of Consultant or its insurers, provided herein, Consultant agrees to carry and maintain at its sole expense policies of insurance ("the Policies") of the types and in the minimum amounts as follows:

	TYPE OF INSURANCE	LIMITS OF LIABILITY
A.	Workers' Compensation	Statutory
	If Consultant engages employees Workers' Compensation coverage is required.	
B.	Employer's Liability	$500,000 per Occurrence
		$500,000 Aggregate
C.	Automobile Liability	$25,000 each person injured in an accident
		$50,000 entire accident
		$25,000 property damage

Each policy, must contain an endorsement to the effect that the issuer waives any claim or right of subrogation to recover against the Authority, its Port Commissioners, officers and employees ("Authority Parties"). Additionally, the Authority Parties shall be designated as an Additional Insured either by a blanket additional insured or a specific endorsement on all policies, except for Worker's Compensation, Employer's Liability.

Each policy, except Workers' Compensation must contain an endorsement that the policy is primary to any other insurance available to the Additional Insureds with respect to claims arising under this Contract.

The insurance required as listed above, shall apply to any contractor or subcontractor performing for or on behalf of Consultant, and Consultant shall ensure that any such subcontractor is aware of and is in compliance with the insurance requirements during any period such contractor is performing work under this Contract.

The minimum insurance required may be increased periodically upon request by Authority to commercially reasonable limits. The company writing each of the Policies must possess a current rating with A.M. Best Company of at least "A-, VII".

Consultant's liability shall not be limited to the specified amounts of insurance required herein.

CONSULTING SERVICES CONTRACT

THIS CONTRACT (the "Contract") is made and entered into effective as of the 1st day of January, 2017 ("Effective Date") by and between the Port of Corpus Christi Authority of Nueces County, Texas ("Authority"), and Mathiesen Maritime Services ("Consultant"), each a "Party" and collectively as "Parties".

NOW THEREFORE, in consideration of the promises and mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. CONTRACT: Authority hereby engages the Consultant and the Consultant hereby accepts its engagement for the purpose of providing to Authority the consulting services ("Services") as are generally described in the "Scope of Services" set forth in Exhibit A to this Contract which is incorporated herein by reference.

2. PERIOD OF SERVICE: The Consultant shall complete the Services on or before December 31, 2017 (the "Deadline"), unless the Authority agrees to extend the Deadline for good reason; provided, however, that the Authority may terminate this Contract at any time in accordance with Section 14. Time is of the essence in performance of this Contract. The term of this Contract ("Term") shall begin on the Effective Date and shall end on the first to occur of the following: (1) the Deadline, as the same may have been extended by the Authority, (2) the date on which, in the opinion of Authority, all of the Services have been rendered, (3) the date on which this Contract is terminated by the Authority pursuant to Section 14, or (4) the date on which this Contract is terminated by the Consultant pursuant to Section 14.

3. COORDINATION OF SERVICES BY AUTHORITY: Authority shall designate a Project Representative who will, on behalf of Authority, coordinate with the Consultant and administer this Contract. It shall be the responsibility of the Consultant to coordinate all assignment-related activities with the Project Representative.

For the purposes of this Contract, the Project Representative shall be:

(Name) Jarl Pedersen
(Phone No.) 361 885-6698
(Email) jarl@pocca.com

Authority may change the Project Representative at any time by giving the Consultant written notice of such change.

4. NOTICES: Notices, demands, requests or other formal communication related to the Contract shall be deemed to have been given when received, whether delivered personally or mailed. E-mail communications may be considered as formal notification provided the e-mail message states the message is intended as a formal notice and the receiving Party acknowledges receipt of the message as a formal notification. Notices shall be addressed as follows:

If to the Authority: John P. LaRue
Executive Director
Port of Corpus Christi Authority
222 Power Street
Corpus Christi, Texas 78401
E-mail: john@pocca.com

If to the Consultant: Palle Mathiesen
220 Newport Center Dr #11-606
Newport Beach, CA 92660
E-mail: mat.mms@att.net

Either Party may change the mailing or E-mail address for notifications by providing written notice of such change to the other Party.

5. CHANGES: This Contract may be changed or modified at the request of either the Consultant or the Authority, provided both Parties agree to the requested change, and a written amendment or modification of this Contract is prepared and executed by the Parties.

6. CONSULTANT'S RESPONSIBILITIES: In addition to all other obligations contained herein, the Consultant agrees, warrants, and represents that:

6.1 The Consultant will furnish all material, equipment, labor and supplies in such quantities and of the proper quality to professionally and timely perform the Services, except as otherwise mutually agreed by the Parties;

6.2 The Consultant shall perform the Services with the professional skill and care ordinarily provided by competent consultants practicing in the same or similar locality and under the same or similar circumstances and professional license;

6.3 The Consultant will comply with the provisions of all federal, state, and local laws, regulations, ordinances, requirements and codes which are applicable to its performance of Services;

6.4 The Consultant is not and will not be bound by any agreement and has not assumed nor will assume any obligation which would, in any way, restrict its ability to perform the Services or be inconsistent with the Services;

6.5 In performing the Services, the Consultant will not use any third party's confidential or propriety information, or infringe the rights of another party, nor will the Consultant disclose to the Authority, or bring onto the Authority's premises, or induce the Authority to use any third party's confidential or proprietary information;

6.6 The Consultant does not have the authority to act for the Authority, bind the Authority in any respect, or incur any debts or liabilities in the name of or on behalf of the Authority, except as otherwise expressly authorized in writing by the Authority;

6.7 Consultant is an independent contractor for the performance of his duties under this Contract. Accordingly, the Consultant shall be responsible for payment of all taxes including federal, state and local taxes arising out of the Consultant's activities in accordance with this Contract. Consultant is responsible for payment of the compensation, including any withholding, Social Security, or other taxes on such compensation, of any subcontractors retained by Consultant, or Consultant's employees performing Services consistent with its status as an independent contractor and in compliance with all applicable laws and regulations;

6.8 Consultant has and hereby retains full control of any supervision over the Consultant's obligations hereunder and over any persons employed or subcontracted by the Consultant for performing Services hereunder;

6.9 Consultant will in no way be considered an agent, partner, joint venturer, or employee of Authority at any time during the Term. Consultant will not undertake to commit Authority to any course of action in relation to a third party unless expressly requested and authorized to do so by the Authority in writing.

6.10 As of the Effective Date and at all times while providing Services hereunder, the Consultant shall possess and maintain in good standing any and all licenses or other authorizations and approvals necessary to perform the Services.

7. COMPENSATION: The compensation to be paid Consultant for providing the Services shall be the compensation described in Exhibit B hereto, which is incorporated herein by reference; provided, however, the total paid to Consultant for the Services shall not exceed fifty thousand Dollars ($50,000.00). Consultant will obtain the approval of Authority's Project Representative relative to incurring travel and other expenses before incurring such costs.

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insurance described in Exhibit C attached hereto and in at least the minimum amounts specified in Exhibit C to protect Consultant from claims which may arise out of or result from Consultant's Services pursuant to this Contract, whether such operations be by Consultant, by any subcontractor of Consultant, by anyone directly or indirectly employed by Consultant or Consultant's subcontractor, or by anyone for whose acts Consultant or Consultant's subcontractor may be liable. At least five (5) days prior to execution of this Contract, Consultant will provide to Authority's Risk Program Manager certificates of insurance issued by each insurance company providing any of the required insurance coverage, and the text entered in each certificate must be acceptable to Authority. The requirement to provide acceptable certificates of insurance is a material condition of this Contract, and work under this Contract will not commence until certificates of insurance have been received, reviewed, and accepted by Authority. The minimum limits of liability and coverage for the insurance required are set forth in Exhibit C attached hereto, which is incorporated herein by reference.

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Consultant's indemnity obligations under this Section 10 shall not be limited by a limitation on the amount or type of damages, compensation or benefits owed by Consultant to any employee of Consultant under workers' or workmen's compensation acts, disability benefit acts, or other employee benefit acts. The obligations of the Consultant under this Section 10 shall survive the end of the Term of the Contract.

11. LIMITATION OF LIABILITY: Except as otherwise expressly provided herein, neither Party shall be liable or responsible to the other Party for any indirect, incidental or consequential loss or damage of any nature whatsoever (including, but not limited to, contract, negligence or tort liability) of the other Party, including without limitation, any actual or anticipated profits, loss of time, inconvenience, commercial loss or any other damages, even if the Party has advance notice of the possibility of such damages.

12. DISCLOSURE OF INTERESTED PARTITES: Consultant will comply with the provisions of Section 2252.908 of the Texas Government Code and Chapter 46 of the Texas Ethics Commission Rules by preparing a Texas Form 1295, "Certificate of Interested Parties" and submitting the signed and notarized form to Authority at the time Consultant submits the signed contract to Authority. This Section 12 applies only to contracts that require an action or vote by the governing body of Authority.

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If the Parties refer to mediation any controversy or claim arising out of or relating to this Contract or the existence, validity, breach or termination thereof, whether during or after its term, they shall select a mutually acceptable mediator within forty-five (45) days thereafter. Neither Party shall unreasonably withhold consent to the selection of a mediator. The Parties shall share equally the costs of mediation. If the Parties agree, they may substitute other forms of alternative dispute resolution. Any mediation shall not extend beyond thirty (30) days after the appointment of the mediator, and should the Parties fail to resolve any dispute by mediation within such 30-day period, the Parties shall have all rights available at law or in equity.

16. ATTORNEY'S FEES, DEFAULT: In the event Consultant or Authority breach any of the terms of this Contract and the Party not in default employs attorneys to protect or enforce its rights hereunder and prevails, then the defaulting Party agrees to pay reasonable attorney's fees and costs incurred by the prevailing Party.

17. STAFFING: Consultant will designate in writing to Authority its project representative, and the manner in which it will provide staff support for the project, which must be approved by Authority. Consultant must notify Authority's Project Representative of any change in personnel assigned to perform work under this Contract, and the Authority's Project Representative has the right to reject the person or persons assigned to fill the position or positions. The Authority's Project Representative shall also have the right to require the removal of the Consultant's previously assigned personnel, including Consultant's project representative, provided sufficient cause for such removal exists. The criteria for requesting removal of an individual will be based on, but not limited to, the following: technical incompetence, inability to meet the position's qualifications, failure to perform, poor attendance, ethics violation, unsafe work habits, or damage to Authority or other property. Upon notice for removal, Consultant shall replace such personnel with personnel substantially equal in ability and qualifications for the positions and shall submit the proposed replacement personnel qualification and abilities to the Authority, in writing, for approval.

18. OWNERSHIP OF WORK PRODUCT: Studies, plans, reports, surveys, drawings, specifications, computations and other information (collectively "Work Product") and documents prepared by the Consultant, subconsultants, and/or suppliers under this Contract will remain the Authority's property upon completion. This provision does not apply to pre-existing proprietary information of Consultant, subconsultants, and/or suppliers.

19. CONFIDENTIAL INFORMATION: It is understood that information developed by or communicated to Consultant in the performance of this Contract, as well as any and all information in whatever form or medium supplied to Consultant in connection herewith which is not generally available to the public is proprietary to the Authority and constitutes confidential information of the Authority. Consultant will make no oral or written disclosure of such information to third parties either during or after the term of this Contract, except as approved in writing by the Authority's Project Representative or as otherwise required by law. In the event the Consultant becomes aware that confidential information must be disclosed under a legal requirement, Consultant will notify Authority of the requirement and the affected information.

20. FORCE MAJEURE: Neither Party shall be considered in default in the performance of its obligations hereunder to the extent that the performance of such obligation is delayed by any cause beyond the reasonable control of the affected Party. In the event of such a delay, the time for performance for the affected Party shall be extended for a period equal to the time lost during the delay, or the Contract may be terminated in accordance with terms herein should such delay be sufficient that termination is in the best interest of the Authority.

21. SEVERABILITY and WAIVER: If any part of this Contract is held to be invalid, illegal, or unenforceable in any respect, such determination shall not affect any other provision of this Contract, and this Contract shall then be construed as if the invalid, illegal, or unenforceable

provision had not been included in this Contract. Further, the failure of either Party in any one or more instances to insist upon strict performance of any of the terms and provisions of this Contract or to exercise any option herein conferred shall not be construed as a waiver or relinquishment to any extent of the right to assert or rely upon any such terms, provisions or options on any future occasion.

22. GOVERNING LAW: This Contract shall be governed by and construed in accordance with the laws of the State of Texas. The Parties agree that venue of all claims and lawsuits arising out of this Contract shall lie in Nueces County, Texas.

23. OPEN RECORDS: The Authority is a governmental body subject to the requirements of the Texas Public Information Act (Texas Government Code, chapter 552), and as such the Authority is required to disclose to the public (upon request) this Contract and certain other information and documents relating to the consummation of the transactions contemplated hereby. In this regard, the Consultant agrees that the disclosure of this Contract or any other information or materials related to the consummation of the transactions contemplated hereby to the public by the Authority as required by the Texas Public Information Act or any other applicable law will not expose the Authority (or any party acting by, through or under the Authority) to any claim, liability or action by the Consultant.

24. NO ORGANIZATIONAL CONFLICT OF INTEREST: Consultant hereby certifies that it has no actual or potential Organizational Conflict of Interest. "Organizational Conflict of Interest" means that because of other activities or relationships with other persons or entities, the Consultant is unable or potentially unable to render impartial assistance or advice to Authority or the Consultant's objectivity in performing the services under this Contract is or might otherwise be impaired. Consultant agrees to immediately notify Authority of any actual or potential Organizational Conflict of Interest that develops during the term of this Contract. Consultant agrees that Authority may terminate this Contract immediately if it becomes aware of any Organizational Conflict of Interest during the term of the Contract.

25. DEFAMATION: The Parties covenant and agree that in no event, and at no time during the Term or at any time thereafter, shall either of them disparage, denigrate, slander, libel or otherwise defame the other or the other's businesses, services, properties or assets, or employees, personnel, agents, or representatives.

26. HEADINGS: All Section headings or other titles used in this Contract are used solely for convenience and shall not affect or be used in connection with the interpretation or construction of this Contract.

27. ENTIRETY OF CONTRACT: This writing embodies the entire Contract and understanding between the Parties hereto, and there are no other contracts or understandings, oral or written, between them with reference to the subject matter hereof that are not merged herein and superseded hereby. No alteration, change, or modification of the terms of this Contract shall be valid unless made in writing and signed by both Parties hereto.

[Signature page follows this page]

IN WITNESS WHEREOF, this Contract is made effective as of the Effective Date.

PORT OF CORPUS CHRISTI AUTHORITY OF NUECES COUNTY, TEXAS

By: _____
Name: John P. LaRue
Title: Executive Director
Date: _____

"Authority"

By: _____
Name: PALLE MATHIESEN
Title: CONSULTANT
Date: 12/01/2016

"Consultant"

EXHIBIT A

SCOPE OF SERVICES

The Consultant will perform the following services in accordance with the terms and conditions set forth in this Contract:

- Assist in building relationships and maintain close contact with manufacturers of Wind Turbine components, ship owners/operators and logistics providers
- Assist in development and use of project matrix to monitor major orders for Wind Turbines components and other project cargo that could move through POCCA
- Assist in meetings with stevedores and logistics providers to help identify suitable open storage space and help optimize general cargo berth utilization
- Together with staff, attend American Wind Energy Association and BreakBulk Americas Exhibitions to meet with ship owners/operators, logistics providers and manufacturers
- Help identify new business development opportunities and promote POCCA for wind turbine components, project cargo and other heavy lift cargo
- Assist in development of a vessel flowchart to help monitor project vessel arrivals and departures on a continued basis
- Assist staff to continually communicate with stakeholders, monitor berth and storage space to accommodate the projected Wind Turbine cargo in 2017
- Assist with other assignments as necessary

The Consultant will provide monthly written reports and oral reports as requested by the Chief Commercial Officer or his duly authorized representative.

EXHIBIT B

FEE SCHEDULE

The Consultant will perform the Services described in Exhibit A in accordance with the terms and conditions of this Contract on a fixed fee or hourly fee basis; provided, however, that the total fee for services rendered under this Contract will not to exceed $50,000.00, without Authority's written approval. Services provided by Consultant will be billed as specified in Exhibit B. These fees will cover all of Consultant's overhead costs, including but not limited to, office rent, long distance telephone charges, postage, payroll and copying charges.

The Authority agrees to reimburse the Consultant for certain authorized and approved travel expenses incurred by the Consultant during the Term and directly resulting from the Consultant's performance of the Services under this Contract. Reimbursement for lodging and meals may not exceed the maximum allowable per diem rates for domestic or foreign travel as set by the U.S. Department of Defense, Defense Travel Management Office. Lodging and meal per diem rates for specific locations (foreign and domestic) may be found at: http://www.defensetravel.dod.mil/site/perdiemCalc.cfm. Authority will also reimburse the Consultant for Direct Costs incurred by the Consultant in performing the Services. The Consultant shall submit proper documentation of any such approved travel expenses and Direct Costs to Authority from time to time, and such costs and expenses shall be billed to Authority at Consultant's actual cost.

Not later than the twentieth (20th) day of each calendar month, Consultant shall submit to Authority detailed invoices for all services performed and Direct Costs incurred, if any, pursuant to this Agreement during the prior calendar month. The invoices shall describe in detail the Services performed during the prior month and shall list the days and hours worked, the hourly rates charged (if applicable), approved Direct Costs, milestone achievements, tasks performed or completed, and the Services performed during each day of the prior month. Authority shall review the invoices and notify Consultant in writing (including email) within twenty (20) days of any disputed amounts.

Should this Contract be terminated for any reason, the Consultant will be paid all fees earned up to the termination date and any approved direct expenses incurred.

Angerstein, Lynn

To: Palle Mathiesen
Subject: RE: Consulting agreement

Thanks Palle
Happy holidays to you.

Lynn

From: Palle Mathiesen [mailto:mat.mms@att.net]
Sent: Thursday, December 01, 2016 2:14 PM
To: Angerstein, Lynn <Lynn@pocca.com>
Cc: Iglesias-Turner, Maggie <MAGGIE@pocca.com>
Subject: Consulting agreement

Hi Lynn
With exhibit C – insurance – now waived, attached please find signed signatory page of the 2017 agreement.
Please ensure that agreement included in your December commissioners meeting.
Thanks
Bregards
Palle

CONSULTING SERVICES CONTRACT

THIS CONTRACT (the "Contract") is made and entered into effective as of the 1st day of January, 2017 ("Effective Date") by and between the Port of Corpus Christi Authority of Nueces County, Texas ("Authority"), and Erben & Yarbrough ("Consultant"), each a "Party" and collectively as "Parties".

NOW THEREFORE, in consideration of the promises and mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. CONTRACT: Authority hereby engages the Consultant and the Consultant hereby accepts its engagement for the purpose of providing to Authority the consulting services ("Services") as are generally described in the "Scope of Services" set forth in Exhibit A to this Contract which is incorporated herein by reference

2. PERIOD OF SERVICE: The Consultant shall complete the Services on or before December 31, 2017 (the "Deadline"), unless the Authority agrees to extend the Deadline for good reason; provided, however, that the Authority may terminate this Contract at any time in accordance with Section 14. Time is of the essence in performance of this Contract. The term of this Contract ("Term") shall begin on the Effective Date and shall end on the first to occur of the following: (1) the Deadline, as the same may have been extended by the Authority, (2) the date on which, in the opinion of Authority, all of the Services have been rendered, (3) the date on which this Contract is terminated by the Authority pursuant to Section 14, or (4) the date on which this Contract is terminated by the Consultant pursuant to Section 14.

3. COORDINATION OF SERVICES BY AUTHORITY: Authority shall designate a Project Representative who will, on behalf of Authority, coordinate with the Consultant and administer this Contract. It shall be the responsibility of the Consultant to coordinate all assignment-related activities with the Project Representative.

For the purposes of this Contract, the Project Representative shall be:

(Name) Nelda Olivo
(Address) 222 Power St. Corpus Christi, Texas 78401
(Phone No.) 361 885-6113
(Email) nelda@pocca.com

Authority may change the Project Representative at any time by giving the Consultant written notice of such change.

4. NOTICES: Notices, demands, requests or other formal communication related to the Contract shall be deemed to have been given when received, whether delivered personally or mailed. E-mail communications may be considered as formal notification provided the e-mail

message states the message is intended as a formal notice and the receiving Party acknowledges receipt of the message as a formal notification. Notices shall be addressed as follows:

If to the Authority: John P. LaRue
Executive Director
Port of Corpus Christi Authority
222 Power Street
Corpus Christi, Texas 78401
E-mail: john@pocca.com

If to the Consultant: Brian Yarbrough
807 Brazos, Suite 402
Austin, Texas 78701
E-mail: brian@erbenyarbrough.com

Either Party may change the mailing or E-mail address for notifications by providing written notice of such change to the other Party.

5. CHANGES: This Contract may be changed or modified at the request of either the Consultant or the Authority, provided both Parties agree to the requested change, and a written amendment or modification of this Contract is prepared and executed by the Parties.

6. CONSULTANT'S RESPONSIBILITIES: In addition to all other obligations contained herein, the Consultant agrees, warrants, and represents that:

6.1 The Consultant will furnish all material, equipment, labor and supplies in such quantities and of the proper quality to professionally and timely perform the Services, except as otherwise mutually agreed by the Parties;

6.2 The Consultant shall perform the Services with the professional skill and care ordinarily provided by competent consultants practicing in the same or similar locality and under the same or similar circumstances and professional license;

6.3 The Consultant will comply with the provisions of all federal, state, and local laws, regulations, ordinances, requirements and codes which are applicable to its performance of Services;

6.4 The Consultant is not and will not be bound by any agreement and has not assumed nor will assume any obligation which would, in any way, restrict its ability to perform the Services or be inconsistent with the Services;

6.5 In performing the Services, the Consultant will not use any third party's confidential or propriety information, or infringe the rights of another party, nor will the Consultant disclose to the Authority, or bring onto the Authority's premises, or induce the Authority to use any third party's confidential or proprietary information;

6.6 The Consultant does not have the authority to act for the Authority, bind the Authority in any respect, or incur any debts or liabilities in the name of or on behalf of the Authority, except as otherwise expressly authorized in writing by the Authority;

6.7 Consultant is an independent contractor for the performance of his duties under this Contract. Accordingly, the Consultant shall be responsible for payment of all taxes including federal, state and local taxes arising out of the Consultant's activities in accordance with this Contract. Consultant is responsible for payment of the compensation, including any withholding, Social Security, or other taxes on such compensation, of any subcontractors retained by Consultant, or Consultant's employees performing Services consistent with its status as an independent contractor and in compliance with all applicable laws and regulations;

6.8 Consultant has and hereby retains full control of any supervision over the Consultant's obligations hereunder and over any persons employed or subcontracted by the Consultant for performing Services hereunder;

6.9 Consultant will in no way be considered an agent, partner, joint venturer, or employee of Authority at any time during the Term. Consultant will not undertake to commit Authority to any course of action in relation to a third party unless expressly requested and authorized to do so by the Authority in writing.

6.10 As of the Effective Date and at all times while providing Services hereunder, the Consultant shall possess and maintain in good standing any and all licenses or other authorizations and approvals necessary to perform the Services.

7. COMPENSATION: The compensation to be paid Consultant for providing the Services shall be the compensation described in Exhibit B hereto, which is incorporated herein by reference; provided, however, the total paid to Consultant for the Services shall not exceed ninety thousand Dollars ($90,000.00). Consultant will obtain the approval of Authority's Project Representative relative to incurring travel and other expenses before incurring such costs.

8. INVOICE PROCEDURE AND PAYMENT: Consultant shall submit invoices monthly to the Authority for work performed during the preceding calendar month. Such invoices shall be due and payable by Authority on or before thirty (30) days from receipt by Authority. Monthly compensation will be for the Services actually performed during the billing period, invoiced in accordance with the Fee Schedule included in Exhibit B. Invoices shall also describe any work performed by subcontractors retained by Consultant and reimbursable costs. Consultant will provide sufficient detail with each invoice to substantiate the requested amount of monthly payment. At the Authority's request, Consultant will provide additional backup such as signed time sheets, invoices for materials and subcontracted service or other documentation sufficient to establish the accuracy of the invoices. Invoices are to be submitted in a format previously approved by Authority.

9. INSURANCE: Consultant shall procure and maintain at its sole expense, for as long as Consultant is obligated to provide Services under this Contract, the policies of

insurance described in Exhibit C attached hereto and in at least the minimum amounts specified in Exhibit C to protect Consultant from claims which may arise out of or result from Consultant's Services pursuant to this Contract, whether such operations be by Consultant, by any subcontractor of Consultant, by anyone directly or indirectly employed by Consultant or Consultant's subcontractor, or by anyone for whose acts Consultant or Consultant's subcontractor may be liable. At least five (5) days prior to execution of this Contract, Consultant will provide to Authority's Risk Program Manager certificates of insurance issued by each insurance company providing any of the required insurance coverage, and the text entered in each certificate must be acceptable to Authority. The requirement to provide acceptable certificates of insurance is a material condition of this Contract, and work under this Contract will not commence until certificates of insurance have been received, reviewed, and accepted by Authority. The minimum limits of liability and coverage for the insurance required are set forth in Exhibit C attached hereto, which is incorporated herein by reference.

10. INDEMNIFICATION AND RELEASE. Consultant hereby releases and discharges Authority and its agents, servants, representatives, employees, officers, directors, and Port Commissioners (collectively, the "Authority Parties") from liability for and assumes the risk of loss or damage to the property of Consultant and the injury or death of any person employed by Consultant. Consultant shall defend, indemnify and hold harmless the Authority Parties from and against all damages, losses, costs and expenses, of any nature whatsoever, whether incurred as a judgment, settlement, penalty, fine or otherwise (including reasonable attorneys' fees and the cost of defense), in connection with any action, proceeding, demand or claim but only to the extent caused by the negligent acts, errors, or omissions of the Consultant, its employees, agents, or subconsultants, or others for whom the Consultant is legally liable, in the performance of Services under this Contract. The Consultant is not obligated under this paragraph to indemnify the Authority Parties for the negligent acts of the Authority Parties.

Consultant's indemnity obligations under this Section 10 shall not be limited by a limitation on the amount or type of damages, compensation or benefits owed by Consultant to any employee of Consultant under workers' or workmen's compensation acts, disability benefit acts, or other employee benefit acts. The obligations of the Consultant under this Section 10 shall survive the end of the Term of the Contract.

11. LIMITATION OF LIABILITY: Except as otherwise expressly provided herein, neither Party shall be liable or responsible to the other Party for any indirect, incidental or consequential loss or damage of any nature whatsoever (including, but not limited to, contract, negligence or tort liability) of the other Party, including without limitation, any actual or anticipated profits, loss of time, inconvenience, commercial loss or any other damages, even if the Party has advance notice of the possibility of such damages.

12. DISCLOSURE OF INTERESTED PARTITES: Consultant will comply with the provisions of Section 2252.908 of the Texas Government Code and Chapter 46 of the Texas Ethics Commission Rules by preparing a Texas Form 1295, "Certificate of Interested Parties" and submitting the signed and notarized form to Authority at the time Consultant submits the signed contract to Authority. This Section 12 applies only to contracts that require an action or vote by the governing body of Authority.

13. ASSIGNMENT: Neither Authority nor Consultant will assign or transfer its interest in this Contract without the written consent of the other.

14. SUSPENSION OR TERMINATION: Authority may suspend or terminate this Contract for convenience with seven (7) days prior written notice to Consultant of such action. Upon termination of this Contract in accordance with this paragraph, Authority will have no further obligation to the Consultant hereunder except to pay the Consultant unpaid fees and expenses which the Consultant can reasonably show to have been earned under this Contract. **Under no circumstances may Consultant claim or recover consequential damages from Authority.**

In the event of suspension of Services, the Consultant shall resume the full performance of the Services when directed in writing to do so by Authority. Suspension of the Services for reasons other than the Consultant's negligence or failure to perform shall not affect the Consultant's compensation as provided for in this Contract. The schedule for performance of the Services shall be amended by a mutually agreed, written modification to this Contract to reflect the suspension.

Either Party may terminate this Contract by giving written notice to the other Party if the other Party ("Defaulting Party"): (a) materially breaches any term, condition or provision of this Contract and fails to cure the breach to the satisfaction of the notifying Party within ten (10) days after the Defaulting Party receives a written notice of the breach from the notifying Party, or (b) becomes the subject of any proceedings under state or federal law for the relief of debtors or otherwise becomes insolvent, or bankrupt, or makes any assignments for the benefit of one or more creditors.

15. DISPUTES: Each Party agrees that any dispute between the Parties relating to this Contract will first be submitted in writing to a panel of two senior executives of the Authority and Consultant, who shall promptly meet and confer in an effort to resolve such dispute through good faith consultation and negotiation. Each Party's executive shall be identified by notice to the other Party, and may be changed at any time thereafter also by notice to the other. Any decisions of the executives will be final and binding on the Parties. In the event the executives are unable to resolve any dispute within thirty (30) days after submission to them, either Party may then refer such dispute to mediation.

If the Parties refer to mediation any controversy or claim arising out of or relating to this Contract or the existence, validity, breach or termination thereof, whether during or after its term, they shall select a mutually acceptable mediator within forty-five (45) days thereafter. Neither Party shall unreasonably withhold consent to the selection of a mediator. The Parties shall share equally the costs of mediation. If the Parties agree, they may substitute other forms of alternative dispute resolution. Any mediation shall not extend beyond thirty (30) days after the appointment of the mediator, and should the Parties fail to resolve any dispute by mediation within such 30-day period, the Parties shall have all rights available at law or in equity.

16. ATTORNEY'S FEES, DEFAULT: In the event Consultant or Authority breach any of the terms of this Contract and the Party not in default employs attorneys to protect or enforce its rights hereunder and prevails, then the defaulting Party agrees to pay reasonable attorney's fees and costs incurred by the prevailing Party.

17. STAFFING: Consultant will designate in writing to Authority its project representative, and the manner in which it will provide staff support for the project, which must be approved by Authority. Consultant must notify Authority's Project Representative of any change in personnel assigned to perform work under this Contract, and the Authority's Project Representative has the right to reject the person or persons assigned to fill the position or positions. The Authority's Project Representative shall also have the right to require the removal of the Consultant's previously assigned personnel, including Consultant's project representative, provided sufficient cause for such removal exists. The criteria for requesting removal of an individual will be based on, but not limited to, the following: technical incompetence, inability to meet the position's qualifications, failure to perform, poor attendance, ethics violation, unsafe work habits, or damage to Authority or other property. Upon notice for removal, Consultant shall replace such personnel with personnel substantially equal in ability and qualifications for the positions and shall submit the proposed replacement personnel qualification and abilities to the Authority, in writing, for approval.

18. OWNERSHIP OF WORK PRODUCT: Studies, plans, reports, surveys, drawings, specifications, computations and other information (collectively "Work Product") and documents prepared by the Consultant, subconsultants, and/or suppliers under this Contract will remain the Authority's property upon completion. This provision does not apply to pre-existing proprietary information of Consultant, subconsultants, and/or suppliers.

19. CONFIDENTIAL INFORMATION: It is understood that information developed by or communicated to Consultant in the performance of this Contract, as well as any and all information in whatever form or medium supplied to Consultant in connection herewith which is not generally available to the public is proprietary to the Authority and constitutes confidential information of the Authority. Consultant will make no oral or written disclosure of such information to third parties either during or after the term of this Contract, except as approved in writing by the Authority's Project Representative or as otherwise required by law. In the event the Consultant becomes aware that confidential information must be disclosed under a legal requirement, Consultant will notify Authority of the requirement and the affected information.

20. FORCE MAJEURE: Neither Party shall be considered in default in the performance of its obligations hereunder to the extent that the performance of such obligation is delayed by any cause beyond the reasonable control of the affected Party. In the event of such a delay, the time for performance for the affected Party shall be extended for a period equal to the time lost during the delay, or the Contract may be terminated in accordance with terms herein should such delay be sufficient that termination is in the best interest of the Authority.

21. SEVERABILITY and WAIVER: If any part of this Contract is held to be invalid, illegal, or unenforceable in any respect, such determination shall not affect any other provision of this Contract, and this Contract shall then be construed as if the invalid, illegal, or unenforceable

provision had not been included in this Contract. Further, the failure of either Party in any one or more instances to insist upon strict performance of any of the terms and provisions of this Contract or to exercise any option herein conferred shall not be construed as a waiver or relinquishment to any extent of the right to assert or rely upon any such terms, provisions or options on any future occasion.

22. GOVERNING LAW: This Contract shall be governed by and construed in accordance with the laws of the State of Texas. The Parties agree that venue of all claims and lawsuits arising out of this Contract shall lie in Nueces County, Texas.

23. OPEN RECORDS: The Authority is a governmental body subject to the requirements of the Texas Public Information Act (Texas Government Code, chapter 552), and as such the Authority is required to disclose to the public (upon request) this Contract and certain other information and documents relating to the consummation of the transactions contemplated hereby. In this regard, the Consultant agrees that the disclosure of this Contract or any other information or materials related to the consummation of the transactions contemplated hereby to the public by the Authority as required by the Texas Public Information Act or any other applicable law will not expose the Authority (or any party acting by, through or under the Authority) to any claim, liability or action by the Consultant.

24. NO ORGANIZATIONAL CONFLICT OF INTEREST: Consultant hereby certifies that it has no actual or potential Organizational Conflict of Interest. "Organizational Conflict of Interest" means that because of other activities or relationships with other persons or entities, the Consultant is unable or potentially unable to render impartial assistance or advice to Authority or the Consultant's objectivity in performing the services under this Contract is or might otherwise be impaired. Consultant agrees to immediately notify Authority of any actual or potential Organizational Conflict of Interest that develops during the term of this Contract. Consultant agrees that Authority may terminate this Contract immediately if it becomes aware of any Organizational Conflict of Interest during the term of the Contract.

25. DEFAMATION: The Parties covenant and agree that in no event, and at no time during the Term or at any time thereafter, shall either of them disparage, denigrate, slander, libel or otherwise defame the other or the other's businesses, services, properties or assets, or employees, personnel, agents, or representatives.

26. HEADINGS: All Section headings or other titles used in this Contract are used solely for convenience and shall not affect or be used in connection with the interpretation or construction of this Contract.

27. ENTIRETY OF CONTRACT: This writing embodies the entire Contract and understanding between the Parties hereto, and there are no other contracts or understandings, oral or written, between them with reference to the subject matter hereof that are not merged herein and superseded hereby. No alteration, change, or modification of the terms of this Contract shall be valid unless made in writing and signed by both Parties hereto.

[Signature page follows this page]

IN WITNESS WHEREOF, this Contract is made effective as of the Effective Date.

PORT OF CORPUS CHRISTI AUTHORITY OF NUECES COUNTY, TEXAS

By: _____
Name: John P. LaRue
Title: Executive Director
Date: _____

"Authority"

By: Brian Yarbrough
Name: Brian Yarbrough
Title: Owner, Erben + Yarbrough
Date: 12/7/2016

"Consultant"

EXHIBIT A

SCOPE OF SERVICES

The Consultant will perform the following services in accordance with the terms and conditions set forth in this Contract:

- Consult with PCCA representatives, members of the Texas Legislature, state agencies, state officials and others who are involved with issues which may affect the PCCA at the state level.

- Monitor state environmental, security, transportation, economic development or administrative issues.

- Provide lobbying services with respect to state issues related to the PCCA.

The Consultant will make oral and written reports as requested by the Executive Director or his duly authorized representative.

EXHIBIT B

FEE SCHEDULE

The Consultant will perform the Services described in Exhibit A in accordance with the terms and conditions of this Contract on a fixed fee or hourly fee basis; provided, however, that the total fee for services rendered under this Contract will not to exceed $90,000.00, without Authority's written approval. Services provided by Consultant will be billed as specified in Exhibit B. These fees will cover all of Consultant's overhead costs, including but not limited to, office rent, long distance telephone charges, postage, payroll and copying charges.

The Authority agrees to reimburse the Consultant for certain authorized and approved travel expenses incurred by the Consultant during the Term and directly resulting from the Consultant's performance of the Services under this Contract. Reimbursement for lodging and meals may not exceed the maximum allowable per diem rates for domestic or foreign travel as set by the U.S. Department of Defense, Defense Travel Management Office. Lodging and meal per diem rates for specific locations (foreign and domestic) may be found at: http://www.defensetravel.dod.mil/site/perdiemCalc.cfm. Authority will also reimburse the Consultant for Direct Costs incurred by the Consultant in performing the Services. The Consultant shall submit proper documentation of any such approved travel expenses and Direct Costs to Authority from time to time, and such costs and expenses shall be billed to Authority at Consultant's actual cost.

Not later than the twentieth (20th) day of each calendar month, Consultant shall submit to Authority detailed invoices for all services performed and Direct Costs incurred, if any, pursuant to this Agreement during the prior calendar month. The invoices shall describe in detail the Services performed during the prior month and shall list the days and hours worked, the hourly rates charged (if applicable), approved Direct Costs, milestone achievements, tasks performed or completed, and the Services performed during each day of the prior month. Authority shall review the invoices and notify Consultant in writing (including email) within twenty (20) days of any disputed amounts.

Should this Contract be terminated for any reason, the Consultant will be paid all fees earned up to the termination date and any approved direct expenses incurred.

EXHIBIT C

INSURANCE

Without limiting the indemnity obligations or liabilities of Consultant or its insurers, provided herein, Consultant agrees to carry and maintain at its sole expense policies of insurance ("the Policies") of the types and in the minimum amounts as follows:

	TYPE OF INSURANCE	LIMITS OF LIABILITY
A.	Commercial General Liability	$1,000,000 per Occurrence
		$2,000,000 Aggregate
B.	Automobile Liability	$25,000 each person injured in an accident
		$50,000 entire accident
		$25,000 property damage

Each policy, must contain an endorsement to the effect that the issuer waives any claim or right of subrogation to recover against the Authority, its Port Commissioners, officers and employees ("Authority Parties"). Additionally, the Authority Parties shall be designated as an Additional Insured either by a blanket additional insured or a specific endorsement on all policies.

Each policy must contain an endorsement that the policy is primary to any other insurance available to the Additional Insureds with respect to claims arising under this Contract.

The insurance required as listed above, shall apply to any contractor or subcontractor performing for or on behalf of Consultant, and Consultant shall ensure that any such subcontractor is aware of and is in compliance with the insurance requirements during any period such contractor is performing work under this Contract.

The minimum insurance required may be increased periodically upon request by Authority to commercially reasonable limits. The company writing each of the Policies must possess a current rating with A.M. Best Company of at least "A-, VII".

Consultant's liability shall not be limited to the specified amounts of insurance required herein.

AS-NEEDED MARINE SERVICES CONTRACT

This AS-NEEDED MARINE SERVICES CONTRACT (the "Agreement") is made and entered into effective as of January 1, 2017 ("Effective Date"), by and between JOE HARRINGTON ("Contractor") and the PORT OF CORPUS CHRISTI AUTHORITY OF NUECES COUNTY, TEXAS ("PCCA"), each a "Party" and, collectively, the "Parties."

WHEREAS, Contractor has agreed to provide PCCA with the services stated in Exhibit A attached hereto ("Services") on an as-needed basis, which is incorporated into this Agreement for all purposes; and

WHEREAS, PCCA wishes to engage the Contractor to provide the Services on the terms and conditions stated in this Agreement;

NOW THEREFORE, in consideration of the promises and mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

Section 1. *Contractor's Services.* The PCCA hereby engages the Contractor to perform the Services in accordance with the terms and conditions set forth in this Agreement, and Contractor hereby agrees to provide the Services during the Term (as defined in Section 3) of this Agreement. The Parties may mutually agree to refine the scope of the Services during the Term as circumstances may warrant.

Section 2. *Key Staff.* The Services will be performed by Joe Harrington.

Section 3. *Term.* This Agreement will commence on the Effective Date and expire on December 31, 2017. Notwithstanding anything to the contrary contained in the preceding sentence, either Party may terminate this Agreement for any reason on thirty (30) days' advance written notice sent to the other Party at the address set forth in Section 12, or personally delivered to the other Party.

Section 4. *Effect of Termination.* Upon the termination of this Agreement, PCCA shall have no further obligation to Contractor hereunder except to pay Contractor all unpaid fees which Contractor has earned under this Agreement.

Section 5. *Contractor's Responsibilities.* In addition to all other obligations contained herein, the Contractor agrees, warrants, and represents that:

5.1 The Contractor will furnish all material, equipment, labor and supplies in such quantities and of the proper quality to professionally and timely perform the Services, except as otherwise mutually agreed by the Parties;

5.2 The Contractor will proceed with due diligence and promptness in providing the Services;

5.3 Services shall be performed in accordance with the highest ethics, professional workmanship, and service standards in the field;

5.4 The Contractor will comply with the provisions of all federal, state, and local laws, regulations, ordinances, requirements and codes which are applicable to its performance of Services;

5.5 Neither the Contractor's performance of the Services nor its compliance with any term of this Agreement shall constitute a breach under any agreement that the Contractor has or had with

any other party including, without limitation, any non-compete, confidentiality, or non-disclosure agreement regarding third-party proprietary information;

5.6 The Contractor is not and will not be bound by any agreement and has not assumed nor will assume any obligation which would, in any way, restrict its ability to perform the Services or be inconsistent with the Services;

5.7 In performing the Services, the Contractor will not use any third party confidential or propriety information, or infringe the rights of another party, nor will the Contractor disclose to the PCCA, or bring onto the PCCA's premises, or induce the PCCA to use any third party confidential or proprietary information;

5.8 The Contractor does not have the authority to act for the PCCA, bind the PCCA in any respect, or incur any debts or liabilities in the name of or on behalf of the PCCA, except as otherwise expressly authorized in writing by the PCCA;

5.9 The Contractor has and hereby retains full control of any supervision over the Contractor's obligations hereunder;

5.10 The Contractor shall satisfy all tax and other governmentally-imposed responsibilities as an independent contractor under this Agreement including, but not limited to, payment of state, federal and social security taxes, unemployment taxes, and workers' compensation; and

5.11 As of the Effective Date and at all times during the Term, the Contractor shall possess and maintain in good standing any and all licenses and/or other authorizations and approvals necessary to perform the Services.

Section 6. *Contract Fees.* In consideration of the Contractor's performance of the Services in accordance with this Agreement during the Term, PCCA shall pay to the Contractor the compensation set forth in Exhibit B attached hereto ("Contract Fees") as provided in Exhibit B, which is incorporated into this Agreement for all purposes.

Section 7. *Independent Contractor Status.*

7.1 The Parties agree that the Contractor will act as an independent contractor in the performance of any and all Services under this Agreement, and will in no way be considered an agent, partner, joint venturer, or employee of the PCCA at any time during the Term. The Contractor will only consult and render advice to the PCCA and will not undertake to commit the PCCA to any course of action in relation to a third party unless expressly requested and authorized to do so by the PCCA.

7.2 The Contractor shall not be entitled to any rights or benefits of an employee of the PCCA at any time during the Term. Furthermore, the Contractor will not be eligible to participate in any profit sharing plan or other employee benefit plan maintained by the PCCA for the benefit of its employees. The PCCA shall have no responsibility for withholding any federal income taxes or paying payroll taxes on any amounts paid to the Contractor. The Contractor agrees to pay all income and employment taxes on the Contract fee or other amounts paid to the Contractor hereunder, consistent with its status as an independent contractor, in compliance with all applicable laws and regulations.

Section 8. *Insurance.* At all times during the Term, the Contractor shall carry standard health insurance and automobile liability coverage in commercially reasonable and appropriate amounts, as approved by the PCCA in its sole discretion. Certificates of Insurance depicting such required coverage shall be provided by the Contractor to the Risk Program Manager for review and approval. Additionally, Certificates of Insurance shall be provided to the Risk Program Manager at least thirty (30) days prior to the expiration date of each of the policies and copies of new policies at least thirty (30) days prior to terminating any of the policies.

Section 9. *Indemnity.* PCCA shall protect, defend, and indemnify Contractor from any and all third-party claims, demands, losses and causes of action of every kind and character ("Claims"), which may be asserted against Contractor, arising directly or indirectly from or in any way related to the to the performance or attempted performance of the Services provided for herein, or which may be hereafter requested, and regardless of whether any such Claims arise, in whole or in part, from the negligence of Contractor. This indemnification obligation includes all Claims, including, without limitation, claims (a) by reason of personal injury, death, property damage or destruction, both real and personal, (b) relating to any and all interests in property, and (c) includes litigation costs, investigation expenses and attorney's fees. PCCA shall obtain an Endorsement EL217 – Indemnification Under Contract – to cover any liability assumed by PCCA pursuant to this Section 9.

Section 10. *PCCA Representative.* Except as otherwise provided by PCCA, the PCCA's Representative during the Term shall be PCCA's Director of Port Security and/or his designee. When the Contractor requires approval, authorization, and/or other communication from or with the PCCA, such communication shall be directed to the PCCA's Representative. The PCCA's Representative shall be reasonably available to the Contractor for consultation and/or direction.

Section 11. *Confidential Information.* It is understood that information developed by or communicated to Contractor in the performance of this Agreement, as well as any and all information in whatever form or medium supplied to Contractor in connection herewith which is not generally available to the public is proprietary to the PCCA and constitutes confidential information of the PCCA. Contractor agrees that, without prior written approval of the PCCA's Representative, Contractor will make no oral or written disclosure of such information to third parties either during or after the term of this Agreement, except for the purpose of performing Contractor's obligations under this Agreement.

Section 12. *Notices.* All notices, demands, reports, requests or other communication required or permitted to be given hereunder shall be deemed to have been given when received, whether delivered personally or mailed. Any notice that is mailed should be addressed as follows:

If to the PCCA:
222 Power Street
Corpus Christi, Texas 78401
ATTN: Executive Director

If to Contractor:
802 N. Live Oak Street
Rockport, TX 78382
ATTN: Captain Joe Harrington

Either Party may change its mailing address for purposes of this Agreement by giving written notice thereof to the other Party.

Section 13. *Assignment.* This Agreement may not be assigned by the Contractor without the prior written consent of the PCCA.

Section 14. *Binding.* This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns.

Section 15. *Governing Law.* **THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, EXCLUDING ANY CONFLICT-OF-LAWS RULE OR PRINCIPLE THAT MIGHT REFER THE GOVERNANCE OR CONSTRUCTION OF THIS AGREEMENT TO THE LAW OF ANOTHER JURISDICTION. THE PARTIES HERETO EXPRESSLY AGREE THAT THIS AGREEMENT IS EXECUTED AND SHALL BE PERFORMED IN NUECES COUNTY, TEXAS, AND VENUE OF ALL DISPUTES, CLAIMS AND LAWSUITS ARISING HEREUNDER SHALL LIE IN NUECES COUNTY, TEXAS.**

Section 16. *Severability.* If any part of this Agreement is held to be invalid, illegal, or unenforceable in any respect, such determination shall not affect any other provision of this Agreement, and this Agreement shall then be construed as if the invalid, illegal, or unenforceable provision had not been included in this Agreement.

Section 17. *Open Records.* The PCCA is a governmental body subject to the requirements of the Texas Public Information Act (Texas Government Code, chapter 552), and as such the PCCA is required to disclose to the public (upon request) this Agreement and certain other information and documents relating to the consummation of the transactions contemplated hereby. In this regard, the Contractor agrees that the disclosure of this Agreement or any other information or materials related to the consummation of the transactions contemplated hereby to the public by the PCCA as required by the Texas Public Information Act or any other applicable law will not expose the PCCA (or any party acting by, through or under the PCCA) to any claim, liability or action by the Contractor.

Section 18. *Entire Agreement.* This Agreement constitutes the entire agreement between the Parties with respect to these particular Services. There are no written or oral representations or understandings between the Parties with respect to the Services that are not fully expressed in this Agreement. This Agreement may be amended or modified from time to time only by a written instrument executed by the Parties.

Section 19. *Waiver.* The failure of either Party in any one or more instances to insist upon strict performance of any of the terms and provisions of this Agreement or to exercise any option herein conferred shall not be construed as a waiver or relinquishment to any extent of the right to assert or rely upon any such terms, provisions or options on any future occasion.

Section 20. *Force Majeure.* In the event either Party shall be delayed or hindered in or prevented from the performance of any act required hereunder by reasons of strike, lockouts, labor troubles, restrictive government or judicial orders or decrees, riots, insurrection, war, Acts of God, inclement weather or other similar reason or a cause beyond such Party's control, then performance of such act shall be excused for the period of such delay. Any timelines affected by such force majeure shall be extended for a period equal to that of the delay. Notice of the start and stop of any such force majeure shall be provided to the other Party.

Section 21. *Headings.* All Section headings or other titles used in this Agreement are used solely for convenience and shall not affect or be used in connection with the interpretation or construction of this Agreement.

Section 22. *Defamation.* The Parties covenant and agree that in no event, and at no time during the Term or at any time thereafter, shall either of them disparage, denigrate, slander, libel or otherwise defame the other or the other's businesses, services, properties or assets, or employees, personnel, agents, or representatives.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by them or their duly authorized representatives effective as of the Effective Date.

PCCA:

PORT OF CORPUS CHRISTI AUTHORITY OF NUECES COUNTY, TEXAS

By:_____
John P. LaRue
Executive Director

CONTRACTOR:

JOE HARRINGTON

By: _____
Joe Harrington

EXHIBIT A

SERVICES

The Contractor will perform the following services in accordance with the terms and conditions set forth in this Agreement.

- Attend the fireboat *Port of Corpus Christi* whenever requested by PCCA.
- Assist whenever the fireboat is underway, under tow, or moored at a dock.
- Possess a valid U.S. Coast Guard issued Merchant Marine Officer's license.
- Coordinate with tug companies while underway using tug propulsion during all training or emergency evolutions.
- Assist as necessary to call out tugs whenever they are needed.
- Provide professional guidance and training to all RFTC personnel as necessary for the safe operation of the fireboat.
- Coordinate with municipal firefighters as necessary during any emergency evolutions.
- Coordinate as necessary with fireboat and/or shipyard personnel to ensure proper fireboat maintenance.
- Advise the Director of Port Security pertaining to any maintenance issues that may affect the safety of the fireboat and the crew.
- Maintain all necessary logs and records required by your duties.
- Advise the Director of Port Security and Harbormaster of any periods during which Contractor will not be available for recall.

The Contractor will make oral and written reports as requested by the Executive Director, Deputy Executive Director/Chief Operating Officer or their duly authorized representative.

The services described in this Exhibit A will be provided by the Contractor on an as-needed basis as requested by the PCCA. All Services will be provided by the Contractor in person at such times and locations as designated by the PCCA (or by telephone or electronic means as otherwise agreed by the PCCA). The Contractor will make every effort to be available to consult with the PCCA at such times and places as the PCCA may reasonably request from time to time.

PCCA POINT OF CONTACT: Tom Mylett, Director of Port Security

EXHIBIT B

CONTRACT FEES

The Contractor will perform the services described in Exhibit A in accordance with the terms and conditions of this Agreement for a monthly fee of $3,333.33. This fee will cover all costs for overhead, including but not limited to, office rent, long distance telephone charges, postage, payroll and copying charges. Any direct or out-of-pocket expenses (including travel, hotel, meals, *etc.*) or services not within the scope of services described in Exhibit A must be approved in writing by the PCCA prior to incurrence of the expense.

In order to receive payment, the Contractor must submit an invoice for all fees earned during the installment period (monthly, quarterly, etc.) This invoice should also include any approved direct expenses, properly itemized along with original receipts. The PCCA will pay all invoices within 30 days of receipt of the invoice.

Should this Agreement be terminated for any reason, the Contractor will be paid all fees earned up to the termination date and any approved direct expenses incurred.

CONSULTING SERVICES CONTRACT

THIS CONTRACT (the "Contract") is made and entered into effective as of the 1st day of January, 2017 ("Effective Date") by and between the Port of Corpus Christi Authority of Nueces County, Texas ("Authority"), and Morehead, Dotts, Rybak ("Consultant"), each a "Party" and collectively as "Parties".

NOW THEREFORE, in consideration of the promises and mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. CONTRACT: Authority hereby engages the Consultant and the Consultant hereby accepts its engagement for the purpose of providing to Authority the consulting services ("Services") as are generally described in the "Scope of Services" set forth in Exhibit A to this Contract which is incorporated herein by reference

2. PERIOD OF SERVICE: The Consultant shall complete the Services on or before December 31, 2017 (the "Deadline"), unless the Authority agrees to extend the Deadline for good reason; provided, however, that the Authority may terminate this Contract at any time in accordance with Section 14. Time is of the essence in performance of this Contract. The term of this Contract ("Term") shall begin on the Effective Date and shall end on the first to occur of the following: (1) the Deadline, as the same may have been extended by the Authority, (2) the date on which, in the opinion of Authority, all of the Services have been rendered, (3) the date on which this Contract is terminated by the Authority pursuant to Section 14, or (4) the date on which this Contract is terminated by the Consultant pursuant to Section 14.

3. COORDINATION OF SERVICES BY AUTHORITY: Authority shall designate a Project Representative who will, on behalf of Authority, coordinate with the Consultant and administer this Contract. It shall be the responsibility of the Consultant to coordinate all assignment-related activities with the Project Representative.

For the purposes of this Contract, the Project Representative shall be:

(Name) Patricia Cardenas
(Address) 222 Power St. Corpus Christi, Texas 78401
(Phone No.) 361 885-6124
(Email) patricia@pocca.com

Authority may change the Project Representative at any time by giving the Consultant written notice of such change.

4. NOTICES: Notices, demands, requests or other formal communication related to the Contract shall be deemed to have been given when received, whether delivered personally or mailed. E-mail communications may be considered as formal notification provided the e-mail

message states the message is intended as a formal notice and the receiving Party acknowledges receipt of the message as a formal notification. Notices shall be addressed as follows:

If to the Authority: John P. LaRue
Executive Director
Port of Corpus Christi Authority
222 Power Street
Corpus Christi, Texas 78401
E-mail: john@pocca.com

If to the Consultant: Stephen Rybak
2767 Santa Fe
Corpus Christi, Texas 78404
E-mail: stephen@mdradvertising.com

Either Party may change the mailing or E-mail address for notifications by providing written notice of such change to the other Party.

5. CHANGES: This Contract may be changed or modified at the request of either the Consultant or the Authority, provided both Parties agree to the requested change, and a written amendment or modification of this Contract is prepared and executed by the Parties.

6. CONSULTANT'S RESPONSIBILITIES: In addition to all other obligations contained herein, the Consultant agrees, warrants, and represents that:

6.1 The Consultant will furnish all material, equipment, labor and supplies in such quantities and of the proper quality to professionally and timely perform the Services, except as otherwise mutually agreed by the Parties;

6.2 The Consultant shall perform the Services with the professional skill and care ordinarily provided by competent consultants practicing in the same or similar locality and under the same or similar circumstances and professional license;

6.3 The Consultant will comply with the provisions of all federal, state, and local laws, regulations, ordinances, requirements and codes which are applicable to its performance of Services;

6.4 The Consultant is not and will not be bound by any agreement and has not assumed nor will assume any obligation which would, in any way, restrict its ability to perform the Services or be inconsistent with the Services;

6.5 In performing the Services, the Consultant will not use any third party's confidential or propriety information, or infringe the rights of another party, nor will the Consultant disclose to the Authority, or bring onto the Authority's premises, or induce the Authority to use any third party's confidential or proprietary information;

6.6 The Consultant does not have the authority to act for the Authority, bind the Authority in any respect, or incur any debts or liabilities in the name of or on behalf of the Authority, except as otherwise expressly authorized in writing by the Authority;

6.7 Consultant is an independent contractor for the performance of his duties under this Contract. Accordingly, the Consultant shall be responsible for payment of all taxes including federal, state and local taxes arising out of the Consultant's activities in accordance with this Contract. Consultant is responsible for payment of the compensation, including any withholding, Social Security, or other taxes on such compensation, of any subcontractors retained by Consultant, or Consultant's employees performing Services consistent with its status as an independent contractor and in compliance with all applicable laws and regulations;

6.8 Consultant has and hereby retains full control of any supervision over the Consultant's obligations hereunder and over any persons employed or subcontracted by the Consultant for performing Services hereunder;

6.9 Consultant will in no way be considered an agent, partner, joint venturer, or employee of Authority at any time during the Term. Consultant will not undertake to commit Authority to any course of action in relation to a third party unless expressly requested and authorized to do so by the Authority in writing.

6.10 As of the Effective Date and at all times while providing Services hereunder, the Consultant shall possess and maintain in good standing any and all licenses or other authorizations and approvals necessary to perform the Services.

7. COMPENSATION: The compensation to be paid Consultant for providing the Services shall be the compensation described in Exhibit B hereto, which is incorporated herein by reference; provided, however, the total paid to Consultant for the Services shall not exceed one hundred two thousand Dollars ($102,000.00). Consultant will obtain the approval of Authority's Project Representative relative to incurring travel and other expenses before incurring such costs.

8. INVOICE PROCEDURE AND PAYMENT: Consultant shall submit invoices monthly to the Authority for work performed during the preceding calendar month. Such invoices shall be due and payable by Authority on or before thirty (30) days from receipt by Authority. Monthly compensation will be for the Services actually performed during the billing period, invoiced in accordance with the Fee Schedule included in Exhibit B. Invoices shall also describe any work performed by subcontractors retained by Consultant and reimbursable costs. Consultant will provide sufficient detail with each invoice to substantiate the requested amount of monthly payment. At the Authority's request, Consultant will provide additional backup such as signed time sheets, invoices for materials and subcontracted service or other documentation sufficient to establish the accuracy of the invoices. Invoices are to be submitted in a format previously approved by Authority.

9. INSURANCE: Consultant shall procure and maintain at its sole expense, for as long as Consultant is obligated to provide Services under this Contract, the policies of

insurance described in Exhibit C attached hereto and in at least the minimum amounts specified in Exhibit C to protect Consultant from claims which may arise out of or result from Consultant's Services pursuant to this Contract, whether such operations be by Consultant, by any subcontractor of Consultant, by anyone directly or indirectly employed by Consultant or Consultant's subcontractor, or by anyone for whose acts Consultant or Consultant's subcontractor may be liable. At least five (5) days prior to execution of this Contract, Consultant will provide to Authority's Risk Program Manager certificates of insurance issued by each insurance company providing any of the required insurance coverage, and the text entered in each certificate must be acceptable to Authority. The requirement to provide acceptable certificates of insurance is a material condition of this Contract, and work under this Contract will not commence until certificates of insurance have been received, reviewed, and accepted by Authority. The minimum limits of liability and coverage for the insurance required are set forth in Exhibit C attached hereto, which is incorporated herein by reference.

10. INDEMNIFICATION AND RELEASE. Consultant hereby releases and discharges Authority and its agents, servants, representatives, employees, officers, directors, and Port Commissioners (collectively, the "Authority Parties") from liability for and assumes the risk of loss or damage to the property of Consultant and the injury or death of any person employed by Consultant. Consultant shall defend, indemnify and hold harmless the Authority Parties from and against all damages, losses, costs and expenses, of any nature whatsoever, whether incurred as a judgment, settlement, penalty, fine or otherwise (including reasonable attorneys' fees and the cost of defense), in connection with any action, proceeding, demand or claim but only to the extent caused by the negligent acts, errors, or omissions of the Consultant, its employees, agents, or subconsultants, or others for whom the Consultant is legally liable, in the performance of Services under this Contract. The Consultant is not obligated under this paragraph to indemnify the Authority Parties for the negligent acts of the Authority Parties.

Consultant's indemnity obligations under this Section 10 shall not be limited by a limitation on the amount or type of damages, compensation or benefits owed by Consultant to any employee of Consultant under workers' or workmen's compensation acts, disability benefit acts, or other employee benefit acts. The obligations of the Consultant under this Section 10 shall survive the end of the Term of the Contract.

11. LIMITATION OF LIABILITY: Except as otherwise expressly provided herein, neither Party shall be liable or responsible to the other Party for any indirect, incidental or consequential loss or damage of any nature whatsoever (including, but not limited to, contract, negligence or tort liability) of the other Party, including without limitation, any actual or anticipated profits, loss of time, inconvenience, commercial loss or any other damages, even if the Party has advance notice of the possibility of such damages.

12. DISCLOSURE OF INTERESTED PARTITES: Consultant will comply with the provisions of Section 2252.908 of the Texas Government Code and Chapter 46 of the Texas Ethics Commission Rules by preparing a Texas Form 1295, "Certificate of Interested Parties" and submitting the signed and notarized form to Authority at the time Consultant submits the signed contract to Authority. This Section 12 applies only to contracts that require an action or vote by the governing body of Authority.

13. ASSIGNMENT: Neither Authority nor Consultant will assign or transfer its interest in this Contract without the written consent of the other.

14. SUSPENSION OR TERMINATION: Authority may suspend or terminate this Contract for convenience with seven (7) days prior written notice to Consultant of such action. Upon termination of this Contract in accordance with this paragraph, Authority will have no further obligation to the Consultant hereunder except to pay the Consultant unpaid fees and expenses which the Consultant can reasonably show to have been earned under this Contract. **Under no circumstances may Consultant claim or recover consequential damages from Authority.**

In the event of suspension of Services, the Consultant shall resume the full performance of the Services when directed in writing to do so by Authority. Suspension of the Services for reasons other than the Consultant's negligence or failure to perform shall not affect the Consultant's compensation as provided for in this Contract. The schedule for performance of the Services shall be amended by a mutually agreed, written modification to this Contract to reflect the suspension.

Either Party may terminate this Contract by giving written notice to the other Party if the other Party ("Defaulting Party"): (a) materially breaches any term, condition or provision of this Contract and fails to cure the breach to the satisfaction of the notifying Party within ten (10) days after the Defaulting Party receives a written notice of the breach from the notifying Party, or (b) becomes the subject of any proceedings under state or federal law for the relief of debtors or otherwise becomes insolvent, or bankrupt, or makes any assignments for the benefit of one or more creditors.

15. DISPUTES: Each Party agrees that any dispute between the Parties relating to this Contract will first be submitted in writing to a panel of two senior executives of the Authority and Consultant, who shall promptly meet and confer in an effort to resolve such dispute through good faith consultation and negotiation. Each Party's executive shall be identified by notice to the other Party, and may be changed at any time thereafter also by notice to the other. Any decisions of the executives will be final and binding on the Parties. In the event the executives are unable to resolve any dispute within thirty (30) days after submission to them, either Party may then refer such dispute to mediation.

If the Parties refer to mediation any controversy or claim arising out of or relating to this Contract or the existence, validity, breach or termination thereof, whether during or after its term, they shall select a mutually acceptable mediator within forty-five (45) days thereafter. Neither Party shall unreasonably withhold consent to the selection of a mediator. The Parties shall share equally the costs of mediation. If the Parties agree, they may substitute other forms of alternative dispute resolution. Any mediation shall not extend beyond thirty (30) days after the appointment of the mediator, and should the Parties fail to resolve any dispute by mediation within such 30-day period, the Parties shall have all rights available at law or in equity.

16. ATTORNEY'S FEES, DEFAULT: In the event Consultant or Authority breach any of the terms of this Contract and the Party not in default employs attorneys to protect or enforce

its rights hereunder and prevails, then the defaulting Party agrees to pay reasonable attorney's fees and costs incurred by the prevailing Party.

17. STAFFING: Consultant will designate in writing to Authority its project representative, and the manner in which it will provide staff support for the project, which must be approved by Authority. Consultant must notify Authority's Project Representative of any change in personnel assigned to perform work under this Contract, and the Authority's Project Representative has the right to reject the person or persons assigned to fill the position or positions. The Authority's Project Representative shall also have the right to require the removal of the Consultant's previously assigned personnel, including Consultant's project representative, provided sufficient cause for such removal exists. The criteria for requesting removal of an individual will be based on, but not limited to, the following: technical incompetence, inability to meet the position's qualifications, failure to perform, poor attendance, ethics violation, unsafe work habits, or damage to Authority or other property. Upon notice for removal, Consultant shall replace such personnel with personnel substantially equal in ability and qualifications for the positions and shall submit the proposed replacement personnel qualification and abilities to the Authority, in writing, for approval.

18. OWNERSHIP OF WORK PRODUCT: Studies, plans, reports, surveys, drawings, specifications, computations and other information (collectively "Work Product") and documents prepared by the Consultant, subconsultants, and/or suppliers under this Contract will remain the Authority's property upon completion. This provision does not apply to pre-existing proprietary information of Consultant, subconsultants, and/or suppliers.

19. CONFIDENTIAL INFORMATION: It is understood that information developed by or communicated to Consultant in the performance of this Contract, as well as any and all information in whatever form or medium supplied to Consultant in connection herewith which is not generally available to the public is proprietary to the Authority and constitutes confidential information of the Authority. Consultant will make no oral or written disclosure of such information to third parties either during or after the term of this Contract, except as approved in writing by the Authority's Project Representative or as otherwise required by law. In the event the Consultant becomes aware that confidential information must be disclosed under a legal requirement, Consultant will notify Authority of the requirement and the affected information.

20. FORCE MAJEURE: Neither Party shall be considered in default in the performance of its obligations hereunder to the extent that the performance of such obligation is delayed by any cause beyond the reasonable control of the affected Party. In the event of such a delay, the time for performance for the affected Party shall be extended for a period equal to the time lost during the delay, or the Contract may be terminated in accordance with terms herein should such delay be sufficient that termination is in the best interest of the Authority.

21. SEVERABILITY and WAIVER: If any part of this Contract is held to be invalid, illegal, or unenforceable in any respect, such determination shall not affect any other provision of this Contract, and this Contract shall then be construed as if the invalid, illegal, or unenforceable provision had not been included in this Contract. Further, the failure of either Party in any one or more instances to insist upon strict performance of any of the terms and provisions of this Contract

or to exercise any option herein conferred shall not be construed as a waiver or relinquishment to any extent of the right to assert or rely upon any such terms, provisions or options on any future occasion.

22. GOVERNING LAW: This Contract shall be governed by and construed in accordance with the laws of the State of Texas. The Parties agree that venue of all claims and lawsuits arising out of this Contract shall lie in Nueces County, Texas.

23. OPEN RECORDS: The Authority is a governmental body subject to the requirements of the Texas Public Information Act (Texas Government Code, chapter 552), and as such the Authority is required to disclose to the public (upon request) this Contract and certain other information and documents relating to the consummation of the transactions contemplated hereby. In this regard, the Consultant agrees that the disclosure of this Contract or any other information or materials related to the consummation of the transactions contemplated hereby to the public by the Authority as required by the Texas Public Information Act or any other applicable law will not expose the Authority (or any party acting by, through or under the Authority) to any claim, liability or action by the Consultant.

24. NO ORGANIZATIONAL CONFLICT OF INTEREST: Consultant hereby certifies that it has no actual or potential Organizational Conflict of Interest. "Organizational Conflict of Interest" means that because of other activities or relationships with other persons or entities, the Consultant is unable or potentially unable to render impartial assistance or advice to Authority or the Consultant's objectivity in performing the services under this Contract is or might otherwise be impaired. Consultant agrees to immediately notify Authority of any actual or potential Organizational Conflict of Interest that develops during the term of this Contract. Consultant agrees that Authority may terminate this Contract immediately if it becomes aware of any Organizational Conflict of Interest during the term of the Contract.

25. DEFAMATION: The Parties covenant and agree that in no event, and at no time during the Term or at any time thereafter, shall either of them disparage, denigrate, slander, libel or otherwise defame the other or the other's businesses, services, properties or assets, or employees, personnel, agents, or representatives.

26. HEADINGS: All Section headings or other titles used in this Contract are used solely for convenience and shall not affect or be used in connection with the interpretation or construction of this Contract.

27. ENTIRETY OF CONTRACT: This writing embodies the entire Contract and understanding between the Parties hereto, and there are no other contracts or understandings, oral or written, between them with reference to the subject matter hereof that are not merged herein and superseded hereby. No alteration, change, or modification of the terms of this Contract shall be valid unless made in writing and signed by both Parties hereto.

[Signature page follows this page]

IN WITNESS WHEREOF, this Contract is made effective as of the Effective Date.

PORT OF CORPUS CHRISTI AUTHORITY OF NUECES COUNTY, TEXAS

By: _____

Name: John P. LaRue
Title: Executive Director
Date: _____

"Authority"

By:

Name: Stephen Rybak
Title: Principal
Date: 12/07/16

"Consultant"

EXHIBIT A

SCOPE OF SERVICES

The Consultant will perform the following services in accordance with the terms and conditions set forth in this Contract:

- Creative services such as ideas for advertisements, direct mail campaign, and unique approaches to awareness campaigns.
- Consultation on advertising, public and media relations.
- Copywriting, art direction, design, illustration, photography art direction, and mechanical artwork pertaining to campaigns.
- Estimating and budgeting costs, proofing, press checks, media buying, and delivery services.
- Auditing invoices for goods and services purchased on behalf of the PCCA.

The Consultant will make oral and written reports as requested by Director of Communications or her duly authorized representative.

EXHIBIT B

FEE SCHEDULE

The Consultant will perform the Services described in Exhibit A in accordance with the terms and conditions of this Contract on a fixed fee or hourly fee basis; provided, however, that the total fee for services rendered under this Contract will not to exceed $102,000.00, without Authority's written approval. Services provided by Consultant will be billed as specified in Exhibit B. These fees will cover all of Consultant's overhead costs, including but not limited to, office rent, long distance telephone charges, postage, payroll and copying charges.

The Consultant's costs for advertising and media placements, photography, printing, video shoots, materials for production, and delivery services are considered expenses of performing the Consultant's services and shall be an obligation of the PCCA. The Consultant is also entitled to the customary markup on media placements, electronic production, and printing. The customary markup of fifteen percent (15%) will be recorded on each applicable invoice presented to the PCCA.

The Authority agrees to reimburse the Consultant for certain authorized and approved travel expenses incurred by the Consultant during the Term and directly resulting from the Consultant's performance of the Services under this Contract. Reimbursement for lodging and meals may not exceed the maximum allowable per diem rates for domestic or foreign travel as set by the U.S. Department of Defense, Defense Travel Management Office. Lodging and meal per diem rates for specific locations (foreign and domestic) may be found at: http://www.defensetravel.dod.mil/site/perdiemCalc.cfm. Authority will also reimburse the Consultant for Direct Costs incurred by the Consultant in performing the Services. The Consultant shall submit proper documentation of any such approved travel expenses and Direct Costs to Authority from time to time, and such costs and expenses shall be billed to Authority at Consultant's actual cost.

Not later than the twentieth (20th) day of each calendar month, Consultant shall submit to Authority detailed invoices for all services performed and Direct Costs incurred, if any, pursuant to this Agreement during the prior calendar month. The invoices shall describe in detail the Services performed during the prior month and shall list the days and hours worked, the hourly rates charged (if applicable), approved Direct Costs, milestone achievements, tasks performed or completed, and the Services performed during each day of the prior month. Authority shall review the invoices and notify Consultant in writing (including email) within twenty (20) days of any disputed amounts.

Should this Contract be terminated for any reason, the Consultant will be paid all fees earned up to the termination date and any approved direct expenses incurred.

EXHIBIT C

INSURANCE

Without limiting the indemnity obligations or liabilities of Consultant or its insurers, provided herein, Consultant agrees to carry and maintain at its sole expense policies of insurance ("the Policies") of the types and in the minimum amounts as follows:

	TYPE OF INSURANCE	LIMITS OF LIABILITY
A.	Workers' Compensation	Statutory
	If Consultant engages employees Workers' Compensation coverage is required.	
B.	Employer's Liability	$500,000 per Occurrence
		$500,000 Aggregate
C.	Automobile Liability	$25,000 each person injured in an accident
		$50,000 entire accident
		$25,000 property damage

Each policy, must contain an endorsement to the effect that the issuer waives any claim or right of subrogation to recover against the Authority, its Port Commissioners, officers and employees ("Authority Parties"). Additionally, the Authority Parties shall be designated as an Additional Insured either by a blanket additional insured or a specific endorsement on all policies, except for Worker's Compensation, Employer's Liability.

Each policy, except Workers' Compensation must contain an endorsement that the policy is primary to any other insurance available to the Additional Insureds with respect to claims arising under this Contract.

The insurance required as listed above, shall apply to any contractor or subcontractor performing for or on behalf of Consultant, and Consultant shall ensure that any such subcontractor is aware of and is in compliance with the insurance requirements during any period such contractor is performing work under this Contract.

The minimum insurance required may be increased periodically upon request by Authority to commercially reasonable limits**.** The company writing each of the Policies must possess a current rating with A.M. Best Company of at least "A-, VII".

Consultant's liability shall not be limited to the specified amounts of insurance required herein.

CONSULTING SERVICES CONTRACT

THIS CONTRACT (the "Contract") is made and entered into effective as of the 1st day of January, 2017 ("Effective Date") by and between the Port of Corpus Christi Authority of Nueces County, Texas ("Authority"), and Pathfinder Public Affairs ("Consultant"), each a "Party" and collectively as "Parties".

NOW THEREFORE, in consideration of the promises and mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. CONTRACT: Authority hereby engages the Consultant and the Consultant hereby accepts its engagement for the purpose of providing to Authority the consulting services ("Services") as are generally described in the "Scope of Services" set forth in Exhibit A to this Contract which is incorporated herein by reference.

2. PERIOD OF SERVICE: The Consultant shall complete the Services on or before December 31, 2017 (the "Deadline"), unless the Authority agrees to extend the Deadline for good reason; provided, however, that the Authority may terminate this Contract at any time in accordance with Section 14. Time is of the essence in performance of this Contract. The term of this Contract ("Term") shall begin on the Effective Date and shall end on the first to occur of the following: (1) the Deadline, as the same may have been extended by the Authority, (2) the date on which, in the opinion of Authority, all of the Services have been rendered, (3) the date on which this Contract is terminated by the Authority pursuant to Section 14, or (4) the date on which this Contract is terminated by the Consultant pursuant to Section 14.

3. COORDINATION OF SERVICES BY AUTHORITY: Authority shall designate a Project Representative who will, on behalf of Authority, coordinate with the Consultant and administer this Contract. It shall be the responsibility of the Consultant to coordinate all assignment-related activities with the Project Representative.

For the purposes of this Contract, the Project Representative shall be:

(Name) Nelda Olivo
(Address) 222 Power St. Corpus Christi, Texas 78401
(Phone No.) 361 885-6113
(Email) nelda@pocca.com

Authority may change the Project Representative at any time by giving the Consultant written notice of such change.

4. NOTICES: Notices, demands, requests or other formal communication related to the Contract shall be deemed to have been given when received, whether delivered personally or mailed. E-mail communications may be considered as formal notification provided the e-mail

message states the message is intended as a formal notice and the receiving Party acknowledges receipt of the message as a formal notification. Notices shall be addressed as follows:

If to the Authority: John P. LaRue
Executive Director
Port of Corpus Christi Authority
222 Power Street
Corpus Christi, Texas 78401
E-mail: john@pocca.com

If to the Consultant: Rene Ramirez
612 W. Nolana, Suite 415
McAllen, Texas 78504
E-mail: rene@texaspathfinder.com

Either Party may change the mailing or E-mail address for notifications by providing written notice of such change to the other Party.

5. CHANGES: This Contract may be changed or modified at the request of either the Consultant or the Authority, provided both Parties agree to the requested change, and a written amendment or modification of this Contract is prepared and executed by the Parties.

6. CONSULTANT'S RESPONSIBILITIES: In addition to all other obligations contained herein, the Consultant agrees, warrants, and represents that:

6.1 The Consultant will furnish all material, equipment, labor and supplies in such quantities and of the proper quality to professionally and timely perform the Services, except as otherwise mutually agreed by the Parties;

6.2 The Consultant shall perform the Services with the professional skill and care ordinarily provided by competent consultants practicing in the same or similar locality and under the same or similar circumstances and professional license;

6.3 The Consultant will comply with the provisions of all federal, state, and local laws, regulations, ordinances, requirements and codes which are applicable to its performance of Services;

6.4 The Consultant is not and will not be bound by any agreement and has not assumed nor will assume any obligation which would, in any way, restrict its ability to perform the Services or be inconsistent with the Services;

6.5 In performing the Services, the Consultant will not use any third party's confidential or propriety information, or infringe the rights of another party, nor will the Consultant disclose to the Authority, or bring onto the Authority's premises, or induce the Authority to use any third party's confidential or proprietary information;

6.6 The Consultant does not have the authority to act for the Authority, bind the Authority in any respect, or incur any debts or liabilities in the name of or on behalf of the Authority, except as otherwise expressly authorized in writing by the Authority;

6.7 Consultant is an independent contractor for the performance of his duties under this Contract. Accordingly, the Consultant shall be responsible for payment of all taxes including federal, state and local taxes arising out of the Consultant's activities in accordance with this Contract. Consultant is responsible for payment of the compensation, including any withholding, Social Security, or other taxes on such compensation, of any subcontractors retained by Consultant, or Consultant's employees performing Services consistent with its status as an independent contractor and in compliance with all applicable laws and regulations;

6.8 Consultant has and hereby retains full control of any supervision over the Consultant's obligations hereunder and over any persons employed or subcontracted by the Consultant for performing Services hereunder;

6.9 Consultant will in no way be considered an agent, partner, joint venturer, or employee of Authority at any time during the Term. Consultant will not undertake to commit Authority to any course of action in relation to a third party unless expressly requested and authorized to do so by the Authority in writing.

6.10 As of the Effective Date and at all times while providing Services hereunder, the Consultant shall possess and maintain in good standing any and all licenses or other authorizations and approvals necessary to perform the Services.

7. COMPENSATION: The compensation to be paid Consultant for providing the Services shall be the compensation described in Exhibit B hereto, which is incorporated herein by reference; provided, however, the total paid to Consultant for the Services shall not exceed sixty thousand Dollars ($60,000.00). Consultant will obtain the approval of Authority's Project Representative relative to incurring travel and other expenses before incurring such costs.

8. INVOICE PROCEDURE AND PAYMENT: Consultant shall submit invoices monthly to the Authority for work performed during the preceding calendar month. Such invoices shall be due and payable by Authority on or before thirty (30) days from receipt by Authority. Monthly compensation will be for the Services actually performed during the billing period, invoiced in accordance with the Fee Schedule included in Exhibit B. Invoices shall also describe any work performed by subcontractors retained by Consultant and reimbursable costs. Consultant will provide sufficient detail with each invoice to substantiate the requested amount of monthly payment. At the Authority's request, Consultant will provide additional backup such as signed time sheets, invoices for materials and subcontracted service or other documentation sufficient to establish the accuracy of the invoices. Invoices are to be submitted in a format previously approved by Authority.

9. INSURANCE: Consultant shall procure and maintain at its sole expense, for as long as Consultant is obligated to provide Services under this Contract, the policies of

insurance described in Exhibit C attached hereto and in at least the minimum amounts specified in Exhibit C to protect Consultant from claims which may arise out of or result from Consultant's Services pursuant to this Contract, whether such operations be by Consultant, by any subcontractor of Consultant, by anyone directly or indirectly employed by Consultant or Consultant's subcontractor, or by anyone for whose acts Consultant or Consultant's subcontractor may be liable. At least five (5) days prior to execution of this Contract, Consultant will provide to Authority's Risk Program Manager certificates of insurance issued by each insurance company providing any of the required insurance coverage, and the text entered in each certificate must be acceptable to Authority. The requirement to provide acceptable certificates of insurance is a material condition of this Contract, and work under this Contract will not commence until certificates of insurance have been received, reviewed, and accepted by Authority. The minimum limits of liability and coverage for the insurance required are set forth in Exhibit C attached hereto, which is incorporated herein by reference.

10. INDEMNIFICATION AND RELEASE. Consultant hereby releases and discharges Authority and its agents, servants, representatives, employees, officers, directors, and Port Commissioners (collectively, the "Authority Parties") from liability for and assumes the risk of loss or damage to the property of Consultant and the injury or death of any person employed by Consultant. Consultant shall defend, indemnify and hold harmless the Authority Parties from and against all damages, losses, costs and expenses, of any nature whatsoever, whether incurred as a judgment, settlement, penalty, fine or otherwise (including reasonable attorneys' fees and the cost of defense), in connection with any action, proceeding, demand or claim but only to the extent caused by the negligent acts, errors, or omissions of the Consultant, its employees, agents, or subconsultants, or others for whom the Consultant is legally liable, in the performance of Services under this Contract. The Consultant is not obligated under this paragraph to indemnify the Authority Parties for the negligent acts of the Authority Parties.

Consultant's indemnity obligations under this Section 10 shall not be limited by a limitation on the amount or type of damages, compensation or benefits owed by Consultant to any employee of Consultant under workers' or workmen's compensation acts, disability benefit acts, or other employee benefit acts. The obligations of the Consultant under this Section 10 shall survive the end of the Term of the Contract.

11. LIMITATION OF LIABILITY: Except as otherwise expressly provided herein, neither Party shall be liable or responsible to the other Party for any indirect, incidental or consequential loss or damage of any nature whatsoever (including, but not limited to, contract, negligence or tort liability) of the other Party, including without limitation, any actual or anticipated profits, loss of time, inconvenience, commercial loss or any other damages, even if the Party has advance notice of the possibility of such damages.

12. DISCLOSURE OF INTERESTED PARTITES: Consultant will comply with the provisions of Section 2252.908 of the Texas Government Code and Chapter 46 of the Texas Ethics Commission Rules by preparing a Texas Form 1295, "Certificate of Interested Parties" and submitting the signed and notarized form to Authority at the time Consultant submits the signed contract to Authority. This Section 12 applies only to contracts that require an action or vote by the governing body of Authority.

13. ASSIGNMENT: Neither Authority nor Consultant will assign or transfer its interest in this Contract without the written consent of the other.

14. SUSPENSION OR TERMINATION: Authority may suspend or terminate this Contract for convenience with seven (7) days prior written notice to Consultant of such action. Upon termination of this Contract in accordance with this paragraph, Authority will have no further obligation to the Consultant hereunder except to pay the Consultant unpaid fees and expenses which the Consultant can reasonably show to have been earned under this Contract. **Under no circumstances may Consultant claim or recover consequential damages from Authority.**

In the event of suspension of Services, the Consultant shall resume the full performance of the Services when directed in writing to do so by Authority. Suspension of the Services for reasons other than the Consultant's negligence or failure to perform shall not affect the Consultant's compensation as provided for in this Contract. The schedule for performance of the Services shall be amended by a mutually agreed, written modification to this Contract to reflect the suspension.

Either Party may terminate this Contract by giving written notice to the other Party if the other Party ("Defaulting Party"): (a) materially breaches any term, condition or provision of this Contract and fails to cure the breach to the satisfaction of the notifying Party within ten (10) days after the Defaulting Party receives a written notice of the breach from the notifying Party, or (b) becomes the subject of any proceedings under state or federal law for the relief of debtors or otherwise becomes insolvent, or bankrupt, or makes any assignments for the benefit of one or more creditors.

15. DISPUTES: Each Party agrees that any dispute between the Parties relating to this Contract will first be submitted in writing to a panel of two senior executives of the Authority and Consultant, who shall promptly meet and confer in an effort to resolve such dispute through good faith consultation and negotiation. Each Party's executive shall be identified by notice to the other Party, and may be changed at any time thereafter also by notice to the other. Any decisions of the executives will be final and binding on the Parties. In the event the executives are unable to resolve any dispute within thirty (30) days after submission to them, either Party may then refer such dispute to mediation.

If the Parties refer to mediation any controversy or claim arising out of or relating to this Contract or the existence, validity, breach or termination thereof, whether during or after its term, they shall select a mutually acceptable mediator within forty-five (45) days thereafter. Neither Party shall unreasonably withhold consent to the selection of a mediator. The Parties shall share equally the costs of mediation. If the Parties agree, they may substitute other forms of alternative dispute resolution. Any mediation shall not extend beyond thirty (30) days after the appointment of the mediator, and should the Parties fail to resolve any dispute by mediation within such 30-day period, the Parties shall have all rights available at law or in equity.

16. ATTORNEY'S FEES, DEFAULT: In the event Consultant or Authority breach any of the terms of this Contract and the Party not in default employs attorneys to protect or enforce its rights hereunder and prevails, then the defaulting Party agrees to pay reasonable attorney's fees and costs incurred by the prevailing Party.

17. STAFFING: Consultant will designate in writing to Authority its project representative, and the manner in which it will provide staff support for the project, which must be approved by Authority. Consultant must notify Authority's Project Representative of any change in personnel assigned to perform work under this Contract, and the Authority's Project Representative has the right to reject the person or persons assigned to fill the position or positions. The Authority's Project Representative shall also have the right to require the removal of the Consultant's previously assigned personnel, including Consultant's project representative, provided sufficient cause for such removal exists. The criteria for requesting removal of an individual will be based on, but not limited to, the following: technical incompetence, inability to meet the position's qualifications, failure to perform, poor attendance, ethics violation, unsafe work habits, or damage to Authority or other property. Upon notice for removal, Consultant shall replace such personnel with personnel substantially equal in ability and qualifications for the positions and shall submit the proposed replacement personnel qualification and abilities to the Authority, in writing, for approval.

18. OWNERSHIP OF WORK PRODUCT: Studies, plans, reports, surveys, drawings, specifications, computations and other information (collectively "Work Product") and documents prepared by the Consultant, subconsultants, and/or suppliers under this Contract will remain the Authority's property upon completion. This provision does not apply to pre-existing proprietary information of Consultant, subconsultants, and/or suppliers.

19. CONFIDENTIAL INFORMATION: It is understood that information developed by or communicated to Consultant in the performance of this Contract, as well as any and all information in whatever form or medium supplied to Consultant in connection herewith which is not generally available to the public is proprietary to the Authority and constitutes confidential information of the Authority. Consultant will make no oral or written disclosure of such information to third parties either during or after the term of this Contract, except as approved in writing by the Authority's Project Representative or as otherwise required by law. In the event the Consultant becomes aware that confidential information must be disclosed under a legal requirement, Consultant will notify Authority of the requirement and the affected information.

20. FORCE MAJEURE: Neither Party shall be considered in default in the performance of its obligations hereunder to the extent that the performance of such obligation is delayed by any cause beyond the reasonable control of the affected Party. In the event of such a delay, the time for performance for the affected Party shall be extended for a period equal to the time lost during the delay, or the Contract may be terminated in accordance with terms herein should such delay be sufficient that termination is in the best interest of the Authority.

21. SEVERABILITY and WAIVER: If any part of this Contract is held to be invalid, illegal, or unenforceable in any respect, such determination shall not affect any other provision of this Contract, and this Contract shall then be construed as if the invalid, illegal, or unenforceable

provision had not been included in this Contract. Further, the failure of either Party in any one or more instances to insist upon strict performance of any of the terms and provisions of this Contract or to exercise any option herein conferred shall not be construed as a waiver or relinquishment to any extent of the right to assert or rely upon any such terms, provisions or options on any future occasion.

22. GOVERNING LAW: This Contract shall be governed by and construed in accordance with the laws of the State of Texas. The Parties agree that venue of all claims and lawsuits arising out of this Contract shall lie in Nueces County, Texas.

23. OPEN RECORDS: The Authority is a governmental body subject to the requirements of the Texas Public Information Act (Texas Government Code, chapter 552), and as such the Authority is required to disclose to the public (upon request) this Contract and certain other information and documents relating to the consummation of the transactions contemplated hereby. In this regard, the Consultant agrees that the disclosure of this Contract or any other information or materials related to the consummation of the transactions contemplated hereby to the public by the Authority as required by the Texas Public Information Act or any other applicable law will not expose the Authority (or any party acting by, through or under the Authority) to any claim, liability or action by the Consultant.

24. NO ORGANIZATIONAL CONFLICT OF INTEREST: Consultant hereby certifies that it has no actual or potential Organizational Conflict of Interest. "Organizational Conflict of Interest" means that because of other activities or relationships with other persons or entities, the Consultant is unable or potentially unable to render impartial assistance or advice to Authority or the Consultant's objectivity in performing the services under this Contract is or might otherwise be impaired. Consultant agrees to immediately notify Authority of any actual or potential Organizational Conflict of Interest that develops during the term of this Contract. Consultant agrees that Authority may terminate this Contract immediately if it becomes aware of any Organizational Conflict of Interest during the term of the Contract.

25. DEFAMATION: The Parties covenant and agree that in no event, and at no time during the Term or at any time thereafter, shall either of them disparage, denigrate, slander, libel or otherwise defame the other or the other's businesses, services, properties or assets, or employees, personnel, agents, or representatives.

26. HEADINGS: All Section headings or other titles used in this Contract are used solely for convenience and shall not affect or be used in connection with the interpretation or construction of this Contract.

27. ENTIRETY OF CONTRACT: This writing embodies the entire Contract and understanding between the Parties hereto, and there are no other contracts or understandings, oral or written, between them with reference to the subject matter hereof that are not merged herein and superseded hereby. No alteration, change, or modification of the terms of this Contract shall be valid unless made in writing and signed by both Parties hereto.

[Signature page follows this page]

IN WITNESS WHEREOF, this Contract is made effective as of the Effective Date.

PORT OF CORPUS CHRISTI AUTHORITY OF NUECES COUNTY, TEXAS

By: _____

Name: John P. LaRue
Title: Executive Director
Date: _____

PATHFINDER PUBLIC AFFAIRS

By: _____

Name: Rene A. Ramirez
Title: President
Date: 12/2/2016

EXHIBIT A

SCOPE OF SERVICES

The Consultant will perform the following services in accordance with the terms and conditions set forth in this Contract:

- Continue to work with the Texas Department of Transportation and other necessary entities to ensure continued progress on the Harbor Bridge Project and other transportation priorities.

- Confer, advise and participate in the passage or defeat of legislation during any regular or special session of the Legislature; advise on strategy to be followed to accomplish the desired results.

- Confer with legislative leaders on the organization of committees and subcommittees, reference of legislation to committees and subcommittees, and timing of consideration of legislation.

- Maintain a continuing relationship with members and key officers and employees of the House and Senate.

- Other projects as assigned by the client.

- Meet with the PCCA representatives as needed.

The Consultant will make oral and written reports as requested by the Executive Director or his duly authorized representative.

EXHIBIT B

FEE SCHEDULE

The Consultant will perform the Services described in Exhibit A in accordance with the terms and conditions of this Contract on a fixed fee or hourly fee basis; provided, however, that the total fee for services rendered under this Contract will not to exceed $60,000.00, without Authority's written approval. Services provided by Consultant will be billed as specified in Exhibit B. These fees will cover all of Consultant's overhead costs, including but not limited to, office rent, long distance telephone charges, postage, payroll and copying charges.

The Authority agrees to reimburse the Consultant for certain authorized and approved travel expenses incurred by the Consultant during the Term and directly resulting from the Consultant's performance of the Services under this Contract. Reimbursement for lodging and meals may not exceed the maximum allowable per diem rates for domestic or foreign travel as set by the U.S. Department of Defense, Defense Travel Management Office. Lodging and meal per diem rates for specific locations (foreign and domestic) may be found at: http://www.defensetravel.dod.mil/site/perdiemCalc.cfm. Authority will also reimburse the Consultant for Direct Costs incurred by the Consultant in performing the Services. The Consultant shall submit proper documentation of any such approved travel expenses and Direct Costs to Authority from time to time, and such costs and expenses shall be billed to Authority at Consultant's actual cost.

Not later than the twentieth (20th) day of each calendar month, Consultant shall submit to Authority detailed invoices for all services performed and Direct Costs incurred, if any, pursuant to this Agreement during the prior calendar month. The invoices shall describe in detail the Services performed during the prior month and shall list the days and hours worked, the hourly rates charged (if applicable), approved Direct Costs, milestone achievements, tasks performed or completed, and the Services performed during each day of the prior month. Authority shall review the invoices and notify Consultant in writing (including email) within twenty (20) days of any disputed amounts.

Should this Contract be terminated for any reason, the Consultant will be paid all fees earned up to the termination date and any approved direct expenses incurred.

EXHIBIT C

INSURANCE

Without limiting the indemnity obligations or liabilities of Consultant or its insurers, provided herein, Consultant agrees to carry and maintain at its sole expense policies of insurance ("the Policies") of the types and in the minimum amounts as follows:

	TYPE OF INSURANCE	LIMITS OF LIABILITY
A.	Workers' Compensation	Statutory
	If Consultant engages employees Workers' Compensation coverage is required.	
B.	Employer's Liability	$500,000 per Occurrence
		$500,000 Aggregate
C.	Automobile Liability	$25,000 each person injured in an accident
		$50,000 entire accident
		$25,000 property damage

Each policy, must contain an endorsement to the effect that the issuer waives any claim or right of subrogation to recover against the Authority, its Port Commissioners, officers and employees ("Authority Parties"). Additionally, the Authority Parties shall be designated as an Additional Insured either by a blanket additional insured or a specific endorsement on all policies, except for Worker's Compensation, Employer's Liability.

Each policy, except Workers' Compensation must contain an endorsement that the policy is primary to any other insurance available to the Additional Insureds with respect to claims arising under this Contract.

The insurance required as listed above, shall apply to any contractor or subcontractor performing for or on behalf of Consultant, and Consultant shall ensure that any such subcontractor is aware of and is in compliance with the insurance requirements during any period such contractor is performing work under this Contract.

The minimum insurance required may be increased periodically upon request by Authority to commercially reasonable limits. The company writing each of the Policies must possess a current rating with A.M. Best Company of at least "A-, VII".

Consultant's liability shall not be limited to the specified amounts of insurance required herein.

WELDER | LESHIN
WELDER LESHIN LORENZ MCNIFF BUCHANAN HAWN, LLP
ATTORNEYS AT LAW

800 North Shoreline Blvd., Suite 300 North
Corpus Christi, Texas 78401
Phone 361-561-8000
Fax 361-561-8001

December 13, 2016

Port Commission
Port of Corpus Christi Authority
PO Box 1541
Corpus Christi, Texas 78403

Dear Commissioners:

The law firm of Welder Leshin LLP would be pleased to continue its representation of the Port of Corpus Christi Authority on the terms set forth in this letter, which are the same as the terms currently in effect except for a $20 increase in the hourly rate for senior associates. The firm agrees to provide legal services to the Port at the following hourly rates beginning January 1, 2017: $375 for Jimmy Welder; $325 for all other partners and attorneys of counsel to the firm; $295 for senior associates; $175 for junior associates and $75 for legal assistants.

The firm will not bill the Port for our routine internal costs, such as long distance charges, faxes, photocopies, and postage. We will, however, invoice the Port without markup for all other expenses we incur in performing legal services for the Port.

If these terms of our engagement are acceptable, we request that you authorize the Executive Director to execute this letter on behalf of the Port in the space provided below. Thank you.

Yours truly,

Jimmy Welder,
For the Firm

AGREED and ACCEPTED this ____ day of December, 2016.

PORT OF CORPUS CHRISTI AUTHORITY

By: _____
John P. LaRue,
Executive Director

304482
148.14

CONSULTING SERVICES CONTRACT

THIS CONTRACT (the "Contract") is made and entered into effective as of the 1st day of January, 2017 ("Effective Date") by and between the Port of Corpus Christi Authority of Nueces County, Texas ("Authority"), and W.L. Bates Company, Inc. ("Consultant"), each a "Party" and collectively as "Parties".

NOW THEREFORE, in consideration of the promises and mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. CONTRACT: Authority hereby engages the Consultant and the Consultant hereby accepts its engagement for the purpose of providing to Authority the consulting services ("Services") as are generally described in the "Scope of Services" set forth in Exhibit A to this Contract which is incorporated herein by reference.

2. PERIOD OF SERVICE: The Consultant shall complete the Services on or before December 31, 2017 (the "Deadline"), unless the Authority agrees to extend the Deadline for good reason; provided, however, that the Authority may terminate this Contract at any time in accordance with Section 14. Time is of the essence in performance of this Contract. The term of this Contract ("Term") shall begin on the Effective Date and shall end on the first to occur of the following: (1) the Deadline, as the same may have been extended by the Authority, (2) the date on which, in the opinion of Authority, all of the Services have been rendered, (3) the date on which this Contract is terminated by the Authority pursuant to Section 14, or (4) the date on which this Contract is terminated by the Consultant pursuant to Section 14.

3. COORDINATION OF SERVICES BY AUTHORITY: Authority shall designate a Project Representative who will, on behalf of Authority, coordinate with the Consultant and administer this Contract. It shall be the responsibility of the Consultant to coordinate all assignment-related activities with the Project Representative.

For the purposes of this Contract, the Project Representative shall be:

(Name) Darrin Aldrich
(Address) 222 Power St. Corpus Christi, Texas 78401
(Phone No.) 361 885-6169
(Email) darrin@pocca.com

Authority may change the Project Representative at any time by giving the Consultant written notice of such change.

4. NOTICES: Notices, demands, requests or other formal communication related to the Contract shall be deemed to have been given when received, whether delivered personally or mailed. E-mail communications may be considered as formal notification provided the e-mail

message states the message is intended as a formal notice and the receiving Party acknowledges receipt of the message as a formal notification. Notices shall be addressed as follows:

If to the Authority: John P. LaRue
Executive Director
Port of Corpus Christi Authority
222 Power Street
Corpus Christi, Texas 78401
E-mail: john@pocca.com

If to the Consultant: Richard A. DuPriest, Jr.
901 N. Carancahua
Corpus Christi, Texas 78403
E-mail: rdupriest@wlbatesco.com

Either Party may change the mailing or E-mail address for notifications by providing written notice of such change to the other Party.

5. CHANGES: This Contract may be changed or modified at the request of either the Consultant or the Authority, provided both Parties agree to the requested change, and a written amendment or modification of this Contract is prepared and executed by the Parties.

6. CONSULTANT'S RESPONSIBILITIES: In addition to all other obligations contained herein, the Consultant agrees, warrants, and represents that:

6.1 The Consultant will furnish all material, equipment, labor and supplies in such quantities and of the proper quality to professionally and timely perform the Services, except as otherwise mutually agreed by the Parties;

6.2 The Consultant shall perform the Services with the professional skill and care ordinarily provided by competent consultants practicing in the same or similar locality and under the same or similar circumstances and professional license;

6.3 The Consultant will comply with the provisions of all federal, state, and local laws, regulations, ordinances, requirements and codes which are applicable to its performance of Services;

6.4 The Consultant is not and will not be bound by any agreement and has not assumed nor will assume any obligation which would, in any way, restrict its ability to perform the Services or be inconsistent with the Services;

6.5 In performing the Services, the Consultant will not use any third party's confidential or propriety information, or infringe the rights of another party, nor will the Consultant disclose to the Authority, or bring onto the Authority's premises, or induce the Authority to use any third party's confidential or proprietary information;

6.6 The Consultant does not have the authority to act for the Authority, bind the Authority in any respect, or incur any debts or liabilities in the name of or on behalf of the Authority, except as otherwise expressly authorized in writing by the Authority;

6.7 Consultant is an independent contractor for the performance of his duties under this Contract. Accordingly, the Consultant shall be responsible for payment of all taxes including federal, state and local taxes arising out of the Consultant's activities in accordance with this Contract. Consultant is responsible for payment of the compensation, including any withholding, Social Security, or other taxes on such compensation, of any subcontractors retained by Consultant, or Consultant's employees performing Services consistent with its status as an independent contractor and in compliance with all applicable laws and regulations;

6.8 Consultant has and hereby retains full control of any supervision over the Consultant's obligations hereunder and over any persons employed or subcontracted by the Consultant for performing Services hereunder;

6.9 Consultant will in no way be considered an agent, partner, joint venturer, or employee of Authority at any time during the Term. Consultant will not undertake to commit Authority to any course of action in relation to a third party unless expressly requested and authorized to do so by the Authority in writing.

6.10 As of the Effective Date and at all times while providing Services hereunder, the Consultant shall possess and maintain in good standing any and all licenses or other authorizations and approvals necessary to perform the Services.

7. COMPENSATION: The compensation to be paid Consultant for providing the Services shall be the compensation described in Exhibit B hereto, which is incorporated herein by reference; provided, however, the total paid to Consultant for the Services shall not exceed fifty thousand Dollars ($50,000.00). Consultant will obtain the approval of Authority's Project Representative relative to incurring travel and other expenses before incurring such costs.

8. INVOICE PROCEDURE AND PAYMENT: Consultant shall submit invoices monthly to the Authority for work performed during the preceding calendar month. Such invoices shall be due and payable by Authority on or before thirty (30) days from receipt by Authority. Monthly compensation will be for the Services actually performed during the billing period, invoiced in accordance with the Fee Schedule included in Exhibit B. Invoices shall also describe any work performed by subcontractors retained by Consultant and reimbursable costs. Consultant will provide sufficient detail with each invoice to substantiate the requested amount of monthly payment. At the Authority's request, Consultant will provide additional backup such as signed time sheets, invoices for materials and subcontracted service or other documentation sufficient to establish the accuracy of the invoices. Invoices are to be submitted in a format previously approved by Authority.

9. INSURANCE: Consultant shall procure and maintain at its sole expense, for as long as Consultant is obligated to provide Services under this Contract, the policies of

insurance described in Exhibit C attached hereto and in at least the minimum amounts specified in Exhibit C to protect Consultant from claims which may arise out of or result from Consultant's Services pursuant to this Contract, whether such operations be by Consultant, by any subcontractor of Consultant, by anyone directly or indirectly employed by Consultant or Consultant's subcontractor, or by anyone for whose acts Consultant or Consultant's subcontractor may be liable. At least five (5) days prior to execution of this Contract, Consultant will provide to Authority's Risk Program Manager certificates of insurance issued by each insurance company providing any of the required insurance coverage, and the text entered in each certificate must be acceptable to Authority. The requirement to provide acceptable certificates of insurance is a material condition of this Contract, and work under this Contract will not commence until certificates of insurance have been received, reviewed, and accepted by Authority. The minimum limits of liability and coverage for the insurance required are set forth in Exhibit C attached hereto, which is incorporated herein by reference.

10. INDEMNIFICATION AND RELEASE. Consultant hereby releases and discharges Authority and its agents, servants, representatives, employees, officers, directors, and Port Commissioners (collectively, the "Authority Parties") from liability for and assumes the risk of loss or damage to the property of Consultant and the injury or death of any person employed by Consultant. Consultant shall defend, indemnify and hold harmless the Authority Parties from and against all damages, losses, costs and expenses, of any nature whatsoever, whether incurred as a judgment, settlement, penalty, fine or otherwise (including reasonable attorneys' fees and the cost of defense), in connection with any action, proceeding, demand or claim but only to the extent caused by the negligent acts, errors, or omissions of the Consultant, its employees, agents, or subconsultants, or others for whom the Consultant is legally liable, in the performance of Services under this Contract. The Consultant is not obligated under this paragraph to indemnify the Authority Parties for the negligent acts of the Authority Parties.

Consultant's indemnity obligations under this Section 10 shall not be limited by a limitation on the amount or type of damages, compensation or benefits owed by Consultant to any employee of Consultant under workers' or workmen's compensation acts, disability benefit acts, or other employee benefit acts. The obligations of the Consultant under this Section 10 shall survive the end of the Term of the Contract.

11. LIMITATION OF LIABILITY: Except as otherwise expressly provided herein, neither Party shall be liable or responsible to the other Party for any indirect, incidental or consequential loss or damage of any nature whatsoever (including, but not limited to, contract, negligence or tort liability) of the other Party, including without limitation, any actual or anticipated profits, loss of time, inconvenience, commercial loss or any other damages, even if the Party has advance notice of the possibility of such damages.

12. DISCLOSURE OF INTERESTED PARTITES: Consultant will comply with the provisions of Section 2252.908 of the Texas Government Code and Chapter 46 of the Texas Ethics Commission Rules by preparing a Texas Form 1295, "Certificate of Interested Parties" and submitting the signed and notarized form to Authority at the time Consultant submits the signed contract to Authority. This Section 12 applies only to contracts that require an action or vote by the governing body of Authority.

13. ASSIGNMENT: Neither Authority nor Consultant will assign or transfer its interest in this Contract without the written consent of the other.

14. SUSPENSION OR TERMINATION: Authority may suspend or terminate this Contract for convenience with seven (7) days prior written notice to Consultant of such action. Upon termination of this Contract in accordance with this paragraph, Authority will have no further obligation to the Consultant hereunder except to pay the Consultant unpaid fees and expenses which the Consultant can reasonably show to have been earned under this Contract. **Under no circumstances may Consultant claim or recover consequential damages from Authority.**

In the event of suspension of Services, the Consultant shall resume the full performance of the Services when directed in writing to do so by Authority. Suspension of the Services for reasons other than the Consultant's negligence or failure to perform shall not affect the Consultant's compensation as provided for in this Contract. The schedule for performance of the Services shall be amended by a mutually agreed, written modification to this Contract to reflect the suspension.

Either Party may terminate this Contract by giving written notice to the other Party if the other Party ("Defaulting Party"): (a) materially breaches any term, condition or provision of this Contract and fails to cure the breach to the satisfaction of the notifying Party within ten (10) days after the Defaulting Party receives a written notice of the breach from the notifying Party, or (b) becomes the subject of any proceedings under state or federal law for the relief of debtors or otherwise becomes insolvent, or bankrupt, or makes any assignments for the benefit of one or more creditors.

15. DISPUTES: Each Party agrees that any dispute between the Parties relating to this Contract will first be submitted in writing to a panel of two senior executives of the Authority and Consultant, who shall promptly meet and confer in an effort to resolve such dispute through good faith consultation and negotiation. Each Party's executive shall be identified by notice to the other Party, and may be changed at any time thereafter also by notice to the other. Any decisions of the executives will be final and binding on the Parties. In the event the executives are unable to resolve any dispute within thirty (30) days after submission to them, either Party may then refer such dispute to mediation.

If the Parties refer to mediation any controversy or claim arising out of or relating to this Contract or the existence, validity, breach or termination thereof, whether during or after its term, they shall select a mutually acceptable mediator within forty-five (45) days thereafter. Neither Party shall unreasonably withhold consent to the selection of a mediator. The Parties shall share equally the costs of mediation. If the Parties agree, they may substitute other forms of alternative dispute resolution. Any mediation shall not extend beyond thirty (30) days after the appointment of the mediator, and should the Parties fail to resolve any dispute by mediation within such 30-day period, the Parties shall have all rights available at law or in equity.

16. ATTORNEY'S FEES, DEFAULT: In the event Consultant or Authority breach any of the terms of this Contract and the Party not in default employs attorneys to protect or enforce its rights hereunder and prevails, then the defaulting Party agrees to pay reasonable attorney's fees and costs incurred by the prevailing Party.

17. STAFFING: Consultant will designate in writing to Authority its project representative, and the manner in which it will provide staff support for the project, which must be approved by Authority. Consultant must notify Authority's Project Representative of any change in personnel assigned to perform work under this Contract, and the Authority's Project Representative has the right to reject the person or persons assigned to fill the position or positions. The Authority's Project Representative shall also have the right to require the removal of the Consultant's previously assigned personnel, including Consultant's project representative, provided sufficient cause for such removal exists. The criteria for requesting removal of an individual will be based on, but not limited to, the following: technical incompetence, inability to meet the position's qualifications, failure to perform, poor attendance, ethics violation, unsafe work habits, or damage to Authority or other property. Upon notice for removal, Consultant shall replace such personnel with personnel substantially equal in ability and qualifications for the positions and shall submit the proposed replacement personnel qualification and abilities to the Authority, in writing, for approval.

18. OWNERSHIP OF WORK PRODUCT: Studies, plans, reports, surveys, drawings, specifications, computations and other information (collectively "Work Product") and documents prepared by the Consultant, subconsultants, and/or suppliers under this Contract will remain the Authority's property upon completion. This provision does not apply to pre-existing proprietary information of Consultant, subconsultants, and/or suppliers.

19. CONFIDENTIAL INFORMATION: It is understood that information developed by or communicated to Consultant in the performance of this Contract, as well as any and all information in whatever form or medium supplied to Consultant in connection herewith which is not generally available to the public is proprietary to the Authority and constitutes confidential information of the Authority. Consultant will make no oral or written disclosure of such information to third parties either during or after the term of this Contract, except as approved in writing by the Authority's Project Representative or as otherwise required by law. In the event the Consultant becomes aware that confidential information must be disclosed under a legal requirement, Consultant will notify Authority of the requirement and the affected information.

20. FORCE MAJEURE: Neither Party shall be considered in default in the performance of its obligations hereunder to the extent that the performance of such obligation is delayed by any cause beyond the reasonable control of the affected Party. In the event of such a delay, the time for performance for the affected Party shall be extended for a period equal to the time lost during the delay, or the Contract may be terminated in accordance with terms herein should such delay be sufficient that termination is in the best interest of the Authority.

21. SEVERABILITY and WAIVER: If any part of this Contract is held to be invalid, illegal, or unenforceable in any respect, such determination shall not affect any other provision of this Contract, and this Contract shall then be construed as if the invalid, illegal, or unenforceable

provision had not been included in this Contract. Further, the failure of either Party in any one or more instances to insist upon strict performance of any of the terms and provisions of this Contract or to exercise any option herein conferred shall not be construed as a waiver or relinquishment to any extent of the right to assert or rely upon any such terms, provisions or options on any future occasion.

22. GOVERNING LAW: This Contract shall be governed by and construed in accordance with the laws of the State of Texas. The Parties agree that venue of all claims and lawsuits arising out of this Contract shall lie in Nueces County, Texas.

23. OPEN RECORDS: The Authority is a governmental body subject to the requirements of the Texas Public Information Act (Texas Government Code, chapter 552), and as such the Authority is required to disclose to the public (upon request) this Contract and certain other information and documents relating to the consummation of the transactions contemplated hereby. In this regard, the Consultant agrees that the disclosure of this Contract or any other information or materials related to the consummation of the transactions contemplated hereby to the public by the Authority as required by the Texas Public Information Act or any other applicable law will not expose the Authority (or any party acting by, through or under the Authority) to any claim, liability or action by the Consultant.

24. NO ORGANIZATIONAL CONFLICT OF INTEREST: Consultant hereby certifies that it has no actual or potential Organizational Conflict of Interest. "Organizational Conflict of Interest" means that because of other activities or relationships with other persons or entities, the Consultant is unable or potentially unable to render impartial assistance or advice to Authority or the Consultant's objectivity in performing the services under this Contract is or might otherwise be impaired. Consultant agrees to immediately notify Authority of any actual or potential Organizational Conflict of Interest that develops during the term of this Contract. Consultant agrees that Authority may terminate this Contract immediately if it becomes aware of any Organizational Conflict of Interest during the term of the Contract.

25. DEFAMATION: The Parties covenant and agree that in no event, and at no time during the Term or at any time thereafter, shall either of them disparage, denigrate, slander, libel or otherwise defame the other or the other's businesses, services, properties or assets, or employees, personnel, agents, or representatives.

26. HEADINGS: All Section headings or other titles used in this Contract are used solely for convenience and shall not affect or be used in connection with the interpretation or construction of this Contract.

27. ENTIRETY OF CONTRACT: This writing embodies the entire Contract and understanding between the Parties hereto, and there are no other contracts or understandings, oral or written, between them with reference to the subject matter hereof that are not merged herein and superseded hereby. No alteration, change, or modification of the terms of this Contract shall be valid unless made in writing and signed by both Parties hereto.

[Signature page follows this page]

IN WITNESS WHEREOF, this Contract is made effective as of the Effective Date.

PORT OF CORPUS CHRISTI AUTHORITY OF NUECES COUNTY, TEXAS

By: _____
Name: John P. LaRue
Title: Executive Director
Date: _____

"Authority"

W.L. BATES COMPANY, INC.

By: Richard A. Dupriest Jr.
Name: Richard A. Dupriest, Jr.
Title: President
Date: _____

"Consultant"

EXHIBIT A

SCOPE OF SERVICES

The Consultant will perform the following services in accordance with the terms and conditions set forth in this Contract:

- Work with PCCA staff on all aspects of real estate issues including the sale, lease, or purchase of any properties as required by the Executive Director or his duly authorized representative.

- Work with PCCA legal counsel in the preparation and negotiation of any sale, lease or purchase of any properties.

- Work with Title Company to ensure that all title commitments are correct and work through Title Company to remove any and all non-applicable exceptions to title.

- Provide commercial/industrial real estate advice as requested by Executive Director or Administration of PCCA. This will include, but not be limited to, any work requested of Consultant on the La Quinta project, Rincon Industrial Park, Harbor Bridge area, Corpus Christi Ship Channel Inner Harbor area, and San Patricio County rail project.

- Services may include opinions of value on PCCA assets in order to sell or lease those assets or a broker's opinion of value on any properties that the PCCA may be interested in purchasing or leasing.

- Provide industrial real estate marketing expertise and brokerage services as requested, including the actual marketing of surplus assets for sale or lease.

- Negotiate sales, leases, extensions or modifications of existing leases on the PCCA's behalf as requested on PCCA's properties.

- Provide industrial real estate advice to team members as requested in a support role to help leverage their efforts in commercial/industrial/waterfront real estate brokerage.

- Provide industrial real estate advice as requested by Executive Director or his representative as to the viability of industrial projects on PCCA owned assets as well as advising staff if better location and functional alternatives exist in area properties both in Nueces and San Patricio Counties not owned by the PCCA.

- Industrial real estate advisor to provide knowledge to PCCA on area owners of industrial properties.

The Consultant will make oral and written reports as requested by the Executive Director or his duly authorized representative.

EXHIBIT B

FEE SCHEDULE

The Consultant will perform the Services described in Exhibit A in accordance with the terms and conditions of this Contract on an hourly fee basis; provided, however, that the total fee for services rendered under this Contract will not to exceed $50,000.00, without Authority's written approval. Services provided by Consultant will be billed at a rate of $250.00 per hour. These fees will cover all of Consultant's overhead costs, including but not limited to, office rent, long distance telephone charges, postage, payroll and copying charges.

The Authority agrees to reimburse the Consultant for certain authorized and approved travel expenses incurred by the Consultant during the Term and directly resulting from the Consultant's performance of the Services under this Contract. Reimbursement for lodging and meals may not exceed the maximum allowable per diem rates for domestic or foreign travel as set by the U.S. Department of Defense, Defense Travel Management Office. Lodging and meal per diem rates for specific locations (foreign and domestic) may be found at: http://www.defensetravel.dod.mil/site/perdiemCalc.cfm. Authority will also reimburse the Consultant for Direct Costs incurred by the Consultant in performing the Services. The Consultant shall submit proper documentation of any such approved travel expenses and Direct Costs to Authority from time to time, and such costs and expenses shall be billed to Authority at Consultant's actual cost.

Not later than the twentieth (20th) day of each calendar month, Consultant shall submit to Authority detailed invoices for all services performed and Direct Costs incurred, if any, pursuant to this Agreement during the prior calendar month. The invoices shall describe in detail the Services performed during the prior month and shall list the days and hours worked, the hourly rates charged (if applicable), approved Direct Costs, milestone achievements, tasks performed or completed, and the Services performed during each day of the prior month. Authority shall review the invoices and notify Consultant in writing (including email) within twenty (20) days of any disputed amounts.

Should this Contract be terminated for any reason, the Consultant will be paid all fees earned up to the termination date and any approved direct expenses incurred.

EXHIBIT C

INSURANCE

Without limiting the indemnity obligations or liabilities of Consultant or its insurers, provided herein, Consultant agrees to carry and maintain at its sole expense policies of insurance ("the Policies") of the types and in the minimum amounts as follows:

	TYPE OF INSURANCE	LIMITS OF LIABILITY
A.	Workers' Compensation	Statutory
	If Consultant engages employees Workers' Compensation coverage is required.	
B.	Employer's Liability	$500,000 per Occurrence
		$500,000 Aggregate
C.	Automobile Liability	$25,000 each person injured in an accident
		$50,000 entire accident
		$25,000 property damage

Each policy, must contain an endorsement to the effect that the issuer waives any claim or right of subrogation to recover against the Authority, its Port Commissioners, officers and employees ("Authority Parties"). Additionally, the Authority Parties shall be designated as an Additional Insured either by a blanket additional insured or a specific endorsement on all policies, except for Worker's Compensation, Employer's Liability.

Each policy, except Workers' Compensation must contain an endorsement that the policy is primary to any other insurance available to the Additional Insureds with respect to claims arising under this Contract.

The insurance required as listed above, shall apply to any contractor or subcontractor performing for or on behalf of Consultant, and Consultant shall ensure that any such subcontractor is aware of and is in compliance with the insurance requirements during any period such contractor is performing work under this Contract.

The minimum insurance required may be increased periodically upon request by Authority to commercially reasonable limits. The company writing each of the Policies must possess a current rating with A.M. Best Company of at least "A-, VII".

Consultant's liability shall not be limited to the specified amounts of insurance required herein.

PORT CORPUS CHRISTI

AGENDA MEMORANDUM

Action Item for Port Commission Meeting of December 13, 2016

DATE: December 13, 2016

TO: Port Commission

FROM: David Krams, P.E.
Director of Engineering Services
Krams@pocca.com
(361) 885-6134

Approve an amendment to Service Order No. 11 in the amount of $68,000 with Govind Development, LLC, under Professional Services Master Agreement No. 13-03, to Provide Additional Engineering Services Associated with the Fire System Pressurization Upgrades at North Bank Oil Dock Terminal Facilities Project.

SUMMARY: Staff requests approval of an amendment to Service Order No. 11 with Govind Development, LLC, under Professional Services Master Agreement No. 13-03, in the amount of $68,000, for additional professional engineering services associated with the Fire System Pressurization Upgrades at North Bank Oil Dock Terminal Facilities Project.

BACKGROUND: Oil Dock 1 and 2 are highly utilized ship and barge docks located on the north side of the Corpus Christi Ship Channel near the Harbor Bridge serving Martin Midstream, NuStar, and Gavilon. The docks' fire protection system currently consists of a dry pipe system with two fire monitors at each oil dock. There is no on-site water supply or foam capability available at these docks, and fire response relies primarily on the Refinery Terminal Fire Company and the PCCA's fire barge. Recommended improvements at Oil Docks 1 and 2 include upgrading to a pressurized fire water system consisting of an approximately 300,000 gallon freshwater storage tank and a fire water pump to sufficiently supply approximately two hours of continuous water flow at 2,500 gallons per minute for fire response. This upgrade is similar to what was installed for the Avery Point oil docks in 2013.

In August 2015, the Commission approved Service Order No. 11 with Govind Development to perform the engineering associated with the design of the Fire Pressurization at Oil Docks 1 and 2 project, in the amount of $123,100.00. This work is currently at approximately 80% design phase.

In September 2016, the Port Commission awarded a contract for the construction of Oil Dock 15 along the north side of the Corpus Christi Ship Channel. This new dock is located approximately 2,300 linear feet west of Oil Docks 1 and 2. This amendment to Service Order No. 11 has been negotiated with Govind Development at a cost of $68,000 to provide additional surveying and engineering to extend the fire water line from the current termination point at Oil Dock 2 to a tie in point at Oil Dock 15 to provide a pressurized fire

water system at this new facility as well. Due to poor soil conditions encountered during design, the amendment also includes additional engineering to design a pile-supported foundation for the fire water tank in lieu of the originally planned concrete surface ring and slab foundation.

ALTERNATIVES: N/A

CONFORMITY TO PORT POLICY: This project is included in the 2016 Budget and conforms to the PCCA's Strategic Plan (Strategic Goal #2 – Provide facilities and services to meet customer needs).

EMERGENCY: No.

FINANCIAL IMPACT: The 2016 Engineering budget included $600,000 for the design and initiate construction of this approximately $1.8 million project. The project is currently scheduled to bid in Spring 2017.

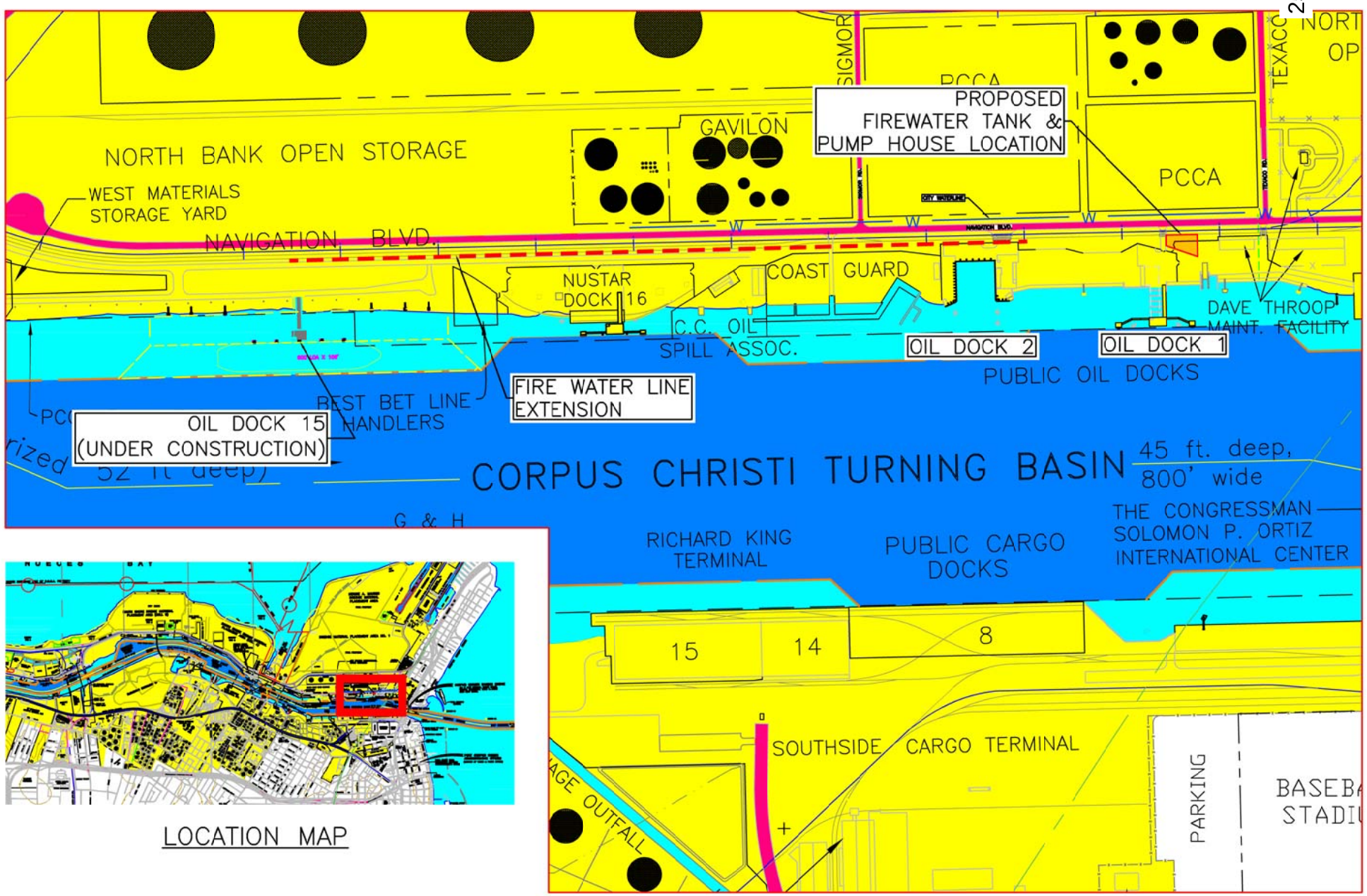
STAFF RECOMMENDATION: Staff recommends approval of an amendment to Service Order No. 11 with Govind Development, LLC, in an amount not to exceed an additional $68,000, to provide additional engineering services to expand the scope of the Fire System Pressurization Upgrades at North Bank Oil Dock Terminal Facilities project to also serve Oil Dock 15. With this amendment, the total service order not-to-exceed amount to perform this work will be $191,100.

DEPARTMENTAL CLEARANCES:

Originating Department	Engineering Services
Reviewed & Approved	David Krams
	Dave Michaelsen
	Bert Perez
Legal	Dane Bruun
Senior Staff	John LaRue
	Sean Strawbridge
	Jarl Pedersen

LIST OF SUPPORTING DOCUMENTS:

Map Exhibit
Service Order Amendment



LOCATION MAP

NORTH

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PORT CORPUS CHRISTI

PORT OF CORPUS CHRISTI AUTHORITY

FIRE PROTECTION SYSTEM UPGRADES AT PUBLIC OIL DOCKS 1, 2 & 15

SCALE: 1:500'
DWN. BY: BEN V

EXHIBIT "A"

DATE: 2016/12/02
TIME: 16:05:16

Amendment #1 of SERVICE ORDER NO. 11
PORT OF CORPUS CHRISTI AUTHORITY
OF NUECES COUNTY, TEXAS
MASTER AGREEMENT NO. 13-03 – Govind Development, LLC
PROJECT NO. 14-023A
PROJECT NAME: Fire System Pressurization Upgrades at Oil Docks

THIS FIRST AMENDED SERVICE ORDER (the "**Amendment**") is made and entered into effect as of the 13th day of December, 2016 ("**Amendment Date**") by and between the Port of Corpus Christi Authority of Nueces County, Texas ("**Authority**"), and Govind Development, LLC – Engineering Division ("**Engineer**"), each a "**Party**" and collectively as "**Parties**".

WHEREAS, Authority and Engineer entered into a Master Services Agreement on April 9, 2013 (the "**Agreement**"); and

WHEREAS, Authority and Engineer entered into a Service Order No. 11 (the "**Service Order**") on September 17, 2015, wherein Engineer agreed to perform the design work to upgrade existing firewater system to a pressurized fire water system to include a firewater storage tank, firewater pump house and related piping associated with Project No. 14-023A; and

WHEREAS, it has become necessary to amend the Service Order to expand the scope of services and compensation;

NOW THEREFORE, in consideration of the services and of the mutual covenants and agreements of the parties hereto, the Authority and the Engineer do agree as follows:

Scope of Services:

Final Design Phase.

With concurrence from PCCA on the preliminary design and in accordance with the Basic Services in Section A-1.03, A-1.04, and A-1.05 of Exhibit A of the Master Agreement (13-03), ENGINEER will provide the following additional services not included in the original Service Order No. 11 to, in general, extend the firewater line to Oil Dock 15 and provide an alternate foundation design for the firewater tank. These additional services include but are not limited to:

- Survey of existing conditions
- Hydro excavation of existing pipelines
- Remediation of contaminated hydro excavated soils (if needed)
- Sizing of firewater line extension from Oil Dock 2 to Oil Dock 15
- Layout of new valves along new firewater line extension
- Design layout and details of firewater line extension
- Design of firewater line connection to Oil Dock 15 system
- Details of roadway crossing and roadway repairs (if new line will route under roadway)
- Construction Drawings
- Opinion of Probable Cost
- Additional specifications (as needed)
- Provide a pile supported firewater tank foundation in lieu of the originally planned concrete surface ring and slab foundation.

Deliverables:

Deliverables to be provided by the ENGINEER include:

- Final Conceptual Drawings, four bound hard copies (11" X 17") and electronic (.PDF and .DWG) formats.

Final report(s) and drawings will be sealed by a Registered Professional Engineer licensed to practice in the State of Texas.

Compensation:

In accordance with Article 4 of Master Agreement No. 13-03 and negotiations between the parties, ENGINEER will be compensated pursuant to this Service Order as follows:

Original Service Order No. 11 Amount	$ 123,100
Additional Engineering Services *(Amendment #1)*	$ 68,000
Total Engineering Services for Service Order No. 1 and Amendment #1 (Not to Exceed)	**$ 191,100**

Material Changes to Service Order No. 11:

All provisions of PCCA Master Agreement No. 13-03 and original Service Order No. 11 are in full force and effect.

Effective on the date executed by the last party to this Service Order.

Port of Corpus Christi Authority
of Nueces County, Texas

By: _____

Name: David L. Krams, P.E.

Title: Director of Engineering Services

Date of Execution: _____

"PCCA"

Govind Development, LLC – Engineering Division

By: _____

Name: _____

Title: _____

Date of Execution: _____

"ENGINEER"

PORT CORPUS CHRISTI

AGENDA MEMORANDUM

Action Item for Port Commission Meeting of December 13, 2016

DATE: December 13, 2016

TO: Port Commission

FROM: David Krams, P.E.
Director of Engineering Services
Krams@pocca.com
(361) 885-6134

Approve an amendment to Service Order No. 6 in the Amount of $37,000 with Coast & Harbor Engineering, d/b/a Mott MacDonald, under Professional Services Master Agreement No. 14-03, for Engineering Services Associated with the La Quinta Terminal – Aquatic Habitat Mitigation – Phase II Project.

SUMMARY: Staff requests approval of an amendment to Service Order No. 6 with Coast & Harbor Engineering, d/b/a Mott MacDonald, under Professional Services Master Agreement No. 14-03, in the amount of $37,000, for additional professional services associated with La Quinta Terminal – Aquatic Habitat Mitigation – Phase II project.

BACKGROUND: In October 2015, the Commission approved a Service Order with Mott MacDonald to perform the engineering associated with the design and bidding of the La Quinta Terminal – Aquatic Habitat Mitigation – Phase II project, with optional construction phase services in the amount of $65,900 should a contract for construction be awarded. The project is required to mitigate impacts to aquatic resources associated with the construction of dock and waterfront facilities at the PCCA La Quinta Gateway Terminal property, and generally consists of constructing two acres of emergent wetland mitigation berms and planting with smooth cordgrass, the construction of a protection berm necessary to shelter the emergent wetland habitat area from waves and currents, and the planting of twenty acres of submerged seagrass using a common seagrass called shoal grass. In July 2016 the Commission awarded to Shoreline Foundation, Inc., and construction is now underway, with the PCCA utilizing Mott MacDonald as its consultant for construction phase services.

Based on construction progress and recent scheduling updates from Shoreline Foundation, Inc., staff estimates that Shoreline Foundation will complete construction of the protection and mitigation berm around late January 2017 rather than November 2016 as originally forecast. The revised construction schedule has resulted in a postponement of initial wetland vegetation planting that was anticipated to be completed in late Fall 2016 to late Spring 2017. Replanting of the Spring 2017 planting, if needed, would occur in Fall 2017 with project closeout and reporting by December 2017.

Due to the time required for Shoreline Foundation to perform their work exceeding that originally scoped and fees negotiated by the PCCA and Mott MacDonald to perform

construction phase services for this project, Staff has negotiated an increase in fees by $37,000 to cover those projected services to complete the project.

ALTERNATIVES: N/A

CONFORMITY TO PORT POLICY: This project is included in the 2016 Budget and conforms to the PCCA's Strategic Plan (Strategic Goal #2 – Provide facilities and services to meet customer needs).

EMERGENCY: No.

FINANCIAL IMPACT: The 2016 Engineering budget included $2,935,000 for the design and construction of this approximately $3.2 million project, which is cost-shared with voestalpine Texas Holding LLC at a rate of 28.7 percent.

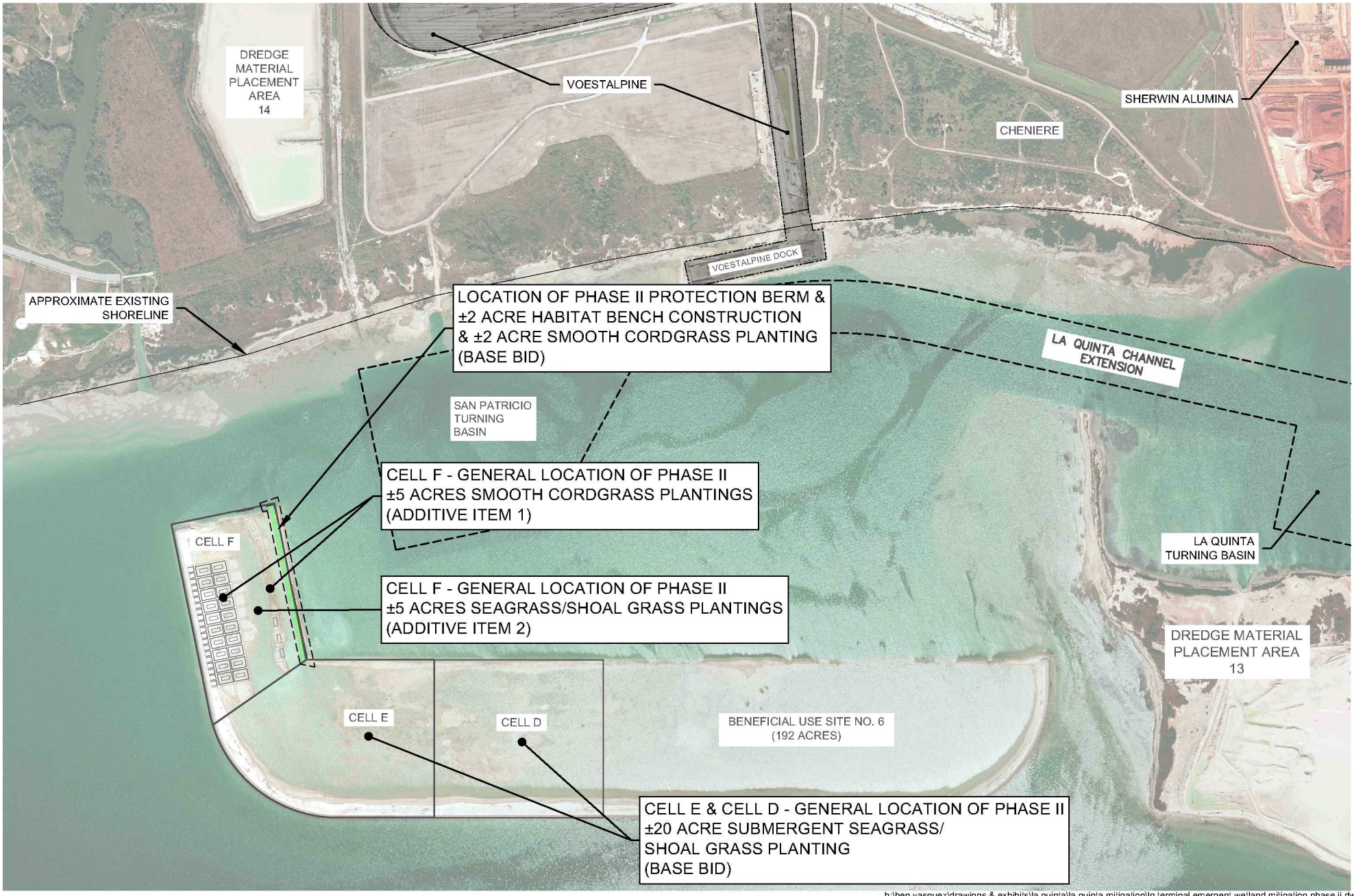
STAFF RECOMMENDATION: Staff recommends approval of an amendment to Service Order No. 6 with Mott MacDonald for an increase of an additional $37,000, to provide additional construction phase services for the La Quinta Terminal – Aquatic Habitat Mitigation – Phase II project. Up to $10,619 (28.7%) will be reimbursed by voestalpine Texas Holding LLC. With this amendment, the total service order not-to-exceed amount to perform this work will be $282,100.

DEPARTMENTAL CLEARANCES:

Originating Department	Engineering Services
Reviewed & Approved	David Krams
	Paul Carangelo
	Sonya Lopez-Sosa
Legal	Dane Bruun
Senior Staff	John LaRue
	Sean Strawbridge
	Jarl Pedersen

LIST OF SUPPORTING DOCUMENTS:

Map Exhibit
Service Order Amendment



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NORTH

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PORT CORPUS CHRISTI

PORT OF CORPUS CHRISTI AUTHORITY

LA QUINTA TERMINAL EMERGENT WETLAND
AQUATIC HABITAT MITIGATION
PHASE II

SCALE:	1:1000'	EXHIBIT "A"	DATE:	2016/06/30
DWN. BY:	BEN V		TIME:	10:56:07

AMENDMENT #1 - SERVICE ORDER NO. 6
PORT OF CORPUS CHRISTI AUTHORITY
OF NUECES COUNTY, TEXAS
MASTER AGREEMENT NO. 14-03 – Coast & Harbor Engineering, d/b/a Mott MacDonald
PROJECT NO. 12-031A
PROJECT NAME: La Quinta Terminal-Aquatic Habitat Mitigation Phase II

THIS FIRST AMENDED SERVICE ORDER (the "**Amendment**") is made and entered into effect as of the December 13, 2016 ("**Amendment Date**") by and between the Port of Corpus Christi Authority of Nueces County, Texas ("**Authority**"), and Coast & Harbor Engineering, d/b/a Mott MacDonald ("**Engineer**"), each a "**Party**" and collectively as "**Parties**".

WHEREAS, Authority and Engineer entered into a Master Services Agreement on August 20, 2014 (the "**Agreement**");

WHEREAS, Authority and Engineer entered into a Service Order No. 6 (the "**Service Order**") on November 15, 2015, wherein Engineer agreed to perform geotechnical survey collection, coastal engineering analysis and design, mitigation protection design, and development of plans, specifications, contract documents, and construction cost estimates to be used in solicitation and execution of construction services associated with Project No. 12-031A; and

WHEREAS, it has become necessary to amend the Service Order to expand the scope of services schedule and compensation;

NOW THEREFORE, in consideration of the services and of the mutual covenants and agreements of the parties hereto, the Authority and the Engineer do agree as follows:

Scope of Services:

Provide additional construction phase services due to an increased construction schedule than originally anticipated during original scoping of the project.

Service Schedule:

Extend the construction phase services to coincide with the completion of project construction phase of March 2018.

Compensation:

In accordance with Article 4 of Master Agreement No. 14-03 and negotiations between the parties, ENGINEER will be compensated pursuant to this Service Order as follows:

Original Service Order – Tasks 1-4	$ 179,200
Original Service Order – Task 5 Construction Phase Services Amount	$ 65,900
Amended Task 5 Construction Phase Services Amount *(This Service Order)*	$ 37,000

Amended Total Service Order Not-to-Exceed **$ 282,100**

Material Changes to Service Order No. 6:

All provisions of PCCA Master Agreement No. 14-03 and original Service Order No. 6 are in full force and effect.

Effective on the date executed by the last party to this Service Order.

Port of Corpus Christi Authority of Nueces County, Texas

By: _____

Name: David L. Krams, P.E.

Title: Director of Engineering Services

Date of Execution: _____

"PCCA"

Coast & Harbor Engineering, DBA Mott MacDonald

By: _____

Name: _____

Title: _____

Date of Execution: _____

"ENGINEER"

PORT CORPUS CHRISTI

AGENDA MEMORANDUM

Action Item for Port Commission Meeting of December 13, 2016

DATE: December 13, 2016

TO: Port Commission

FROM: David L. Krams, P.E.
Director of Engineering Services
Krams@pocca.com
(361) 885-6134

Approve Payment to the U.S. Army Corps of Engineers in the Amount of $92,600 for Geotechnical Borings, Analysis, and Design Associated with the Operation and Maintenance of the South Shore Dredge Material Placement Area - Cell B and Dredge Material Placement Area 10.

SUMMARY: Staff requests approval of payment to the U.S. Army Corps of Engineers in the amount of $92,600 for Geotechnical Borings, Analysis, and Design associated with the operation and maintenance of the South Shore Dredge Material Placement Area (DMPA) - Cell B, and Dredge Material Placement Area 10.

BACKGROUND: The U.S. Army Corps of Engineers (COE) is scheduled to prepare plans, specifications, and construction contract documents to raise the height of the levees at the South Shore DMPA - Cell B, and DMPA 10 (see attached exhibit) to accommodate future dredge material from the Corpus Christi Ship Channel system. Construction is expected to take place in Fiscal Year 2017. Per the PCCA's agreement with the COE, the PCCA provides 25% of the cost for Operation and Maintenance of DMPAs. These design, analysis, and project coordination fees are estimated by the COE, and the PCCA's cost-share is required to be collected prior to the COE performing the work. The COE has requested payment to perform this work. See attached funding requests. The funding requests include $42,600 for Borings and Analysis at South Shore DMPA - Cell B and $50,000 for Engineering and Design for levee raises at South Shore DMPA - Cell B and DMPA 10.

CONFORMITY TO PORT POLICY: This project conforms to the PCCA's Strategic Plan (Strategic Goal #2 – Provide facilities & services to meet customer needs).

EMERGENCY: No.

FINANCIAL IMPACT: The 2016 Engineering budget included $100,000 for work associated with increasing capacity at the various DMPAs. The COE expanded the scope of work for 2016 from what was originally projected for the budget. To date, $221,397.60 has been provided to the COE for the PCCA's Operations and Maintenance cost-share. This purchase order, in addition to the funds approved earlier this year, exceeds the amount identified in the 2016 budget by $213,997.60.

STAFF RECOMMENDATION: Staff recommends approval of payment to the U.S. Army Corps of Engineers in the amount of $92,600 for Geotechnical Borings, Analysis, and Design associated

with the operation and maintenance of levees at South Shore DMPA - Cell B and DMPA 10. Staff supports the COE's performance of this work to better ensure adequate DMPA capacity in the future for new work and maintenance dredging of the Corpus Christi Ship Channel and adjacent access channel and dock facilities. Additional Commission approval will be requested in the future for the construction cost-share and potentially for any cost-share required for additional design work.

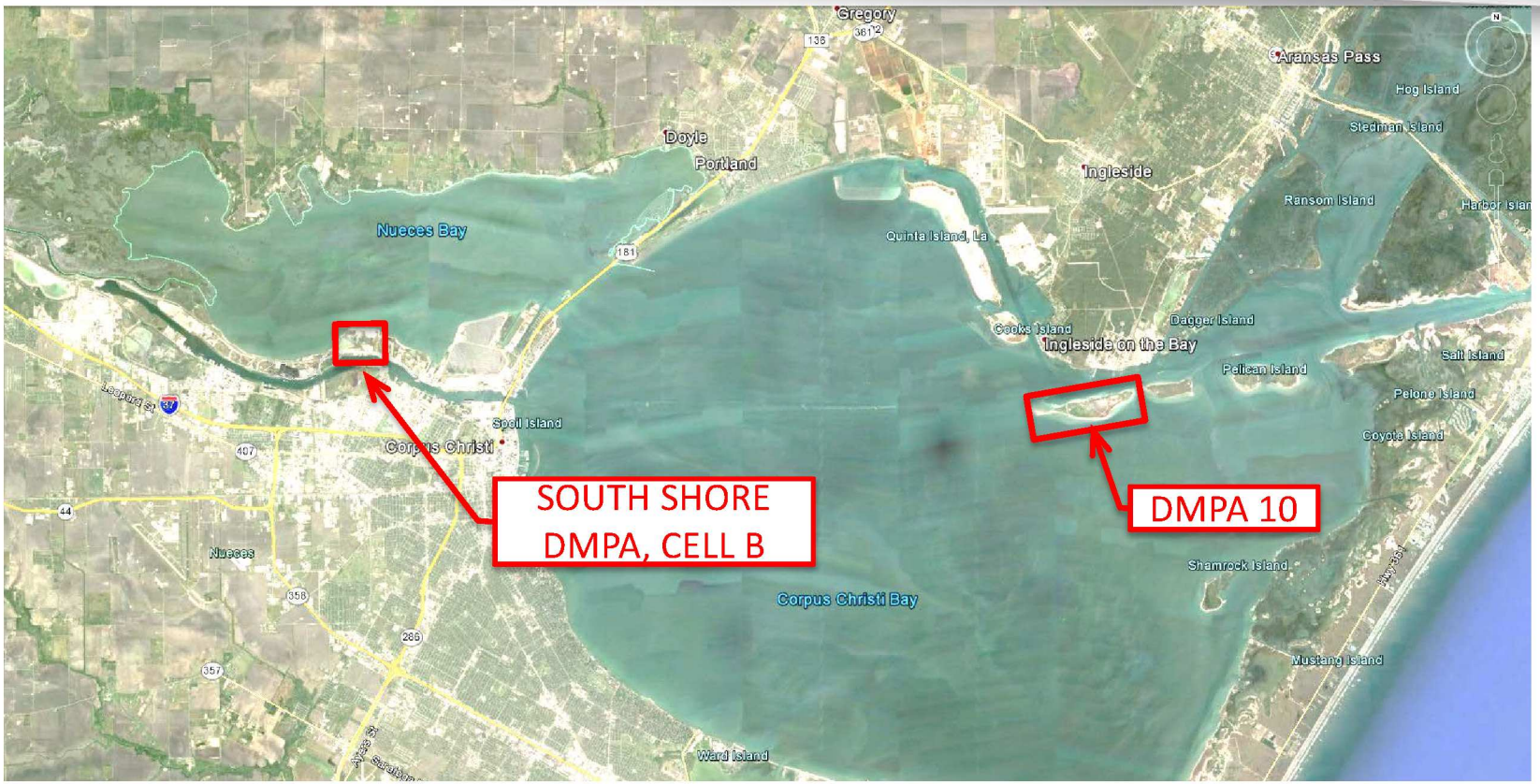
DEPARTMENTAL CLEARANCES:

Originating Department	Engineering Services
Reviewed & Approved	David Krams
	Dan Koesema
Legal	Jimmy Welder
Senior Staff	John LaRue
	Sean Strawbridge
	Jarl Pedersen

LIST OF SUPPORTING DOCUMENTS:

Map Exhibit
COE Funding Requests

SOUTH SHORE DMPA, CELL B AND DMPA 10 LEVEE RAISING



1926-2016 90 YEARS OF RELATIONSHIPS

PORT CORPUS CHRISTI™

DEPARTMENT OF THE ARMY
GALVESTON DISTRICT, CORPS OF ENGINEERS
P. O. BOX 1229
GALVESTON, TEXAS 77553-1229

NOV 29 2016

Resource Management Office

SUBJECT: Local Sponsor Contributed Funds required to perform geotechnical borings and analysis as part of the engineering and design for anticipated levee raise of Inner Harbor Placement Area (IH-PA) 3 Cell B, Corpus Christi Ship Channel, Nueces County, Texas

Mr. John LaRue
Executive Director
Port of Corpus Christi Authority
P.O. Box 1541
Corpus Christi, Texas 78403

Dear Mr. LaRue,

In accordance with the Local Cooperation Agreement (LCA) between the Port of Corpus Christi Authority (PCCA) and the Department of the Army, Corpus Christi, Texas, the Galveston District Corps of Engineers is requesting $42,600 (Forty-Two Thousand Six Hundred Dollars) in non-Federal funds in order to perform geotechnical borings and analysis as part of the engineering and design for anticipated levee raise of IH-PA 3 Cell B. The requested amount includes the collection and analysis of soil borings and supervision and administration costs. The estimated costs are outlined in the attachment.

Funds should be wired as soon as possible to the following:

Bank Name: Treas NYC/Funds Transfer Division
Account Name: Treas NYC/CTR/BNF=/AC-00008736
Bank ABA Number: 021030004
Account Number: 00008736
Bank Address: Federal Reserve Bank New York City, NY

Please contact Apryl Kilgo in the Resource Management Office at (409) 766-3127 when the wire transfer has been completed. Thank You for your cooperation in processing this request. If you require any additional information, please contact Valerie Miller of our Programs Management Office at 409-766-3876.

Sincerely,

James E. Atkinson
Resource Management Officer

Enclosure

Copy Furnished:

Mr. Dan Koesema, P.E.
Chief of Channel Development
Port of Corpus Christi Authority
P.O. Box 1541
Corpus Christi, Texas 7843

CESWG-OD-N (Howard)
CESWG-RM (Williams/Kilgo)

Attachment: Non-Federal Cost Share Estimate

Non-Federal Cost Share
CCSC IH-PA 3 Cell B
Geotechnical Borings and Analysis

Placement Area	Item Description	Non-Federal Cost Share (~25%)	Federal Funds	Total Cost
IH-PA 3 Cell B	Borings	$ 42,000.00	$ 125,992.80	$ 167,992.80
	Supervision and Administration	$ 600.00	$ 1,800.00	$ 2,400.00
	Total Amount	**$ 42,600.00**	**$ 127,792.80**	**$ 170,392.80**

DEPARTMENT OF THE ARMY
GALVESTON DISTRICT, CORPS OF ENGINEERS
P. O. BOX 1229
GALVESTON, TEXAS 77553-1229

NOV 29 2016

Resource Management Office

SUBJECT: Local Sponsor Contributed Funds required for engineering and design costs for the anticipated levee raises of Inner Harbor Placement Area (IH-PA) 3 Cell B and PA10, Corpus Christi Ship Channel, Nueces County, Texas

Mr. John LaRue
Executive Director
Port of Corpus Christi Authority
P.O. Box 1541
Corpus Christi, Texas 78403

Dear Mr. LaRue,

In accordance with the Local Cooperation Agreement (LCA) between the Port of Corpus Christi Authority (PCCA) and the Department of the Army, Corpus Christi, Texas, the Galveston District Corps of Engineers is requesting $50,000 (Fifty thousand Dollars) in non-Federal funds in order to perform engineering and design for the anticipated FY17 solicitation to raise levees of IH-PA 3 Cell B and PA10. The estimated costs are outlined in the attachment.

Funds should be wired as soon as possible to the following:

Bank Name: Treas NYC/Funds Transfer Division
Account Name: Treas NYC/CTR/BNF=/AC-00008736
Bank ABA Number: 021030004
Account Number: 00008736
Bank Address: Federal Reserve Bank New York City, NY

Please contact Apryl Kilgo in the Resource Management Office at (409) 766-3127 when the wire transfer has been completed. Thank You for your cooperation in processing this request. If you require any additional information, please contact Valerie Miller of our Programs Management Office at 409-766-3876.

Sincerely,

James E Atkinson
Resource Management Officer

Enclosure

Copy Furnished:

Mr. Dan Koesema, P.E.
Chief of Channel Development
Port of Corpus Christi Authority
P.O. Box 1541
Corpus Christi, Texas 7843

CESWG-OD-N (Howard)
CESWG-RM (Williams/Kilgo)

Attachment: Non-Federal Cost Share Estimate

Non-Federal Cost Share
CCSC FY17 IH-PA 3 Cell B & PA10 Levee Raise
Engineering and Design

Item Description	Non-Federal Cost Share (~25%)	Federal Funds	Total Cost
Engineering and Design - IH-PA 3 Cell B and PA 10	$ 50,000.00	$ 150,000.00	$ 200,000.00

PORT CORPUS CHRISTI

AGENDA MEMORANDUM

Action Item for Port Commission Meeting of December 13, 2016

DATE: December 13, 2016

TO: Port Commission

FROM: Darrin Aldrich, Director of Real Estate
Darrin@pocca.com
(361) 885-6169

Approve a Second Amendment of Lease with Maritime Berthing Inc. giving MBI an Option to Extend its Existing Lease Agreement for a Layberth for Two LMSR Military Vessels at Bulk Dock 3 and Cargo Docks 14 and 15 Until March 31, 2017

SUMMARY: Staff requests approval of the Second Amendment of Lease Agreement with Maritime Berthing Inc. (MBI) to extend the existing lease agreement by providing one additional three-month option period (the eighth option period) from January 1, 2017 to March 31, 2017.

BACKGROUND: The Port of Corpus Christi Authority and Maritime Berthing Inc. entered into a lease agreement on December 14, 2010, under which the PCCA leased to MBI certain land situated in the Inner Harbor: (1) the Cargo Dock 14/15 tract, and (2) the Bulk Dock 3 tract for layberth of two Large Medium-Speed Roll-on/Roll-off (LMSR) military cargo vessels in accordance with MBI's contract with the Military Sealift Command (MSC).

On September 20, 2016, the Port Commission approved the first amendment of Lease Agreement with MBI to amend the Lease to state that the sixth option period will end September 30, 2016, instead of November 1, 2016, and added a seventh option period extending the lease term until December 31, 2016.

MBI has requested one additional three-month option period (the eighth option period) under the Lease, which would begin on January 1, 2017 and end on March 31, 2017. The right to renew the eighth option shall be exercised by MBI giving to the PCCA prior notice in writing of such exercise on or before December 31, 2016. The table below summaries the option periods granted to MBI.

222 Power Street 78401 | PO Box 1541 78403 | Corpus Christi, Texas | T 361 882 5633 F 361 882 7110 | portofcorpuschristi.com

OPTION #	*FROM*	*TO*	*DAYS*
1	*October 1, 2011*	*September 30, 2012*	*366*
2	*October 1, 2012*	*September 30, 2013*	*365*
3	*October 1, 2013*	*September 30, 2014*	*365*
4	*October 1, 2014*	*September 30, 2015*	*365*
5	*October 1, 2015*	*May 2, 2016*	*215*
6	*May 3, 2016*	*September 30, 2016*	*151*
7	*October 1, 2016*	*December 31, 2016*	*92*
8	*January 1, 2017*	*March 31, 2017*	*90*

ALTERNATIVES: Do nothing

CONFORMITY TO PORT POLICY: N/A

EMERGENCY: No

FINANCIAL IMPACT: The rent for the eighth option period will be $975.20 per day, payable in monthly installments beginning January 1, 2017. The eighth option period provides an $87,768.00 financial impact to the PCCA.

STAFF RECOMMENDATION: Staff recommends that the Port Commission approve the Second Amendment of Lease Agreement between the Port of Corpus Christi Authority and Maritime Berthing Inc.

DEPARTMENTAL CLEARANCES:

Originating Department	Real Estate
Reviewed by	Darrin Aldrich
Legal	Jimmy Welder
Executive Staff	John LaRue
	Jarl Pedersen
	Sean Strawbridge

LIST OF SUPPORTING DOCUMENTS:

Second Amendment of Lease Agreement
Letter Exhibit

Maritime Berthing, Inc.

Second Amendment of Lease Agreement

PORT CORPUS CHRISTI

Generated by
Port of Corpus Christi
Real Estate Department

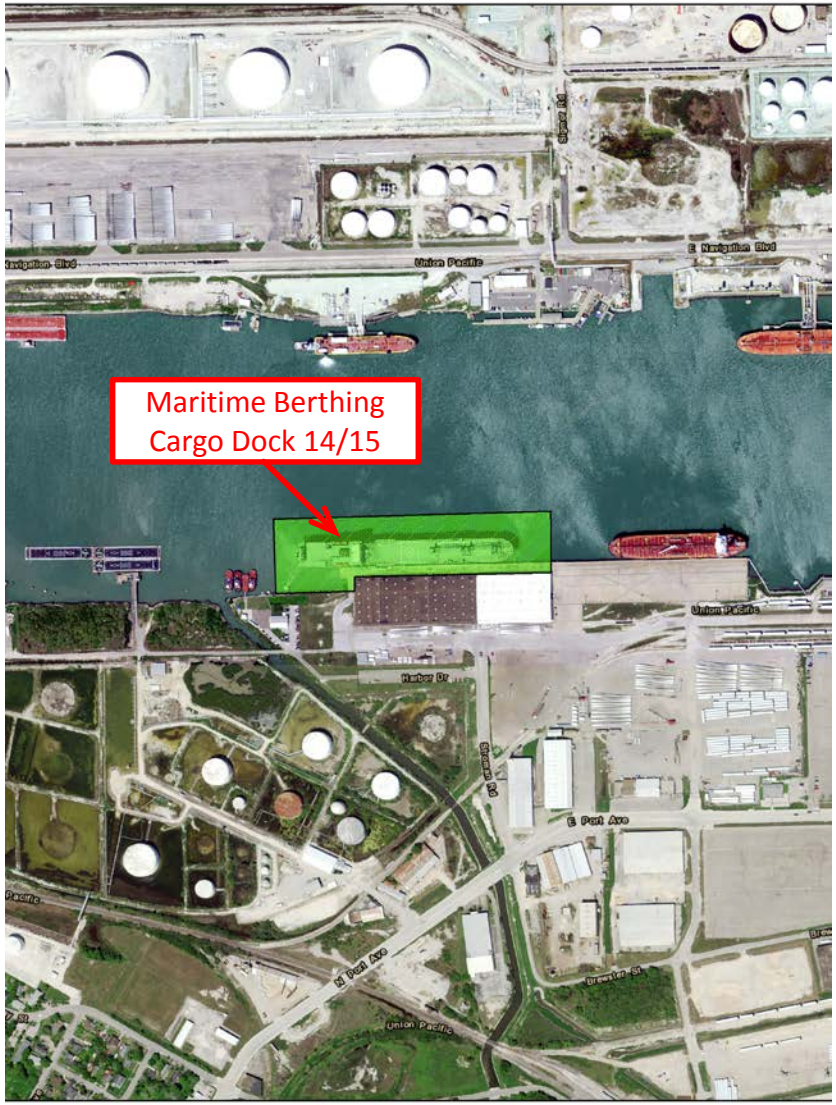
Maritime Berthing, Inc

Map Disclaimer:
This product is for informational purposes and has not have been prepared for, or be suitable for legal, engineering, or surveying purposes.

State Plane NAD 1983
South Zone FIPS 4205
Not To Scale

Maritime Berthing, Inc.

Second Amendment of Lease Agreement



Maritime Berthing, Inc

Maritime Berthing, Inc

SECOND AMENDMENT OF LEASE

This Second Amendment of Lease ("Amendment") is made and entered into effective as of the 13th day of December, 2016 ("Amendment Date"), between the Port of Corpus Christi Authority of Nueces County, Texas ("Authority"), a navigation district operating under Article XVI, Section 59 of the Texas Constitution, and Maritime Berthing Inc. ("Lessee"), a Texas corporation (individually a "Party," and collectively the "Parties").

WHEREAS, by a Lease Agreement dated December 14, 2010 ("Original Lease Agreement"), Authority leased to Lessee the surface of the following tracts of land situated in the Inner Harbor of the Port of Corpus Christi: (1) the Cargo Dock14/15 tract, which is described in Exhibit A attached to the Lease, and (2) the Bulk Dock 3 tract, which is described in Exhibit B attached to the Lease; and

WHEREAS, the Authority and Lessee entered into a First Amendment of Lease made effective as of September 20, 2016 ("First Lease Amendment"), which amended the Original Lease Agreement in certain respects and

WHEREAS, the Original Lease Agreement as amended by the First Lease Amendment is referred to herein as the "Lease" and capitalized terms in this Amendment shall have the meanings ascribed to those terms under the provisions of the Lease, except as provided herein; and

WHEREAS, Lessee has requested one additional three-month option period (the "Eighth Option Period") under the Lease, which would begin on January 1, 2017 and end on March 31, 2017; and

WHEREAS, the Authority is willing to grant Lessee's request for the Eighth Option Period on the terms and conditions specified in this Amendment;

NOW THEREFORE, for good and valuable consideration, the sufficiency and receipt of which is hereby acknowledged by the Parties, and in further consideration of the mutual covenants and obligations contained herein, the Parties hereby agree as follows:

1. Effective as of the Amendment Date, Section 1.01 of the Lease shall be amended in its entirety to read as follows:

Section 1.01. Description of Premises and Term

Authority, in consideration of the rents to be paid and the terms, covenants, and conditions hereinafter set forth, hereby leases to Lessee and Lessee leases from Authority for the entire term, including any extensions, stated in this Section, real property situated in Nueces County, Texas, which is described as follows:

The surface of two tracts of land situated in the Inner Harbor of the Port of Corpus Christi, and consisting of (1) the Cargo Dock14/15 tract, which tract is particularly described on ***Exhibit A*** *attached hereto and incorporated herein by reference and (2) the Bulk Dock 3 tract, which tract is particularly described on* ***Exhibit B*** *attached hereto and incorporated herein by reference (hereinafter sometimes collectively called the "Leased Premises").*

TO HAVE AND TO HOLD the Leased Premises for a primary term of One Hundred Fifty-One (151) Days beginning on May 3, 2011 and ending at midnight, Central Time, on September 30, 2011.

In addition, Authority hereby grants to Lessee the option to extend the term of this lease agreement for the following eight (8) additional option periods beginning on the first day after the expiration of the primary term and each option term hereof (the dates and periods of time of each option term are set out below in this paragraph); but if, at the date the original term or any extended term expires, Lessee is in default beyond any grace period provided in this lease agreement in performing any of the terms of this lease agreement, the remaining option or options are void. The right to renew the first six (6) options shall be exercised by Lessee giving to Authority notice in writing of such exercise at least sixty (60) days prior to the expiration of the primary term or any option term of this lease or within fourteen (14) days after official notification by the MSC of their intent to exercise the option year of their layberth contract with MBI, provided such notice is received prior to expiration of the primary term or any option term of this lease. The right to renew the seventh (7th) option shall be exercised by Lessee giving to Authority notice in writing of such exercise on or before September 30, 2016. The right to renew the eight (8th) option shall be exercised by Lessee giving to Authority notice in writing of such exercise on or before December 31, 2016. Notice of an intention to exercise an option under this lease agreement must, to be effective, be sent by certified mail to Authority at the address provided in Article XV and must be postmarked no later than the latest date provided in this section for Lessee's exercising the option.

OPTION #	*FROM*	*TO*	*DAYS*
1	*October 1, 2011*	*September 30, 2012*	*366*
2	*October 1, 2012*	*September 30, 2013*	*365*
3	*October 1, 2013*	*September 30, 2014*	*365*
4	*October 1, 2014*	*September 30, 2015*	*365*
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6	*May 3, 2016*	*September 30, 2016*	*151*
7	*October 1, 2016*	*December 31, 2016*	*92*
8	*January 1, 2017*	*March 31, 2017*	*90*

The primary term plus all option periods total 2,160 days. Notwithstanding anything to the contrary contained herein, Lessee may terminate this lease as of any date during the seventh or eighth option period by giving the Authority no less than thirty (30) days prior written notice of the termination date.

The Authority shall have the option to relocate Lessee from either the premises described in Exhibit A of this lease agreement, or the premises described in Exhibit B of this lease agreement at the same time, or at different times during the primary or extended term of this lease to a suitable alternative facility or facilities, acceptable to both the Lessee and the MSC, which facility or facilities would be developed by the Authority within the geographical boundaries of the Corpus Christi Ship Channel. Authority shall cooperate with the Lessee in the design and construction of any proposed alternative facility or facilities for it to meet all the requirements outlined in Lessee's contract with the MSC. Authority shall give Lessee not less than 180 days prior written notice of such relocation or relocations, which notice shall include the date on which the Lessee shall be required to move and a description of the site to which the Lessee will be relocated. In consideration of Lessee's move to another facility or facilities, Authority shall reimburse Lessee up to twenty-five thousand dollars ($25,000), for out-of-pocket costs and expenses actually incurred by Lessee for each relocation, including the cost of preparing such comparable space or spaces for occupancy, telephone and communication cabling. Any reasonable costs associated with the actual movement of any vessels layberthed at the Leased Premises at the time of the relocation, to the new site will be paid by the Authority. In the event of such relocation such alternate space shall for all purposes be deemed the Leased Premises, or a part of the Leased Premises, hereunder, and this lease shall continue in full force and effect without any change in the other conditions or terms hereof. Lessee shall have the option to terminate this Lease Agreement without penalty if Lessee deems the alternative space or spaces unacceptable.

2. Effective as of the Amendment Date, the first paragraph of Section 3.01 of the Lease shall be amended in its entirety to read as follows:

*Lessee agrees to pay to Authority at its offices in Corpus Christi, Texas, rent for the Leased Premises during the primary term of the lease and for Option Periods 1 - 6 equal to Eight Hundred Forty-Eight and NO/100 Dollars ($848.00) per day, payable in monthly installments of Twenty-Five Thousand Seven Hundred Ninety-Three and 33/100 Dollars (**$25,793.33**) each. Lessee agrees to pay to Authority at its offices in Corpus Christi, Texas, rent for the Leased Premises for Option Periods 7 and 8 equal to Nine Hundred Seventy-Five and 20/100 Dollars ($975.20) per day, payable in monthly installments of Twenty-Nine Thousand Nine Hundred Six and 13/100 Dollars (**$29,906.13**) each, commencing October 1, 2016. Rent for any fractional month at the end of the term of this lease will be prorated on a per-day basis.*

3. This Amendment shall be binding on the successors and assigns of the Parties.

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4. Except as specifically amended hereby, all terms and conditions of the Lease shall remain in full force and effect. In the event of any conflict between the terms and conditions of this Amendment and the terms and conditions of the Lease, the terms and conditions of this Amendment shall control.

[Signature page follows this page.]

IN WITNESS WHEREOF, the Parties have caused this Amendment to be executed by their duly authorized officers effective for all purposes as of the Amendment Date.

PORT OF CORPUS CHRISTI AUTHORITY OF NUECES COUNTY, TEXAS

By: _____
John P. LaRue
Executive Director

MARITIME BERTHING, INC.

By: _____
Ed Motter
President

STATE OF TEXAS §
§
COUNTY OF NUECES §

This instrument was acknowledged before me on the _____ day of December, 2016 by John P. LaRue, as Executive Director of the Port of Corpus Christi Authority of Nueces County, Texas, on behalf of the Authority.

_____
NOTARY PUBLIC, STATE OF TEXAS

(seal)

STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledged before me on the 1 day of December, 2016, by Ed Motter, President of Maritime Berthing, Inc., on behalf of the corporation.

Peter M Kiernan
NOTARY PUBLIC, STATE OF TEXAS.

PETER M. KIERNAN
Notary Public, State of Texas
My Commission Expires
December 03, 2017

(seal)

Exhibit A

Drawing of CD-14/15 Leased Site

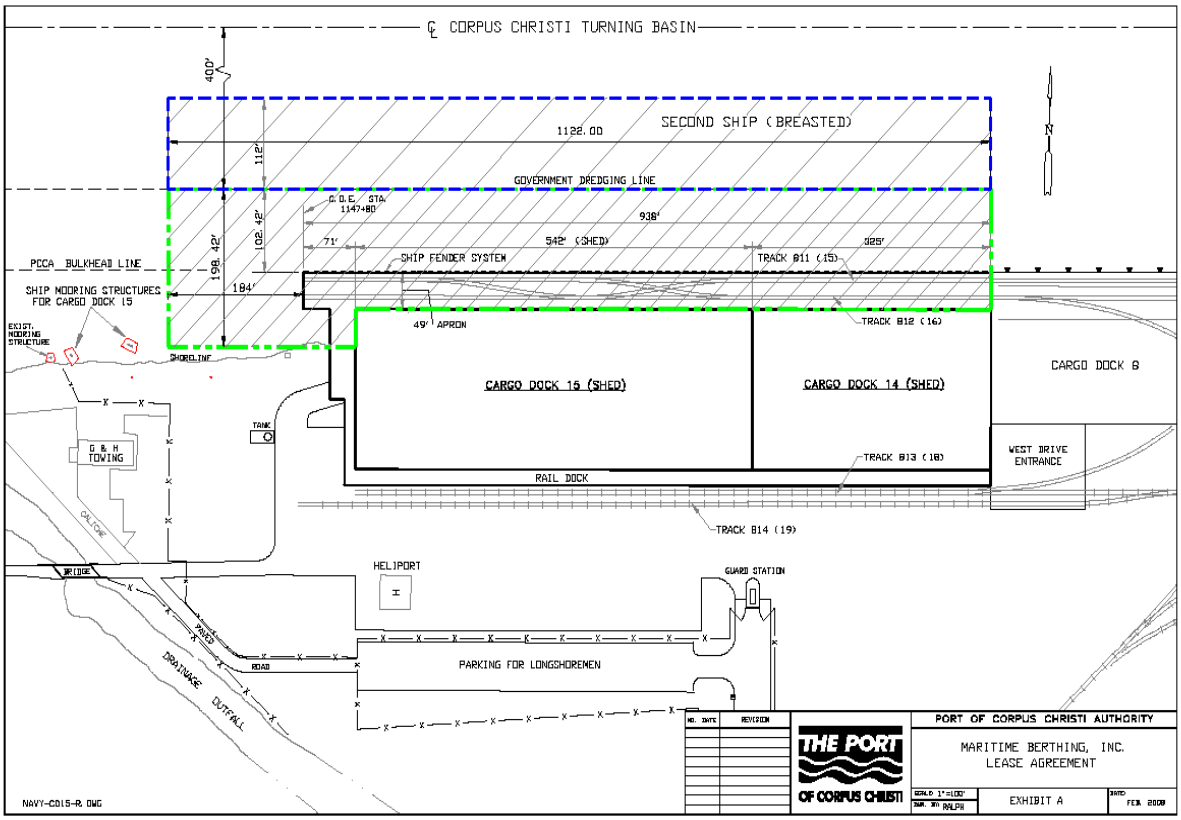
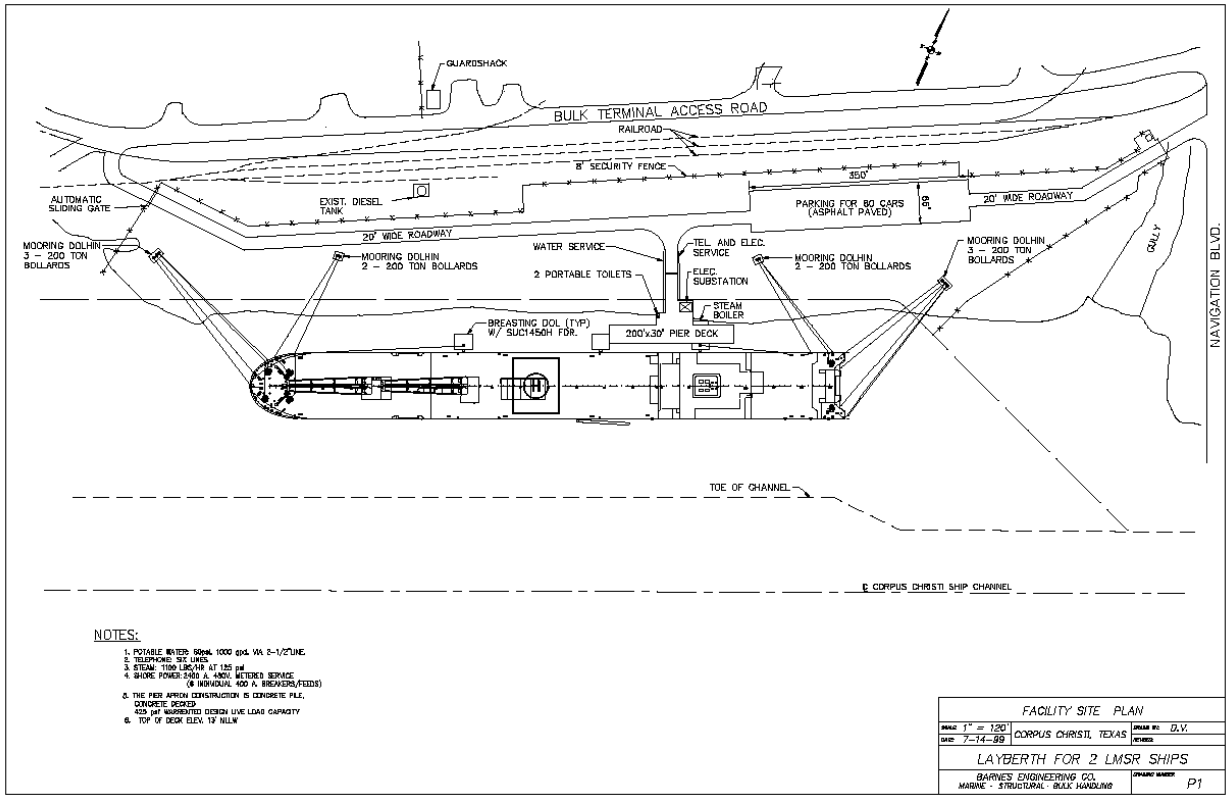


Exhibit B

Drawing of BD-3 Leased Site



PORT CORPUS CHRISTI

AGENDA MEMORANDUM

Action Item for Port Commission Meeting of December 13, 2016

DATE: December 13, 2016

TO: Port Commission

FROM: Darrin Aldrich
Darrin@pocca.com
(361) 885-6169

Approve a Fourth Amendment of Lease with Citgo Petroleum Corporation to Extend the Term of the Existing Lease Agreement Through December 31, 2018 and to Increase the 13.891-Acre Pad Site Situated at the Bulk Terminal to 19.801-Acres

SUMMARY: PCCA staff and representatives of Citgo Petroleum Corporation (Citgo) have negotiated a Lease Amendment to extend the Lease term for an additional two years, through December 31, 2018. Citgo has requested to increase the pad site from 13.891-acres to 19.801-Acres. The Lease Amendment incorporates an Environmental Compliance section that includes environmental controls to reduce emissions, and reduce the accumulation of materials in the PCCA's storm water ditches. In addition, Citgo agrees to pay a pro rata share of the cost associated with the remediation of non-operational areas to remove pet coke from designated areas with Bulk Terminal (BT). Authority will begin construction on the removal of the top two to three feet (as feasible) of existing material from the designated Authority rights-of-way and then replace it with clean material, including a minimum of six inches of topsoil, that will support re-generation with drought tolerant, preferably native, vegetation. Citgo's share of the costs associated with the remediation are based on the Citgo's percent of the overall annual tonnage for Bulk Dock 2 for the past 2 year period, as shown on Exhibit D, up to but not to exceed $538,504.59 or 62.7% of the estimated remediation cost. The lease expiration will coincide with other lease expiration dates at the BT.

BACKGROUND: On September 1, 1990 the PCCA granted a Lease Agreement with Applied Industrial Materials Corporation for a 13.891-Acre tract at Bulk Terminal. On February 13, 2001 the Lease was amended to assign the Lease Agreement to the Citgo Petroleum Corporation. The Lease was further amended in 2005 to extend the lease to December 31, 2016.

The two-year extension will provide staff an opportunity to plan in support of the Port Authority's initiative to update the master plan for the Bulk Terminal (BT). The BT master plan's purpose is to develop a new business model to increase current operational efficiencies for all aspects of BT operations, including facility maintenance, environmental compliance, and expand operational capabilities for future bulk material cargoes and

markets. The Citgo Lease Extension will provide staff time to complete planning of the BT and incorporate the new BT initiatives into user agreements for BT users.

ALTERNATIVES: Do not extend the lease agreement

CONFORMITY TO PORT POLICY: N/A

EMERGENCY: No

FINANCIAL IMPACT: The Lease Amendment will generate $237,616 in annual base rent for a total of $475,224 for the two year extension period. In addition, the minimum annual throughput of 180,000 tons of pet coke will continue through the extension period, which is equivalent to 15,000 tons per month.

STAFF RECOMMENDATION: Staff recommends approval of the Fourth Amendment of Lease with Citgo Petroleum Corporation to extend the term of the existing lease agreement through December 31, 2018 and to increase the 13.891-acre pad site situated at the Bulk Terminal to 19.801-Acres.

DEPARTMENTAL CLEARANCES:

Originating Department	Real Estate
Reviewed & Approved	Darrin Aldrich
	Sarah Garza
Legal	Jimmy Welder
	John Muir, Baker-Wotring, LLP
Senior Staff	John LaRue
	Sean Strawbridge
	Jarl Pedersen

LIST OF SUPPORTING DOCUMENTS:
Memo Exhibit
Fourth Amendment of Lease Agreement

Approve a Fourth Amendment of Lease with Citgo Petroleum Corporation to Extend the Term of the Existing Lease Agreement Through December 31, 2018 and to Increase the 13.891-Acre Pad Site Situated at the Bulk Terminal to 19.801-Acres

Legend

- Requested by Citgo
- Citgo

Generated by
Port of Corpus Christi
Real Estate Department

Citgo

Map Disclaimer:
This product is for informational purposes and has not have been prepared for, or be suitable for legal, engineering, or surveying purposes.

State Plane NAD 1983
South Zone FIPS 4205

Not To Scale

FOURTH AMENDMENT OF LEASE

STATE OF TEXAS §
§ KNOW ALL MEN BY THESE PRESENTS
COUNTY OF NUECES §

WHEREAS, by instrument ("Lease") dated September 1, 1990, the Port of Corpus Christi Authority of Nueces County, Texas ("Authority"), leased to Applied Industrial Materials Corporation, ("Lessee"), a 13.891 acre tract of land in Nueces County, Texas, which is completely described in the Lease, for a term of five (5) years, beginning September 1, 1990, and expiring August 31, 1995; and

WHEREAS, by instrument ("1st Amendment") dated July 11, 1995, the Lease was amended to add one more five (5) year option term; and

WHEREAS, by instrument ("Assignment") dated February 13, 2001, the Lease, as amended, was assigned from Applied Industrial Materials Corporation to CITGO Petroleum Corporation; and

WHEREAS, by letter dated March 23, 2001, CITGO has requested that the current expiration date be extended from September 30, 2005, to March 31, 2007, and that one additional five-year option term be provided after this date; and

WHEREAS, by instrument ("2nd Amendment") dated May 8, 2001, the Lease was amended to extend the expiration date of the second five-year option period from September 30, 2005, to March 31, 2007, and add one additional five-year option period for the period of time from April 1, 2007, to March 31, 2012; and

WHEREAS, by instrument ("3rd Amendment") dated September 29, 2004, the Lease was amended to extend the expiration of the third five-year option period from March 31, 2012 to December 31, 2011, and to add one additional five-year option period from January 1, 2012 to December 31, 2016; and

NOW THEREFORE, FOR GOOD AND VALUABLE CONSIDERATION, the sufficiency and receipt of which is acknowledged by both parties hereto, and in further consideration of the mutual covenants and obligations contained herein, Authority and Lessee do hereby agree as follows:

1. The Lease, as previously amended, is hereby further amended as follows:

   A. Section 1.01 is hereby amended to adjust the expiration date of the second five-year option period from December 31, 2016, to December 31, 2018, and to add 5.91 acres to the Lease premises which is described as follows:

A tract of 5.91 acres of land, more or less, which tract is particularly described by the field notes stated and further depicted on Exhibit A attached hereto, which exhibit is incorporated herein by reference (herein called "Tract 1").

B. Section 4.05 is hereby added to the lease to read as follows:

Section 4.05 Environmental Compliance

4.051 Lessee recognizes the goal to reduce emissions, and reduce the accumulation of materials in Authority storm water ditches. To further these goals, Lessee agrees immediately upon execution of this lease extension, and not later than February 28, 2017, to comply with the following requirements for the management of materials and control of discharges related to Lessee's operations on the Leased Premises:

(a) Lessee will execute the September 1, 2014, Reimbursement Agreement Relating to URS Corporation Air Monitoring and agrees to maintain participation in any subsequent agreement to fund 25% of the costs of the CC PM Monitoring Network of no less than eight sites located near the Authority Bulk Terminal to provide ongoing monitoring of PM, for the length of the lease extension under this amendment and any subsequent extensions.

(b) Establish berm and slope containment system to minimize uncontrolled migration of material from pad sites. Lessee will verify in writing to the Authority the details of the containment system, including providing survey data, and a plan for maintenance and ongoing inspections of the containment system. The containment system will also include the associated ponds to ensure adequate capacity and containment of runoff from the pads.

(c) To the extent practical, enhance the contours of the pad sites to direct surface water runoff toward the evaporation pond and provide current survey data to the Port for verification as such.

(d) Contour the driveways leading into pad sites so that primary slope is toward the pad sites. Truck or wheel washes will be located within the area sloping northward toward the pad sites (i.e., within the containment provided for the pad sites). Lessee will monitor elevations around each of the truck or wheel wash areas monthly to determine whether elevations that promote drainage from the wash areas northward to the pad sites have been maintained; re-grade to restore design elevations as necessary.

4.052 Lessee recognizes the goal to reduce the tracking of Lessee's Materials in the public and non-operational areas and thereby reduce the overall maintenance requirements and limit areas accessible by vehicular and equipment traffic. To further these goals, within three months of the execution of the lease extension, Lessee will undertake the following control measures to reduce material tracking in public and non-operational areas and limit areas accessible to vehicular and equipment traffic including the following:

(a) Develop and institute protocols (e.g. street sweeping) for keeping primary drive(s) free of Lessee's Materials and to limit vehicular movement on pad sites to minimize tracking of Lessee's Material. These protocols will be provided in writing to the Authority. Such protocols to be revised if, in the opinion of the Authority, the protocols do not suffice to limit tracking of Lessee's Material in the public and non-operational areas.

(b) Institute protocols to minimize driving on the Pet Coke during the delivery of Lessee's Material to the pad sites on the Leased Premises. Lessee will also install a truck or tire wash at the exit from each facility for the removal of particulate material from trucks before they enter paved areas that drain to the Authority's permitted outfalls. Water from the driveway, dump, and truck wash areas must be directed back to the evaporation ponds along the north side of the lease property.

(c) After the implementation of the required provisions of section 4.052(a)-(b), Lessee will evaluate the frequency of street sweeping on Authority rights-of-way and the spraying for dust suppression to the pad sites and shared rights-of-way to optimize, consistent with regulatory guidelines, the frequency of street sweeping and spraying to minimize potential for Lessee's Material-laden runoff to enter the storm water conveyance system.

(d) If, after evaluating and obtaining cost estimates to implement the items for which Lessee is responsible under subsections 4.051, 4.052, and 4.054, Lessee's estimated cost of implementing said items is in excess of $250,000, Lessee and Authority agree to negotiate in good faith the priority of projects that Lessee will implement or other modifications to the requirements of subsections 4.051, 4.052, and 4.054.

4.053 Lessee acknowledges the goal of reducing uncontrolled discharges of water from the evaporation ponds and to maintain an adequate free-board for collection of wash water associated with Lessee's Operations. To further this goal, Lessee agrees to maintain adequate capacity in its evaporation ponds to contain all surface runoff and wash water within the ponds in connection with Lessee's operations by performing the following:

(a) Prior to the expiration of the current lease term, Authority will place a marker north of the southern border of the evaporation pond, which marker shall be the limit to which water in the evaporation pond may reach and maintain adequate freeboard (the "Minimum Allowable Freeboard") for the evaporation pond. Said marker will be surveyed and the coordinates recorded in Exhibit B, hereto. During the term of the Lease, Lessee agrees to maintain the water level in the evaporation pond below the Minimum Allowable Freeboard. If the water level exceeds the Minimum Allowable Freeboard for more than 2 consecutive days, Lessee agrees to excavate the evaporation pond or evacuate the pond through use of applicable Texas Pollutant Discharge Elimination System (TPDES) permit to maintain the water level below the Minimum Allowable Freeboard. In addition, if the National Weather Service forecast indicates that a rain event is predicted that would likely cause the water level to exceed the Minimum Allowable Freeboard, Lessee agrees to evacuate the pond through use of the applicable TPDES permit in advance of said event to prevent exceeding the Minimum Allowable Freeboard, if possible, given the conditions.

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(b) Prior to the end of the current lease term, Lessee agrees to thereafter maintain the appropriate TPDES waste water permit and to implement filtration systems for the evaporation ponds to allow discharge from the evaporation ponds in accordance with the permit when the evaporation pond Minimum Allowable Freeboard is exceeded.

4.054 Lessee will institute additional dust control systems as follows:

(a) Lessee agrees to using existing and foggers, and new sprayers and foggers that are mutually agreed upon. The strategy will include at a minimum the prevention of dusting of staged rail cars and the ability to create a water spray boundary along the downwind side of Lessee's storage operations which is adaptable to all wind directions.

(b) Prior to the end of the current lease term, Lessee agrees to add a sealant veneering system to loader railcars to minimize the dust from the loading/unloading of Lessee's Material.

4.055 Lessee agrees to an apportionment of costs for the remediation of those non-operational areas and landscaping to remove Pet Coke from the areas designated on Exhibit C attached hereto (the "Remediation"), as follows:

(a) In the second year of the lease extension, Authority will begin construction on the removal of the top two to three feet (as feasible) of existing material from the designated Authority rights-of-way and then replaced with clean material, including a minimum of six inches of topsoil, that will support re-generation with drought tolerant, preferably native, vegetation.

(b) Lessee agrees to pay a 62.7% share of the costs associated with the Remediation based on the Lessee's percent of the overall annual tonnage for Bulk Dock 2 for the past 2 year period, as shown on Exhibit D ("Lessee's Pro Rata Share"), up to but not to exceed $538,504.58. As shown on Exhibit D, based on the estimated costs of the Remediation and 2 year historical tonnage for Bulk Dock 2, the Authority estimates that the cost to Lessee will be $0.331 per ton of throughput handled, for the 2 year period of the Lease Amendment. The Authority will invoice Lessee $0.331 per ton in conjunction with usual wharfage and dockage tonnages in the first year of this extension which Lessee agrees to pay within 30 days of receipt of the invoice (the "Estimated Remediation Cost"). After the first year of the Lease Amendment, the per ton rate will be adjusted, if needed, based on the first year payments, expected throughput and the firm bid for remediation costs ("Actual Remediation Costs"), so that the expected payments for the second year of the Lease Amendment will equal the lesser of $538,504.58 or 62.7% of the Actual Remediation Costs (the "Remediation Cost Cap"). If, during the second year of the Lease Amendment, Lessee's payment for Remediation Costs reaches the Remediation Cost Cap, the Authority will stop invoicing Lessee for Remediation Costs. If, after the second year of the Lease Amendment, Lessee's payments for Remediation Costs has not met the Remediation Cost Cap, the Authority will invoice Lessee for the difference of the Remediation Cost Cap and the Remediation Costs paid during the 2 years of the Lease Amendment, which Lessee agrees to pay within 30 days of receipt of the invoice.

The Authority will review the performance of all of the procedures implemented under the Environmental Compliance provisions of Section 4.05 and its subsections based on the following performance metrics:

Description	Monitoring Method	Frequency
Air Monitoring Network	Air Monitor Alerts	Hourly
Ditch Maintenance	Authority Maintenance Record	Per Occurrence
Lessee Pond Maintenance	Survey of Available Free Board	At Least Annually
Wash Water Collection	Authority Records	Per Loading Event
Response Plans	Response Plan Records	Per Event
Containment Berm Maintenance	Survey of Levee Height	At Least Annually
Site Grade	Survey of Grade	At Least Annually
Enhanced Street Sweeping	Street Sweeping Records	Daily
Reduced Road Watering	Road Watering Records	Daily
Ditch Maintenance	Authority Maintenance Records	Per Occurrence
Weekly Dust Control Operations	Dust Control Plans	Weekly
Operations Environmental Performance	Pad Inspection Reports	Daily / Monthly
Water Use	Flow Meters at Ponds and City Water Meters	Daily
Storm Water Quality	Storm Water Samples	Semi-Annually

Upon request, and not later than two (2) weeks after request is made, Lessee will provide to the Authority records as listed above for the time period request.

2. This agreement is binding on the successors and assigns of the parties hereto.

3. All other terms and conditions of the Lease not hereby changed or modified, remain the same as written in the Lease.

EXECUTED IN DUPLICATE ORIGINALS effective the __ day of _____, 2016.

PORT OF CORPUS CHRISTI AUTHORITY
OF NUECES COUNTY, TEXAS

By:_____
John P. LaRue
Executive Director

"Authority"

CITGO PETROLEUM CORPORATION

By:_____

Name:_____

Title:_____

"Lessee"

LINE	BEARING	DISTANCE
L1	N 16°10'46" E	549.13'
L2	N 29°24'43" E	686.92'
L3	N 06°16'35" E	64.83'
L4	N 16°34'01" E	49.64'
L5	N 38°21'47" E	65.91'
L6	S 67°52'09" E	246.44'
L7	S 14°29'23" W	229.55'
L8	S 19°46'39" W	562.15'
L9	N 77°49'42" W	388.86'

h:\ben vasquez\drawings & exhibits\lease files\citgo\citgo petroleum corporation lease extension 19.801.dwg

PORT CORPUS CHRISTI

PORT OF CORPUS CHRISTI AUTHORITY

Citgo Petroleum Corporation
Lease Premises 19.801-Acres

SCALE:	N.T.S.	EXHIBIT "A"	DATE:	2016/12/07
DWN. BY:	BEN V		TIME:	16:16:37

EXHIBIT B

POND CAPACITY

Prior to the expiration of the current lease term, Authority will place a marker north of the southern border of the evaporation pond, said marker shall be the limit to which water in the evaporation pond may reach and maintain adequate freeboard (the “Minimum Allowable Freeboard”) for the evaporation pond. Said marker will be surveyed and the coordinates recorded in Exhibit B, hereto.

Exhibit C - Remediation Areas
0.11 Acres
0.81 Acres
0.21 Acres
0.5 Acres
0.04 Acres
0.04 Acres
0.14 Acres
0.54 Acres
0.01 Acres
0.04 Acres
0.78 Acres
0.2 Acres
0.02 Acres
0.04 Acres
0.29 Acres
0.43 Acres
0.25 Acres
0.04 Acres
0.72 Acres
0.11 Acres
0.96 Acres
0.23 Acres
0.83 Acres
0.24 Acres
0.1 Acres
0.1 Acres
0.1 Acres
0.24 Acres
Removal of Existing Material
7.9 Total Acres of Material
Average Depth = 1.2 feet Total
Volume = 15294 CYD
Approximately 765 Truck Loads
Google earth
© 2016 Google
600 ft
N

Exhibit D - Total Remediation

Total Estimated Remediation Costs:

	Item Description	Quantity	Unit	Unit Price	Total Price
1	Excavation	15,294	CY	$30.00	$458,820.00
2	Embankment (Final) (dens Cont) (Ty A)	12,832	CY	$10.00	$128,320.00
3	Furnishing and placing topsoil (6")	9,426	CY	$14.40	$135,734.40
4	Broadcast Seed (Perm (Rural) (Clay)	56,551	SY	$1.00	$56,551.00
5	Vegetative Watering	8,413	MG	$12.00	$100,956.00
	Subtotal				$880,381.40
	Contingency (30⁄)				$264,114.42
	TOTAL				**$1,144,495.82**
				PCCA Split - 25⁄	**$286,123.96**
				Tenant Split - 75⁄	**$858,371.87**

Cost Per Ton:

Tenant	2015 Tons	2016 Tons	2 YR Total	⁄ Annual Total	⁄ Remediation	$ / Ton
Citgo	864,901.56	762,009.04	1,626,910.60	62.7⁄	$538,504.58	$0.331
Valero	295,919.81	321,539.73	617,459.54	23.8⁄	$204,378.03	$0.331
Koch Carbon	183,501.56	165,410.39	348,911.95	13.5⁄	$115,489.25	$0.331
	1,344,322.93	1,248,959.16	2,593,282.09			

PORT CORPUS CHRISTI

AGENDA MEMORANDUM

Action Item for Port Commission Meeting of December 13, 2016

DATE: December 13, 2016

TO: Port Commission

FROM: Darrin Aldrich
Darrin@pocca.com
(361) 885-6169

Approve a Second Amendment of Lease Agreement with Valero Refining Company – Texas to Extend the Term of the Existing Lease Agreement Through December 31, 2018 and Reduce the 16.116-acre Pad Site Situated at the Bulk Terminal to 11.47-Acres

SUMMARY: PCCA staff and representatives of Valero Refining Company – Texas have negotiated a Lease Amendment to extend the Lease term for an additional two years, through December 31, 2018. Valero has agreed to reduce the pad site from 16.116-acres to 11.47-Acres. The lease amendment incorporates an Environmental Compliance section that includes environmental controls to reduce emissions, and reduce the accumulation of materials in the PCCA's storm water ditches. In addition, Valero agrees to pay a pro rata share of the cost associated with the remediation of non-operational areas to remove pet coke from designated areas with Bulk Terminal. Authority will begin construction on the removal of the top two to three feet (as feasible) of existing material from the designated Authority rights-of-way and then replace it with clean material, including a minimum of six inches of topsoil, that will support re-generation with drought tolerant, preferably native, vegetation. Valero's share of the costs associated with the remediation are based on the Valero's percent of the overall annual tonnage for Bulk Dock 2 for the past 2 year period, as shown on Exhibit D, up to but not to exceed $204,487.58 or 23.8% of the estimated remediation cost. The lease expiration will coincide with other lease expiration dates at the BT.

BACKGROUND: On July 10, 2001, the PCCA leased 16.116 acres at the Bulk Terminal to Valero Refining Company – Texas. The Lease Agreement was for a 5-year primary term with two 5-year option periods, terminating July 31, 2016. On March 15, 2016 the Port Commission granted Valero a six month extension to provide staff an opportunity to plan in support of the Port Authority's initiative to update the master plan for the Bulk Terminal (BT). The BT master plan's purpose is to develop a new business model to increase current operational efficiencies for all aspects of BT operations, including facility maintenance, environmental compliance, and expand operational capabilities for future bulk material cargoes and markets. The Valero Lease Extension will provide staff time to complete planning of the BT and incorporate the new BT initiatives into user agreements for BT users.

ALTERNATIVES: Do not extend the lease agreement.

CONFORMITY TO PORT POLICY: N/A

EMERGENCY: No

FINANCIAL IMPACT: The Lease Amendment will generate $114,700 in annual base rent for a total of $229.400 for the two year extension period. In addition, the minimum annual throughput of 209,508 tons of pet coke will continue through the extension period, which is equivalent to 17,459 tons per month.

STAFF RECOMMENDATION: Staff recommends approval of the Second Amendment of Lease Agreement with Valero Refining Company – Texas to extend the term of the existing lease agreement through December 31, 2018 and reduce the 16.116-acre pad site situated at the Bulk Terminal to 11.47-Acres.

DEPARTMENTAL CLEARANCES:

Originating Department	Real Estate
Reviewed & Approved	Darrin Aldrich
	Sarah Garza
Legal	Jimmy Welder
	John Muir, Baker-Wotring, LLP
Senior Staff	John LaRue
	Sean Strawbridge
	Jarl Pedersen

LIST OF SUPPORTING DOCUMENTS:
Memo Exhibit
Second Amendment of Lease Agreement

Valero Refining Company – Texas

Second Amendment of Lease to decrease the 16.116 acre pad site at the Bulk Terminal to 11.47 acres

Legend

- Release By Valero
- Valero

Generated by
Port of Corpus Christi
Real Estate Department

Valero Refining Company

Map Disclaimer:
This product is for informational purposes and has not have been prepared for, or be suitable for legal, engineering, or surveying purposes.

State Plane NAD 1983
South Zone FIPS 4205

Not To Scale

SECOND AMENDMENT OF LEASE

STATE OF TEXAS §
§
COUNTY OF NUECES §

This Second Amendment of Lease ("Amendment") is made and entered into as of the 13th day of December, 2016 ("Amendment Date"), between Port of Corpus Christi Authority of Nueces County, Texas, a navigation district operating under Article XVI, Section 59 of the Texas Constitution ("Authority"), and Valero Refining Company -Texas**,** a Texas corporation ("Lessee"). The Authority and Lessee are sometimes collectively referred to herein as the "Parties".

Recitals

WHEREAS, Authority and Lessee entered into a Lease Agreement dated the 10th day of July 2001 ("Lease"), under which the Authority leased to the Lessee approximately 16.116 acres of land, more or less, located in Nueces County, Texas; and

WHEREAS, the initial term of the Lease was for a period of five (5) years, beginning the 1st day of August 2001, and ending at midnight, Central Time, the 31st day of July 2006; with the Lessee having the option to extend the term of the Lease for up to two (2) additional periods of five (5) years each; and

WHEREAS, Lessee has exercised its right to extend the term of the Lease for the two (2) additional option periods of five (5) years each; and

WHEREAS, Authority and Lessee amended the Lease Agreement on March 15, 2016 to extend the term of the Lease to December 31, 2016.

WHEREAS, the term of the Lease will end December 31, 2016; and

WHEREAS, Lessee has asked the Authority to extend the term of the Lease to December 31, 2018 and the Parties mutually desire to reduce the Lease premise from 16.116 acres to 11.47 acres;

WHEREAS, the Authority is willing to extend the term of the Lease to December 31, 2018 and reduce the Lease premises to approximately 11.47 acres, and amend the Lease as requested by Lessee on the terms and conditions set forth in this Amendment;

NOW THEREFORE, for good and valuable consideration, the sufficiency and receipt of which is acknowledged by both Parties, and in further consideration of the mutual covenants and obligations contained herein, the Parties hereby agree as follows:

1. The Lease, as previously amended, is hereby further amended as follows:

A. Section 1.01 is hereby amended to extend the expiration date from December 31, 2016, to December 31, 2018, and to reduce the Lease premises to 11.47 acres which is described as follows:

A tract of 11.47 acres of land, more or less, which tract is particularly described by the field notes and further depicted on Exhibit A attached hereto, which exhibit is incorporated herein by reference (herein called "Tract 2").

B. Section 1.03 is hereby deleted in its entirety.

C. Section 4.06 is hereby added to the lease to read as follows:

Section 4.06 Environmental Compliance

4.061 Lessee recognizes the goal to reduce emissions, and reduce the accumulation of materials in Authority storm water ditches. To further these goals, Lessee agrees to comply with the management of materials and control of discharges related to Lessee's operations on the Leased Premises to undertake the following immediately upon execution of this lease extension, and not later than February 28, 2017:

(a) Establish a containment system (berms) to minimize uncontrolled migration of material from pad sites. Lessee will verify in writing to the Authority the details of the containment system, including providing survey data, and a plan for maintenance and ongoing inspections of the containment system. The containment system will also include the associated ponds to ensure adequate capacity and containment of runoff from the pads.

(b) To the extent practical, enhance the contours of the pad site to direct surface water runoff toward the evaporation pond and provide current survey data to the Port for verification as such.

(c) Contour the driveways leading into pad sites so that primary slope is toward the pad site. Tire wash will be located within the area sloping northward toward the pad sites (i.e., within the containment provided for the pad sites). Lessee will monitor elevations around the tire wash area monthly to determine whether elevations promoting drainage from the wash area northward to the pad sites have been maintained; re-grade to restore design elevations as necessary.

4.062 Lessee recognizes the goal to reduce the tracking of Lessee's Materials in the public and non-operational areas and thereby reduce the overall maintenance requirements and limit areas accessible by vehicular and equipment traffic. To further these goals, within three months of the execution of the lease extension, Lessee will undertake the following control measures to reduce material tracking in public and non-operational areas and limit areas accessible to vehicular and equipment traffic including the following:

(a) Develop and institute protocols (e.g. street sweeping) for keeping primary drive(s) free of Lessee's Materials and to limit vehicular movement on pad sites to minimize tracking of Lessee's Material. These protocols will be provided in writing to the Authority. Such protocols to be revised within reason if, in the opinion of the Authority, the protocols do not suffice to limit tracking of Lessee's Material in the public and non-operational areas.

(b) Institute protocols to minimize driving on the Pet Coke during the delivery of Lessee's Material to the pad sites on the Leased Premises. Lessee will also install a tire wash at the exit from each facility for the removal of particulate material from trucks' tires before they enter paved areas that drain to the Authority's permitted outfalls. Water from the driveway, dump, and truck wash areas must be directed back to the evaporation ponds along the north side of the lease property.

(c) After the implementation of the required provisions of section 4.062(a)-(b), Lessee will evaluate the frequency of street sweeping on Authority rights-of-way and the spraying for dust suppression to the pad sites and shared rights-of-way to optimize, consistent with regulatory guidelines, the frequency of street sweeping and spraying to minimize potential for Lessee's Material-laden runoff to enter the Authority's storm water conveyance system.

(d) If, after evaluating and obtaining cost estimates to implement the items for which Lessee is responsible under subsections 4.061, 4.062 and 4.064, Lessee's estimated cost of implementing said items is in excess of $250,000, Lessee and Authority agree to negotiate in good faith the priority of projects that Lessee will implement or other modifications to the requirements of subsections 4.061, 4.062, and 4.064.

4.063 Lessee acknowledges the goal of reducing uncontrolled discharges of water from the evaporation ponds and to maintain an adequate free-board for collection of wash water associated with Lessee's Operations. To further this goal, Lessee agrees to maintain adequate capacity in its evaporation ponds to contain all surface runoff and wash water within the ponds in connection with Lessee's operations by performing the following:

(a) By February 28, 2017, Lessee will establish protocols for the measurement of the capacity of the evaporation pond on the Leased Premises on a regular basis, and no less than bi-annually, and if the capacity measured is below 66% of Original Design Capacity, Lessee agrees to excavate the evaporation ponds to restore them to Original Design Capacity. Original design capacity and calculations are depicted on the attached Exhibit B. In addition to regularly scheduled measurements, if water accumulates on the pad site beyond the limits of the evaporation ponds, Lessee agrees to measure evaporation pond capacity and evacuate the pond through use of applicable Texas Pollutant Discharge Elimination System (TPDES) permit to maintain the required capacity.

As an alternative, prior to the expiration of the current lease term, Authority and Lessee will mutually place a marker north of the southern border of the evaporation pond, said marker shall be the limit to which water in the evaporation pond may reach and maintain adequate freeboard (the "Minimum Allowable Freeboard") for the evaporation pond. Said marker will be surveyed and the coordinates recorded in Exhibit B, hereto. During the term of the Lease, Lessee agrees to maintain the water level in the evaporation pond below the Minimum Allowable Freeboard. If the water level exceeds the Minimum Allowable Freeboard for more than 2 consecutive days, Lessee agrees to excavate the evaporation pond or evacuate the pond through use of applicable Texas Pollutant Discharge Elimination System (TPDES) permit to maintain the water level below the Minimum Allowable Freeboard. In addition, if the National Weather Service forecast indicates that a rain event is predicted that would likely cause the water level to exceed the Minimum Allowable Freeboard, Lessee agrees to evacuate the pond through use of the applicable TPDES permit in advance of said event to prevent exceeding the Minimum Allowable Freeboard, if possible, given the conditions.

Whichever of the above methods for determining pond capacity as requested by Lessee will be memorialized through a letter to the Port Authority from Lessee indicating method prior to the expiration of the current lease term.

(b) Prior to the end of the current lease term, Lessee agrees to apply for and thereafter maintain the appropriate TPDES waste water permit and to implement filtration systems for the evaporation ponds to allow discharge from the evaporation ponds in accordance with the permit when the evaporation pond capacity is exceeded.

4.064 Lessee will institute additional dust control systems as follows:

(a) Lessee agrees to use existing sprays, rainbirds and foggers, and new sprayers and foggers that are mutually agreed upon. The strategy will include at a minimum the ability to create a water spray boundary along the downwind side of Lessee's storage operations which are adaptable to all wind directions.

4.065 Lessee agrees to an apportionment of costs for the remediation of those non-operational areas and landscaping to remove Pet Coke materials from the areas designated on Exhibit C attached hereto (the "Remediation"), as follows:

(a) In the second year of the lease extension, Authority will begin construction on the removal of the top two to three feet (as feasible) of existing material from the designated Authority rights-of-way and then replace with clean material, including a minimum of six inches of topsoil, that will support re-generation with drought tolerant, preferably native, vegetation.

(b) Lessee agrees to pay a 23.8% share of the costs associated with the Remediation based on the Lessee's percent of the overall annual tonnage for Bulk Dock 2 for the past 2 year period, as shown on Exhibit D ("Lessee's Pro Rata Share"), up to but not to

exceed $204,378.03. As shown on Exhibit D, based on the estimated costs of the Remediation and 2 year historical tonnage for Bulk Dock 2, the Authority estimates that the cost to Lessee will be $0.331 per ton of throughput handled, for the 2 year period of the Lease Amendment. The Authority will invoice Lessee $0.331 per ton in conjunction with usual wharfage and dockage tonnages in the first year of this extension which Lessee agrees to pay within 30 days of receipt of the invoice (the "Estimated Remediation Cost"). After the first year of the Lease Amendment, the per ton rate will be adjusted, if needed, based on the first year payments, expected throughput and the firm bid for remediation costs ("Actual Remediation Costs"), so that the expected payments for the second year of the Lease Amendment will equal the lesser of $204,378.03 or 23.8% of the Actual Remediation Costs (the "Remediation Cost Cap"). If, during the second year of the Lease Amendment, Lessee's payment for Remediation Costs reaches the Remediation Cost Cap, the Authority will stop invoicing Lessee for Remediation Costs. If, after the second year of the Lease Amendment, Lessee's payments for Remediation Costs has not met the Remediation Cost Cap, the Authority will invoice Lessee for the difference of the Remediation Cost Cap and the Remediation Costs paid during the 2 years of the Lease Amendment, which Lessee agrees to pay within 30 days of receipt of the invoice.

The Authority will review the performance of all of the procedures implemented under the Environmental Compliance provisions of Section 4.06 and its subsections based on the following performance metrics:

Description	**Monitoring Method**	**Frequency**
Air Monitoring Network	Air Monitor Alerts	Hourly
Lessee Pond Maintenance	Survey of Available Free Board	At Least Annually
Air Monitoring Alert Response Plans	Air Monitoring Alert Response Plans	Per Event
Containment Berm Maintenance	Survey of Levee Height	At Least Annually
Site Grade	Survey of Grade	At Least Annually
Street Sweeping	Street Sweeping Records	Daily
Weekly Dust Control Operations	Dust Control Plans	Weekly
Water Use	Flow Meters at Ponds and City Water Meters	Daily
Storm Water Quality	Storm Water Samples	Semi-Annually

Upon written request, and not later than two (2) weeks after request is made, Lessee will provide to the Authority records as listed above for the time period request.

2. This Amendment shall be binding on the successors and assigns of the Parties.

3. Except as specifically amended hereby, all terms and conditions of the Lease shall remain in full force and effect. In the event of any conflict between the terms and conditions of this Amendment and the terms and conditions of the Lease, the terms and conditions of this Amendment shall control.

[The next page is the signature page]

Executed in duplicate originals effective as of the Amendment Date.

PORT OF CORPUS CHRISTI AUTHORITY OF NUECES COUNTY, TEXAS

By: _____
John P. LaRue
Executive Director

VALERO REFINING COMPANY -TEXAS

By: _____

Title: _____

STATE OF TEXAS §
§
COUNTY OF NUECES §

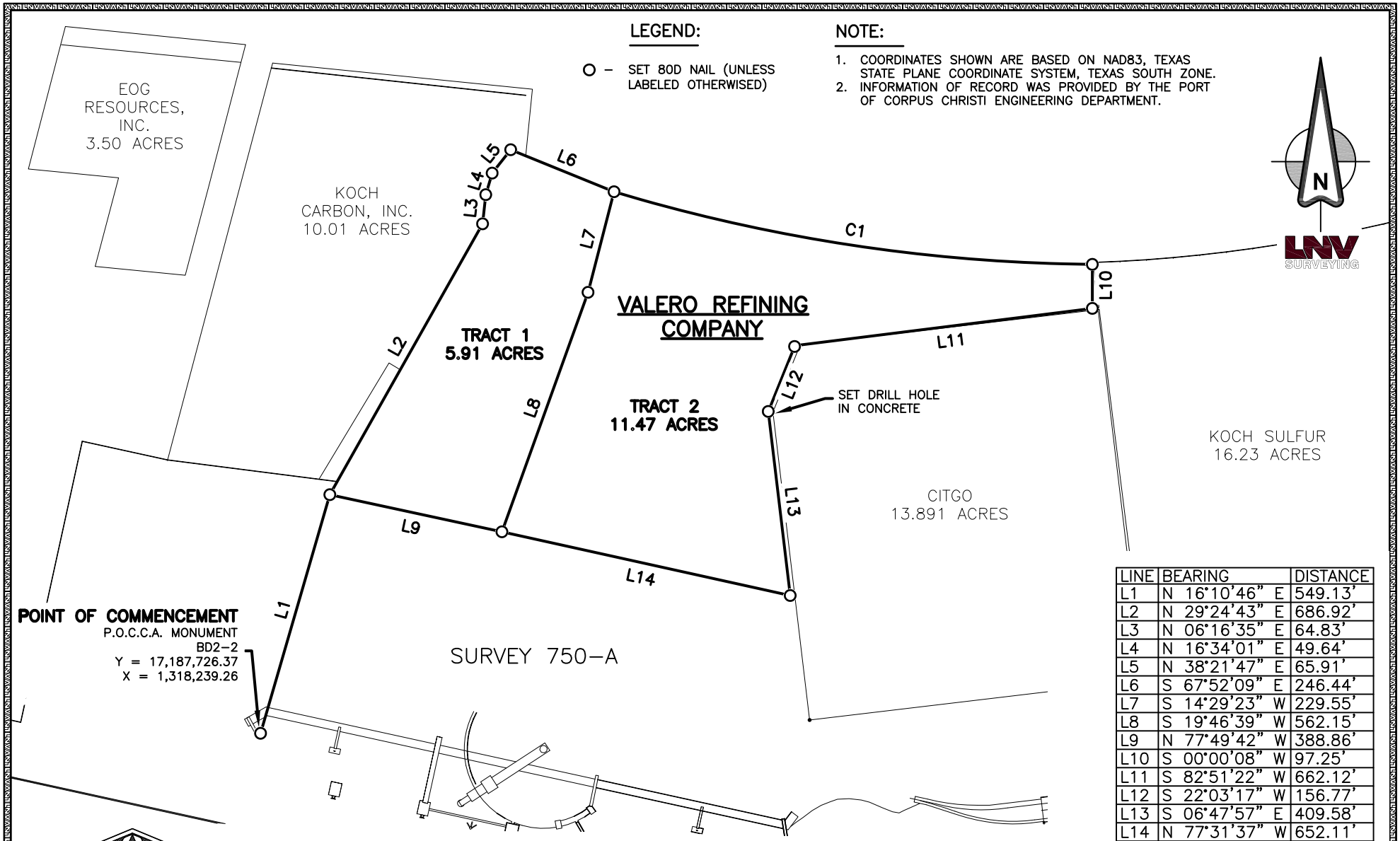
This instrument was acknowledged before me on the _____ day of _____, 20_____ by JOHN P. LARUE, as Executive Director of the Port of Corpus Christi Authority of Nueces County, Texas, on behalf of the Port.

_____
NOTARY PUBLIC, STATE OF TEXAS

STATE OF TEXAS §
§
COUNTY OF _____ §

This instrument was acknowledged before me on the ____ day of _____, 20___, by _____, as _____ of _____ _____ on behalf of said company.

_____
NOTARY PUBLIC, STATE OF TEXAS



LINE	BEARING	DISTANCE
L1	N 16°10'46" E	549.13'
L2	N 29°24'43" E	686.92'
L3	N 06°16'35" E	64.83'
L4	N 16°34'01" E	49.64'
L5	N 38°21'47" E	65.91'
L6	S 67°52'09" E	246.44'
L7	S 14°29'23" W	229.55'
L8	S 19°46'39" W	562.15'
L9	N 77°49'42" W	388.86'
L10	S 00°00'08" W	97.25'
L11	S 82°51'22" W	662.12'
L12	S 22°03'17" W	156.77'
L13	S 06°47'57" E	409.58'
L14	N 77°31'37" W	652.11'

CURVE	ARC LENGTH	RADIUS	DELTA ANGLE	CHORD BEARING	CHORD LENGTH
C1	1072.13'	3789.41'	16°12'38"	N 81°21'42" W	1068.56'

STATE OF TEXAS
REGISTERED TO
SERGIO Z. CANALES
6040
PROFESSIONAL
AND SURVEYOR

LNV
engineers | architects | surveyors
TBPE FIRM NO. F-366
TBPLS FIRM NO. 10126500
801 NAVIGATION, SUITE 300
CORPUS CHRISTI, TX 78408
PH. (361) 883-1984
FAX (361) 883-1986
WWW.LNVINC.COM

PORT OF CORPUS CHRISTI AUTHORITY
VALERO REFINING COMPANY
Exhibit A
SURVEY OF AN ORIGINAL 16.116 ACRE LEASE FOR VALERO REFINING COMPANY, OUT OF PATENT 84, A 2694.93 ACRE TRACT KNOWN AS SURVEY 939 RECORDED IN BOOK NO. 5, PAGES 257–260 OF THE NUECES COUNTY, TEXAS

Survey Date: 11/07/16
Surveyed By: NF/MG
Drawn by: SZC
Checked by: SS
Job #: 160715

PLOT DATE: 11/15/16 8:00 AM
308
U:\Savage Services\160715 16.116 Acre Lease – PCCA\000\Survey\Deed & Plat\EX160715.dwg

EXHIBIT B

Pond Capacity

Whichever of the above methods for determining pond capacity as requested by Lessee will be memorialized through a letter to the Port Authority from Lessee indicating method prior to the expiration of the current lease term.

Exhibit C - Remediation Areas
0.11 Acres
0.81 Acres
0.21 Acres
0.5 Acres
0.04 Acres
0.04 Acres
0.14 Acres
0.54 Acres
0.01 Acres
0.04 Acres
0.78 Acres
0.2 Acres
0.02 Acres
0.04 Acres
0.29 Acres
0.43 Acres
0.25 Acres
0.04 Acres
0.72 Acres
0.11 Acres
0.96 Acres
0.23 Acres
0.83 Acres
0.24 Acres
0.1 Acres
0.1 Acres
0.1 Acres
0.24 Acres
Removal of Existing Material
7.9 Total Acres of Material
Average Depth = 1.2 feet Total
Volume = 15294 CYD
Approximately 765 Truck Loads
Google earth
© 2016 Google
600 ft
N

Exhibit D - Total Remediation

Total Estimated Remediation Costs:

	Item Description	Quantity	Unit	Unit Price	Total Price
1	Excavation	15,294	CY	$30.00	$458,820.00
2	Embankment (Final) (dens Cont) (Ty A)	12,832	CY	$10.00	$128,320.00
3	Furnishing and placing topsoil (6")	9,426	CY	$14.40	$135,734.40
4	Broadcast Seed (Perm (Rural) (Clay)	56,551	SY	$1.00	$56,551.00
5	Vegetative Watering	8,413	MG	$12.00	$100,956.00
	Subtotal				$880,381.40
	Contingency (30⁄)				$264,114.42
	TOTAL				**$1,144,495.82**
				PCCA Split - 25⁄	**$286,123.96**
				Tenant Split - 75⁄	**$858,371.87**

Cost Per Ton:

Tenant	2015 Tons	2016 Tons	2 YR Total	⁄ Annual Total	⁄ Remediation	$ / Ton
Citgo	864,901.56	762,009.04	1,626,910.60	62.7⁄	$538,504.58	$0.331
Valero	295,919.81	321,539.73	617,459.54	23.8⁄	$204,378.03	$0.331
Koch Carbon	183,501.56	165,410.39	348,911.95	13.5⁄	$115,489.25	$0.331
	1,344,322.93	1,248,959.16	2,593,282.09			

PORT CORPUS CHRISTI

AGENDA MEMORANDUM

Action Item for Port Commission Meeting of December 13, 2016

DATE: December 13, 2016

TO: Port Commission

FROM: David L. Krams, P.E.
Director of Engineering Services
Krams@pocca.com
(361) 885-6134

Consent to Assignment of Various Active Professional Services Contracts and Master Services Agreement Service Orders from Naismith Engineering, Inc. to Hanson Professional Services, Inc.

SUMMARY: Staff requests consent to the assignment of various existing Professional Services Contracts and Master Services Agreement Service Orders from Naismith Engineering, Inc. to Hanson Professional Services, Inc.

BACKGROUND: The Port of Corpus Christi Authority currently holds several active Professional Services Contracts and Master Services Agreement Service Orders with Naismith Engineering, Inc., as listed below:

Contract Type	Date Approved	Related Project	Amount
Professional Services Contract	June 21, 2016	Roadway and Parking Lot Repairs (2016)	$51,760
Master Services Agreement 13-04 Service Order No. 5	August 26, 2015	Maintenance of the Joe Fulton International Trade Corridor	$34,250
Master Services Agreement 13-04 Service Order No. 4	March 17, 2015	Port Area Signage & Landscaping Improvements	$34,750
Master Services Agreement 13-04 Service Order No. 2	June 11, 2013	Relocation of Suntide Dredge Material Placement Area Drainage Ditch	$85,000

On September 12, 2016, Hanson Professional Services, Inc. acquired Naismith Engineering, Inc. Hanson sent correspondence to the PCCA on October 28, 2016 requesting the assignment of existing contracts between Naismith and the PCCA to Hanson through the execution of an Assignment Agreement.

CONFORMITY TO PORT POLICY: The execution of an Assignment Agreement is in line with the terms of Section 6.08 of the Master Services Agreement 13-04 with Naismith Engineering, Inc. and Section 13 of the Professional Services Contract dated June 21, 2016.

EMERGENCY: No.

FINANCIAL IMPACT: None.

STAFF RECOMMENDATION: Staff recommends consent for the execution of the Assignment Agreement with Hanson Professional Services, Inc.

DEPARTMENTAL CLEARANCES:

Originating Department	Engineering Services
Reviewed & Approved	David Krams
	Sonya Lopez-Sosa
Legal	Jimmy Welder
Senior Staff	John LaRue
	Sean Strawbridge
	Jarl Pedersen

LIST OF SUPPORTING DOCUMENTS:

Correspondence Dated October 28, 2016
Assignment Agreement

October 28, 2016

Port of Corpus Christi Authority
Attn: Jarl Pedersen
P O Box 1541
Corpus Christi, TX 78403

Re: **Contract Assignments – Various Contracts with Port of Corpus Christi Authority**

Dear Mr Pedersen:

We value our long relationship with Port of Corpus Christi Authority (Authority) and appreciate very much the opportunity to have assisted the Authority with a variety of projects. As discussed with you previously, Naismith Engineering, Inc. (NEI) has been acquired by Hanson Professional Services, Inc. (Hanson). Headquartered in Springfield, Illinois, with offices around the country, the additional resources and capabilities available through Hanson are now available to NEI's clients.

As part of this new organization, we are now able to provide our clients with additional services, without changing the personal service you have come to expect from NEI. The former NEI personnel working with the Authority will continue to serve the project. Our goal is to make the transition as seamless as possible. If at any time during the process you have questions or concerns, we would welcome the opportunity to address them.

As a part of the transition process, we will need to assign the Authority's existing contracts from NEI to Hanson. This assignment will require the Authority's written consent. NEI and Hanson both hereby request the Authority's written consent to this assignment. For your convenience, we have attached a one-page agreement form to document the assignment.

If you find this version acceptable, please have it executed on behalf of the Authority by the appropriate signatories.

We appreciate your consideration of this request. If you have any questions or need any additional information, please do not hesitate to contact me.

Sincerely,
NAISMITH/HANSON

Grant A. Jackson, P.E.
Vice President

ASSIGNMENT AGREEMENT

This Assignment Agreement ("Assignment") is made this 27th day of October, 2016, between Port of Corpus Christi Authority ("Client"), Hanson Professional Services Inc., a Delaware Corporation ("Assignee"), and Naismith Engineering, Inc., a Texas Corporation. ("Assignor").

RECITALS:

A. Assignor entered into certain uncompleted Contracts, incorporated herein ("Contracts") with Client.

B. The Contracts are by their terms assignable upon the prior written consent of the Client.

C. Assignor desires to assign the Contracts to Assignee, and Assignee is willing to perform all remaining duties and obligations under the Contracts.

In consideration of the mutual covenants herein, the parties agree as follows:

1. Assignor grants, bargains, sells, conveys, transfers, assigns, and sets over its entire right, title, interest in and duties under the Contracts to Assignee subject to the covenants and conditions set forth herein.

2. Assignee assumes all obligations of Assignor under the Contracts for all work undertaken by Assignor prior to the effective date of the Assignment including but not limited to existing liabilities and subconsultant obligations, and Assignee assumes the Contracts and will perform faithfully all of the covenants, stipulations and agreements contained therein.

3. Assignor represents, and Assignee accepts, that there are no claims or demands against the Assignor arising out of or related to the performance under this Assignment prior to the effective date hereof.

4. The Effective Date of the Assignment is September 12, 2016.

IN WITNESS WHEREOF, the parties have executed this Assignment through their duly authorized officers the day and year first above written.

Assignor: Naismith Engineering, Inc.

By: _____

Printed Name: Grant A. Jackson

Title: Vice President

Assignee: Hanson Professional Services Inc.

By: _____

Printed Name: Robert W. Cusick

Title: Executive Vice President

Client, a party to the Contracts, does hereby consent to the assignment set forth above.

Client: Port of Corpus Christi Authority

By: _____

Printed Name: _____

Title: _____

PORT CORPUS CHRISTI

AGENDA MEMORANDUM

Action Item for Port Commission Meeting of December 13, 2016

DATE: December 13, 2016

TO: Port Commission

FROM: Sarah L. Garza, Director of Environmental Planning & Compliance
sarah@pocca.com
(361) 885-6163

Approve an Amendment to the Retention Agreement With Baker Wotring LLP for Legal Work Associated With Port Environmental Matters.

SUMMARY: Staff requests approval of an Amendment to the 2016 Retention Agreement that was approved by the Port Commission at the December 15, 2015 Commission Meeting. The amendment would be for an amount of $75,000 for environmental legal services provided as requested by Port staff. The existing agreement is for $150,000 for a new total agreement amount of $225,000.

BACKGROUND: Baker Wotring has served as special counsel to the Port since 2012. Under this Retention Agreement, Baker Wotring has been providing legal assistance to the Port on environmental matters supplementing the Port's general legal counsel as needed.

ALTERNATIVES: Not applicable.

CONFORMITY TO PORT POLICY: Not applicable.

EMERGENCY: Not applicable.

FINANCIAL IMPACT: The total amount of the existing Retention Agreement will be $225,000.

STAFF RECOMMENDATION: Staff recommends approval of an Amendment to the existing 2016 Retention Agreement with Baker Wotring LLP for legal work associated with Port environmental matters.

DEPARTMENTAL CLEARANCES:

Originating Department	Environmental Planning & Compliance
Reviewed By	Sarah Garza
Legal	Jimmy Welder

	Dane Bruun
Senior Staff	John LaRue Sean Strawbridge

LIST OF SUPPORTING DOCUMENTS:

Retention Agreement Amendment Letter from Baker Wotring LLP dated November 16, 2016.

BAKER WOTRING LLP

DEBRA TSUCHIYAMA BAKER
MANAGING PARTNER

DIRECT DIAL: (713) 980-1717
dbaker@bakerwotring.com

November 16, 2016

PRIVILEGED & CONFIDENTIAL

Mrs. Sarah L. Garza
Director of Environmental Planning and Compliance
Port of Corpus Christi Authority
P.O. Box 1541
Corpus Christi, Texas 78403

Re: Retention Agreement between Port of Corpus Christi Authority and Baker · Wotring LLP

Dear Mrs. Garza:

Thank you very much for asking Baker · Wotring LLP (the "Firm") to provide legal services to Port of Corpus Christi Authority ("POCCA"). The following constitutes the Firm's Retention Agreement for the provision of legal services.

Scope of Representation. We have agreed that this engagement is limited to performance of services related to the above-referenced matter. The Firm's acceptance of this engagement does not involve an undertaking to represent POCCA interests in any other matter, unless we are specifically retained for such matter. We will provide legal services to POCCA in accordance with this letter and in reliance upon information and guidance provided by POCCA representatives.

To enable us to represent POCCA effectively, POCCA agrees to cooperate in all matters relating to these efforts and to fully and accurately disclose to us all facts and documents that may be relevant to the matter or that we may otherwise request. Either at the commencement or during the course of our representation, we may express opinions or beliefs concerning various courses of action and the results that might be anticipated. Any such statement made by any partner or employee of our Firm is intended to be an expression of opinion only, based on information available to us at the time, and should not be construed by POCCA as a promise or guarantee.

General Fee & Billing Information. Each lawyer and legal assistant has an hourly billing rate based upon that individual's experience and specialized knowledge. For this specific matter, we have agreed that the Firm's fees (including consultant costs for consultants retained by the Firm) will not exceed $75,000.00, unless the POCCA provides written authorization for additional fees to be incurred. We will bill on an hourly basis up to the agreed-upon amount and will invoice you monthly. As a courtesy to you and to express our interest in developing a continuing relationship with POCCA, we propose to substantially discount our lawyers' standard hourly rates

700 JPMORGAN CHASE TOWER 600 TRAVIS STREET HOUSTON, TEXAS 77002 (TEL) 713.980.1700 (FAX) 713.980.1701

in recognition of the particular circumstances of this matter. We would propose that any attorneys billing on the matter charge a blended rate of $350.00 per hour and that legal assistant time, if any, be billed at $160.00 per hour. The rate multiplied by the time expended on POCCA's behalf, measured in tenths of an hour, will be the basis for billing up to the agreed-upon amount.

The Firm typically incurs costs in connection with legal representation. These costs may include such matters as long distance telephone charges, special postage, delivery charges, telecopy and photocopy charges and related expenses, travel expenses and meals. We separately bill for computerized legal research and related expenses. POCCA agrees to pay these charges, as well as any costs incurred for copying documents for retention in our files. Except for specialized word processing services, we do not make a separate charge for secretarial work unless there is a situation that requires overtime staff work. To the extent that we make disbursements to other service providers such as court reporters, expert witnesses and investigators, we will generally forward third-party charges (if any) directly to POCCA for payment.

Statements normally will be rendered monthly for work performed and expenses recorded on our books during the previous month. Payment is due promptly upon receipt of our statement. If any statement remains unpaid for more than 60 days, we may suspend performing services for POCCA until arrangements satisfactory to us have been made for payment of outstanding statements and the payment of future fees and expenses. POCCA agrees to pay our statements for services and other charges as stated herein. The fees and costs relating to this matter are not predictable. Accordingly, we have made no commitment to POCCA concerning the maximum fees and costs that will be necessary to resolve or complete this matter. Any estimate of fees and costs that we may have discussed represents only an estimate of such fees and costs. It is also expressly understood that payment of the firm's fees and costs is in no way contingent on the ultimate outcome of the matter.

POCCA may terminate our representation at any time by notifying us. POCCA's termination of our services will not affect its responsibility for payment of outstanding statements and accrued fees and expenses incurred before termination or incurred thereafter in connection with an orderly transition of the matter. If such termination occurs, POCCA papers and property will be returned to POCCA promptly upon receipt of payment for outstanding fees and costs. Our own files pertaining to the matter will be retained. These firm files may include, for example, firm administrative records, time and expense reports, personnel and staffing materials, and credit and accounting records; and internal lawyers' work product such as drafts, notes, internal memoranda, and legal and factual research, including investigative reports, prepared by or for the internal use of lawyers. We may withdraw from representation if POCCA fails to fulfill its obligations under this agreement, including its obligation to pay our fees and expenses, or as permitted or required under any applicable standards of professional conduct or rules of court, or upon our reasonable notice to POCCA.

We thank you for this opportunity to provide legal services. Please review this letter and, if it meets with your approval, please have the authorized parties sign the acknowledgement below and return a copy to me for our files. If you have any questions, please do not hesitate to contact me. We look forward to working with you.

Very truly yours,

Debra Tsuchiyama Baker

Agreed and accepted by Authorized Representative of Port of Corpus Christ Authority

By: _____

Title: _____

Date: _____

PORT CORPUS CHRISTI

AGENDA MEMORANDUM

Action Item for Port Commission Meeting of December 13, 2016

DATE: December 13, 2016

TO: Port Commission

FROM: Sarah Garza, Director of Environmental Planning & Compliance
Sarah@pocca.com
(361) 885-6163

Approve a Storm Water Drainage Outfall and Storm Water Discharge License Agreement with M&G Resins USA, LLC for Discharge of Storm Water Runoff from M&G's Plant Site into Authority's Storm Water Drainage Ditch known as Drainage Channel C located on the North Side of the Viola Channel

SUMMARY: M&G Resins USA, LLC (M&G) is requesting a Storm Water Drainage Outfall and Storm Water Discharge License Agreement for discharge of storm water runoff from M&G's Plant Site into the Authority's Drainage Channel C on the north side of the Viola Channel. This License will authorize M&G the right to discharge storm water runoff from and only from Storm Water Discharge Zones 3 and 4 of the plant site into the Authority's Drainage Channel C. Discharge of storm water runoff from other portions of M&G's plant site into Drainage Channel C is expressly prohibited by the terms of the agreement. The License term shall commence on the Effective Date of this License Agreement and shall end on the date that M&G's Multi Sector General Permit (MSGP) to discharge storm water to surface water, issued by the Texas Commission on Environmental Quality ("TCEQ") expires or on the date that the MSGP Discharge Permit is sooner terminated, revoked or cancelled. The License shall automatically renew for a term identical to that of any subsequent MSGP Discharge Permit renewed or amended by the TCEQ and applied for by M&G. This License Agreement is for permissive use only and does not convey any property rights either in real estate or any exclusive privilege.

BACKGROUND: M&G Resins USA, LLC is in the process of constructing a plastics manufacturing plant on the north side of the Viola Channel. As part of the Texas Commission on Environmental Quality's permitting requirements M&G is responsible for obtaining either a Multi-Sector General Permit (MSGP) for Industrial Facilities or an individual permit for storm water runoff from the industrial facility. The MSGP authorizes the discharge of storm water associated with industrial activities into surface water in the state of Texas. M&G desires to discharge storm water runoff, from Zones 3 and 4 of the plant site, into Drainage Channel C through two storm water outfalls. M&G will construct three (3) - forty-eight inch (48") diameter storm water outfalls, and four (4) - thirty-six inch (36") diameter storm water outfalls, along with the necessary and related improvements and modifications from the plant site to Drainage Channel C, as depicted in the attached map

ALTERNATIVES: None

CONFORMITY TO PORT POLICY: The license agreement aligns with PCCA's Environmental Policy and the PCCA's commitment to be an Environmental Leader.

EMERGENCY: N/A

FINANCIAL IMPACT: As consideration for the grant of this License Agreement M&G agrees, throughout the term and any renewal term of this License Agreement, to share in one third (1/3rd) of the cost of maintaining Drainage Channel C.

STAFF RECOMMENDATION: Staff recommends approval of the Storm Water Drainage Outfall and Storm Water Discharge License Agreement with M&G resins USA, LLC.

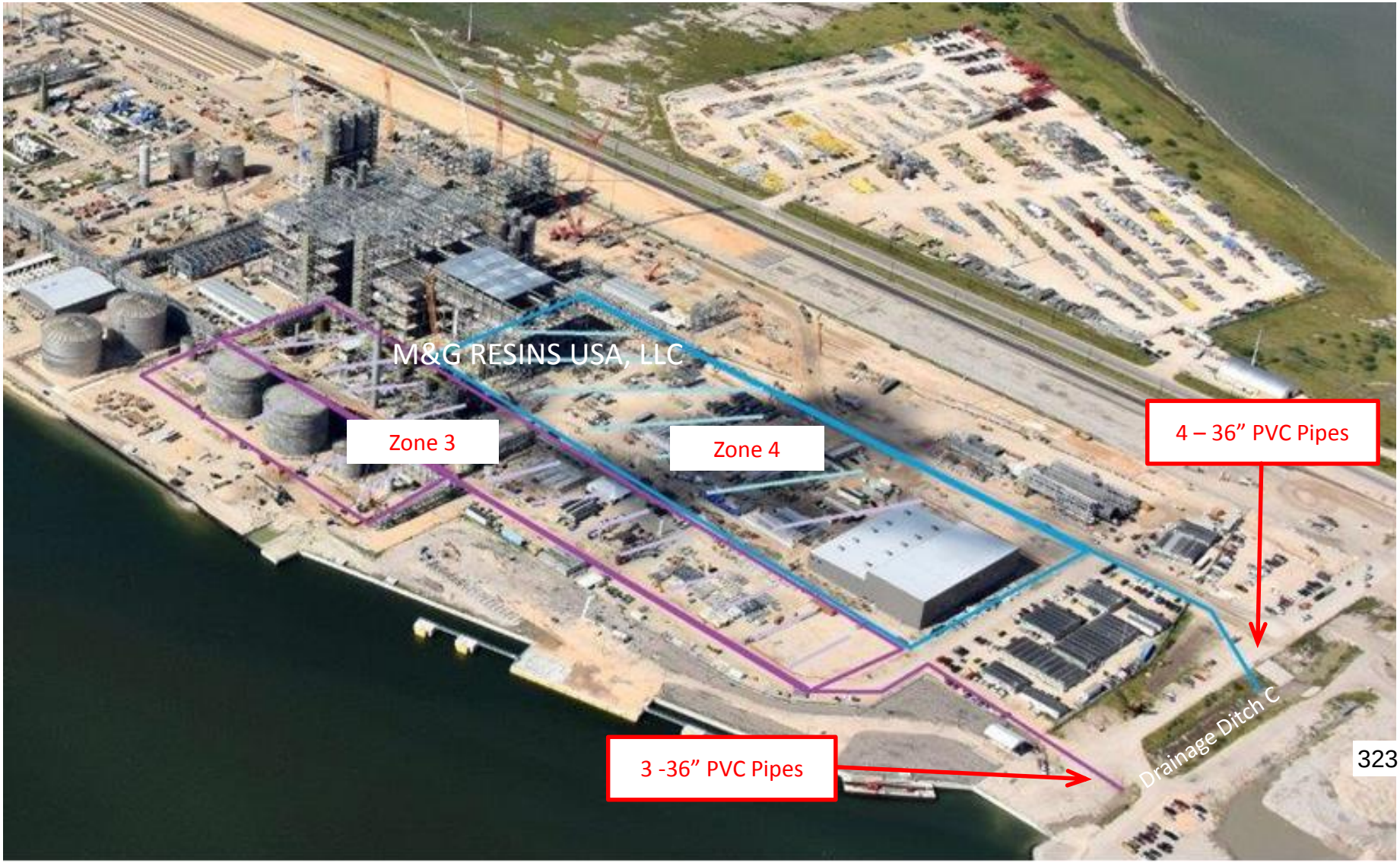
DEPARTMENTAL CLEARANCES:

Originating Department	Environmental Planning & Compliance Department
Reviewed & Approved	Sarah Garza
	Dave Michaelsen
Legal	Bruce Hawn
Senior Staff	John LaRue
	Sean Strawbridge
	Jarl Pedersen

LIST OF SUPPORTING DOCUMENTS:

Memo Exhibit
Storm Water Drainage Outfall and Storm Water Discharge License Agreement

Approve a Storm Water Drainage Outfall and Storm Water Discharge License Agreement with M&G Resins USA, LLC for Discharge of Storm Water Runoff from M&G's Plant Site into Authority's Storm Water Drainage Ditch known as Drainage Channel C located on the North Side of the Viola Channel



STORM WATER DRAINAGE OUTFALL AND
STORM WATER DISCHARGE LICENSE AGREEMENT

This Storm Water Drainage Outfall and Storm Water Discharge License Agreement (the "License Agreement") is made and entered into effective as of this the ____ day of _____, 2016 (the "Effective Date") by and between the **PORT OF CORPUS CHRISTI AUTHORITY OF NUECES COUNTY, TEXAS**, a navigation district and political subdivision of the State of Texas ("Authority"), and **M&G Resins USA, LLC**, a Delaware limited liability company, or its assigns (hereinafter called "M&G").

RECITALS:

WHEREAS, Authority owns all that certain tract of land in Nueces County, Texas, containing 2,694.93 acres, more or less, located in the Rincon Del Oso Grant Abstract A-1 out of Patent 84 (Survey 939) on which the Authority's storm water drainage ditch known as Drainage Channel C is located. The location of Drainage Channel C is more particularly depicted on Exhibit "A" attached hereto and incorporated herein;

WHEREAS, M&G owns an adjacent tract of land (the "Plant Property") on which it is constructing a plastics manufacturing plant (the "Plastics Plant") M&G desires to discharge storm water runoff, from Zones 3 and 4 of the Plant Property (the "Storm Water Discharge Zones"), into Drainage Channel C through two storm water outfalls to be constructed by M&G. The location of the Storm Water Discharge Zones are more particularly described and depicted in Exhibit "B" attached hereto and incorporated herein. M&G has requested that Authority allow it to construct three (3) - forty-eight inch (48") diameter storm water outfalls, and four (4) - thirty-six inch (36") diameter storm water outfalls, along with the necessary and related improvements and modifications to Drainage Channel C for the proper operation of each storm water outfall (collectively the "Storm

Water Outfalls") and thereafter discharge therefrom storm water runoff from the Storm Water Discharge Zones (the "Storm Water Runoff") into Drainage Channel C. The location of the Storm Water Outfalls are more particularly described and depicted in Exhibit "B"; and

WHEREAS, Authority is willing to grant M&G a license to construct the Storm Water Outfalls and to thereafter discharge Storm Water Runoff into Drainage Channel C on the terms and conditions specified herein;

AGREEMENTS:

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants herein contained, and for other valuable consideration, the receipt and sufficiency of which is hereby acknowledged and intending to be legally bound hereby, Authority and M&G agree as follows:

1. Grant of Storm Water Drainage Outfall Connection and Storm Water Discharge License. Authority hereby grants and conveys to M&G, a non-exclusive term license (the "License") for the purpose of constructing the Storm Water Outfalls. M&G will construct the Storm Water Outfalls at a minimum to the specifications contained in the construction drawings attached hereto as Exhibit "C" (attached hereto and incorporated herein) and to thereafter use the Storm Water Outfalls for the purpose of discharging Storm Water Runoff only into Drainage Channel C; This License authorizes M&G the right to discharge Storm Water Runoff from and only from the Storm Water Discharge Zones. Discharge of storm water runoff from other portions of M&G's Plant Property into Drainage Channel C is expressly prohibited.
2. Term. Notwithstanding any other term of this agreement to the contrary, M&G shall not be permitted to discharge any Storm Water Runoff into Drainage Channel C until such time as

Texas Commission on Environmental Quality ("TCEQ") issues M&G, as an operator, a "Multi Sector General Permit to Discharge" ("MSGP") (form TXR050000), bearing an effective as of August 14, 2016, under the Texas Pollutant Discharge Elimination System ("TPDES") (the "MSGP Discharge Permit") permitting the discharge of storm water to surface water in the state according to the effluent limitations, monitoring requirements and other conditions set forth in the MSGP Discharge Permit, as well as, the rules of the TCEQ, the laws of the State of Texas, and other orders of the TCEQ (now existing or hereinafter imposed, the "MSGP Discharge Permit Requirements"). The MSGP Discharge Permit is set to expire at midnight, five years from the effective date of the MSGP Discharge Permit, if not sooner terminated, revoked or cancelled. The term of this License shall commence on the Effective Date of this License Agreement and shall end on the date that MSGP Discharge Permit expires or on the date that the MSGP Discharge Permit is sooner terminated, revoked or cancelled.

3. Automatic Renewal. In the event, the TCEQ renews or amends the MSGP Discharge Permit, this License agreement, provided M&G at the time of renewal, is in full compliance with the terms and conditions of this License Agreement and is in full compliance with all MSGP Discharge Permit Requirements, and provided (i) M&G is not then in default of any obligation under this License Agreement, and (ii) timely provision to Authority of the Required Information (defined below), shall automatically renew for a term identical to that of any subsequent MSGP Discharge Permit renewed or amended by the TCEQ. Upon the automatic renewal of this License Agreement, all references to "MSGP Discharge Permit" contained herein shall thereinafter refer to the MSGP Discharge Permit as amended or renewed. However, in the event TCEQ does not amend or renew the MSGP Discharge Permit or if TCEQ requires an individual storm water permit, then this License Agreement shall not renew

and a new license agreement with the Authority must be obtained prior to any further discharges of Storm Water Runoff into Drainage Channel C. Notwithstanding the forgoing, in the event the TCEQ amends the MSGP Discharge Permit, in a substantial material way, as determined by Authority in its sole and absolute discretion, Authority shall have the right to: (i) terminate this License Agreement, within ninety (90) days of being notified of the amendment of the MSGP Discharge Permit, and (ii) require M&G to enter into a new license agreement prior to any further discharges of Storm Water Runoff into Drainage Channel C.

4. Required Information. At the same time as M&G submits to the TCEQ, M&G must provide Authority with copies of the following documents (and all attachments thereto) submitted to the TCEQ: (i) Notice of Intent ("NOI"), (ii) Notice of Change ("NOC"), (iii) Notice of Termination ("NOT"), and (iv) No Exposure Certifications ("NECs") that are related to the MSGP Discharge Permit or any amendment or renewal thereof. The terms: NOI, NOC, NOT and NECs have the same meanings as those set forth in the MSGP Discharge Permit.

5. Consideration. As consideration for the grant of this License Agreement M&G agrees, throughout the term and any renewal term of this License Agreement, to share in one third (1/3rd) of the cost of maintaining Drainage Channel C. M&G agrees to pay Authority, one third (1/3rd) of the cost of maintaining Drainage Channel C within thirty (30) days of its receipt of Authority's invoice for the same.

6. Compliance with Discharge Permit. M&G agrees at all times to comply with all Discharge Permit Requirements, whether now existing or which may hereinafter become applicable.

7. Storm Water Discharge Sampling Requirements. (a) In accordance with the methodology, frequency and other related MSGP Discharge Permit Requirements, M&G will collect representative samples of Storm Water Runoff prior to it entering into Drainage Channel C

during "qualified storm events" as that term is defined by the then current MSGP Discharge Permit. All such samples must be collected using a properly installed, dedicated fixed passive or automated collection system and must be collected after any inline treatment devices.

(b) In addition to submitting all such samples for analysis in compliance with the Sector C collection and sampling requirements and benchmark monitoring requirements and collection and sampling requirements for discharges to tidal waters applicable to M&G under the MSGP Discharge Permit, M&G will also collect and test samples in accordance with the requirements set forth in Section Q of the MSGP Discharge permit applicable to Sector Q Water Transportation Facilities. In particular M&G, in addition to collection of other sampling requirements, will collect samples to be analyzed for total suspended solids ("TSS") per EPA method 160.1. All discharge samples must meet the applicable benchmark monitoring limits and/or enforcement limits in the MSGP Discharge Permit and must also strive to meet the 50 ppm requirements for TSS set forth in the "Benchmark Monitoring Requirements for Subsections in Sector Q" (i.e. table 27 of the MSGP Discharge Permit).

(c) All samples are to be analyzed by a third party analytical laboratory that meets the requirements of 30 TAC Chapter 25 entitled "Environmental Testing Laboratory Accreditation and Certification". Copies of all final laboratory analytical reports for all samples collected from the Storm Water Outfalls shall be provided to the Authority within five business days of receipt.

(d) In the event the maximum level of TSS or tidal benchmark levels set forth in the MSGP Discharge Permit or set forth in this License Agreement are exceeded or the benchmark levels applicable to M&G or the benchmark levels referenced in Table 27 (Sector Q) of the MSGP Discharge permit are exceeded (collectively the ("Exceedances") then M&G must

provide a written report to Authority explaining the reason for the Exceedances along with a written action plan for correction of the Exceedances that includes a schedule for completion. In the event of three (3) consecutive Exceedances or three (3) Exceedances in three (3) years occur, then M&G agrees to install pollution control devices acceptable to the Authority. Consecutive Exceedances refers to sampling events only and does not consider monitoring periods in which no sample was collected as a sampling event.

8. Construction and Maintenance of Storm Water Outfalls. (a) M&G's must submit to Authority plans and design specifications (the "Plans") for the construction of the Storm Water Outfalls. The Plans must be approved in writing by the Director of Engineering Services and the Director of Environmental Planning and Compliance of Authority prior to the commencement of construction of the same. To facilitate the Authority's review, two (2) sets of formal Plans that clearly define the project must be submitted to Authority for its prior approval. The drawings must be prepared on a standard engineering format and show all physical features, improvements and modifications proposed to be installed within the boundaries of Drainage Channel C and must be signed and sealed by a Professional Engineer registered in the State of Texas. Any approval, comments or denial of such Plans by the Authority shall be promptly made to M&G within thirty (30) Days after Authority's receipt of the Plans. Further, Authority shall prepare detailed comments or responses to the Plans in order to direct M&G on the action needed to have the Plans revised and approved. The final Plans as ultimately approved by the Authority are referred to herein as the "***Approved Plans***". The Plans for the initial construction of the Storm Water Outfalls are pre-approved.

(b) No approval by Authority of M&G's designs, site plans, plans, construction drawings, specifications or other matters may ever be construed as representing or implying that M&G's designs, site plans, plans, construction drawings, specifications or other matters will, if followed, result in a properly-designed Storm Water Outfalls. Such approvals shall in no event be construed as a representation or guaranty by the Authority that M&G's Storm Water Outfalls will be built in a workmanlike manner in accordance with industry standards, nor shall such approvals relieve M&G of its obligation to construct the Storm Water Outfalls in a workmanlike manner. **M&G will defend, indemnify, and hold harmless Authority from and against any third party lawsuits, actions, causes of action or claims arising out of Authority's approval of any of M&G's designs, plans, specifications or other matters relating to the Storm Water Outfalls.**

(c) M&G will maintain the Storm Water Outfalls in excellent condition at all times. In the event, the Storm Water Outfalls are not constructed, operated or maintained in accordance with this License Agreement, this License Agreement may be revoked after allowing at least thirty (30) days to cure such default after receipt of written default notice from the Authority. Authority reserves the right to require M&G to modify or remove any portion of the Storm Water Outfalls to prevent substantial damage to Drainage Channel C.

9. Failure to Comply. Failure to comply with the MSGP Discharge Permit Requirements and the terms of this License Agreement shall be grounds for the early termination of this License Agreement after the Authority provides written notice of such failure to comply to M&G and allowing M&G at least thirty (30) days to cure; provided however, in the event it will reasonably take longer than thirty (30) days to effect such cure, then M&G shall have up to ninety (90) days to effect such cure, provided corrective measures commence within thirty (30)

days of notice to M&G of its failure to comply, and thereafter continue with reasonable diligence without undue delay until complete. If at the end of said ninety (90) days cure has not been effected, then such failure shall be grounds for the early termination of this License Agreement.

10. License Only. This License Agreement is for permissive use only and does not convey any property rights either in real estate or any exclusive privilege and it does not authorize any injury to public or private property, or the invasion of private rights, or any infringement of Federal, State or local laws, rules or regulations; nor does it obviate the necessity of obtaining any other required Federal, State, or Local approvals. M&G agrees that the construction of the Storm Water Outfalls shall not in any way be construed as to convert this License Agreement into an easement. M&G agrees that the only method by which this License Agreement may be converted into an easement is by an express written grant of an easement to M&G by Authority.

11. No Transfer or Assignment. The MSGP Discharge Permit provides that is not transferable. Accordingly, this License Agreement may not be transferred or otherwise assigned. The prohibition on transfer includes, but is not limited to a transfer of operational control of M&G, including changes to the structure of M&G such as changing from a limited liability company to a corporation or a change of entity type such that a different filing number (or charger number) is established with the Texas Secretary of State. Any attempted assignment or transfer of this License Agreement shall be null and void and shall result in the immediate termination of this License Agreement. In such cases, a new license agreement with the Authority for the discharge of Storm Water Runoff must be obtained prior to any further discharges of Storm Water Runoff into Drainage Channel C.

12. **Indemnity.** **Except for liabilities caused by the sole negligence, gross negligence or willful misconduct of the Authority, its commissioners, officers, directors, managers, employees, and agents, M&G shall defend, indemnify and hold harmless Authority, its commissioners, officers, directors, managers, employees, and agents (for the purposes of this Section 12, the "Indemnified Parties") from and against, and M&G shall be responsible for, any and all liabilities (including strict liability), actions, demands, damages, penalties, fines, losses, claims, costs, expenses (including reasonable attorneys', experts' fees and expenses), suits, settlements or judgments of any nature whatsoever (including claims for personal injury, bodily injury, real and personal property damage and economic loss) which may be brought or instituted or asserted against the Indemnified Parties based on or arising out of or resulting from (i) the failure on the part of the M&G, its agents, employees, contractors, subcontractors or licensees (collectively, "M&G Parties") to comply with the MSGP Discharge Permit Requirements or the provisions of any laws or regulations applicable to the Storm Water Outfalls and discharges therefrom, (ii) any injury to or death of or claim of injury to or death of any person or any damage to or loss of or claim of damage to or loss of property arising from or in any manner connected with the acts, conduct, or negligence of the M&G Parties in the design, construction, operation, maintenance, repair, removal, or replacement of the Storm Water Outfalls and any discharges therefrom, (iii) the failure on the part of any of the M&G Parties to comply with the MSGP Discharge Permit Requirements or the provisions of any laws or regulations applicable to the License Agreement, Storm Water Outfalls or discharges therefrom, (iv) the condition, use, malfunction, defect, of the Storm Water Outfalls (collectively**

"*Indemnified Claims*"), or (v) the discharge of pollutants in excess of the limits set forth in the MSGP Discharge Permit; EVEN IF THE INDEMNIFIED CLAIM ARISES OUT OF OR RESULTS FROM THE JOINT, CONCURRENT, OR CONTRIBUTORY NEGLIGENCE OF THE INDEMNIFIED PARTIES. M&G's indemnity obligations under this Agreement shall not be limited by a limitation on the amount or type of damages, compensation or benefits owed by M&G to any employee of M&G under workers' or workmen's compensation acts, disability benefit acts, or other employee benefit acts. The Indemnity provisions contained in this License Agreement shall survive the termination thereof for a period of four (4) years.

13. Insurance. (a) Without limiting the indemnity obligations or liabilities of M&G, or its insurers, provided for herein, M&G agrees, from the first day of construction and at all times thereafter that this License Agreement is in effect, to carry and maintain at its sole expense policies of insurance (the "**Policies**") of the types and in the minimum amounts as follows:

    (i) For all its employees engaged in performing work, workers' compensation required by the Texas Workers' Compensation Code, and Employer's Liability insurance with limits of at least Five Hundred Thousand and 00/100 Dollars ($500,000.00) each employee accident and disease, or such similar insurance which is in accordance with state and federal law applicable to said employees;

    (ii) Commercial General Liability (CGL) coverage with policy limits of at least One Million and 00/100 Dollars ($1,000,000.00) per occurrence and Two Million and 00/100 Dollars ($2,000,000.00) general aggregate in the right of way and easement endorsed to cover contractual liability;

(iii) Business Auto Liability coverage for all owned and non-owned vehicles, with a policy limit of One Million and 00/100 Dollars ($1,000,000.00) (Combined Single Limit);

(iv) Umbrella Liability coverage limits of not less than Five Million and 00/100 Dollars ($5,000,000.00) over and above the underlying primary coverage limits stated in subparagraph (a), (b) and (c) in this Section; and

(v) Pollution Legal Liability including cleanup and defense costs for premises and operations including pollution of any body of water with limits of not less than $5,000,000.00 per occurrence.

(b) The minimum insurance protection amounts set forth in the Policies shall be increased from time to time upon request by Authority to an amount which is commercially reasonable at the time.

(c) Authority shall be furnished, Attention Risk Manager, prior to the commencement of any work by M&G on the Storm Water Outfalls, as proof of the insurance required of M&G, a certificate or certificates of insurance (and the endorsements required by Section 13 shall be attached to the certificate or certificates of the insurance) describing the Policies, which certificates must be acceptable, in their form and content, to Authority. Each of the Policies will be endorsed to (i) (except for Workers' Compensation and Employee's Liability insurance) name Authority, its Port Commissioners, officers, officials, employees and agents as an additional insured, (ii) provide that it will not be suspended, voided, canceled or reduced in coverage or limits without thirty (30) days' prior written notice to Authority, Attention: Risk Manager, and (z) provide that, notwithstanding any language in any policy

of insurance held by Authority ("**Authority Insurance**") to the effect that the Authority Insurance is primary, the policy or policies held by M&G are primary coverage and the Authority Insurance is non-contributory so that Authority Insurance will not share with the Policies.

(d) M&G shall deliver to Authority certificates of insurance at least thirty (30) days prior to the expiration date of each of the Policies. The deductible or self-insured retention for each of the Policies must be stated in the certificate of insurance provided to Authority if either exceeds Fifty Thousand and 00/100 Dollars ($50,000.00); and, in such event, Authority may decline to approve or terminate this License Agreement. The company writing each of the Policies must possess a current rating with A.M. Best Company of at least A: VI. If M&G neglects or refuses to provide any insurance required herein, or if any insurance is canceled, Authority may procure such insurance at M&G's expense, and Authority is entitled to reimbursement from M&G for all amounts spent to procure and maintain the insurance, with interest on such expense at a rate of ten percent (10%) annually from the date M&G receives Authority's notice of payment until reimbursement.

14. **Waiver of Subrogation. M&G agrees that all insurance policies required herein shall include Waivers of Subrogation in favor of Authority. M&G agrees to immediately give to each insurance company which has issued to it policies of insurance applicable to provisions of this Agreement written notice of the terms of the waiver set forth in this Section, and to have said insurance policies properly endorsed, if necessary, to prevent the invalidation of said insurance coverage by reason of said waiver; and M&G will provide to Authority a copy of said endorsement or endorsements or**

evidence that such endorsement is not necessary to prevent the invalidation of the insurance coverage by reason of such waiver.

15. Exhibits. All Exhibits attached hereto are hereby incorporated herein by this reference and made a part hereof for all purposes.

16. Amendment. The provisions of this Agreement may be amended, modified, enlarged, or otherwise changed in whole or in part with the prior written consent and agreement of Authority and M&G.

17. Governing Law. **THIS AGREEMENT IS GOVERNED BY AND SHALL BE CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, EXCLUDING ANY CONFLICT-OF-LAWS RULE OR PRINCIPLE THAT MIGHT REFER THE GOVERNANCE OR THE CONSTRUCTION OF THIS AGREEMENT TO THE LAW OF ANOTHER JURISDICTION.**

18. Severability/Interpretation. In case any one or more of the provisions contained in this License Agreement shall for any reason be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof and this License Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein. Whenever required by the context, as used in this Agreement, the singular number shall include the plural and the neuter shall include the masculine or feminine gender, and vice versa.

19. Notices. Any notice required or permitted under this License Agreement shall be in writing with a statement therein to the effect that notice is given pursuant to this Agreement and the same shall be served (i) by hand delivery, (ii) by overnight courier service guaranteeing next business day delivery, (iii) via facsimile transmission to the facsimile number listed below, or (iv) by depositing same in the United States mail, registered or certified mail, return

receipt requested, postage prepaid. Notice shall be deemed given and received if and when actually received (if not by mail), or on the date of delivery as shown on the return receipt (if by mail). Notices to the Authority and to M&G shall be sent to the following address (unless and until change of address information is sent to the other Party):

If to M&G: M&G Resins USA, LLC
Attn.: Andre Meyer
450 Gears Road, Suite 240
Houston, Texas 77067
Phone: 281-874-8076
Fax: 281-716-4640
Email: Andre.S.Meyer@gruppomgus.com

With a Copy to: Jason Davis
Crain, Caton & James, PC
1401 McKinney Street, 17th Floor
Houston, Texas 77010
Phone: 713-752-8679
Email: jdavis@craincaton.com

If to Authority: Port of Corpus Christi Authority
Attn: Executive Director
222 Power Street
P.O. Box 1541
Corpus Christi, Texas 78403
Fax: 361-881-5155

Either Party may designate by Notice given to the other Party a new address, facsimile number or person to which Notices hereunder shall thereafter be sent.

20. Counterparts. This Agreement may be executed and acknowledged in counterparts, all of which executed and acknowledged counterparts shall together constitute a single document.

Signature and acknowledgment pages may be detached from the counterparts and attached to a single copy of this document to physically form one document, which may be recorded.

[Signature Pages Immediately Follow]

SIGNATURE PAGE TO

STORM WATER DRAINAGE OUTFALL AND
STORM WATER DISCHARGE LICENSE AGREEMENT

AUTHORITY:

PORT OF CORPUS CHRISTI AUTHORITY
OF NUECES COUNTY, TEXAS

By: _____
John P. LaRue, Executive Director

Date: _____, 2016

LIST OF ATTACHMENTS/ EXHIBITS:

EXHIBIT "A" –	Depiction of location of Drainage Channel "C"
EXHIBIT "B" –	Description and depiction of the Discharge Zones and location of the Storm Water outfalls
EXHIBIT "C" –	Construction Drawings for Storm Water Outfalls

SIGNATURE PAGE TO

STORM WATER DRAINAGE OUTFALL AND
STORM WATER DISCHARGE LICENSE AGREEMENT

EXECUTED this _____ day of _____ 2016.

M&G:

M&G RESINS USA, LLC,

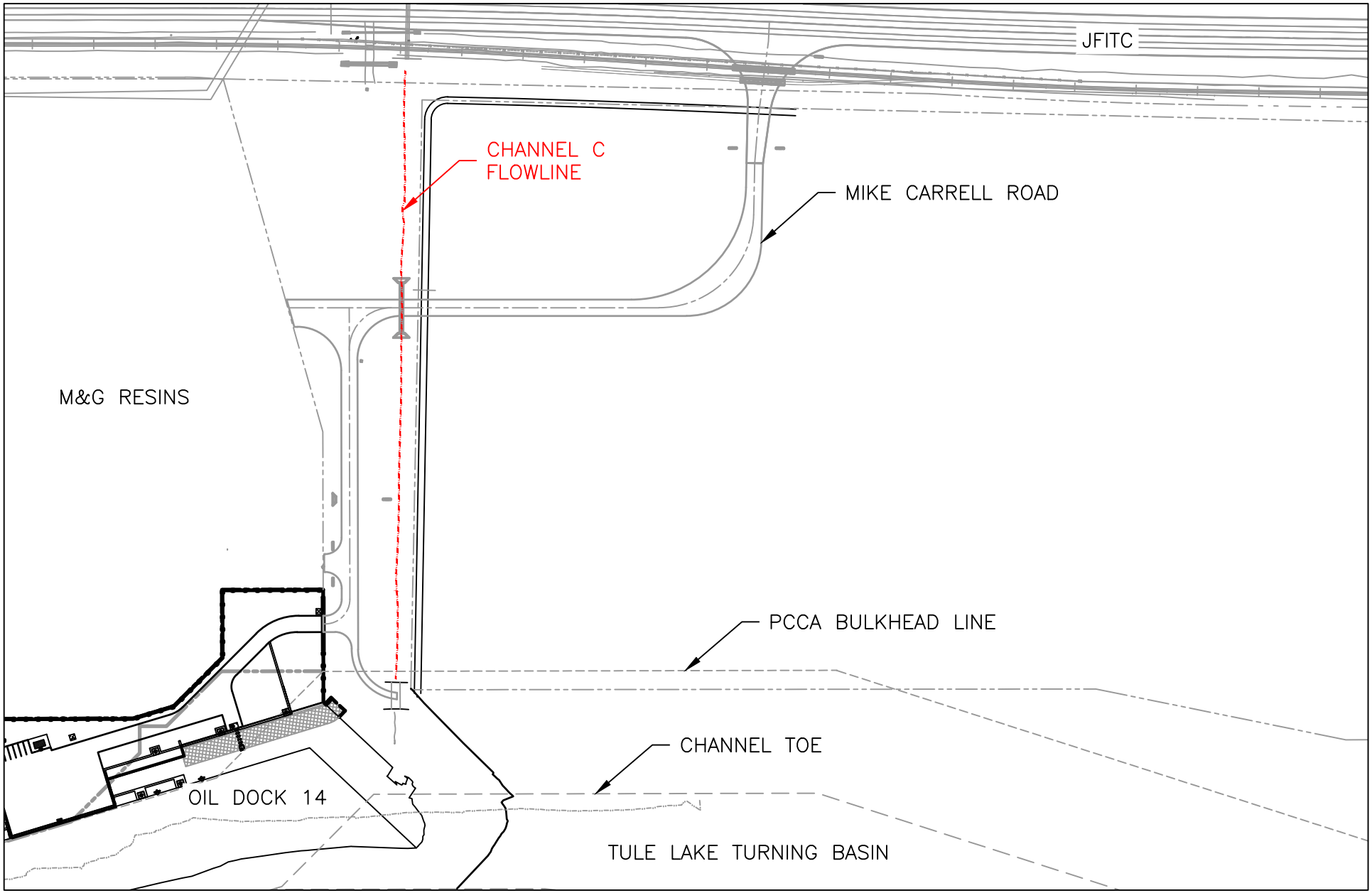
a Delaware limited liability company

By: _____

Kevin R. McCarren, Vice President, Finance

LIST OF ATTACHMENTS/ EXHIBITS:

EXHIBIT "A" –	Depiction of location of Drainage Channel "C"
EXHIBIT "B" –	Description and depiction of the Discharge Zones and location of the Storm Water outfalls
EXHIBIT "C" –	Construction Drawings for Storm Water Outfalls



NORTH

SCAL 340

0 100' 200'

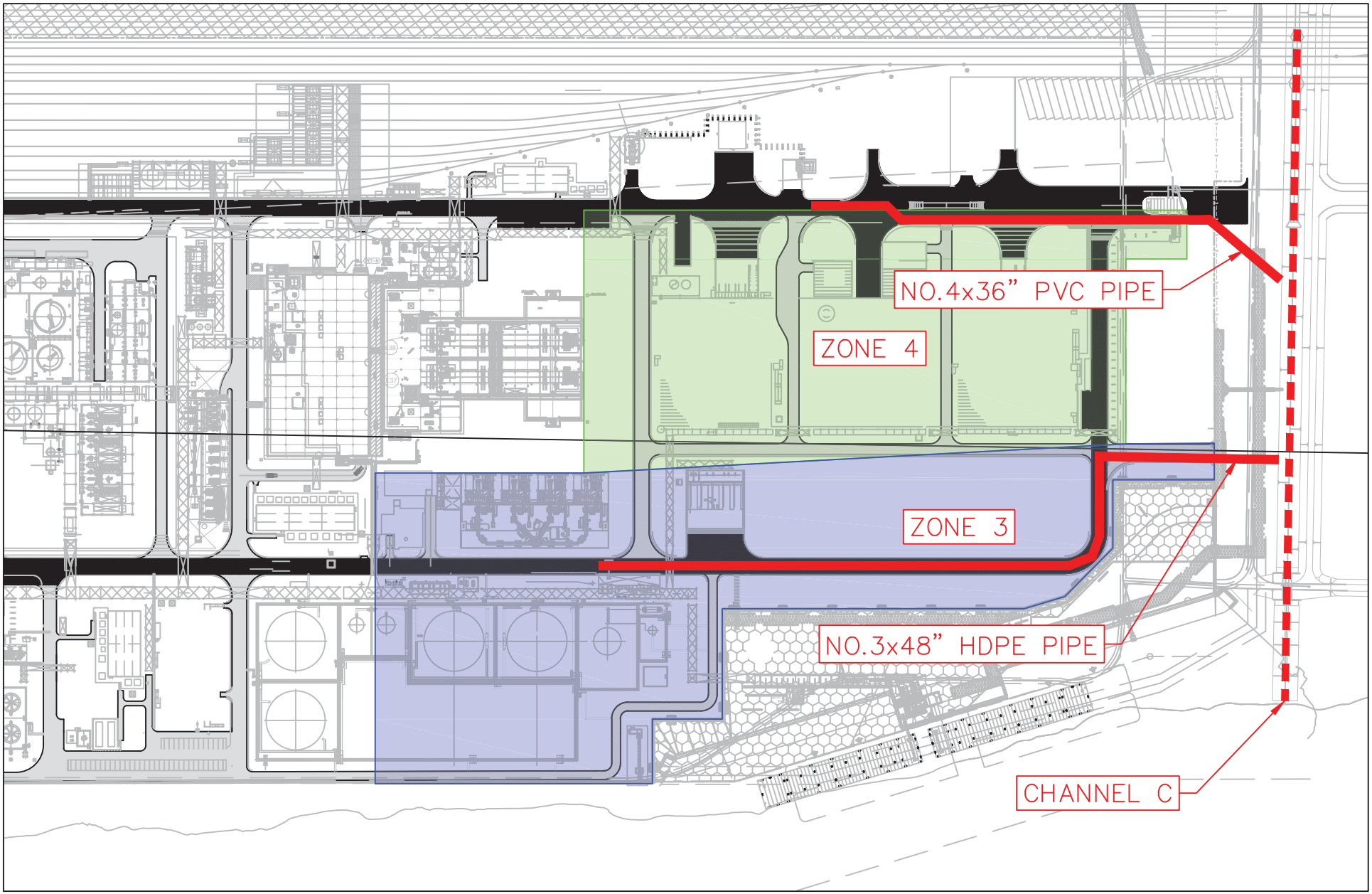
h:\ben vasquez\drawings & exhibits\real estate exhibits\m&g\m&g channel c ditch.dwg

PORT CORPUS CHRISTI

PORT OF CORPUS CHRISTI AUTHORITY

CHANNEL C DITCH

SCALE:	1:100	EXHIBIT "A"	DATE: 2016/12/05
DWN. BY:	BEN V		TIME: 17:03:16



h:\ben vasquez\drawings & exhibits\real estate exhibits\m&g\storm water drainage outfall and storm water discharge license agreement with m & g resins usa, llc.dwg

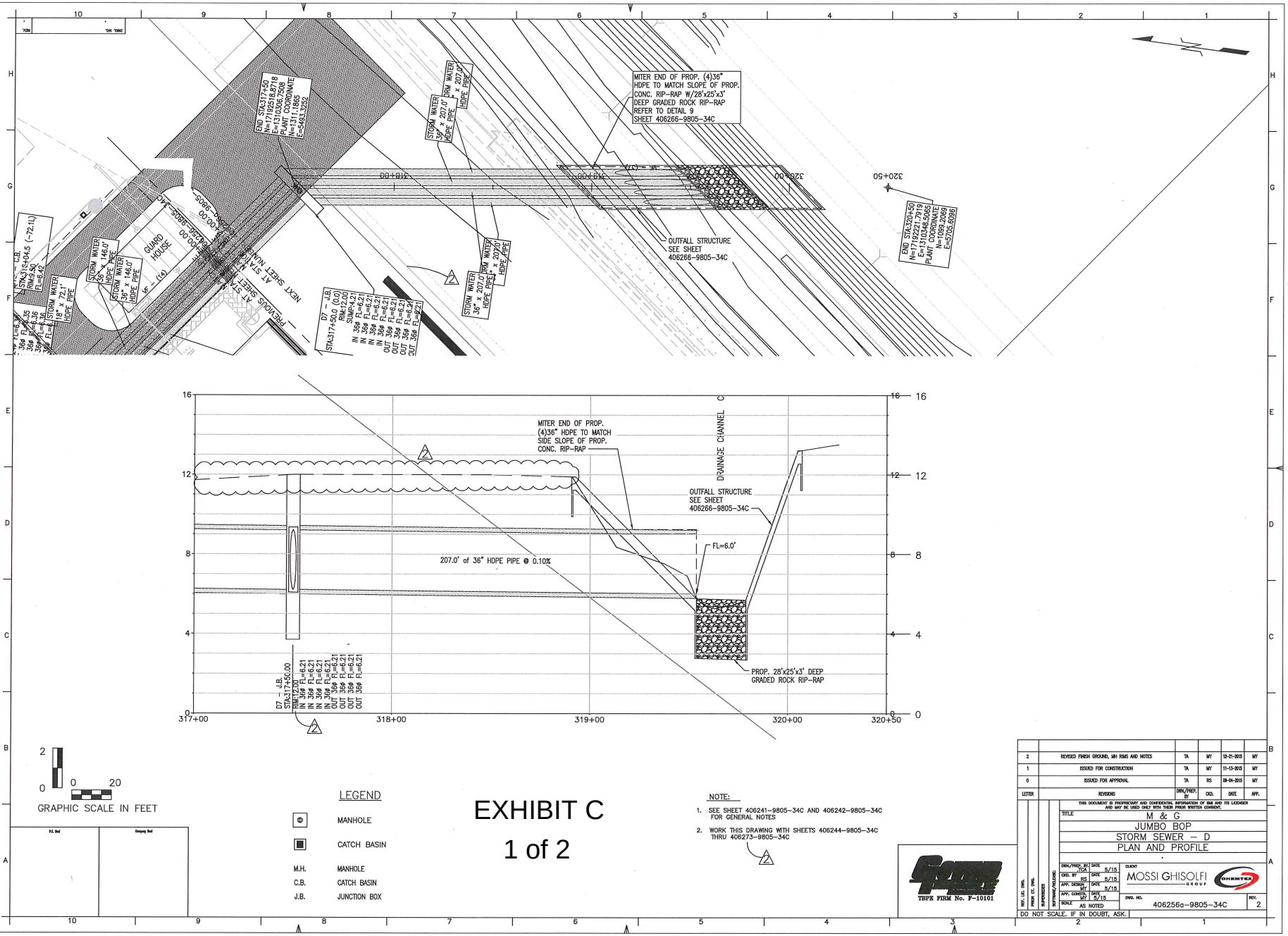
SCALE
0 100' 200'

PORT CORPUS CHRISTI

PORT OF CORPUS CHRISTI AUTHORITY

Storm Water Drainage Outfall and Storm Water Discharge License Agreement with M & G Resins USA, LLC

SCALE: 1:100	EXHIBIT "B"	DATE: 2016/12/07
DWN. BY: BEN V		TIME: 15:49:53



GRAPHIC SCALE IN FEET

LEGEND

	MANHOLE
	CATCH BASIN
M.H.	MANHOLE
C.B.	CATCH BASIN
J.B.	JUNCTION BOX

EXHIBIT C
1 of 2

NOTE:

1. SEE SHEET 406241-9805-34C AND 406242-9805-34C FOR GENERAL NOTES
2. WORK THIS DRAWING WITH SHEETS 406244-9805-34C THRU 406273-9805-34C

TBPE FIRM No. F-10101

2	REVISED FINISH GROUND, MH RIMS AND NOTES	TA	MY	12-21-2015	MY
1	ISSUED FOR CONSTRUCTION	TA	MY	11-13-2015	MY
0	ISSUED FOR APPROVAL	TA	RS	09-04-2015	MY
LETTER	REVISIONS	DRN./PREP. BY	CKD.	DATE	APP.

THIS DOCUMENT IS PROPRIETARY AND CONFIDENTIAL INFORMATION OF DMI AND ITS LICENSEES AND MAY BE USED ONLY WITH THEIR PRIOR WRITTEN CONSENT.

TITLE
M & G
JUMBO BOP
STORM SEWER - D
PLAN AND PROFILE

DRN./PREP. BY	TCA	5/15
CKD. BY	RS	5/15
APP. DESIGN	MY	5/15
APP. CONSTR.	MY	5/15

CLIENT: MOSSI GHISOLFI GROUP

SCALE: AS NOTED

DWG. NO. 406256a-9805-34C

REV. 2

DO NOT SCALE. IF IN DOUBT, ASK.

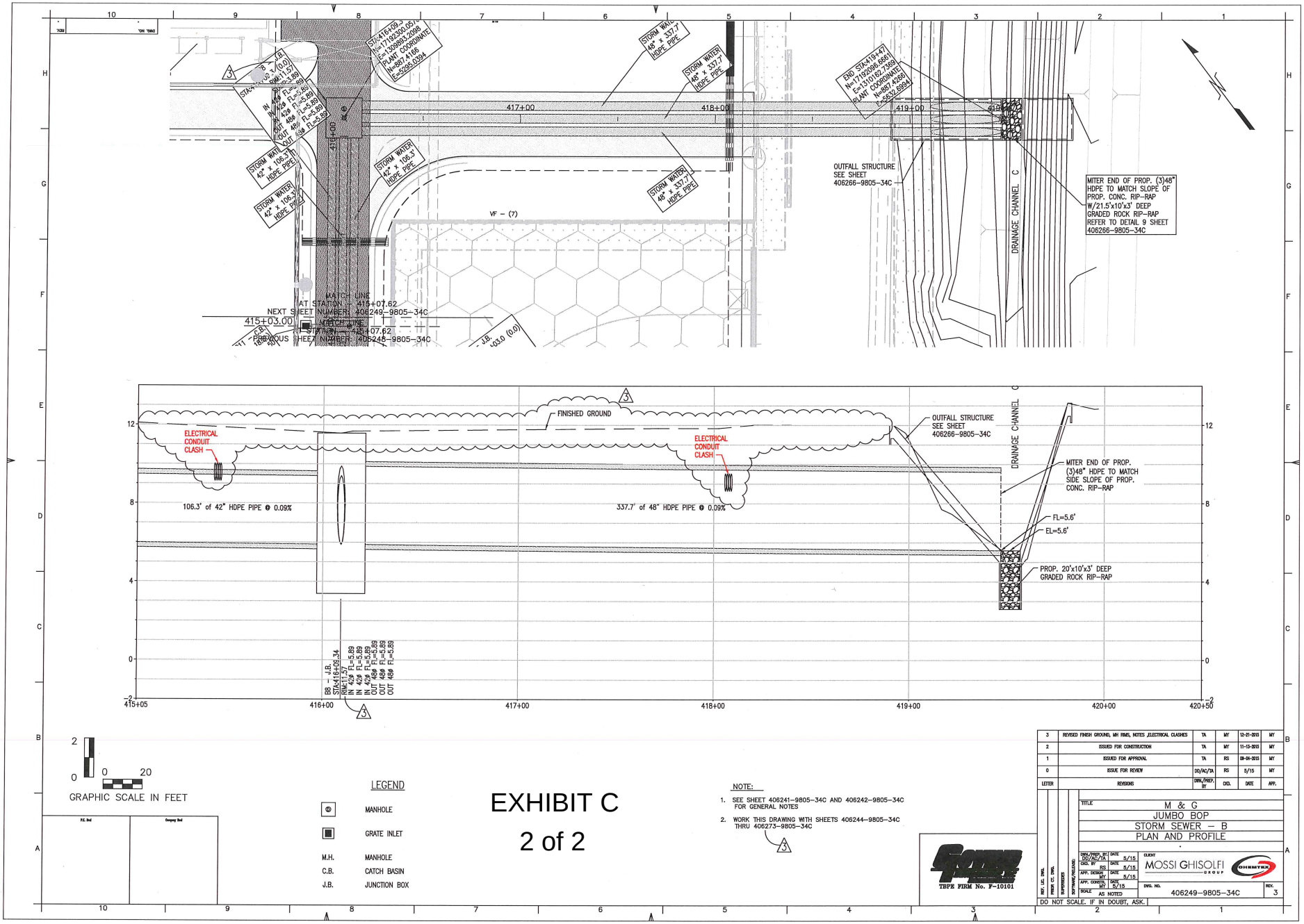


EXHIBIT C
2 of 2

PORT CORPUS CHRISTI

AGENDA MEMORANDUM

Action Item for Port Commission Meeting of December 13, 2016

DATE: December 13, 2016

TO: Port Commission

FROM: Carol Rodriguez
carol@pocca.com
361-885-6187

Renew and Amend Ortiz Center Management Agreement with Ovations Food Services, LP

SUMMARY: We are approaching the end of the current term for the Management Agreement with Ovations Food Services, LP ("Ovations") for management and operation of the Congressman Solomon P. Ortiz International Center ("Ortiz Center"). The Management Agreement is a five year contract which began on March 1, 2012 and will expire on February 28, 2017. The Management Agreement includes a provision granting PCCA the option to renew the term of the Management Agreement for two (2) additional periods of two (2) years each. Staff has determined that it is in the best interest of PCCA to ensure continuity in the operation and, therefore, maintain the relationship with Ovations as they continue to expand the client list at the Ortiz Center and increase use of the facility. Staff recommends that the Management Agreement be renewed for one (1) additional period of two (2) years. The Management Agreement also provides for an incentive fee, which is based on gross expense percentage calculated using year-to-date expenses and revenue totals. PCCA has been monitoring Ovations' performance and determined that the current incentive fees should be amended to allow for more financial growth and success. PCCA would also like to update the Management Agreement concerning insurance and manager duties to reflect current and updated policies and procedures.

BACKGROUND: Ovations Food Services' initial contract was a three year term (2007-2010). A two year extension was then granted to extend until 2012. At that time, a Request for Proposals was done allowing other companies the opportunity to submit proposals for management of the Ortiz Center. Following the RFP, Ovations was awarded a 5-year contract which was approved by the Port Commission (current contract 2012-2017). During this timeframe, Ovations has successfully managed the Ortiz Center and has met incentive fees. At this time, Port staff has reviewed and analyzed the current incentive fees and is proposing the changes below:

Current fee schedule:

Gross Expense Percentage	Incentive Fee
92% or more	$0
91%	$20,000
90%	$25,000
89%	$30,000
88%	$40,000
87%	$60,000
86%	$70,000
85%	$80,000
84%	$90,000
83%	$100,000
82%	$110,000

Proposed fee schedule:

2017		2018	
Gross Expense Percentage	Incentive Fee	Gross Expense Percentage	Incentive Fee
90% or more	$0	90% or more	$0
89%	$10,000	89%	$0
88%	$20,000	88%	$10,000
87%	$30,000	87%	$20,000
86%	$40,000	86%	$30,000
85%	$50,000	85%	$40,000
84%	$60,000	84%	$50,000
83%	$70,000	83%	$60,000
82%	$80,000	82%	$70,000
81%	$90,000	81%	$80,000
80%	$100,000	80%	$90,000
79%	$110,000	79%	$100,000
78%	$120,000	78%	$110,000
77%	$130,000	77%	$120,000
76%	$140,000	76%	$130,000
75%	$140,000	75%	$140,000

Section 4.1 of the Management Agreement granted to PCCA the option to renew the term of the Management Agreement for two (2) additional periods of two (2) years each. Staff recommends renewal of the Management Agreement for one (1) additional period of two (2) years.

Staff also recommends that the Management Agreement be amended to update and clarify the provisions contained in Section 5.4, Exhibit A and Exhibit B.

ALTERNATIVES: N/A

CONFORMITY TO PORT POLICY: N/A

EMERGENCY: No, however, the Port of Corpus Christi Authority must send written notice for renewal to Ovations at least sixty (60) days prior to end of the current contract (February 28, 2017).

FINANCIAL IMPACT: The proposed maximum incentive fee would increase by $30,000 (from $110,000 to $140,000) if the gross expense ratio is 75%. However, this increase would be the result of more profitable sales and revenue for the Ortiz Center. The proposed incentive fee would decrease from $110,000 to $ 80,000 and $70,000 in 2017 and 2018 respectively, if the gross expense percentage is 82% in both years

STAFF RECOMMENDATION: Staff recommends approval of this Management Agreement extension and amendments.

DEPARTMENTAL CLEARANCES:

Originating Department:	Office of the Chief Commercial Officer
Reviewed & Approved by:	Jarl Pedersen
Ortiz Center Administrator	Carol Rodriguez
Legal	Dane Bruun
Finance	Dennis DeVries
Risk Management	Donna James-Spruce
Executive Staff	John LaRue
	Sean Strawbridge

LIST OF SUPPORTING DOCUMENTS:

First Amendment of Management Agreement

FIRST AMENDMENT OF MANAGEMENT AGREEMENT

This First Amendment of Management Agreement is made effective as of March 1, 2017, by and between the Port of Corpus Christi Authority of Nueces County, Texas ("Owner"), and Ovations Food Services, LP ("Manager").

WHEREAS, Owner owns a convention center and exhibition center consisting of approximately 54,000 square feet of space, including exhibition space, meeting rooms and ballroom space, located in Corpus Christi, Texas, and known as the Congressman Solomon P. Ortiz International Center ("Facility"); and,

WHEREAS, Owner and Manager entered into a Management Agreement effective as of March 1, 2012 ("Management Agreement"), for the management of the Facility; and

WHEREAS, Section 4.1 of the Management Agreement granted to Owner the option to renew the term of the Management Agreement for two (2) additional periods of two (2) years each; and

WHEREAS, Owner has elected to extend the term of the Management Agreement for an additional two-year period; and

WHEREAS, Owner and Manager wish to revise the calculation of the Manager's Incentive Fee in Section 3.2 of the Management Agreement effective as of March 1, 2017;

WHEREAS, Owner and Manager wish to update and clarify the provisions contained in Section 5.4, Exhibit A and Exhibit B.

NOW THEREFORE, for good and valuable consideration, Owner and Manager agree as follows:

1. Section 3.2 of the Management Agreement is hereby amended in its entirety to read as follows:

Section 3.2 Incentive Fee. In addition to the Fixed Management Fee, Manager shall be entitled to receive an Incentive Fee for each full or partial Operating Year of the Term. The Incentive Fee shall be based upon Gross Expense Percentage, as follows:

2017		*2018*	
Gross Expense Percentage	*Incentive Fee*	*Gross Expense Percentage*	*Incentive Fee*
90% or more	*$0*	*90% or more*	*$0*
89%	*$10,000*	*89%*	*$0*
88%	*$20,000*	*88%*	*$10,000*
87%	*$30,000*	*87%*	*$20,000*
86%	*$40,000*	*86%*	*$30,000*
85%	*$50,000*	*85%*	*$40,000*
84%	*$60,000*	*84%*	*$50,000*
83%	*$70,000*	*83%*	*$60,000*
82%	*$80,000*	*82%*	*$70,000*
81%	*$90,000*	*81%*	*$80,000*
80%	*$100,000*	*80%*	*$90,000*
79%	*$110,000*	*79%*	*$100,000*
78%	*$120,000*	*78%*	*$110,000*
77%	*$130,000*	*77%*	*$120,000*
76%	*$140,000*	*76%*	*$130,000*
75%	*$140,000*	*75%*	*$140,000*

The actual Gross Expense Percentage for any Operating Year shall be rounded to the nearest whole number to compute Manager's Incentive Fee according to the above chart, and the Incentive Fee will be prorated for any Operating Year of less than twelve months. By way of example only, if in the) Operating Year 2017, which is ten months, Revenue is $1,000,000 (not including income from the sale of Commercial Rights) and Operating Expenses (not including depreciation expense, management fees, property taxes or property insurance premiums) are $823,000, the Gross Expense Percentage would be $823,000 / $1,000,000 = 82.3%, which would be rounded down to 82%, resulting in an Incentive Fee for such year of $66,666.67 [$ 80,000 x 10/12ths]. For the sake of clarity, the parties acknowledge that if the Gross Expense Percentage from any Operating Year is- 90% or higher, Manager shall not be entitled to any Incentive Fee for such year.

The Incentive Fee for each Operating Year shall be paid to Manager no later than twenty (20) days following the end of such year. Notwithstanding anything to the contrary contained in this Section 3.2, the Incentive Fee for any Operating Year shall not exceed $140,000.

2. Section 4.1 of the Management Agreement is hereby amended in its entirety to read as follows:

Section 4.1 *Term.*

(a) The term of this Agreement shall begin on the Effective Date, and, unless sooner terminated pursuant to the provisions of Section 4.2 below, shall expire on February 28, 2019; provided, however, following the end of the term, Owner may renew this Agreement for an additional two (2) year period, by providing written notice of renewal to the Manager at least

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sixty (60) days prior to the end of the then current term. The term plus any such extension shall be referred to herein as the "Term".

(b) Prior to the end of the Term, at the request of either the Owner or the Manager, the parties shall engage in good faith discussions regarding an extension of this Agreement for the management and operation of the Facility following the end of the Term. This requirement to discuss and negotiate terms of an extension of this Agreement shall not obligate either party to commit to any such extension or to the terms of any such extension.

3. Section 5.4 of the Management Agreement is hereby amended in its entirety to read as follows:

Section 5.4 Use by the Owner. Subject to availability, the Owner shall have the right to use the Facility or any part thereof rent-fee for its own meetings, seminars, training classes or other non-commercial uses, provided that the Owner shall promptly reimburse Manager, for deposit into the Operating Account, for any out-of-pocket expenses incurred by Manager (such as the cost of ushers or guards, set-up and take-down personnel, security expenses and other expenses) in connection with such use, and Owner shall pay for all food and beverage provided in connection with such use. Such non-commercial use of the Facility by the Owner shall (i) not compete with or conflict with the dates previously booked by Manager for paying events, (ii) not consist of normally touring attractions (such as concerts and family shows), and (iii) be booked in advance upon reasonable notice to Manager pursuant to the Facility's approved booking policies (which will be included in the Operations Manual). Upon request of the Owner's Administrator, Manager shall provide to the Owner's Administrator a list of available dates for Owner use of the Facility; provided, however, that the Manager understands and acknowledges that Owner will be allowed to use the Nueces Room for Port Commission meetings during the morning hours of the third Tuesday of every month during the Term. To the extent that Manager has an opportunity to book a revenue-producing event on a date which is otherwise reserved for use by the Owner, Manager may propose alternative dates for the Owner's event, and the Owner shall use best efforts to reschedule its event to allow Manager to book the revenue-producing event. For purposes of calculating Manager's Incentive Fee, Manager shall receive a "paper" credit for an amount equal to the difference between the published Facility rate and the rate (if any) charged to the Owner for such use of the Facility, if the Manager gives the Owner's Administrator written notice of such credit within ten (10) business days after the date the credit is earned.

4. Exhibit A of the Management Agreement is amended in its entirety and shall be substituted and replaced by Exhibit A attached hereto.

5. Exhibit B of the Management Agreement is amended in its entirety and shall be substituted and replaced by Exhibit B attached hereto.

IN WITNESS WHEREOF, each party hereto has caused this First Amendment of Management Agreement to be executed on behalf of such party by an authorized representative as of the date first set forth above.

[The signature page follows this page]

PORT OF CORPUS CHRISTI AUTHORITY
OF NUECES COUNTY, TEXAS

By: _____
Name: John P. LaRue
Title: Executive Director

OVATIONS FOOD SERVICES, LP
By: Ovations Food Services, Inc.,
its general partner

By: _____
Name: Brian Rothenberg
Title: Asst. Secretary

EXHIBIT A
MANAGER DUTIES

Manager's obligations under the Agreement shall consist of the following obligations, all of which are subject to the terms hereof and the controls and restrictions in the Operations Manual:

(a) Manage all aspects of the Facility in accordance with the Operations Manual and the terms of this Agreement, including but not limited to managing purchasing, payroll, fire prevention, security, crowd control, routine repairs, preventative maintenance, janitorial services, promotions, advertising, energy conservation, box office, admission procedures, parking (if applicable), and general user services.

(b) Manage and perform the Food and Beverage Service, including the following duties:

(i) Develop and implement all necessary policies and procedures for the food and beverage operations;

(ii) Engage, and control the terms of employment of, all employees necessary to perform the Food and Beverage Service, including a Food and Beverage Director responsible for overseeing all food and beverage operations;

(iii) Manage the Food and Beverage Service in compliance with and subject to all federal, state and local laws, ordinances and regulations (including, without limitation, health and sanitation codes and regulations with respect to the sanitation and purity of the food and beverage products for sale);

(iv) Arrange for all minor repairs and routine maintenance to the equipment used in the operation of the Food and Beverage Service;

(v) Keep the food and beverage facilities and equipment neat, clean and in a sanitary condition;

(vi) Undertake appropriate advertising, marketing and promotion of the food and beverage offerings at the Facility;

(vii) Develop menus, portions, brands, prices, themes and marketing approaches;

(viii) Order, stock, prepare, pay for (as an Operating Expense) and sell appropriate foods and beverages;

(ix) Obtain and maintain all licenses and permits necessary for the operation of the Food and Beverage Service, including those required for the on-premise sale of alcoholic beverages. Owner shall offer reasonable assistance to Manager in obtaining such licenses;

(x) Maintain at all times accurate and separate accounting records and adequate financial controls on the operation of the Food and Beverage Service; and

(xi) Include in each annual Operating Budget a separate break-out for the food and beverage operation, and each monthly and annual financial statement required to be provided by Manager hereunder shall include a separate profit/loss statement for the Food and Beverage Service.

(c) Establish and adjust prices, rates and rate schedules for user, license, concessions, occupancy, and advertising agreements, and booking commitments. Manager may deviate from the established rate schedule when entering into any such agreements if determined by Manager, using its reasonable business judgment, to be necessary or appropriate with respect to the specific situation.

(d) Procure, negotiate, execute, administer and assure compliance with Service Contracts, Concession Agreements, and other contracts related to the operation of the Facility.

(e) Require that all material vendors and licensees of the Facility execute vendor/license agreements containing standard indemnification and insurance obligations on the part of each such vendor/licensee, and provide the Owner with a copy of all such agreements within thirty (30) business days of their date of execution.

(f) Provide standard form advertising and sponsorship contracts and user/rental agreements for use at or with respect to the Facility. Manager shall submit such form agreements to the Owner for review and comment, and the parties shall work together to finalize such forms. Once finalized, Manager shall use such forms in furtherance of its duties hereunder, and shall not materially deviate from the terms contained in such forms without obtaining the prior approval of the Owner (which shall not be unreasonably withheld).

(g) Operate and maintain the Facility, including the equipment utilized in connection with its operation and any improvements made during the term of this Agreement, in the condition received, normal wear and tear excepted.

(h) Arrange for and otherwise book events at the Facility in accordance with a booking schedule to be developed by Manager.

(i) Hire or otherwise engage, pay, supervise, and direct all personnel Manager deems necessary for the operation of the Facility in accordance with Article 6 of the Agreement, and conduct staff planning, retention and training programs as determined to be necessary by Manager in its sole discretion.

(j) Maintain detailed, accurate and complete financial and other records of all its activities under this Agreement in accordance with generally accepted accounting principles,

which records shall be made available to the Owner upon request, in accordance with Section 10.1 of the Agreement.

(k) Submit to the Owner in a timely manner financial and other reports detailing Manager's activities in connection with the Facility, as set forth in Section 10.2 of the Agreement.

(l) Prepare a proposed annual Operating Budget and submit such proposed budget to the Owner, both in accordance with Article 7 of the Agreement.

(m) Pay all Operating Expenses and other expenses incurred in connection with the operation, maintenance, supervision and management of the Facility from the Operating Account or with funds otherwise made available by the Owner.

(n) Secure, or assist the Owner (or any other third party, as applicable) to secure, all licenses and permits necessary for the operation and use of the Facility for the specific events to be held therein, and for the general occupancy of the Facility, including without limitation all necessary food and liquor licenses, and renewals thereof. The Owner shall cooperate in this process to the extent reasonably required. All costs associated with this process shall be Operating Expenses.

(o) Collect, deposit and hold in escrow in the Event Account (unless Manager determines it to be in the best interest of the Facility to deposit such revenue directly into the Operating Account) any ticket sale revenues which it receives in the contemplation of or arising from an event pending the completion of the event, as more fully described in Section 8.1 of the Agreement.

(p) Collect and deposit in the Alcohol Account any revenue from the sale of alcohol at the Facility, as more fully described in Section 8.2.

(q) Collect in a timely manner and deposit in the Operating Account all Revenue, as more fully described in Section 8.3 of the Agreement.

(r) Subject to the Owner making available sufficient funds in a timely manner, pay all Taxes.

(s) Plan, prepare, implement, coordinate and supervise all public relations and other promotional programs for the Facility.

(t) Prepare, maintain and implement on a regular basis, subject to the Owner's approval, a Marketing Plan for the Facility.

(u) Manage and oversee the sale of Commercial Rights at or in connection with the Facility.

(v) As of the Effective Date and on an annual basis thereafter during the Term, cause a written inventory to be taken of all furniture, fixtures, office equipment, supplies, tools and vehicles at the Facility, and deliver a written report of the foregoing to Owner. Manager shall

document all damage to, or loss in, such inventory during the Term as soon as such damage or loss is discovered by Manager, and Manager shall promptly notify Owner of any such damage or loss.

(w) Purchase, on behalf of the Owner and with Owner funds, and maintain during the Term, all materials, tools, machinery, equipment and supplies necessary for the operation of the Facility.

(x) As agent for the Owner, manage risk management and Facility insurance needs, as more fully described in Article 15 of the Agreement.

(y) Make and be responsible for all routine and minor repairs, maintenance, preventative maintenance, and equipment servicing. Manager shall be responsible for ensuring that all repairs, replacements, and maintenance shall be of a quality and class at least equal to that of the item being repaired, replaced or maintained. Any replacement of an item in inventory, or any new item added to the inventory, which is paid for by the Owner, shall be deemed the property of the Owner.

(z) It is the responsibility of the Manager to complete documentation of any incidents and/or accidents of third-parties that occur on the premises. Further, the Manager shall notify the Owner, immediately of such incidents and/or accidents.

(aa) Implement and maintain an effective utility management program to minimize utility expenses.

(bb) Cause such other acts and things to be done with respect to the Facility, as determined by Manager in its reasonable discretion to be necessary for the management and operation of the Facility following the Effective Date.

(cc) Manager will be responsible for all customer bad debt with the exception of bad debt associated with credit when Owner has instructed Manager to grant credit to a customer.

EXHIBIT B
INSURANCE

Without limiting the indemnity obligations or liabilities of Manager or its insurers, provided herein, Manager agrees to carry and maintain at its sole expense policies of insurance ("the Policies") of the types and in the minimum amounts as follows:

	TYPE OF INSURANCE	LIMITS OF LIABILITY
A.	Workers' Compensation	Statutory
B.	Employer's Liability	$100,000 per Occurrence $500,000 Aggregate
C.	Commercial General Liability, including Liquor Liability	$1,000,000 per occurrence $1,000,000 personal and advertising injury $1,000,000 products-completed operations aggregate

The CGL Policy will provide contractual liability coverage at the aforementioned limits.

D.	Business Automobile Liability	$1,000,000 per Occurrence (PI and PD combined single limit) $1,000,000 uninsured/underinsured motorist

Automobile liability insurance coverage will include all owned, non-owned, and hired vehicles.

E.	Professional Liability	$1,000,000 each Occurrence/Aggregate

Manager will procure and maintain professional liability insurance for protection from claims arising out of performance of its Services under this Contract caused by any error, omission, or act for which the Manager is legally liable. Policies written on a claims-made basis shall have an extended reporting period of at least two (2) years beyond termination of the Contract.

F.	Crime Insurance:	$500,000 each Occurrence/Aggregate

Each policy, except Professional Liability, must contain an endorsement to the effect that the issuer waives any claim or right of subrogation to recover against the Authority, its Port Commissioners, officers and employees ("Authority Parties"). Additionally, the Authority Parties shall be designated as an Additional Insured either by a blanket additional insured or a specific endorsement on all policies, except for Worker's Compensation, Employer's Liability, and Professional Liability.

Each policy, except Workers' Compensation and Professional Liability, must contain an endorsement that the policy is primary to any other insurance available to the Additional Insureds with respect to claims arising under this Contract.

The insurance required as listed above, shall apply to any contractor or subcontractor performing for or on behalf of Manager, and Manager shall ensure that any such subcontractor is aware of and is in compliance with the insurance requirements during any period such contractor is performing work under this Contract.

The minimum insurance required may be increased periodically upon request by Authority to commercially reasonable limits. The company writing each of the Policies must possess a current rating with A.M. Best Company of at least "A-, VII".

Manager's liability shall not be limited to the specified amounts of insurance required herein.

Approve Lease Agreement with the Texas State Aquarium Association for a 2.7056 Acre Parcel of Land Located Adjacent to the Corpus Christi Ship Channel and next to the Texas State Aquarium

Generated by
Port of Corpus Christi
Real Estate Department

Texas State Aquarium Association

Map Disclaimer:
This product is for informational purposes and has not have been prepared for, or be suitable for legal, engineering, or surveying purposes.

State Plane NAD 1983
South Zone FIPS 4205
Not To Scale

Approve Lease Agreement with the Texas State Aquarium Association for a 2.7056 Acre Parcel of Land Located Adjacent to the Corpus Christi Ship Channel and next to the Texas State Aquarium

PORTCORPUSCHRISTI

Generated by
Port of Corpus Christi
Real Estate Department

Texas State Aquarium Association

Map Disclaimer:
This product is for informational purposes and has not have been prepared for, or be suitable for legal, engineering, or surveying purposes.

State Plane NAD 1983
South Zone FIPS 4205

Not To Scale

PORT CORPUS CHRISTI

AGENDA MEMORANDUM

Action Item for Port Commission Meeting of December 13, 2016

DATE: December 13, 2016

TO: Port Commission

FROM: Darrin Aldrich, Director of Real Estate
Darrin@pocca.com
(361) 885-6169

Approve Lease Agreement with the Texas State Aquarium Association for a 2.7056 Acre Parcel of Land Located Adjacent to the Corpus Christi Ship Channel and next to the Texas State Aquarium

SUMMARY: The Texas State Aquarium Association (TSAA) has requested a Lease Agreement for a 2.7056 acre parcel of land used as park area, fire lane, private access road, and dolphin exhibit. This new Lease Agreement will increase the lease premises by 1.4653 acres to accommodate the final two phases of the TSAA's master plan.

BACKGROUND: On April 8, 1986, PCCA approved a 30 year lease to the Corpus Christi Aquarium Association for a 1.2403 acre parcel adjacent to the Corpus Christi Ship Channel and next to the proposed Aquarium, as depicted on the attached Memo Exhibit. The area was originally designed to be a park like area next to the Aquarium that could be fenced by the Aquarium for security. On April 5, 1988, an amendment was approved authorizing the construction of a fire lane and private access road on a portion of the property. Subsequently, the lease was again amended on October 9, 2001 authorizing the construction of a dolphin exhibit on the leased premises.

On December 10, 2014 the Texas State Aquarium had a groundbreaking ceremony of its $50 million Caribbean Journey addition – the largest expansion in the Aquarium's 24-year history. The Caribbean Journey addition will complete the final two phases of the Aquarium's original master plan and will transform the Texas State Aquarium from a leading regional aquarium to one of the top aquariums in the nation. At four stories and 65,000 square feet, the new Caribbean Journey expansion will be significantly larger than the original Gulf of Mexico exhibit building.

ALTERNATIVES: Do not renew the lease agreement.

CONFORMITY TO PORT POLICY: N/A

EMERGENCY: No

222 Power Street 78401 | PO Box 1541 78403 | Corpus Christi, Texas | T 361 882 5633 F 361 882 7110 | portofcorpuschristi.com

FINANCIAL IMPACT: Lessee agrees to pay to the Authority as rent for the Leased Premises the amount of Ten Dollars ($10) per year in advance. For the public good and general welfare of community.

STAFF RECOMMENDATION: Staff recommends approval of the Lease Agreement with The Texas State Aquarium Association for a 2.7056 Acre Parcel of Land Located Adjacent to the Corpus Christi Ship Channel and next to the Texas State Aquarium.

DEPARTMENTAL CLEARANCES:

Originating Department	Real Estate
Reviewed & Approved	Darrin Aldrich
	David Krams, P.E.
Legal	Jimmy Welder
Senior Staff	John LaRue
	Sean Strawbridge
	Jarl Pedersen

LIST OF SUPPORTING DOCUMENTS:

Memo Exhibit
Lease Agreement
Lease Agreement Summary

PORT OF CORPUS CHRISTI AUTHORITY
LEASE AGREEMENT SUMMARY

Lessee:	Texas State Aquarium Association, Inc.
Premises:	2.7056 acres, more or less, out of the located adjacent to the Corpus Christi Ship Channel and next to the Texas State Aquarium
Use:	Park area, fire lane, private access road, dolphin exhibit, sidewalks, benches, picnic tables, observation areas, a berm to reduce flooding
Term:	30 year
Options:	N/A
Start Date:	December 13, 2016
End Date:	December 12, 2046
Annual Rent:	Lessee agrees to pay to the Authority as rent for the Leased Premises the amount of Ten Dollars ($10) per year in advance. For the public good and general welfare of community.
Tenant Contact:	Texas State Aquarium Association, Inc. 2710 North Shoreline Corpus Christi, Texas 78402-1097 Tom Schmid email: tschmid@txstateaq.org 361.881.1242 (office) 361.548.0544 (cell)
Remarks:	The Texas State Aquarium Lease Agreement is subject to early termination in whole or in part by the Authority at any time with thirty (30) days' prior written notice upon the Authority's determination, in its sole and absolute discretion, that the Leased Premises, or any portion of thereof, are required for the Authority's operations. Upon such termination, Lessee shall promptly remove any improvements it has located on the Leased Premises (other than roads, driveways, sidewalks, parking areas, fire lanes and similar ground-level improvements), and to the extent such removal reasonably requires a period longer than thirty (30) days, the Term of this Lease shall be extended only for such area occupied by such improvements and for such additional time that is reasonably required for the removal of such improvements with all due diligence. All roads, driveways, sidewalks, parking areas, fire lanes and similar ground-level improvements shall remain with the Leased Premises and become the property of the Authority upon such termination.

LEASE AGREEMENT

Between

PORT OF CORPUS CHRISTI AUTHORITY OF NUECES COUNTY, TEXAS
("*Authority*")

And

TEXAS STATE AQUARIUM ASSOCIATION
("*Lessee*")

December 13, 2016

LEASE AGREEMENT

This **LEASE AGREEMENT** ("***Lease***" or "***Agreement***") is made effective as of the 13th day of December, 2016 ("***Effective Date***"), by and between the **PORT OF CORPUS CHRISTI AUTHORITY OF NUECES COUNTY, TEXAS**, a political subdivision of the State of Texas ("***Authority***"), and the **TEXAS STATE AQUARIUM ASSOCIATION,** a Texas non-profit corporation ("***Lessee***"). Lessee and the Authority are sometimes referred to herein individually as a "***Party***" or jointly as the "***Parties***".

RECITALS:

(a) Lessee was formerly known as the Corpus Christi Aquarium Association.

(b) Lessee owns 12.16 acres of land, more or less, in Nueces County, Texas, being all of Lots A-1, A-3, B, C and D of the Texas State Aquarium Subdivision, as shown on the maps thereof recorded in Volume 54, Pages 117-118, Volume 60, Pages 135-136 Map Records Nueces County Texas, respectively ("***Lessee's Property***").

(c) Lessee owns and operates the Texas State Aquarium ("***Aquarium***") on Lessee's Property.

(d) The Authority owns 2.7056 acres of land, more or less, in Nueces County, Texas, being all of Lot F of the Texas State Aquarium Subdivision, as shown on the map thereof recorded in Volume 60, Pages 135-136 Map Records Nueces County Texas ("***Authority's Property***").

(e) A survey of the Lessee's Property and the Authority's Property is attached hereto as **Exhibit A**.

(f) By a lease agreement dated April 8, 1986, the Authority leased to the Corpus Christi Aquarium Association a 1.2403-acre tract of land in Nueces County, Texas ("***1.2403-Acre Tract***"), for a term of thirty (30) years, beginning April 9, 1986, and ending April 8, 2016 ("***Original Lease***").

(g) The 1.2403-Acre Tract is part of the Authority's Property.

(h) The Parties executed an amendment to the Original Lease on April 5, 1988, to allow Lessee to construct a roadway on the 1.2403-Acre Tract for use as a fire lane and private access road.

(i) The Parties executed a second amendment to the Original Lease on October 9, 2001, to allow Lessee to construct a portion of the Dolphin Bay Exhibit on the 1.2403-Acre Tract.

(j) Lessee has been a holdover tenant on the 1.2403-Acre Tract since April 8, 2016, under the terms of the Original Lease.

(k) Lessee has requested a new lease from the Authority covering all of the Authority's Property.

(l) The Authority is willing to lease all of the Authority's Property to Lessee on the terms and conditions set forth in this Agreement.

NOW THEREFORE, for good and valuable consideration, the sufficiency and receipt of which is acknowledged by both Parties, and in further consideration of the mutual covenants and obligations contained herein, Authority and Lessee do hereby agree as follows:

I.

Effective as of the Effective Date, the Authority hereby leases to Lessee and Lessee hereby leases from Authority, upon the terms and conditions of this Lease, the surface estate of the Authority's Property and the improvements thereon and all rights, privileges, and appurtenances to the Authority's Property (collectively, the "***Leased Premises***").

II.

The term of this Lease shall commence on the Effective Date and end at midnight on the Termination Date. For purposes of this Agreement, "***Termination Date***" means the first to occur of (i) the 12th day of December, 2046, or (ii) the date on which this Agreement is terminated in accordance with the terms of this Agreement. For purposes of this Agreement, "***Term***" means the period from the Effective Date to the Termination Date.

III.

Lessee agrees to pay to the Authority as rent for the Leased Premises the amount of Ten Dollars ($10) per year in advance. The annual rent shall be paid on the Effective Date and on the 13th day of December of each year thereafter during the Term of this Lease.

IV.

Lessee shall use the Leased Premises solely for the purpose of improving it for use as a park and outdoor exhibit area in conjunction with the Aquarium. Lessee shall have the right to construct the following improvements on the Leased Premises: a park area, fire lane, private access road, dolphin exhibit, sidewalks, benches, picnic tables, observation areas, a berm to reduce flooding, ground level exhibits and exhibit information, together with such signs as relate to the exhibits on the area. Lessee shall not have the right to construct any buildings or other structures on the Leased Premises within the area which is subject to channel widening; that is, the area south of the line which is designated on **Exhibit B** as the "North Right-of-Way Line of Authorized 400' Realigned Entrance Channel".

V.

Lessee shall have the right to fence the Leased Premises so that it will be included within the fence surrounding the Aquarium facilities.

VI.

Lessee will share with Authority, without cost to Authority, any land-use studies of the Corpus Christi Beach area undertaken by Lessee.

VII.

The Leased Premises covered by this Lease extends to the water's edge on the south. Lessee agrees to maintain the Leased Premises, including the rip-rap along the shoreline boundary of the Leased Premises.

VIII.

Authority has advised Lessee that a portion of the Leased Premises is subject to a prior easement to the United States of America for widening of the entrance channel. Such line is depicted on the plat which is attached hereto as **Exhibit B**. Lessee takes this Lease and the Leased Premises subject to the right of the United States to widen the Corpus Christi Ship Channel.

IX.

Lessee accepts the Leased Premises "as is", that is, in its present condition and shall be responsible for all grading, leveling, drainage and ground improvements on the Lease Premises.

X.

Lessee shall indemnify and hold Authority harmless of and from all expenses and liabilities (including fees of attorneys, engineers and expert witnesses) for and resulting from the negligence of Lessee, its agents, employees, licensees and contractors arising in any way in connection with the exercise by the Lessee or any of its agents, employees, licensees and contractors of the rights and privileges herein granted to it.

XI.

Lessee shall take all reasonable precautions to prevent pollution of the waters of the ship channel and shall comply with all requirements of governmental agencies with Authority as respects air and water pollution.

XII.

If for thirty (30) days after delivery by mail or otherwise to Lessee by Authority of notice of breach by Lessee of any of the covenants contained in this lease which are to be performed on its part, Lessee does not or shall neglect or fail to perform any or either of such covenants, then

in any of said events Authority may lawfully declare this Lease to be terminated and may thereupon enter into and upon the Leased Premises or any part thereof and repossess the same and expel Lessee and those claiming under and through it without being deemed guilty of any manner of trespass.

XIII.

This Lease may not be assigned and the Leased Premises may not be subleased without the written consent of Authority obtained prior thereto.

XIV.

Any notice required to be given under the provisions of this Lease may be given by depositing the same in the United States mail, first class, either registered or certified, with return receipt requested, postage prepaid, addressed as follows:

To Authority: P. O. Box 1541
Corpus Christi, Texas 78403

To Lessee: 2710 North Shoreline
Corpus Christi, Texas 78402-1097

unless another address is properly given in writing.

XV.

All covenants, conditions and agreements of this Lease shall apply to and be binding upon Authority and Lessee and their respective legal representatives, successors and assigns (when assignment is made in accord with the provisions hereof). If any term, clause, provision, part or portion of this Lease shall be adjudged invalid or illegal for any reason, the validity of any other part or portion hereof shall not be affected thereby, and the invalid or illegal portion thereof shall be deleted and ignored as if the same had not been written herein. If any of the rights and authorities granted hereunder are in excess of the authority of Authority, then the rights and authorities shall be limited to such as the Authority is authorized to grant, under the applicable laws. The failure of Lessee or of Authority to insist upon the strict performance of any of the covenants and conditions of this lease, or the consent, either express or implied, of either party hereto to any act or omission by the other party in breach or default hereof, shall not be deemed or construed to be a waiver of any such covenants or condition except for that particular instance only and shall not constitute or be construed as a waiver of such covenant or condition or of any further or future breach or default thereof.

XVI.

(a) It is contemplated that Lessee may borrow funds for construction of improvements on the Leased Premises from time to time during the Term of this Lease, and it may be desirable or convenient for Lessee to borrow additional funds for additional

improvements, alterations, repairs or for other purposes to benefit the Leased Premises. Accordingly, it is agreed that Lessee shall at all times during the Term of this Lease, without the consent of Authority (but provided written notice and a copy of the security instruments are delivered to Authority), have the right to mortgage or convey by deed of trust or any other security instrument the leasehold rights of Lessee created by this Lease ("***Leasehold Mortgage***"); provided, however, that the Leasehold Mortgage will at all times be subject to and shall recognize the superior right, title and interest of Authority to the fee interest underlying the Leased Premises and to Authority's rights hereunder to require Lessee's payment of all rent due hereunder and Lessee's full and faithful performance of all covenants and conditions of this Lease.

(b) In the event at any time during the Term of this Lease Lessee or anyone holding under Lessee shall be in default of any of the covenants or any of the conditions of this Lease, then and in such event the holder of the Leasehold Mortgage ("***Leasehold Mortgagee***") may, before forfeiture or termination is invoked by Authority, make any and all payments and do and perform any and all acts or things which may be necessary or required to prevent a forfeiture or termination of this Lease; and the party making such payments or performing such acts or things shall thereby and thereupon be subrogated to all the rights of Lessee under this Lease. Authority agrees that, if requested in writing by the holder of any Leasehold Mortgage, it will send to the said holder, at the address specified in the written request, copies of all written notices of demand which Authority may serve upon Lessee, or anyone holding under Lessee, under and pursuant to the terms of this Lease.

(c) It is understood, however, that the holder of the Leasehold Mortgage shall in no way be liable to Authority for the payment of any rent or for the performance of any other covenants and conditions under this Lease until such time as it shall acquire by conveyance from Lessee, or by foreclosure or other proceedings provided by law or by the terms of the Leasehold Mortgage, all the right, title and interest of Lessee under this Lease; provided, however, that any party who shall acquire said right, title and interest of Lessee as above provided shall thereupon and thereby become liable for the full performance and all payments theretofore and thereafter required to be made by Lessee under the covenants and conditions of this Lease as fully and completely and to the same extent as Lessee itself would have been if it still had retained its right, title and interest under this Lease.

(d) If this Lease is terminated or rejected in connection with the bankruptcy or insolvency of Lessee, then the Leasehold Mortgagee shall have the right and option, exercisable by delivering written notice to Authority not later than thirty (30) days after receipt from Authority of written notice of such termination or rejection (which notice Authority agrees to give) to elect to receive, in its own name or in the name of its affiliate, a new lease of the Leased Premises for the unexpired balance of the Term on the same terms and conditions as herein set forth, and Authority agrees to execute such new lease if the Leasehold Mortgagee cures any then uncured default reasonably susceptible by its nature of being remedied by such Leasehold Mortgagee, including the payment of any amount of accrued but unpaid rent due hereunder.

(e) Authority agrees to execute an estoppel certificate and such other reasonable agreements as may be requested by the holder of a Leasehold Mortgage.

(f) The provisions of this Article XVI are solely for the benefit of and enforceable by a Leasehold Mortgagee and are not for the benefit of, and may not be enforced by, Lessee.

XVII.

Lessee shall, during the Term of this Agreement, satisfy the insurance requirements set forth in **Exhibit C** attached hereto.

XVIII.

This Agreement shall be subject to early termination in whole or in part by the Authority at any time with thirty (30) days' prior written notice upon the Authority's determination, in its sole and absolute discretion, that the Leased Premises, or any portion of thereof, are required for the Authority's operations. Upon such termination, Lessee shall promptly remove any improvements it has located on the Leased Premises (other than roads, driveways, sidewalks, parking areas, fire lanes and similar ground-level improvements), and to the extent such removal reasonably requires a period longer than thirty (30) days, the Term of this Lease shall be extended only for such area occupied by such improvements and for such additional time that is reasonably required for the removal of such improvements with all due diligence. All roads, driveways, sidewalks, parking areas, fire lanes and similar ground-level improvements shall remain with the Leased Premises and become the property of the Authority upon such termination.

[The signature page follows this page]

SIGNATURE PAGE TO LEASE AGREEMENT
(Port of Corpus Christi Authority to Texas State Aquarium Association)

IN WITNESS WHEREOF, this Agreement is executed in duplicate originals, each of which shall be deemed to be an original, as of the dates provided below each signature, to be effective for all purposes as of the Effective Date

"***Authority***"

PORT OF CORPUS CHRISTI AUTHORITY OF NUECES COUNTY, TEXAS

By: _____
John P. LaRue
Executive Director

Date: December ___, 2016

"***Lessee***"

TEXAS STATE AQUARIUM ASSOCIATION

By: _____
Name: Tom Schmid
Title: CEO

Date: December ___, 2016

STATE OF TEXAS §
§
COUNTY OF NUECES §

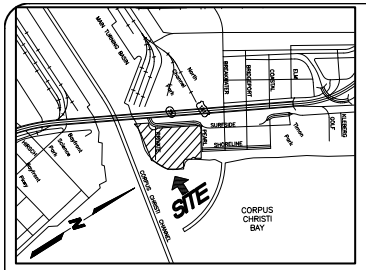
This instrument was acknowledged before me on the __ day of December, 2016, by JOHN P. LARUE, Executive Director of the Port of Corpus Christi Authority of Nueces County, Texas, on behalf of said Authority.

_____
NOTARY PUBLIC, STATE OF TEXAS

STATE OF TEXAS §
§
COUNTY OF NUECES §

This instrument was acknowledged before me on the _____ day of December, 2016, by Tom Schmid, CEO of the Texas State Aquarium Association on behalf of the Association.

_____
NOTARY PUBLIC, STATE OF TEXAS



LOCATION MAP
SCALE 1"=800'

NOTES

1. THERE IS NO VISIBLE EVIDENCE OF CEMETERIES ON SUBJECT PROPERTY.
2. THERE IS NO VISIBLE EVIDENCE OF EARTH MOVING WORK, BUILDING CONSTRUCTION OR BUILDING ADDITIONS WITHIN RECENT MONTHS.
3. THERE IS NO VISIBLE EVIDENCE OF ANY CHANGES IN STREET RIGHT-OF-WAY LINES EITHER COMPLETED OR PROPOSED, AND AVAILABLE FROM THE CONTROLLING JURISDICTION, NOR IS THERE OBSERVABLE EVIDENCE OF RECENT STREET OR SIDEWALK CONSTRUCTION OR REPAIRS.
4. THERE IS NO VISIBLE EVIDENCE OF SITE USE AS A SOLID WASTE DUMP, SUMP, OR SANITARY LANDFILL.
5. UNDERGROUND SERVICES ARE BASED UPON OUR INTERPRETATION THE CITY OF CORPUS CHRISTI GIS MAPS AND EVIDENCE ON THE SURFACE.
6. THERE ARE NO WETLANDS ON THE SURVEYED PROPERTY.

LEGEND

Y.R.	YARD REQUIREMENT
CO	SEWER CLEAN OUT
MH	MANHOLE
SS	SANITARY SEWER
ST	STORM SEWER
IR	IRON ROD
UE	UTILITY EASEMENT
PP	POWER POLE
-X-	FENCE
-W-	WATER
-G-	GAS
-FM-	FORCE MAIN
RCP	REINFORCED CONCRETE PIPE
R.O.W.	RIGHT-OF-WAY
M.R.N.C.T.	MAP RECORDS NUECES COUNTY TEXAS
O.P.R.N.C.T.	OFFICIAL PUBLIC RECORDS NUECES COUNTY TEXAS
D.R.N.C.T.	DEED RECORDS NUECES COUNTY TEXAS
(*)	REFERS TO DOCUMENT IN SCHEDULE B
	PALM TREES

LEGAL DESCRIPTION

Lots A-1, B, C & D, and Lots A-3 & F, Texas State Aquarium Subdivision as shown on the maps thereof recorded in Vol. 59, Pgs. 117-118, Vol. 60, Pgs. 135-136, Map Records Nueces County, Texas, respectively.

PARKING

ONSITE

EXISTING

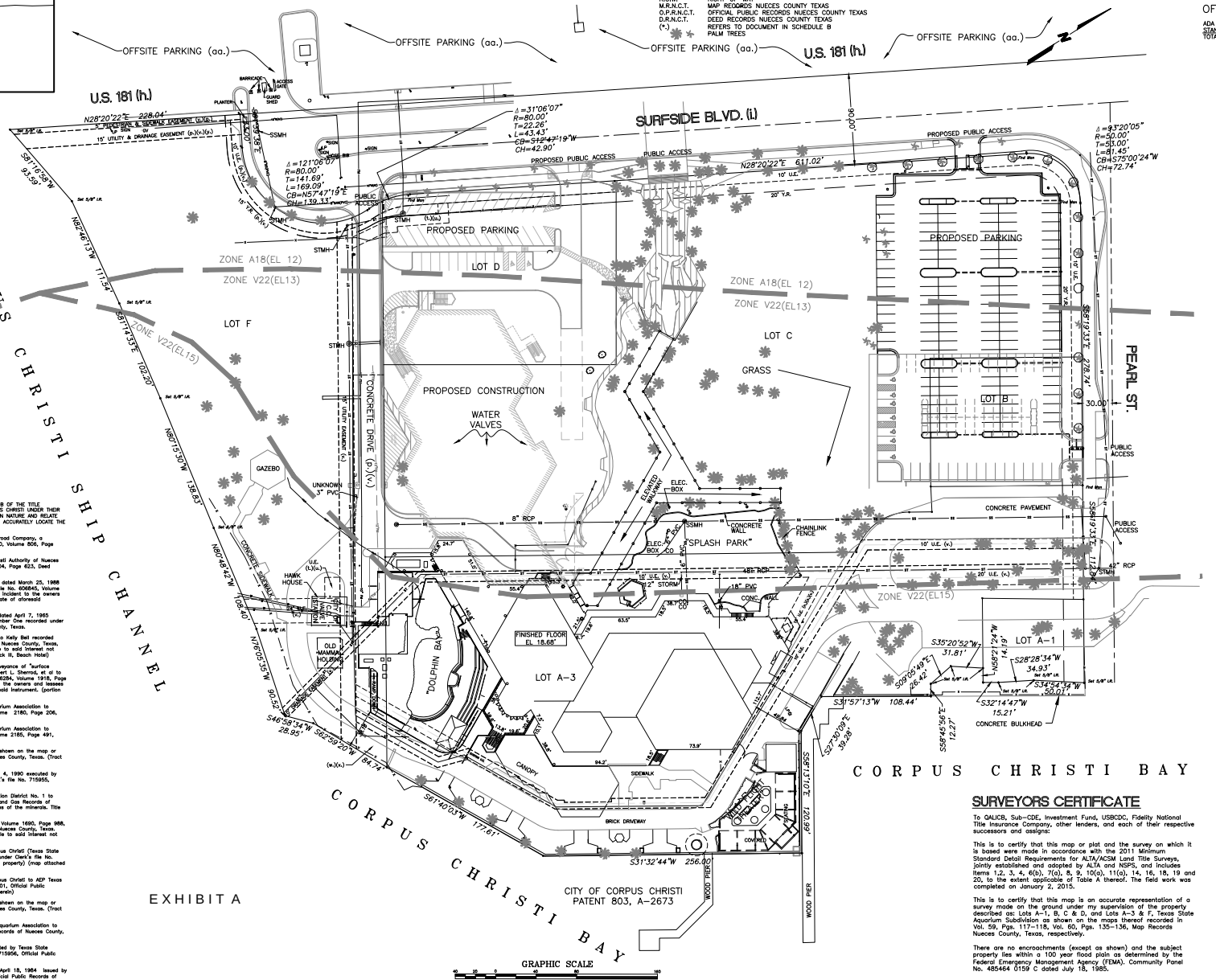
ADA ACCESSIBLE	7
STANDARD	57
TOTAL	64

PROPOSED

ADA ACCESSIBLE	10
STANDARD	228
TOTAL	238

OFFSITE

ADA ACCESSIBLE	9
STANDARD	491
TOTAL	500



EXCEPTIONS TO TITLE

THE FOLLOWING DOCUMENTS ARE SHOWN AS EXCEPTIONS TO TITLE IN SCHEDULE B OF THE TITLE COMMITMENT ISSUED BY FIDELITY NATIONAL TITLE INSURANCE COMPANY OF CORPUS CHRISTI UNDER THEIR GF #2810007411. THESE DOCUMENTS DESCRIBE EASEMENTS THAT ARE GENERAL IN NATURE AND RELATE TO THE ENTIRE SURVEYED PREMISES AND/OR HAVE INSUFFICIENT INFORMATION TO ACCURATELY LOCATE THE EASEMENT:

h. Easement dated February 10, 1958 executed by Texas and New Orleans Railroad Company, a corporation to State Highway Commission recorded under Clerk's file No. 502330, Volume 806, Page 448, Deed Records of Nueces County, Texas.

i. Dedication to the public dated April 5, 1959 executed by Port of Corpus Christi Authority of Nueces County, Texas to the public recorded under Clerk's file No. 608279, Volume 2104, Page 623, Deed Records of Nueces County, Texas.

j. Reservation of all oil, gas and other minerals as contained in Warranty Deed dated March 25, 1988 from Adolph Fellman, et al to City of Corpus Christi, recorded under Clerk's File No. 606845, Volume 2105, Page 23, Deed Records of Nueces County, Texas, together with all rights incident to the owners and lessees of the minerals. Title to said interest not checked subsequent to date of aforesaid instrument.

k. Terms, provisions, conditions and easements as contained in Warranty Deed dated April 7, 1965 executed by Southern Pacific Company to Nueces County Navigation District Number One recorded under Clerk's file No. 745136, Volume 1232, Page 264, Deed Records of Nueces County, Texas.

l. Oil, Gas, and Mineral Lease dated November 1, 1968 from Clayton W. Floyd to Kelly Bell recorded under Clerk's File No. 802712, Volume 281, Page 121, Oil and Gas Records of Nueces County, Texas, together with all rights incident to the owners and lessees of the minerals. Title to said interest not checked subsequent to date of aforesaid instrument. (Lots 5, 7, 9 and 11, Block II, Beach Hotel)

m. Reservation of all oil, gas and other minerals by grantors as shown by conveyance of "surface estate" only in Warranty Deed dated May 16, 1984 from R. L. Sherrod aka Robert L. Sherrod, et al to Wayne A. Johnson and Wayne A. Johnson, II, recorded under Clerk's File No. 376284, Volume 1915, Page 259, Deed Records of Nueces County, Texas, together with all rights incident to the owners and lessees of the minerals. Title to said interest not checked subsequent to date of aforesaid instrument. (portion of Block E, Brooklyn)

n. Easement and Right of Way dated October 10, 1989, from Texas State Aquarium Association to Central Power and Light Company, recorded under Clerk's File No. 687386, Volume 2180, Page 206, Deed Records of Nueces County, Texas.

o. Easement and Right of Way dated October 10, 1989, from Texas State Aquarium Association to Central Power and Light Company, recorded under Clerk's File No. 692741, Volume 2185, Page 491, Deed Records of Nueces County, Texas.

p. Utility, sidewalk, access easements, service drives and yard requirements as shown on the map or plat thereof recorded in Volume 54, Pages 117 and 118, Map Records of Nueces County, Texas. (Tract I)

q. Terms, provisions, easement and conditions as contained in Deed dated June 4, 1990 executed by Texas State Aquarium Association to City of Corpus Christi recorded under Clerk's file No. 715955, Volume 2208, Page 851, Deed Records of Nueces County, Texas.

r. Oil, Gas, and Mineral Lease dated July 12, 1965 from Nueces County Navigation District No. 1 to Kelly Bell, recorded under Clerk's File No. 689833, Volume 222, Page 182, Oil and Gas Records of Nueces County, Texas, together with all rights incident to the owners and lessees of the minerals. Title to said interest not checked subsequent to date of aforesaid instrument.

s. Reservation by Grantors of all, gas and other minerals in Deeds recorded in Volume 1690, Page 988, and Volume 1918, page 259, and Volume 2007, Page 1017, Deed Records of Nueces County, Texas. together with all rights incident to the owners and lessees of the minerals. Title to said interest not checked subsequent to date of aforesaid instrument.

t. Easement and Right of Way dated October 7, 2002 executed by City of Corpus Christi (Texas State Aquarium) to Central Power and Light Company, a Texas Corporation recorded under Clerk's file No. 2002048154, Official Public Records of Nueces County, Texas. (Lot D and other property) (map attached thereto)

u. Easement and Right of Way dated January 9, 2003 executed by City of Corpus Christi to AEP Texas Central Company, a Texas corporation recorded under Clerk's file No. 2003015001, Official Public Records of Nueces County, Texas. (Lot D and other property) (map attached thereto)

v. Utility, sidewalk, access easements, service drives and yard requirements as shown on the map or plat thereof recorded in Volume 60, Pages 135 and 136, Map Records of Nueces County, Texas. (Tract II- Lot A-3)

w. Notice as contained in Deed dated June 4, 1990 executed by Texas State Aquarium Association to City of Corpus Christi, recorded under Clerk's file No. 715956, Official Public Records of Nueces County, Texas.

x. Unrecorded Aquarium Lease as contained in Deed dated June 4, 1990 executed by Texas State Aquarium Association to City of Corpus Christi, recorded under Clerk's file No. 715956, Official Public Records of Nueces County, Texas.

y. 15' drainage easement retained in Certified Copy of Ordinance 18215 dated April 18, 1984 issued by the City of Corpus Christi to the public recorded under Clerk's file No. ___, Official Public Records of Nueces County, Texas. (to be file)

z. Reservation of all oil, gas and other minerals by grantors as contained in Patent Deed issued January 4, 1924 from the State of Texas to the City of Corpus Christi dated January 4, 1924 from State of Texas to City of Corpus Christi, recorded under Clerk's File No. 13211, Volume 144, Page 626, Deed Records of Nueces County, Texas; as amended under Clerk's file No. 209484, Volume 312, Page 269, Deed Records of Nueces County, Texas; together with all rights incident to the owners and lessees of the minerals. Title to said interest not checked subsequent to date of aforesaid instrument.

aa. Terms, provisions and conditions as contained in Certified Copy of Ordinance 021839 issued ___, 1993 executed by The City of Corpus Christi to Texas State Aquarium recorded under Clerk's file No. ___, Official Public Records of N Texas. (to be file)

SURVEYORS CERTIFICATE

To QALICB, Sub-CDE, Investment Fund, USBCDC, Fidelity National Title Insurance Company, other lenders, and each of their respective successors and assigns:

This is to certify that this map or plat and the survey on which it is based were made in accordance with the 2011 Minimum Standard Detail Requirements for ALTA/ACSM Land Title Surveys, jointly established and adopted by ALTA and NSPS, and includes items 1,2, 3, 4, 6(b), 7(a), 8, 9, 10(a), 11(a), 14, 16, 18, 19 and 20, to the extent applicable of Table A thereof. The field work was completed on January 2, 2015.

This is to certify that this map is an accurate representation of a survey made on the ground under my supervision of the property described as: Lots A-1, B, C & D, and Lots A-3 & F, Texas State Aquarium Subdivision as shown on the maps thereof recorded in Vol. 59, Pgs. 117-118, Vol. 60, Pgs. 135-136, Map Records Nueces County, Texas, respectively.

There are no encroachments (except as shown) and the subject property lies within a 100 year flood plain as determined by the Federal Emergency Management Agency (FEMA). Community Panel No. 485464 0159 C dated July 18, 1985.

This the 9th day of January 2015

MURRAY BASS, JR.
REGISTERED PROFESSIONAL LAND SURVEYOR
BASS & WELSH ENGINEERING

STATE OF TEXAS
REGISTERED
MURRAY BASS, JR.
2128
SURVEYOR

STREET ADDRESS
2710 N. SHORELINE BLVD.
CORPUS CHRISTI, NUECES COUNTY, TEXAS 78402

ZONING
CR-1, RESORT COMMERCIAL (BAYFRONT)

AREA
529,805 SQUARE FEET
12.16 ACRES

BASIS OF BEARING
SOUTH RIGHT-OF-WAY OF PEARL STREET AS SHOWN ON THE MAPS OF RECORD

BASS & WELSH ENGINEERING
CONSULTING ENGINEERS AND SURVEYORS
3054 SOUTH ALAMEDA STREET 78404
P.O. BOX 6397 78466-6397
TELEPHONE: (361) 882-5521
FACSIMILE: (361) 882-1265
ENGINEERING FIRM REGISTRATION NO. F-52
SURVEYING FIRM REGISTRATION NO. 100100-00
CORPUS CHRISTI, TEXAS

ALTA/ACSM/LAND TITLE SURVEY
12.16 AC.
TEXAS STATE AQUARIUM
CORPUS CHRISTI, NUECES COUNTY, TEXAS

DESCRIPTION
DATE: 12-15-2014
SCALE: 1"=40'
JOB NO.: 14085
DRAWN BY: WF
SURVEYED BY: AM
CHECKED BY: MJB
FIELD BK. NO.:

APPR. BY:

REV. NO. DATE

SHEET NO.
1
OF 1 SHEETS

PLOTDATE: 01-12-15 0:02 AM
PLOTSCALE: 1:1
XREF: 14085BAS
DRAWING NO.: 14085

371

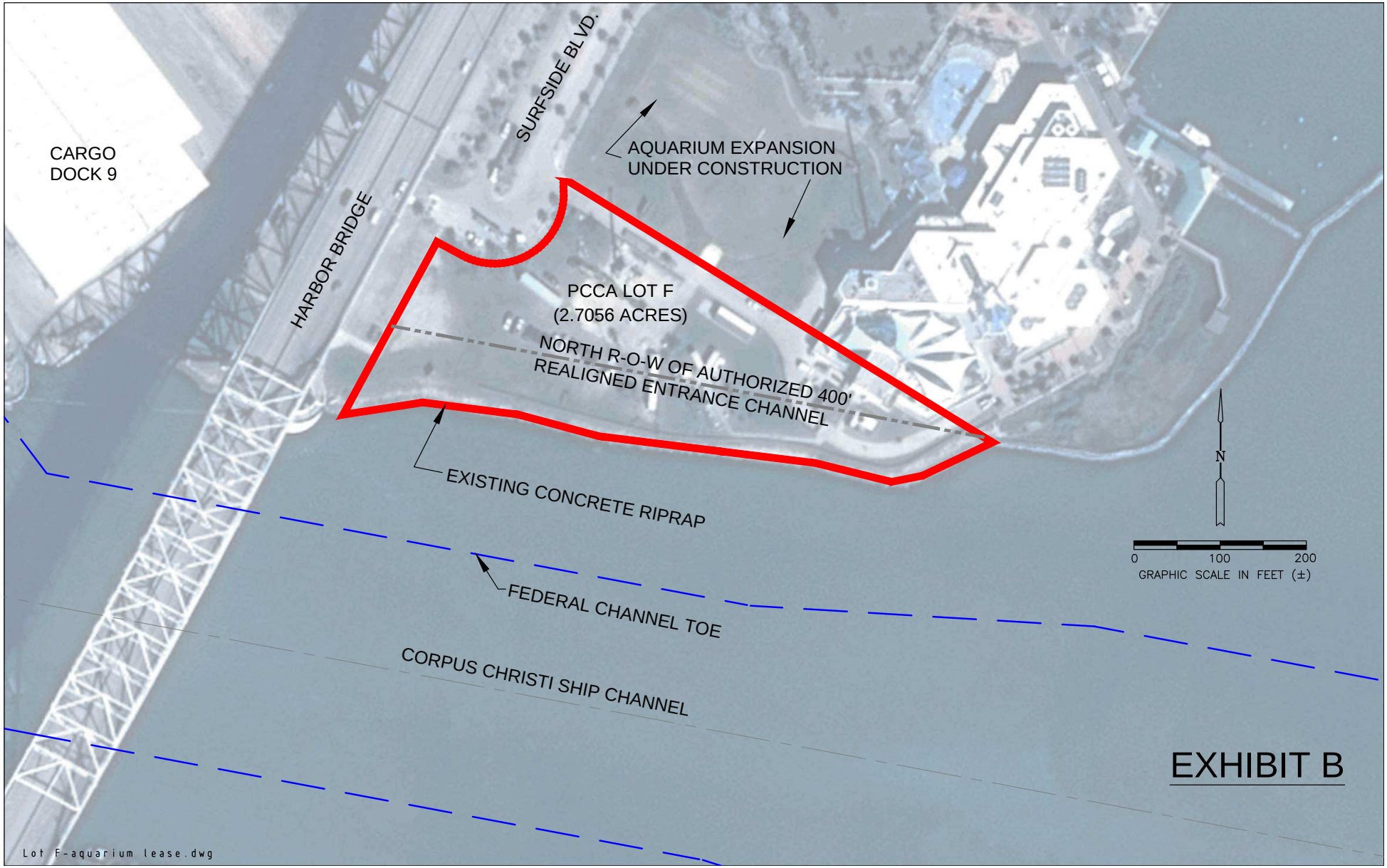

CARGO
DOCK 9
HARBOR BRIDGE
SURFSIDE BLVD.
AQUARIUM EXPANSION
UNDER CONSTRUCTION
PCCA LOT F
(2.7056 ACRES)
NORTH R-O-W OF AUTHORIZED 400'
REALIGNED ENTRANCE CHANNEL
EXISTING CONCRETE RIPRAP
FEDERAL CHANNEL TOE
CORPUS CHRISTI SHIP CHANNEL
N
0
100
200
GRAPHIC SCALE IN FEET (±)
EXHIBIT B
Lot F-aquarium lease.dwg

EXHIBIT C -- INSURANCE

Without limiting the indemnity obligations or liabilities of Lessee or its insurers, provided herein, Lessee agrees to carry and maintain at its sole expense policies of insurance ("Policies") of the types and in the minimum amounts as follows:

	TYPE OF INSURANCE	LIMITS OF LIABILITY
A.	Workers' Compensation	Statutory
B.	Employer's Liability	$500,000 per Occurrence $500,000 Aggregate
C.	Commercial General Liability	$1,000,000 per Occurrence $2,000,000 Aggregate

The CGL Policy will provide contractual liability coverage at the aforementioned limits.

D. Business Automobile Liability $500,000 per Occurrence

The Automobile liability insurance coverage will include all owned, non-owned, and hired vehicles.

E, Pollution Legal Liability Insurance. $1,000,000 per Occurrence

The Pollution Legal Liability Insurance coverage must cover bodily injury, property damage, including cleanup, and other losses caused by pollution conditions occurring during the Term of this Agreement and arising directly from Lessee's operations on the Leased Premises, including pollution of any body of water, with limits of not less than $1,000,000 per occurrence. Pollution Coverage shall include, but not be limited to, environmental cleanup, remediation and disposal and may be included within the required General Liability and/or Umbrella Insurance.

F. Umbrella liability $5,000,000 per Occurrence

Each Policy must contain an endorsement to the effect that the issuer waives any claim or right of subrogation to recover against the Authority, its Port Commissioners, officers and employees ("***Authority Parties***"). Additionally, the Authority Parties shall be designated as Additional Insureds either by a blanket additional insured or a specific endorsement on all Policies, except for Worker's Compensation and Employer's Liability. In the event that the work of Lessee's employees fall within the purview of the United States Longshoremen's and Harbor Workers' Compensation Act, the Jones Act or the Federal Employer's Liability Act, Lessee shall extend its insurance coverage to provide insurance against the liabilities imposed under the applicable Act or Acts.

PORT CORPUS CHRISTI

AGENDA MEMORANDUM

Action Item for Port Commission Meeting of December 13, 2016

DATE: December 13, 2016

TO: Port Commission

FROM: Darrin Aldrich, Director of Real Estate
Darrin@pocca.com
(361) 885-6169

Approve an Amendment of Temporary Construction Easement Agreement with Mossi & Ghisolfi Logistics Co. to Extend the Existing Easement Agreement through December 12, 2018 for 27.84 Acres Located North of the M & G Resins Plant Site

SUMMARY: M & G has requested an amendment to extend their current 27.84 acre Temporary Construction Easement Agreement, of which 23.02 acres are designated as a Foreign Trade Zone, for an additional two years terminating on December 12, 2018 or the completion of Grantee's PET and PTA Plant which ever event occurs first.

BACKGROUND: Construction of the M & G PET and PTA plastics plant is progressing at a rapid pace and in order to meet scheduled completion dates M & G has requested an amendment to the current 27.84 acre Temporary Construction Easement Agreement. Due to few options for open storage, staff proposes that M & G continue using the area to the north of the plant site as shown on the attached Exhibit.

ALTERNATIVES: None

CONFORMITY TO PORT POLICY: N/A

EMERGENCY: N/A

FINANCIAL IMPACT: $35,271.25 per month for a total of $846,510.00 for the Term of the Temporary Construction Easement Agreement

STAFF RECOMMENDATION: Staff recommends approval of the attached Amendment of Temporary Construction Easement Agreement with Mossi & Ghisolfi Logistics Co.

DEPARTMENTAL CLEARANCES:

Originating Department Real Estate

Reviewed & Approved	Darrin Aldrich
	David Krams, P.E.
Legal	Bruce S. Hawn
Senior Staff	John LaRue
	Sean Strawbridge
	Jarl Pedersen

LIST OF SUPPORTING DOCUMENTS:

Memo Exhibit
Easement Agreement
Easement Agreement Summary

PORT OF CORPUS CHRISTI AUTHORITY
TEMPORARY CONSTRUCTION EASEMENT AGREEMENT SUMMARY

Lessee:	Mossi & Ghisolfi Logistics Co.
Premises:	27.84 acres located to the north of the M & G Resins Plant Site
Use:	Temporary Construction Laydown Yard, Light Fabrication Yard and, Employee and Contractor Office(s)
Term:	24 month (December 13th, 2016 – December 12th, 2018) or completion of Grantee's PET plant, whichever occurs first
Options:	N/A
Start Date:	December 13th, 2016
End Date:	December 12th, 2018 or completion of Grantee's PET plant, whichever occurs first
Rent:	$35,271.25 per month for a total of $846,510.00 for the Term of the Temporary Construction Easement Agreement
Tenant Business:	PET and PTA plastics plant
Tenant Contact:	Davide Milanesi Mossi & Ghisolfi Logistics Co. 555 N. Carancahua - Tower II Suite 800 Corpus Christi, TX 78401 Mobile: (361) 929-0378 email: davide.milanesi@mg-le.com
Remarks:	This Temporary Construction Easement Agreement (this "Agreement") and all of Grantee's rights hereunder shall automatically terminate upon which ever event occurs first (the "Term"): (1) the completion of Grantee's PET Plant located along Fulton Corridor; or (2) December 12, 2018.

Mossi & Ghisolfi Logistics Co.

27.84 acre Temporary Construction Easement Agreement

PORTCORPUSCHRISTI

Generated by
Port of Corpus Christi
Real Estate Department

27.84 acreTemporary Construction Easement Agreement

Map Disclaimer:
This product is for informational purposes and has not have been prepared for, or be suitable for legal, engineering, or surveying purposes.

State Plane NAD 1983
South Zone FIPS 4205

Not To Scale

AMENDMENT OF TEMPORARY CONSTRUCTION EASEMENT AGREEMENT

(Laydown Yard for Construction to M&G Resins Plant)

STATE OF TEXAS §
§
COUNTY OF NUECES §

This Amendment of Temporary Construction Easement Agreement ("Amendment") is made and entered into as of the 13th day of December, 2016 ("Amendment Date"), between Port of Corpus Christi Authority of Nueces County, Texas, a navigation district operating under Article XVI, Section 59 of the Texas Constitution ("Authority"), and **Mossi & Ghisolfi Logistics Co.,** a Delaware corporation ("Grantee"), with offices at 450 Gears Road, Suite 240, Houston, Texas 77067 The Authority and Grantee are sometimes collectively referred to herein as the "Parties".

Recitals

WHEREAS, Authority and Grantee entered into a Temporary Construction Easement Agreement dated the 26th day of June 2015 ("Temporary Construction Easement"), under which the Authority granted to the Grantee approximately 27.84 acres of land, more or less, located in Nueces County, Texas; and

WHEREAS, the Temporary Construction Easement pursuant to its terms will terminate on the earlier of December 25, 2016 or the date of completion of Grantee's plastics plant (the "PET Plant").

WHEREAS, Grantee has not yet completed its PET Plant and has accordingly requested that the term of the Temporary Constructed Easement be extended in order to facilitate its construction activities; and

WHEREAS, the Authority is willing to extend the term of the Temporary Construction Easement to 24 months from December 13, 2016 or to the completion date of the PET Plant, whichever occurs first; upon the following terms and conditions set forth in this Amendment;

NOW THEREFORE, for good and valuable consideration, the sufficiency and receipt of which is acknowledged by both Parties, and in further consideration of the mutual covenants and obligations contained herein, the Parties hereby agree as follows:

1. The first sentence of the second paragraph on page one of the Temporary Construction Agreement is hereby amended to read in its entirety as follows:

> This Temporary Construction Easement Agreement (this "Agreement") and all of Grantee's rights hereunder shall automatically terminate upon which ever event occurs first (the "Term"): (1) the completion of Grantee's PET Plant located along Fulton Corridor; or (2) December 12, 2018.

2. Numbered paragraph 1 is hereby amended to read in its entirety as follows:

On the first day of each and every month, during the Term compensate Authority $35,271.25 in advance for Grantee's the use of the Temporary Construction Easement for the ensuing month. Failure to pay said consideration by the fifth day of each month shall be a breach of this Agreement.

3. This Amendment shall be binding on the successors and assigns of the Parties.

4. Except as specifically amended hereby, all terms and conditions of the Temporary Construction Agreement shall remain in full force and effect. In the event of any conflict between the terms and conditions of this Amendment and the terms and conditions of the Temporary Construction Agreement, the terms and conditions of this Amendment shall control.

Executed in duplicate originals effective as of the Amendment Date.

PORT OF CORPUS CHRISTI AUTHORITY OF NUECES COUNTY, TEXAS

By: _____
John P. LaRue
Executive Director

GRANTEE:

Mossi & Ghisolfi Logistics Co.,
a Delaware corporation

By: _____
Robert D. Crooks, President

PORT CORPUS CHRISTI

AGENDA MEMORANDUM

Action Item for Port Commission Meeting of December 13, 2016

DATE: December 13, 2016

TO: Port Commission

FROM: Darrin Aldrich, Director of Real Estate
Darrin@pocca.com
(361) 885-6169

Approve a Second Amendment of Lease Agreement with Superior Weighting Products, LLC to Extend the Term of the Agreement to include Two Additional Option Periods of Five Years Each

SUMMARY: Superior Weighting Products, LLC (SWP) has requested an extension to the term of the Lease Agreement to include two additional option periods of five years each. The purpose of SWP's request is to assist in securing improved long term financing as well to increase the depreciation period of the newly constructed processing facility. The two additional option periods will grant SWP a total of seven – five year option periods, extending the lease term to 2053 (40 years), if exercised.

BACKGROUND: Superior Weighting Products, LLC (SWP) currently leases a 12.07 acre tract of land located in the Rincon Industrial Park from the PCCA under a Lease Agreement that was approved at the August 13, 2013 Port Commission meeting. SWP has constructed and began operation of a $12 million barite and mineral processing facility with an annual capacity to process up to 350,000 tons of barite ore from vessels discharging at the PCCA Bulk Terminal for outbound shipment by rail and highway of finished product from the plant site. In addition to the wharfage, dockage and security fees to be generated in connection with the cargo movements at the Bulk Terminal, SPW currently pays an annual base rent of $216,000 for the Leased Premises with a minimum annual guaranteed throughput of 50,000 tons as well as a rail car rental for cars loaded at the plant site and additional rent for inbound non-marine shipments of cargo arriving at the plant site.

ALTERNATIVES: Do not approve the Lease Amendment.

CONFORMITY TO PORT POLICY: N/A

EMERGENCY: N/A

FINANCIAL IMPACT: The annual base rent for each extension period of the Lease Agreement may be adjusted by Authority for changes in Equalization Value of the Leased Premises. The annual base rent for the succeeding extension periods will be ten percent

(10%) of the product of the new Equalization Value of the Leased Premises multiplied by the number of acres in the Leased Premises.

STAFF RECOMMENDATION: Staff recommends approval the Second Amendment of Lease Agreement with Superior Weighting Products, LLC to extend the term of the agreement to include two additional option periods of five years each.

DEPARTMENTAL CLEARANCES:

Originating Department	Real Estate
Reviewed & Approved	Darrin Aldrich
Legal	Jimmy Welder
Senior Staff	John LaRue
	Sean Strawbridge
	Jarl Pedersen

LIST OF SUPPORTING DOCUMENTS:

Memo Exhibit
Second Amendment of Lease Agreement

Approve a Second Amendment of Lease Agreement with Superior Weighting Products, LLC to Extend the Term of the Agreement to include Two Additional Option Periods of Five Years Each

Generated by
Port of Corpus Christi
Real Estate Department

Superior Weighting Products

Map Disclaimer:
This product is for informational purposes and has not have been prepared for, or be suitable for legal, engineering, or surveying purposes.

State Plane NAD 1983
South Zone FIPS 4205
Not To Scale

SECOND AMENDMENT OF LEASE

This Second Amendment of Lease ("Amendment") is made and entered into effective as of the 13th day of December, 2016 ("Amendment Date"), between the Port of Corpus Christi Authority of Nueces County, Texas ("Authority"), a navigation district operating under Article XVI, Section 59 of the Texas Constitution, and Superior Weighting Products, LLC ("Lessee"), a Delaware Limited Liability Company/Partnership (individually a "Party," and collectively the "Parties").

WHEREAS, by a Lease Agreement dated March 12, 2013 ("Lease"), Authority leased to Lessee a 12.07-acre tract of land in Nueces County, Texas, which tract is described in Exhibit A and depicted on Exhibit B attached to the Lease; and

WHEREAS, the initial term of the Lease was for a period of five (5) years, beginning March 12, 2013 and ending March 11, 2018; and

WHEREAS, by a Lease Amendment dated November 12, 2013 ("Lease"), Authority agreed to amend the Lease to designate two (2) points of access from and to the Leased Premises; and

WHEREAS, the Lease gives Lessee the option to extend the Lease for five (5) additional periods of five (5) years each; and

WHEREAS, Lessee has requested the right to extend the Lease for two (2) additional periods of five (5) years each; and

WHEREAS, the Authority is willing to amend the Lease to provide for two (2) additional extension periods of five (5) years each on the terms and conditions stated in this Amendment;

NOW THEREFORE, for good and valuable consideration, the sufficiency and receipt of which is acknowledged by both Parties, and in further consideration of the mutual covenants and obligations contained herein, the Parties hereby agree as follows:

1. Effective as of the Amendment Date, Section 1.01 of the Lease shall be amended in its entirety to read as follows:

Section 1.01. Description of Premises and Term

Authority, in consideration of the rents to be paid and the terms, covenants, and conditions hereinafter set forth, hereby leases to Lessee and Lessee leases from Authority for the entire Term of this Lease, including any extensions, stated in this Section, the real property situated in Nueces County, Texas, which is described as follows:

*The surface estate of that certain tract of 12.07 acres of land, more or less, which tract is described in **Exhibit A** and depicted on **Exhibit B** attached hereto and incorporated herein by reference (hereinafter called "Leased Premises"); and*

TO HAVE AND TO HOLD the Leased Premises for an initial term of five (5) years (the "Initial Term") beginning March 12, 2013 (the "Effective Date"), and (subject to earlier termination as herein provided) ending at midnight, Central Time, on March 11, 2018. As used in this Lease Agreement, "Term" means the period from the Effective Date until the date on which this Lease Agreement expires or is terminated in accordance with the provisions of this Lease Agreement.

*In addition, Lessee shall have the right and option to extend the Term of this Lease for Seven (7) additional periods of Five (5) years each as provided in this Section 1.01 (each an "**Extension Period**"). To exercise this right, Lessee shall give written notice thereof to Authority at least one hundred twenty (120) days prior to the end of the then effective Term, irrevocably exercising its option to extend the Term for an additional five-year period. Notice of Lessee's intention to extend the Term under this Lease Agreement must, to be effective, be sent by certified mail to Authority at the address provided in Section 17.04 and must be postmarked no later than the latest date provided in this Section for Lessee's exercising the option. Notwithstanding anything to the contrary contained in this Lease, Lessee may not exercise such option if at the time of exercise Lessee is in default in performing any of its obligations under this Lease Agreement beyond any grace period provided in this Lease Agreement. If Lessee affirmatively exercises its option to extend the Term, then this Lease shall continue in full force and effect under all the terms and conditions set forth herein.*

*Annual rent for each Extension Period shall be determined pursuant to **Section 3.02** and **Section 3.03** of this Lease Agreement.*

*During the Term of this Lease Agreement, Lessee shall have the right to use, on a non-exclusive basis, that certain sixty foot (60') wide strip of land located between the Leased Premises and the northwest bulkhead line of Rincon Canal A as depicted on **Exhibit B** which will be maintained by the Authority as a public wharf (the "Public Wharf"). Use of the Public Wharf by Lessee shall be subject to all of Authority's rules and regulations pertaining to the use of Authority's public docks and wharfs and, except for damage caused by Lessee, Lessee shall not be liable for any costs associated with the maintenance or repair of the Public Wharf area.*

2. Effective as of the Amendment Date, the first paragraph of Section 3.01 of the Lease shall be amended in its entirety to read as follows:

3. This Amendment shall be binding on the successors and assigns of the Parties.

4. Except as specifically amended hereby, all terms and conditions of the Lease shall remain in full force and effect. In the event of any conflict between the terms and conditions of this Amendment and the terms and conditions of the Lease, the terms and conditions of this Amendment shall control.

IN WITNESS WHEREOF, the Parties have caused this Amendment to be executed by their duly authorized officers effective for all purposes as of the Amendment Date.

PORT OF CORPUS CHRISTI AUTHORITY OF NUECES COUNTY, TEXAS

By: _____
John P. LaRue
Executive Director

SUPERIOR WEIGHTING PRODUCTS, LLC

By: _____

Title: _____

STATE OF TEXAS §
§
COUNTY OF NUECES §

This instrument was acknowledged before me on the _____ day of _____, 20___ by JOHN P. LARUE, as Executive Director of the Port of Corpus Christi Authority of Nueces County, Texas, on behalf of the Authority.

_____
NOTARY PUBLIC, STATE OF TEXAS

STATE OF TEXAS §
§
COUNTY OF _____ §

This instrument was acknowledged before me on the ____ day of _____, 20___, by _____, as _____ of Superior Weighting Products, LLC, on behalf of said limited liability company.

_____
NOTARY PUBLIC, STATE OF TEXAS

PORT CORPUS CHRISTI

AGENDA MEMORANDUM

Action Item for Port Commission Meeting of December 13, 2016

DATE: December 13, 2016

TO: Port Commission

FROM: David L. Krams, P.E.
Director of Engineering Services
Krams@pocca.com
(361) 885-6134

Approve a Consulting Agreement with Gahagan & Bryant Associates, Inc. to Provide Services Associated with Coordinating and Negotiating Agreements with the United States Army Corps of Engineers for the Construction, Operation and Maintenance of the Corpus Christi Ship Channel System

SUMMARY: Staff requests approval of a Consulting Agreement with Gahagan & Bryant Associates Inc., for the period January 1, 2017 to December 31, 2017 to provide support to Port staff in their efforts to work with the U.S. Army Corps of Engineers to develop plans, procedures, operational requirements, and to implement agreements with the United States Army Corps of Engineers for construction, operation, and maintenance of the Corpus Christi Ship Channel System. The services will be performed on a time and materials basis, in an amount not to exceed $75,000.

BACKGROUND: Gahagan & Bryant Associates Inc. (GBA) is an engineering firm that provides consulting and engineering services for a variety of projects including port development, dredged material management, coastal engineering, and agency coordination. GBA specializes in drafting and negotiating agreements between the United States Army Corps of Engineers (USACE) and nonfederal sponsors like the PCCA, and coordination with the U.S. Army Corps of Engineers, Assistant Secretary of the Army (Civil Works) and Congressional leaders.

In 2016, staff hired GBA to provide assistance with Channel System initiatives. Recognizing the need for continued consulting services in 2017 from GBA, PCCA and GBA have negotiated the attached Consulting Agreement to provide support in developing policies, plans, procedures, guidance documents and operational requirements to implement agreements with the United States Army Corps of Engineers for construction, operation and maintenance of the Corpus Christi Ship Channel System. This work will include assisting the PCCA legislative and administrative initiatives related to the Corpus Christi Ship Channel - Channel Improvement Project, developing and negotiating various agreements including a new Project Partnership Agreement for the remaining elements of the Authorized Corpus Christi Ship Channel – Channel Improvement Project and a Section 217(a) Agreement and operations plan for managing PCCA and Port Customer use of Dredge Material Placement Areas, reviewing and coordinating new guidelines and assessments for real estate related items, regulatory permitting and sediment testing, and providing coordination as required with staff at all levels of the USACE and ASA (CW).

CONFORMITY TO PORT POLICY: This project is consistent with the PCCA Strategic Plan, identified in Strategic Goal #2 – Provide Facilities & Services to Meet Customer Needs to provide surface infrastructure and services to support maritime and industrial development.

EMERGENCY: No.

STAFF RECOMMENDATION: Staff recommends approval of a Consulting Agreement with Gahagan & Bryant Associates Inc., for the period January 1, 2017 to December 31, 2017 in an amount not to exceed $75,000.

DEPARTMENTAL CLEARANCES:

Originating Department	Engineering Services
Reviewed & Approved	David Krams
	Dan Koesema
Legal	Jimmy Welder
Senior Staff	John LaRue
	Sean Strawbridge
	Jarl Pedersen

LIST OF SUPPORTING DOCUMENTS:
Consulting Agreement

CONSULTING AGREEMENT

This CONSULTING AGREEMENT (the "Agreement") is made and entered into effective as of January 1, 2017 ("Effective Date"), by and between Gahagan & Bryant Associates, Inc. ("Consultant") and the PORT OF CORPUS CHRISTI AUTHORITY OF NUECES COUNTY, TEXAS ("PCCA"), each a "Party" and, collectively, the "Parties."

WHEREAS, Consultant has submitted a proposal to provide PCCA with the services stated in Exhibit A attached hereto ("Services"), which is incorporated into this Agreement for all purposes; and

WHEREAS, PCCA wishes to engage the Consultant to provide the Services on the terms and conditions stated in this Agreement;

NOW THEREFORE, in consideration of the promises and mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

Section 1. *Consultant's Services.* The PCCA hereby engages the Consultant to perform the Services in accordance with the terms and conditions set forth in this Agreement, and Consultant hereby agrees to provide the Services during the Term (as defined in Section 3) of this Agreement. The Parties may mutually agree to refine the scope of the Services during the Term as circumstances may warrant.

Section 2. *Key Staff.* The Services will be performed primarily by Dana Cheney and Grady Bryant (each a "Key Employee").

Section 3. *Term.* This Agreement will commence on the Effective Date and expire on December 31, 2017, (the "Term").

Section 4. *Termination.* Authority may terminate this Agreement for convenience with thirty (30) days prior written notice to Consultant of such action. Upon the termination of this Agreement, PCCA shall have no further obligation to the Consultant hereunder except to pay the Consultant all unpaid fees which the Consultant has earned under this Agreement. Either Party may terminate this Agreement by giving written notice to the other Party if the other Party ("Defaulting Party"): (a) materially breaches any term, condition or provision of this Agreement and fails to cure the breach to the satisfaction of the notifying Party within ten (10) days after the Defaulting Party receives a written notice of the breach from the notifying Party, or (b) becomes the subject of any proceedings under state or federal law for the relief of debtors or otherwise becomes insolvent, or bankrupt, or makes any assignments for the benefit of one or more creditors.

Section 5. *Consultant's Responsibilities.* In addition to all other obligations contained herein, the Consultant agrees and represents that:

5.1 The Consultant will furnish all material, equipment, labor and supplies in such quantities and of the proper quality to professionally and timely perform the Services, except as otherwise mutually agreed by the Parties;

5.2 The Consultant will proceed with due diligence and promptness in providing the Services;

5.3 Services shall be performed in accordance with the highest ethics, professional workmanship, and service standards in the field;

5.4 The Consultant will comply with the provisions of all federal, state, and local laws, regulations, ordinances, requirements and codes which are applicable to its performance of Services;

5.5 Neither the Consultant's performance of the Services nor its compliance with any term of this Agreement shall constitute a breach under any agreement that the Consultant has or had with any other party including, without limitation, any non-compete, confidentiality, or non-disclosure agreement regarding third-party proprietary information;

5.6 The Consultant is not and will not be bound by any agreement and has not assumed nor will assume any obligation which would, in any way, restrict its ability to perform the Services or be inconsistent with the Services;

5.7 In performing the Services, the Consultant will not use any third party confidential or propriety information, or infringe the rights of another party, nor will the Consultant disclose to the PCCA, or bring onto the PCCA's premises, or induce the PCCA to use any third party confidential or proprietary information;

5.8 The Consultant does not have the authority to act for the PCCA, bind the PCCA in any respect, or incur any debts or liabilities in the name of or on behalf of the PCCA, except as otherwise expressly authorized in writing by the PCCA;

5.9 The Consultant has and hereby retains full control of any supervision over the Consultant's obligations hereunder and over any persons employed or subcontracted by the Consultant for performing Services hereunder;

5.10 The Consultant shall satisfy all tax and other governmentally-imposed responsibilities as an independent contractor under this Agreement including, but not limited to, payment of state, federal and social security taxes, unemployment taxes, and workers' compensation; and

5.11 As of the Effective Date and at all times during the Term, the Consultant shall possess and maintain in good standing any and all licenses and/or other authorizations and approvals necessary to perform the Services.

Section 6. *Contract Fee.* In consideration of the Consultant's performance of the Services in accordance with this Agreement during the Term, PCCA shall pay to the Consultant the compensation set forth in Exhibit B attached hereto ("Contract Fee") as provided in Exhibit B, which is incorporated into this Agreement for all purposes.

Section 7. *Reimbursement of Certain Travel Expenses and Direct Costs.* Notwithstanding anything herein to the contrary, PCCA agrees to reimburse the Consultant for certain authorized and approved travel expenses incurred by the Consultant during the Term and directly resulting from the Consultant's performance of the Services under this Agreement. PCCA will also reimburse the Consultant for document production costs and other direct costs (collectively, "Direct Costs") incurred by the Consultant in performing the Services. The Consultant shall submit proper documentation of any such approved travel expenses and Direct Costs to PCCA from time to time, and such costs and expenses shall be billed to PCCA at Consultant's actual cost.

Section 8. *Independent Contractor Status.*

8.1 The Parties agree that the Consultant will act as an independent contractor in the performance of any and all Services under this Agreement, and will in no way be considered an agent, partner, joint venturer, or employee of the PCCA at any time during the Term. The Consultant will only consult and render advice to the PCCA and will not undertake to commit the PCCA to any course of action in relation to a third party unless expressly requested and authorized to do so by the PCCA in writing.

8.2 The Consultant shall not be entitled to any rights or benefits of an employee of the PCCA at any time during the Term. Furthermore, the Consultant will not be eligible to participate in any profit sharing plan or other employee benefit plan maintained by the PCCA for the benefit of its employees. The PCCA shall have no responsibility for withholding any federal income taxes or paying payroll taxes on any amounts paid to the Consultant. The Consultant agrees to pay all income and employment taxes on the Contract Fee or other amounts paid to the Consultant hereunder, consistent with its status as an independent contractor, in compliance with all applicable laws and regulations.

Section 9. *PCCA Representative.* Except as otherwise provided by PCCA, the PCCA's Representative during the Term shall be PCCA's Executive Director and/or his designee. When the Consultant requires approval, authorization, and/or other communication from or with the PCCA, such communication shall be directed to the PCCA's Representative. The PCCA's Representative shall be reasonably available to the Consultant for consultation and/or direction.

Section 10. *Confidential Information.* It is understood that information developed by or communicated to Consultant in the performance of this Agreement, as well as any and all information in whatever form or medium supplied to Consultant in connection herewith which is not generally available to the public is proprietary to the PCCA and constitutes confidential information of the PCCA. Consultant agrees that, without prior written approval of the PCCA's Representative, Consultant will make no oral or written disclosure of such information to third parties either during or after the term of this Agreement, except for the purpose of performing Consultant's obligations under this Agreement or as otherwise required by law.

Section 11. *Notices.* All notices, demands, reports, requests or other communication required or permitted to be given hereunder shall be deemed to have been given when received, whether delivered personally or mailed. Any notice that is mailed should be addressed as follows:

If to the PCCA:
222 Power Street
Corpus Christi, Texas 78401
ATTN: Executive Director

If to Consultant:
Gahagan & Bryant Associates, Inc.
9330 Kirby Drive, Suite 100, Houston, Texas 77054
ATTN: Dana Cheney

Either Party may change its mailing address for purposes of this Agreement by giving written notice thereof to the other Party.

Section 12. *Assignment.* This Agreement may not be assigned by the Consultant without the prior written consent of the PCCA.

Section 13. *Binding.* This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns.

Section 14. *Governing Law.* **THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, EXCLUDING ANY CONFLICT-OF-LAWS RULE OR PRINCIPLE THAT MIGHT REFER THE GOVERNANCE OR CONSTRUCTION OF THIS AGREEMENT TO THE LAW OF ANOTHER JURISDICTION. THE PARTIES HERETO EXPRESSLY AGREE THAT THIS AGREEMENT IS EXECUTED AND SHALL BE PERFORMED IN NUECES COUNTY, TEXAS, AND VENUE OF ALL DISPUTES, CLAIMS AND LAWSUITS ARISING HEREUNDER SHALL LIE IN NUECES COUNTY, TEXAS.**

Section 15. *Severability.* If any part of this Agreement is held to be invalid, illegal, or unenforceable in any respect, such determination shall not affect any other provision of this Agreement, and this Agreement shall then be construed as if the invalid, illegal, or unenforceable provision had not been included in this Agreement.

Section 16. *Open Records.* The PCCA is a governmental body subject to the requirements of the Texas Public Information Act (Texas Government Code, chapter 552), and as such the PCCA is required to disclose to the public (upon request) this Agreement and certain other information and documents relating to the consummation of the transactions contemplated hereby. In this regard, the Consultant agrees that the disclosure of this Agreement or any other information or materials related to the consummation of the transactions contemplated hereby to the public by the PCCA as required by the Texas Public Information Act or any other applicable law will not expose the PCCA (or any party acting by, through or under the PCCA) to any claim, liability or action by the Consultant.

Section 17. *Entire Agreement.* This Agreement constitutes the entire agreement between the Parties with respect to these particular Services. There are no written or oral representations or understandings between the Parties with respect to the Services that are not fully expressed in this Agreement. This Agreement may be amended or modified from time to time only by a written instrument executed by the Parties.

Section 18. *Waiver.* The failure of either Party in any one or more instances to insist upon strict performance of any of the terms and provisions of this Agreement or to exercise any option herein conferred shall not be construed as a waiver or relinquishment to any extent of the right to assert or rely upon any such terms, provisions or options on any future occasion.

Section 19. *Force Majeure.* In the event either Party shall be delayed or hindered in or prevented from the performance of any act required hereunder by reasons of strike, lockouts, labor troubles, restrictive government or judicial orders or decrees, riots, insurrection, war, Acts of God, inclement weather or other similar reason or a cause beyond such Party's control, then performance of such act shall be excused for the period of such delay. Any timelines affected by such force majeure shall be extended for a period equal to that of the delay. Notice of the start and stop of any such force majeure shall be provided to the other Party.

Section 20. *Limitation of Liability.* Except as otherwise expressly provided herein, neither Party shall be liable or responsible to the other Party for any indirect, incidental or consequential loss or damage of any nature whatsoever (including, but not limited to, contract, negligence or tort liability) of the other Party, including without limitation, any actual or anticipated profits, loss of time, inconvenience,

commercial loss or any other damages, even if the Party has advance notice of the possibility of such damages.

Section 21. *Headings*. All Section headings or other titles used in this Agreement are used solely for convenience and shall not affect or be used in connection with the interpretation or construction of this Agreement.

Section 22. *Defamation*. The Parties covenant and agree that in no event, and at no time during the Term or at any time thereafter, shall either of them disparage, denigrate, slander, libel or otherwise defame the other or the other's businesses, services, properties or assets, or employees, personnel, agents, or representatives.

Section 23. *No Organizational Conflict of Interest*. Consultant hereby certifies that it has no actual or potential Organizational Conflict of Interest. "Organizational Conflict of Interest" means that because of other activities or relationships with other persons or entities, the Consultant is unable or potentially unable to render impartial assistance or advice to PCCA or the Consultant's objectivity in performing the services under this Agreement is or might otherwise be impaired. Consultant agrees to immediately notify PCCA of any actual or potential Organizational Conflict of Interest that develops during the term of this Agreement. Consultant agrees that PCCA may terminate this Agreement immediately if it becomes aware of any Organizational Conflict of Interest during the term of the Agreement.

Section 24. *Ownership of Work Product*. Studies, plans, reports, surveys, drawings, specifications, and other information (collectively "Work Product") and documents prepared by the Consultant, subconsultants, and/or suppliers under this Agreement will remain the PCCA's property upon completion. This provision does not apply to pre-existing proprietary information of Consultant, subconsultants, and/or suppliers. PCCA acknowledges and agrees that the Consultant has no responsibility or liability for any use of the Work Product for purposes other than intended under this Agreement, nor for any modification, revision or re-use of the Work Product for projects or purposes not related to this Agreement.

Section 25. *Insurance*. Consultant shall carry, at all times while providing Services hereunder, the required coverage set forth in Exhibit C attached hereto, with limits of liability and with insurance companies approved by the Authority. At least five (5) days prior to execution of this Contract, Consultant will provide to PCCA's Risk Program Manager certificates of insurance issued by each insurance company providing any of the required insurance coverage, and the text entered in each certificate must be acceptable to PCCA. The requirement to provide acceptable certificates of insurance is a material condition of this Contract, and work under this Contract will not commence until certificates of insurance have been received, reviewed, and accepted by PCCA. The minimum limits of liability and coverage for the insurance required are set forth in Exhibit C attached hereto, which is incorporated herein by reference.

Section 26. ***Indemnification.***

26.1 Consultant hereby releases and discharges PCCA and its agents, servants, representatives, employees, officers, directors, and Port Commissioners (collectively, the "Authority Parties") from liability for and assumes the risk of loss or damage to the property of Consultant and the injury or death of any person employed by Consultant. Consultant shall defend, indemnify and hold harmless the Authority Parties from and

against all damages, losses, costs and expenses, of any nature whatsoever, whether incurred as a judgment, settlement, penalty, fine or otherwise (including reasonable attorneys' fees and the cost of defense), in connection with any action, proceeding, demand or claim but only to the extent caused by the negligent acts, errors, or omissions of the Consultant, its employees, agents, or subconsultants, or others for whom the Consultant is legally liable, in the performance of Services under this Contract. The Consultant is not obligated under this paragraph to indemnify the Authority Parties for the negligent acts of the Authority Parties.

26.2 Consultant's indemnity obligations under this Section 26 shall not be limited by a limitation on the amount or type of damages, compensation or benefits owed by Consultant to any employee of Consultant under workers' or workmen's compensation acts, disability benefit acts, or other employee benefit acts. The obligations of the Consultant under this Section 26 shall survive the end of the Term of the Contract.

Section 27. *Disclosure of Interested Parties*. Consultant will comply with the provisions of Section 2252.908 of the Texas Government Code and Chapter 46 of the Texas Ethics Commission Rules by preparing a Texas Form 1295, "Certificate of Interested Parties" and submitting the signed and notarized form to PCCA at the time Consultant submits the signed contract to Authority.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by them or their duly authorized representatives effective as of the Effective Date.

PCCA:

PORT OF CORPUS CHRISTI AUTHORITY OF NUECES COUNTY, TEXAS

By:_____
John P. LaRue
Executive Director

CONSULTANT:

GAHAGAN & BRYANT ASSOCIATES, INC.

By: _____
Name: Dana Cheney
Title: Vice President

EXHIBIT A

SERVICES

Provide support to Port staff in their efforts to work with the U.S. Army Corps of Engineers to develop policies, plans, procedures, guidance documents and operational requirements to implement agreements with the United States Army Corps of Engineers for construction, operation and maintenance of the Corpus Christi Ship Channel System. Specifically, the scope includes the following:

- Assist on legislative and administrative initiatives related to the Corpus Christi Ship Channel - Channel Improvement Project.
- Assist in negotiating a new Project Partnership Agreement (PPA) to include the remaining elements of the Authorized Corpus Christi Ship Channel - Channel Improvement Project.
- Assist in the development and implementation of a stand-alone 217-A agreement for PCCA and third party use of the Inner Harbor Dredge Material Placement Areas.
- Assist in the development and implementation of an operation and maintenance plan for Dredge Material Placement Areas that are covered by a 217-A agreement or provision in the Corpus Christi Ship Channel System.
- Review and coordination of new guidelines and assessments for operations, navigation, real estate, permitting and sediment testing.
- Participate in and coordinate meetings with PCCA staff and USACE District, Division, and Headquarters staff and the Assistant Secretary of the Army.
- Act as a liaison, as requested, with the USACE

It is proposed to provide services on a time and materials basis plus authorized travel expenses, not to exceed $75,000. The contract term would run from January 1, 2017 through December 31, 2017.

EXHIBIT B

CONTRACT FEES
(Hourly fee basis)

The Consultant will perform the services described in Exhibit A in accordance with the terms and conditions of this Agreement on an hourly fee basis; provided, however, that the total fee for services rendered under this Agreement will not to exceed $75,000, without PCCA's written approval. Services provided by Consultant will be billed at a rate of $ (See Hourly Billing Rate Schedule Below) per hour. These fees will cover all of Consultant's overhead costs, including but not limited to, office rent, long distance telephone charges, postage and payroll.

The Authority agrees to reimburse the Consultant for certain authorized and approved travel expenses incurred by the Consultant during the Term and directly resulting from the Consultant's performance of the Services under this Agreement. Reimbursement for lodging and meals may not exceed the maximum allowable per diem rates for domestic or foreign travel as set by the U.S. Department of Defense, Defense Travel Management Office. Lodging and meal per diem rates for specific locations (foreign and domestic) may be found at: http://www.defensetravel.dod.mil/site/perdiemCalc.cfm. Authority will also reimburse the Consultant for document production costs and other direct costs (collectively, "Direct Costs") incurred by the Consultant in performing the Services. The Consultant shall submit proper documentation of any such approved travel expenses and Direct Costs to Authority from time to time, and such costs and expenses shall be billed to Authority at Consultant's actual cost.

In order to receive payment, the Consultant must submit an invoice for all fees earned during the installment period (monthly, quarterly, etc.). This invoice should also include any approved direct expenses, properly itemized along with original receipts. Monthly invoices will include a time log indicating services provided. PCCA will pay all invoices within 30 days of receipt of the invoice.

Should this Agreement be terminated for any reason, the Consultant will be paid all fees earned up to the termination date and any approved direct expenses incurred.

Category	Hourly Billing Rate
Principal	$265
Sr. Associate	$219
Associate	$185
Sr. Engineer	$170
Engineer I	$150
Engineer II	$125
Technician I	$90
Technician II	$80

EXHIBIT C

INSURANCE

Without limiting the indemnity obligations or liabilities of Consultant or its insurers, provided herein, Consultant agrees to carry and maintain at its sole expense policies of insurance ("the Policies") of the types and in the minimum amounts as follows:

	TYPE OF INSURANCE	LIMITS OF LIABILITY
A.	Workers' Compensation	Statutory
	If Consultant engages employees Workers' Compensation coverage is required.	
B.	Employer's Liability	$500,000 per Occurrence
		$500,000 Aggregate
C.	Automobile Liability	$25,000 each person injured in an accident
		$50,000 entire accident
		$25,000 property damage

Each policy must contain an endorsement to the effect that the issuer waives any claim or right of subrogation to recover against the Authority, its Port Commissioners, officers and employees ("Authority Parties"). Additionally, the Authority Parties shall be designated as an Additional Insured either by a blanket additional insured or a specific endorsement on all policies, except for Worker's Compensation and Employer's Liability.

Each policy, except Workers' Compensation, must contain an endorsement that the policy is primary to any other insurance available to the Additional Insureds with respect to claims arising under this Contract.

The insurance required as listed above, shall apply to any contractor or subcontractor performing for or on behalf of Consultant, and Consultant shall ensure that any such subcontractor is aware of and is in compliance with the insurance requirements during any period such contractor is performing work under this Contract.

The minimum insurance required may be increased periodically upon request by Authority to commercially reasonable limits. The company writing each of the Policies must possess a current rating with A.M. Best Company of at least "A-, VII".

Consultant's liability shall not be limited to the specified amounts of insurance required herein.

PORT CORPUS CHRISTI

AGENDA MEMORANDUM

Action Item for Port Commission Meeting of
December 13. 2016

DATE: December 13, 2016

TO: Port Commission

FROM: John LaRue, Executive Director, john@pocca.com, 885-6189

EXECUTIVE DIRECTOR'S REPORT

SAFETY

TRIR CONTINUES TO DROP

Much like most industries the Port's injuries and incidents usually increase in both frequency and severity during the last three months of the year as employees struggle balancing work and the upcoming holidays. However this year there is visible evidence that our diligent efforts to improve our safety culture are working! Knock-on-wood but Port Employees have not had a recordable injury since July of this year, thus bringing our 12 month rolling average from 2.57 in October to a record low of **2.05** for the month of November! This is the lowest TRIR on Port record*.

JOB SAFETY ANALYSIS (JSA)

The JSA process continues to be a focal point of safety and a major contributing factor to improving our TRIR. Interns and the Safety Coordinator have been working diligently with employees and leads to set up both the Maintenance and Bulk Terminal Departments with department specific JSA templates and database. JSA participation continues to increase and quality of JSAs are also largely improving as is evident in the decrease in injuries and incidents.

EMPLOYEE LEAD SAFETY COMMITTEE

Our formal Employee Lead Safety Committee conducted its first meeting and although the Chair was out ill, the Vice Chair, Secretary (representative) and other members were still able to proceed with an impressively productive meeting: The vibe was positive with a plethora of ideas and excited discussions regarding the new year and potential safety initiatives.

222 Power Street 78401 | PO Box 1541 78403 | Corpus Christi, Texas | T 361 882 5633 F 361 882 7110 | portofcorpuschristi.com

*Note: During a brief time between 8/2013 – 5/2014 when the former Safety Manager left the Port, reporting and tracking was sporadic, lacked supporting documentation and incorrect thus TRIR numbers recorded during that time period are not accurate.

Port of Corpus Christi Authority

Monthly Safety Data Report

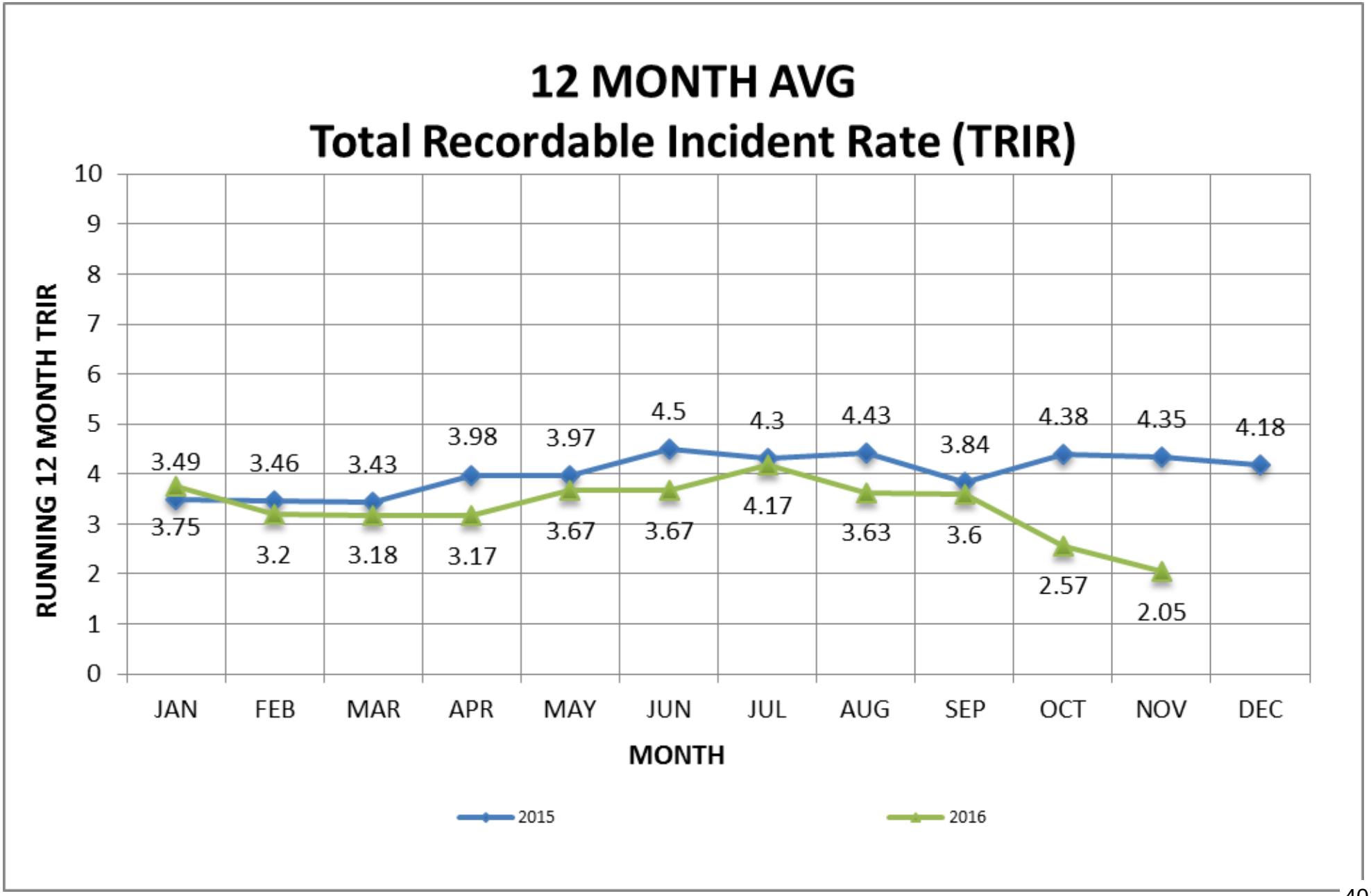
November 2016

	POCCA Employees Total		BMD Personnel		Maintenance Personnel		PD Personnel		Admin. & Annex Personnel	
Safety	Month	YTD	Month	YTD	Month	YTD	Month	YTD	Month	YTD
Number of Employees	208		21		42		47		98	
Hours Worked	32,071	349,366	3,603	40,462	6,486	67,069	7,561	89,044	14,421	152,790
First Aid Cases	1	17	0	5	0	6	0	3	1	3
Recordable Injuries	0	4	0	0	0	2	0	1	0	1
Recordable Illnesses	0	0	0	0	0	0	0	0	0	0
Lost Time Cases	0	1	0	0	0	0	0	1	0	0
Number of Days Lost	0	5	0	0	0	0	0	5	0	0
Restricted Cases	0	1	0	0	0	1	0	0	0	0
Number of Days Restricted	0	6	0	0	0	6	0	0	0	0
TOTAL RECORDABLES	0	4	0	0	0	2	0	1	0	**1**
INCIDENT RATE (YTD)		**2.29**		**0.00**		**5.96**		**2.25**		**1.31**
Types of Injuries										
Slips/Trips/Falls	1	7	0	1	0	3	0	0	1	2
Struck By	0	5	0	1	0	1	0	1	0	2
Strains/Sprains	0	3	0	1	0	1	0	1	0	0
Cuts/Lacerations/Punctures	0	1	0	0	0	1	0	0	0	0
Back Injuries	0	0	0	0	0	0	0	0	0	0
Heat Stress	0	0	0	0	0	0	0	0	0	0
Insect Bites	0	2	0	1	0	0	0	1	0	0
Other	0	3	0	1	0	2	0	0	0	0
TOTAL	**1**	**21**	**0**	**5**	**0**	**8**	**0**	**3**	**1**	**4**

Days Since Last Lost Time Case	Hours Since Last Lost Time Case	Days Since Last Recordable Injury/Illness	Hours Since Last Recordable Injury/Illness
155	1,240	128	1,024

Date of Last Lost Time Case	Date of Last Recordable
Wednesday, June 29, 2016	Tuesday, July 26, 2016

12 Month Rolling Average		
December 2015 - November 2016:	390,502	Hours Worked
Total Recordable Incident Rate (TRIR):	2.05	


12 MONTH AVG
Total Recordable Incident Rate (TRIR)
RUNNING 12 MONTH TRIR
10
9
8
7
6
5
4
3
2
1
0
3.49
3.46
3.43
3.98
3.97
4.5
4.3
4.43
3.84
4.38
4.35
4.18
3.75
3.2
3.18
3.17
3.67
3.67
4.17
3.63
3.6
2.57
2.05
JAN
FEB
MAR
APR
MAY
JUN
JUL
AUG
SEP
OCT
NOV
DEC
MONTH
2015
2016

SAFETY COMMUNICATIONS

PORT CORPUS CHRISTI

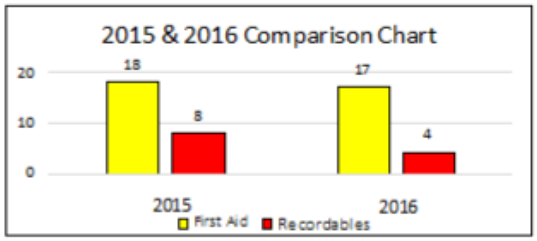
Incident Report for the Month of November

Incident 1

A Port employee was walking to his office when he noticed that the carpet was wet. The employee proceeded to walk under the impression that the soles of his shoes were dry. The employee stepped onto the tile floors when he slipped and fell. The employee cautiously came to his feet and reported this slip to his Supervisor.

Injury Prevention

- Practice Good Housekeeping
  - report and clean spills
- Control Individual Behavior
  - aware of surroundings
  - avoid distractions
  - keep eyes on path
  - slow down



October Port TRIR: 2.57
2016 Injuries:
Slips/Trips/Falls = 7
Struck By = 3
Strain/Sprain = 5
Cuts/Lacerations = 1
Other = 5

Safety Suggestions

- Response plan for suspicious odors.
  Status: In process
- Provide a portable eyewash station for the Gantry located at Bulk Terminal.
  Status: In process
- To provide work zone safety awareness, such as barricaded areas.
  Status: In process
- PD badge access area is too close to the door, may be a safety issue.
  Status: Researching
- To provide proper training on hard hat expiration dates.
  Status: Complete
- Fire Drill & Active Shooter Training for New Hires
  Status: Complete
- Move fleet vehicles to other side of concrete divider
  Status: Researching
- Dust vents throughout the building
  Status: In process
- Add a picture to the "New Employee" email
  Status: Complete
- Bathroom between Oil Dock #4 & #7 has a barricade that may be a trip hazard for anyone trying to get to this area.
  Status: In process

NOVEMBER 2016

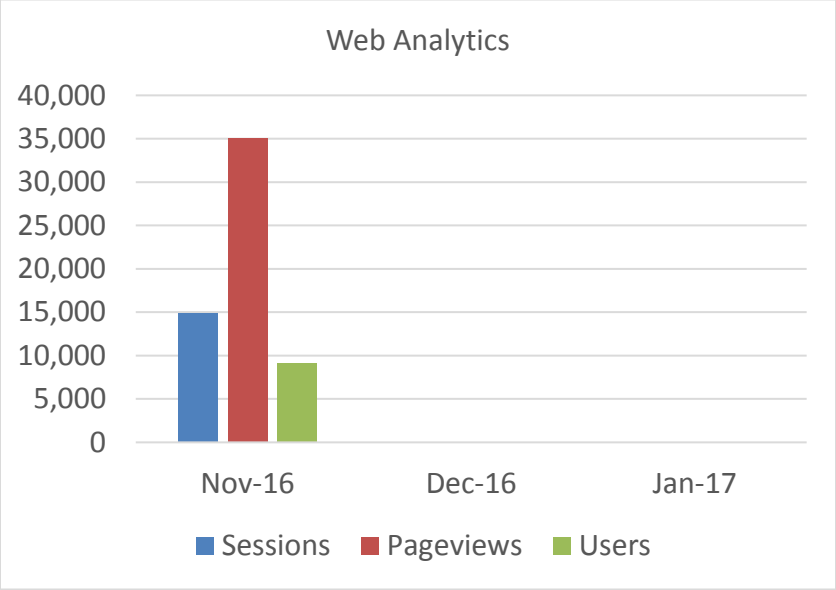
COMMUNICATIONS

November Staff & Employee Events:

- Coordinated publication and Editorial visit for the 2017 PCC Directory
- Coordinated 2016 90th Anniversary State of the Port Event
- Attended 2016 90th Anniversary State of the Port Event
- Attended "Feel The Energy" Positive Engagement Campaign meetings
- Attended Harbor Bridge Voluntary Acquisition & Relocation Program related meetings
- Attended Port Commission Mtg.
- Attended Wellness Committee meetings and Luncheon
- Attended CVB monthly meeting
- Attended VCS Board Meeting
- Planning upcoming conferences & tradeshows such as AAPA Latin America
- Planning annual visits to UP, and Trafigura headquarters
- Visited UP, and Trafigura headquarters
- Planning Holiday events
- Assisting on Harbor Bridge acquisition and relocation project
- Supported Commissioners presentations at different area organizations

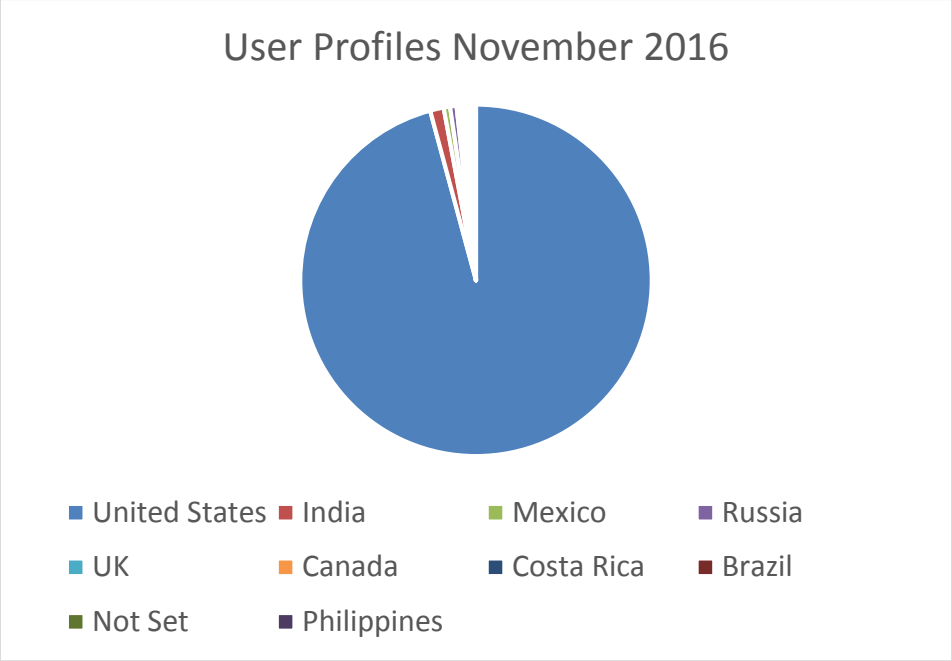
New Media Marketing Management

- **PortOfCorpusChristi.com (November 1 – 28,2016)**
  - Website Analytics
    - 14,880 Sessions
    - 35,041 Pageviews
    - 9,121 Users



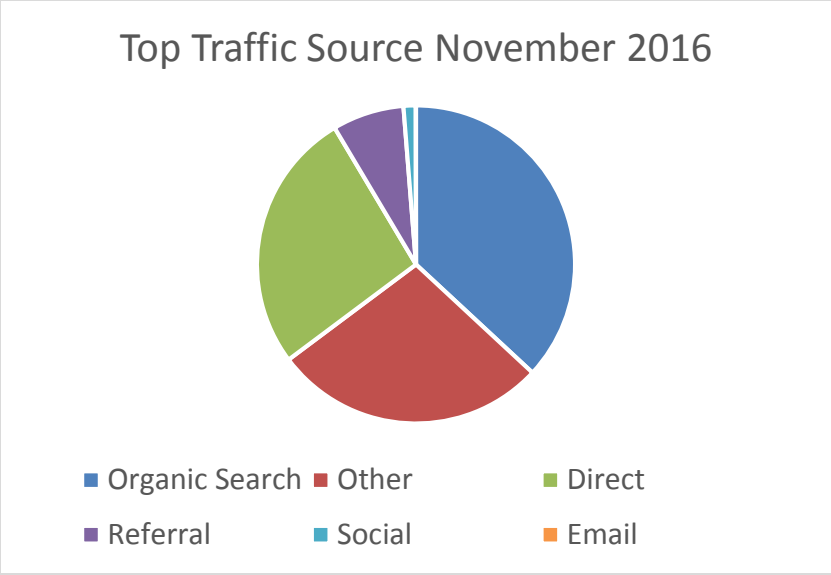
- User Profiles

Country	Sessions	% Sessions
United States	13,826	92.92%
India	180	1.21%
Mexico	85	0.57%
Russia	85	0.57%
United Kingdom	52	0.35%
Canada	50	0.34%
Costa Rica	41	0.28%
Brazil	39	0.26%
Not Set	38	0.26%
Philippines	36	0.24%

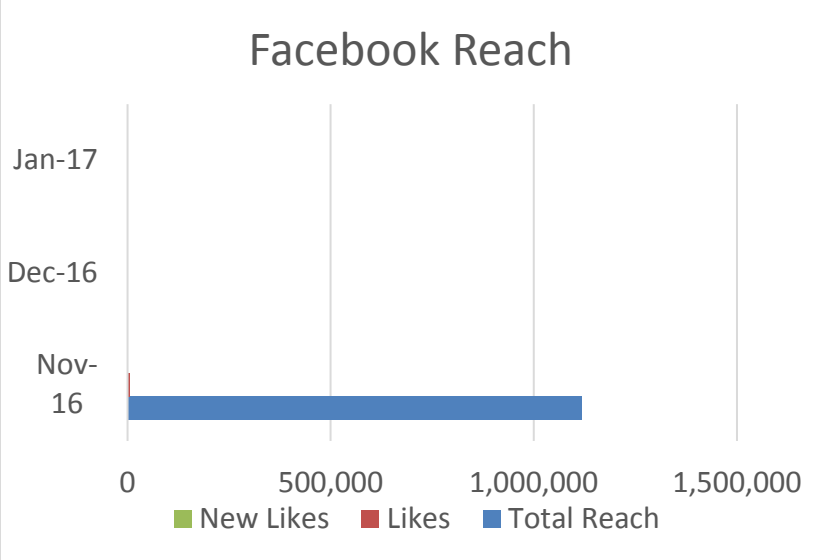


- Top Traffic Source

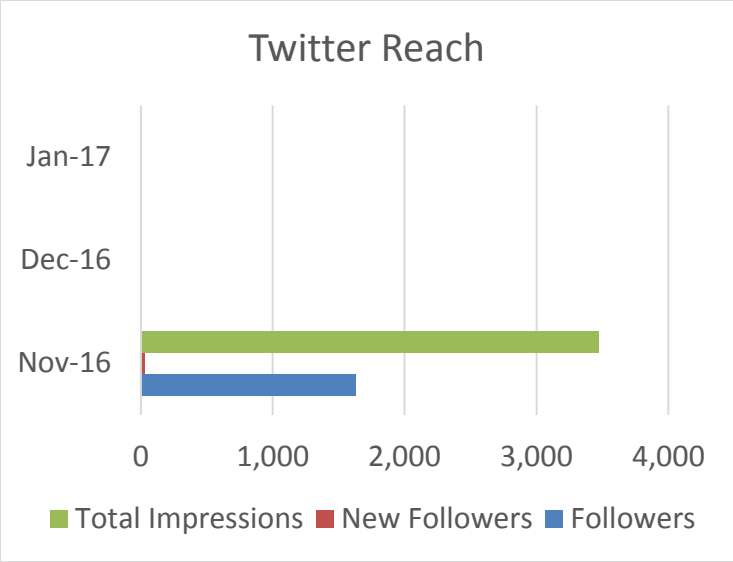
Source	Sessions	%New Sessions
Organic Search	5,574	47.09%
Other	4,209	88.83%
Direct	4,026	36.21%
Referral	1,100	23.91%
Social	188	31.38%
Email	3	66.67%



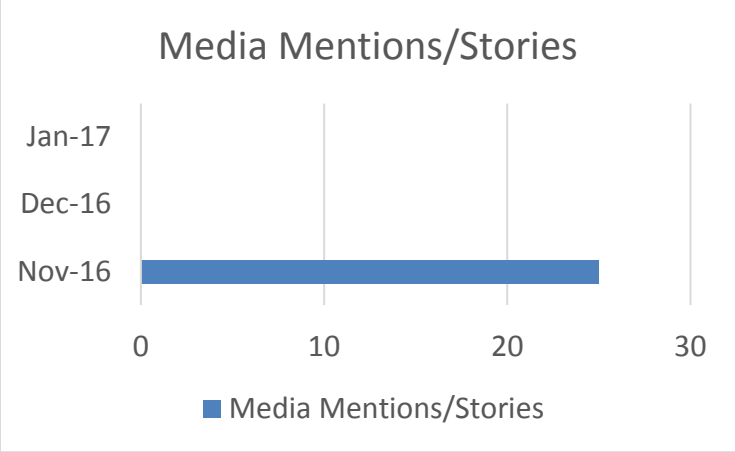
- SOCIAL MEDIA – (November 1 – 28, 2016)
  - Facebook
    - 5,037 Likes
    - 82 New Likes
    - 1,118,208 Total Reach (Organic and Paid)



  - Twitter
    - 1,631 Followers
    - 31 New Followers
    - 3,475 Impressions (Organic)



- Media Mentions/Web Stories (November 1 – 28, 2016)
  - 25 Mentions (Communications - News and Social - EDR - November 2016)



Photo/Video/Documentary

- Port events
- Employee Photos
- Port ops

Media, Marketing, Community & Public Relations

- Media coordination at events
- Coordinate Publication/Release of Employee Newsletter

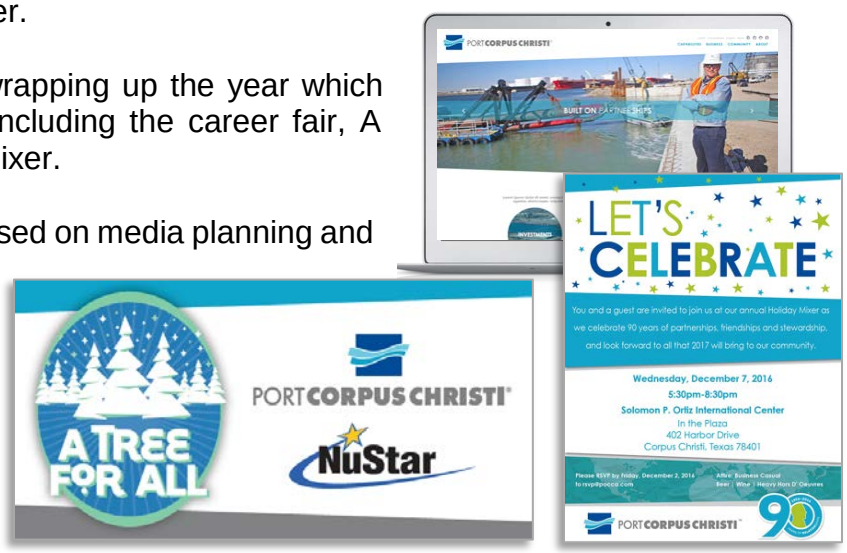
Agency

In November, MDR focused on wrapping up projects for 2016, and planning for 2017 media.

The Port's new website launched over the weekend of October 28th. Port staff reviewed the website, checked their pages, and submitted changes during this soft launch. Edits will continue until the end of November.

The Port has a few annual events wrapping up the year which require new or refreshed graphics, including the career fair, A Tree for All, and the annual holiday mixer.

This time of year, MDR is heavily focused on media planning and revised or refreshed creative ads for 2017.



Moving America's Energy – Business to Business Campaign
Media Recap: 2016 Campaign

This year the media plan consists of print and online advertising.

Print:	$74,253	Added Value: $21,948
Online:	$106,571	Added Value: $78,123

ONLINE ADVERTISING: **Click-thrus to portofcc.com:**

Sep '16	*Oct '16*	*Nov '16*	*Dec '16*
aapa-ports.org ajot.com americaeconomia.com breakbulk.com centralamericadata.com drycargomag.com expansionsolutionsmagazine.com globaltrademag.com heavyliftpfi.com inboundlogistics.com joc.com nacleanenergy.com seatrade-maritime.com T21.com.mx	aapa-ports.org ajot.com americaeconomia.com breakbulk.com centralamericadata.com drycargomag.com expansionsolutionsmagazine.com globaltrademag.com heavyliftpfi.com inboundlogistics.com joc.com nacleanenergy.com seatrade-maritime.com T21.com.mx	aapa-ports.org ajot.com breakbulk.com centralamericadata.com drycargomag.com expansionsolutionsmagazine.com heavyliftpfi.com joc.com seatrade-maritime.com T21.com.mx	aapa-ports.org ajot.com breakbulk.com centralamericadata.com drycargomag.com expansionsolutionsmagazine.com heavyliftpfi.com T21.com.mx
182	171	137	**TBA**

Notes: The new website launched over the weekend of October 28-31. Prior to the launch of the new website, the community awareness campaign had its own website at Feel-The-Energy.com. As of the launch date, the community awareness campaign is now a component of the new website. We will see an increase in new users to the website as we draw in more local visitors.

Below is a snapshot comparison of web sessions for the business to business campaign ad sessions in October, before the new web launch, and November. Overall sessions are down; however, we attribute that to less purchased media in November than October. The average session duration jumped up 204% from :31 to 1:35 and the bounce rate decreased by 13%.

We will continue to focus on decreasing the bounce rate and increasing sessions, pages and duration, as we target our audience more specifically with related content on the website. i.e. ads on breakbulk.com will link directly to the Breakbulk page of the website where previously we linked to the homepage.

	Campaign	Acquisition			Behavior			Conversions		
		Sessions	% New Sessions	New Users	Bounce Rate	Pages / Session	Avg. Session Duration	Goal Conversion Rate	Goal Completions	Goal Value
	2. 2016									
	Nov 1, 2016 - Nov 28, 2016	137 (3.30%)	78.10%	107 (2.90%)	69.34%	2.04	00:01:35	0.00%	0 (0.00%)	$0.00 (0.00%)
	Oct 1, 2016 - Oct 28, 2016	160 (72.40%)	65.62%	105 (69.08%)	80.62%	1.48	00:00:31	0.00%	0 (0.00%)	$0.00 (0.00%)
	% Change	-14.37%	19.01%	1.90%	-13.99%	37.48%	204.98%	0.00%	0.00%	0.00%

Print

Sep '16	*Oct '16*	*Nov '16*	*Dec '16*
*AAPA Seaports Convention Issue*** *Expansion Solutions Magazine*** *Global Trade Magazine* *Journal of Commerce – Texas Dir.* *Maritime Executive* *Mexico Energy* *N. American Clean Energy (below)* *SHALE Magazine*	*Breakbulk Americas*** *Mexico Energy* *T21 Revista*	*Seatrade – Panama Maritime Review 2016 (screenshot below)*	*Dry Cargo International Directory*
162,209	45,000	16,000	6,210

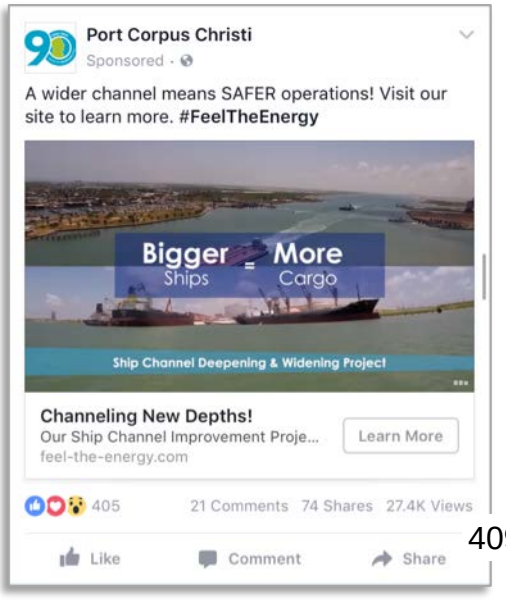
**Includes full page editorial of Port with photos, negotiated with media buy.*
***Distributed at conference – bonus circulation.*

FEEL THE ENERGY

Media Recap: **2016 Campaign**

This year the media plan consists of print, digital, and non-traditional advertising.

Print:	$12,760
Online:	$92,205
HOOKS Sponsorship:	$8,300
Ride-In Theater:	$1,175
Movie Theaters:	$4,740
Total Media Spend:	$119,180



HOOKS In-Game Promotion: Trade of the Game
Play on words for 'Trade' – Guests were chosen in the 4th inning to trade their berm seats for seats behind home plate. Port branding on Jumbotron with the lucky guests.
Pre-Game and In-Game : 15 Videos played on Jumbotron

Print	***Online***	***Ride in Theater***	***HOOKS***	***Movie Theaters***
Caller-Times *Beeville Publishing* *Aransas Pass Progress* *Nueces County Record Star* *Port A South Jetty* *Padre Island Moon* *San Patricio Publishing*	KIIITV.com KRISTV.com Facebook.com Instagram.com Caller.com Brand Network	September Movie Screening at Water Gardens	2016 Baseball Season, In-game promotion Trade of the Game, Videos on Jumbotron	Videos to air the weeks of: 8/5 – 8/11 9/23-9/29 11/4-11/10 12/16-12/22 12/23-12/29
Circulation: 108,304	Impressions: 5,690,085	500 Attendees	350,964 Attendees Impressions: 1.1M	Est. Impressions to Date: 81,766

PCC
PCC

GO TO REPORT

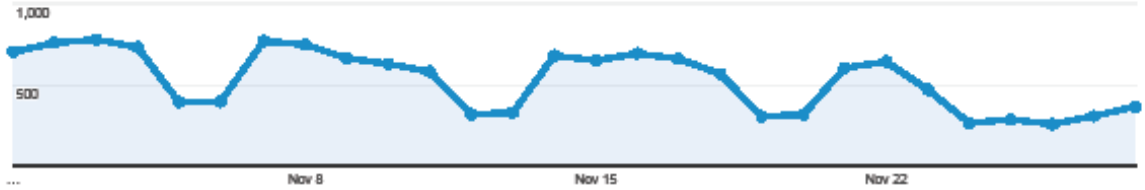
Audience Overview

Nov 1, 2016 - Nov 28, 2016

All Users
100.00% Sessions

Overview

Sessions



Sessions	Users	Pageviews
14,880	9,121	35,041

Pages / Session	Avg. Session Duration	Bounce Rate
2.35	00:02:08	50.96%

% New Sessions
53.97%

	Country	Sessions	% Sessions
1.	United States	13,826	92.92%
2.	India	180	1.21%
3.	Mexico	85	0.57%
4.	Russia	85	0.57%
5.	United Kingdom	52	0.35%
6.	Canada	50	0.34%
7.	Costa Rica	41	0.28%
8.	Brazil	39	0.26%
9.	(not set)	38	0.26%
10.	Philippines	36	0.24%

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HILLCREST

1.1 *Port of Corpus Christi*

(a) Summary of activities

The month of November was met with momentum and challenge. The number of property owners in October and November showed higher levels of interest in the program. In fact, the program hit its peak the first week in November. On November 3, 2016 DRA was informed that the no offers were to be made to property owners, inclusive of all property owners. Even though no acquisition offers were to be made the ROW team continued to maintain office hours and processed documents, provide relocation assistance counselling, prepared title curatives, appraisals, and other reports. Much time was spent responding to angry property owners, dispelling the myth that the Hillcrest Residents were used and made promises to for TxDOT to get their bridge built and justifying why DRA continued to process documents and packages for review. Door to door canvassing occurred and several site occupants participated in taking a survey while others refused. November was a very busy month. Below is a summary of meetings and events held in addition to the walk-in and complaints received from owners regarding the moratorium.

Date	Activity
11/1/2016	POCCA Staff meeting with DRA and Commissioner
11/1/2016	Realtor Advisory committee
11/2/2016	Per parcel update
11/3/2016	Hillcrest/Harbor Bridge Project Weekly Conference Call
11/3/2016	CAB Community Advisory Board
11/4/2016	POCCA Hillcrest visit
11/9/2016	Carolyn P. (Hillcrest Resident) Program introduction meeting
11/9/2016	Per Parcel Update
11/10/2016	POCCA Staff Meeting to discuss Hillcrest porject
11/10/2016	Christi B. (Hillcrest Resident) Program introduction meeting
11/10/2016	Hillcrest/Harbor Bridge Project Weekly Conference Call

11/10/2016	Nueces County Appraiser Workshop
11/12/2016	Housing Opportunity Council Housing Fair
11/15/2016	Corpus Christi Port Authority Commissioners Meeting
11/15/2016	POCCA meeting with DRA, Del Richardson
11/15/2016	Senior Benefits & Medicare Enrolment Workshop
11/16/2016	Thanksgiving Community Appreciation event
11/17/2016	Hillcrest/Harbor Bridge Project Weekly Conference Call
11,21/2016	POCCA staff meeting to discuss Hillcrest project
11/21/2016	Corpus Christi Port Authority-San Patricio Economic Development Corp. Luncheon
11/23/2016	Per parcel update
11/28/2016	POCCA Hillcrest site visit

(b) Total parcels acquired by ROW Contractor /total eligible parcels
No parcels have been acquired to date pending

(c) Information on appraisals performed on specific properties

Parcel ID	Owner Reference	Status	Parcel ID	Owner Reference	Status
410	Tovar-Rodriguez	Approved	949	Padron	In Review
430	Milligan	In Review	952	Villarreal, et ux	In Review
460	Momphid	Approved	953	Salas	In Review
473	Mazeda	In Review	961	DKJS	In Review
477	Banda	In Review	968	Clacken	In Review
487	Aguilar	In Review	969	Clacken	In Review
488	Aguilar	Approved	974	Reyna	Approved
492	Rodrigues	Approved	984	Claeys	In Review
501	Gallegos	In Review	993	Williams	Approved
508	Zurbock	In Review	1000	Ramirez	Approved
510	Hill	In Review	1014	Rodriguez	In Review
515	Alvair	Approved	1015	Rodriguez	In Review

517	Lloyd	Approved	1018	Markham Bros	In Review
533	Banda	Approved	1024	Perez	On-Hold
544	Casarez	Approved	1025	Perez	In Review
545	Brown	Approved	1032	Naranjo	Approved
547	Lopez	In Review	1035	West	In Review
562	Enriquez	Approved	1041	Valdez	In Review
567	Wolfson	Initiated	1042	Sanchez	Approved
573	Marroquin	Approved	1043	Rodgers	Approved
579	Wilson	Approved	1045	Mircovich	In Review
582	Jefferson	In Review	1051	Osswald	In Review
587	Coleman	In Review	1052	Ayala III	In Review
600	Williams	Approved	1099	Mungia	In Review
616	Martinez	In Review	1104	Martinez	Approved
617	Martinez	In Review	1118	Garcia	Approved
621	Rodrigues	Approved	1120	Salinas	Approved
643	Smith	Approved	1148	Maxwell	Approved
650	Reyes	Approved	1158	Martinez	In Review
660	Trevino	Approved	1163	Aranda	Initiated
671	Yancey	In Review	1187	Galvan	Approved
675	Carter	In Review	0468	Robledo	Initiated
678	Wolfson	Initiated	0521	Robbins-Woods	Initiated
683	Gonzales	In Review	0541	Fuentes	Initiated
696	Alvarez	In Review	0548	Flores	Initiated
699	Alvarez	In Review	0560	Chaves	Initiated
702	Ovalle	In Review	0565	Ray	Initiated
709	Banda	Approved	0581	Jenkins	Initiated
710	Marruffo	Approved	0590	Lopez	Initiated
715	Bardon	In Review	0619	Quintero	Initiated
722	Garcia	In Review	0637	Jenkins	Initiated
748	Garza	In Review	0659	Olivarez	Initiated
752	Landeros	Approved	0681	Martinez	Initiated
769	Seecloud	In Review	0765	Lawson	Initiated
775	Escobar	Approved	0780	Vargas/McGray	Initiated
796	Perez	Approved	0793	Ramirez-Parra	Initiated
797	Izaguirre Jr.	In Review	0802	Pittman	Initiated
818	Dominguez	In Review	0803	Gutierrez	Initiated
824	Wolfson	Initiated	0810	Guy	Initiated
828	Jackson	Approved	0817	Hudgens	Initiated
830	Thomas	In Review	0833	DoubleDare	Initiated
837	Castillo	In Review	0875	Delagarza	Initiated
839	Wolfson	Initiated	0885	Washington,et al	Initiated
840	Wolfson	Initiated	0888	Guerrero	Initiated

856	Guzman	In Review	0940	Lozano	Initiated
858	Wolfson	Initiated	0946	Urrutia, et al	Initiated
860	Grande	Approved	0951	Osswald-Murphy	Initiated
862	Kinney	In Review	0954	Calderson	Initiated
865	Grant	Approved	1002	Smith	Initiated
867	Hicks	In Review	1009	Garcia	Initiated
876	Perez	Approved	1034	Perry	Initiated
879	Wolfson	Initiated	1046	Hall	Initiated
892	Rosario	In Review	1160	Alvarado	Initiated
909	Johnson	In Review	1178	Galvan	Initiated
911	Johnson	In Review	1179	Galvan	Initiated
912	Bolden	In Review	1186	Galvan	Initiated
938	Banda	In Review	1189	Galvan	Initiated
944	Ortiz	In Review	M001	Navarro	In Review
948	Torres	In Review	M003	Parra	Initiated

During the month of November task orders were issued to appraise 38 parcels.

(d) Relocation assistance provided and to whom (owner or tenant)
There has been no relocation to date, however; advisory services where provided to the community by meeting with property owners regarding the relocation process and the status of their property.

(e) Restrictive covenant purchases:
None purchased to date. During the month of November one (1) request for restrictive covenant was received. Therefore, the request is under review for program eligibility.

(f) Title work performed

To date a total of 224 titles commitments have been ordered of which 219 have been received and are under review.

(g) Other services related to relocation of residents during reporting period
Met with local real estate agents to gather information on the current real estate market. The DRA team continues to update the Comparable Housing Study for the "Comp Book" weekly.

(h) Summary of Port's ROW Contractor Disadvantaged Business Enterprise (DBE) % Goal

DRA is not aware of a DBE goal set for this project. However, it should be noted that DRA and one of its subcontractors are both certified DBE firms.

During November with approval of the Port, the DRA team continues acquisition and relocation activities stopping short of presenting offers.

The month of November ushered in the Holiday Season with a short work week due to the Thanksgiving holiday. However, this did not diminish productivity. During the first couple of weeks of the month, DRA continued communication with TXDOT and finalized the questions and script to be used for the Hillcrest Community Assessment survey. DRA hired 7 new employees for conducting the Hillcrest Community Assessment Survey. DRA initiated the survey on the 3rd week of November.

Although the moratorium on making offers to property owners of the Hillcrest community remained during the month of November, DRA continued to prepare acquisition packages for property owners, conducted relocation interviews with onsite owners, collection of documents, searching for comparable housing and preparing relocation packages for on-site owner's once appraisals were approved by TxDOT.

In November, as requests to participate in the voluntary program continued to arrive and as program eligibility was confirmed additional title reports and appraisals were requested. The total to date title commitments ordered to date is 224, of which 219 have been received and are under review. The number of appraisals ordered increased to 138 parcels, of which 55 have been completed and are either under review or have been approved by TXDOT.

Community Outreach coordinated and carried out 3 workshops and a Thanksgiving Give Away.

Community Outreach

3 workshops were conducted in the month of November based on feedback and questions received from the prior month.

* Nueces County Appraisal District

* Senior Benefits & Medicare Enrolment

* Housing Workshop and Thanksgiving Give Away Sponsored by DRA Inc.

On November 10th, we invited residents to come out and have an interactive questions and answer session with the Nueces County Chief Tax Appraiser. We had 12 residents attend and participate. On November 15th, our workshop was designed to educate senior citizens of available benefits and services as well as the opportunity to enrol in Medicare Savings programs.

Continuing to build on the relationships developed with the Hillcrest Community, DRA sponsored a Thanksgiving Give-Away and Housing workshop on November 16th. Invitations and calls were made to the Hillcrest community inviting them to participate in a 100 turkey and food basket give-away. We had over 120 residents participate with ~80% of Hillcrest residents taking a turkey home.

In November community outreach initiated community surveys as directed by FHWA. DRA onboarded 7 new employees and began conducting surveys in the community. The goal is to complete 407 surveys of the 498 active parcels in Hillcrest.

To date, 65% of the program parcels have had face-to-face interactions with the DRA team. This is up nearly 5% from the previous month (October 62%).

Acquisition

During the month of November, Acquisition met with 26 owners. The landowners inquired on the status of offers. The Acquisition Manager communicated the status to each program participant and addressed all their concerns. Acquisition manager continued to work on title curative plans for the 138 parcels currently in the appraisal process. The initial 100 title curatives plans have been uploaded into SharePoint. The Acquisition Manager continued to meet with title companies and landowners with title issues in preparation of the acquisition offers.

The Acquisition Team spent most of November ensuring that the appraisers complete the appraisal process on the original 100 parcels tasked out. At the end of November, 55 appraisal reports had been approved by or in the process of being reviewed by TXDOT. The appraisers have assured that the remaining appraisals will be completed and put into the review process during the month of December. DRA assigned 38 more appraisals, of which 25 have been unspectacled by the appraiser and acquisition manager. The remaining 13 will be inspected December 7, 8, and 9th.

All other owner interactions were related to offers which have been placed on hold until DRA receives written instructions to proceed.

Relocation

During the month of November relocation continues to meet and interview on-site owners whose properties are currently being appraised. Met with owners and answered questions regarding the status of their relocation benefits.

Relocation continues to search the area for available comparable housing to maintain the project comparable book. Listings are added weekly. The Relocation manager continues to meet with local real estate agents to discuss market trends. Real Estate agents continue to email listings and bring their listings to the office to post them on the bulletin board.

The relocation division has assigned and begun to prepare 21 relocation packages for the parcels which have been submitted to TXDOT for review and approval.

Appendix B: Port of Corpus Christi Supplemental Information

B.1. November Hillcrest events invite Spanish
B.2. November Hillcrest events English
B.3. 11.17.16 Hillcrest Pre-Conference meeting agenda
B.4. 11.3.16 Hillcrest meeting agenda
B.5. 11.10.16 Hillcrest meeting agenda
B.6. 11.02.16 Weekly summary report
B.7. 11.17.16 Hillcrest meeting agenda
B.8. 11.10.16 Hillcrest Pre-conference meeting agenda
B.9. 11.17.16 Weekly Summary Report
B.10 11.16 Finacial Report

Attachments provided

NEIGHBORHOOD VOLUNTARY ACQUISITION RELOCATION PROGRAM BUDGET TRACKING

	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct.	Nov	Dec	Year
Acq Provider (DRA/OPC)													
Monthly Program Mgmt Fee	$0.00	$0.00	$0.00	$45,380.00	$60,500.00	$60,500.00	$60,500.00	$60,500.00	$60,500.00	$60,500.00	$0.00	$0.00	$408,380.00
Monthly Community Outreach Fee	$0.00	$0.00	$0.00	$30,800.00	$30,800.00	$30,800.00	$30,800.00	$30,800.00	$30,800.00	$30,800.00	$0.00	$0.00	$215,600.00
Acquisition Fee Per Parcel	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Friendly Condemnation Support Per	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Relocation Case Residential	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Relocation Case Business	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Property Management Fee	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Travel	$0.00	$0.00	$0.00	$2,577.90	$1,775.00	$1,229.92	$1,021.91	$1,564.27	$1,288.42	$1,896.90	$0.00	$0.00	$11,354.32
Other costs	$0.00	$0.00	$0.00	$22,869.54	$8,250.27	$14,384.32	$4,935.26	$0.00	$5,103.24	$4,349.02	$19,000.00	$0.00	$78,891.65
Acq Provider Totals	**$0.00**	**$0.00**	**$0.00**	**$101,627.44**	**$101,325.27**	**$106,914.24**	**$97,257.17**	**$92,864.27**	**$97,691.66**	**$97,545.92**	**$19,000.00**	**$0.00**	**$714,225.97**
Legal Expense (Welder/Leshin)													
Welder/Leshin Legal	$59,660.00	$20,155.00	$45,258.75	$30,630.00	$0.00	$0.00	$57,986.25	$9,752.50	$32,191.25	$0.00	$15,093.75	$0.00	$270,727.50
Welder/Leshin Legal	$0.00	$687.50	$0.00	$0.00	$0.00	$0.00	$0.00	$187.50	$0.00	$0.00	$0.00	$0.00	$875.00
Other costs	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Outsource Totals	**$59,660.00**	**$20,842.50**	**$45,258.75**	**$30,630.00**	**$0.00**	**$0.00**	**$57,986.25**	**$9,940.00**	**$32,191.25**	**$0.00**	**$15,093.75**	**$0.00**	**$271,602.50**
Third Party Services													
Spitzer Employee 1	$20,496.00	$13,776.00	$10,416.00	$2,240.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$46,928.00
Spitzer Employee 2 (Travel)	$1,542.65	$1,639.96	$1,533.40	$492.61	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$5,208.62
Other costs	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
W.L Bates Employee 1	$2,000.00	$1,250.00	$500.00	$650.00	$0.00	$500.00	$650.00	$625.00	$625.00	$0.00	$0.00	$0.00	$6,800.00
W.L Bates Employee 2	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Other costs	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Naismith Eng Employee 1	$0.00	$10,952.50	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$10,952.50
Naismith Eng Employee 2	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
L.K. Jordan Temporary Services	$0.00	$0.00	$0.00	$0.00	$3,278.33	$3,437.28	$3,496.87	$7,457.37	$2,516.70	$1,248.41	$4,894.31	$0.00	$26,329.27
Other costs	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Third Party Services Totals	**$24,038.65**	**$27,618.46**	**$12,449.40**	**$3,382.61**	**$3,278.33**	**$3,937.28**	**$4,146.87**	**$8,082.37**	**$3,141.70**	**$1,248.41**	**$4,894.31**	**$0.00**	**$96,218.39**
Property													
Land Purchase Price	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Life Estates	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00

Title Policy Fees	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Appraisal Fees	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$7,200.00	$23,100.00	$0.00	$0.00	$30,300.00
Legal Fees	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Recording	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Surveys/Boundary Descriptions	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Recording Fees	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Tax Transfers	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Property Maintenance Costs	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Property Totals	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$7,200.00**	**$23,100.00**	**$0.00**	**$0.00**	**$30,300.00**
Relocation													
Relo Assistance Payments	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Moving Costs	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Other Costs	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Relocation Totals	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**
Field Office													
Building	$0.00	$0.00	$0.00	$0.00	$2,085.97	$43,283.13	$6,262.44	$197.83	$0.00	$0.00	$0.00	$0.00	$51,829.37
IT	$0.00	$114.95	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$114.95
Fencing	$0.00	$0.00	$0.00	$0.00	$8,418.70	$660.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$9,078.70
Security	$0.00	$0.00	$0.00	$0.00	$0.00	$1,872.92	$3,004.00	$2,373.00	$4,496.00	$1,589.00	$3,056.00	$0.00	$16,390.92
Improvements	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Permits	$0.00	$0.00	$0.00	$0.00	$196.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$196.00
Sign	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$261.74	$0.00	$0.00	$0.00	$0.00	$261.74
Utilities	$0.00	$0.00	$0.00	$0.00	$63.46	$294.68	$406.02	$669.79	$550.56	$60.14	$432.90	$0.00	$2,477.55
Trash Removal	$0.00	$0.00	$0.00	$0.00	$180.20	$0.00	$0.00	$159.02	$79.51	$0.00	$79.51	$0.00	$498.24
Computers	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$1,358.31	$39.25	$0.00	$0.00	$0.00	$0.00	$1,397.56
Phones	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Copiers	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$425.00	$0.00	$578.35	$0.00	$968.87	$0.00	$1,972.22
Copies	$0.00	$0.00	$0.00	$0.00	$0.00	$63.14	$105.00	$122.09	$0.00	$0.00	$0.00	$0.00	$290.23
Badges	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Other Costs	$0.00	$0.00	$55.60	$76.89	$0.00	$3,713.23	$11,451.52	$1,050.32	$1,164.78	-$6.55	$120.77	$0.00	$17,626.56
Field Office Totals	**$0.00**	**$114.95**	**$55.60**	**$76.89**	**$10,944.33**	**$49,887.10**	**$23,012.29**	**$4,873.04**	**$6,869.20**	**$1,642.59**	**$4,658.05**	**$0.00**	**$102,134.04**
Property Maintenance Costs													
Inspections/Surveys	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Abatements	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Mowing	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00

Signs	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Security	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Demo Costs	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Permits	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Other Costs	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$15,801.99	$248.20	$0.00	$0.00	$0.00	$0.00	$16,050.19
Property Maintenance Cost Totals	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$15,801.99**	**$248.20**	**$0.00**	**$0.00**	**$0.00**	**$0.00**	**$16,050.19**
Incidentals													
Food & Beverage	$0.00	$124.20	$1,620.08	$1,674.68	$836.83	$1,020.69	$0.00	$77.02	$951.75	$0.00	$121.00	$0.00	$6,426.25
Meeting Rooms	$0.00	$0.00	$2,328.60	$2,341.50	$2,751.90	$1,134.00	$3,986.70	$2,575.80	$0.00	$0.00	$0.00	$0.00	$15,118.50
Media	$0.00	$506.85	$450.00	$1,023.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$1,979.85
Signs	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Materials	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Ground Breaking	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Other Costs	$0.00	$0.00	$1,078.88	$0.00	$0.00	$514.43	$190.53	$181.58	$375.64	$223.53	$130.95	$0.00	$2,695.54
Incidentals Totals	**$0.00**	**$631.05**	**$5,477.56**	**$5,039.18**	**$3,588.73**	**$2,669.12**	**$4,177.23**	**$2,834.40**	**$1,327.39**	**$223.53**	**$251.95**	**$0.00**	**$26,220.14**

TOTAL **$1,256,751.23**

GOVERNMENT AFFAIRS

LOCAL

- Attended United Corpus Christi Chamber Government Affairs committee meeting.
- Attended PICC Public Affairs/Government Affairs committee meeting.
- Attended meetings regarding Voestalpine and City of Portland noise concerns.
- Attended State of the Port.

STATE

- Hosted Senator Judith Zaffirini to port for briefing and tour. Attended luncheon for Senator hosted by San Patricio Economic Development Corporation.
- Meetings with port staff and consultants to discuss legislative session.
- Various conference call with Texas Ports Association to discuss legislative session.
- Attended meeting with TXDOT and consultants regarding port access study and I-37 Corridor study.
- Attended STEER awards meeting and luncheon.
- Attended Transportation Advocates of Texas committee meeting.

FEDERAL

- Congress was focused on the presidential election in November. Government Affairs will be monitoring and working with the President's transition team regarding opportunities on policies and programs affecting our port.

BBC

MEMORANDUM

To: Nelda Olivo

From: Hugo Berlanga

Re: November Report

Date: November 30, 2016

Below, please find an update on issues of interest to the Port. Also, please find a brief summary of those activities conducted by Berlanga Business Consultants on behalf of the Port:

Election Results:

United States Congress

Republican Congressman Will Hurd won re-election by defeating Pete Gallego in CD 23. In CD 15, Democrat Ruben Hinojosa is retiring and Democrat Vicente Gonzalez defeated Republican Tim Westley. Finally, in CD 19, Republican Jodey Arrington will replace retiring republican Randy Neugebauer. Arrington ran unopposed.

In the race for Railroad Commissioner, former republican State Representative Wayne Christian defeated Grady Yarbrough.

In the upcoming legislative session, the Texas Senate will have 20 republicans and 11 democrats, while the House will have 95 republicans and 55 democrats.

The Senate will have 3 new senators due to retirements; in SD 1 Rep. Bryan Hughes replaces Sen. Kevin Eltife, in SD 13 Rep. Borris Miles replaces Sen. Rodney Ellis, and in SD 24 Dr. Dawn Buckingham replaces Sen. Troy Fraser.

The House will have 27 new members, 4 of which previously served in the Texas House. The election saw 4 republican incumbents defeated; Reps Kenneth Sheets, Gilbert Pena, Rick Galindo, and John Lujan.

The Texas Transportation Commission has recommended upgrading Texas ports in anticipation of increased trade opportunities from the expansion of the Panama Canal. The Texas legislature created port development funding a couple of sessions ago and provided general revenue for maritime projects during the 84th session.

The U.S. Senate passed legislation sponsored by Sen. John Cornyn labeled the Cross-Border Trade Enhancement Act. The bill would allow local governments and private businesses to partner with Customs and Border Protection to fund staffing and improvement projects. The bill is being carried in the U.S. House by Rep. Henry Cuellar; legislators hope to pass the bill before Congress adjourns next month.

Lieutenant Governor Dan Patrick announced the top ten legislative priorities for the upcoming 85th legislative session. As outlined by Lt. Gov. Patrick those priorities are passing a balanced budget (as required by the Texas Constitution), property tax reform, school choice, sanctuary cities, photo voter ID, women's privacy act, strengthen the laws for inappropriate Teacher-Student Relationships, strengthen penalties for the buying or selling of human fetal tissue and banning partial birth abortions, strengthen the state spending limit, and hailstorm lawsuit reform. Other high priority issues include the reduction of the hand-gun licensing fee, ethics reform, Child Protective Service reforms, tuition reforms, reduction of the state franchise tax and prohibiting the government collection of union dues.

Speaker of the House, Joe Straus said the top priorities for the House are restoring funding for disabled children's in-home therapy services, prioritize funds to shore up the foster care and Child Protective Service systems, make improvements to the state's mental health care safety net, and reform the state's school finance system. Straus said passing a balanced budget will be difficult this session and that there may not be funds to make additional tax cuts. Speaker Straus said some of the Senate's priorities are not necessarily priorities for the House, such as, the anti-transgender bill in regards to bathrooms and the focus on sanctuary cities laws.

The Sunset Commission released a report saying while the Texas Department of Transportation has made "good-faith efforts" it "has not met key on-time or on-budget measures for several years, indicating underlying problems with the department's management of its project portfolio." The report calls for "critical" changes within the department to manage the increased funding approved by voters and the upcoming construction projects.

- Attended the State of the Port Luncheon at the Ortiz Center on November 2, 2016;

- Attended The Port Board Meeting on November 15, 2016;

- Attended Sen. Judith Zaffirini Day tour and luncheon with the Port on November 21, 2016;

- BBC will continue communication with the members and staff of Senate IGR, Senate Natural Resources, Senate State Affairs, the Lt. Governor's office and House Transportation & Speaker's Office;

- BBC will continue to send notices regarding meetings and articles of interest to the Port via fax and/or e-mail.

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MEMO

To: Port of Corpus Christi
From: Borski Associates
Date: December 1, 2016
Re: Monthly Report

Transition

The President-elect's transition got off to a slow start, beset by infighting and score-settling that saw Governor Chris Christie replaced by the Vice President-elect as transition chairman. As of this writing, news reports have suggested that Goldman Sachs President and Chief Operating Officer Gary Cohn might be tapped as OMB Director. This would be an unusual choice, given Mr. Cohn's inexperience with the federal budget. But it might also bring some fresh thinking to OMB, which could appeal to Congress and outside stakeholders.

The President-elect has tapped Elaine Chao as Secretary of Transportation. He has not yet settled on a Secretary of Homeland Security, but rumors have indicated House Homeland Security Committee Chairman Mike McCaul is being considered. Given the transition's slow pace, we do not expect an Assistant Secretary for Civil Works to be named before the President-elect takes office.

FY17 Budget

Congress is coalescing around a plan to fund the government via a "continuing resolution (CR)" that will last until the end of March. After the new Administration takes office, Congress will then reassess FY17 funding for federal programs. We believe that funding for Army Corps projects and programs will survive largely intact for two reasons - first, Congress enthusiastically endorsed increased funding for Army Corps projects in its appropriations bills; and second, the new Administration seems particularly interested in infrastructure projects.

The House included an additional $245 million for navigation projects, while the Senate included $227 million extra for navigation projects. If Congress maintains this funding, an Army Corps Work Plan will have significant funding to be distributed via a Work Plan for otherwise unbudgeted projects such at the Corpus Christi Ship Channel Improvement Project.

Corpus Christi Ship Channel Improvement Project

The current Administration's Office of Management and Budget still has not signed off on a PPA for the project. We will continue to work with our local congressional supporters to get the project approved before the current Administration leaves office. Additionally, we will work with our congressional supporters to approach the incoming OMB Director once named.

WRDA

Reports suggest that conferees are nearing an agreement on the Water Resources Development Act. We advised on a provision that concerned POCCA staff. Ultimately, the provision, if enacted, will not affect the Port.

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Firm Client:	Port of Corpus Christi Authority, Texas
Primary Client Team:	Barry Rhoads, Steven McKnight, Andrew Forbes, and Kaleb Froehlich
Services Period:	November 1-30, 2016

Summary of Services on behalf of Port of Corpus Christi Authority, Texas:

- Substantive consulting on federal government issues on behalf of PCCA
  - Provided information about the Executive Branch transition and discussed opportunities for future liaison
  - Reported on status and timelines for Continuing Resolution, FY17 appropriations bills, and release of FY18 budget

- Legislative Liaison and Monitoring
  - Spoke with Congressional committee staff about Port's "new start" language in House version of WRDA bill and the conference process
  - Responded to requests for information about specific provisions in WRDA legislation, including cost-sharing and deauthorization of projects
  - Provided input on Congressional letter on change in cost-sharing formula for dredging to 50 foot depth
  - Reported on status of WRDA bill and potential for Congressional action in post-election session

- Client Contact and Team Coordination
  - Engaged in regular telephone and e-mail contact on PCCA matters with Executive Director John LaRue and Government Relations Manager Nelda Olivo
  - Conferred with other consultants on coordination of government relations efforts and third party allies
  - Reviewed news media coverage of new developments at Port and other PCCA activities

INFORMATION TECHNOLOGY

Status of Information Technology Programs & Initiatives

- *Helpdesk* – 287 IT helpdesk tickets submitted and 267 tickets resolved in November.

- *Phone System Replacement* – Go live date set for December 10. All locations will be migrated on this day to use the Cisco phone system. Phase two will occur in early 2017 to migrate service from AT&T PRI (Phone Rate Interface) to SIP (Session Initiation Protocol) trunks.

- *New Website* – Migrated hosting providers to prepare for new website. New site was soft launched in October. Launch went very smooth with little downtime. Minor tweaks to back end applications continue to be made to improve the user experience.

- *PD Network Redesign* – Network redesign to convert analog network to digital has begun. The first phase is complete and new switches and cameras at Oil Dock 14 and the PD data center have been installed. A digital network will improve image quality, allow for easier software and firmware maintenance and replace the existing aging equipment.

- *Data Center Colocation* –Goal is to have the backup data center moved to Cyrus One by the end of year. Cyrus One has provisioned our space in their data center. We are currently waiting for Time Warner to install the point to point connection between Annex building and Cyrus One facility. Time Warner has completed the local fiber work in Corpus Christi and are working on the Cyrus One connection at this time. Time Warner has not completed the connection between Corpus Christi and San Antonio. This delay is putting our end of year deadline in jeopardy.

- *Agenda Management* – All departments have been trained on Granicus and each department is now entering their own agenda items. November agenda items will be submitted by staff into the Granicus system. Next step is to implement video archiving and meeting minutes modules.

- *Virtualization of Servers (Port PD)* – All hardware is installed and the migration of servers has begun. Infrastructure setup is complete and servers are being migrated as their applications are being upgraded.

- *Employee VPN* – Enhanced VPN portal for employees has been built. The concept is for employees to access their data and applications in a more secure and efficient manner when out of the office. The system is currently being tested by select staff. Two-factor authentication has been added into the scope of this project for added security

2016 Budgeted Projects

- *Data Center Colocation* – This project will move the backup data center to a colocation facility in San Antonio. The site has been selected and approved by the Coast Guard. Port IT staff are in the final negotiations with the colocation and telecommunication providers. This project is scheduled to go before the Commission in March for approval. *Estimated project completion: 10/1/16*

- *Phone Systems Replacement* – Replacement of 10+ year old PBX phone system and consolidation of all sites into one system. This project will remove phone systems at Admin/Annex, HMO, PD, Maintenance and BMD. The existing design of our voice infrastructure is subpar for redundancy and cost effectiveness. Installing a VOIP phone system will allow for SIP trunks which will provide up to 50% reduction in long distance costs. *Estimated project completion: 11/1/16*

- *Virtualization of Servers (Port PD)* – Existing server infrastructure consists of out of date physical servers. This project would replace 15 to 20 servers with 3 to 4 servers utilizing virtualization. Virtualization introduces costs savings by reducing maintenance contracts along with a reduction in power and cooling needs. Virtualization of servers will also improve the redundancy of the systems they house by utilizing existing Port infrastructure for failover. *Estimated project start date: 9/1/16*

- *Network Replacement (Port PD)* – As identified in the Transportation Technology Associates Security Technology Master Plan, the network infrastructure for Port PD needs to be upgraded. Most equipment has reached end of life and is no longer supported by the manufacturer. This upgrade would allow for the transition from analog to digital cameras. *Estimated project completion: 12/31/16*

COMMUNITY RELATIONS

INTERNAL AND COMMUNITY EVENTS/MEETINGS

- Meeting: United Chamber Chairman of Membership Campaign
- United Chamber: Small and Emerging Business Committee
- Workforce Solutions of the Coastal Bend: Nominating Committee hosted by POCCA, Rosie Collin, Chair
- Westside Business Association Breakfast
- PICC-Government Affairs/PR Committee
- United Chamber: Governmental Affairs Committee
- POCCA: Our Driving Concern
- State of the Port
- Jewish Community Council "Oy Vey" 5K
- Portland City Hall: Voestalpine –Industry Stakeholder Meeting
- CCREDC Investor's Breakfast
- November Wellness Breakfast
- CCREDC Board Meeting
- Westside Business Association "El Gran Baile" honoring community leaders
- Tejano Civil Rights Museum General Luncheon
- Education Center - Tee Up For Education Golf Tournament
- Corpus Christi Symphony Orchestra "Meeting the Maestro"
- World Affairs Council luncheon
- Professional Association of Fundraising luncheon: National Philanthropy Day
- Cruise Ship Meeting with CCREDC and CVB
- Metro Ministries 'Poor Man's Supper'
- CC Literacy Council/Scrabble Tournament
- Paws for Claws
- Corpus Christi Black Chamber of Commerce Young Entrepreneur Awards Banquet
- Water Quality Precept
- Meeting with Mayor Martinez on United Corpus Christi Chamber of Commerce
- Corpus Christi Caller-Times Hispanic Advisory Board
- United Corpus Christi Chamber of Commerce Executive Committee
- American GI Forum Holiday meeting
- DMD Monthly Meeting
- PICC Manager's Meeting
- Multi-Jurisdiction Improvised Explosive Device Security Planning Workshop Series

- STEER: Future of the Region Port Corpus Christi Presentation, San Antonio, Texas
- United Corpus Christi Chamber Board of Directors Meeting
- Northshore Country Club: Port briefing and lunch with Senator Judith Zaffirini and stakeholders
- POCCA Employee Holiday Party
- United Chamber of Commerce Networking Holiday Meeting with Nueces County Commissioner Pusley, Commissioner Canales and Consultant
- Meeting with American Heart Association
- Toby Globy Eco System Program for Portland
- Drop Everything and Read: Gloria Hicks Elementary
- San Pat EDC - 2016 Annual Event Honoring Education
- Visit to Menger Elementary School, Adopt-A-School
- Holy Cross Annual Luncheon for the Homeless
- STEER Eagle Ford Shale 4th Annual Excellence Awards: guest speaker Sean Strawbridge
- Your Port, Your World, Your Future – Career Fair: 800 High school students visited many Port partners including, NuStar, Citgo, RTFC, and port department booths to learn about the Port and it's daily functions and how it impacts their future
- Menger Elementary Science Fair judging – Port Community Relations employee judged science poster boards to be entered into the Regional Science Fair
- Citgo Appreciation Breakfast
- 'A Tree For All' Port of Corpus Christi, NuStar Energy and Home Depot partner for the 19th Annual event for needy families. Hillcrest families included this year.

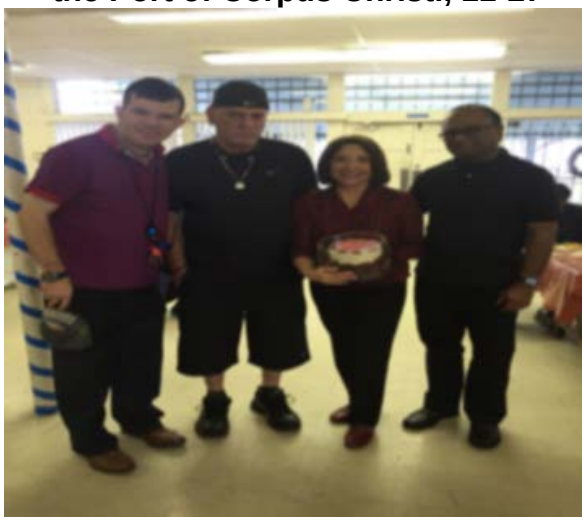
HILLCREST/WASHINGTON COLES ACQUISITION AND RELOCATION PROGRAM

- Update with Del Richardson and team
- Hillcrest/Harbor Bridge Project Weekly Conference Call (4)
- Hillcrest Site visit (2)
- Per Parcel Meeting with Staff
- DRA Turkey giveaway
- Community Advisory Council
- Relocation Program / Survey of Neighborhood
- Hillcrest Buyout Neighborhood Coles Voluntary Acquisition and Relocation Program
- Hillcrest/Washington Coles Voluntary Acquisition and Relocation Program
- Hillcrest/Washington Coles Voluntary Acquisition and Relocation Program
- Del Richardson and Frank Jordan, DRA

VOESTALPINE - Consultant

- Signed Contract – Alvarez Business Consultants & Port Corpus Christi
- Port Corpus Christi and Voestalpine
- Portland Economic Development Corporation - 10/12/16 165.00 247.50
- Beverly Moore, Office of Rep. J.M. Lozano
- Portland Mayor Kreb and City Manager Randy Wright
- Executive Staff and Consultant
- 3 Meetings with Consultant and Senator Juan 'Chuy' Hinojosa
- Rep. Todd Hunter and Consultant
- Port of Corpus Christi Commissioner, Consultant and Staff
- Port of Corpus Christi and Rep. Todd Hunter
- Commissioner, Nueces County Commissioner Pusley and Staff
- Boat Tour - Port of Corpus Christi, Voestalpine and international media
- Grand Opening - Voestalpine Plant
- Rep. JM Lozano Conference Call - Northshore Resident
- Public Relations Strategy Meeting
- Communication Research – Consultant
- San Patricio County Commissioner's Court meeting/meeting with elected officials
- Meeting with Jonas Chupe & Consultant

Holy Cross Luncheon sponsored by the Port of Corpus Christi, 11-27



Eagle Ford Shale 4th Annual Excellence Awards
Guest Speaker, Sean Strawbridge

Eagle Ford Shale 4th Annual Excellence Awards: Port employees: Sean Strawbridge, Nelda Olivo, Rosie Collin, Matt Garcia pictured with Omar Garcia, President/CEO, STEER, Matt Barr and Will Nichols. Cheniere

Port of Corpus Christi awarded 2016 Eagle Ford Excellence Award: Community and Social Investment Award

The awards are focused on honoring members of the oil and gas community for diligent efforts to preserve the environment, ensure safety in and around the Eagle Ford Shale region and give back to the community in which they live in and serve. Community and Social Investment. The recipient of the award positively impacted the company or organization's reputation in the communities in which it works, or provided a measurable and positive impact on its surrounding community.

In receiving the award, the Port of Corpus Christi acknowledged working with over 120 organizations in the community, the legacy event, 'Tree for All', employee contributions to the Food Bank and other contributions that strengthen the community.

A Tree for All', now its 19th year, has provided 3,800 trees to needy families:

Port Corpus Christi has donated over 2,800 trees, tree stands, and ornaments to an estimated 2,800 families from throughout the Coastal Bend at Christmastime through our legacy 'A Tree for All' program in a nineteen year period. We partner with our adopted schools and other non-profit organizations to select families with the greatest need. An estimated 80 Port employees have offered 4,800 hours of volunteer service to this event. This partnership with NuStar and Home Depot is a Port of Corpus Christi legacy event.

http://www.kiiitv.com/news/local/port-of-corpus-christi-christmas-tree-giveaway/359667389

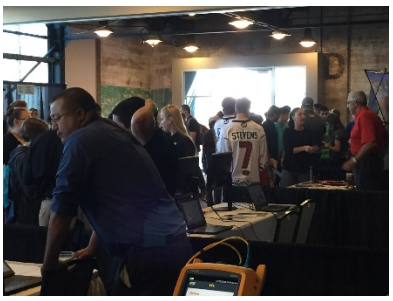
(Hit control + left click at the same time to access link)

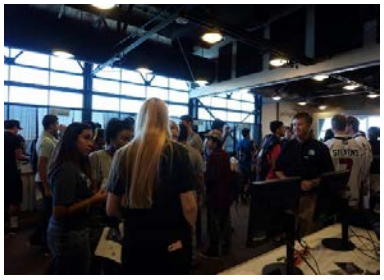
GARDEN CENTER

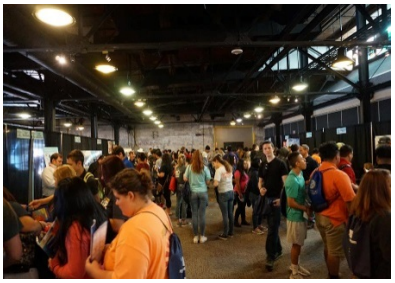
Annuals

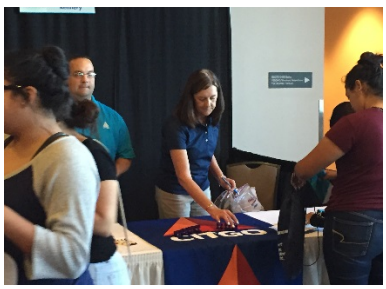
Tree For All 2016
PIC•COLLAGE

Port Corpus Christi 2016 Annual
Your Port, Your World, Your Future - Career Fair



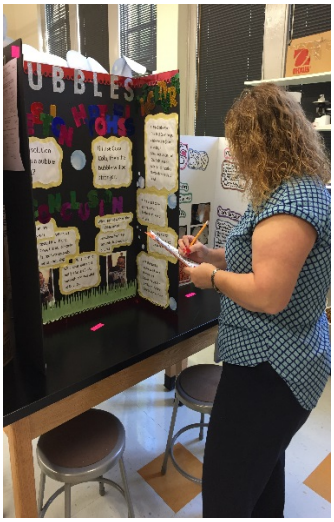


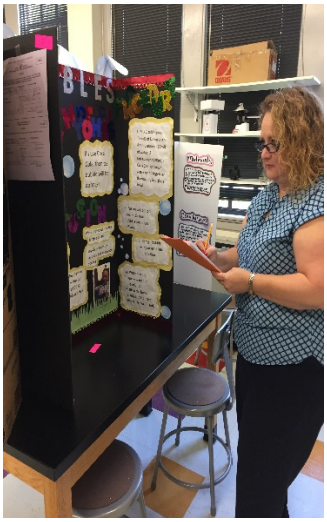


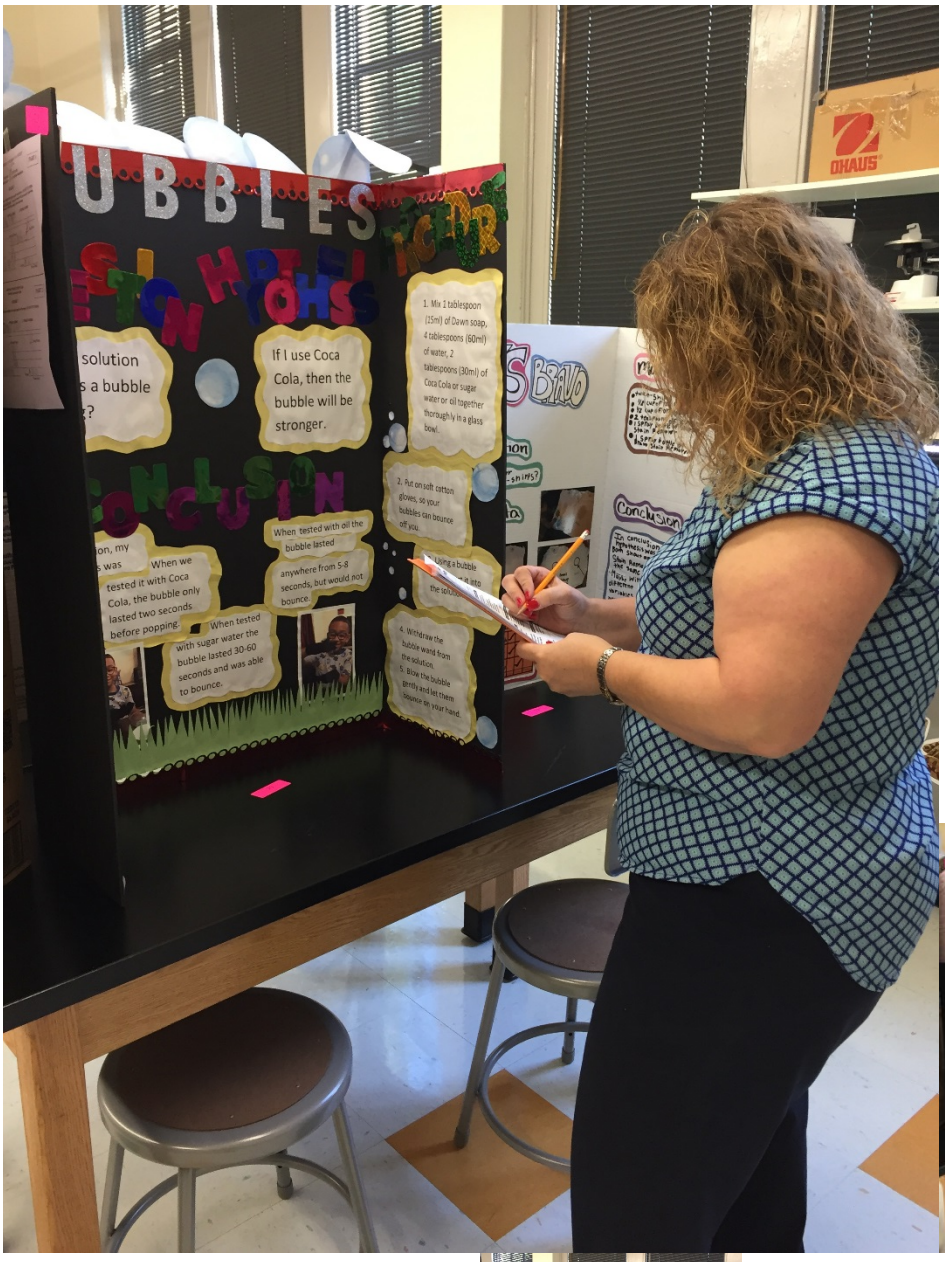


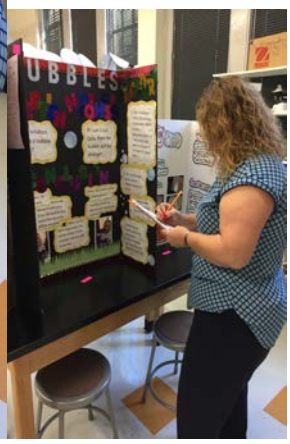
Port Corpus Christi representation at the
2016 CITGO Appreciation Breakfast

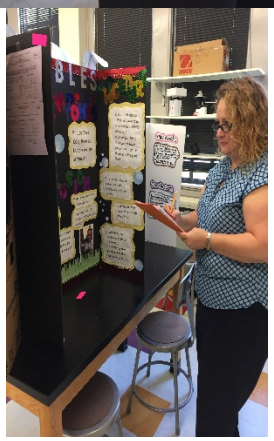
Adopted School representation at the
2016 Menger Elementary Science Fair Judging






If I use Coca Cola, then the bubble will be stronger.
When tested with oil the bubble lasted
anywhere from 5-8 seconds, but would not bounce.
When tested with sugar water the bubble lasted 30-60 seconds and was able to bounce.
When we tested it with Coca Cola, the bubble only lasted two seconds before popping.
1. Mix 2 tablespoon (15ml) of Dawn soap, 4 tablespoons (60ml) of water, 2 tablespoons (30ml) of Coca Cola or sugar water or oil together thoroughly in a glass bowl.
2. Put on soft cotton gloves, so your bubbles can bounce off you.
4. Withdraw the bubble wand from the solution.
5. Blow the bubble gently and let them bounce on your hand.
OHAUS





BUSINESS DEVELOPMENT

WIND ENERGY CARGO

- Vessel calls during Nov:

    a. Wind energy cargo vessels: 8
    b. Dual customer vessels: 1

- Staff continued discussion regarding the possibilities of long-term storage for Production Tax Credit's Safe Harbor Program with multiple wind manufacturers and logistics providers.
- Staff continued collaboration with internal Engineering Department regarding project to enhance a new potential laydown area on Southside
- Staff continued internal collaboration efforts towards new laydown site at Rincon for confirmed Q1 wind energy cargo components
- Staff attended railroad meetings in Omaha, NE and provided requested wind energy cargo direct discharge to rail information as follow-up.
- Staff hosted a kick-off meeting for wind energy manufacturer and nominated logistics provider for Q4 2016 & Q1 2017 cargo.

PROJECT CARGO

- Vessel calls during Nov: Project cargo vessels: 2
- Received additional vessels with heavy components for the construction of the PET manufacturing plant. In addition, large structural components for the LNG plant construction were handled within the inner harbor and then transported via barge to final plant site.

DRY BULK CARGO

- Actively supporting the team in charge of the Master Study Plan for the Bulk Terminal.
- Assisting Accounting with the pending Lease/financial-payment issues derived from the San Antonio bulk-salt entity.
- Continue to work with rail roads and stevedores to improve storage and handling logistics for bulk commodities.
- Actively pursuing negotiations with top Mexican steel manufacturer to continue handling their 2017 bulk materials via this port.

GENERAL CARGO

- Major gas-pipeline projects are to start within first quarter 2017. Meantime, receiving large gas pipe shipment for the LNG plant in construction a few miles from the port.
- Continue to work with pipe coating entity on covered storage needs for construction of new facility in Robstown.
- Working with new entity seeking to handle cargo in super-sacks through our general cargo warehouses.
- Staff assisted with wind and project cargo identification for accurate billing of monthly open yard and covered storage
- Staff collaborated towards potential updates of tariff language.
- Staff continued collaboration with new Commercial team member regarding familiarization with cargo docks and laydown areas. Staff also promoted standardized names for laydown yards for internal department as part of cargo tracking initiative.
- Staff attended Class I railroad meeting in Corpus Christi.
- Staff worked with stevedoring and freight handling entities regarding 2017 Stevedore & Freight Handlers renewal licenses, including submittal of required environmental documentation
- Staff participated in “Be an Environmental Leader” initiative.
- Staff participated in interview session for 2017 Directory publication.
- Staff participated in and provided information for I-37 Corridor meeting.

LATIN AMERICA TRADE

- Participated within a “Mexico-Supply-Chain” webinar in which the main topic was the anticipated future of NAFTA. In essence, will Trump be able to change the historical trade trend between the NAFTA members. All indications point to a fluid continuation of trade as any changes will hurt more the US based jobs.
- For the month of November we had 21 Port information request from Central American entities.

GENERAL ACTIVITIES

- Attended and presented the Port within the TEX-21 (Transportation Excellence for the 21st Century) regional meeting which took place in Laredo. Topics such as roads, passenger rail, NAFTA, freight rail and international trade were discussed. In attendance State Rep. Henry Cuellar.

- Continue dialogue with one of the largest RoRo logistics operators who's interested in 50 or more acres to expand their new vehicles supply-chain-logistics operations.
- Received the visit from one of our Class I rail entities. A few of those in attendance was the first time in this Port. A power point presentation followed by a general port tour as well as meetings with the pipe manufacturing company in Portland.

FOREIGN TRADE ZONE

A meeting with Foreign Trade Zone (FTZ) operators and local Customs and Border Protection (CBP) officers was held on Wednesday, November 16, 2016. FTZ Manager and CBP provided updates, status of compliance reviews and other FTZ procedures.

FTZ Manager continues to work with M&G and CBP to move all cargo from Bulk Terminal Site to new temporary FTZ site at M&G facility. Also working to deactivate FTZ Pad# 4 at Bulk Terminal site.

Voestalpine continues to work with FTZ Board and CBP for approval to modify and add another phase of production activity to their active FTZ site. Interim authority was granted for production while approval is pending.

FTZ Manager continues to work with internal BD staff and Wind & Energy Company interested in FTZ General Purpose designation usage.

OVATIONS

The month of November was a great month exceeded budgeted sales by approximately 4%. As we knew several months ago, December sales are lower than anticipated based upon the Oil & Gas market and the cancellation of several of our standing holiday parties. Of note is that even with the reduction in holiday parties this year, we have almost achieved our year to date sales budget for the year.

This month we welcome the newly combined United Chamber of Commerce for their first Signature event as one United Chamber, the State of the Port. We were pleased to welcome back the YWCA Yuletide Market, the So. Tx. School of Christian Studies banquet and the Caller Times Distinguished Scholars Luncheon. The Ortiz Center also welcomed back the Semradores de Amistad Gala as well as the Association of Fundraising Professionals Education Luncheon. We were very excited to one again welcome back the Art Museum of South Texas Gala featuring the Indigo Girls.

We also welcomed Great Lakes Dredge + Dock to the Ortiz Center for their annual safety training and are currently working on several additional events for them. We also welcomed the Deaf and Hard of Hearing Center for their gala featuring Lou Ferrigno and the Nueces County Community Action Agency for their annual Benefits Open House.

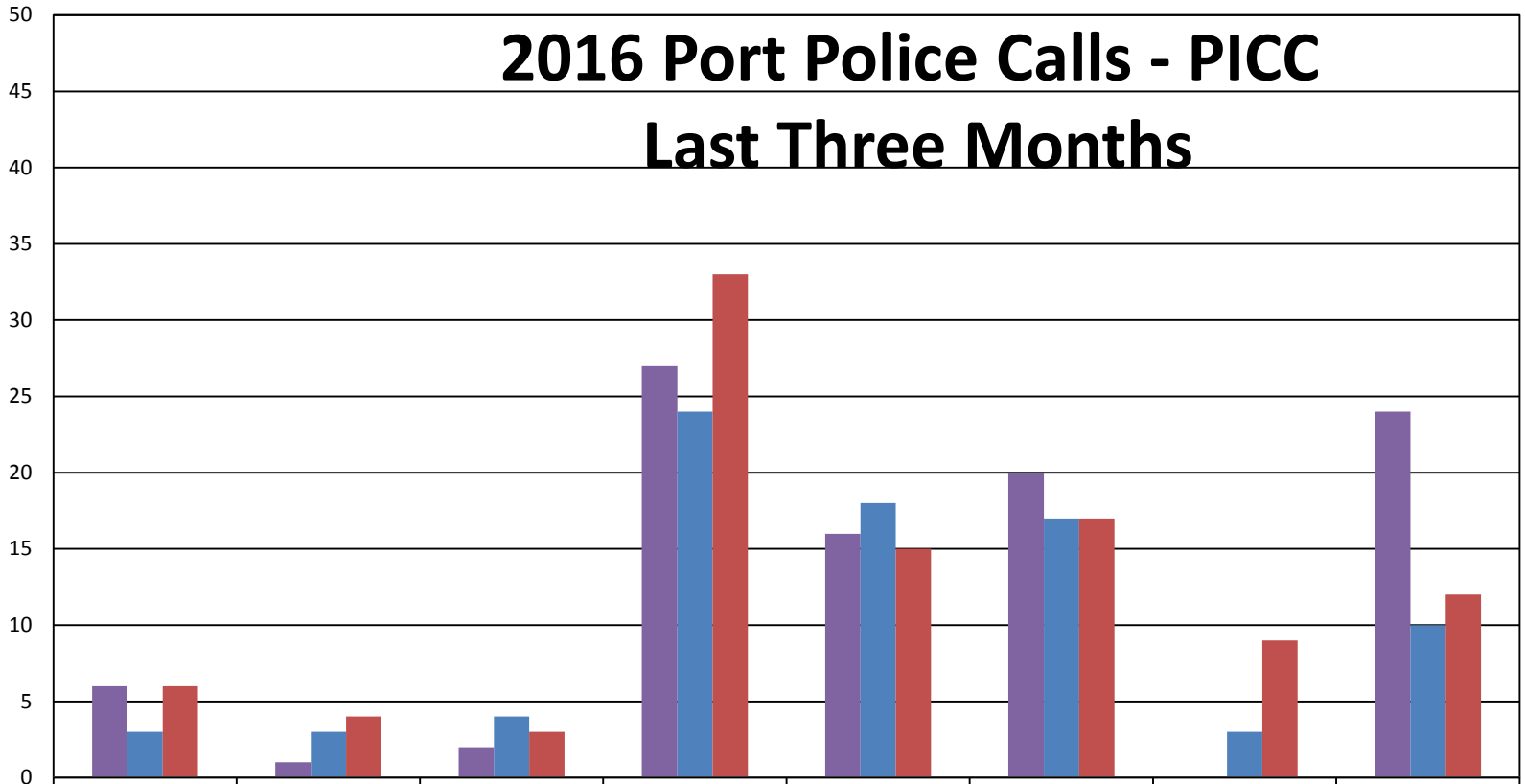
As part of our continued commitment to the community, we are pleased to report that Spectra and the Ortiz Center has provided over $30,000 in discounts and sponsorships to various non-profit and Community Based Organizations this month. The support given by the Ortiz Center assists these wonderful groups in their ability to generate the resources needed to provide their services throughout the Coastal Bend region.

Below are 2015 totals and numbers to-date for 2016 activity. *Actual November numbers not available yet

2015	Guest Attendance	Number of Events	Revenue
January	5,113	42	$216,694
February	2,639	27	$75,227
March	5,397	40	$197,604
1st Quarter	**13,149**	**109**	**$489,525**
April	5,046	53	$187,262
May	5,727	42	$187,077
June	4,152	47	$204,576
2nd Quarter	**14,925**	**142**	**$578,915**
July	3,511	52	$165,634
August	2,521	31	$92,649
September	3,418	30	$157,647
3rd Quarter	**9,450**	**113**	**$415,930**
October	4,572	52	$214,263
November	6,907	56	$257,904
December	5,468	50	$385,933
4th Quarter	**16,947**	**158**	**$858,100**
EOY Total	**54,471**	**522**	**$2,342,470**

2016	Guest Attendance	Number of Events	Revenue
January	4,621	41	$149,911
February	4,366	39	$204,819
March	4,553	59	$199,597
1st Quarter	**13,540**	**139**	**$554,327**
April	5,033	47	$207,522
May	5,980	47	$190,851
June	4,342	44	$213,748
2nd Quarter	**15,355**	**138**	**$612,121**
July	2,634	33	$113,642
August	5,045	53	$183,800
September	4,490	39	$180,273
3rd Quarter	**12,169**	**125**	**$477,715**
October	4,732	38	$125,957
November	-	-	-
December			
4th Quarter			
YTD Total	**45,796**	**440**	**$1,772,254**

SECURITY



	Total Arrests	Subjects Taking Pictures (PC)	Security Breach (SB)	Suspicious Vehicle (UV)	Suspicious Persons (SU)	Suspicious Activity (SA)	Disturbance (DS)	Investigation / Other (OT)
16-Sep	6	1	2	27	16	20	0	24
16-Oct	3	3	4	24	18	17	3	10
16-Nov	6	4	3	33	15	17	9	12

OPERATIONS

HARBORMASTER

Ship Arrivals	Tankers	Freighters	Year to Date Ships
November 2016	111	46	1537
November 2015	112	32	1615

Barge Arrivals	Tank Barges	Freight Barges	Year to Date Barges
November 2016	375	1	4283
November 2015	384	16	5366

Shifting	Tankers	Freighters	Tank Barges	Freight Barges
November 2016	17	9	759	4
November 2015	21	3	774	0

	Average Daily Ship Arrivals	Average Daily Barge Arrivals
2016	5.23	12.53
2015	4.80	15.20

Channel Disruptions

Channel Disruptions	Total Hours	High Wind	Chokepoint between ADM & Citgo	Fog	Rig
November 2016	96.33	4	46.08	46.25	--
November 2015	38.84	19.92	--	10.67	6.25

Delays	Inbound Delays	Outbound Delays
November 2016	6	8
November 2015	7	10

YARDS & RAIL

- Rail traffic picking up with ADM doing 2100 railcars milo maize
- AHMSA/UPRR
  HBI pad to rail at BMD ongoing ,cargo on pads, trains cycling to AHMSA and Port – 556 railcars loaded outbound in November
- 3191 total revenue rail cars in November 2016 compared to 3314 revenue cars in November 2015
- Working on Agreement (Restated CCPN 1997 Operating) with Welder, Strawbridge and Class 1 RR's
- North Bank storage yard wind components departing by truck and rail, no issues,
- North Storage yard project cargo and wind cargo departing by trucks, FTZ areas set up for M&G cargo

- Warehouses 26/27, Acreage by ADM, CD 14 warehouse, BMD and Rincon have cargo for M&G
- South side yard – wind towers to Al Speight yard, yard by CD 8 – space fluctuates with equipment arriving/departing no issues

CARGO DOCKS

- CD 10 - warehouse foundation being used for lay down by stevedores
- CD 8 – 07 vessels arrived November
- CD 9 – 09 vessels arrived November

MAINTENANCE

Ortiz Center

- Cleared drain in grease trap, met with Daikin to diagnose condition of chiller units
- checked on progress of rebuilding of cooling towers, unclogged A/C condensate drain in CC room ladies restroom
- replaced 3 ballast and 6 lamps in offices
- replaced 8 lamps and 3 ballast in restrooms and hallway

Commissioners Court

- Set up and tear down stage

Guard houses

- Replaced window at Stroman
- replaced broken window at BMD
- repaired damaged rain gutter at Viola
- repaired lighting contactor at Ave F

Administration building

- Adjusted shelves in Sean's office
- repaired wall and painted in 1st floor by time clock
- replaced section of sewer drain piping in 1st floor ladies restroom
- investigated gas smell in admin-determined to be from nearby processing plant
- removed gun law signs from both admin and annex buildings
- troubleshoot and repaired electrical outlets in 1st floor conference room
- replaced floor drain piping on 3rd floor men's restroom
- cleaned-lubricated and adjusted door closer in front main door
- relocated fiber optic connections from 2nd floor IT room, replaced Boiler flue piping
- installed new grid and new drop ceiling in 1st floor ladies restroom and new electrical lighting
- installed surface mount box for computer connections in Nelda's office
- commence construction of wall additions on 3rd floor as requested by Tom Mylett

- troubleshoot power outage-determined to be AEP problem is area wide
- assisted procurement with storage items

Annex building

- Replaced water tubing to water dispenser in 2nd floor kitchenette
- repaired door locking mechanism in Dan Koesema's office
- cleared drain clog on ice machine at HMO
- replaced leaking copper water tubing on 2nd floor water fountain
- replaced ballasts and lamps in engineering's office
- assisted with various requests of hanging pictures and maps and moving furniture

Port Security/PD

- Adjusted limit switches to PD east boat lift
- replaced front door closer-adjusted
- cleaned and lubed all door components
- repaired water leak in janitor closet
- inspected furnace operations and exhaust flues-one flue inducer motor was replaced
- purchased and installed shadow curtain rod as requested by Capt. Giannamore
- replaced condenser fan motor to ac for computer room
- conducted Carbon Monoxide testing on all furnaces-all passed test

BMD

- Assisted BMD with transporting steer skid (Bobcat) to vendor's repair shop
- assisted RC commnications by installing new communication wiring as requested by Bland
- assisted Bruce with ground excavation to repair fiber optic cable and backfilled upon completion
- assisted BMD diagnosed and repaired backflow preventer by dock 2

Cargo Docks

- Installed handle in water meter cover at CD 15
- replaced worn out wharf log at CD 9
- repaired lighting control boxes at CD 9
- replaced 2 batteries on fire alarm system at CD 15

Oil Docks

- Repaired dock house door locking mechanism at OD 10
- conduct 1st cleaning of OD 14
- repaired sink water leak at OD 11
- installed man overboard ladder at OD 10
- commenced fabrication of barge mooring bit for OD 7
- repaired sewer forced main from guardhouse to holding tanks

- retrieved floating timber from OD 5 area
- repaired concrete damages to facing of OD 6
- installed new key cores and gate lock and chain at OD 14
- assisted in refill of restroom water tank at OD 14
- installed no parking signs and parking stones at OD 14
- called out for sewer tank overflow at Avery oil docks- contacted Skid-o-Can to come and pump out tanks
- repaired a/c fan motor bearings at OD 1
- re-wired pole lights at OD 11 to eliminate short tripping main breaker

Fire Boat

- Troubleshoot and removed blockage from compressed airline
- replaced packing gland on starboard fire pump engine
- got approval from Chief Mylett to overhaul fire monitors

Gates, Fences and Roads

- Replaced down stop sign at Vulcan exit to JFITC
- repaired and adjusted Maintenance mechanic yard South gate
- filled potholes with rap at KBH road at La Quinta
- repaired damages to gate #84, repaired gate #133 at Al Speights yard
- repaired rolling gate at Turners/Hillcrest trailer property

Maintenance shops

- Commence fabrication of sewer lift station basin for shop 2
- replaced 2 lavatory faucets for the maintenance employee restroom
- installed audio and visual sump pump alarms on lift stations

Property Other

- Assisted contractors unload equipment at Permian Yard as requested by Bert Perez
- troubleshoot and repaired electrical power outage at Turner area and Hillcrest trailers
- assisted and participated in the “Exploring you world, your Future Event” at Ortiz Center
- replaced concrete drain metal grills at South laydown yard and CD 8 area
- assisted Public Relations with the “Food Drive”, “Tree for All’’ and “Winter Holidays Project”

Maintenance Routine

- Janitorial services Port wide
- maintenance and repairs of vehicles and equipment
- lighting pm throughout Port facilities
- mowing maintenance Port wide
- monthly fire alarm and sprinkler test on all warehouses,

- monthly flush and test of all potable ship outlets at Cargo and Oil Docks
- conducted monthly sub water meter readings, monthly Irrigation sprinkler test and inspections at Annex, Admin, PD and Ortiz
- conducted weekly departmental Safety Meetings
- conducted Monthly EMS meetings,
- monthly emergency generator test and inspections at Annex, Admin, PD, Stroman, La Quinta and Harbor Island

Personnel Status

- 21 employees received Forklift training
- 11 employees received boom lift training
- 7 employees received bucket truck training
- Joe Carrion hired as Maintenance Mechanic assistant started on November 28, 2016
- Gilbert Ruiz hired as Grounds maintenance helper started on November 28, 2016

Environmental Planning and Compliance Monthly Report

Environmental Stewardship Measurements

Program Area	Measured Environmental Improvements – Nov '16
Electrical Consumption*	10% Green Energy –712,070 KWHs (thru Oct '16)
Spent Liquids Recycled	890 gallons
Materials Recycled	63,306 lbs
Components Recycled	652
Regional Air Quality	~64 ppb (EPA standard of 70ppb)
Community Complaints	2
Notice of Violations	0
Tenant Audits Completed	8

Important Announcements

On September 21, 2016, the Port joined Green Marine. This is an environmental certification program for ship owners, ports, Seaway corporations, terminals and shipyards. Membership with Green Marine indicates participant's commitment to continuously reduce our environmental footprint and benchmark environmental performance among other members. The announcement was made following the State of the Port on November 3, 2016 and the Port is the first Texas Port to join.

The final EMS Workshop for the stevedores was held on November 11, 2016. There was good participation by Stevedores in the overall program. Bi-weekly technical assistance calls and one on one conferences to provide further needed instructions will be provided through the end of the year. The Stevedores are required to have a fully implemented EMS for their operations in order to renew the stevedore license with the Port. Environmental and Commercial staff are working together with the Stevedores to ensure compliance in time for the license renewals. To date all Stevedores have provided a write up of their EMS program for Port staff to review.

Final certificate of completion under the Voluntary Cleanup Program was received on November 14, 2016 for the Former J.I. Hailey lease property. The property had leftover contamination issues from the operations by the former tenant, J.I. Hailey. The contamination issues were assessed and remediated and the case is now closed with the TCEQ without any requirements for institutional controls or deed notices.

Environmental Initiatives Dashboard

Listed below are the environmental initiatives planned or underway and the status of each:

Program	Description of Activities	Target Completion Date	% Complete	Status
Bulk Terminal Air Monitoring Network – Pilot Program	Installation of six air monitors at the Bulk Terminal and one in Dona Park neighborhood.	4/31/2015	100%	Complete
	Completion of a pilot program.	1/31/2016	100%	Complete
	Evaluation of data and final report with recommendations on changes to the monitoring program.	3/31/2016	100%	Complete
	Presentation to community at Long Term Health Group / Dona Park residents.	4/13/2016	100%	Complete
	Routine operation of the monitoring network.	Ongoing	Ongoing	Ongoing
Environmental Management System	Development of revised Environmental Policy.	2/16/2016	100%	Complete
	Baseline, evaluate and expand EMS with new environmental leadership objectives and targets port wide and develop an environmental standards document. <Same as Strategic Plan Action Plan #5>	2/28/2018	25%	Ongoing
	Develop environmental design criteria for incorporation in planning of new development in accordance with Environmental Policy.	12/31/2016	15%	Started
	Certification to ISO 14001:2015.	7/5/2016	100%	Completed
	Development of updated EMS video.	8/31/2016	20%	Ongoing
	Complete annual compliance evaluation.	5/31/2016	90%	Completed
	Completion of system wide Internal Audit.	6/15/2016	100%	Completed
	Complete Management Review.	5/31/2016	100%	Completed
	Conduct quarterly EMS workshops for Stevedores.	11/30/2016	100%	Completed
Tenant Audit Program	Conduct routine annual audits of all leases on PCCA facilities.	Ongoing	6%	Ongoing
	Conduct routine lease-ending audits of terminated or completed lease agreements.	Ongoing	95%	Ongoing
	Conduct baseline assessments of properties as applicable for new lease agreements.	Ongoing	20%	Ongoing
Ozone Advance	Participation in Air Quality Committee and Ozone Advance Working Groups.	Ongoing	Ongoing	Ongoing
	Provide input to Annual Ozone Advance Report.	4/30/2016	100%	Completed
Storm Water	Conduct routine inspections and monitoring and sampling in accordance with applicable permits.	Ongoing	90%	Ongoing
	Complete annual reports for previous year in accordance with applicable permits.	1/30/2016	100%	Completed

Environmental Projects Dashboard

Listed below are the budgeted capital, maintenance and professional services projects and the status of each:

Project Description (Proj. #)	Consultant Agreement Type	Description of Activities	Target Completion Date	% Complete	Status
Purchase of Software for EMS Recordkeeping (15-057A)	MA 05-14 E2 ManageTech, SO#4,5,6	RFP for software vendors.	1/29/2016	100%	Completed
		Vendor demonstrations.	3/11/2017	100%	Ongoing
		Negotiations with Successful Vendor.	4/15/2016	100%	Completed
		Commission approval of software purchase and implementation contract with successful vendor.	6/21/2016	100%	Completed
		Purchase/implementation of EMIS software.	12/31/2016	20%	Ongoing
General Electrical Consumption	Pending	Negotiating project scope with electrical engineering firm.	03/31/2016	NA	Cancelled – Not Needed

Project Description (Proj. #)	Consultant Agreement Type	Description of Activities	Target Completion Date	% Complete	Status
Reduction Projects (13-013A/16-704A)		Design electrical consumption reduction improvements.	06/30/2016	15%	Started
		Advertise RFQ for design-build.	11/5/2016	5%	Started
		Award contract.	12/20/2016	0%	Not Started
		Construction of project.	2/28/2017	0%	Not Started
Geographic Information System Maintenance and Upgrade (15-017B)	Professional Services Agreement – Brown & Caldwell	Data migration.	1/15/2016	100%	Completed
		Conversion – application setup, testing, reporting setup.	5/31/2016	100%	Completed
		Deployment	6/30/2016	100%	Completed
Investigation and Remediation of Contamination from La Quinta Pipeline Removal/Relocation (14-002B)	MA –Platinum Environmental Solutions, LLC, SO# 1	Prepare and submit Groundwater Classification and Drinking Water Survey Reports to TCEQ.	3/7/2016	100%	Completed
		Prepare and submit APAR to TCEQ.	9/30/2016	75%	Ongoing
		Receive and respond to TCEQ comments.	11/30/2016	0%	Not Started
		Case closure with TCEQ.	11/30/2016	0%	Not Started
Investigation of Former J.I. Hailey Property (11-002B)	PO – Arcadis	Fieldwork for additional groundwater sample collection.	1/5/2016	100%	Completed
		Prepare and submit APAR Addendum to TCEQ.	2/28/2016	100%	Completed
		Receive and respond to TCEQ comments.	04/30/2016	100%	Completed
		Case closure with TCEQ.	05/31/2016	100%	Completed
Investigation of Property Near Lift Bridge (14-002C)	MA – 06-14 Apex TITAN, SO# 1,2,3	Additional fieldwork to collect groundwater samples and verification soil samples.	3/28/2016	100%	Ongoing
		Prepare and submit APAR to TCEQ.	5/31/2016	100%	Completed
		Respond to TCEQ comments.	11/30/2016	10%	Started
		Case closure with TCEQ.	3/31/2017	0%	Not Started
Storm Water Drainage Study (15-013A)	Pending	Negotiate scope of work and fees.	Pending	50%	Ongoing
		Complete field surveys.	Pending	0%	Not Started
		Receive final report.	Pending	0%	Not Started
Bulk Terminal Master Plan (16-009A)	Professional Services Agreements – Market Study Moffitt Nichol led by Commercial and Master Plan Cardno, Inc. led by internal Bulk Terminal Team	Commission Approval for RFP for Market Study.	4/19/2016	100%	Completed
		Advertise RFP for Market Study	4/30/2016	100%	Completed
		Shortlist firms and negotiate scope of work and fees.	5/25/2016	100%	Completed
		Commission approval of agreement	6/17/2016	100%	Completed
		Market Study Final Report	8/31/2016	10%	Not Started
		Advertise RFQ for Master Plan	9/30/2016	100%	Completed
		Shortlist firms and negotiate scope of work and fees.	10/6/2016	100%	Completed
		Commission approval of agreement	10/18/2016	100%	Completed.
		Master Plan – Final Draft	4/30/2017	20%	Started
Sampling to Support OD-3 Expansion Plans (14-058A)	MA 04-14 RSA, SO# 8	Fieldwork to conduct upland sampling per sampling plan.	10/1/2016	100%	Completed.
		Prepare final report including recommendations for management of upland soils during construction project.	12/31/2016	100%	Ongoing
		Conduct source investigation/delineation of hot spots.	6/30/2016	5%	Not Started
		Develop final report summarizing source investigation and delineation of hot spots.	7/31/2016	0%	Not Started
Bulk Terminal Storm Water Quality	MA 14-01 LAN, SO# 3,7	95% Design submittal for Task 1a and Task 2	02/26/2016	100%	Completed

Project Description (Proj. #)	Consultant Agreement Type	Description of Activities	Target Completion Date	% Complete	Status
Improvements (15-046A)		100% design submittal and contract documents for advertisement for Task 1a and Task 2.	7/1/2016	50%	Ongoing
		Advertise for bid.	8/1/2016	0%	Not Started
		Commission approval for construction.	8/16/2016	0%	Not Started
		Construction completed.	3/31/2017	0%	Not Started
Landscape Enhancements (15-057A)	MA 13-07 LNV, SO#5	Phase I 60% design.	3/31/2016	100%	Completed
		Phase I 95% design submittal.	5/1/2016	100%	Completed
		Phase I 100% design submittal and contract documents for advertisement.	6/1/2016	15%	Started
		Commission approval for construction.	On Hold	0%	On Hold
		Construction completed.	On Hold	0%	On Hold
Storm Water Quality Improvements at Maintenance Facility (15-059A)	Professional Services Agreement with Alan Plummer & Associates	95% Design submittal.	2/10/2016	100%	Completed
		100% Design submittal and contract documents for advertisement.	3/31/2016	100%	Completed
		Commission approval for construction.	6/21/2016	0%	Tabled
		Construction completed.	On Hold	0%	Not Started
Bulk Dock 2 Air Permit (16-030A)	Pending Commission Approval	Negotiate Master Agreement and Service Order.	3/15/2016	100%	Completed
		Prepare and submit air permit authorization for salt at Bulk Dock 1.	5/31/2016	95%	Ongoing
		Prepare technical memo regarding removal/lowering of moisture content from existing permits.	5/31/2016	10%	Started
		Support Master Planning activities at the Bulk Terminal.	6/30/2017	15%	Started

Environmental Consultant Master Agreements and Service Orders

Listed below are the Environmental Consultant Master Agreements and associated Service Order values:

Consultant (MA#)	***2015 Service Order Amounts***	***2016 Service Order Amounts***
Golder & Associates (01-14)	$79,949	$0
RPS, Inc. (02-14)	$59,083	$49,918
Trinity Consultants (03-14)	$54,600	$48,000
Rosengarten Smith and Associates, Inc. (04-14)	$306,414	$0
E2 ManageTech Inc. (05-14)	$38,530	$140,622
Apex TITAN, Inc. (06-14)	$28,140	$119,844
TRICORD Consulting, LLC (07-16)	NA	$76,069
Alan Plummer Associates, Inc. (08-16)	NA	$62,604
Cardno (09-16)	NA	$49,343
Platinum Environmental Solutions, LLC (10-16)	NA	$96,837
Total MA's	**$566,716**	**$643,264**

ENGINEERING SERVICES

As of November 30, 2016 (billing through October 31, 2016), the Port of Corpus Christi Authority Department of Engineering Services had completed 11 projects and has 113 projects in progress. These projects consist of 58 Capital, 36 Maintenance, and 19 Professional Service projects. During October, $4,647,000 was invoiced for ongoing work. To date this year, approximately $33,570,000 has been invoiced for work performed. Below is a table detailing the 2016 budget amount, the "to date" cost, and the year-end forecast for capital, maintenance, and professional services projects.

Engineering Services November 2016 Report				
Project Type	**No. of Projects**	**2016 Budget Amount**	**Expended to Date**	**2016 Year-End Forecast**
Capital	58	$81,860,826	$29,159,000	$33,650,000
Maintenance	36	$4,005,000	$3,311,000	$3,396,700
Professional Services	19	$2,425,000	$1,100,000	$1,120,000
Total	**113**	**$88,290,826***	**$33,570,000**	**$36,166,700**

**Includes federal, state & other grants/funds by others – No land or software.*

UPCOMING BIDS (PROJECTS > $50,000) / REQUEST FOR PROPOSALS

N/A

MASTER AGREEMENTS AND SERVICE ORDERS

Listed below are the Master Agreements implemented, including values of Service Orders and Amendments issued per year:

	2015	**2016**
HDR, Inc. *(13-01)*	$401,150	$49,900
Freese and Nichols, Inc. *(13-02)*	$278,077	$399,041
Govind Development, LLC *(13-03)*	$176,500	
Hanson Professional Services, Inc. (formerly Naismith Engineering) *(13-04)*	$176,780	
CH2M Hill *(13-05)*	$279,380	$1,476,610
RVE, Inc. *(13-06)*	$225,665	$48,900
LNV, Inc. *(13-07)*	$468,517	$68,845
Lockwood, Andrews and Newnam, Inc. *(14-01)*	$643,044	
Maverick Engineering *(14-02)*	$8,000	
Coast & Harbor Engineering d/b/a Mott MacDonald *(14-03)*	$449,331	$20,717
WKMC Architects *(14-04)*	$50,000	
Worley Parsons *(15-01)*	$48,079	
LJA Engineering, Inc. *(16-01)*		$198,724

Corpus Christi Ship Channel - Channel Improvement Project (CCSC-CIP)

- Authorized: WRDA 2007 and WRRDA 2014

- Project Elements:
  - Widening and Deepening the CCSC to -52 feet MLT
  - Adding barge shelves on both sides of the ship channel across Corpus Christi Bay
  - Extending the La Quinta Channel 1.4 miles at -39 feet MLT
  - Constructing Ecosystem Restoration projects near Port Aransas and Ingleside on the Bay

- CCSC-CIP Status
  - La Quinta Extension Complete (2013)
  - Construction of Ecosystem Restoration Complete (2012)
  - Limited Reevaluation Report for Widening and Deepening Completed (December 2015)
  - Pending Federal Funding. PCCA staff evaluating channel improvement implementation strategies
  - Memorandum of Understanding for work performed prior to execution of Project Partnership Agreement (September 2016)
  - Cooperative Research and Development Agreement with U.S. Army Engineer Research and Development Center (November 2016)
    - Sediment Testing and Analysis for Entrance Channel Reach
      - Estimated Start Date: December, 2016
      - Estimated Completion Date: July, 2017

Ongoing Ship Channel and PCCA Dock Slip Maintenance Dredging

- Corpus Christi Ship Channel to Viola Turning Basin/La Quinta Channel
  - Includes Upper Bay, Portions of Inner Harbor, Portions of La Quinta and PCCA Oil Docks 1, 2, 4, 7, 8, & 11, Cargo Docks 8 & 9, and Bulk Terminal Dock 2
  - Current Schedule:
    - Start Date: December, 2016
    - Estimated Completion Date: September, 2017

PCCA Channel Improvement Business Plan Study

Develop a planning document and business plan for the Corpus Christi Ship Channel System to provide a cogent, codified planning and informational document to assist PCCA in making planning decisions for the PCCA's waterways, dredge material placement areas and beneficial use sites.

- Start Date: November, 2016
- Estimated Completion Date May, 2017

Corps of Engineers Working Group Meetings

Corps of Engineers meetings to work through tactical issues across district functions to assist in achieving PCCA goals.

- Meeting with USACE Operations and Real Estate Departments – November 9, 2016 Galveston, TX. Topics discussed:
    - USACE License and Permit Issues
    - Realignment of USACE Easements
    - DMPA Capacity/Management
    - Third Party use of Dredge Placement Areas

La Quinta Property Buffer Area Development

- Freese and Nichols, Inc. performing surveying and designing conceptual alternative layouts. Negotiating scope change to include sound engineer to ensure buffer area designed to better attenuate sound. Sound study phase projected to be complete and final design initiated in March/April 2017. Construction scheduled to begin 4th Quarter 2017.

Department of Engineering Services
Project Design & Construction Status Report

DESIGN PROJECTS

Project No.	Project Title	Project Manager	% Completed
Capital			
14-036A	New Port Office Facility (Preliminary Phase)	BF	20
15-016A	Tule Lake Rail Yard Upgrades and Modifications	BF	30
14-023A	Fire System Pressurization Upgrades at Oil Docks	BP	80
14-028B	Equipment Storage Building	BP	50
14-030A	Public Storage Pads Upgrade	BP	80
15-047A	Chiller Replacement at Ortiz Center	BP	
16-032A	General Improvements to Cargo Dock 9 Transfer Facility	BP	70
16-035A	Viola Barge Basin Bulkhead Addition	DC	70
16-042A	Construction of Additional Lane & Security Gate at Avenue F Security Checkpoint	DC	80
09-019A	New Access Road to Good Hope DMPA	DJK	60
13-036A	Relocation of Suntide DMPA Drainage to Viola Turning Basin	DJK	100
14-045B	Construction of 8-inch Water Line at La Quinta Property	DJK	50
16-038A	Increase DMPA Capacity for Federal, PCCA, and Thrid Party Use	DJK	60
16-040A	Site Preparation for La Quinta Gateway Terminal	DJK	90
15-043A	New Operator's Cab for Gantry Crane	DLM	90
15-050A	Mike Carrell Road Construction	DLM	90
15-042A	Interim Dust suppression Equipmentat the Bulk Terminal	JEM	30
16-034A	Ventilation Improvements to Dock Houses at Various Public Oil Docks	JEM	90
15-040A	Concrete Paving Under Conveyor Belt 2	LGD	40
16-039A	Construction of Acceleration & Deceleration Lanes at La Quinta Terminal	LGD	80
14-044A	New Public Oil Dock 18 - Permitting Only	NEF	20
15-041A	Improvements to Fire Protection Systems at Oil Docks 4, 7, 11	NEF	50
14-047A	La Quinta Gateway Terminal Upland Buffer Area	PDC	10
Maintenance			
16-018A	Roadway and Parking Lot Repairs (2016)	BP	50
15-037B	Repair Bridge to Oil Dock 12	EM	90
16-047A	Resurfacing of North Side Open Storage Area	EM	30
16-023A	Main Water Line Vault Valves ($100,000) Replacement at Ortiz Center	JEM	10
15-032A	Bulk Dock 1 ($120,000) Storage Building Upgrades	LGD	90

Department of Engineering Services
Project Design & Construction Status Report

CONSTRUCTION PROJECTS

Project No.	Project Title	Project Manager	% Completed
Capital			
14-028A	Bulk Terminal Office Renovation	BP	90
15-053A	Reconstruction of Sam Rankin Road (24/76)	BP	10
16-033A	New Public Oil Dock 15	BP	10
15-061C	Security Grant 15 – Perimeter Fencing at Bulk Terminal (25/75)	CM	50
07-046C	Tule Lake Foundation Removal	DLM	
13-032A	Construction of Oil Dock 14	DLM	100
13-043A	Nueces River Rail Yard Phase - II	DLM	60
14-041A	Replace Dock House at Oil Dock 10	JEM	100
15-065A	Joe Fulton Corridor Waterline Extension	JEM	90
15-015K	Storm Water Drainage Improvements at Public Fishing Areas	LGD	10
12-031B	La Quinta Terminal Mitigation – Aquatic Habitat – Phase II	PDC	10
Maintenance			
15-018A	Roadway & Parking Lot Repairs (2015)	BP	100
15-039A	Fire Line Improvements at Oil Dock 2	JEM	100
15-039B	Marine Improvements at Oil Dock 2	JEM	80
16-049A	Maintenance Painting at BT	JEM	40

Port of Corpus Christi Authority

MONTHLY FINANCIAL RESULTS

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October 2016

PORT CORPUS CHRISTI™

PORT OF CORPUS CHRISTI AUTHORITY

FINANCIAL RESULTS

KEY METRICS

OPERATING REVENUES	OPERATING EXPENSES	NET INCOME(LOSS)	TONNAGE	SHIPS AND BARGES	CAPITAL PROJECTS
$ 76,123,066	$ 44,679,762	$ 25,398,296	78,109,103	5,300	$ 34,803,636
↑ 9% Actual	↑ 5% Actual	↑ 54% Actual	↓ -10% Actual	↓ -17% Actual	
↑ 0% Budget	↓ -9% Budget	↑ 21% Budget			↓ -62% Budget

ALL METRICS

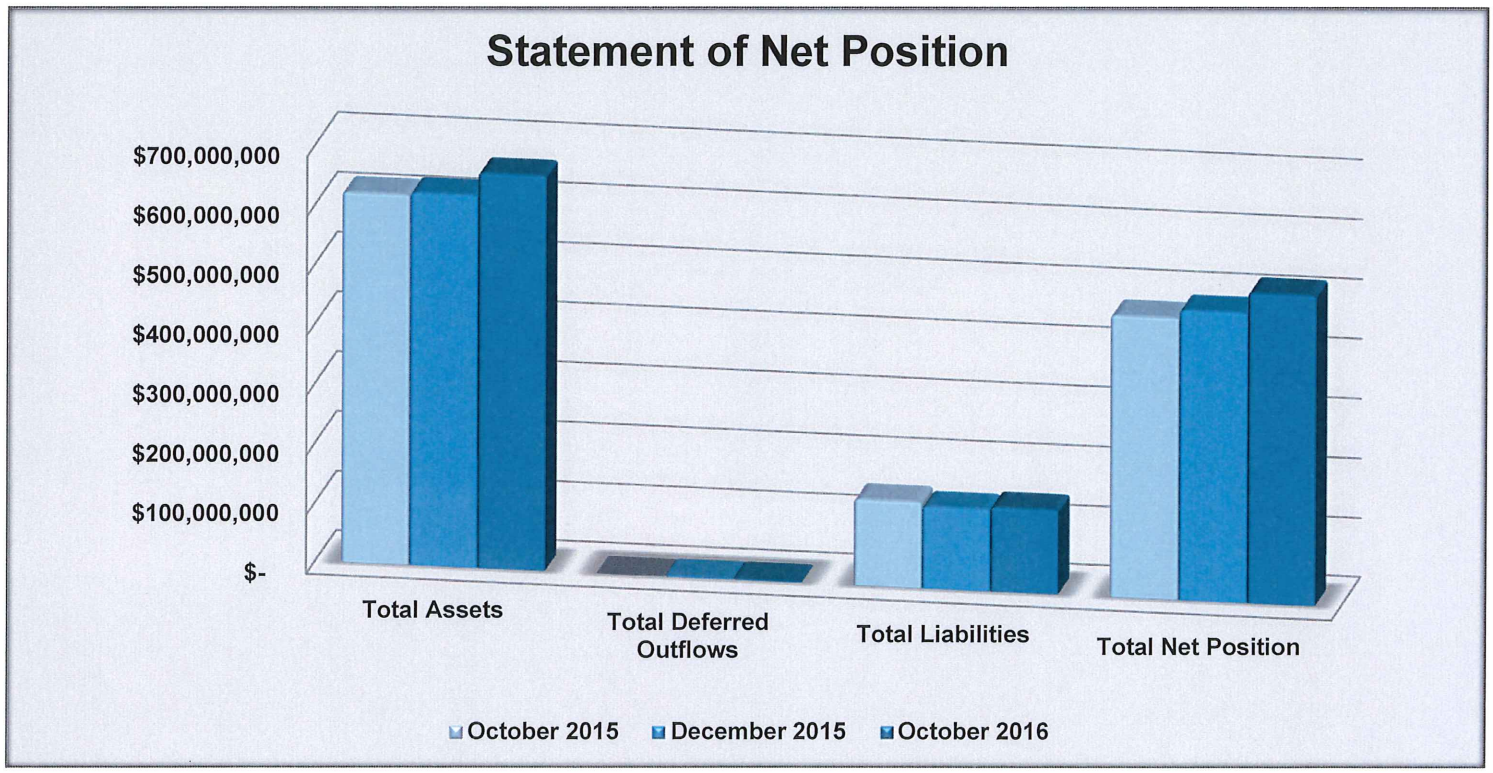
METRIC	YTD 2016 ACTUAL	YTD 2015 ACTUAL		% CHANGE	YTD 2016 BUDGET		% CHANGE
ASSETS	$ 662,461,921	$ 620,448,875	↑	7%			
CASH & INVESTMENTS	$ 191,351,893	$ 176,458,339	↑	8%			
ACCOUNTS RECEIVABLE	$ 14,387,301	$ 8,483,380	↑	70%			
RESTRICTED ASSETS	$ 71,585,337	$ 72,532,976	↓	-1%			
LIABILITIES	$ 143,138,099	$ 146,638,059	↓	-2%			
NET POSITION	$ 521,282,711	$ 473,810,816	↑	10%			
OPERATING REVENUES	$ 76,123,066	$ 70,149,034	↑	9%	$ 75,860,270	↑	0%
OPERATING EXPENSES	$ 44,679,762	$ 42,705,760	↑	5%	$ 49,198,372	↓	-9%
NET OPERATING INCOME (LOSS)	$ 31,443,304	$ 27,443,274	↑	15%	$ 26,661,898	↑	18%
NON OPERATING REVENUE (EXPENSES)	$ (6,045,008)	$ (10,998,404)	↑	45%	$ (5,646,056)	↑	7%
NET INCOME (LOSS)	$ 25,398,296	$ 16,444,870	↑	54%	$ 21,015,842	↑	21%
TONNAGE	78,109,103	86,542,976	↓	-10%			
SHIPS	1,378	1,480	↓	-7%			
BARGES	3,922	4,917	↓	-20%			
SHIPS & BARGES	5,300	6,397	↓	-17%			
RAIL CARS	15,265	13,330	↑	15%			
CAPITAL PROJECTS	$ 34,803,636				$ 91,304,487	↓	-62%

PORT OF CORPUS CHRISTI AUTHORITY

FINANCIAL RESULTS

STATEMENT OF NET POSITION

	October 2016	December 2015	Annual Change	%	October 2015	Year-Over-Year Change	%
Cash/ Investments	$ 191,351,893	$ 155,618,723	$ 35,733,170	23%	$ 176,458,339	$ 14,893,554	8%
A/R	$ 14,387,301	$ 17,592,762	$ (3,205,461)	-18%	$ 8,483,380	$ 5,903,921	70%
Restricted Assets	$ 71,585,337	$ 90,967,295	$ (19,381,958)	-21%	$ 72,532,976	$ (947,639)	-1%
P P & E, net	$ 380,933,203	$ 355,995,268	$ 24,937,935	7%	$ 353,694,001	$ 27,239,202	8%
Other	$ 4,204,187	$ 3,967,987	$ 236,200	6%	$ 9,280,179	$ (5,075,992)	-55%
Total Assets	**$ 662,461,921**	**$ 624,142,035**	**$ 38,319,886**	**6%**	**$ 620,448,875**	**$ 42,013,046**	**7%**
Deferred Outflows-Pension	$ 1,958,889	$ 1,958,889	$ -	0%	$ -	$ 1,958,889	100%
Total Deferred Outflows	**$ 1,958,889**	**$ 1,958,889**	**$ -**	**0%**	**$ -**	**$ 1,958,889**	**100%**
Current Liabilities	$ 9,804,741	$ 7,241,469	$ 2,563,272	35%	$ 10,348,965	$ (544,224)	-5%
Unearned Income	$ 13,849,105	$ 12,401,441	$ 1,447,664	12%	$ 17,208,007	$ (3,358,902)	-20%
Long-term Debt	$ 115,000,000	$ 115,000,000	$ -	0%	$ 115,000,000	$ -	100%
Other	$ 4,484,253	$ 4,347,870	$ 136,383	3%	$ 4,081,087	$ 403,166	10%
Total Liabilities	**$ 143,138,099**	**$ 138,990,780**	**$ 4,147,319**	**3%**	**$ 146,638,059**	**$ (3,499,960)**	**-2%**
Investment in Net Assets	$ 294,712,849	$ 287,147,608	$ 7,565,241	3%	$ 286,337,178	$ 8,375,671	3%
Restricted Net Position	$ 36,034,036	$ 36,153,709	$ (119,673)	0%	$ 16,152,380	$ 19,881,656	123%
Unrestricted Net Position	$ 190,535,826	$ 163,808,827	$ 26,726,999	16%	$ 171,321,258	$ 19,214,568	11%
Total Net Position	**$ 521,282,711**	**$ 487,110,144**	**$ 34,172,567**	**7%**	**$ 473,810,816**	**$ 47,471,895**	**10%**

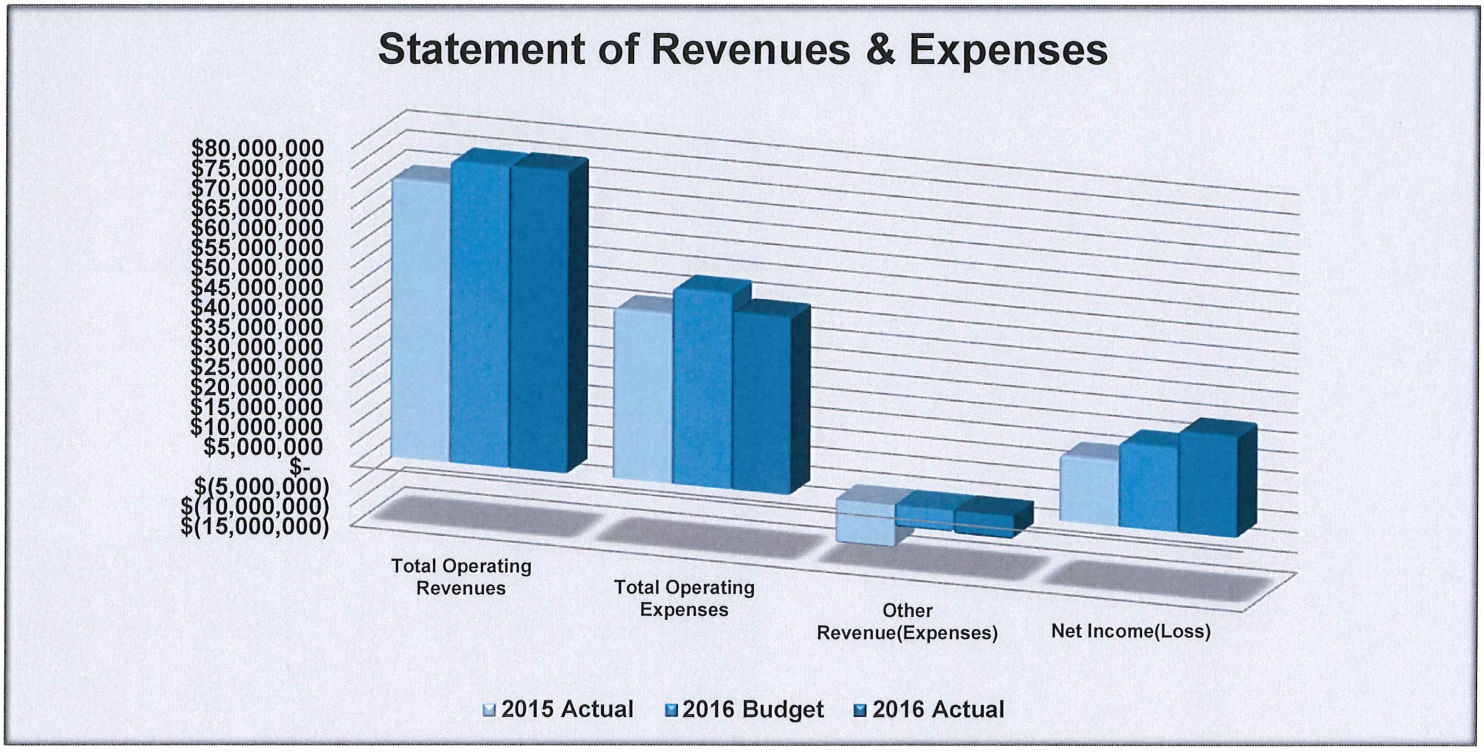


PORT OF CORPUS CHRISTI AUTHORITY

FINANCIAL RESULTS

STATEMENT OF REVENUES AND EXPENSES

	October YTD			Change			
	2016		2015				
	Actual	Budget	Actual	Budget	%	Actual	%
Wharfage	$ 34,588,188	$ 40,774,607	$ 38,413,080	$ (6,186,419)	-15%	$ (3,824,892)	-10%
Dockage	$ 10,054,612	$ 13,351,328	$ 11,884,973	$ (3,296,716)	-25%	$ (1,830,361)	-15%
Security	$ 4,999,173	$ 5,943,777	$ 5,614,096	$ (944,604)	-16%	$ (614,923)	-11%
Other Shipping Services	$ 6,723,350	$ 7,898,358	$ 6,619,496	$ (1,175,008)	-15%	$ 103,854	2%
Building and Land Rental	$ 19,757,743	$ 7,892,200	$ 7,617,389	$ 11,865,543	150%	$ 12,140,354	159%
Total Operating Revenues	**$ 76,123,066**	**$ 75,860,270**	**$ 70,149,034**	**$ 262,796**	**0%**	**$ 5,974,032**	**9%**
Employee Services	$ 17,255,330	$ 18,740,169	$ 15,732,861	$ (1,484,839)	-8%	$ 1,522,469	10%
Maintenance	$ 5,119,773	$ 5,697,869	$ 3,519,641	$ (578,096)	-10%	$ 1,600,132	45%
Utilities/ Telephone	$ 1,096,290	$ 1,112,319	$ 1,216,082	$ (16,029)	-1%	$ (119,792)	-10%
Insurance	$ 1,402,064	$ 1,740,386	$ 1,566,630	$ (338,322)	-19%	$ (164,566)	-11%
Prof/ Contracted Services	$ 5,533,544	$ 5,735,825	$ 5,098,779	$ (202,281)	-4%	$ 434,765	9%
Operator/ Event Expenses	$ 1,298,081	$ 1,135,296	$ 1,142,207	$ 162,785	14%	$ 155,874	14%
Admin/Trade Dvlp/Other	$ 3,161,591	$ 3,468,317	$ 3,332,420	$ (306,726)	-9%	$ (170,829)	-5%
Depreciation	$ 9,813,089	$ 11,568,191	$ 11,097,140	$ (1,755,102)	-15%	$ (1,284,051)	-12%
Total Operating Expenses	**$ 44,679,762**	**$ 49,198,372**	**$ 42,705,760**	**$ (4,518,610)**	**-9%**	**$ 1,974,002**	**5%**
Net Operating Income(Loss)	**$ 31,443,304**	**$ 26,661,898**	**$ 27,443,274**	**$ 4,781,406**	**18%**	**$ 4,000,030**	**15%**
Interest Income	$ 1,597,155	$ 594,937	$ 580,739	$ 1,002,218	168%	$ 1,016,416	175%
Other Revenue	$ 180,317	$ 208,963	$ 179,321	$ (28,646)	-14%	$ 996	1%
Gain(Loss) Disposal of Assets	$ (64,527)	$ -	$ (5,853,720)	$ (64,527)	-	$ 5,789,193	-99%
Interest/Bond Expense	$ (3,461,463)	$ (3,449,956)	$ (2,904,693)	$ (11,507)	0%	$ (556,770)	19%
Other Expense	$ (4,296,490)	$ (3,000,000)	$ (3,000,051)	$ (1,296,490)	43%	$ (1,296,439)	43%
Other Revenue(Expenses)	**$ (6,045,008)**	**$ (5,646,056)**	**$ (10,998,404)**	**$ (398,952)**	**-7%**	**$ 4,953,396**	**45%**
Net Income(Loss)	**$ 25,398,296**	**$ 21,015,842**	**$ 16,444,870**	**$ 4,382,454**	**21%**	**$ 8,953,426**	**54%**



PORT OF CORPUS CHRISTI AUTHORITY

FINANCIAL RESULTS

Public Oil Docks	October YTD 2016 Actual	Budget	Variance
Operating Revenues	$ 30,413,761	$ 27,601,924	$ 2,811,837
Operating Expenses	$ (2,671,217)	$ (1,944,797)	$ (726,420)
Net Operating Income(Loss)	$ 27,742,544	$ 25,657,127	$ 2,085,417
Other Revenue(Expenses)	$ (839,989)	$ (839,990)	$ 1
Net Income(Loss)	$ 26,902,555	$ 24,817,137	$ 2,085,418

Private Oil Docks	October YTD 2016 Actual	Budget	Variance
Operating Revenues	$ 13,563,867	$ 13,082,572	$ 481,295
Operating Expenses	$ (38,157)	$ (42,325)	$ 4,168
Net Operating Income(Loss)	$ 13,525,710	$ 13,040,247	$ 485,463
Other Revenue(Expenses)	$ -	$ -	$ -
Net Income(Loss)	$ 13,525,710	$ 13,040,247	$ 485,463

Dry Cargo Docks	October YTD 2016 Actual	Budget	Variance
Operating Revenues	$ 6,068,755	$ 8,690,566	$ (2,621,811)
Operating Expenses	$ (3,143,669)	$ (2,348,650)	$ (795,019)
Net Operating Income(Loss)	$ 2,925,086	$ 6,341,916	$ (3,416,830)
Other Revenue(Expenses)	$ -	$ -	$ -
Net Income(Loss)	$ 2,925,086	$ 6,341,916	$ (3,416,830)

Bulk Terminal	October YTD 2016 Actual	Budget	Variance
Operating Revenues	$ 8,727,345	$ 8,054,660	$ 672,685
Operating Expenses	$ (4,803,023)	$ (5,613,683)	$ 810,660
Net Operating Income(Loss)	$ 3,924,322	$ 2,440,977	$ 1,483,345
Other Revenue(Expenses)	$ (24,914)	$ (833)	$ (24,081)
Net Income(Loss)	$ 3,899,408	$ 2,440,144	$ 1,459,264

Conference Center	October YTD 2016 Actual	Budget	Variance
Operating Revenues	$ 1,837,973	$ 1,571,461	$ 266,512
Operating Expenses	$ (1,919,245)	$ (1,930,451)	$ 11,206
Net Operating Income(Loss)	$ (81,272)	$ (358,990)	$ 277,718
Other Revenue(Expenses)	$ (31,989)	$ 3,038	$ (35,027)
Net Income(Loss)	$ (113,261)	$ (355,952)	$ 242,691

PORT OF CORPUS CHRISTI AUTHORITY

FINANCIAL RESULTS

Property and Buildings	October YTD 2016 Actual	Budget	Variance
Operating Revenues	$ 6,641,217	$ 8,458,025	$ (1,816,808)
Operating Expenses	$ (2,742,286)	$ (6,416,318)	$ 3,674,032
Net Operating Income(Loss)	$ 3,898,931	$ 2,041,707	$ 1,857,224
Other Revenue(Expenses)	$ (2,668,073)	$ (1,371,582)	$ (1,296,491)
Net Income(Loss)	$ 1,230,858	$ 670,125	$ 560,733

Other Facilities	October YTD 2016 Actual	Budget	Variance
Operating Revenues	$ 3,018,986	$ 1,455,099	$ 1,563,887
Operating Expenses	$ (1,821,938)	$ (1,516,260)	$ (305,678)
Net Operating Income(Loss)	$ 1,197,048	$ (61,161)	$ 1,258,209
Other Revenue(Expenses)	$ (4,238,384)	$ (4,238,384)	$ -
Net Income(Loss)	$ (3,041,336)	$ (4,299,545)	$ 1,258,209

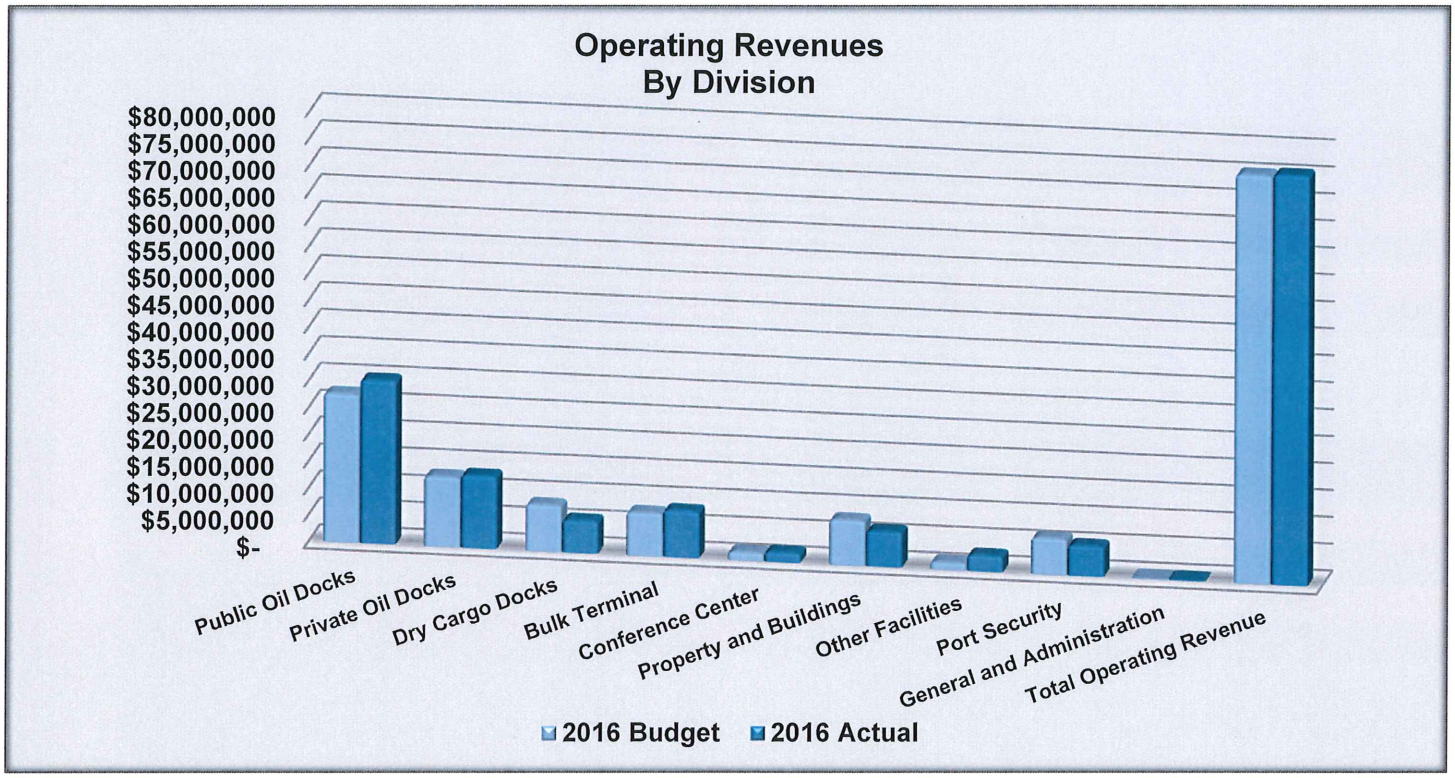
Port Security	October YTD 2016 Actual	Budget	Variance
Operating Revenues	$ 5,656,708	$ 6,738,713	$ (1,082,005)
Operating Expenses	$ (8,165,786)	$ (8,539,819)	$ 374,033
Net Operating Income(Loss)	$ (2,509,078)	$ (1,801,106)	$ (707,972)
Other Revenue(Expenses)	$ 108	$ -	$ 108
Net Income(Loss)	$ (2,508,970)	$ (1,801,106)	$ (707,864)

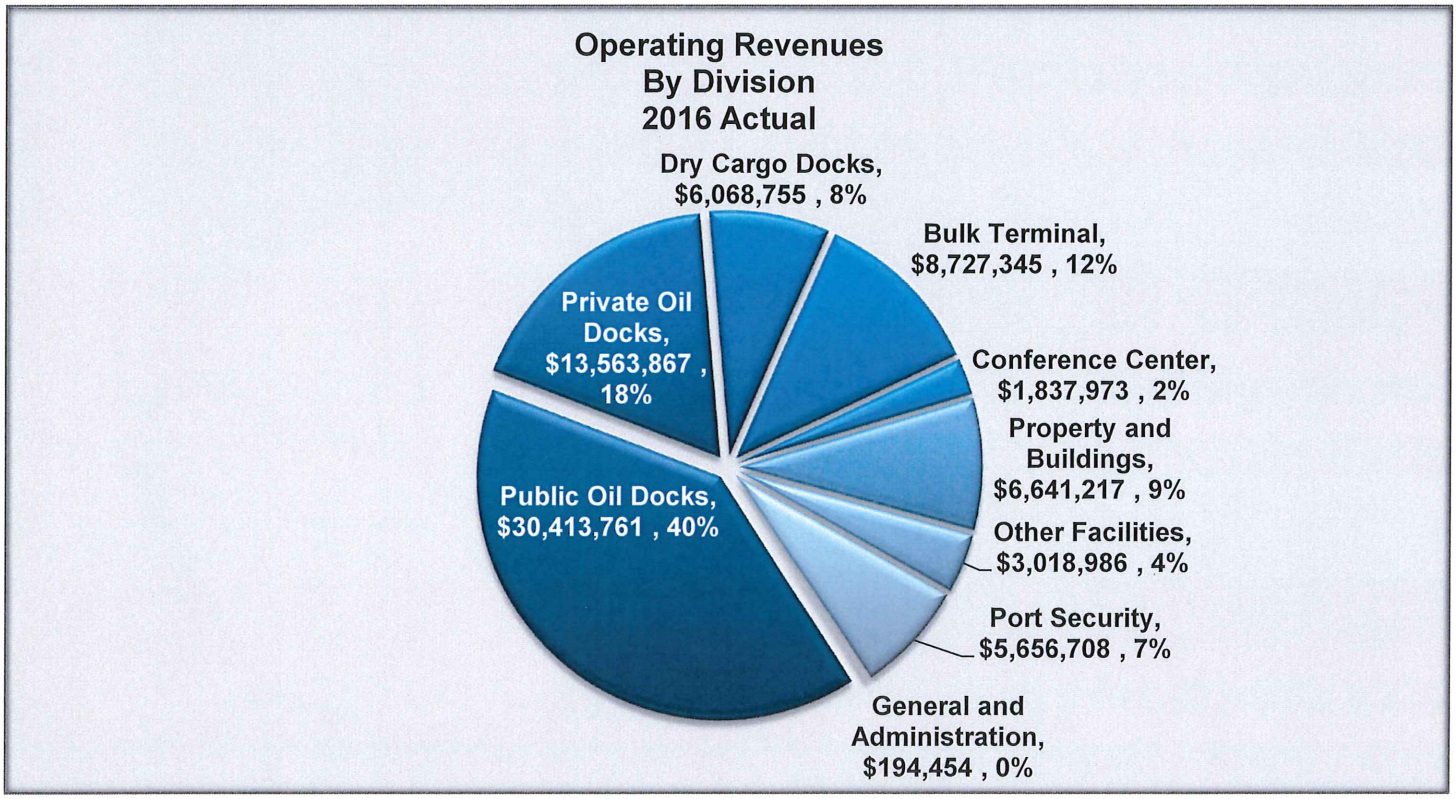
General and Administration	October YTD 2016 Actual	Budget	Variance
Operating Revenues	$ 194,454	$ 207,250	$ (12,796)
Operating Expenses	$ (19,374,441)	$ (20,846,069)	$ 1,471,628
Net Operating Income(Loss)	$ (19,179,987)	$ (20,638,819)	$ 1,458,832
Other Revenue(Expenses)	$ 1,758,233	$ 801,695	$ 956,538
Net Income(Loss)	$ (17,421,754)	$ (19,837,124)	$ 2,415,370

Total	October YTD 2016 Actual	Budget	Variance
Operating Revenues	$ 76,123,066	$ 75,860,270	$ 262,796
Operating Expenses	$ (44,679,762)	$ (49,198,372)	$ 4,518,610
Net Operating Income(Loss)	$ 31,443,304	$ 26,661,898	$ 4,781,406
Other Revenue(Expenses)	$ (6,045,008)	$ (5,646,056)	$ (398,952)
Net Income(Loss)	$ 25,398,296	$ 21,015,842	$ 4,382,454

PORT OF CORPUS CHRISTI AUTHORITY

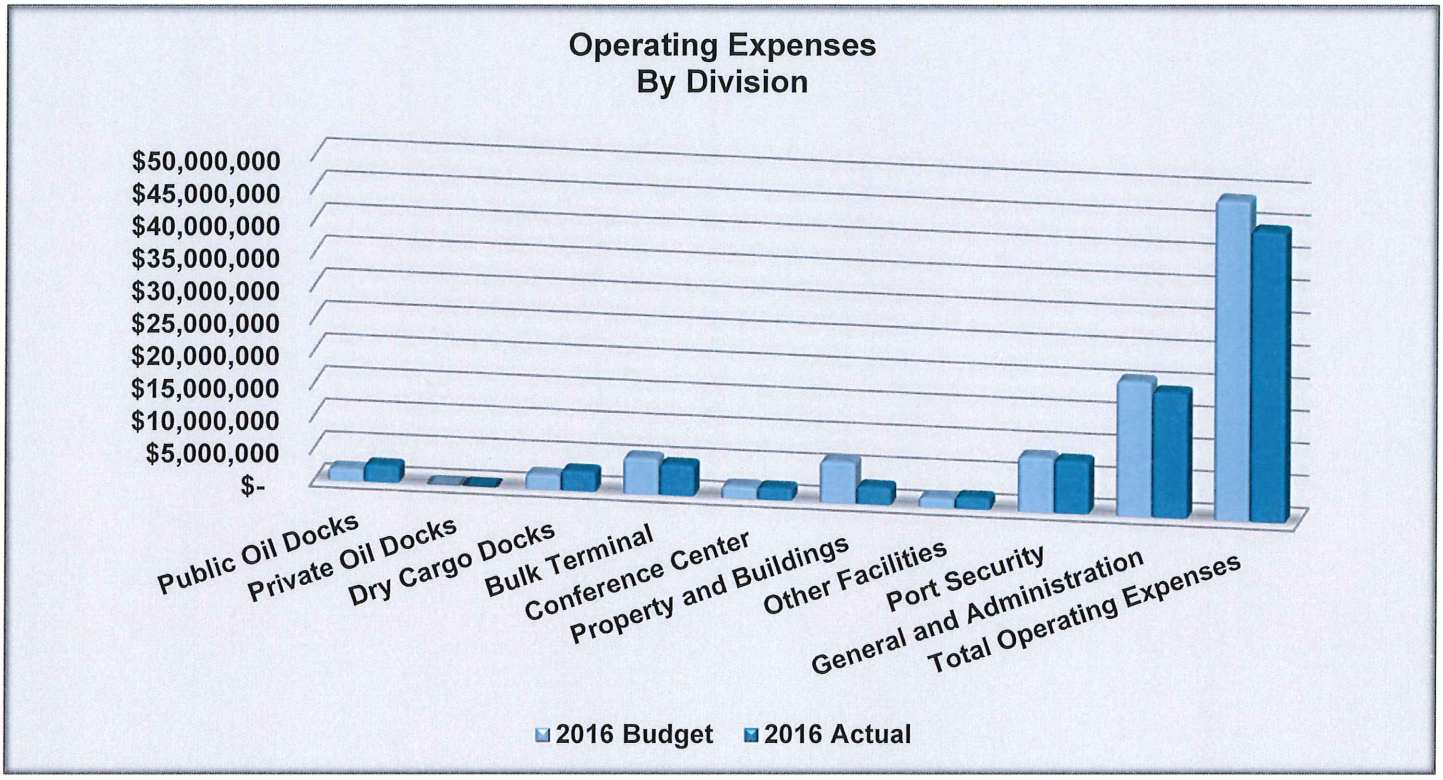
FINANCIAL RESULTS

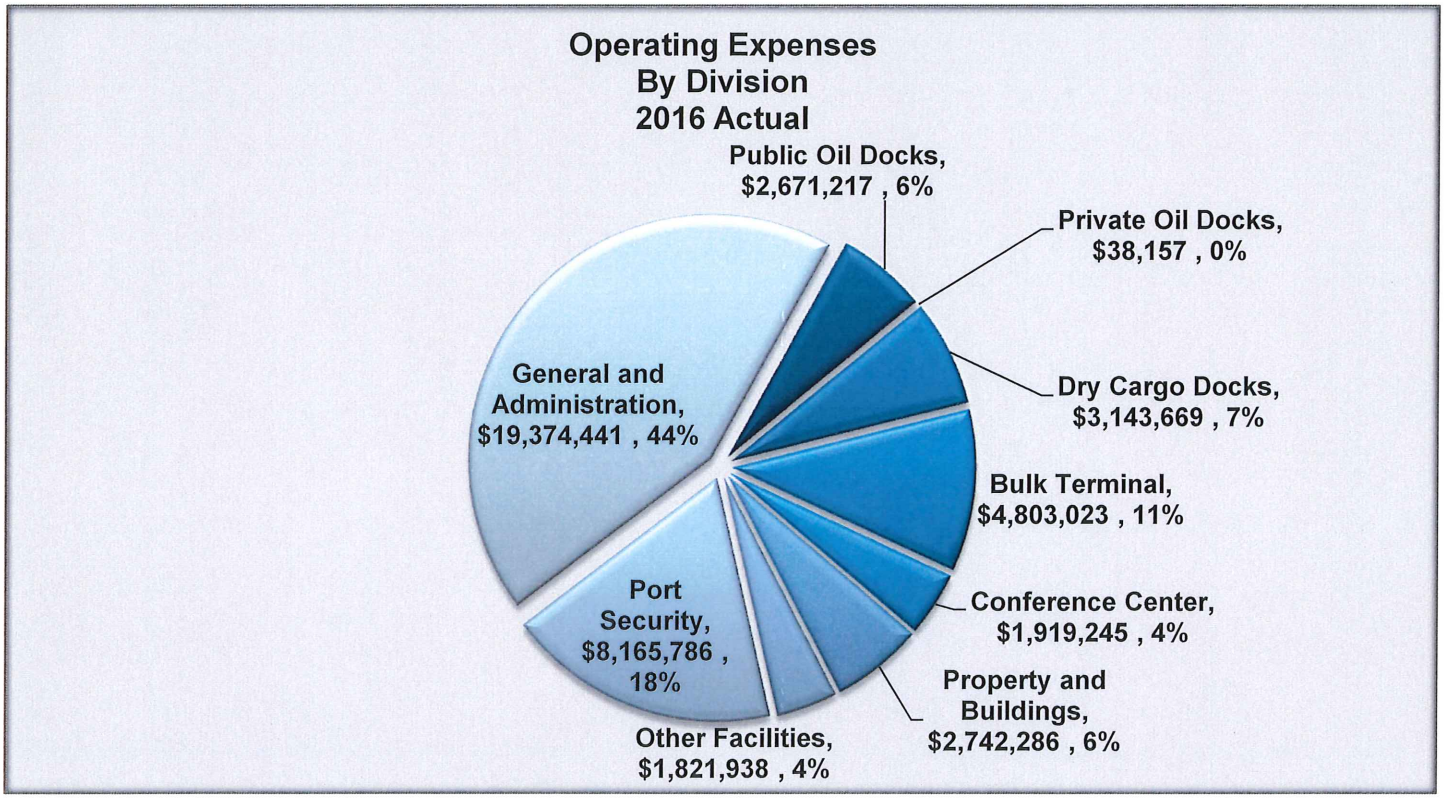




PORT OF CORPUS CHRISTI AUTHORITY

FINANCIAL RESULTS



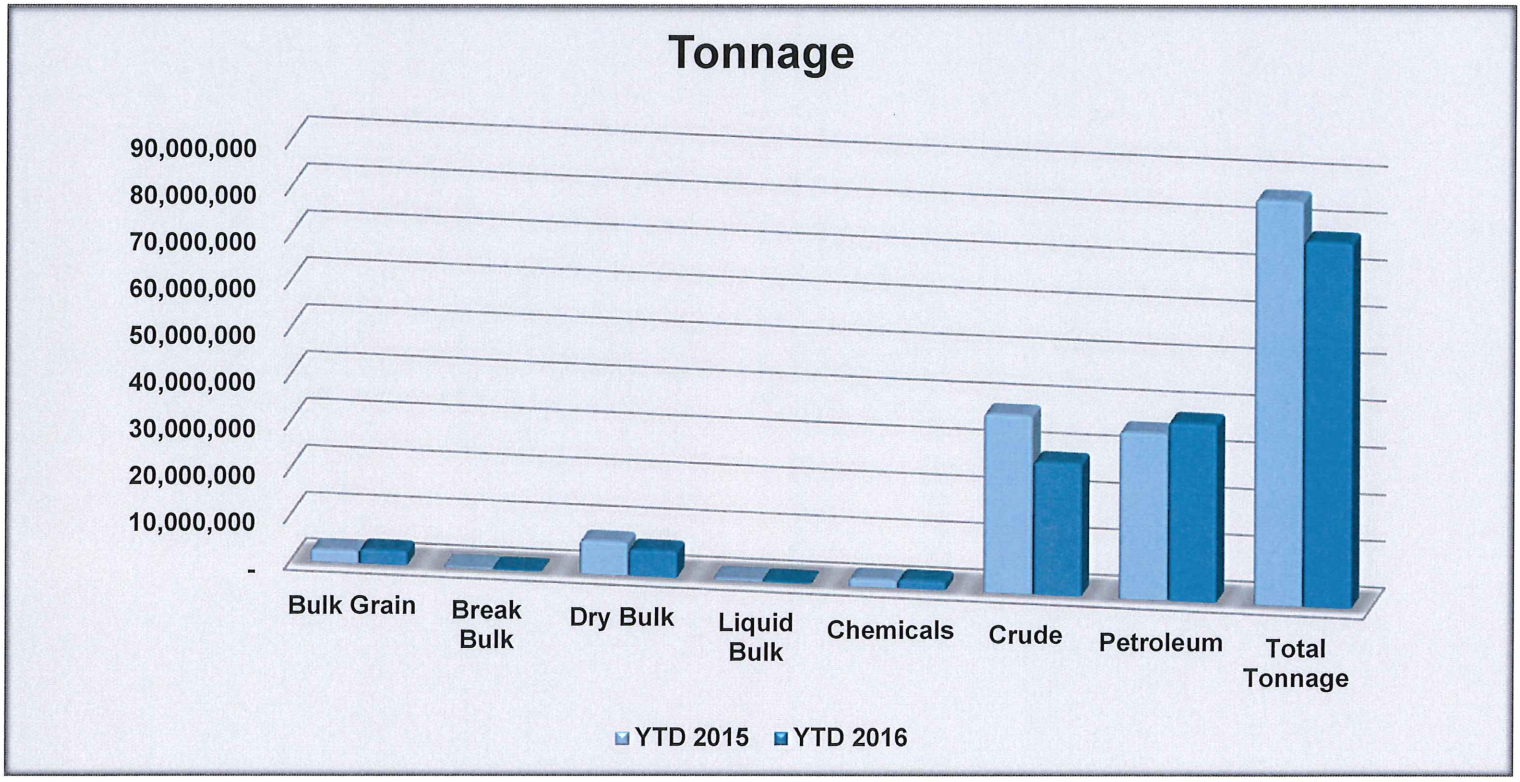


PORT OF CORPUS CHRISTI AUTHORITY

FINANCIAL RESULTS

TONNAGE

	October				YTD			
	2016	2015	Mth Over Mth Change	%	2016	2015	Year Over Year Change	%
Bulk Grain	**414,519**	**254,715**	159,804	63%	**3,089,947**	2,678,168	411,779	15%
Break Bulk	**1,209**	**79,532**	(78,323)	-98%	**238,922**	354,099	(115,177)	-33%
Dry Bulk	**283,290**	**670,492**	(387,202)	-58%	**5,713,012**	7,203,278	(1,490,266)	-21%
Liquid Bulk	**16,297**	**18,984**	(2,687)	-14%	**367,506**	507,381	(139,875)	-28%
Chemicals	**234,338**	**194,376**	39,962	21%	**1,855,025**	1,680,585	174,440	10%
Crude	**3,154,739**	**3,804,178**	(649,439)	-17%	**28,575,582**	38,319,471	(9,743,889)	-25%
Petroleum	**3,914,840**	**3,630,271**	284,569	8%	**38,269,109**	35,799,994	2,469,115	7%
Total Tonnage	**8,019,232**	**8,652,548**	**(633,316)**	**-7%**	**78,109,103**	**86,542,976**	**(8,433,873)**	**-10%**

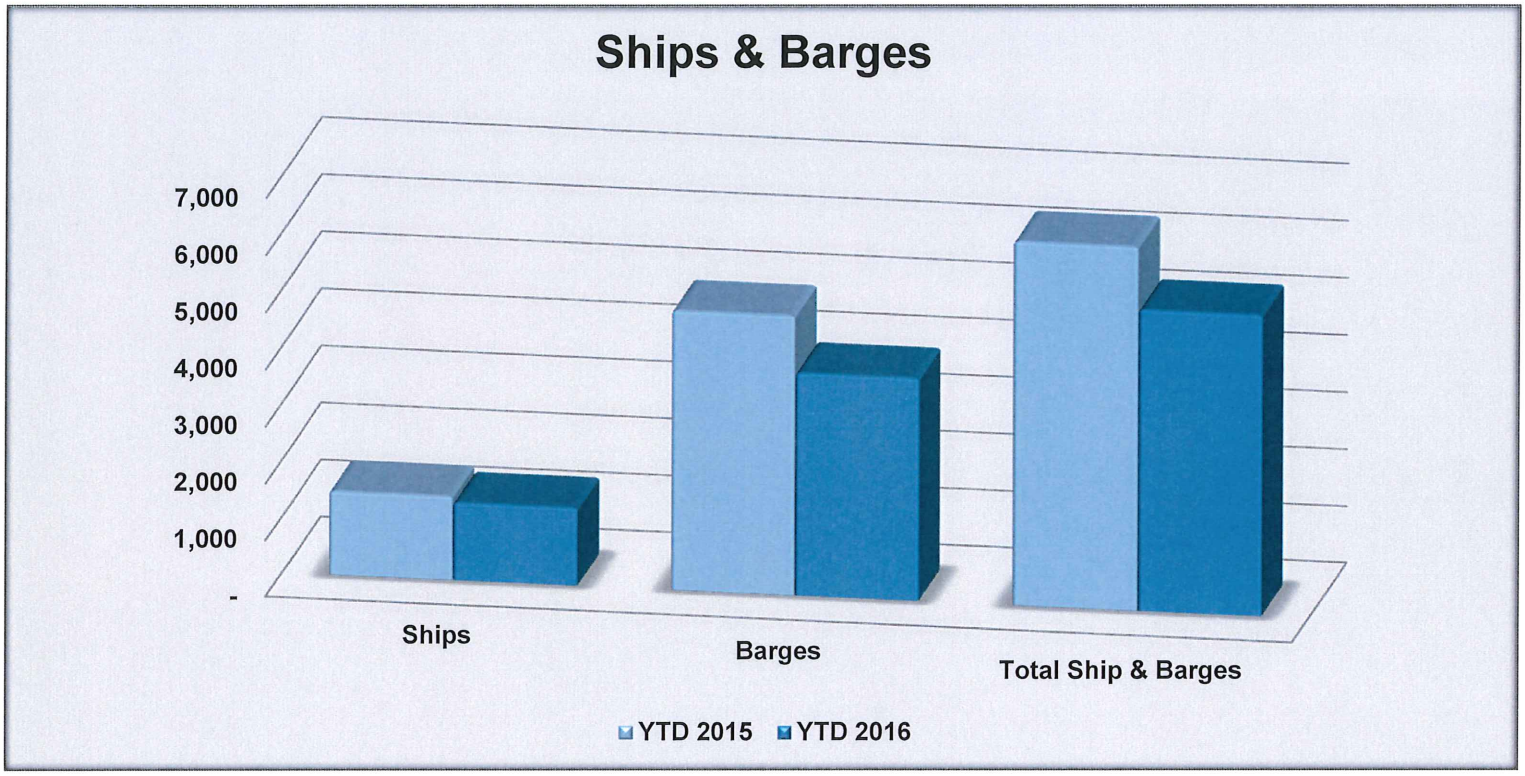


PORT OF CORPUS CHRISTI AUTHORITY

FINANCIAL RESULTS

SHIP & BARGE MOVEMENTS

	October				YTD			
	2016	2015	Mth Over Mth Change	%	2016	2015	Year Over Year Change	%
Ships	**139**	144	(5)	-3%	**1,378**	1,480	(102)	-7%
Barges	**475**	441	34	8%	**3,922**	4,917	(995)	-20%
Total Ship & Barges	**614**	**585**	**29**	**5%**	**5,300**	**6,397**	**(1,097)**	**-17%**

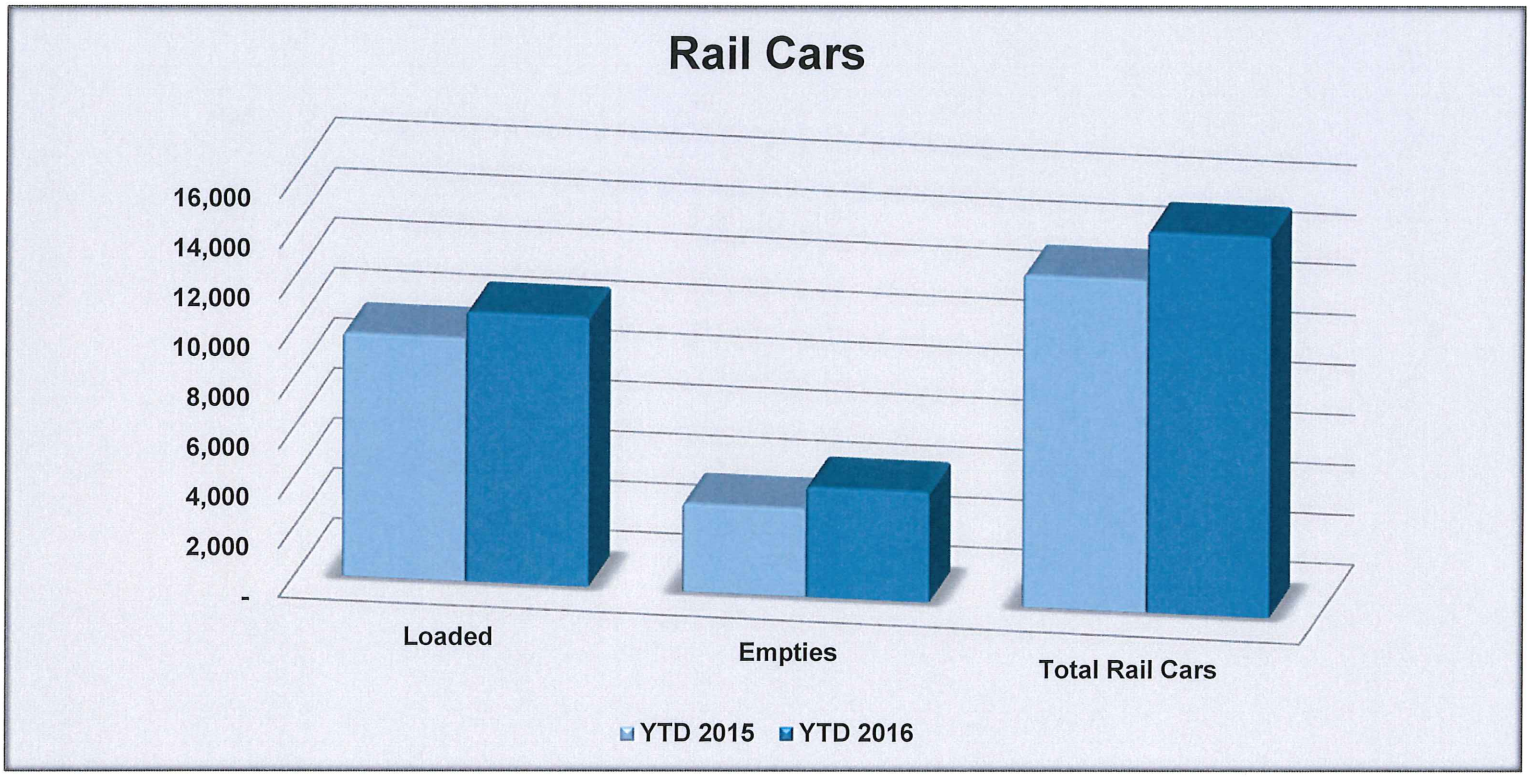


PORT OF CORPUS CHRISTI AUTHORITY

FINANCIAL RESULTS

RAIL CARS

	October				YTD			
	2016	2015	Mth Over Mth Change	%	2016	2015	Year Over Year Change	%
Loaded	**1,209**	1,634	(425)	-26%	**10,814**	9,758	1,056	11%
Empties	**610**	163	447	274%	**4,451**	3,572	879	25%
Total Rail Cars	**1,819**	**1,797**	**22**	**1%**	**15,265**	**13,330**	**1,935**	**15%**

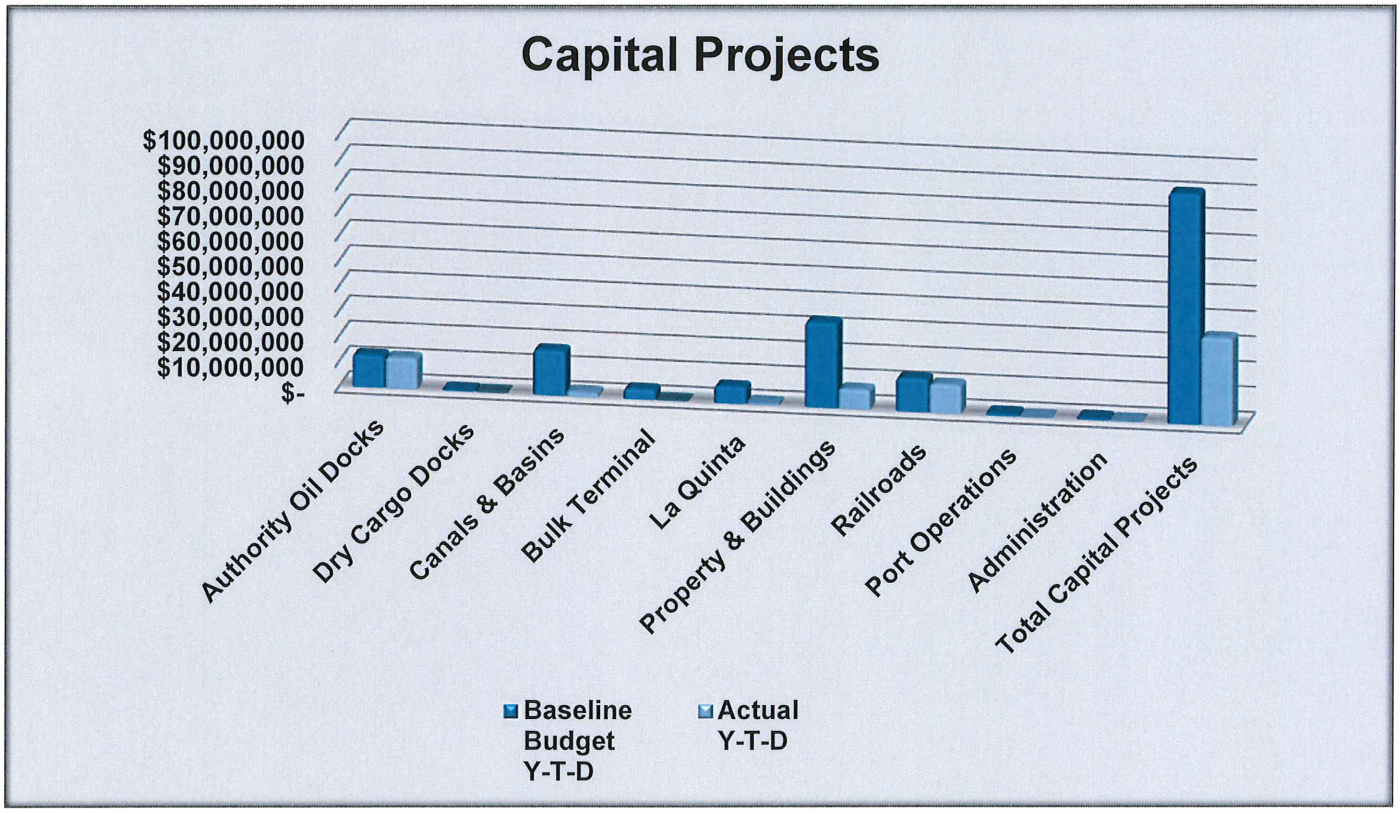


PORT OF CORPUS CHRISTI AUTHORITY

FINANCIAL RESULTS

CAPITAL PROJECTS

	Annual Budget	Actual Y-T-D	Balance Remaining	Baseline Budget Y-T-D	Actual Y-T-D	Variance
Authority Oil Docks	$ 13,530,000	$ 12,274,149	$ 1,255,851	$ 12,825,000	$ 12,274,149	$ (550,851)
Dry Cargo Docks	$ 1,200,000	$ 11,915	$ 1,188,085	$ 500,000	$ 11,915	$ (488,085)
Canals & Basins	$ 23,996,321	$ 1,880,075	$ 22,116,246	$ 17,900,821	$ 1,880,075	$ (16,020,746)
Bulk Terminal	$ 5,397,500	$ 76,032	$ 5,321,468	$ 4,097,500	$ 76,032	$ (4,021,468)
La Quinta	$ 9,637,500	$ 749,277	$ 8,888,223	$ 6,837,500	$ 749,277	$ (6,088,223)
Property & Buildings	$ 36,196,305	$ 7,959,915	$ 28,236,390	$ 33,797,000	$ 7,959,915	$ (25,837,085)
Railroads	$ 17,110,000	$ 11,452,777	$ 5,657,223	$ 13,310,000	$ 11,452,777	$ (1,857,223)
Port Operations	$ 1,086,000	$ 160,242	$ 925,758	$ 1,086,000	$ 160,242	$ (925,758)
Administration	$ 1,355,000	$ 251,169	$ 1,103,831	$ 950,666	$ 251,169	$ (699,497)
Total Capital Projects	**$ 109,508,626**	**$ 34,815,551**	**$ 74,693,075**	**$ 91,304,487**	**$ 34,815,551**	**$ (56,488,936)**

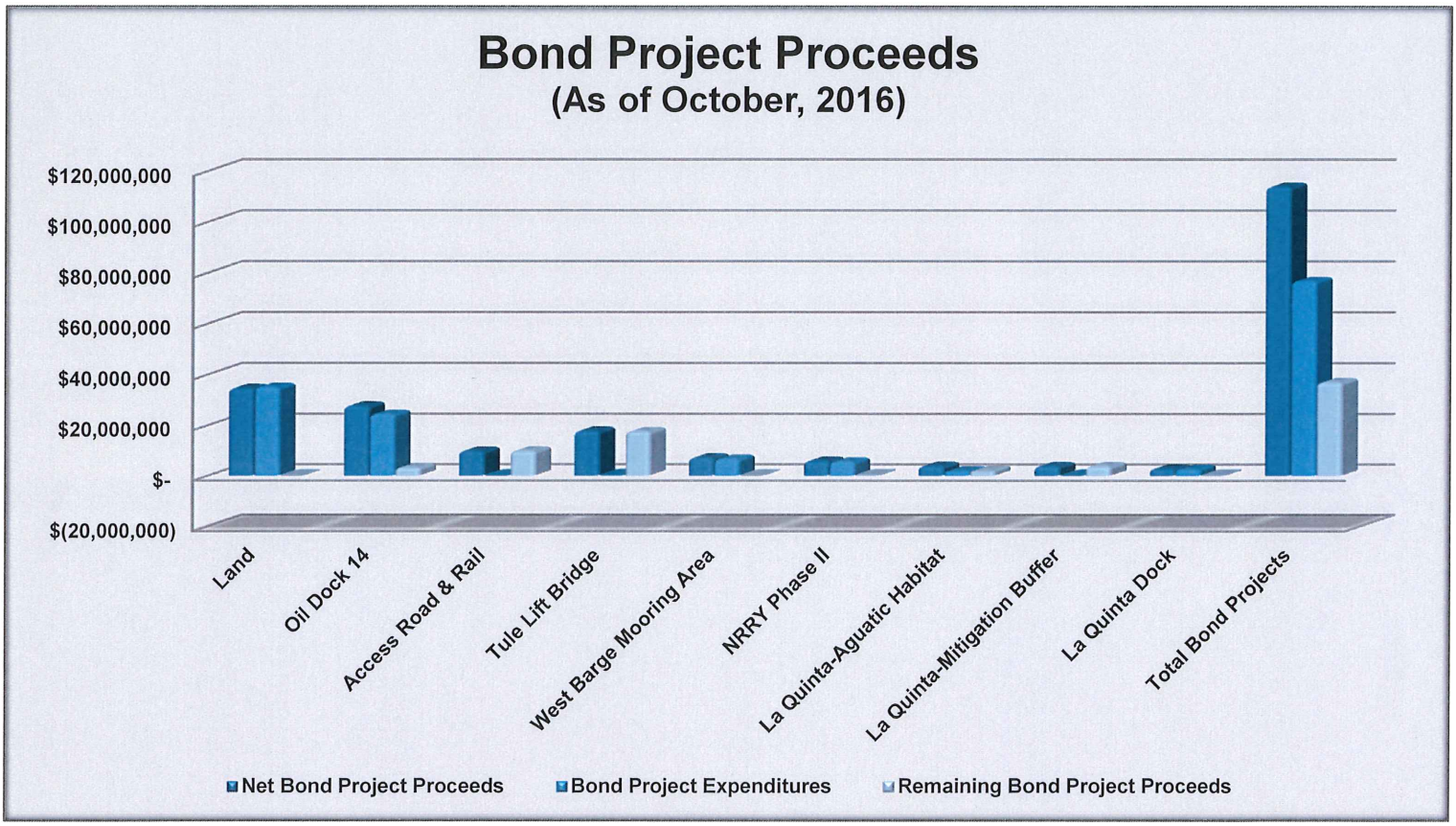


PORT OF CORPUS CHRISTI AUTHORITY

FINANCIAL RESULTS

BOND PROJECT PROCEEDS - (As of October, 2016)

	Bond Project Proceeds	Bond Issuance Expenses	Net Bond Project Proceeds	Bond Project Expenditures	Transfer Remaining Proceeds on Closed Projects	Remaining Bond Project Proceeds
Land	$ 34,960,000	$ (346,544)	$ 34,613,456	**$ (35,075,365)**	**$ 461,909**	$ -
Oil Dock 14	$ 28,000,000	$ (277,552)	$ 27,722,448	**$ (24,494,419)**	**$ -**	$ 3,228,029
Access Road & Rail	$ 10,000,000	$ (99,126)	$ 9,900,874	**$ 18,719**	**$ -**	$ 9,919,593
Tule Lift Bridge	$ 18,000,000	$ (178,426)	$ 17,821,574	**$ (219,670)**	**$ -**	$ 17,601,904
West Barge Mooring Area	$ 7,280,000	$ (72,164)	$ 7,207,836	**$ (6,745,927)**	**$ (461,909)**	$ -
NRRY Phase II	$ 6,000,000	$ (59,475)	$ 5,940,525	**$ (5,680,670)**	**$ -**	$ 259,855
La Quinta-Aguatic Habitat	$ 4,020,000	$ (39,849)	$ 3,980,151	**$ (1,909,988)**	**$ -**	$ 2,070,163
La Quinta-Mitigation Buffer	$ 3,940,000	$ (39,055)	$ 3,900,945	**$ (22,830)**	**$ -**	$ 3,878,115
La Quinta Dock	$ 2,800,000	$ (27,755)	$ 2,772,245	**$ (2,669,879)**	**$ -**	$ 102,366
Total Bond Projects	**$ 115,000,000**	**$ (1,139,946)**	**$ 113,860,054**	**$ (76,800,029)**	**$ -**	**$ 37,060,025**



PORT CORPUS CHRISTI

AGENDA MEMORANDUM

Action Item for Port Commission Meeting of December 13, 2016

DATE: December 13, 2016

TO: Port Commission

FROM: David Krams, P.E.
Director of Engineering Services
Krams@pocca.com
(361) 885-6134

Authorize Staff to Use the Design-Build Purchasing Contract Method for New North Bank Cargo Dock

SUMMARY: Staff requests Commission approval to use the design-build purchasing contract method for a new Cargo Dock to be located on the north bank of the Corpus Christi Ship Channel Inner Harbor.

BACKGROUND: Staff is currently in discussions with a confidential potential customer regarding construction and use of a new Cargo Dock on the north bank of the Corpus Christi Ship Channel Inner Harbor. The proposed dock would be located just west of New Public Oil Dock 15 currently under construction. To meet the schedule needs of the customer and provide the best value to the PCCA, a design-build project delivery method is recommended.

ALTERNATIVES: In following Commission direction, construction projects should be evaluated to determine the best purchasing contract method available to the PCCA to complete a project. The construction of this proposed waterfront facility using the design-build purchasing contract method over the traditional competitive bidding method is recommended to provide cost-effective, time efficient delivery of the project to meet the needs of the PCCA and its potential new customer.

CONFORMITY TO PORT POLICY: The Design-Build contract method is an alternate method available for contracting as per Subchapter O, Chapter 60 of the Texas Water Code.

EMERGENCY: No. However, implementing the project using a design-build contracting method will meet the market and schedule needs of the customer and will provide best value to the PCCA.

FINANCIAL IMPACT: N/A

STAFF RECOMMENDATION: Staff recommends the Port Commission approve the use of a design-build contracting method for construction of the new North Bank Cargo Dock

to better ensure project completion on a schedule that meets the needs of the customer and the PCCA.

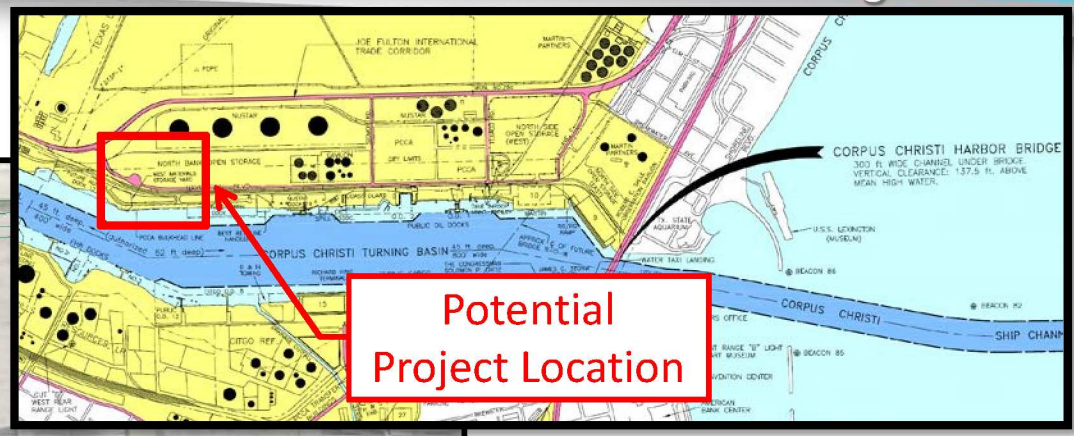
DEPARTMENTAL CLEARANCES:

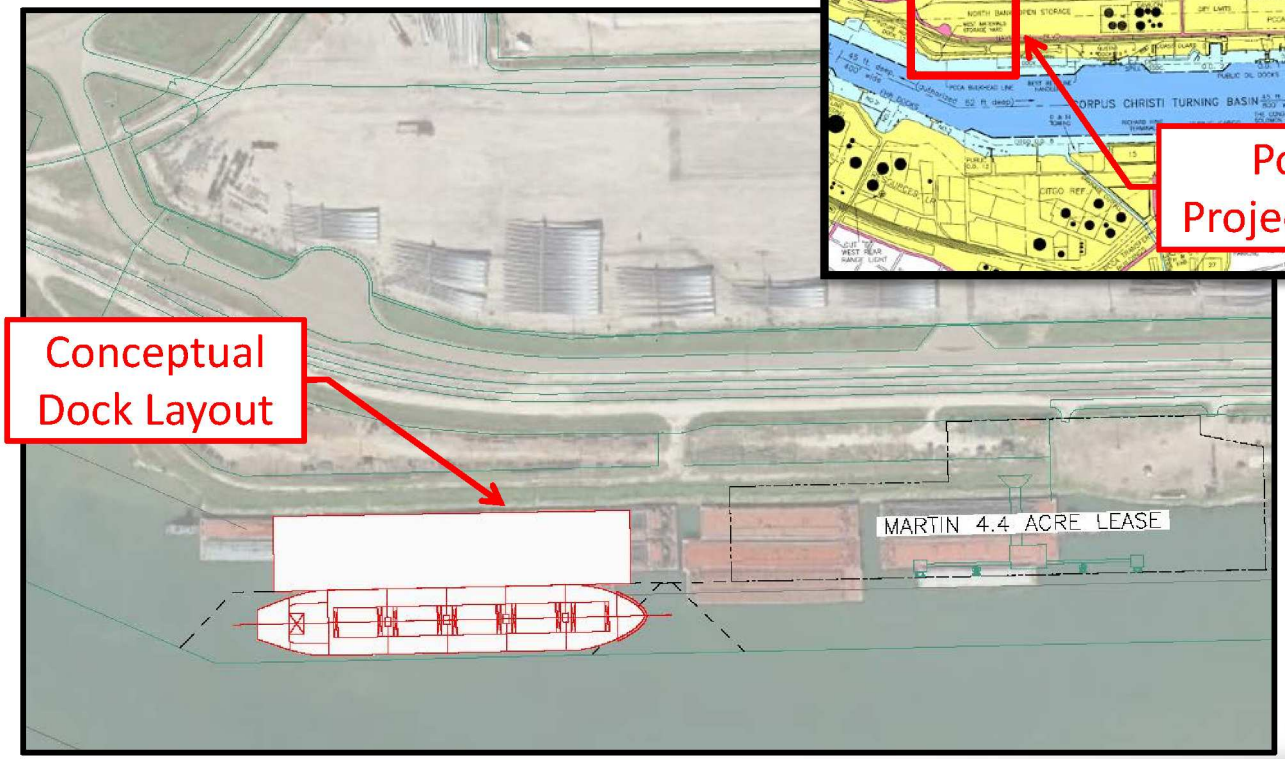
Originating Department	Engineering Services
Reviewed & Approved	David Krams
	Brett Flint
	Natasha Fudge
	Sonya Lopez-Sosa
Legal	N/A
Senior Staff	John LaRue
	Sean Strawbridge
	Jarl Pedersen

LIST OF SUPPORTING DOCUMENTS:

Map Exhibit

New North Bank Cargo Dock





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