

## NOTICE OF MEETING

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The Port Commission ("Commission") of the Port of Corpus Christi Authority ("PCCA") will hold a Regular Session Meeting on Tuesday, March 17, 2015, at 9:00 AM, at the Congressman Solomon P. Ortiz International Center, 402 Harbor Drive, Corpus Christi, Texas.

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

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

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

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

The agenda for the meeting is as follows:

1. Call meeting to order; Safety Briefing; Pledge of Allegiance; Opening Prayer; and receive conflict of interest affidavits.
2. Approve the minutes of the February 17 and March 5, 2015 Commission meetings.
3. Receive comments from the public. *(Each speaker will be limited to three minutes)*
4. Approve a Resolution In Memory of Guido Ghisolfi.
5. Receive Windstorm Insurance Reform presentation from Commissioner Charles Zahn.
6. Receive committee reports from the following Commission committees:
  - a. Security
  - b. Audit
7. Receive staff reports on the following matters:
  - a. Water
  - b. Channel Improvement Project
  - c. Bulk Terminal
8. Receive presentation from voestalpine Texas Holding, LLC on the status of their direct reduction plant located on the PCCA's La Quinta property.
9. Receive presentation on status of PCCA's Proposed Office Building at the Ortiz Center.

10. Receive presentation and approve a Service Order with Naismith Engineering, Inc., under its Professional Services Master Agreement, for engineering design services associated with Port Area Signage & Landscaping Improvements project.
11. Approve renewal of PCCA's property and terrorism insurance for the 12-month period beginning April 1, 2015.
12. Approve the Third and Final Reading of a Franchise granting Corpus Christi Liquefaction, LLC (Cheniere Energy, Inc.), the right to cross the north bulkhead line of the La Quinta Ship Channel from its property adjacent to the channel and related rights.
13. Approve Amended and Restated Port Development Services Agreement with Coastal Bend Bays and Estuaries Program.
14. Approve an Interlocal Cooperation Agreement with the City of Corpus Christi for road and utility improvements on Sam Rankin Street.
15. Approve a Service Order with LNV, Inc., under its Professional Services Master Agreement, for engineering services associated with an Interlocal Cooperation Agreement with the City of Corpus Christi and the road and utility improvements of Sam Rankin Street.
16. Authorize Staff to submit a Transportation Alternatives Program Grant Application to extend the Joe Fulton International Trade Corridor Bicycle Path.
17. Award contracts to CNB Equipment, Nueces Power Equipment and H&V Equipment Services, Inc., the lowest and best bidders based upon bids received on February 9, 2015, for the purchase of six forklifts.
18. Approve Temporary Road and Dock Use Agreement with Chemtex International, Inc., an affiliate of M&G Resins, to use Bulk Terminal facilities to receive and transport components and equipment associated with the construction of the company's plastics manufacturing facility.
19. Receive and approve PCCA's fourth quarter Investment Report for 2014.
20. Approve a Resolution expressing official intent to issue PCCA Revenue Bonds to reimburse PCCA for capital expenditures made in connection with various PCCA projects.
21. Consent Agenda. 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:



- A. Approve a Pipeline Easement Agreement with Oxy Ingleside Oil Pipeline, LLC for pipeline crossing PCA property at and near the Nueces Bay River Rail Yard and the Viola Channel.
  - B. Approve Amendment to Easement with San Patricio County Drainage District along the eastern boundary of PCCA's La Quinta Property, Tract I.
  - C. Approve 14.23-acre Drainage Easement Agreement with San Patricio County Drainage District for Drainage Ditch located along the western boundary of PCCA's La Quinta Property, Tract II.
  - D. Approve Easement and Right-of-Way Agreements with AEP Texas Central Company for underground distribution lines at the Bulk Terminal and crossing the Joe Fulton International Trade Corridor.
  - E. Approve Change Order to contract with Russell Marine, LLC for the construction of Public Oil Dock 14 project to reduce length of steel piles.
  - F. Approve a Service Order with HDR Engineering, Inc., under its Professional Services Master Agreement, for additional engineering services associated with Public Oil Dock 14 and Entrance Road projects.
  - G. Approve a Service Order with CH2M Hill Engineers, Inc., under its Professional Services Master Agreement, for the Savage Lane Drainage Improvement project.
  - H. Award contract to Rabalais I&E Constructors, the lowest and best bidder based on bid received on February 26, 2015, for construction of camera poles associated with Security Grant 13 - La Quinta/Gulf Intracoastal Waterway Surveillance project.
  - I. Approve the purchase of security cameras under Port Security Grant 13 - La Quinta/Gulf Intracoastal Waterway Surveillance Project.
  - J. Approve a purchase order with Dell Financial Services for leasing of computers and servers under a Master Lease Agreement between the State of Texas Directory of Information Resources and Dell Financial Services.
22. Receive report from the Executive Director on upcoming community events, PCCA events and activities of the following PCCA departments during the preceding month: business development, community relations, government affairs, operations, engineering services, accounting, and human resources.
23. 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.
24. The Commission will go into executive session pursuant to §551.072 of the Texas Government Code to deliberate purchasing property on (a) the north side of the Inner Harbor, and(b) the south side of the Inner Harbor.

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25. The Commission will go into executive session pursuant to §551.072 of the Texas Government Code to deliberate purchasing property in San Patricio County for the development of the La Quinta Terminal. The Commission may take action on this purchase in open session.
26. 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 a proposed Agreement with the Department of the Army for placement of dredge material in Tule Lake Dredge Material Placement Area. The Commission may take action on this agreement in open session.
27. 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 settlement of Cause No. 2014-CCV-60700-4, *Haas Resources, Inc. vs. Benjamin Duenes Garcia and Industrial Development Corporation of Port of Corpus Christi*; In the County Court at Law No. 4, Nueces County, Texas. The Commission may take action on a settlement agreement resolving this matter in open session.
28. Receive a report from CH2M Hill regarding staffing and organization of Port security.
29. Discuss and take action opposing the United States Environmental Protection Agency's proposed lowering of the National Ambient Air Quality Standard for ozone.
30. Adjourn.

**OFFICIAL MINUTES OF PORT COMMISSION MEETING  
FEBRUARY 17, 2015**

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, February 17, 2015, at 9:00 a.m., for the regular monthly meeting of the Port Commission.

**Present:** Ms. Judy Hawley  
Mr. Charles Zahn  
Ms. Barbara Canales  
Mr. David P. Engel  
Mr. Richard Valls  
Mr. Richard L. Bowers  
Mr. Wayne Squires

**Present:** Mr. John P. LaRue  
Ms. Patricia Cardenas  
Mr. Dennis DeVries  
Mr. David Krams  
Mr. Ruben Medina  
Ms. Sandra Terrell-Davis  
Ms. Nelda Olivo  
Mr. John Pasch  
Mr. Tom Mylett  
Mr. Darrin Aldrich  
Ms. Audre Debler  
Ms. Sherry DuBois  
Mr. Brett Flint  
Mr. Tyler Fuhrken  
Ms. Sarah Garza  
Mr. Dan Koesema  
Ms. Angela Leyva  
Ms. Sonya Lopez  
Ms. Maggie Turner  
Mr. Eddie Martinez  
Mr. Jacob Morales  
Mr. Bennie Benavides  
Ms. Teresa Betzold  
Ms. Sonya Budilo  
Ms. Liz Cantu  
Ms. Natasha Fudge  
Ms. Peggy Mettlen  
Mr. Jesse Samu  
Mr. Matt Garcia  
Ms. Vicky Garza  
Ms. Eileen Mink

**Others Present:**

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

**Others Present:**

Mr. Cary Campbell  
Mr. Chris Ramirez  
    Caller-Times  
Mr. John Plotnik  
Mr. Iain Vassey  
    CC Regional Economic Development Corp.  
Mr. Kevin Kauk  
    Koch  
Mr. Dan Korus  
    Del Mar  
Mr. Christopher Allison  
    ME Allison  
Mr. Oscar Palacios  
    Marine Agent  
Mr. Bob Paulison  
    Port Industries  
Mr. Terry Arnold  
Capt. Lois Adams  
    Aransas/CC Pilots  
Mr. Pete Musgrove  
Mr. Lowen Bezanis  
Ms. Sue Zimmerman  
    Cheniere Energy  
Mr. Lonnie Gregarcyk  
Mr. Chris Carn  
    TxDOT  
David Cave  
    CITGO  
Mr. Bryan Stone  
    PRDC  
Mr. Don Rodman  
    The Rodman Co.  
Mayor Pete Perkins  
    City of Ingleside  
Mr. Tom Moore  
    Consultant  
Mr. William Goldston  
    WFGCON  
Xavier F. Valverde  
    G&H Towing

**I.**

Chair Hawley called the meeting to order and asked for conflict of interest affidavits. Mr. Engel submitted an affidavit for item 17 on the agenda stating that he has an ownership interest in Susser Petroleum

**II.**

On motion made by Mr. Valls and seconded by Mr. Squires, the Commission approved the minutes of January 13, January 27, and February 9, 2015 Commission meetings in the form presented to the meeting.

**III.**

The Chair asked for comments from the public. Comments were made by Mr. Iain Vasey, the new CEO of the Regional Economic Development Corp.

**IV.**

On motion made by Mr. Engel and seconded by Mr. Bowers, the Commission elected Barbara Canales to fill the vacancy in the office of Secretary of the Commission for the remainder of 2015 or until her successor is elected.

**V.**

On motion made by Mr. Engel and seconded by Mr. Valls, the Commission elected Wayne Squires to fill the vacancy on the Board of Directors of the Industrial Development Corporation of Port of Corpus Christi. Mr. Squires' term as an IDC director will end on April 12, 2016, or when his successor is elected.

**VI.**

On motion made by Mr. Zahn and seconded by Ms. Canales, the Commission adopted the following resolution:

**RESOLUTION OF APPRECIATION  
FOR  
COMMISSIONER AL JONES**

**WHEREAS**, Al Jones was born in Austin, Texas, and attended the University of Texas at Austin; and

**WHEREAS**, Al Jones is a lifelong resident of Texas and has resided in Corpus Christi for over 40 years; and

**WHEREAS**, Al Jones is currently Chairman and Chief Executive Officer of American Bank, N.A., and is President of American Bank Holding Corporation; and

**WHEREAS**, Al Jones is currently serving on many boards, commissions and associations almost too numerous to list but include Chair of the Corpus Christi Regional Economic Development Council, Past Chair and Board of Directors of the Texas A&M University Corpus Christi Foundation, the Governor's Business Council for the State of Texas, the Executive Committee of the University of Texas Chancellors Council, the Board of Directors of Texas Exes, the Business Advisory Council for Texas A&M-Corpus Christi College of Business, Director and Past Chair of the Independent Bankers Association of Texas, Secretary/Treasurer of FutureBridge, Director of Spohn Investment Corporation, Director of the Sub-S Bank Association, member of the Board of Directors of the Federal Reserve Bank of Dallas – San Antonio Branch; and

**WHEREAS**, Al Jones previously served as Chair of the Board of Directors of CHRISTUS Spohn Health System, Director; Chair of the GCCBA Economic Development Council; Director of TexasOne; Chairman of IBAT Services; Chairman of the Board of Governors of the Art Museum of South Texas; Co-Chairman of the Art Museum of South Texas Capital Campaign; Chairman of the Corpus Christi Regional Economic Development Council; Chairman of the Texas State Aquarium Capital Committee; Chairman of the Chamber of Commerce Foundation; Chairman of the Corpus Christi Area Convention and Visitor's Bureau; Director of the Texas Lyceum Association; Chairman of the Community Progress Partnership; Director and Vice President of the YMCA; Director of 4UCC; member of CC'90 and the Committee of 16; member of Leadership Corpus Christi Class VI; General Chair for Leadership Corpus Christi Class IX and served on the advisory committee for Leadership Corpus Christi Classes XX, XXI, and XXII; Director of the U.S.S. Lexington Museum on the Bay; Advisory Board for the South Texas Public Broadcasting; Advisory Board for the Junior League; Co-Chairman of the Corpus Christi Y2K Task Force; and Director of the Economic Development Corporation Texas; and

**WHEREAS**, Al Jones has received a number of awards including the 1993 Outstanding Leadership Award from the Leadership Corpus Christi Alumni Association, the 1995 Henry B. Baldwin Award from the Greater Corpus Christi Business Alliance, was a Texas A&M University Corpus Christi College of Business Kirkland Distinguished Visitor in 2000, voted into the Jr. Achievement Business Hall of Fame by the Junior Achievement of South Texas in 2008, and the 2011 Brad Lomax Spirit of Hospitality Award from the Corpus Christi Convention and Visitor's Bureau; and

**WHEREAS**, Al Jones was appointed by the Corpus Christi City Council as a Port Commissioner of the Port of Corpus Christi Authority for a three-year term beginning in January 2012; and

**WHEREAS**, during his term as a Port Commissioner, Al Jones served as Chair of the Port Commission's Strategic Planning Committee and was instrumental in the creation of the Port Authority's 2020 Strategic Plan and management reorganization plan; served as Chair of the Port Commission's Audit Committee; and played a significant role in the sale of Naval Station Ingleside to OXY Ingleside Energy Center, LLC; and

**WHEREAS**, Al Jones served as a Port Commissioner during one the most expansive periods in the Port's history that saw the unprecedented construction and ship and barge traffic from Eagle Ford Shale production, the signing of long-term leases with major new industries including voestalpine Texas Holdings and M&G Polymers, and the construction of the La Quinta Channel Extension and Phase 1 of the Nueces River Rail Yard;

**NOW THEREFORE BE IT RESOLVED** that the Port Commission of the Port of Corpus Christi Authority expresses its sincere gratitude to Al Jones for the judicious guidance he has given to the Port of Corpus Christi, for his involvement in the development of many significant projects throughout the Coastal Bend, and for his continuous efforts to improve the quality of life for all citizens of this community; and

**BE IT FURTHER RESOLVED** that this resolution be made a part of the permanent minutes of this Port Commission and that a signed original of this Resolution be furnished to Al Jones and his loving wife, Janet.

## **VII.**

On motion made by Mr. Valls and seconded by Mr. Engel, the Commission adopted the following resolution:

### **RESOLUTION RELATED TO GOVERNANCE OF PORT COMMISSION OF THE PORT OF CORPUS CHRISTI AUTHORITY**

**WHEREAS**, on January 27, 2015, the Port Commission ("Commission") of the Port of Corpus Christi Authority ("PCCA") met in Special Session at the Ruben Bonilla Center for Global Trade, located at 222 Power Street, Corpus Christi, Texas; and

**WHEREAS**, Agenda Item No. 8 included a workshop ("workshop") to discuss the Commission's governance practices, the Commission's policymaking responsibilities, the management responsibilities of the Executive Director, the Commission Operating Rules, compliance with open meetings and open records laws, lobbying by vendors, and related matters; and

**WHEREAS**, the workshop included a presentation by Leigh | Fisher entitled "The Role of the Commission;" and



**WHEREAS**, the Commission agreed to adopt generally the recommendations and rationales contained in “The Role of the Commission” and to review the presentation, or an updated version, at future governance workshops;

***NOW, THEREFORE, BE IT RESOLVED BY THE PORT COMMISSION OF THE PORT OF CORPUS CHRISTI AUTHORITY AS FOLLOWS:***

Section 1. The Commission hereby approves and adopts the “The Role of the Commission,” including the recommendations and rationales contained therein, in the form presented at the January 27, 2015, Special Session, and attached hereto as “Exhibit A.”

Section 2. The Commission will conduct governance workshops annually to review “The Role of the Commission,” or an updated version of it, as well as other matters pertaining to the Commission’s operations, including without limitation the Commission’s Operating Rules and open meetings and open records laws.

Section 3. This resolution is adopted by the Commission this 17<sup>th</sup> day of February, 2015.

**VIII.**

The Commission then considered various changes to the Operating Rules of the Port Commission, which were presented to the Commission at the meeting. After discussion, Ms. Canales moved that all of the proposed changes to the Operating Rules be approved by the Commission in the form presented to the meeting, except for the proposed changes to Section 8, and that Section 8 of the Operating Rules be amended to read as follows: “Section 8 - Contract With Staff. The Port Commissioners shall not give directives to any members of PCCA's staff other than the Executive Director.” Mr. Valls seconded the motion and the motion passed. A complete copy of the Commission’s Operating Rules as revised and approved at this meeting is attached to these minutes as “Exhibit B.”

**IX.**

Chair Hawley then made the following appointments pursuant to Section 4 of the Operating Rules of the Port Commission:

- Rick Valls -- Corpus Christi Economic Development Corporation
- Barbara Canales -- Robstown Area Economic Development Corporation
- David Engel -- Chair for the Audit Committee
- Wayne Squires -- Audit Committee
- Dick Bowers -- Security Committee

**X.**

The Commission received a Windstorm Insurance Reform update from Mr. Zahn.

## **XI.**

The Commission received a Security Committee report from the committee's chairman, Mr. Zahn. The Audit Committee had no activity to report at this meeting.

## **XII.**

The Commission received status reports on the following matters from Mr. LaRue:

- A. Water
- B. Channel Improvement Project
- C. Bulk Terminal

## **XIII.**

On motion made by Mr. Engel and seconded by Mr. Valls, the Commission endorsed, in the form presented to the meeting, a proposed bill for the 2015 legislative session of the Texas Legislature relating to the powers and duties of navigation districts.

## **XIV.**

On motion made by Mr. Valls and seconded by Mr. Squires, the Commission adopted the following resolution:

### **RESOLUTION APPROVING A LOCAL PROJECT ADVANCE FUNDING AGREEMENT FOR VOLUNTARY CONTRIBUTIONS TO THE STATE OF TEXAS FOR THE HARBOR BRIDGE REPLACEMENT PROJECT**

**WHEREAS**, Chapters 201, 221 and 222 of the Texas Transportation Code authorize the State to lay out, construct, maintain, and operate a system of streets, roads, and highways that comprise the State Highway System; and,

**WHEREAS**, Texas Government Code Chapter 791 and Texas Transportation Code §201.209 and Chapter 221 authorize the State to contract with municipalities and political subdivisions; and,

**WHEREAS**, Texas Transportation Commission Minute Order Number 113853 authorizes the State of Texas to undertake and complete a highway improvement generally described as the design, construction and maintenance of the US 181 Harbor Bridge Replacement Project, which extends north-south along US Highway 181 and the Crosstown Expressway and east-west along I-37 and includes: US Highway 181 at Beach Avenue on the north; Crosstown Expressway at Laredo Street on the south; I-37 and Nueces Bay Boulevard on the west; and I-37 and Mesquite Street on the east side (the "Project"); and,

**WHEREAS** the Port of Corpus Christi Authority of Nueces County, Texas (“Port Authority”), supports the development of multi-modal transportation projects that enhance and facilitate economic development for the benefit of the region; and,

**WHEREAS**, the Port Authority supports the State’s project for a new, modern, efficient and safe Harbor Bridge which will improve the operations of the Port of Corpus Christi and make it more attractive to new industry, and the Port Authority has agreed to participate in the Project by funding a portion of the cost of construction of the Project in addition to other considerations; and,

**WHEREAS**, Authority desires to enter into a Local Project Advance Funding Agreement, copy of which is attached hereto, with the State of Texas, acting by and through the Texas Department of Transportation, for the construction of the US Highway 181 Harbor Bridge Replacement Project.

**NOW THEREFORE, BE IT RESOLVED THAT** the Port Commission of the Port of Corpus Christi Authority of Nueces County, Texas, hereby approves the Local Project Advance Funding Agreement for the construction of the US Highway 181 Harbor Bridge Replacement Project, in the form attached to this Resolution; and the Executive Director, of the Port of Corpus Christi Authority, John P. LaRue, is hereby authorized to execute the agreement with any changes he deems appropriate to carry out the purposes of this Resolution.

#### **XV.**

On motion made by Mr. Valls and seconded by Ms. Canales, the Commission approved, in the form presented to the meeting, the First Reading of a Franchise granting Corpus Christi Liquefaction, LLC (Cheniere Energy, Inc.), the right to cross the north bulkhead line of the La Quinta Ship Channel from its property adjacent to the channel and related rights.

#### **XVI.**

On motion made by Mr. Valls and seconded by Mr. Engel the Commission approved, in the form presented to the meeting, the Third and Final Reading of a Franchise granting E F Terminals Corpus Christi, LLC (formerly known as Plains Terminals Corpus Christi, LLC), the right to cross the south bulkhead line of the Tule Lake Channel from its property adjacent to the channel and related rights.

#### **XVII.**

On March 11, 2014, the Commission awarded a contract to Susser Petroleum Operating Co., LLC, for the purchase of bulk fuel. PCCA has an option to extend this contract for an additional one-year period. On motion made by Mr. Zahn and seconded by Mr. Valls, the Commission approved a one-year extension of the contract. Mr. Engel did not participate in or vote on this matter.

## **XVIII.**

On motion made by Mr. Zahn and seconded by Mr. Bowers all items on the Consent Agenda were approved by one vote, in accordance with the respective staff recommendations furnished to the Commission at the meeting. These items were as follows:

- A.** Approve Lease Agreement with Mossi and Ghisolfi Logistics Company, for Building 26 and Building 27 on Sam Rankin Street for Storage of Construction Materials and Components in Conjunction with the Construction of M&G Resins USA's plastics plant.
- B.** Approve a Lease Agreement with Mossi and Ghisolfi Logistics Company, for approximately 8 acres of PCCA property along the Viola Channel for a temporary laydown yard.
- C.** Approve an amendment of Rail Spur Easement with M&G Resins USA, LLC to finalize easement limits to support M&G's railroad operations.
- D.** Approve a Lease Agreement with Cooper Outdoor Advertising Inc. for one (1) billboard located along US 181 fronting on the La Quinta Trade Gateway property.
- E.** Approve a Lease Agreement with Cooper Outdoor Advertising Inc. for one (1) billboard located along Interstate Highway 37 near the Savage Lane Railroad track.
- F.** Approve Second Amendment of Lease Agreement with Koch Carbon, LLC to extend the term and agree to make improvements to support operations at the approx. 10-acre site at the Bulk Terminal.
- G.** Approve First Amendment of Lease Agreement with Koch Sulfur Products Company, LLC to clarify a lease provision enabling Koch Carbon, LLC, a lessee under a separate lease with the PCCA, to co-locate on Koch Sulfur's approx. 16.23 acre site at the Bulk Terminals.
- H.** Approve a Utility Easement Agreement with Corpus Christi Liquefaction, LLC from AEP's Hecker substation located on the PCCA's La Quinta Trade Gateway property to serve company's proposed LNG facility located along the La Quinta Ship Channel.
- I.** Approve Lease Agreement with the United States of America, through the U.S. Coast Guard to locate two (2) ship channel range markers and equipment on the PCCA's Harbor Island property.
- J.** Approve a Service Order with Rosengarten, Smith & Associates, Inc., under its professional services master agreement, for sediment testing associated with the maintenance dredging of PCCA-owned docks to be included in the U.S. Army Corps of Engineers - Galveston District's FY15 Maintenance Dredging of the Inner Harbor.

- K.** Approve the purchase of four (4) vehicles from Caldwell Country Chevrolet, one (1) vehicle from Grapevine Dodge Chrysler Jeep, and seven (7) vehicles from Sames Ford, the lowest and best bidders based on bids received on January 30, 2015.
- L.** Award contract to Robstown Hardware, the lowest and best bidder based upon bids received on January 30, 2015, for Purchase of three (3) Utility Vehicles.
- M.** Ratification of six applications to the Texas Commission on Environmental Quality Rebate Grant Program for the replacement of PCCA heavy-duty diesel equipment.
- N.** Approval to apply for Texas Commission on Environmental Quality Purchase of Compressed Natural Gas Reimbursement Grants.

### **XIX.**

The Executive Director reported on the following during his report: Welcome of Iain Vasey, the new CEO of the CC Regional Economic Development Corp; Updates on upcoming legislative days in Austin and Washington, DC; Strategic Plan update; and reorganizational plan update.

### **XX.**

Chair Hawley asked for comments from Commissioners.

*At 10:45 a.m. Chair Hawley announced that the Commission would go into executive session pursuant to §551.072 of the Texas Government Code to deliberate agenda items 21 and 22.*

*At 11:37 a.m. the Commission reconvened into open session.*

### **XXI.**

This item was for executive session only: To deliberate purchasing property on the north side of the Inner Harbor.

### **XXII.**

This item was for executive session only: To deliberate purchasing property in the vicinity of the La Quinta channel.

### **XXVII.**

There being no further business, the meeting adjourned at 11:38 p.m.



Leigh|Fisher

# The Role of the Commission

Prepared for  
**Port of Corpus  
Christi Authority**

January 27, 2015



## Summary of Port Commission and Port Management Roles

The recommendations of the Organization Review assume distinct, separate and complementary roles for the Port Commission and Port management.

### The Role of the Port Commission

The Port Commission is responsible to *govern* the Port by the *establishment* of broad policies, standards and regulations, and to *enable success* by the establishment of clear objectives.

Specifically, the role of the Commission should include three primary elements: *governance, policy* and *performance oversight* (further detail on following page).

### The Role of Port Management

Port management is responsible to the Port Commission -- to *manage* the Port by *implementing* the broad policies, standards, regulations and objectives established by the Commission.

### Relationship between Commission Role and Management Role

Typically, an effective Board or Commission recognizes and respects the distinction between “governance” and “management”. Boards and Commissions focus on *establishing* policies, goals and desired outcomes.

Management focuses on *implementing* policies and actions to achieve goals and desired outcomes. Boards and Commissions invariably become less effective as they become more involved in reviewing and participating in day-to-day management decision-making.

Management becomes less effective when boards become too involved in detail, and management’s focus is diverted to responding to board members, rather than implementing strategy and policy.



## Rationale for Separation of Commission and Management Roles

Clear separation of the roles of Commission Members and management is fundamental to the success of an enterprise, for three practical reasons:

- **Objectivity** – Commissions exist to provide a source of objective, independent, long-range leadership for an enterprise. The more Commission Members become involved in management activities, the more they lose their ability to view issues objectively and independently
- **Authority** – Commissions set policy, and management executes policy. The more Commission Members become involved in day-to-day management activities, the more their authority is compromised, because they become “players” in events, rather than remaining separate from those events
- **Accountability** – Commissions cannot hold management accountable for the achievement of outcomes if Commission Members involve themselves in management – the interface between Commission and management becomes blurred, assignment of responsibility becomes confused and accountability for outcomes is fundamentally compromised.

## Specific Roles of the Port Commission

The role of the Commission should include the following elements of governance, policy and performance oversight:

### 1. Governance

- Provision of vision, leadership and continuity
- Maintenance of accountability and transparency
- Establishment and adoption of by-laws, rules and regulations
- Appointment of Commission Committees
- Appointment of a Port Executive Director

### 2. Policy

- Establishment of standard policies to direct all aspects of Port operations
- Approval of contracts, in accordance with Port procurement policies
- Adoption of a Port strategic plan – definition of Port goals, objectives and performance targets
- Provision of adequate resources to enable achievement of the Port's goals and objectives
- Adoption of annual operating and capital budgets
- Adoption of an annual business plan
- Approval of management compensation, and staff pension, benefits and welfare programs

### 3. Performance Oversight

- Monitoring of Port performance in relation to Strategic Plan goals, objectives and performance targets
- Monitoring of Port performance against operating and capital budgets
- Support for management as required with business development and growth initiatives
- Ensuring Port compliance with federal, State and local laws, regulations and policies, through an independent audit program

## Commission Members Do.....

**Some of the key things that Commission Members should do include the following;**

- Maintain an objective, “big-picture”, long-term view
- Think strategically, provide clear direction
- Consider the broad interests of the Community in strategy and policy formation
- Keep “current” on industry trends, regulations and issues
- Be an active and constructive contributor – add value
- Represent the enterprise positively and professionally
- Provide advice and counsel, in a supportive and friendly way
- Maintain confidentiality as appropriate (Section 3 – PCCA Board Operating Rules)
- Communicate with staff with Executive Director’s consent (Section 8 – PCCA Board Operating Rules)
- Refer all questions through the Executive Director (Section 8 – PCCA Board Operating Rules)
- Foster team spirit – support fellow Commission Members and Management
- Behave in a consistently civilized, polite and courteous manner
- Act as “exemplars” of the core values of the enterprise
- Act ethically and legally (see PCCA Code of Ethics)
- Avoid conflicts of interest
- Adhere to confidentiality policies per State and federal laws (Section 3 – PCCA Board Operating Rules)

## Commission Members Do Not.....

**Some of the key things that Commission Members should not do include the following:**

- Try to run the operation – seek to become involved in daily operations
- Interfere with day-to-day routines
- Lobby staff directly
- Lecture management and staff – tell them what they should be doing
- Allow themselves to be lobbied directly by contractors or others seeking an advantage
- Become involved in personnel decisions and/or violate confidentiality with regard to personnel matters
- Speak aggressively or disrespectfully to other Commission Members or staff
- Foment conflict, show favoritism, pursue “witch-hunts”
- Use a Commission seat to advance personal agendas or ambitions unrelated to the enterprise
- Make demands of management or other Commission Members
- Disregard conflicts of interest
- Spend money frivolously on Commission activities, travel, entertainment, etc.

## Specific Roles of Port Management

**The role of Port management is to manage the Port by implementing the broad policies, standards, regulations and objectives established by the Commission. This role includes the following elements:**

- Development and implementation of action plans to achieve the Port's Strategic Goals and Objectives
- Development of annual operating and capital budgets
- Management of Port financial affairs in relation to approved operating and capital budgets
- Implementation of policies and procedures approved by the Commission
- Recruitment, application and motivation of resources necessary to achieve the Port's goals and objectives
- Development of facilities to maximize the economic contribution of the Port, consistent with the Port Strategic Plan
- Ensuring safety and security in all aspects of Port operations
- Ensuring full compliance with all applicable local State and federal policies, regulations and standards

## **EXHIBIT B**

### **OPERATING RULES OF THE PORT COMMISSION OF THE PORT OF CORPUS CHRISTI AUTHORITY OF NUECES COUNTY, TEXAS**

#### Section 1. Officers; Terms of Office.

The officers of the Port Commission of the Port of Corpus Christi Authority of Nueces County, Texas ("PCCA") are Chair, Vice Chair and Secretary. The officers of the Port Commission will be elected by the Port Commission each calendar year at the first meeting of the Port Commission held during such calendar year. A vacancy in any office will be filled by a vote of the Port Commission. Election of officers and filling of vacancies will be by a vote of a majority of the Port Commissioners then serving. Each officer shall hold office until his or her successor has been elected, or until the officer is no longer a Port Commissioner.

#### Section 2. Meetings.

The Port Commission's regular monthly meeting will be on the third Tuesday of each month. The Chair may change the date of a regular Port Commission meeting for a particular month when circumstances necessitate a change of date.

The Chair or any four (4) Port Commissioners may schedule a special meeting or an emergency meeting of the Port Commission by providing the Executive Director with written instructions concerning the date, time, place and primary purpose of the meeting.

The Chair and the Executive Director will establish the agenda for each Port Commission meeting. Any two Port Commissioners may request in writing that a matter be placed on the agenda for a particular Port Commission meeting, and such request will be carried out by the Executive Director. The Executive Director will send a draft of the agenda for each Port Commission meeting to the Port Commissioners by the close of business on the sixth day before such meeting.

All meetings of the Port Commission shall be conducted in accordance with the statutes and laws of the State of Texas applicable to governmental bodies in Texas, and in particular the Texas Open Meetings Act as codified in Chapter 551, Texas Government Code.

## **EXHIBIT B**

Notice of and the agenda for all regular or specially called meetings of the Port Commission shall be posted in compliance with the Texas Open Meetings Act, and in the manner applicable to a district or political subdivision extending into fewer than four counties.

All materials, including but not limited to memorandums, agreements, financial information, recommendations and correspondence, provided by PCCA's staff or professional advisors to the members of the Port Commission to be used by the members of the Port Commission in addressing or taking action on an agenda item at a Port Commission meeting (collectively referred to herein as the "Supporting Materials") shall be provided to the members of the Port Commission electronically by the close of business on the fifth day prior to the day of the meeting at which the agenda item will be considered (the "Supporting Materials Deadline").

If the Supporting Materials for a posted agenda item are provided to the members of the Port Commission after the Supporting Materials Deadline for that agenda item, then, in that event, the agenda item shall be tabled for consideration at a subsequent regular or specially called meeting of the Port Commission.

Should the Supporting Materials for a properly posted agenda item be provided to the members of the Port Commission after the Supporting Materials Deadline for that agenda item, but PCCA's staff or professional advisors, advise the members of the Port Commission that consideration of the agenda item is an emergency, or that failure to act on the agenda item at that time will cause material harm to PCCA or its customers, then, in that event, with the approval of a at least five members of the Port Commission, the members of the Port Commission may consider and take action on the agenda item.

At or before the commencement of each Port Commission meeting, any Port Commissioner who intends to abstain from participating in the discussion of, and voting on, an agenda item in accordance with Section 1.04 of the Amended and Restated Code of Ethics of Port of Corpus Christi Authority of Nueces County, Texas ("PCCA Code of Ethics") shall file the required affidavit with PCCA's official record keeper and abstain from participating in, or voting on, such agenda item.



## **EXHIBIT B**

At any meeting of the Port Commission the presiding officer may permit the public to comment with respect to an agenda item during its consideration or during the Public Comment section of the agenda. Comments by the public are encouraged, but will be limited to three minutes per speaker. When there are several persons who wish to speak for or against a matter, the presiding officer may limit the total amount of time allocated to each side and the respective sides will decide who among them will speak.

At each meeting of the Port Commission a staff person designated by the Executive Director will provide a sign-in sheet near the main entrance to the meeting room for those members of the public wishing to speak at the meeting. Any person wishing to speak at a Port Commission meeting shall write the following information on the sign-in sheet: his or her name, address and the subject about which the person wishes to speak.

### **Section 3.      Closed Meetings.**

Closed meetings of the Port Commission shall be held in accordance with Subchapter E of Chapter 551 of the Texas Government Code, as amended. Closed meetings are confidential and it is the desire of the Port Commission that neither Port Commissioners, staff members nor any other person attending such meetings should reveal to others the nature or content of such meetings.

If a Port Commissioner determines that he or she has a conflict of interest with respect to any matter to be discussed at a closed meeting, the Commissioner shall announce that he or she has a conflict of interest with respect to such matter and shall excuse himself or herself from the meeting while that matter is being discussed.

### **Section 4.      Port Commission Committees.**

The Port Commission has two standing committees – the Audit Committee and the Security Committee. The Port Commission may establish additional standing committees from time to time by an amendment to these Operating Rules.

The functions of the Audit Committee are to review the financial affairs of PCCA, to make recommendations with respect to the selection of PCCA's auditors, to meet with PCCA's auditors to

## **EXHIBIT B**

review their annual audit report of PCCA's activities, and to act as a designated investment committee advising the investment officer of PCCA pursuant to Section 2256.0005(e), Texas Government Code, and PCCA's Investment Policy, as amended from time to time. The Audit Committee shall consist of three Port Commissioners.

The functions of the Security Committee are to periodically review and make recommendations regarding the security of PCCA and the Port of Corpus Christi and to consult with PCCA's Chief of Police on a regular basis concerning these matters. The Security Committee shall consist of three Port Commissioners.

The Chair may establish or abolish special committees from time to time in the Chair's sole discretion. The Chair will appoint the members and the chairperson of each standing or special committee as soon as practicable after the Chair's election or the establishment of such committee, as the case may be.

The Chair will also appoint PCCA's representatives on the governing boards or committees of any outside organizations to which PCCA has the right to appoint representatives. The Port Commission will elect the directors of PCCA's Industrial Development Corporation in accordance with the bylaws of the corporation.

### **Section 5.      Duties and Authority of Officers.**

The Chair will preside at all meetings of the Port Commission and decide the order in which the agenda items will be acted upon. The Chair will put to a vote all questions which are properly moved or necessarily arise in the course of the proceedings and announce the result of each vote. The Chair will decide all questions of parliamentary procedure, and there is no appeal from the decision of the Chair. Counsel for the Port Commission may advise the Chair on matters of parliamentary procedure.

If the office of Chair is vacant, the Vice Chair shall perform the duties and have the authority to exercise the powers of the Chair. The Vice Chair will act as the presiding officer of any Port Commission meeting at which the Chair is absent or whenever the Chair chooses not to act as the presiding officer.

## **EXHIBIT B**

The Secretary will review and sign the minutes of the meetings of the Port Commission and will, when appropriate, attest the execution of documents by PCCA's officers or the Executive Director.

The Chair, Vice Chair, Secretary, or Executive Director may execute agreements and other documents approved by the Port Commission and approved as to legal form by Counsel for the Port Commission.

### **Section 6.      Quorum; Voting.**

Four (4) Port Commissioners constitute a quorum for the purpose of conducting business at any meeting of the Port Commission. The affirmative vote of a majority of the Port Commissioners present and voting at any meeting at which a quorum is present, but not less than the affirmative vote of three Port Commissioners, is sufficient for the adoption of any motion or resolution except where a vote of greater than a majority of Port Commissioners present and voting at the meeting is required by law, statute or these rules. Each Port Commissioner present at a meeting shall be entitled to vote on any issue put to a vote of the Port Commission at such meeting, except as provided in PCCA's Code of Ethics, or Chapter 171 of the Texas Local Government Code. When a Port Commissioner present at a meeting abstains from voting on a matter taken up by the Port Commission, the record will reflect the Port Commissioner's abstention, and any certifications regarding the voting record on such matter shall reflect the Port Commissioner's abstention. If a Port Commissioner is absent from a meeting of the Port Commission, the minutes of the meeting shall reflect the Port Commissioner's absence.

### **Section 7.      Robert's Rules of Order.**

The rules contained in the current edition of Robert's Rules of Order Newly Revised shall govern the Port Commission in all cases to which they are applicable and in which they are not inconsistent with any law, statute, or rule of the Port Commission.

### **Section 8.      Contact With Staff.**

The Port Commissioners shall not give directives to any members of PCCA's staff other than the Executive Director.

## **EXHIBIT B**

### Section 9. Amendments.

These Operating Rules may only be amended by a vote of two-thirds of all Port Commissioners.

ADOPTED BY THE PORT COMMISSION the 17<sup>th</sup> day of February, 20015, as a complete amendment and restatement of the prior Operating Rules of the Port Commission.

**OFFICIAL MINUTES OF PORT COMMISSION MEETING  
MARCH 5, 2015**

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 Thursday, March 5, 2015, at 9:00 a.m., for a special called meeting of the Port Commission.

**Present:** Ms. Judy Hawley  
Mr. Charles Zahn  
Ms. Barbara Canales  
Mr. Richard Valls  
Mr. Wayne Squires

**Absent:** Mr. David Engel  
Mr. Richard Bowers

**Present:** Mr. John P. LaRue  
Ms. Sherry DuBois  
Ms. Angela Leyva  
Ms. Peggy Mettlen

**Others Present:** Mr. Leo J. Welder, Jr.  
Mr. Dane Bruun

**Others Present:** Lowell Bezanis  
Cheniere  
Capt. Mike Kershaw

**I.**

Chair Hawley called the meeting to order and asked for conflict of interest affidavits. None were submitted.

**II.**

Chair Hawley asked for comments from the public. None were received.

**III.**

On motion made by Mr. Valls and seconded by Mr. Squires, the Commission approved, in the form presented to the meeting, the second reading of a franchise granting Corpus Christi Liquefaction, LLC (Cheniere Energy, Inc.), the right to cross the north bulkhead line of the La Quinta Ship Channel from its property adjacent to the channel and related rights.

**IV.**

There being no further business, the meeting adjourned at 9:03 a.m.

***AGENDA ITEM NO. 03***

***No Attachment***

**DATE:** March 17, 2015  
**FROM:** John LaRue; 885-6189; [john@pocca.com](mailto:john@pocca.com)

***AGENDA ITEM NO. 4***

**Approve a Resolution in Memory of Guido Ghisolfi**

**WHEREAS**, Guido Ghisolfi was born in Italy in 1956 and received a degree in chemical engineering, which led to his career as a researcher focusing on solid state technology; and

**WHEREAS**, Guido Ghisolfi became the head of research and development of the M&G Group in 1984 and went on to become Managing Director of the engineering company of the M&G Group, which is now a world technology leader in polyester production; and

**WHEREAS**, Guido Ghisolfi was an entrepreneur who, together with his father Vittorio and his brother Marco, built the Mossi & Ghisolfi Group into one of the global leaders in the field of plastics and chemicals derived from renewable sources; and

**WHEREAS**, Guido Ghisolfi holds several patents for both bottle grade polyester production and barrier polyester for the packaging of juices and alcoholic drinks; and

**WHEREAS**, Guido Ghisolfi has been recognized by the Advanced Bioeconomy Leadership Conference and is ranked in the Top 125 People in the Advanced Bioeconomy; and

**WHEREAS**, Guido Ghisolfi was Chief Executive Officer of Beta Renewables, the first commercial-scale cellulosic ethanol plant to develop and deploy a low-cost cellulosic biofuels technology, known as Proesa; and

**WHEREAS**, Chemtex, the parent company of Beta Renewables, employs approximately 1,000 staff members located in key centers throughout the world, including Tortona and Rivalta in Italy; Wilmington, North Carolina and Sharon Center, Ohio, in the USA; Shanghai and Beijing in China; and Mumbai, Bangalore and Baroda in India; and

**WHEREAS**, Guido Ghisolfi was also Vice President of Italy's second largest chemical firm, Gruppo M&G, which is presently the world's largest producer of PET for packaging applications and a technological leader in the polyester market, with manufacturing assets in Brazil, Italy, Mexico, the USA; and

**WHEREAS**, under his leadership, Gruppo M&G has committed significant funds to construct a PET and PTA plant in Corpus Christi, bringing jobs and capital funds into the local economy.



***NOW THEREFORE BE IT RESOLVED***, that the Port Commission of the Port of Corpus Christi Authority of Nueces County, Texas, hereby honors Guido Ghisolfi and is grateful for his talent, ingenuity and perseverance in bringing a new efficient and effective source of renewable fuel for the world and for his belief and investment in the Coastal Bend by committing almost a billion dollars for a PET plant in Corpus Christi.

***BE IT FURTHER RESOLVED***, that this resolution be made a part of the permanent minutes of this Port Commission and that a copy of this resolution be presented to his family and the officials at the M&G Group.

**LEAD CONTACT:** John LaRue; 885-6189; [john@pocca.com](mailto:john@pocca.com)

***AGENDA ITEM NO. 05***

***No Attachment***

***AGENDA ITEM NO. 06***

***No Attachment***

***AGENDA ITEM NO. 07***

***No Attachment***

***AGENDA ITEM NO. 08***

***No Attachment***

***AGENDA ITEM NO. 09***

***No Attachment***

**DATE:** March 17, 2015  
**FROM:** John LaRue; 885-6189; [john@pocca.com](mailto:john@pocca.com)

***AGENDA ITEM NO. 10***

**Approve a Service Order with Naismith Engineering Inc., under its Professional Services Master Agreement, for Engineering Design Services Associated with Port Area Signage & Landscaping Improvements**

In 2014, PCCA staff negotiated a service order with Naismith Engineering Inc. (NEI) in the amount of \$45,000 for conceptual and preliminary architectural and engineering studies associated with improvements to the Port's area signage and landscaping. The purpose of this project is to promote the PCCA with a recognizable and positive image within the community by adding new signage, lighting, and landscaping throughout the Port. The preliminary design work for the project was completed in February 2015, and included recommended locations for placement of monument signs, secondary signs, and wayfinding signs; three design concepts for each type of sign; conceptual landscape and lighting designs; and preliminary cost estimates for the selected design concept. See attached exhibits.

To move forward with the project, staff negotiated a new Service Order with NEI in an amount not to exceed \$34,750 for the final design of the selected concept. The scope of work includes:

- Final design of the monument, secondary, and wayfinding signs.
- Evaluation of required right-of-way and utility improvements.
- Improved Engineer's Opinion of Probable Construction Cost for three selected locations for monument signs and four selected locations for secondary signs.

A future service order will be negotiated and presented to the Port Commission for approval to provide the final design of site plans and preparation of construction bid documents for the selected sites.

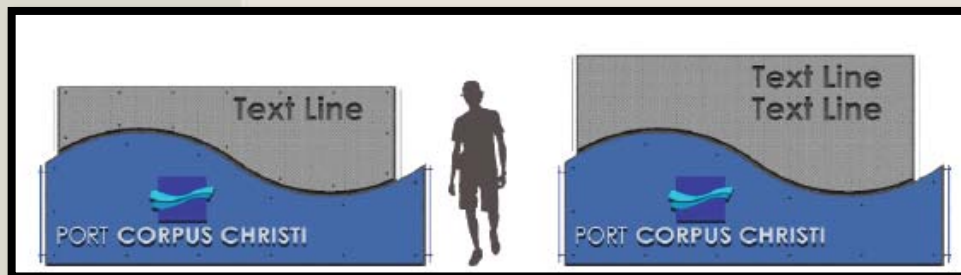
Staff recommends approval of a Service Order with Naismith Engineering Inc., under its Professional Services Master Agreement, in an amount not to exceed \$34,750.00, for engineering and design services associated with the Port Area signage and landscaping improvements project.

**LEAD CONTACT:** David Krams; 885-6134; [krams@pocca.com](mailto:krams@pocca.com)

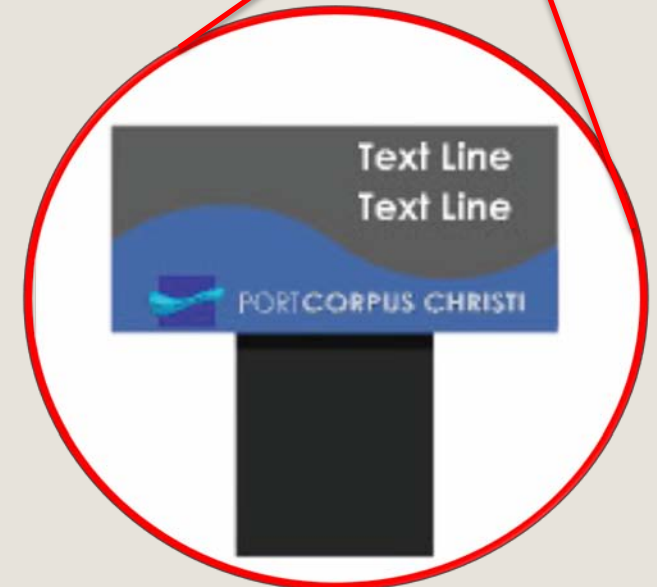
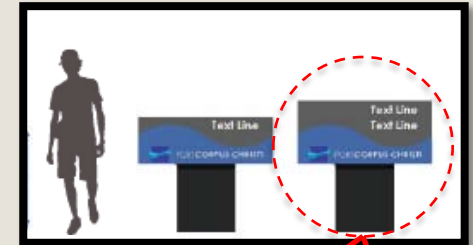
# PORT OF CORPUS CHRISTI PORT AREA SIGNAGE PROJECT



MONUMENT SIGN

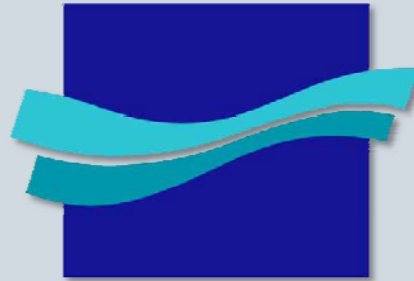


INTERMEDIATE SIGN



WAYFINDING SIGN





# PORT CORPUS CHRISTI

Port Area Signage & Landscaping Improvements  
Preliminary Design

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MARCH 17, 2015

# Project Description

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INTRODUCTION | BACKGROUND

# Project Description

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## Goals

- Increase brand awareness in surrounding communities.
- Provide 'Sense of Arrival' to all Port of Corpus Christi locations and properties.
- Further enhance the branding effort initialized by the Port.

# Project Description

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## Levels of Signage

- **Monument Sign** – Placed at major points of entry into Port property to provide 'Sense of Arrival'
- **Intermediate Sign** – Hybrid design mixing Monument and Wayfinding / Location signs placed at areas of interest on Port property determined to need more than a Wayfinding / Location Sign.
- **Wayfinding / Location Sign** – Placed outside of businesses, facilities and areas of interest on Port property.

# Project Description

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## Design Process

- Developed six unique concepts for discussion and review.
- Two concepts were chosen by Port staff for further refinement.
- One final preliminary concept was chosen.

# Conceptual Designs

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SIX CONCEPT SIGNS DEVELOPED

# Sign Concept 1



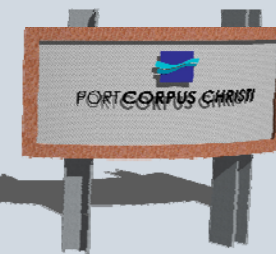
Monument Sign



Intermediate Sign



Location Sign



# Sign Concept 2



Intermediate Sign



Location Sign



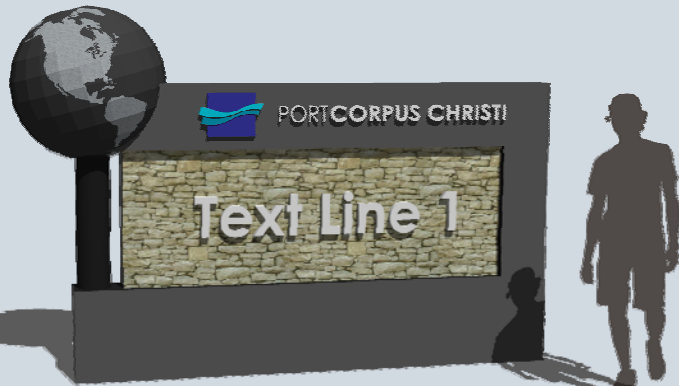
Monument Sign



# Sign Concept 3



# Sign Concept 4



Intermediate Sign

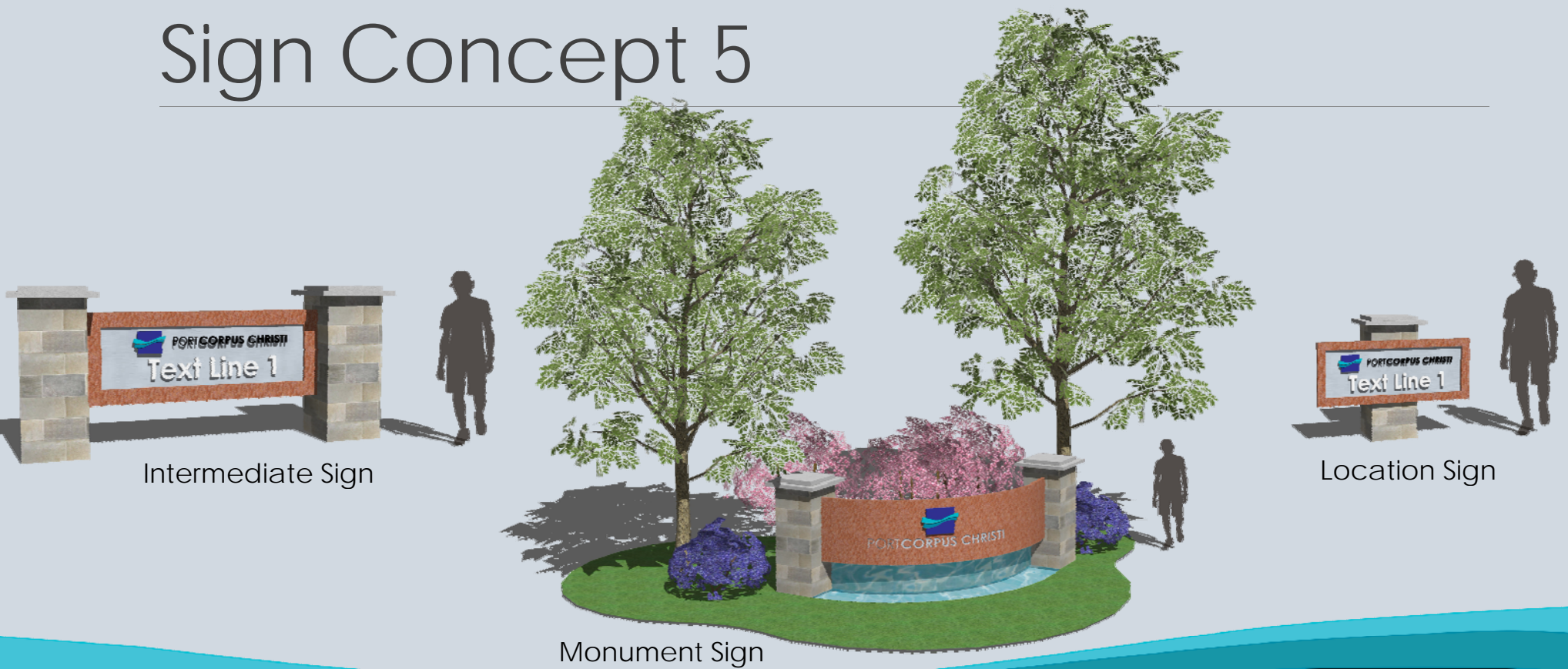


Monument Sign

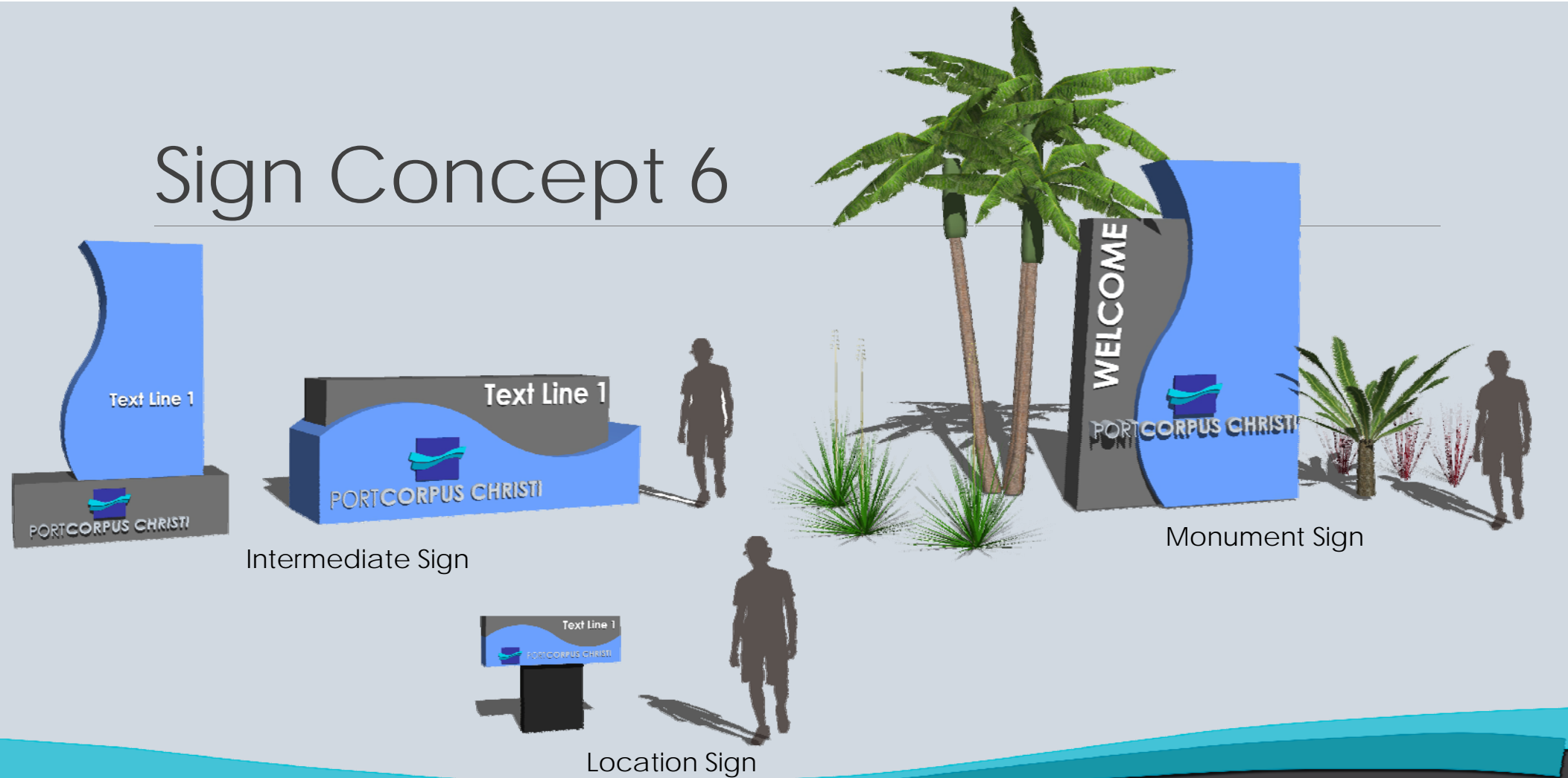


Location Sign

# Sign Concept 5



# Sign Concept 6





# Conceptual Designs

## Originals

Concept 1



Concept 2



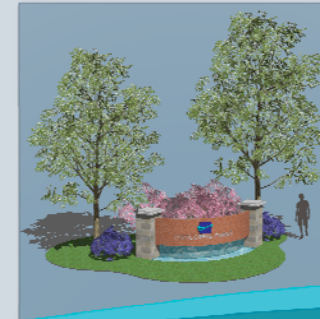
Concept 3



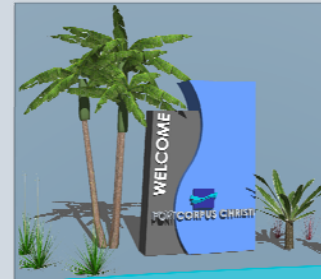
Concept 4



Concept 5

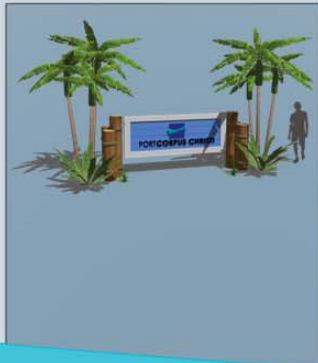


Concept 6



# Conceptual Designs

## Design Development



# Design Development

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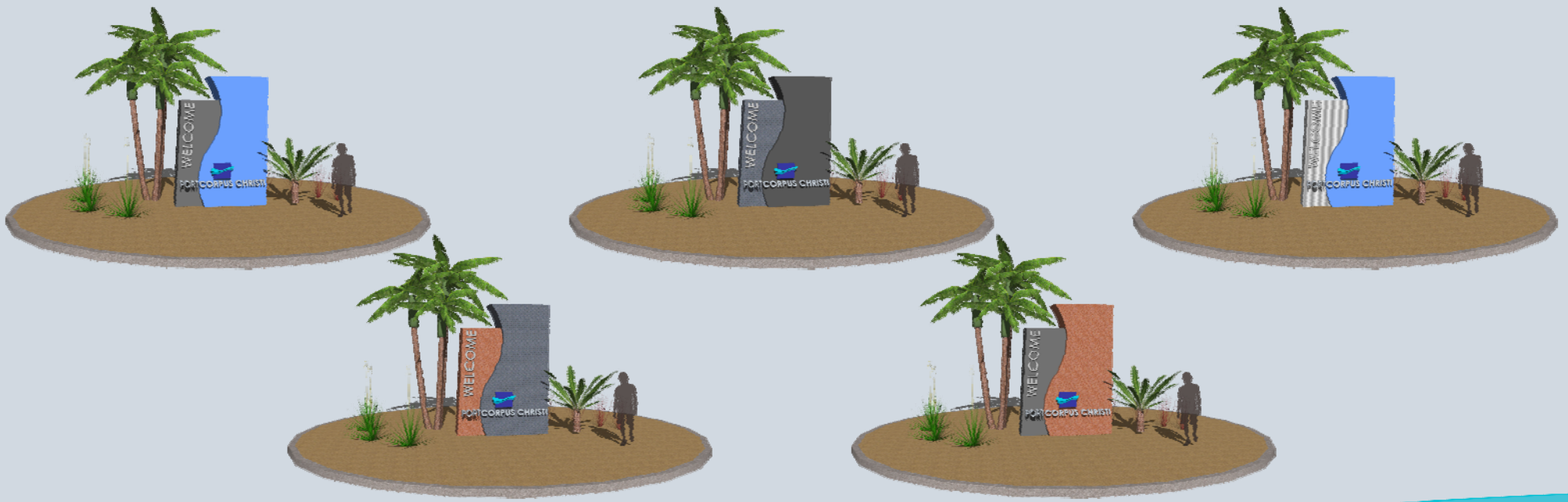
TWO CONCEPTS | MATERIALS CONSIDERATION

# Sign Concept 3





# Sign Concept 6



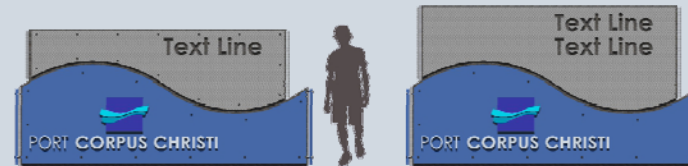
# Preliminary Design of Selected Concept

## CONCEPT 6

# Sign Concept 6 - All



Monument Sign



Intermediate Sign



Location Sign



# Sign Concept 6





# Sign Concept 6



# Thank You.

PROJECT PRINCIPAL

**DAVID M. UNDERBRINK, SR., P.E.**

NAISMITH ENGINEERING

361.814.9900

PROJECT LANDSCAPE ARCHITECT

**ALLEN BEYER, PLA**

NAISMITH ENGINEERING

361.877.6785

**DATE:** March 17, 2015  
**FROM:** John LaRue; 885-6189; [john@pocca.com](mailto:john@pocca.com)

***AGENDA ITEM NO. 11***

**Approve Renewal of PCCA's Property and Terrorism Insurance  
for the 12-Month Period Beginning April 1, 2015**

The PCCA's insurance consultant, Carlisle Insurance, has been working on obtaining quotes and premium rates for renewal of the Port's property, terrorism, and equipment breakdown insurance set to expire on March 31, 2015.

The PCCA's Total Insured Values (TIVs) for the 2015-2016 renewal period has increased from \$265,988,562 to \$269,594,928 (an increase of \$3,606,366 over 2014-2015 values). Our per occurrence limit remains at \$100,000,000. As part of the Insurance Renewal Proposal, an updated Wind Risk Analysis was performed and, after discussion with Carlisle Insurance, Port staff remains comfortable with the current \$100,000,000 per occurrence limit.

It has been a number of years since the PCCA had an appraisal performed on its property. PCCA staff has requested that a Port-wide appraisal be performed to ensure that current TIVs are in line with current market valuations. As a general practice between appraisals, these values are adjusted annually only to account for any new changes that may have occurred. A new appraisal is usually performed every five to seven years.

The PCCA requested two quote options from Carlisle Insurance this renewal period for property insurance coverage—one that replicated the same coverage provisions of our current property coverage and a second that placed a cap on our deductible for storm surge and flood. Due to a softening in the market and Carlisle's negotiations with brokers, we were able to reduce our current premium of \$1,558,310 to \$1,318,208 (a reduction of \$240,102 to replicate our current coverage provisions and a premium of \$1,395,417 (a reduction of \$162,893) for the second option that places a cap on our deductible for storm surge and flood.

Outside of a reduction in overall premiums, the only other significant change in this year's program is in the number of companies participating in the placement of both our primary and excess layers of property coverage. It is the PCCA's position and that of our consultants that this change is favorable by allowing more participation and spreading of risk exposure amongst insurance carriers, thereby eliminating a concentration of risk by any one carrier. This also assisted in reducing our premiums.

Also, during this renewal cycle, Carlisle Insurance was able to negotiate better terms and conditions on the Terrorism policy with Hiscox, who has written this coverage for the PCCA for the past several years. Coverage limits were increased from \$25,000,000 to \$100,000,000, while



reducing our deductible from \$50,000 to \$25,000 per occurrence. In addition, our annual premium was reduced from \$25,703 to \$20,982, a savings of a \$4,721. Our equipment breakdown coverage remained the same, with limits of \$23,575,270, while our premium has reduced from \$5,342 to \$5,262.

Staff recommends approval of the PCCA's property, terrorism, and equipment breakdown insurance renewal for 2015-2016 in the total amount of \$1,421,661 that includes placing a cap on our deductible for storm surge and flood.

**LEAD CONTACT:** Dennis J. DeVries at 361-885-6139 or [dennis@pocca.com](mailto:dennis@pocca.com)



**PORT CORPUS CHRISTI**

**2015 - 2016  
PROPERTY INSURANCE PROPOSAL**



**CARLISLE  
INSURANCE**

**— SINCE 1925 —**

**TAKE PRIDE**

**EXECUTIVE SUMMARY**

**March 3, 2015**

**PRESENTED BY**

**Tom Carlisle, CIC**

**PRESIDENT**

**Chase Carlisle, CIC**

**BROKER**

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*2015 – 2016 – Option 1*

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# I. EXECUTIVE SUMMARY

## EXECUTIVE SUMMARY

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We are pleased to present the following proposal to the Port of Corpus Christi Authority (POCCA) staff and Commissioners. This was the first year we have been able to directly negotiate with all of the insurance carriers as your primary Broker and we are pleased with the results.

Global Market Conditions were favorable for the Port's renewal due to relatively low worldwide catastrophic events, several years of profitable property reinsurance results and an influx of capital into the marketplace.

As illustrated in the following pages of the proposal, we were able to reduce the POCCA's overall total costs by \$244,903 (15.41%). The majority of the savings came from the primary and excess property premiums where we were able to reduce your current rates by 16.2%. It is also important to note that these reductions occurred even while the Total Insured Values increased from \$265,988,562 to \$269,594,928 (\$3,606,366 increase).

There was no change in the per occurrence limit of \$100,000,000 that has been purchased by POCCA or in the deductibles set forth. The only significant changes in the program were with the company participations on your property placement, as shown in the schematic on page 21. The participation that was previously placed in London with Lloyds was reduced and spread amongst domestic carriers who were able to provide better pricing. The Port benefited greatly by the addition of several carriers to the placement. A majority of these carriers had been long term partners of the Port's and were extremely disappointed when they were removed from the placement during the 2014 renewal process (even though they provided the requested terms and pricing). These carriers were excited about the opportunity to continue their partnership and were instrumental in driving the cost savings in their effort to be a part of the 2015 placement. The multiple carrier approach ensures the Port is receiving the most competitive pricing, while also protecting the overall placement on future renewals in the event of a catastrophic Hurricane claim.

We were also able to negotiate better terms and conditions on the Terrorism policy with Hiscox, who has written this coverage for the POCCA for the past few years. Hiscox agreed to reduce the premium while also providing a \$100,000,000 limit (compared to \$25,000,000 previously provided) as well as reduce the deductible from \$50,000 per occurrence to \$25,000 per occurrence. Furthermore, they have included a broader, municipality specific policy form this year.

In conclusion, we feel that the renewal of the POCCA's property insurance has proved very successful based largely on costs savings and rate reductions along with a few improvements in terms and conditions of the coverages.



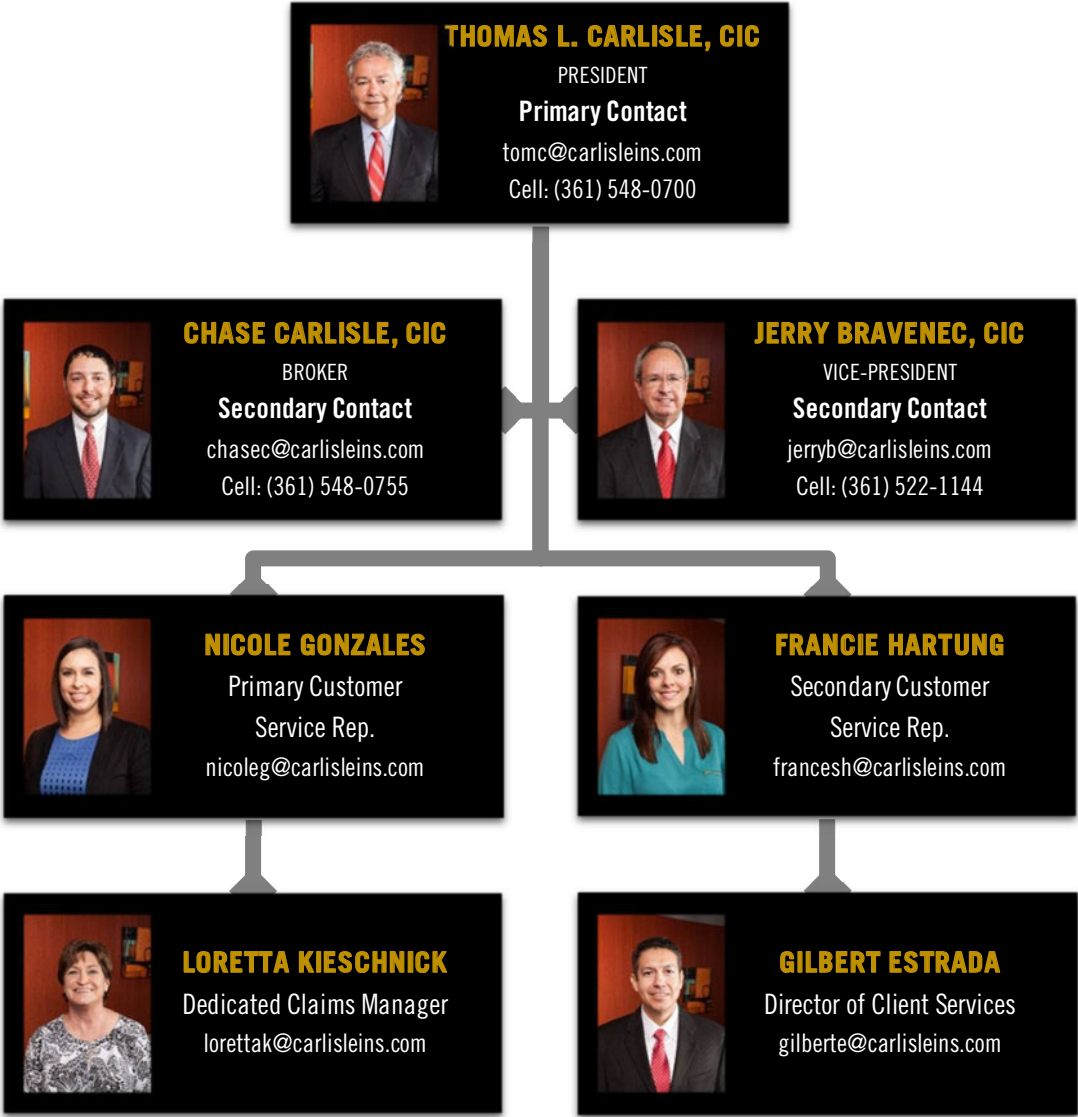


## **II. AGENCY SERVICE TEAM**

CARLISLE INSURANCE

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PUBLIC ENTITY TEAM



# III. RENEWAL COMPARISON



# RENEWAL COMPARISON

## PROPERTY - PRIMARY & EXCESS

	2014-2015		2015-2016 - Option 1		2015-2016 - Option 2	
TOTAL INSURED VALUES	\$265,988,562		\$269,594,928		\$269,594,928	
PREMIUM						
PRIMARY	\$1,001,148 plus tax	Total: (w/tax) \$1,558,310	\$875,000 plus tax	Total: (w/tax) \$1,318,208	\$950,000 plus tax	Total: (w/tax) \$1,395,417
EXCESS	\$491,250 plus tax		\$400,000 plus tax		\$400,000 plus tax	
RATE	\$0.5820		\$0.4889		\$0.5175	
LIMITS (per occurrence)						
PRIMARY	\$25,000,000		\$25,000,000		\$25,000,000	
EXCESS	\$75,000,000 xs of \$25,000,000		\$75,000,000 xs of \$25,000,000		\$75,000,000 xs of \$25,000,000	
DEDUCTIBLES						
PRIMARY	\$100,000 per Occurrence, EXCEPT 1. Named Windstorm – 5% of TIV involved in a loss subject to a minimum of \$250,000 and maximum of \$4,000,000 per occurrence <u>or, which ever is greater</u>  2. Flood/Storm Surge – 5% of TIV involved in a loss subject to a minimum of \$1,000,000 per occurrence. Applies to locations in Flood Zone A or B		\$100,000 per Occurrence, EXCEPT 1. Named Windstorm – 5% of TIV involved in a loss subject to a minimum of \$250,000 and maximum of \$4,000,000 per occurrence <u>or, which ever is greater</u>  2. Flood/Storm Surge – 5% of TIV involved in a loss subject to a minimum of \$1,000,000 per occurrence. Applies to locations in Flood Zone A or V		\$100,000 per Occurrence, EXCEPT 1. Named Windstorm – 5% of TIV involved in a loss subject to a minimum of \$250,000 and maximum of \$4,000,000 per occurrence <u>or, which ever is greater</u>  2. Flood/Storm Surge – 5% of TIV involved in a loss subject to a minimum of \$1,000,000 per occurrence / Maximum of \$4,000,000 Applies to locations in Flood Zone A or V	
POLICY FORM						
PRIMARY	Lexington Policy Form		Lexington Policy Form		Lexington Policy Form	
EXCESS			CRC Excess Follow Form		CRC Excess Follow Form	
PARTICIPATING INSURERS						
PRIMARY	Lexington Insurance Co – 50% Lloyd's Underwriters – 50%		Lloyds of London – 25% Starr Specialty – 25% Starr Surplus Chubb Custom General Security Indemnity Lexington Insurance Co – 20% * Westport Insurance Corp. – 20% * Houston Casualty Co. – 10%		Lloyds of London – 45% Starr Specialty – 25% Starr Surplus Chubb Custom General Security Indemnity * Westport Insurance Corp. – 20% * Houston Casualty Co. – 10%	

EXCESS			
	Lloyd's Underwriters 60%	* Westport Insurance Corp. – 20%	* Westport Insurance Corp. – 20%
	Ironshore 10%	Lloyds of London – 19.2%	Lloyds of London – 19.2%
	Swiss Re 30%	* RSUI Indemnity Co. – 15%	* RSUI Indemnity Co. – 15%
		Steadfast Insurance Co. – 12.5%	Steadfast Insurance Co. – 12.5%
		Liberty Surplus Insurance Corp. – 10%	Liberty Surplus Insurance Corp. – 10%
		AXIS Surplus Insurance Co. – 10%	AXIS Surplus Insurance Co. – 10%
		Aspen Specialty Insurance Co. – 6.65%	Aspen Specialty Insurance Co. – 6.65%
* Admitted		Alterra Excess & Surplus – 6.65%	Alterra Excess & Surplus – 6.65%

# RENEWAL COMPARISON

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## *TERRORISM*

	2014-2015	2015-2016
<b>PREMIUM</b>	\$24,500 plus tax	\$20,000 plus tax
<b>LIMITS (per occurrence)</b>	\$25,000,000	\$100,000,000
<b>DEDUCTIBLES</b>	\$50,000	\$25,000 Per Occurrence – Property Damage 3 Day Waiting Period – Time Element \$25,000 Per Occurrence – Combined Liability
<b>PARTICIPATING INSURERS</b>	Hiscox Syndicate	Hiscox Syndicate

## RENEWAL COMPARISON

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### *EQUIPMENT BREAKDOWN*

	2014-2015	2015-2016
<b>TOTAL INSURED VALUES</b>		
<b>REAL &amp; PERSONAL PROPERTY</b>	\$15,795,270	\$15,795,270
<b>CONVEYOR BELT SYSTEM</b>	\$5,780,000	\$5,780,000
<b>BUSINESS INCOME</b>	\$2,000,000	\$2,000,000
<b>PREMIUM</b>	\$5,342.00	\$5,262
<b>LIMITS</b> (Property Damage & Bus. Income/EE)	\$23,575,270	\$23,575,270
<b>DEDUCTIBLES (Per Occurrence)</b>	\$5,000	\$5,000
<b>COVERED LOCATIONS</b>	222 Power Street – Admin Bldg. 1305 Shoreline Blvd. – Annex Bldg. 402 Harbor Dr. – Ortiz Center 4820 E Navigation Blvd. – Conveyor Belt system	222 Power Street – Admin Bldg. 1305 Shoreline Blvd. – Annex Bldg. 402 Harbor Dr. – Ortiz Center 4820 E Navigation Blvd. – Conveyor Belt system
<b>PARTICIPATING INSURERS</b>	Zurich American Insurance Co	Zurich American Insurance Co

# **IV. PREMIUM COMPARISON**

## PREMIUM COMPARISON

	2014-2015	2015-2016 <i>Option 1</i>	DIFFERENCE	2015-2016 <i>Option 2</i>	DIFFERENCE
PRIMARY PROPERTY	\$1,001,148	\$875,000	(\$126,148)	\$950,000	(\$51,148)
EXCESS PROPERTY	\$491,250	\$400,000	(\$91,250)	\$400,000	(\$91,250)
TERRORISM	\$24,500	\$20,000	(\$4,500)	\$20,000	(\$4,500)
EQUIPMENT	\$5,342	\$5,262	(\$80)	\$5,262	(\$80)
BREAKDOWN					
<b>TOTAL PREMIUM</b>	<b>\$1,522,240</b>	<b>\$1,300,262</b>	<b>(\$221,978)</b>	<b>\$1,375,262</b>	<b>(\$146,978)</b>
TEXAS SURPLUS	\$67,115	\$44,190	(\$22,925)	\$46,399	(\$20,716)
LINES TAX					
<b>TOTAL COSTS</b>	<b>\$1,589,355</b>	<b>\$1,344,452</b>	<b>(\$244,903)</b>	<b>\$1,421,661</b>	<b>(\$167,694)</b>

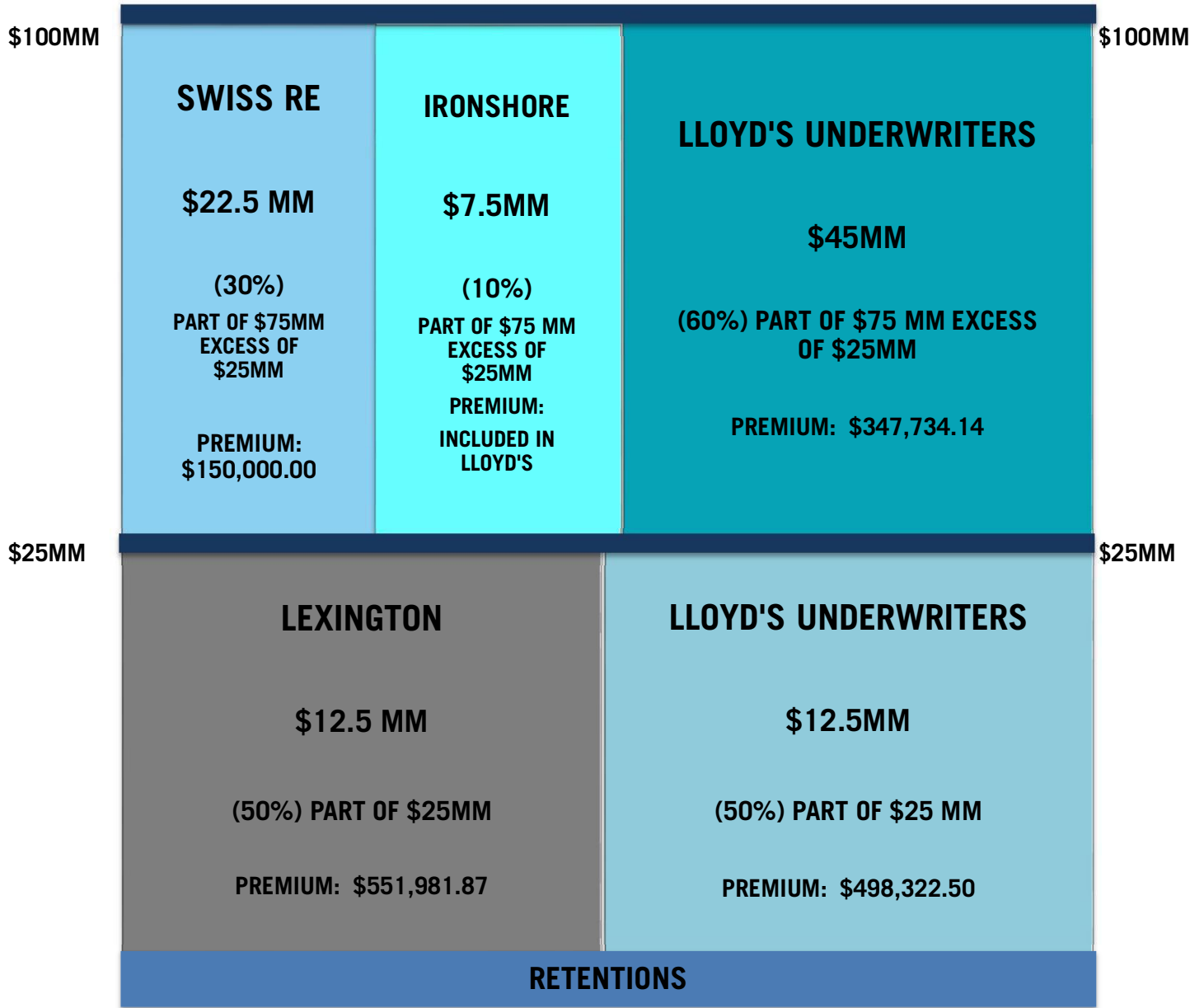
# V. PROPERTY SCHEMATIC

SUMMIT VENTURE  
MONROVIA



# PORT CORPUS CHRISTI

## 2014-2015 PROPERTY INSURANCE LAYERING SCHEMATIC



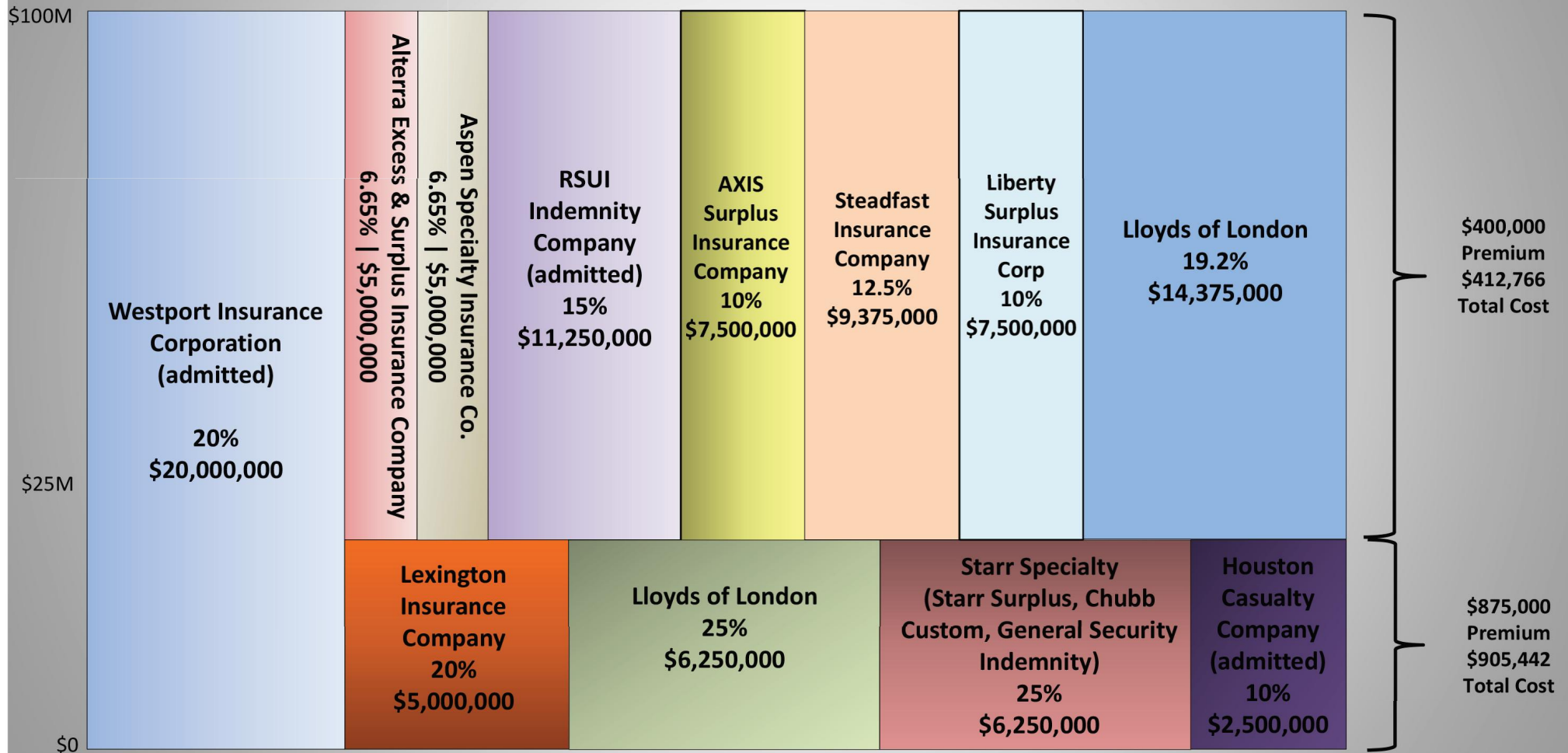


# Port of Corpus Christi

4/1/2015 - 4/1/2016

## Property Schematic

Option 1



### ADDITIONAL POLICIES:

Equipment Breakdown: \$5,262 Total Cost

Terrorism: \$20,982 Total Cost

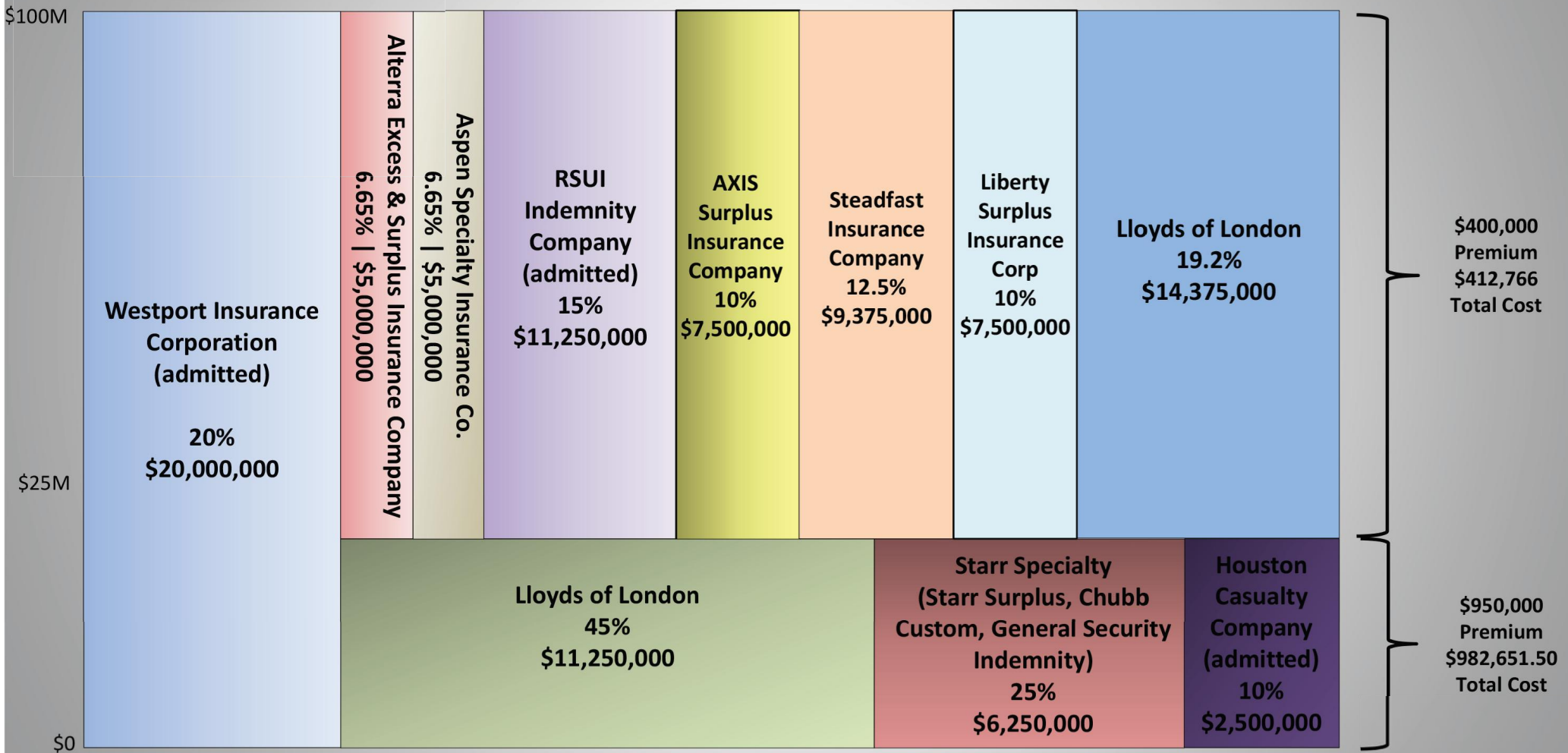


# Port of Corpus Christi

4/1/2015 - 4/1/2016

## Property Schematic

Option 2



### ADDITIONAL POLICIES:

Equipment Breakdown: \$5,262 Total Cost

Terrorism: \$20,982 Total Cost



# **VI. PROPERTY INSURANCE HISTORICAL TIMELINE**

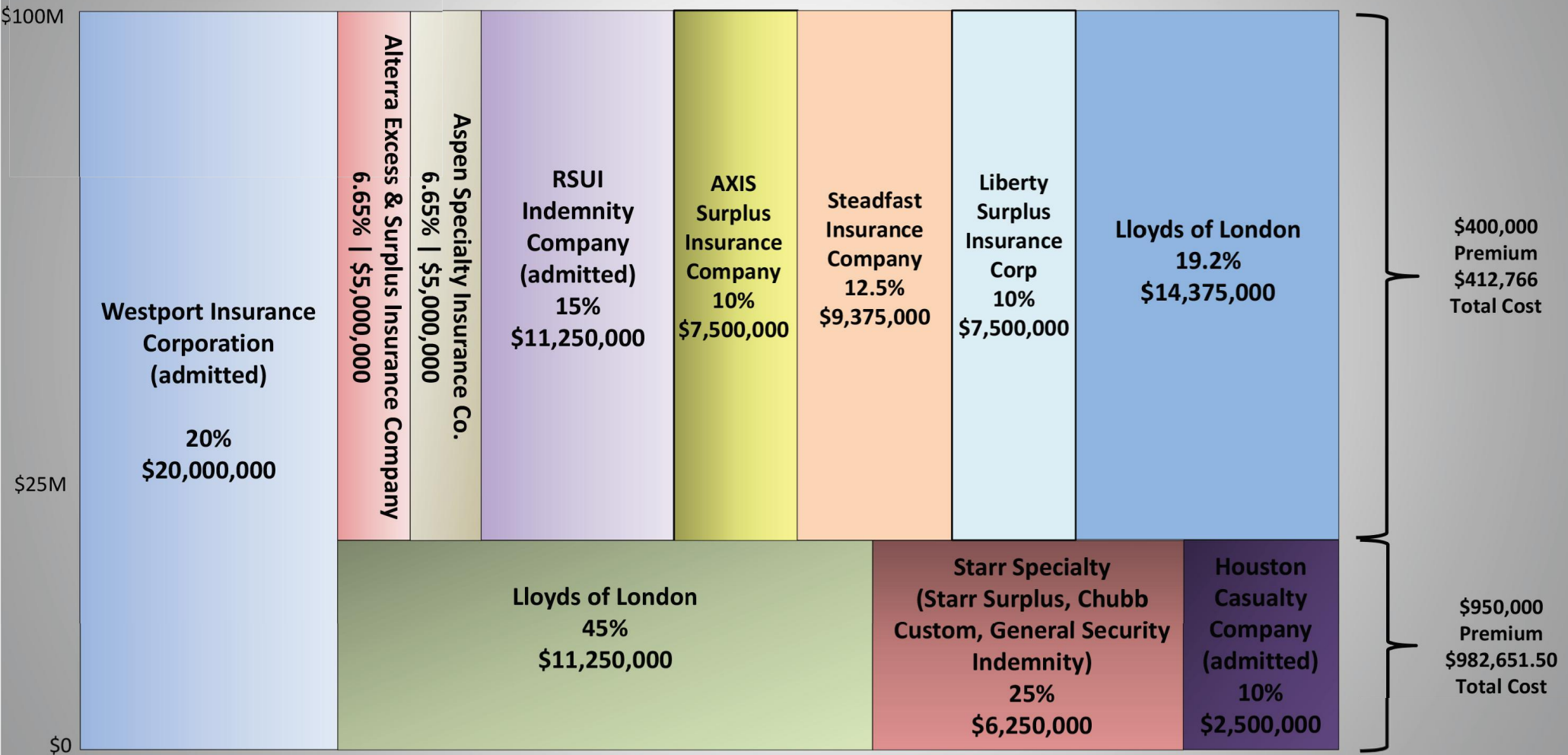


# Port of Corpus Christi

4/1/2015 - 4/1/2016

## Property Schematic

Option 2



### ADDITIONAL POLICIES:

Equipment Breakdown: \$5,262 Total Cost

Terrorism: \$20,982 Total Cost





# **VII. MARKETING SUMMARY**

## MARKETING SUMMARY

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ACE	Interest in excess only but unable to compete; indicated \$450,000 layer premium
AmRisc	Indicated 10% of the \$100M layer at \$1.5M layer premium
Arch	Minimum \$50M attachment point
Aspen	Quoted
AWAC	Interest in primary only but unable to compete due the the pricing; wanted \$1M or higher
AXIS	Quoted
Berkshire Hathaway Specialty Colony	Indicated 20% of the primary at \$1M layer premium Interest in excess only but unable to compete; indicated \$500,000 layer premium
Continental/Houston Casualty	Quoted
Endurance	Not interested in a Named Storm cap
ETU	Decline due to class of business
Everest	Decline due to a Named Storm cap
Hiscox	Quoted
James River	Interest in excess only but unable to compete; indicated \$450,000 layer premium
Kinsale	Decline due to a Named Storm cap
Lexington	Quoted
LIU	Quoted
Lloyds of London	Quoted
Markel/Alterra	Quoted
OneBeacon	Interested in excess only; \$150M minimum attachment
RLI	Declined due to the Named Storm cap and port specific endorsements
RSUI	Quoted
Scottsdale	Interest in excess only but unable to compete; indicated \$475,000 layer premium
Starr	Quoted
Swiss Re/Westport	Quoted
Travelers	Quoted - Equipment Breakdown - \$8,166.00
XL	Not able to compete due to the Named Storm cap
Zurich	Quoted
Zurich E & S	Quoted

**DATE:** March 17, 2015

**FROM:** John LaRue; 885-6189; [john@pocca.com](mailto:john@pocca.com)

***AGENDA ITEM NO. 12***

**Approve the Third and Final Reading of a Franchise Granting  
Corpus Christi Liquefaction, LLC, (Cheniere Energy Inc), the  
Right to Cross the North Bulkhead Line of the  
La Quinta Ship Channel from Its Property  
Adjacent to the Channel and Related Rights**

Corpus Christi Liquefaction, LLC, (CCL) currently owns a 337.4-acre tract of land ("CCL's Property") located along the La Quinta Ship Channel just east of the PCCA La Quinta Terminal site. The tract includes approximately 57 acres of submerged land in Corpus Christi Bay (the "Submerged Land") which was conveyed by Nueces County Navigation District No. 1 (now the PCCA) to CCL's predecessors in title by Mutual Conveyances dated May 23, 1952, and December 4, 1973. See attached Exhibits. By the Mutual Conveyances, CCL's predecessors in title conveyed to PCCA all littoral and riparian rights belonging to CCL's Property. In this way, the Mutual Conveyances established the north bulkhead line of the La Quinta Ship Channel as the boundary between CCL's property and the PCCA's property.

The Mutual Conveyances were made on the express condition that the owners of the Submerged Land would not use or permit the use of all or any part of the Submerged Land for any business seeking access to the La Quinta Ship Channel through the north bulkhead line without first obtaining a franchise from the PCCA to cross the bulkhead line, all upon reasonable conditions and reasonable rentals as defined in the Mutual Conveyance. Conversely, when asked to do so by the owner of the Submerged Land, the PCCA is required to grant a franchise to the owner which permits the owner to use the Submerged Land for the requested purpose (except a railway terminal) and to have access to the channel over the north bulkhead line, subject to reasonable regulations as to construction and use, reasonable conditions for the protection of the PCCA, its property, and the property of its tenants; and reasonable rentals as defined in the Mutual Conveyance.

CCL has recently obtained the necessary regulatory approvals to proceed with construction of its \$12 billion LNG liquefaction facility to be located on CCL's property, with much of the related waterfront facilities and slips to be constructed on the Submerged Land. CCL has requested a franchise from the PCCA granting CCL the right access to the La Quinta Ship Channel from CCL's property for all purposes necessary, proper or convenient in connection with (i) the use and operation of its LNG terminal as now constructed or that may be hereafter constructed, (ii) the use of CCL's property for other commercial enterprises, (iii) the maintenance of the channel, and (iv) the use and operation of the docks and wharves constructed or to be constructed on CCL's property.

In exchange for the franchise, CCL will pay a rental payment equal to 50% of the PCCA's then current tariff wharfage rates on all commodities shipped by water across the north bulkhead line to or from CCL's docks. This is the standard rental rate for private docks constructed on submerged land subject to the terms of a mutual conveyance. Accordingly, the attached franchise has been drafted by PCCA counsel and has been duly advertised as required under the laws of the State of Texas. The franchise must be approved at three meetings by a majority of the Port Commission. On February 17, 2015 and March 5, 2015, the Port Commission approved and passed the first and second readings of the franchise, respectively.

Staff recommends that the Port Commission approve and pass the third and final reading of this franchise granting Corpus Christi Liquefaction, LLC, the rights generally described above and in the franchise.

**LEAD CONTACT:** David Krams; 885-6134; [krams@pocca.com](mailto:krams@pocca.com)



**LA QUINTA SHIP CHANNEL FRANCHISE**

**PORT OF CORPUS CHRISTI AUTHORITY  
OF NUECES COUNTY, TEXAS  
TO  
CORPUS CHRISTI LIQUEFACTION, LLC**

**SECTION 1  
GRANT OF ACCESS TO CHANNEL**

Subject to the terms and conditions of this franchise, the Port of Corpus Christi Authority of Nueces County, Texas (“Authority”), hereby grants to Corpus Christi Liquefaction, LLC, a Delaware limited liability company whose business address is 700 Milam Street, Suite 800, Houston, Texas 77002, its successors and assigns (“Grantee”), for the term specified in this Section 1, the right of access to the La Quinta Ship Channel (“Channel”) and other waters of Nueces County, Texas from Grantee’s Land (hereinafter defined) for all purposes necessary, proper or convenient in connection with: (i) the use and operation of its LNG terminal as now constructed or that may be hereafter constructed on or adjacent to Grantee’s Land (ii) the use of Grantee’s Land for other commercial enterprises, (iii) the maintenance of the Channel and (iv) the use and operation of the docks and wharves constructed or to be constructed on Grantee’s Land. The term of this franchise shall begin when Grantee files its written acceptance of it with the Authority in accordance with Section 13 of this franchise and shall end on February 28, 2045. “Grantee’s Land” is that certain 337.4 acres, more or less, of land situated in San Patricio County, Texas and Nueces County, Texas, which is shown on the plat attached hereto as Exhibit A and which is more particularly described in Exhibit B attached hereto, and both exhibits are incorporated herein by reference. The portion of Grantee’s Land which was conveyed to Grantee’s predecessors in title by the Nueces County Navigation District No. 1 by those certain Mutual Conveyances described in Section 8 of this franchise is referred to in this franchise as “Grantee’s Submerged Land”. Grantee’s Submerged Land contains approximately 57.35 acres, more or less, and for ease of reference only is shown as the 57.35-acre shaded area on the Authority’s Boundary Map attached hereto as Exhibit C.

**SECTION 2  
AUTHORITY’S SUBMERGED LAND**

The Authority has established the north bulkhead line of the Channel, which is the line beyond which no structure may be built, and this line is referred to herein as the “North Bulkhead Line.” The southerly boundary line of Grantee’s Land is the North Bulkhead Line. The Authority owns the submerged land in Corpus Christi Bay south of the North Bulkhead Line which is labeled as the “PCCA Submerged Tract” on the Authority’s Boundary Map attached hereto as Exhibit C and referred to in this franchise as the “Authority’s Submerged Land”. Grantee may cross the North Bulkhead Line (where it is adjacent to Grantee’s Land) and have access to the Channel from Grantee’s Land and may operate, and continue the operation of, docks and dock facilities now or hereafter constructed on Grantee’s Land with access to the Channel, with such additions, alterations, enlargements or new structures or facilities as Grantee may require and construct in the conduct of its business and conduct and perform all dredging

and excavation operations in, on and under the Authority's Submerged Land as may be necessary, proper or convenient to provide slips for Grantee's docks and wharves and a means of access from Grantee's docks and wharves to the Channel. Nothing in this Section 2 shall be construed as giving Grantee permission to construct any structures on the Channel side of the North Bulkhead Line.

Grantee may from time to time when necessary or desirable, dredge or cause to be dredged the Channel to a point opposite Grantee's Land and may remove bottom obstructions from the Channel for the purpose of maintaining the Channel in such condition that it may be used by Grantee for navigation. Grantee shall not be obligated to perform any such dredging, or to maintain the Channel. The rights afforded Grantee by this Section 2 are not exclusive in Grantee (similar rights being held by holders of similar franchises) and the exercise of such rights by Grantee shall be consistent with the exercise of similar rights by holders of other franchises.

### **SECTION 3** **RENTALS**

For the rights granted to it hereunder, Grantee shall pay to the Authority a rental calculated upon the movements of property or commodities across the North Bulkhead Line to or from docks and wharves on Grantee's Land, said rentals to be computed and determined in the following manner:

**A. Cargo Owned by Others.** For all property or commodities owned by a party, or being purchased or sold by a party, other than the holder of this franchise (or one of its affiliates) which is shipped by water across the North Bulkhead Line to, from, or across docks or wharves on Grantee's Land, a rental equal to the product of (i) the quantity of the property or commodities so shipped, multiplied by (ii) fifty percent (50%) of the Authority's then current tariff wharfage rate on the same type of property or commodity.

**B. Named Commodities Owned by Grantee.** For bauxite ore, alumina, cryolite, pitch, coke, fluorspar, caustic soda, soda ash, lime, limestone, and aluminum billet, blooms, ingot, pigs, slabs, and any aluminum products (collectively, "Named Commodities") owned by the holder of this franchise (or one of its affiliates) or being purchased or sold by the holder of this franchise (or one of its affiliates) which is shipped by water across the North Bulkhead Line to, from, or across docks or wharves on Grantee's Land, a rental equal to two cents (2¢) per long ton of 2,240 U. S. pounds.

**C. Cargo Other Than Named Commodities Owned by Grantee.** For all property or commodities, except the Named Commodities, owned by the holder of this franchise (or one of its affiliates) or being purchased or sold by the holder of this franchise (or one of its affiliates) which is shipped by water across the North Bulkhead Line to, from, or across docks or wharves on Grantee's Land, a rental equal to the product of (i) the quantity of the property or commodities so shipped, multiplied by (ii) an amount (the "Rental Rate") not more than fifty percent (50%) of the Authority's then current tariff wharfage rate on the same type of property or commodity. The Rental Rate shall be fifty percent (50%) of the Authority's then current tariff

wharfage rate on the same type of property or commodity, unless the Authority agrees to reduce the Rental Rate for a certain type of property or commodity for all individuals or entities holding similar franchises granted by the Authority. The Authority shall give Grantee written notice of any such reductions.

An “affiliate” as used herein means each entity which, directly or indirectly, controls or is controlled by or is under common control or ownership with the holder of this franchise.

Grantee, its successors and assigns, shall keep and maintain a complete and accurate set of books and records showing all property and commodities shipped across the North Bulkhead Line to, from, or across any docks or wharves constructed on the Grantee’s Land in order that the Authority may ascertain therefrom what rentals are due to the Authority from Grantee hereunder, and such books and records shall be subject to the inspection of the Authority, its agents and attorneys, during regular business hours upon written request received by Grantee from Authority no later than five (5) business days prior to the date of such inspection.

The rental payable hereunder shall be paid to the Authority at its offices in Corpus Christi, Nueces County, Texas, and shall be payable monthly or at such other reasonable time or times as the Authority may direct by general rule or regulation which shall be applicable to all persons or parties holding permits or franchises similar to this franchise.

#### **SECTION 4** **CONDITIONS**

This franchise is granted with reasonable conditions for the protection of the Authority and its property and the property of its tenants, to-wit:

**A.     Hazards.** Grantee will at all times conduct its operations so as not to create any unusual fire or health hazard.

**B.     Railways.** Grantee will not for itself or for others, except with the consent of the Authority, build or operate a railway terminal on, over or across Grantee’s Submerged Land for use in connection with the exercise of the rights granted by this franchise; provided, however, that Grantee may build or use spur railroad tracks in connection with its business and the exercise of its rights under this franchise. Any tracks constructed by Grantee shall be used for switching or loading tracks for the convenience of Grantee for handling its cargo.

**C.     Plans.** Before constructing any structure or commencing any work (including dredging or filling of submerged areas) on Grantee’s Submerged Land or the Authority’s Submerged Land for which a U. S. Department of the Army permit is required, Grantee will submit final for construction plans of such structure or work to the Authority for its approval. Grantee shall not begin such construction or work until it has obtained the Authority’s written approval of such plans, which approval shall not be unreasonably withheld. Authority will review and approve or disapprove any such plans within thirty (30) days after its receipt of the plans. Should the Authority not approve or disapprove such plans within such thirty (30) day period, the plans shall be deemed to have been approved by the Authority. Grantee shall file

with the Authority a copy of any permit or license it obtains from any governmental agency in connection with any construction or work described in this Section 4, and any documents placing conditions on or amending them in any material way.

To facilitate the Authority's review of the plans, Grantee shall submit two (2) sets of formal plans that clearly define the project. The drawings must be prepared in a standard engineering format (24" x 36" drawings) and show all physical features and improvements in and around the project site and must be signed and sealed by a Professional Engineer registered in the State of Texas. In addition, a detailed site plan (minimum 1" = 50' scale) depicting the location and physical layout of the project site and any area to be dredged, adjacent docking facilities, property lines, federal channels, bulkhead lines, existing channel depth elevations, etc., must be included with the formal plans submitted. The site plan must clearly show the bottom of cut line and top of slope line of any planned dredging. If any dredging is planned by Grantee that will, in Authority's judgment, based upon customary dredging operations, result in removal of a substantial quantity of earth or material from, or damage to, adjacent real property, Grantee must obtain the written permission of the adjacent property owner to carry out such dredging for the project and submit it to the Authority with the formal plans.

**D. Compliance.** Grantee shall perform all construction or work described in this Section 4 in conformity with applicable building codes and all applicable federal, state and other governmental laws and regulations; and Grantee must comply with any applicable provisions of the code of the National Fire Protection Association.

**E. Slips.** Grantee's slips along the North Bulkhead Line and within Grantee's Land shall be maintained by Grantee at a depth sufficient to prevent vessels berthed at the docks there from striking bottom due to lowering of the water level from passing vessels or seasonal low tides.

**F. Pollution.** Grantee shall take all reasonable precautions to prevent the pollution of the Channel and Authority's Submerged Land and shall faithfully observe all regulations adopted by the Authority to prevent the discharge of pollutants. Grantee shall also comply with all federal and state laws and regulations and municipal ordinances relating to maintaining water quality in the Channel, and will file with the Authority copies of all permits received by Grantee relating to water quality to the extent relating to its activities hereunder.

**G. Rules and Regulations.** This franchise shall be subject to such reasonable rules and regulations as the Authority presently has in effect or may invoke in the future which apply to all individuals or entities holding similar franchises granted by the Authority.

**H. Subject to other Easements.** The rights of Grantee hereunder shall be subject to all easements of every kind heretofore granted by the Authority and to the right of the Authority to dredge, and to grant easements to the United States and other governmental agencies to dredge, south of the North Bulkhead Line.

**SECTION 5**  
**INDEMNITY**

Except for liabilities caused by the sole negligence, gross negligence or willful misconduct of the Authority, its commissioners, officers, directors, managers, employees, contractors, agents, attorneys or representatives, Grantee shall defend, indemnify and hold harmless Authority, its commissioners, officers, directors, managers, employees, and agents (for the purposes of this Section 5, the “Indemnified Parties”) from and against, and Grantee 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 arising out of or resulting from the sole, joint, concurrent, or comparative negligence of Grantee, its agents or employees (collectively, “Grantee Parties”), in connection with the exercise by Grantee of the rights and privileges granted herein (each an “Indemnified Claim”) **EVEN IF THE INDEMNIFIED CLAIM ARISES OUT OF OR RESULTS FROM THE JOINT, CONCURRENT, OR COMPARATIVE NEGLIGENCE OF THE INDEMNIFIED PARTIES**; provided, however, that Grantee shall be relieved of its obligation of indemnity (but not its obligation to defend) with respect to the percentage of such Indemnified Claim arising out of or resulting from the joint, concurrent, or comparative negligence of the Indemnified Parties. In Indemnified Claims against any Indemnified Party by or for an employee of a Grantee Party, the Grantee’s indemnification obligation under this Section 5 shall not be limited by a limitation on the amount or type of damages, compensation or benefits payable by or for the Grantee Party under workers’ or workmen’s compensation acts, disability benefit acts, or other employee benefit acts.

**SECTION 6**  
**CONSEQUENTIAL DAMAGES**

Notwithstanding anything in this franchise to the contrary, neither Authority nor Company shall be liable under any circumstances to the other party for special, indirect, punitive, incidental, exemplary or consequential damages resulting from or arising out of this franchise, including, without limitation, loss of profit or business interruption, loss of or deferral of LNG and/or the receiving or transporting of LNG, however the same may be caused, whether by the sole, joint or concurrent negligence, fault or liability without fault of any party, their contractors or subcontractors, but shall be limited to actual damages. Notwithstanding the immediately preceding sentence, a party may recover from the other party all costs, expenses or damages (including, without limitation, indirect, special, consequential, incidental, exemplary, punitive and other damages, as well as reasonable attorney’s fees) paid or owed to any third party in settlement or satisfaction of claims of the type described herein for which such party has a right to recover from the other party.

**SECTION 7**  
**DEFAULT**

In the event of default of Grantee in the performance of any of the terms and conditions herein stipulated to be done by it, or required of it under any valid law, rule or regulation of the government of the United States of America or the State of Texas, and in event such default is not cured or is not in the process of being cured in a reasonably diligent manner within sixty (60) days after the Authority has sent a written notice by registered or certified mail to Grantee at its business address, advising it of the nature and extent of such default, this franchise shall be subject to forfeiture, specific performance, termination or any other remedies at law or in equity at the instance of the Authority by suit in a State District Court located in Nueces County, Texas.

In the event of default of Authority in the performance of any of the terms and conditions herein stipulated to be done by it, or required of it under any valid law, rule or regulation of the government of the United States of America or the State of Texas, and in event such default is not cured or is not in the process of being cured in a reasonably diligent manner within sixty (60) days after the Grantee has sent a written notice by registered or certified mail to the Authority at its business address, advising it of the nature and extent of such default, this franchise shall be subject to specific performance, termination or any other remedies at law or in equity at the instance of Grantee by suit in a State District Court located in Nueces County, Texas.

**SECTION 8**  
**RIGHTS UNDER THE MUTUAL CONVEYANCE CONFIRMED**

Grantee's Submerged Land was acquired by Grantee's predecessors in title pursuant to the following mutual conveyances (collectively, the "Mutual Conveyances"): (a) mutual conveyance between the Nueces County Navigation District No. 1 and Reynolds Reduction Company dated May 23, 1952, and recorded in Volume 178, pages 300-304 of the Deed Records of San Patricio County, Texas, and recorded in Volume 571, page 88, of the Deed Records of Nueces County, Texas; and (b) a mutual conveyance between the Nueces County Navigation District No. 1 and Reynolds Metals Company dated December 4, 1973, and recorded in Volume 479, pages 224-237 of the Deed Records of San Patricio County, Texas, and recorded in Volume 1482, page 983-995 of the Deed Records of Nueces County, Texas. The rights and privileges of Grantee and the Authority arising out of the Mutual Conveyances are hereby expressly recognized and confirmed and in no wise abridged, lessened or diminished by the granting of this franchise and its acceptance by Grantee or by any surrender, cancellation or forfeiture of the same. The rights, privileges, permission and authority provided for in any Section or portion of this franchise shall be in addition to the rights, privileges, permissions and authority acquired by the Grantee as successor in title to the grantees under the Mutual Conveyances.

**SECTION 9**  
**ASSIGNMENT**

This franchise may be transferred or assigned to any persons or entities holding title or right of use and occupancy of all or any one part of the Grantee's Land, but not as to two or more

segregated or separate parcels – it being intended that the rights of Grantee under this franchise shall at all times be held by one party or by several parties holding the same jointly. Any assignee of this franchise, upon taking transfer or assignment of the same, must file written evidence of such transfer or assignment and of assignee's acceptance of the same at the office of the Authority.

Grantee shall have the right to convey this franchise by mortgage, deed of trust or any other security instrument. If Grantee shall be in default of any of the covenants or conditions of this franchise, the holder of the mortgage, deed of trust or other security instrument may, before forfeiture is invoked by the Authority, make any and all payments and do and perform any and all acts or things which may be necessary to prevent a forfeiture of this franchise and the party making such payments or performing such acts or things shall thereby be subrogated to all rights of the Grantee under this franchise. The Authority agrees that if the holder of any mortgage, deed of trust or other security instrument delivers a copy of such instrument to the Authority, together with the address to which it desires notices to be sent, the Authority will send to the holder at the address specified copies of all written notices to be served on Grantee under and pursuant to the terms of this franchise. It is understood that the mortgagee, trustee and beneficiary of any security instrument shall in no way be liable to the Authority for any payments or for the performance of any other covenants and conditions of this franchise until such time as it shall acquire by assignment or conveyance from Grantee or by foreclosure or other proceedings provided by law or by the terms of the security instrument all the right, title and interest of Grantee under this franchise; provided, however, that any party who shall acquire said right, title and interest of Grantee, as above provided, shall thereby become liable for all payments and the performance of all other covenants and conditions theretofore and thereafter required to be made by Grantee under the franchise, as fully and to the same extent as if Grantee itself would have been if it still had retained its right, title and interest hereunder.

## **SECTION 10** **IMPROVEMENTS**

Any and all structures and other improvements which are, and may be, constructed and placed by Grantee, its successors and assigns, upon Grantee's Submerged Land (collectively "Grantee's Improvements") shall be and remain at all times the property of Grantee, its successors and assigns, notwithstanding a reversion of title to Grantee's Submerged Land to the Authority pursuant to the provisions of, or as a result of the exercise of any of the rights of the Authority retained in, the Mutual Conveyance. In the event of such reversion, Grantee may remove Grantee's Improvements or may continue to maintain and operate them and make additions and replacements to them notwithstanding the occurrence of such reversion of title; provided, however, that in the event of such reversion, Grantee shall be permitted to maintain and operate Grantee's Improvements and any additions thereto and replacements thereof only upon payment of all past due rentals that may be payable under this franchise and only under and pursuant to this franchise, and so long as this franchise is in effect.

**SECTION 11**  
**CHANGE IN APPLICABLE LAWS**

If the statutes of the State of Texas governing the granting of franchises such as this are amended during the term hereof so as to enable Authority to grant franchises for a longer term than thirty (30) years, then and in that event this franchise, if then in effect and in use, shall be extended for such period of time as will, in the aggregate, amount to the greater period fixed in any such amendment to such statutes, unless such extension is prohibited by such amendment.

**SECTION 12**  
**GENERAL**

All covenants, conditions and agreements of this franchise shall apply to and be binding upon the Authority and Grantee and their respective legal representatives, successors and assigns (when assignment is made in accordance with the provisions hereof). This franchise is made under the applicable laws of the State of Texas and if any term, clause, provision, part or portion of this franchise 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 the 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 Grantee or of the Authority to insist upon the strict performance of any of the covenants and conditions of this franchise, 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 covenant 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. The expense of publishing notice of this franchise as required by law shall be borne by the Grantee.

**SECTION 13**  
**PASSAGE AND ACCEPTANCE**

A majority of the Authority's Port Commissioners voted to grant this franchise at meetings of the Port Commission held on February 17, 2015, March 5, 2015, and March 17, 2015, and the final form of this franchise was approved at the last of these meetings. The Authority shall notify Grantee in writing of such approval within two (2) days of such final approval. Grantee must file its written acceptance of this franchise with the Authority within thirty (30) days after the date on which this franchise was finally approved by the Authority's Port Commissioners, and such written acceptance shall be duly acknowledged by the person or persons executing the same. This franchise shall take effect when the Grantee files its written acceptance of it with the Authority in accordance with this Section.

*[End of page; Authority's signature page follows]*



IN WITNESS WHEREOF, the Authority has caused this franchise to be signed by the Chairman of the Port Commission and attested by the Secretary of the Port Commission this \_\_ day of March, 2015.

PORT OF CORPUS CHRISTI AUTHORITY  
OF NUECES COUNTY, TEXAS

ATTEST:

By: \_\_\_\_\_  
Judy Hawley  
Port Commission Chairman

\_\_\_\_\_  
Barbara Canales,  
Port Commission Secretary

STATE OF TEXAS       §  
                                  §  
COUNTY OF NUECES   §

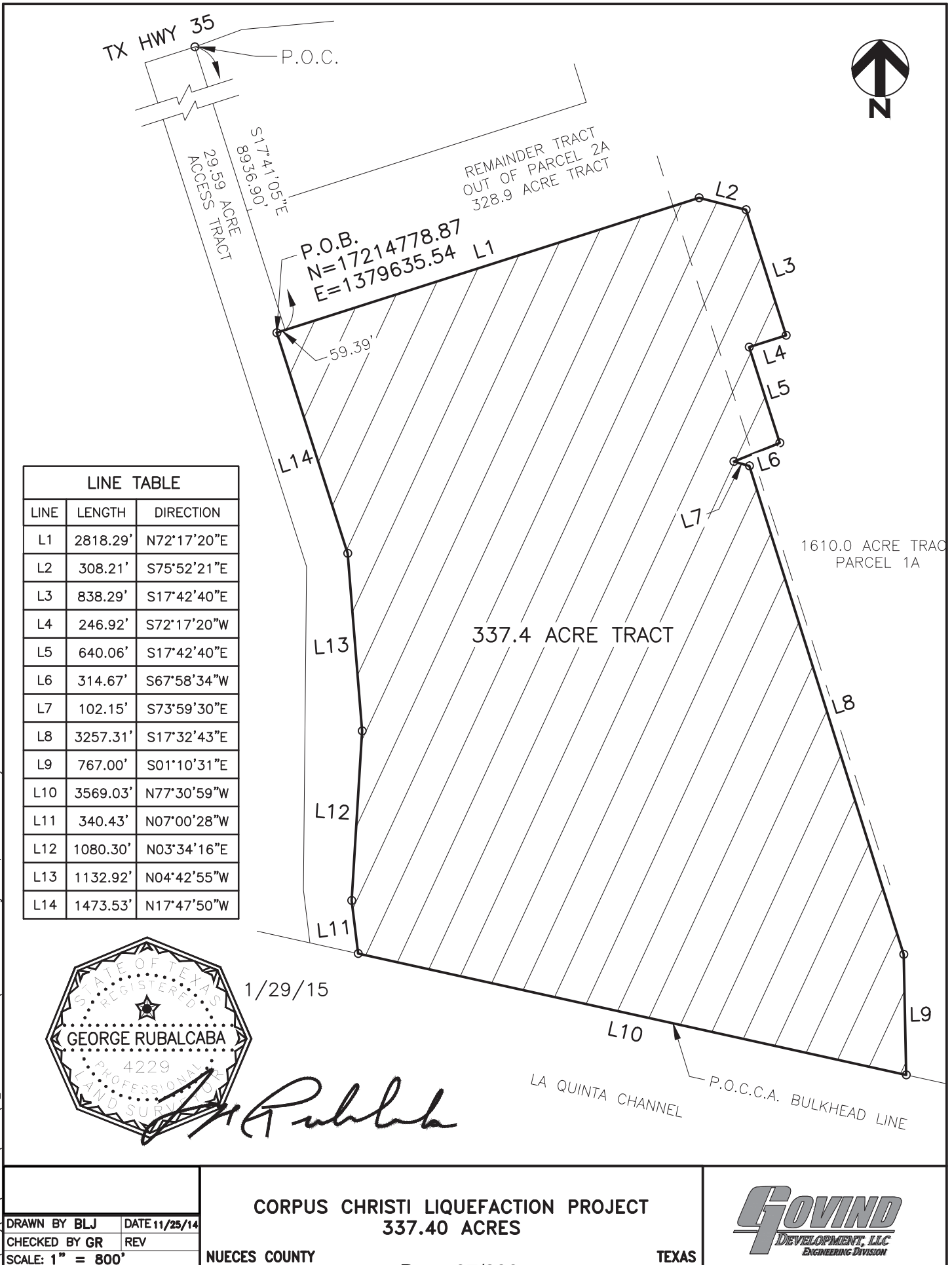
This instrument was acknowledged before me on the \_\_ day of March, 2015, by Judy Hawley, Chairman of the Port Commission of Port of Corpus Christi Authority of Nueces County, Texas, and Barbara Canales, Secretary of the Port Commission of Port of Corpus Christi Authority of Nueces County, Texas, on behalf of said Port Authority.

\_\_\_\_\_  
NOTARY PUBLIC, STATE OF TEXAS

*[The Exhibits to this Franchise follows this page]*

**EXHIBIT A**

**PLAT OF GRANTEE'S LAND**



**EXHIBIT B**



9510 Leopard St. Corpus Christi, TX 78409

[www.govinddevelopment.com](http://www.govinddevelopment.com)

Office: (361) 241-2777 Fax: (361) 241-2200

January 28, 2015

14CHO0231

**METES AND BOUNDS DESCRIPTION  
OF A  
337.4 ACRE TRACT**

Being 337.4 acres of land, more or less, out of a 1610.0 acre "Tract 1, Parcel 1A", 328.9 acre "Tract 1, Parcel 2A", 31.82 acre "Tract 1, Parcel 5", and 58.07 acre "Tract 1, Parcel 6" as recorded in Document No. 490819, Real Property Records of San Patricio County, Texas, and Document No. 2001000017, Official Public Records of Nueces County, Texas, and also being out of the T. T. Williamson Surveys, Abstract Numbers 288, 289, and 290, San Patricio County, Texas and out of Corpus Christi Bay Submerged State Tracts 1 and 2, and this 337.4 acre tract being all of the 212.2 acre tract recorded in Documents No. 2004020956 and 2014038283, Official Public Records of Nueces County, Texas, and all the 125.2 acre tract referred to as "Reynolds/Alcoa Retained Tract #3" recorded in Document No. 2001000017, Official Public Records of Nueces County, Texas, and also recorded in Document No. 2014038283, O.P.R.N.C.T. and this 337.4 acre tract being more particularly described by metes and bonds as follows:

Commencing at a found concrete monument in the south right-of-way line of Texas State Highway No. 35 for the most northerly northeast corner of the aforementioned 328.9 acre tract, the same being the northwest corner of a 832.0 acre "Reynolds/Alcoa Retained Tract 1" recorded in Document No. 2001000017, Official Public Records of Nueces County, Texas;

Thence leaving said south right-of-way line and with the west line of said 832.0 acre tract, S 17 41-05 E, at 8736.90 feet pass a found 5/8-inch iron rod for the southwest corner of said 832.0 acre tract, in all 8936.90 feet to a found 5/8-inch iron rod;

Thence S 72-17-20 W, 59.39 feet, to a found 5/8-inch iron rod for the **POINT OF BEGINNING** and the northwest corner of this tract and said 212.2 acre tract, said corner having a NAD'83 State Plane Grid Coordinate of N 17214778.88', E 1379635.56', Texas South Zone, in U.S. feet;

Thence N 72-17-20 E with the north boundary of this tract and said 212.2 acre tract, at 2644.75 feet pass the common east line of the aforementioned 328.9 acre tract and a west line of the

aforementioned 1610.0 acre tract, in all 2818.29 feet to a found 5/8-inch iron rod for the northmost northeast corner of this tract and said 212.2 acre tract;

Thence with the east boundaries of this tract and said 212.2 acre tract as follows:

S 75-57-21 E, 308.21 feet, to a found 5/8-inch iron rod;

S 17-42-40 E, 838.29 feet, to a found 5/8-inch iron rod;

S72-17-20 W, 246.92 feet, to a found 5/8-inch iron rod;

S 17-42-40 E, 640.06 feet, to a found 5/8-inch iron rod for a corner of this tract;

Thence S 67-58-34 W, at 188.26 feet pass the aforementioned common line between the 328.9 acre tract and the 1610.0 acre tract, in all 314.67 feet to a found 5/8-inch iron rod for an interior corner of this tract and the northmost northeast corner of said 125.2 acre tract;

Thence with the common east boundary of this tract and said 125.2 acre tract as follows:

S 73-59-30 E, 102.15 feet, to a found 5/8-inch iron rod;

S 17-32-43 E, at 2960.50 feet pass a found 5/8-inch iron rod being the southeast corner of said 125.2 acre tract, at 3129.38 feet pass the common south line of the aforementioned 328.9 acre tract and the north line of the aforementioned 58.07 acre tract, at 3192.41 feet pass a found 5/8-inch reference iron rod, at 3242.47 feet pass the common east line of said 58.07 acre tract and the west line of the aforementioned 31.82 acre tract, in all 3257.37 feet to a corner;

Thence S 01-10-31 E, 767.00 feet, to the southeast corner of this tract and said 212.20 acre tract, said corner being on the south line of said 31.82 acre tract and the Port of Corpus Christi Authority North Bulkhead Line;

Thence N 77-30-59 W with said bulkhead line and the south boundary of this tract and said 212.2 acre tract, at 190.69 feet pass the southwest corner of said 31.82 acre tract and the southeast corner of the aforementioned 58.07 acre tract, in all 3569.03 feet to the southwest corner of this tract and said 212.20 acre tract, the same being the southeast corner of a 44.72 acre tract recorded in Document No. 2006043532, Official Public Records of Nueces County, Texas;

Thence leaving said bulkhead line N 07-00-28 W, 340.43 feet, to a corner being on the common north line of said 58.07 acre tract and the south line of the aforementioned 328.9 acre tract;

Thence N 03-34-16 E, at 149.58 feet pass a found 5/8-inch reference iron rod, in all 1080.30 feet, to a found 5/8-inch iron rod for a corner;


Thence N 04-42-55 W, 1132.92 feet, to a found 5/8-inch iron rod for a corner;

Thence N 17-47-50 W, 1473.53 feet, to the point of beginning and containing 337.4 acres of land, more or less.

Notes:

1. Bearings are State Plane Grid.
2. Drawing accompanies this metes and bounds description

GOVIND DEVELOPMENT, LLC

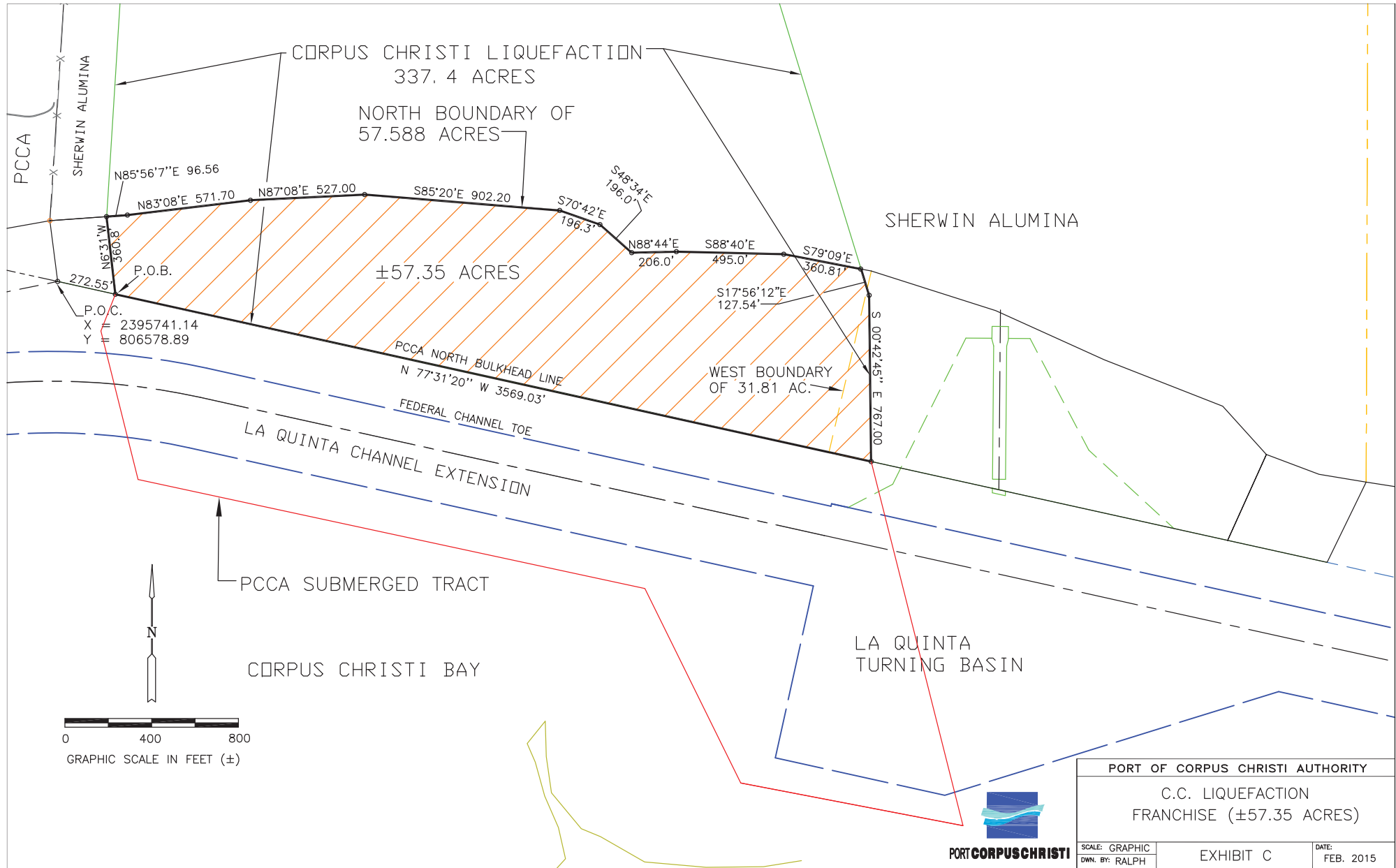
  
George Rubalcaba, RPLS, LSLS  
Survey Group Manager



01/28/2015

**EXHIBIT C**

**AUTHORITY'S BOUNDARY MAP**





**ACCEPTANCE OF GRANTEE**

Corpus Christi Liquefaction, LLC, hereby accepts the above and foregoing franchise.

EXECUTED this \_\_\_\_\_ day of March, 2015.

Corpus Christi Liquefaction, LLC

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

STATE OF TEXAS           §  
  §  
COUNTY OF \_\_\_\_\_ §

          This instrument was acknowledged before me on the \_\_\_\_ day of March, 2015, by  
\_\_\_\_\_, \_\_\_\_\_ of Corpus Christi  
Liquefaction, LLC, on behalf of said company.

\_\_\_\_\_  
NOTARY PUBLIC, STATE OF TEXAS

**DATE:** March 17, 2015

**FROM:** John LaRue; 885-6189; [john@pocca.com](mailto:john@pocca.com)

***AGENDA ITEM NO. 13***

**Approve Amended and Restated  
Port Development Services Agreement with  
Coastal Bend Bays and Estuaries Program**

The Coastal Bend Bays & Estuaries Program (CBBEP) is an organization dedicated to protecting, researching, and restoring the bays and estuaries in the 12-county region of the Texas Coastal Bend. The CBBEP was created under the provisions of the Coastal Bend Bays and Estuaries Program Interlocal Agreement dated June 1, 1999. Under that agreement, the Port of Corpus Christi Authority is designated as one of the units of local government entitled to representation on the Executive Council of the CBBEP, and the agreement stipulates that the CBBEP will be housed and administratively supported by the PCCA.

Accordingly, the PCCA has entered supplemental agreements with the CBBEP including: (i) a Port Development Services Agreement, under which the PCCA provides an annual monetary payment to the CBBEP in the amount of \$75,000 and (ii) an Office Lease Agreement providing the CBBEP approximately 5,750 square feet of space on the second floor of the PCCA annex building for administrative offices. The lease agreement further includes the use of office furniture, utility services, phone service, and janitorial service. In addition, the PCCA pays all incidental expenses of operating and maintaining the space. The annual value of the office and administrative support that PCCA provides to the CBBEP (the “In-kind Support”) was calculated to be \$75,000 based on the most recent figures available from the PCCA accounting records for the fiscal year 2013. The PCCA provides the In-kind Support in exchange for the CBBEP’s agreement to conduct research and develop information for the environmental protection of the Coastal Bend bays and estuaries (“Environmental Protection Services”), which aids in the development of the PCCA’s ports and waterways and serves a vital public purpose.

As part of the PCCA’s recent organizational review, several new positions will be created, and with only a few vacant offices, the space occupied by CBBEP will be needed for additional PCCA staff. Over the course of the past few months, staff has been working with the CBBEP to find alternate office space, and a suitable site for the CBBEP has been identified in an office complex located at 210 N. Carancahua Street. A new lease agreement is being negotiated between the owner of that office complex and the CBBEP at this time. But when the CBBEP leaves the annex building the current lease will terminate, CBBEP will lose PCCA’s In-kind Support, and PCCA will lose the CBBEP’s Environmental Protection Services unless alternate arrangements are made.

Staff believes it is important for the PCCA to continue to receive the CBBEP's Environmental Protection Services after the current CBBEP lease terminates. Therefore, staff proposes that the Development Services Agreement between the PCCA and the CBBEP for 2015 be amended and restated to add the Environmental Protection Services to the services to be provided by the CBBEP and to increase the amount payable to the CBBEP under Agreement from \$75,000 to \$150,000. The CBBEP agrees with this proposal.

Staff recommends approval of the attached amended and restated Port Development Services Agreement for the 2015 calendar year prepared by PCCA counsel which increases the PCCA's payment from \$75,000 to \$150,000 and adds the Environmental Protection Services to the services to be provided by the CBBEP.

**LEAD CONTACT:** David Krams; 885-6134; [krams@pocca.com](mailto:krams@pocca.com)

**PORT DEVELOPMENT SERVICES AGREEMENT**

This Port Development Services Agreement (“Agreement”) is made and entered into effective as of January 1, 2015 (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 78403, and Coastal Bend Bays & Estuaries Program (“Service Provider”), whose address is 1305 Shoreline Blvd, Suite 210, 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 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 1<sup>st</sup> day of January 2015, to the 31<sup>st</sup> day of December 2015. In consideration of Service Provider’s providing the Contracted Services, Authority will pay to Service Provider the sum of One Hundred Fifty Thousand Dollars (\$150,000.00), which sum will be paid as follows: \$18,750.00 in January of 2015, and \$43,750 in April, July, and October of 2015, 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 in the Authority's Promotion and Development Fund. The Service Provider shall also have the use of available office space on the second floor in Authority's Annex Building through April 2015.

**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 other than the fixed sum and office space described in Section 2 of this Agreement.

**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 venturer 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. O. Box 1541  
Corpus Christi, Texas 78403  
**Attn.: Executive Director**

Service Provider: Coastal Bend Bays & Estuaries Program  
1305 Shoreline Blvd., Suite 210  
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 as original and all of which shall constitute but one and the same instrument.

**15. 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.

EXECUTED in duplicate originals effective the 1<sup>st</sup> day of January 2015.

**AUTHORITY:**

PORT OF CORPUS CHRISTI AUTHORITY  
OF NUECES COUNTY, TEXAS

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



**DATE:** March 17, 2015

**FROM:** John LaRue; 885-6189; [john@pocca.com](mailto:john@pocca.com)

***AGENDA ITEM NOS. 14 & 15***

**(14) Approve an Interlocal Cooperation Agreement with the City of Corpus Christi for Road and Utility Improvements on Sam Rankin Street**

**(15) Approve a Service Order with LNV Inc., under its Professional Services Master Agreement, for Engineering Services Associated with an Interlocal Cooperation Agreement with the City of Corpus Christi and the Road and Utility Improvements of Sam Rankin Street**

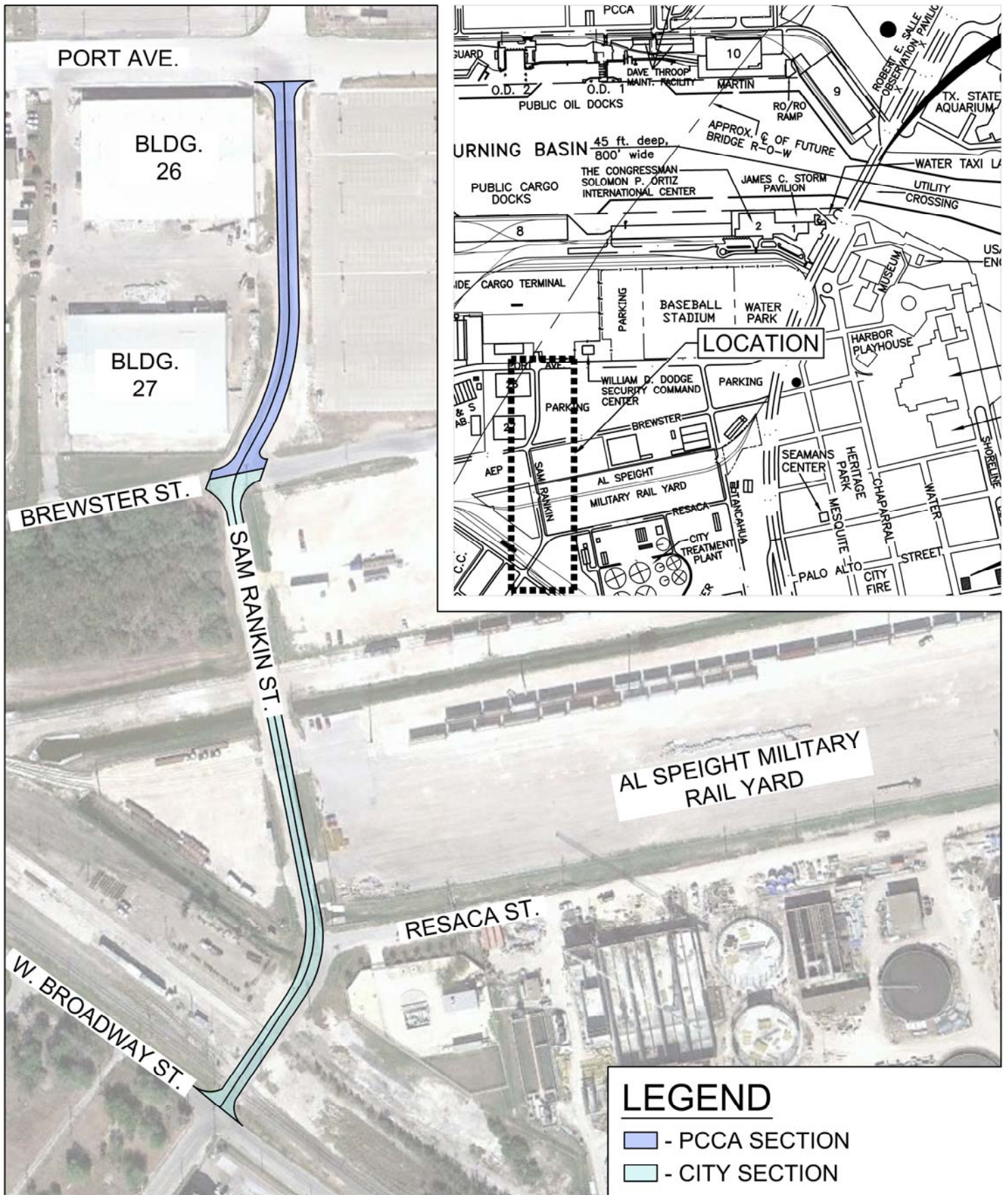
Sam Rankin Street from Port Avenue to Resaca Street is utilized by the PCCA and port customers to transport cargo and equipment between Cargo Dock 8, the Al Speight Military Rail Yard, and other adjacent storage areas. The existing road surface has deteriorated to a point where replacement is necessary to maintain serviceable access between the dock and storage areas. The PCCA owns Sam Rankin Street from Port Avenue to Brewster Street while the City of Corpus Christi owns the Sam Rankin Street right-of-way south of Brewster Street to West Broadway Street. See attached exhibits.

The PCCA has recommended to the City a cooperative cost effective and efficient approach to upgrade and rebuild Sam Rankin Street in a single project. PCCA staff coordinated with City staff to develop an Interlocal Cooperation Agreement defining development, design, construction, maintenance, and funding responsibilities for the proposed Sam Rankin Street improvements. Under the negotiated Agreement, each party will be responsible for the costs associated with the design, construction, and maintenance of the road pavement and drainage features within the respective areas of ownership. The City will be responsible for the cost to design, construct, and maintain any required upgrades to city water, sanitary sewer, and natural gas utilities within the defined project limits. The PCCA will hire and administer the engineering design consultants and provide project oversight and management. The project will upgrade Sam Rankin Street with pavement designed for heavy truck traffic, improved storm water drainage, and curb and gutter. The Agreement has been reviewed and accepted by legal counsel for both parties. The estimated total project cost including design, construction and testing is \$1,725,383.39, with the cost to the PCCA estimated at \$464,941.64. Staff recommends approval of the attached Interlocal Cooperation Agreement with the City of Corpus Christi for upgrades to Sam Rankin Street.

Concurrently, staff negotiated a Service Order with LNV Inc. to provide engineering services for design and construction support for the Sam Rankin Street road and utility improvement project as described above. LNV Inc. is a local engineering firm that has provided quality engineering services to the PCCA for many years.

Staff recommends approval of a Service Order with LNV Inc., under its Professional Services Master Agreement, in an amount not to exceed \$159,398.49 for engineering services associated with the road and utility improvements to Sam Rankin Street.

**LEAD CONTACT:** David Krams; 885-6134; [krams@pocca.com](mailto:krams@pocca.com)



## LEGEND

- PCCA SECTION
- CITY SECTION



PORT OF CORPUS CHRISTI AUTHORITY

## RECONSTRUCTION OF SAM RANKIN ST.

SCALE: AS NOTED  
OWN. BY: BEN V

EXHIBIT "A"

DATE: 2014/06/11  
TIME: 15:05:46



# Sam Rankin Street

## Current Conditions



**THE STATE OF TEXAS   §**

**COUNTY OF NUECES   §**

**INTERLOCAL COOPERATION AGREEMENT  
BETWEEN THE PORT OF CORPUS CHRISTI AUTHORITY  
OF NUECES COUNTY, TEXAS  
AND THE CITY OF CORPUS CHRISTI  
FOR SAM RANKIN STREET UPGRADES**

***THIS INTERLOCAL COOPERATION AGREEMENT*** (“Agreement”) is made by and between the CITY OF CORPUS CHRISTI, TEXAS ( “City”), a municipal corporation and home-rule city of the State of Texas, acting by and through its governing body, the City Council, and the PORT OF CORPUS CHRISTI AUTHORITY OF NUECES COUNTY, TEXAS (“PCCA”), acting by and through its governing body, the Port Commission.

WHEREAS, the Port of Corpus Christi has been designated as one of 22 Strategic Military Seaports in the nation; and

WHEREAS, one of the major responsibilities of a strategic military seaport is to be prepared to make the port and its facilities available within short notice for the deployment of military forces and supplies in support of Department of Defense (“DOD”) operations; and

WHEREAS, Sam Rankin Street provides access to the heavy cargo dock used to deploy military forces and supplies at the Port of Corpus Christi; and

WHEREAS, Sam Rankin Street has been rated in poor condition and is in need of reconstruction to enhance the military value of the Port of Corpus Christi; and

WHEREAS, the City and PCCA desire to cost share the funding of the engineering, design, roadway construction and utilities work to facilitate the reconstruction of Sam Rankin Street from Port Avenue to West Broadway Street (the “Project”), and to define the respective maintenance responsibilities for the roadway and utilities as provided in this Agreement; and

WHEREAS, the City has been approved for Project funds through the Texas Military Value Revolving Loan Fund; and

WHEREAS, this Agreement is made pursuant to Chapter 791, Texas Government Code;

**NOW, THEREFORE, BE IT AGREED BY THE PORT AUTHORITY OF NUECES COUNTY, TEXAS AND THE CITY OF CORPUS CHRISTI, TEXAS:**

**SECTION 1. PROJECT SCOPE.**

Roadway Limits. The PCCA limit of ownership for Sam Rankin is from the south edge of Port Avenue right-of way to the centerline of Brewster Street right of way. The City limit of ownership of Sam Rankin is from the centerline of Brewster Street right of way to West Broadway right of way. See **Exhibit A** attached hereto.

Sam Rankin Street Reconstruction. Sam Rankin Street will be reconstructed from Port Avenue to West Broadway Street with a 28 foot wide road section, to include curb and gutter, storm water drains, and subsurface storm water sewer system connected to existing systems at the project limits. The paved section shall be designed for anticipated traffic loads.

Optional Upgrade. PCCA, at PCCA's discretion, reserves the right to increase the width of the roadway section to a 32 foot wide road section from Port Avenue to Resaca Street in order to access PCCA Property located on either side of the Sam Rankin Street Right of Way.

Utilities. The City, at City's sole discretion, shall determine the need for, and extent, of upgrades necessary for existing potable water, sanitary sewer, and natural gas utilities located within the limits of construction along the Sam Rankin Street Right of Way.

**SECTION 2. OBLIGATIONS OF CITY AND PCCA.**

For and in consideration of the covenants and agreements of the parties set forth herein, City and PCCA agree to participate in the funding of costs, including engineering, construction and maintenance, related to the reconstruction of the roadway, drainage features, and utilities within the Sam Rankin Street Right-of-Way, as described herein, as follows:

- (a) Total Project Cost. City and PCCA agree to pay their respective pro rata share based on the respective lengths of roadway ownership (40 percent PCCA and 60 percent City). See **Exhibit B** attached hereto.

Total project cost is estimated to be **\$1,725,383.39**, which includes design fees, street and drainage improvements, utility improvements and a contingency fee. The Port shall not be responsible for water, waste water or gas improvements within the project limits. The Port's share of the estimated project costs is **\$464,941.64**. The City's share of the estimated project costs is **\$1,260,441.76**. The parties acknowledge that the above amounts are estimates only, and that the final costs will be determined upon completion of the Project.

- (b) Roadway and Drainage Design. City and PCCA agree to pay their respective pro rata share for the engineering services to design the upgraded pavement section for

Sam Rankin Street and related drainage improvements. Roadway and drainage design is to be completed by a professional engineering firm mutually acceptable to both parties. PCCA will, at PCCA's sole expense and in coordination with the City, manage the design for the roadway and drainage features.

If PCCA chooses to exercise its option to increase the width of the roadway section to 32 feet to service PCCA property along the Sam Rankin Street Right-of-Way, PCCA's percentage of design costs shall increase to 45 percent and the City's share decrease to 55 percent.

- (c) Utility Designs. City will, at City's sole expense, provide designs for potable water, sanitary sewer, and natural gas utility upgrades determined to be necessary within the construction limits.
- (d) Payment of Engineering Fees. Upon the receipt and acceptance of mutually acceptable final designs and construction plans and specifications, PCCA will invoice the City for the City's portion of the design costs incurred by PCCA, including the cost for any mutually agreed amendments. City will pay PCCA within 60 days of the receipt of the invoice for design costs.
- (e) Roadway and Drainage Construction. City and PCCA agree to pay for the construction of roadway and drainage improvements within their respective limits of ownership.

If PCCA chooses to exercise its option to increase the width of the roadway section to 32 feet from Port Avenue to Resaca Street, PCCA will pay for roadway and drainage construction costs associated with increasing the road width to 32 feet within the City's Right-of-Way.

- (f) Utility Construction. City agrees to pay the construction costs for the upgrade of potable water, sanitary sewer, and natural gas utilities within the limits of the Sam Rankin Street construction defined herein.
- (g) Contract Management. PCCA will be responsible for contract administration during the reconstruction of Sam Rankin Street and related utilities, at its expense. City will provide oversight inspections, as needed, at its expense.
- (h) Reimbursement of Construction Costs. City agrees to reimburse PCCA for the costs of construction under the construction contract after the City has reviewed the final bids and approved the final construction contract between PCCA and the selected contractor.
- (i) Construction Payment Dates. PCCA will provide City with monthly payment applications submitted by the construction contractor. Upon City approval of the payment application, within 7 business days after City receives each payment

application, PCCA will invoice City for payment of costs incurred. City will pay PCCA within 60 days of the receipt of the invoice for construction costs.

- (j) Payments. Any payment made by either party hereto for any of the services provided pursuant to this Agreement shall be made out of current revenues available to the PCCA and City as required by Chapter 79, Texas Government Code.
- (k) Roadway and Drainage Maintenance. After the construction warranty period of one year from the acceptance date has expired, City and PCCA will maintain the roadway and drainage improvements within their respective limits of ownership.
- (l) Utility Maintenance. After the construction warranty period of one year from the acceptance date has expired, City will maintain potable water, sanitary sewer, and natural gas utilities within the reconstructed Sam Rankin Street Right of Way.
- (m) Easements. PCCA will grant the City reasonable access to PCCA property or appropriate easements, as upon terms mutually negotiated and agreed by the parties, for the maintenance of utilities on PCCA property within the Sam Rankin Street Right-of-Way.

### SECTION 3. TERM OF AGREEMENT.

Initial Term. This Agreement shall be for an initial term of two years, beginning on the latest date of signature executing this agreement. Beyond the initial term, this Agreement is subject to extension from year to year by either party upon written notice provided to the other party at least sixty (60) days prior to the expiration of the initial term or any extension, and agreement of the second party that an extension is warranted and desirable.

### SECTION 4. CHANGE ORDERS

- (a) Roadway and Drainage. City and PCCA will be responsible for payment of the cost of change orders for the road work and drainage improvements within their respective limits of roadway ownership, or as defined elsewhere herein. The Port will notify and receive approval from the City of proposed change orders, prior to authorization.
- (b) Utilites. City will be responsible for payment of the cost of change orders related to potable water, sanitary sewer, and natural gas utilities. The Port will notify and receive approval from the City of proposed change orders, prior to authorization.
- (c) Optional Upgrade. PCCA will be responsible for payment of the cost of change orders related to increasing the width of the roadway section to 32 feet from Port Avenue to Resaca Street. The Port will notify and receive approval from the City of proposed change orders, prior to authorization.



**SECTION 5. MISCELLANEOUS.**

- (a) Severability. In the event any term, covenant or condition herein contained shall be held to be invalid by any court of competent jurisdiction, such invalidity shall not affect any other term, covenant or condition herein contained, provided that such invalidity does not materially prejudice either PCCA or City in their respective rights and obligations contained in the valid terms, covenants or conditions hereof.
- (b) Entire Agreement. This Agreement merges the prior negotiations and understandings of the parties hereto and embodies the entire agreement of the parties, and there are no other agreements, assurances, conditions, covenants (express or implied) or other terms with respect to the covenants, whether written or verbal, antecedent or contemporaneous, with the execution hereof.
- (c) Written Amendment. Unless otherwise provided herein, this Agreement may be amended only by written instrument duly executed on behalf of each party.
- (d) Notices. All notices required or permitted hereunder shall be in writing and shall be deemed delivered when actually received or, if earlier, on the third (3rd) day following deposit in a United States Postal Service post office or receptacle with proper postage affixed (certified mail, return receipt requested) addressed to the respective other party at the address prescribed below, or at such other address as the receiving party may have theretofore prescribed by notice to the sending party.

The initial addresses of the parties, which one party may change by giving written notice of its changed address to the other party, are as follows:

<u>City</u>	<u>PCCA</u>
Valerie Gray, P.E. Executive Director Public Works City of Corpus Christi 1201 Leopard Corpus Christi, Texas 78401	John LaRue Executive Director Port of Corpus Christi Authority P. O. Box 1541 Corpus Christi, Texas 78403

- (e) Non-Waiver. Failure of any party hereto to insist on the strict performance of any of the agreements herein or to exercise any rights or remedies accruing hereunder upon default or failure of performance shall not be considered a waiver of the right to insist on, and to enforce by any appropriate remedy, strict compliance with any other obligation hereunder or to exercise any right or remedy occurring as a result of any future default or failure of performance.
- (f) Successors. This Agreement shall bind and benefit the parties and their legal successors. This Agreement does not create any personal liability on the part of any

officer or agent of the City or Reinvestment Zone or any Port Commissioner, officer, agent or employee of District.

- (g) No Waiver of Immunity. No party hereto waives or relinquishes any immunity or defense on behalf of itself, its officers, employees, and agents as a result of its execution of this Agreement and performance of the covenants contained herein.

*(Signatures are on the next page.)*

IN WITNESS HEREOF, the City and PCCA have made and executed this Agreement in multiple copies, each of which is an original.

CITY OF CORPUS CHRISTI

PORT OF CORPUS CHRISTI  
AUTHORITY

\_\_\_\_\_  
Executive Director Public Works      Date

\_\_\_\_\_  
Executive Director      Date

ATTEST:

\_\_\_\_\_  
City Secretary      Date

APPROVED AS TO FORM:

\_\_\_\_\_  
Assistant City Attorney      Date



**EXHIBIT B – Project Costs**

Port Corpus Christi  
Sam Rankin St.  
(N. Port Ave. to W. Broadway St.)

**Fee Breakdown**

		Funding Source						
Item	Description	Street (POCC)	Street (City CC)	Storm Water (POCC)	Storm Water (City CC)	Water Dept.	Wastewater Dept.	Total
<b>A</b>	<b>Basic Services</b>							
1	Design Phase	\$ 26,562.70	\$ 39,844.05	\$ 9,364.61	\$ 14,046.91	\$ 22,060.90	\$ 21,229.54	\$ 133,108.72
2	Bid Phase	\$ 1,562.51	\$ 2,343.77	\$ 550.86	\$ 826.29	\$ 1,297.70	\$ 1,248.80	\$ 7,829.92
3	Construction Phase	\$ 3,125.02	\$ 4,687.54	\$ 1,101.72	\$ 1,652.58	\$ 2,595.40	\$ 2,497.59	\$ 15,659.85
	<b>Basic Services Total</b>	<b>\$ 31,250.24</b>	<b>\$ 46,875.36</b>	<b>\$ 11,017.18</b>	<b>\$ 16,525.78</b>	<b>\$ 25,954.01</b>	<b>\$ 24,975.93</b>	<b>\$ 156,598.49</b>
<b>B</b>	<b>Additional Services</b>							
	Topographic Survey		\$ 2,800.00					\$ 2,800.00
	<b>Additional Services Total</b>	<b>\$ -</b>	<b>\$ 2,800.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,800.00</b>
	<b>Total</b>	<b>\$ 31,250.24</b>	<b>\$ 49,675.36</b>	<b>\$ 11,017.18</b>	<b>\$ 16,525.78</b>	<b>\$ 25,954.01</b>	<b>\$ 24,975.93</b>	<b>\$ 159,398.49</b>
<b>C</b>	<b>Estimated Construction Cost including 15% Contingencies (2015 Dollars):</b>							
		\$ 312,502.38	\$ 468,753.57	\$ 110,171.84	\$ 165,257.76	\$ 259,540.05	\$ 249,759.30	\$ 1,565,984.90
<b>D</b>	<b>Project Total</b>							
		<b>\$ 343,752.62</b>	<b>\$ 518,428.93</b>	<b>\$ 121,189.02</b>	<b>\$ 181,783.54</b>	<b>\$ 285,494.06</b>	<b>\$ 274,735.23</b>	<b>\$ 1,725,383.39</b>

***AGENDA ITEM NO. 15***

***See Item 14***

**DATE:** March 17, 2015  
**FROM:** John LaRue; 885-6189; [john@pocca.com](mailto:john@pocca.com)

***AGENDA ITEM NO. 16*****Authorize Staff to Submit a Transportation Alternatives Program Grant Application to extend the Joe Fulton International Trade Corridor Bicycle Path**

On February 20, 2015, the Corpus Christi Metropolitan Planning Organization (MPO) announced a solicitation for Alternative Transportation Project Grants to be funded through the federal Transportation Alternatives Program (TAP). TAP was authorized by the Federal Highway Administration under the Moving Ahead for Progress in the 21<sup>st</sup> Century Act. TAP provides federal funding for programs and projects defined as transportation alternatives, with the goal of offering opportunities to expand transportation choices with a focus on non-traditional transportation projects. Available TAP funding through the MPO is \$1.6 million for FY 2015 and \$440,000 for FY 2016. The TAP grant requires a local funding match of 20% (cash or in-kind contribution). Proposals are due March 21, 2015, and grants will be awarded on a competitive basis.

The Joe Fulton International Trade Corridor is identified as a bike route (a shared roadway for bicycle and vehicular traffic) on the MPO's 2009 Bicycle and Pedestrian Plan Map, and a significant amount of bicycle traffic is regularly observed on the road. Construction of a bike path segment paralleling a portion of the Fulton Corridor is currently under way as a requirement of the federal Transportation Investment Generating Economic Recovery (TIGER) Grant received for construction of Phase 1 of the Nueces River Rail Yard project. This eight-foot wide asphalt bike path begins at the public fishing area located west of the South Shore Dredge Material Placement Area Cell C and extends east approximately 2.6 miles to the Fulton Corridor just west of the South Shore Dredge Material Placement Area Cell B. See attached exhibit. Extending the current bike path eastward approximately 3 miles to a point near Avenue F will provide an alternate transportation mode parallel to the Fulton Corridor, with improved bicyclist safety by separating bicycle traffic from the industrial vehicular traffic and trucks staged to enter the ADM Corpus Christi Grain Terminal. The route of the bike path will be defined during project design.

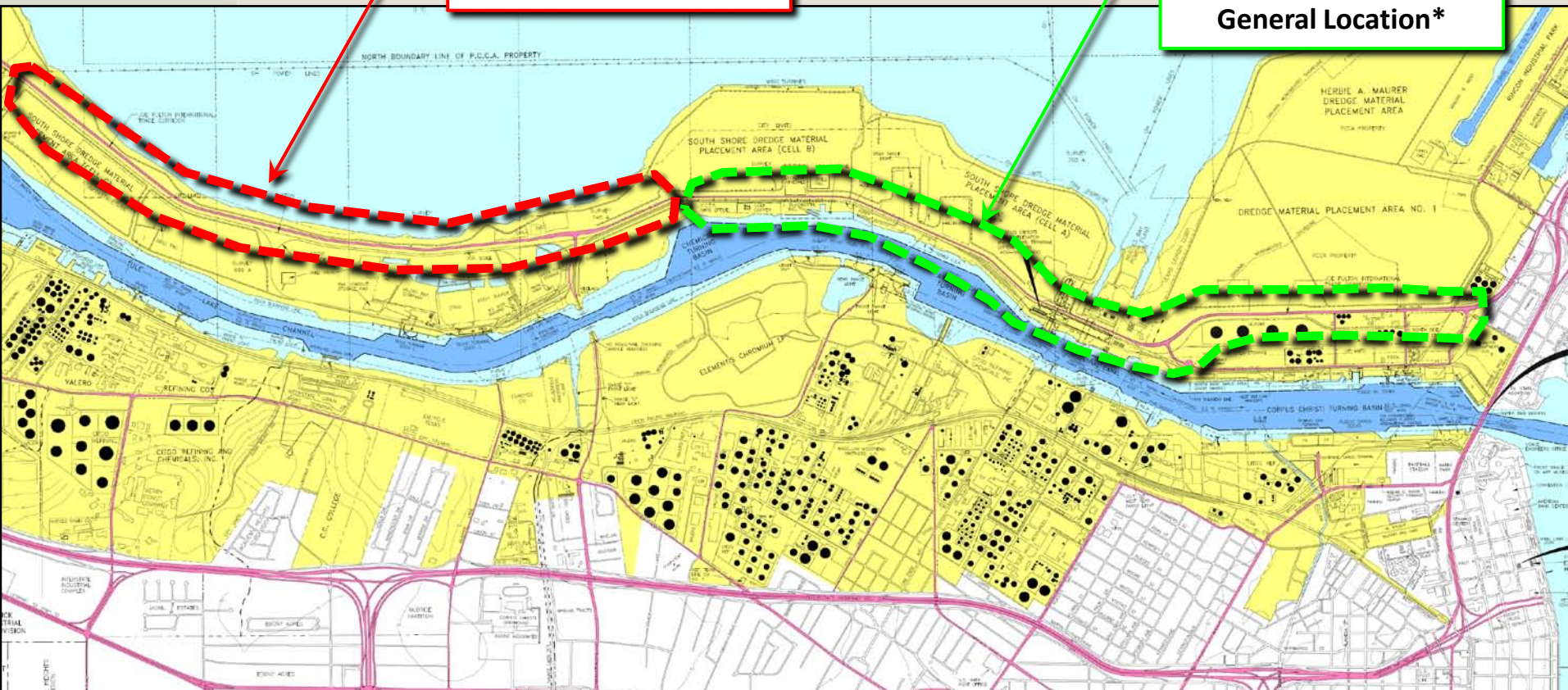
Staff recommends approval to submit an application for TAP grant funding for extension of the Joe Fulton International Trade Corridor bicycle path in an amount up to \$1 million with up to \$200,000 in PCCA matching funds.

**LEAD CONTACT:** David Krams; 885-6134; [krams@pocca.com](mailto:krams@pocca.com)





**Proposed Bike Path  
Extension  
General Location\***



**\* Alignment of Bike Path will be defined during project design and may vary from location shown, depending on existing site conditions.**



**DATE:** March 17, 2015

**FROM:** John LaRue; 885-6189; [john@pocca.com](mailto:john@pocca.com)

***AGENDA ITEM NO. 17***

**Award Contracts to CNB Equipment, Nueces Power Equipment and H&V Equipment Services Inc., the Lowest and Best Bidders Based on Bids Received on February 9, 2015, for the Purchase of Six Forklifts**

The PCCA allocated \$50,000 in the 2015 budget for the purchase of a new 6,000-lb forklift to replace two forklifts used by the PCCA maintenance department. Since approval of the budget, staff identified a reimbursement grant opportunity with the Texas Commission on Environmental Quality (TCEQ) that offers incentives to replace older equipment not previously budgeted for replacement with new engine technology equipment to reduce air emissions. As a condition of the TCEQ grant, the older equipment must be rendered unusable. Staff is also in the process of developing a Clean Equipment Program to prohibit the use of older and leaking equipment in the Port area. Implementation of this program includes the PCCA fleet as well, and the PCCA still owns and operates several pieces of aged equipment which require more frequent repairs and maintenance.

Due to the available grant opportunity, staff revised the original bid documents to include the option of purchasing five additional forklifts. If all six forklifts are purchased, they will replace a total of nine forklifts used by Maintenance and the Bulk Terminal. In order to ensure bids were received for all six forklifts, the bid form was structured with a Bid Item and an Alternate Bid Item for each forklift. The Base Bid Items included a requirement for the desired and newest engine technology in diesel engine emission standards, which is designated as “Tier 4 Final,” while the Alternate Bid Items allowed for the interim technology in diesel engine emission standards designated as the “Tier 4 Interim.”

Staff prepared bid documents to solicit bids for two 6,000-lb warehouse-type forklifts (Bid and Alternate Bid Items 1 and 2), two 6,000-lb rough terrain forklifts (Bid and Alternate Bid Items 3 and 4), one 8,000-lb rough terrain forklift (Bid and Alternate Bid Item 5), and one 15,000-lb rough terrain forklift (Bid and Alternate Bid Item 6). On February 9, 2015, we received seven responsive bids to our Notice to Bidders (see attached bid tabulation sheet). Since bids were received for the Tier 4 Final engine technology for each forklift, though some at a slightly greater cost than the Tier 4 Interim models, Staff is recommending Tier 4 final engine technology for all forklift replacements.

CNB Equipment was the apparent low bidder for two Doosan D308-7 forklifts (Bid Items 1 and 2) in the amount of \$66,072.00 (\$33,036.00 each); Nueces Power Equipment was the apparent low bidder for two Case 586H forklifts (Bid Items 3 and 4) in the amount of \$148,099.00 (\$74,049.67 each) and one Case 588H forklift (Bid Item 5) in the amount of \$77,707.89; and H&V Equipment Services Inc. was the apparent low bidder for one Load Lifter 2412-15D forklift (Bid Item 6) in the amount of \$111,848.23. See attached Bid Tab and Recommended Forklift Replacement Schedule. Both Nueces Power Equipment and H&V Equipment Services Inc. dealerships are located in the Corpus Christi area and have furnished equipment to the PCCA in the past. CNB Equipment has been an active bidder in the past for forklift purchases and is also located in Corpus Christi. If awarded, this will be CNB Equipment's first contract with the PCCA.

Staff recommends that contracts be awarded to CNB Equipment in the amount of \$66,072.00 for the purchase of two Doosan D308-7 forklifts, Nueces Power Equipment in the amount of \$225,807.23 for two Case 586H forklifts and one Case 588H forklift, and H&V Equipment Services Inc. in the amount of \$111,848.23 for one Load Lifter 2412-15D forklift, for a total equipment purchase amount of \$403,727.46. Staff further recommends that all equipment approved for replacement through this bid solicitation, be rendered unusable and scrapped due to equipment age and because the equipment does not meet the improvements planned through the Clean Equipment Program.

PCCA staff submitted four grant applications to the TCEQ for funds to support the replacement of the grant eligible forklifts. The grant awards are still pending, but if successfully awarded, the PCCA's reimbursement through the grant will be \$65,511.80. Purchase of these forklifts will replace lower-tiered equipment in our fleet and will advance the PCCA's compliance with the Clean Equipment Program expected to be implemented later this year.

**LEAD CONTACT:** David Krams; 885-6134; [krams@pocca.com](mailto:krams@pocca.com)

**RECOMMENDED FORKLIFT REPLACEMENT SCHEDULE**

<b>Bid Item #</b>	<b>PCCA Equipment Numbers</b>	<b>Replacement Equipment</b>	<b>Bid Amount</b>	<b>Grant Reimbursement</b>	<b>Net Cost to PCCA if Grant Awarded</b>
<b>1</b>	#197 (Maintenance) – Engine year 1991	One 6,000 lb capacity, 48 hp, Final Tier 4 engine	\$33,036.00	Not eligible.	\$33,036.00
	#208 (Maintenance) – Engine year 1988		---	Not eligible.	
<b>2</b>	#487 (Maintenance) – Engine year 1999	One 6,000 lb capacity, 48 hp, Final Tier 4 engine	---	Not eligible.	\$7,407.20
	#492 (Maintenance) – Engine year 1993		\$33,036.00	\$25,628.80	
<b>3</b>	#196 (Bulk Terminal) – Engine year 1991	6,000 lb capacity, 48 hp, Final Tier 4 engine	\$74,049.67	Not eligible.	\$74,049.67
<b>4</b>	#379 (Bulk Terminal) – Engine year 2009	6,000 lb capacity, 48 hp, Final Tier 4 engine	\$74,049.67	\$7,337.00	\$66,712.67
<b>5</b>	#372 (Bulk Terminal) – Engine year 2008	8,000 lb capacity, 75 hp, Final Tier 4 engine	\$77,707.89	\$7,337.00	\$70,370.89
<b>6</b>	#209 (Maintenance) – Engine year 1988	15,000 lb capacity, 135 hp, Final Tier 4 engine	---	Not eligible.	\$86,639.23
	#427 (Maintenance) – Engine year 1999		\$111,848.23	\$25,209.00	
<b>Total:</b>			<b>\$403,727.46</b>	<b>\$65,511.80</b>	<b>\$337,214.99</b>



PURCHASE OF 6,000 LB. HEAVY DUTY FORKLIFTS  
PROJECT NO.15-008B  
Bid Opening: February 9, 2015 at 2:00 p.m.

Bid Items	COMPANY						
	Briggs Equipment	CNB Equipment	Doggett Machinery	H&V Equipment Services, Inc.	Nueces Power Equipment	Stewart & Stevenson	Toyotalift of South Texas
Bid Item 1 <sup>A</sup>							
Manufacturer	Yale	Doosan	No Bid			Hyster	Toyota
Model	GDP060VX	D308-7				H60FT	8FDV25
Total for Bid Item 1	\$38,454.00	\$33,036.00				\$37,934.74	\$33,141.25
Time of Delivery	77 Days	27				155	120
Alternate Bid Item 1							
Manufacturer	No Bid	No Bid	Harlo			No Bid	No Bid
Model			HP6500				
Total for Alternate Bid Item 1			\$60,969.00				
Time of Delivery			4/15/2015				
Addendum No 1, 2 and 3	Yes	Yes	Yes			Yes	Yes
Bid Item 2 <sup>B</sup>							
Manufacturer	Yale	Doosan	No Bid			Hyster	Toyota
Model	GDP060VX	D308-7				H60FT	8FDV30
Total for Bid Item 2	\$38,454.00	\$33,036.00				\$37,934.74	\$33,141.25
Time of Delivery	77 Days	27				155	120
Alternate Bid Item 2							
Manufacturer		Doosan	Harlo			No Bid	No Bid
Model		D308-7	HP6500				
Total for Alternate Bid Item 2		\$33,036.00	\$60,969.00				
Time of Delivery		27	4/15/2015				
Addendum No 1, 2 and 3		Yes	Yes			Yes	Yes
Bid Item 3 <sup>C</sup>							
Manufacturer			No Bid	Load Lifter MFG LTD	CASE	Manitou	No Bid
Model				2414-6D	586H T4 Final	M30-4	
Total for Bid Item 3				\$76,448.19	\$74,049.67	\$78,978.25	
Time of Delivery				126	180	45	
Alternate Bid Item 3							
Manufacturer			Harlo	Load Lifter MFG LTD	No Bid	No Bid	
Model			6500	Laborer 6000			
Total for Alternate Bid Item 3			\$74,406.00	\$73,607.44			
Time of Delivery			4/15/2015	112			
Addendum No 1, 2 and 3			Yes	Yes	Yes	Yes	
Bid Item 4 <sup>D</sup>							
Manufacturer			No Bid	Load Fifter MFG LTD	Case	Manitou	No Bid
Model				2414-6D	586H T4 Final	M30-4	
Total for Bid Item 4				\$76,448.19	\$74,049.67	\$78,978.25	
Time of Delivery				126	180	45	
Alternate Bid Item 4							
Manufacturer			Harlo	Load Lifter MFG LTD	No Bid	No Bid	
Model			HP6500	Laborer 6000			
Total for Alternate Bid Item 4			\$74,406.00	\$73,607.44			
Time of Delivery			4/15/2015	112			
Addendum No 1, 2 and 3			Yes	Yes	Yes	Yes	
Bid Item 5 <sup>E</sup>							
Manufacturer			No Bid	Load Lifter MFG LTD	Case	Manitou	No Bid
Model				2414-8D	588H T4 Final	M40-4	
Total for Bid Item 5				\$79,651.75	\$77,707.89	\$80,308.33	
Time of Delivery				126	180	45	
Alternate Bid Item 5							
Manufacturer			Harlo	Load Lifter MFG LTD	No Bid	No Bid	
Model			HP8500	Laborer 8000			
Total for Alternate Bid Item 5			\$76,441.00	\$77,360.63			
Time of Delivery			4/15/2015	126			
Addendum No 1, 2 and 3			Yes	Yes	Yes	Yes	
Bid Item 6 <sup>F</sup>							
Manufacturer				Load Lifter MFG LTD			No Bid
Model				2412-15D			
Total for Bid Item 6				\$111,848.23			
Time of Delivery				126			
Alternate Bid Item 6							
Manufacturer				Load Lifter MFG LTD			
Model				2412-15D			
Total for Alternate Bid Item 6				\$111,537.00			
Time of Delivery				126			
Addendum No 1, 2 and 3				Yes			

\* In calendar days

<sup>A</sup>BID ITEM 1: Lump sum price for the purchase of 6,000 lb.heavy duty forklift.

<sup>B</sup>BID ITEM 2: Lump sum price for the purchase of 6,000 lb.heavy duty forklift.

<sup>C</sup>BID ITEM 3: Lump sum price for the purchase of 6,000 lb. rough terrain forklift.

<sup>D</sup>BID ITEM 4: Lump sum price for the purchase of 6,000 lb.rough terrain forklift.

<sup>E</sup>BID ITEM 5: Lump sum price for the purchase of 8,000 lb. rough terrain forklift.

<sup>F</sup>BID ITEM 6: Lump sum price for the purchase of 15,000 lb.rough terrain forklift.

Tabulated By: David L. Krams, P.E.

Checked By: Jacob Morales, P.E.

Checked & Prepared By: Melinda Maldonado

Date: February 9, 2015

# Purchase of Fork Lifts

## Existing Units



Unit #196



Unit #197



Unit #208



Unit #209



# Purchase of Fork Lifts

## Existing Units



# Purchase of Fork Lifts

## Proposed Replacements



6,000 lb Warehouse Type



6,000 lb Rough Terrain



8,000 lb Rough Terrain



15,000 lb Rough Terrain



**DATE:** March 17, 2015  
**FROM:** John LaRue; 885-6189; [john@pocca.com](mailto:john@pocca.com)

***AGENDA ITEM NO. 18***

**Approve Temporary Road and Dock Use Agreement with Chemtex International, Inc., an affiliate of M&G Resins, to use Bulk Terminal facilities to receive and transport components and equipment associated with the construction of the company's plastics manufacturing facility.**

M&G Resins USA, LLC, is progressing with the construction of its \$1 billion plastics plant on the north side of the Viola Channel. In the coming months, as many as 160 oversized modules (or plant components similar to those shown on the attached exhibit) are scheduled to arrive at the Port of Corpus Christi from various fabrication sites around the world and to be offloaded at Bulk Dock 1. Once offloaded, the modules will be transferred by ground transport to the M&G plant site. The first of these oversized modules is already making the voyage from China and is scheduled to arrive in the first week of April 2015.

M&G proposes to offload oversize modules and equipment using ship's gear at Bulk Dock 1 and to use multi-axled, self-propelled transport vehicles to move the modules and equipment over PCCA-owned roads and the Joe Fulton International Trade Corridor to the plant site (see attached exhibit). M&G will pay standard wharfage and dockage for these cargos.

Since the movement of these modules and equipment involves overweight and oversized loads, staff is negotiating a Temporary Dock and Road Use Agreement with M&G that defines conditions for use, establishes M&G's responsibility and liability for any damage that may occur to PCCA assets, provides for expedited repairs if necessary, and provides indemnity to the PCCA for actions related to the unloading and transport of these oversized and overweight cargos.

Staff recommends approval of the attached Temporary Road and Dock Use Agreement with Chemtex International Inc. on behalf of M&G Resins, USA, LLC.

**LEAD CONTACT:** David Krams; 885-6134; [krams@pocca.com](mailto:krams@pocca.com)



# Temporary Road and Dock Use Agreement

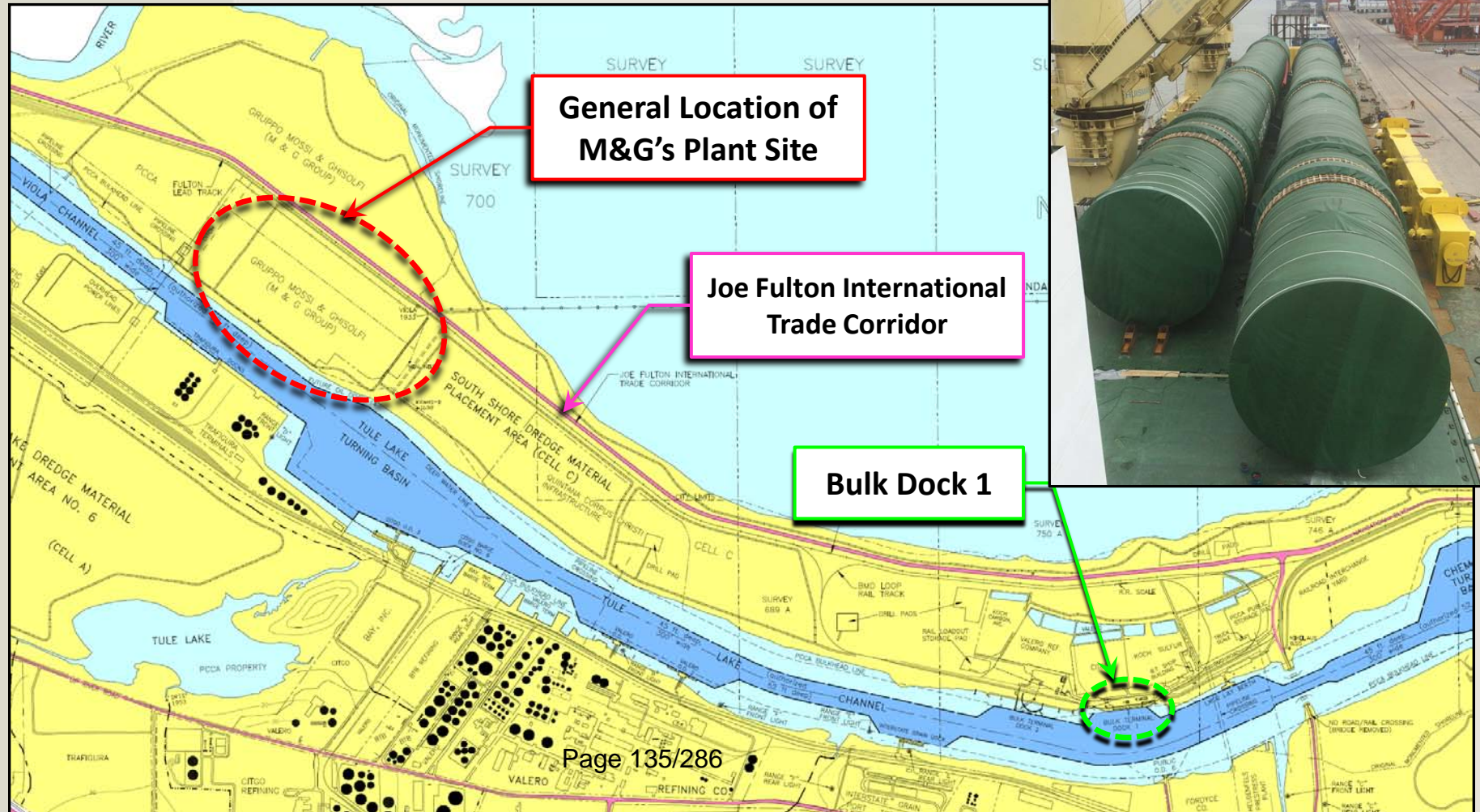
Modules to be transported by ground  
transport to the M&G plant site

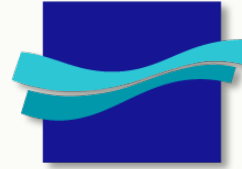


General Location of  
M&G's Plant Site

Joe Fulton International  
Trade Corridor

Bulk Dock 1





**PORTCORPUSCHRISTI**

# **Investment Report**

**Quarter Ended  
December 31, 2014**

# Investment Report

- **Compliance Statement**
- **Executive Summary**
- **Investment Portfolio Report**
- **Investment Transactions**
- **Diversification Report**
- **Treasury Yield Curve Comparison**
- **Portfolio Return to Benchmark Comparison**



# Compliance Statement

## Quarterly Investment Report

We believe the investment information presented for the quarter ending December 31, 2014, is accurate in all material respects, and is presented in a manner that fairly sets forth the investment standing of the Port of Corpus Christi Authority (Authority).

This report was prepared in compliance with the Authority's Investment Policy, Investment Strategy, and the Public Funds Investment Act of the State of Texas (Texas Government Code 2256.023).

Dennis J. DeVries  
Director of Finance

Audre Debler  
Chief Accountant



# Executive Summary

The accompanying quarterly investment report lists in summary form and in detail the investment positions of the Port of Corpus Christi Authority's (Authority) operating funds as of December 31, 2014. As of that date, the Authority had a total of approximately \$153.7 million invested in a local government investment pools, money market accounts, agencies, certificates of deposit, and municipal securities.

The goal of the Authority is to ensure the safety of all funds entrusted to the Authority, the availability of those funds for the payment of all necessary obligations of the Authority, and to provide for the investment of all funds, not immediately required, in securities earning a reasonable market yield. The safety of principal and liquidity shall always be the primary concern. The Authority's intention is to hold investments to maturity while receiving the highest reasonable market yield in accordance with its objectives at the date of investment. It is not the intent to devote substantial efforts to earn profit on investment market fluctuations. Investments will be purchased because of their interest yield expectations over their remaining life rather than for speculative purposes.

All investments in the portfolio are fully secured and will return 100% of par value if held to maturity. The Authority's investments are usually held to maturity, and any gains (losses) in market value will be reflected in market prices created by changes in interest rates during the quarter.



# Executive Summary

Below are summaries of the Authority's investment performance and activity for the quarter ended December 31, 2014.

Performance Summary	12/31/2014	09/30/2014
Book Value	\$ 153,675,842	\$ 145,466,236
Market Value	\$ 153,609,667	\$ 145,413,528
Market to Book Ratio	99.957%	99.964%
Weighted Average Maturity (Days)	172	149
Weighted Average Yield	0.285%	0.281%

Investment Activity Summary	Book Value	Market Value	Market to Book Ratio
Beginning Balance - 09/30/14	\$ 145,466,236	\$ 145,413,528	99.964%
Changes:			
Purchases	\$ 43,433,597	\$ 43,420,130	
Maturities	\$ (35,223,991)	\$ (35,223,991)	
Net Change	\$ 8,209,606	\$ 8,196,139	
Ending Balance - 12/31/14	\$ 153,675,842	\$ 153,609,667	99.957%





# Investment Portfolio Report

Purchase Date	Type	Maturity Date	Days to Maturity at Purchase	Remaining Days to Maturity	Book Yield (%)	Par Value	Book Value	Market Value	Unrealized Gain(Loss)	Quarterly Accrued Interest
12/31/2014	TEXPOOL	01/01/2015	1	1	0.042%	\$ 8,772,195	\$ 8,772,195	\$ 8,772,195	\$ -	\$ 717
12/31/2014	TEXPOOL-Prime	01/01/2015	1	1	0.058%	\$ 11,268,929	\$ 11,268,929	\$ 11,268,929	\$ -	\$ 1,983
12/31/2014	Wells Fargo MMMF	01/01/2015	1	1	0.150%	\$ 58,533,179	\$ 58,533,179	\$ 58,533,179	\$ -	\$ 19,652
12/31/2014	East West Bank - MMA	01/01/2015	1	1	0.200%	\$ 245,973	\$ 245,973	\$ 245,973	\$ -	\$ 121
<b>Total Pools/MMA</b>						<b>\$ 78,820,277</b>	<b>\$ 78,820,277</b>	<b>\$ 78,820,277</b>	<b>\$ -</b>	<b>\$ 22,473</b>
10/18/2014	Certificate of Deposit-1st Community	10/18/2015	365	290	1.250%	\$ 245,000	\$ 245,000	\$ 245,000	\$ -	\$ 629
11/05/2014	Certificate of Deposit-Prosperity	11/05/2015	365	308	0.400%	\$ 245,000	\$ 245,000	\$ 245,000	\$ -	\$ 153
<b>Total Certificate of Deposits</b>						<b>\$ 490,000</b>	<b>\$ 490,000</b>	<b>\$ 490,000</b>	<b>\$ -</b>	<b>\$ 782</b>
06/24/2014	FHLMC Call Note	06/24/2016	731	540	0.500%	\$ 5,000,000	\$ 5,000,000	\$ 4,984,465	\$ (15,535)	\$ 6,250
07/29/2014	FHLB Note	01/25/2016	545	389	0.340%	\$ 5,000,000	\$ 5,000,000	\$ 5,000,335	\$ 335	\$ 4,250
10/14/2014	FFCB Call Note	04/14/2016	548	469	0.430%	\$ 5,000,000	\$ 5,000,051	\$ 4,995,345	\$ (4,706)	\$ 4,299
10/14/2014	FHLB Call Note	10/14/2016	731	652	0.770%	\$ 5,000,000	\$ 5,000,361	\$ 4,995,175	\$ (5,186)	\$ 6,417
10/21/2014	FHLMC Call Note	12/31/2015	436	364	0.350%	\$ 1,000,000	\$ 1,000,000	\$ 994,960	\$ (5,040)	\$ 681
11/21/2014	FHLB Note	05/06/2016	532	491	0.385%	\$ 2,000,000	\$ 1,999,723	\$ 1,996,814	\$ (2,909)	\$ 856
11/21/2014	FHLB Note	09/09/2016	658	617	0.549%	\$ 5,000,000	\$ 5,121,741	\$ 5,110,750	\$ (10,991)	\$ 3,102
11/26/2014	FHLB Note	11/25/2015	364	328	0.212%	\$ 3,000,000	\$ 2,997,644	\$ 2,995,542	\$ (2,102)	\$ 619
12/31/2014	FHLB Call Note	12/30/2016	730	729	0.800%	\$ 5,000,000	\$ 5,000,000	\$ 4,996,730	\$ (3,270)	\$ 111
<b>Total Agencies</b>						<b>\$ 36,000,000</b>	<b>\$ 36,119,520</b>	<b>\$ 36,070,116</b>	<b>\$ (49,404)</b>	<b>\$ 26,585</b>
08/23/2013	Washington State	01/01/2015	496	0	0.350%	\$ 500,000	\$ 500,000	\$ 500,000	\$ -	\$ 439
09/25/2013	Royal TX	02/15/2015	508	45	0.500%	\$ 525,000	\$ 524,680	\$ 524,885	\$ 204	\$ 654
10/01/2013	Menasha WI	04/01/2015	547	90	0.450%	\$ 795,000	\$ 798,066	\$ 798,339	\$ 273	\$ 909
10/01/2013	Miami Dade Cty FL	02/15/2015	502	45	0.430%	\$ 700,000	\$ 703,894	\$ 704,011	\$ 117	\$ 786
10/07/2013	Burleson TX	03/01/2015	510	59	0.400%	\$ 500,000	\$ 502,573	\$ 502,375	\$ (198)	\$ 515
10/16/2013	Lafayette Parish LA	03/01/2015	501	59	0.450%	\$ 740,000	\$ 741,903	\$ 741,502	\$ (401)	\$ 845
10/22/2013	Ft. Worth TX	03/01/2015	495	59	0.400%	\$ 920,000	\$ 922,444	\$ 922,512	\$ 68	\$ 934
10/30/2013	Janesville WI	02/01/2015	459	31	0.350%	\$ 700,000	\$ 700,959	\$ 700,917	\$ (42)	\$ 622
11/18/2013	Nashua NH	01/15/2015	423	14	0.350%	\$ 550,000	\$ 550,168	\$ 550,176	\$ 8	\$ 485
11/21/2013	Princeton MN ISD	02/01/2015	437	31	0.351%	\$ 570,000	\$ 570,781	\$ 570,747	\$ (34)	\$ 507
11/25/2013	Woodlands Township TX	03/01/2015	461	59	0.310%	\$ 500,000	\$ 502,235	\$ 502,010	\$ (225)	\$ 398
11/26/2013	Kingsport TN	04/01/2015	491	90	0.320%	\$ 750,000	\$ 755,009	\$ 754,920	\$ (89)	\$ 616
12/11/2013	Cameron County TX	02/15/2015	431	45	0.300%	\$ 1,735,000	\$ 1,742,825	\$ 1,742,686	\$ (139)	\$ 1,345
01/30/2014	Binghamton NY	01/30/2015	365	29	0.301%	\$ 2,000,000	\$ 2,001,324	\$ 2,001,380	\$ 56	\$ 1,515
02/03/2014	Lycoming Cty PA	08/15/2015	558	226	0.350%	\$ 635,000	\$ 653,306	\$ 652,532	\$ (773)	\$ 583



# Investment Portfolio Report

Purchase Date	Type	Maturity Date	Days to Maturity at Purchase	Remaining Days to Maturity	Book Yield (%)	Par Value	Book Value	Market Value	Unrealized Gain(Loss)	Quarterly Accrued Interest
02/12/2014	S Brunswick NJ	08/01/2015	535	212	0.320%	\$ 830,000	\$ 842,932	\$ 843,313	\$ 381	\$ 683
02/14/2014	Haddon Township NJ	01/30/2015	350	29	0.380%	\$ 2,000,000	\$ 2,000,994	\$ 2,000,820	\$ (174)	\$ 1,915
03/18/2014	Pelican Rapids MN ISD	02/01/2015	320	31	0.270%	\$ 620,000	\$ 621,408	\$ 621,203	\$ (205)	\$ 427
03/27/2014	Wappinger NY	03/27/2015	365	85	0.300%	\$ 1,580,000	\$ 1,582,631	\$ 1,583,271	\$ 640	\$ 1,197
05/15/2014	Schenectady NY	05/15/2015	365	134	0.301%	\$ 5,000,000	\$ 5,012,972	\$ 5,012,150	\$ (822)	\$ 3,788
06/02/2014	Derby KS	12/15/2015	561	348	0.868%	\$ 2,500,000	\$ 2,500,762	\$ 2,500,450	\$ (312)	\$ 5,426
06/18/2014	Nassau County NY	02/02/2015	229	32	0.400%	\$ 500,000	\$ 500,687	\$ 500,690	\$ 3	\$ 505
06/18/2014	Nassau County NY	03/16/2015	271	74	0.450%	\$ 1,000,000	\$ 1,003,218	\$ 1,003,380	\$ 162	\$ 1,138
06/18/2014	Nassau County NY	04/15/2015	301	104	0.450%	\$ 1,000,000	\$ 1,004,461	\$ 1,004,680	\$ 219	\$ 1,139
07/02/2014	Dane County WI	06/01/2015	334	151	0.280%	\$ 1,705,000	\$ 1,703,368	\$ 1,700,738	\$ (2,630)	\$ 1,193
07/16/2014	Maricopa Co. ESD AZ	07/01/2015	350	181	0.301%	\$ 1,625,000	\$ 1,638,777	\$ 1,637,188	\$ (1,590)	\$ 1,236
10/16/2014	Waco TX	02/01/2016	473	396	0.300%	\$ 1,000,000	\$ 1,039,965	\$ 1,038,080	\$ (1,885)	\$ 648
10/21/2014	Bemidji MD ISD	04/01/2016	528	456	0.350%	\$ 885,000	\$ 925,239	\$ 924,356	\$ (883)	\$ 624
11/13/2014	Randolph MA	09/01/2016	658	609	0.700%	\$ 1,245,000	\$ 1,271,744	\$ 1,269,265	\$ (2,479)	\$ 1,180
12/04/2014	Richland County SD	03/01/2016	453	425	0.320%	\$ 4,245,000	\$ 4,426,720	\$ 4,420,701	\$ (6,020)	\$ 1,053
<b>Total Municipal Securities</b>						<b>\$ 37,855,000</b>	<b>\$ 38,246,046</b>	<b>\$ 38,229,275</b>	<b>\$ (16,771)</b>	<b>\$ 33,303</b>
<b>Total Investments</b>						<b>\$ 153,165,277</b>	<b>\$ 153,675,842</b>	<b>\$ 153,609,667</b>	<b>\$ (66,175)</b>	<b>\$ 83,143</b>

SUMMARY:	Total	Pools/MMA	CD's	Agencies	Municipal Securities
Valuation Date:	12/31/2014				
Book Value:	\$ 153,675,842	\$ 78,820,277	\$ 490,000	\$ 36,119,520	\$ 38,246,046
% of Portfolio	100.00%	51.29%	0.32%	23.50%	24.89%
Average Maturity:	172 Days	1 Days	299 Days	537 Days	179 Days
Average Rate of Return	0.285%	0.125%	0.825%	0.520%	0.386%





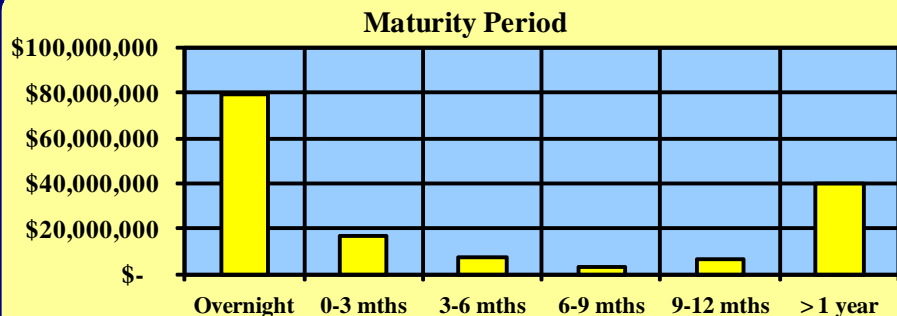
# Investment Transactions

Transaction Date	Purchase Date	Description	Coupon	Yield	Maturity Date	Par Value	Transaction Price	Total Cost	Interest Purchased (Sold)	Total Transaction
<b>Purchases:</b>										
10/14/2014	10/14/2014	FFCB	0.430%	0.430%	04/14/2016	\$ 5,000,000	100.01	\$ 5,000,350	\$ -	\$ 5,000,350
10/14/2014	10/14/2014	FHLB	0.800%	0.770%	10/14/2016	\$ 5,000,000	100.05	\$ 5,002,500	\$ -	\$ 5,002,500
10/16/2014	10/16/2014	Waco TX	4.000%	0.300%	02/01/2016	\$ 1,000,000	104.77	\$ 1,047,650	\$ -	\$ 1,047,650
10/18/2014	10/18/2014	Certificate of Deposit-1st Community Bank	1.250%	1.250%	10/18/2015	\$ 245,000	100.00	\$ 245,000	\$ -	\$ 245,000
10/21/2014	10/21/2014	FHLMC	0.350%	0.350%	12/31/2015	\$ 1,000,000	100.00	\$ 1,000,000	\$ -	\$ 1,000,000
10/21/2014	10/21/2014	Bemidji MN ISD	4.000%	0.350%	04/01/2016	\$ 885,000	105.25	\$ 931,498	\$ -	\$ 931,498
10/31/2014	10/31/2014	East West Bank - MMA	Daily	Daily	Daily	\$ 41	100.00	\$ 41	\$ -	\$ 41
10/31/2014	10/31/2014	TEXPOOL	Daily	Daily	Daily	\$ 199	100.00	\$ 199	\$ -	\$ 199
10/31/2014	10/31/2014	TEXPOOL-Prime	Daily	Daily	Daily	\$ 601	100.00	\$ 601	\$ -	\$ 601
10/31/2014	10/31/2014	Wells Fargo MMA	Daily	Daily	Daily	\$ 6,370	100.00	\$ 6,370	\$ -	\$ 6,370
11/05/2014	11/05/2014	Certificate of Deposit-Prosperity Bank	0.400%	0.400%	11/05/2015	\$ 245,000	100.00	\$ 245,000	\$ -	\$ 245,000
11/13/2014	11/13/2014	Randolph MA	2.000%	0.700%	09/01/2016	\$ 1,245,000	102.32	\$ 1,273,884	\$ -	\$ 1,273,884
11/21/2014	11/21/2014	FHLB	2.000%	0.549%	09/09/2016	\$ 5,000,000	102.60	\$ 5,129,750	\$ -	\$ 5,129,750
11/21/2014	11/21/2014	FHLB	0.375%	0.385%	05/16/2016	\$ 2,000,000	99.99	\$ 1,999,700	\$ -	\$ 1,999,700
11/26/2014	11/26/2014	FHLB	0.125%	0.212%	11/25/2015	\$ 3,000,000	99.91	\$ 2,997,390	\$ -	\$ 2,997,390
11/30/2014	11/30/2014	East West Bank - MMA	Daily	Daily	Daily	\$ 39	100.00	\$ 39	\$ -	\$ 39
11/30/2014	11/30/2014	TEXPOOL	Daily	Daily	Daily	\$ 206	100.00	\$ 206	\$ -	\$ 206
11/30/2014	11/30/2014	TEXPOOL-Prime	Daily	Daily	Daily	\$ 662	100.00	\$ 662	\$ -	\$ 662
11/30/2014	11/30/2014	Wells Fargo MMA	Daily	Daily	Daily	\$ 6,093	100.00	\$ 6,093	\$ -	\$ 6,093
12/04/2014	12/04/2014	Richland County SD	4.000%	0.320%	03/01/2016	\$ 4,245,000	104.56	\$ 4,438,402	\$ -	\$ 4,438,402
12/05/2014	12/05/2014	Wells Fargo MMA	Daily	Daily	Daily	\$ 8,000,000	100.00	\$ 8,000,000	\$ -	\$ 8,000,000
12/31/2014	12/31/2014	East West Bank - MMA	Daily	Daily	Daily	\$ 41	100.00	\$ 41	\$ -	\$ 41
12/31/2014	12/31/2014	TEXPOOL	Daily	Daily	Daily	\$ 311	100.00	\$ 311	\$ -	\$ 311
12/31/2014	12/31/2014	TEXPOOL-Prime	Daily	Daily	Daily	\$ 721	100.00	\$ 721	\$ -	\$ 721
12/31/2014	12/31/2014	Wells Fargo MMA	Daily	Daily	Daily	\$ 7,189	100.00	\$ 7,189	\$ -	\$ 7,189
12/31/2014	12/31/2014	Wells Fargo MMA	Daily	Daily	Daily	\$ 1,100,000	100.00	\$ 1,100,000	\$ -	\$ 1,100,000
12/31/2014	12/31/2014	FHLB	0.800%	0.800%	12/30/2016	\$ 5,000,000	100.00	\$ 5,000,000	\$ -	\$ 5,000,000
<b>Total Purchases</b>						<b>\$ 42,987,473</b>		<b>\$ 43,433,597</b>	<b>\$ -</b>	<b>\$ 43,433,597</b>
<b>Maturities:</b>										
10/01/2014	04/03/2013	Ewing Township NJ SD	0.550%	0.550%	10/01/2014	\$ 3,425,000	100.00	\$ 3,425,000	\$ -	\$ 3,425,000
10/01/2014	10/09/2013	Hudson WI	0.300%	0.300%	10/01/2014	\$ 505,000	100.00	\$ 505,000	\$ -	\$ 505,000
10/01/2014	11/26/2013	Minot ND	0.300%	0.300%	10/01/2014	\$ 850,000	100.00	\$ 850,000	\$ -	\$ 850,000
10/15/2014	02/11/2014	Wichita KS	0.385%	0.385%	04/15/2015	\$ 5,000,000	100.06	\$ 5,002,866	\$ -	\$ 5,002,866
10/18/2014	10/18/2013	Certificate of Deposit-1st Community Bank	1.000%	1.000%	10/18/2014	\$ 245,000	100.00	\$ 245,000	\$ -	\$ 245,000
10/29/2014	10/29/2013	Deerfield Township OH	0.300%	0.300%	10/29/2014	\$ 1,405,000	100.00	\$ 1,405,000	\$ -	\$ 1,405,000
10/31/2014	10/31/2014	Amortization/Accretion				\$ 39,893	100.00	\$ 39,893	\$ -	\$ 39,893
11/01/2014	05/31/2013	Dayton OH City SD	0.420%	0.420%	11/01/2014	\$ 400,000	100.00	\$ 400,000	\$ -	\$ 400,000
11/05/2014	11/05/2013	Certificate of Deposit-Prosperity Bank	0.500%	0.500%	11/05/2014	\$ 245,000	100.00	\$ 245,000	\$ -	\$ 245,000
11/13/2014	05/13/2014	FHLB Call Note	0.500%	0.500%	05/13/2016	\$ 5,000,000	100.00	\$ 5,000,000	\$ -	\$ 5,000,000
11/19/2014	08/19/2014	FHLMC Call Note	0.700%	0.700%	08/19/2016	\$ 5,000,000	100.00	\$ 5,000,000	\$ -	\$ 5,000,000
11/30/2014	11/30/2014	Amortization/Accretion				\$ 45,548	100.00	\$ 45,548	\$ -	\$ 45,548
12/01/2014	06/27/2013	Milwaukee Cty WI	0.577%	0.577%	12/01/2014	\$ 2,500,000	100.00	\$ 2,500,000	\$ -	\$ 2,500,000
12/01/2014	12/03/2013	St of Mississippi	0.310%	0.310%	12/01/2014	\$ 5,000,000	100.00	\$ 5,000,000	\$ -	\$ 5,000,000
12/15/2014	08/23/2013	Adams Cty NESD#18	0.350%	0.350%	12/15/2014	\$ 500,000	100.00	\$ 500,000	\$ -	\$ 500,000
12/30/2014	06/30/2014	FHLB Call Note	0.570%	0.570%	06/30/2016	\$ 3,000,000	100.00	\$ 3,000,000	\$ -	\$ 3,000,000
12/05/2014	12/05/2014	Wells Fargo MMA	Daily	Daily	Daily	\$ 2,000,000	100.00	\$ 2,000,000	\$ -	\$ 2,000,000
12/31/2014	12/31/2014	Amortization/Accretion				\$ 60,685	100.00	\$ 60,685	\$ -	\$ 60,685
<b>Total Maturities</b>						<b>\$ 35,221,126</b>		<b>\$ 35,223,991</b>	<b>\$ -</b>	<b>\$ 35,223,991</b>
<b>Total Net Transactions</b>						<b>\$ 7,766,348</b>		<b>\$ 8,209,606</b>	<b>\$ -</b>	<b>\$ 8,209,606</b>

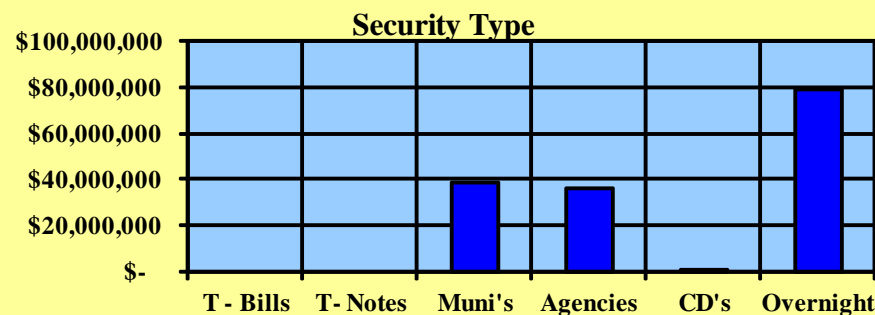


# Diversification Report

MATURITY PERIOD		
Period	Maturity	
Overnight	\$ 79,320,278	51.62%
0-3 mths	16,725,799	10.88%
3-6 mths	7,720,801	5.02%
6-9 mths	3,135,015	2.04%
9-12 mths	6,988,406	4.55%
> 1 year	39,785,543	25.89%
	<b>\$ 153,675,842</b>	<b>100.00%</b>

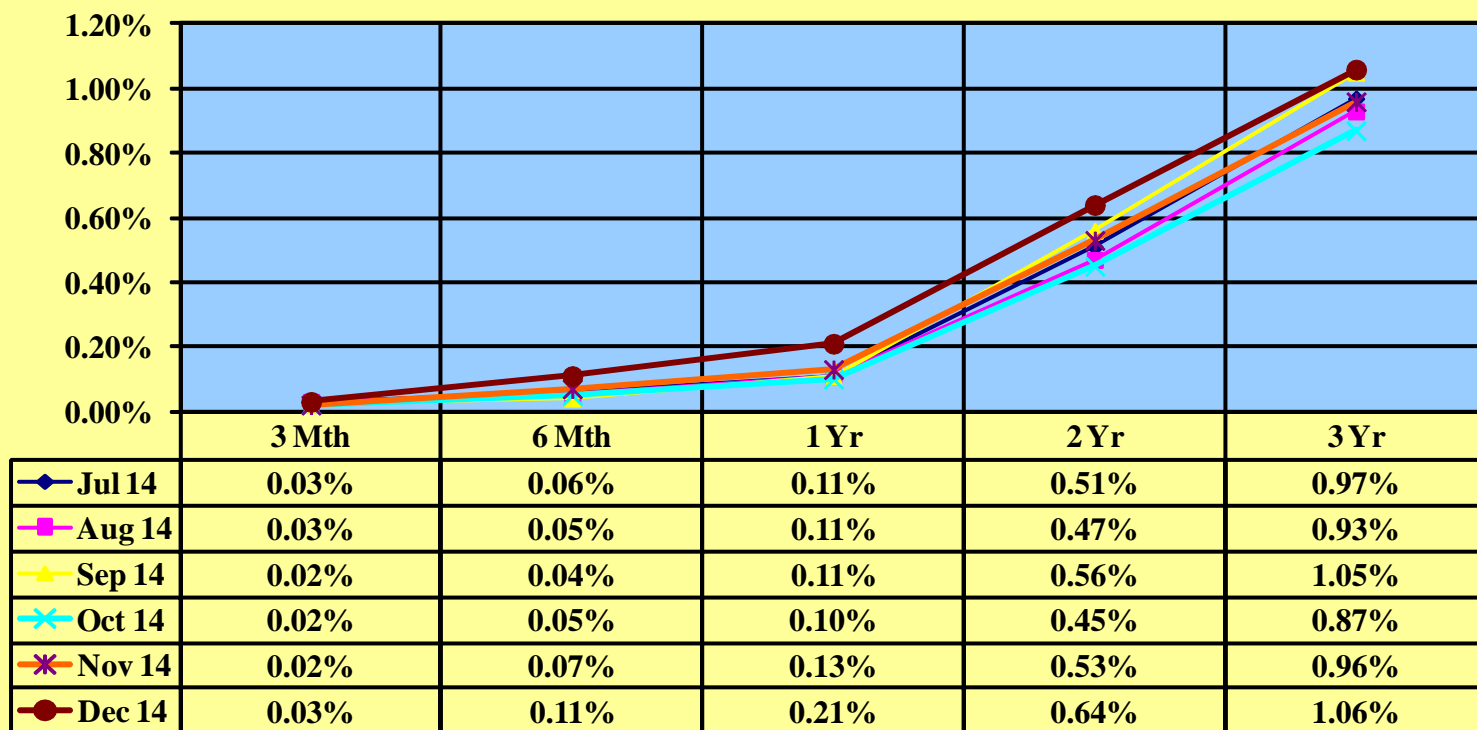


SECURITY TYPE		
Type	Book Value	
T - Bills	\$ -	0.00%
T- Notes	-	0.00%
Muni's	38,246,046	24.89%
Agencies	36,119,520	23.50%
CD's	490,000	0.32%
Overnight	78,820,277	51.29%
	<b>\$ 153,675,842</b>	<b>100.00%</b>

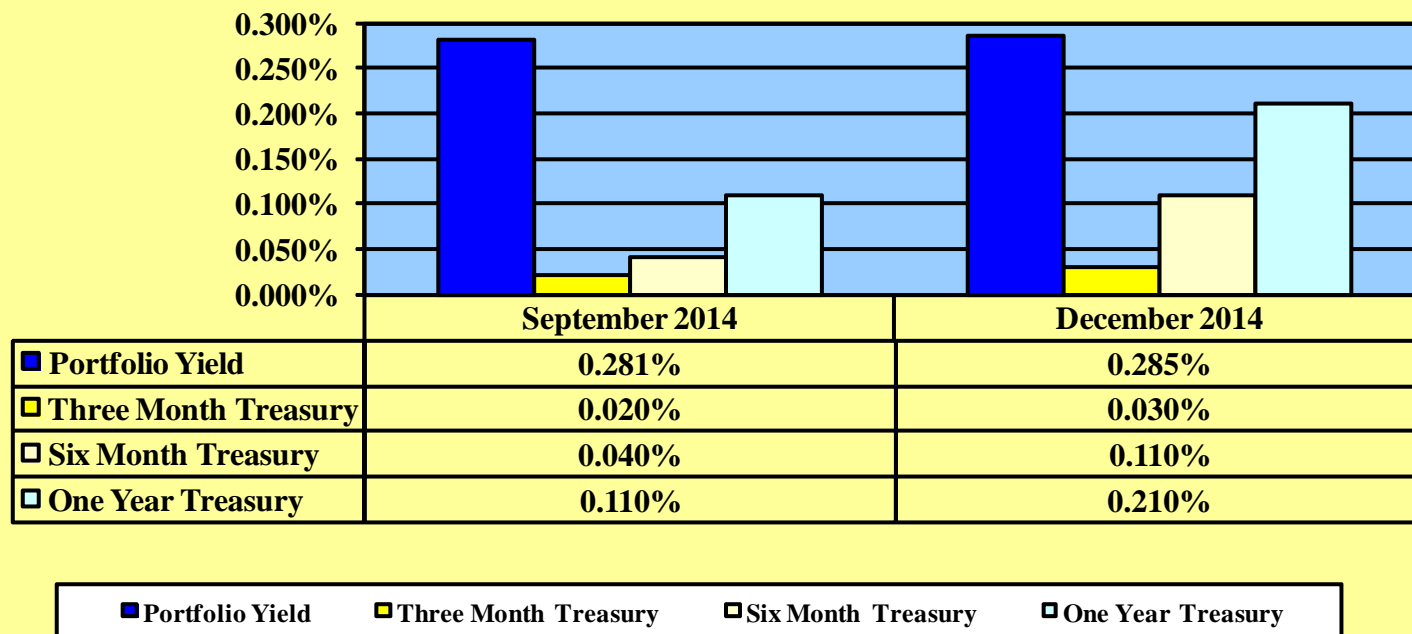


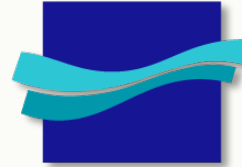


# Treasury Yield Curve Comparison



# Portfolio Return to Benchmark Comparison





**PORTCORPUSCHRISTI**

**Thank You!**

**DATE:** March 17, 2015

**FROM:** John LaRue; 885-6189; [john@pocca.com](mailto:john@pocca.com)

***AGENDA ITEM NO. 20***

**Approve a Resolution Expressing Official Intent to Issue  
PCCA Revenue bonds to Reimburse the PCCA for Capital Expenditures  
Made in Connection with various PCCA Projects**

The Port of Corpus Christi Authority is engaging a robust capital expansion phase that will include the design, planning, acquisition, construction and equipping of new and existing Port facilities to accommodate both current and future growth in cargo volumes, vessel traffic and business opportunities.

In order to help facilitate the funding of this capital expansion phase and to assist in expediting their placement in service, the Port has identified a number of projects for bond financing. These projects include the following:

- (a) La Quinta Infrastructure Terminal Mitigation & Terminal Buffer Area: Create approximately 100 acres of green space (currently expected not to exceed **\$3,940,000**).
- (b) La Quinta Infrastructure Terminal Mitigation Aquatic Habitat: Create approximately 25 acres of aquatic habitat of submerged seagrass and smooth cordgrass emergent wetland vegetation (currently expected not to exceed **\$4,020,400**).
- (c) La Quinta Terminal General Purpose Dock & Storage: Design and construct 1,000-foot-long multipurpose dock and adjacent storage yard (currently expected not to exceed **\$80,000,000**).
- (d) Permian Storage Yard: Develop approximately 18 acres for general cargo storage (currently expected not to exceed **\$8,000,000**).

Staff recommends approval of the attached resolution which expresses official intent to use proceeds from the sale of bonds to reimburse the Port for capital expenditures made in connection with these projects.

**LEAD CONTACT:** John P. LaRue; 885-6189; [john@pocca.com](mailto:john@pocca.com)

## RESOLUTION

## EXPRESSING OFFICIAL INTENT TO REIMBURSE COSTS OF VARIOUS IMPROVEMENTS AND OTHER MATTERS RELATED THERETO

**THE STATE OF TEXAS**  
**COUNTY OF NUECES**  
**PORT OF CORPUS CHRISTI AUTHORITY**  
**OF NUECES COUNTY, TEXAS**

**WHEREAS**, the **PORT OF CORPUS CHRISTI AUTHORITY OF NUECES COUNTY, TEXAS** (the "**Authority**") is a political subdivision of the State of Texas and is authorized to issue bonds pursuant to the laws of the State of Texas; and

**WHEREAS**, the Authority expects to pay capital expenditures in connection with the design, planning, acquisition, construction and equipping of the following improvements (the “Projects”) prior to issuance of bonds to finance the Projects:

- a) La Quinta Infrastructure Terminal Mitigation & Terminal Buffer Area - create approximately 100 acres of green space (currently expected not to exceed \$3,940,000);
- b) La Quinta Infrastructure Terminal Mitigation Aquatic Habitat - create approximately 25 acres of aquatic habitat of submerged seagrass and smooth cordgrass emergent wetland vegetation (currently expected not to exceed \$4,020,000);
- c) La Quinta Terminal General Purpose Dock & Storage – design and construct a 1000 foot long multipurpose dock and adjacent storage yard (currently expected not to exceed \$80,000,000); and
- d) Permian Storage Yard- develop approximately 18 acre site for general cargo storage (currently expected not to exceed \$8,000,000); and

**WHEREAS**, the Authority finds, considers, and declares that the reimbursement of the Authority for the payment of such expenditures will be appropriate and consistent with the lawful objectives of the Authority and, as such, chooses to declare its intention, in accordance with the provisions of Section 1.150-2 of the Treasury Regulations, to reimburse itself for such payments at such time as it issues obligations to finance the Projects; and

**WHEREAS**, it is hereby further officially found and determined that the meeting at which this Resolution was passed was open to the public, and public notice of the time, place and purpose of said meeting was given, all as required by Chapter 551, Texas Government Code and the Bylaws of the Issuer;

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

**SECTION 1. EXPECTATION TO INCUR DEBT.** The Authority reasonably expects to incur debt, as one or more series of obligations, with an aggregate maximum principal amount currently estimated not to exceed \$95,960,000, a portion of the proceeds of which are expected to be used for the purpose of paying the costs of the Projects.

**SECTION 2. REIMBURSEMENT OF PRIOR EXPENDITURES.** All costs to be reimbursed pursuant hereto will be capital expenditures within the meaning of Section 1.150-2 of the Treasury Regulations. No tax-exempt obligations will be issued by the Authority in furtherance of this Resolution after a date which is later than 18 months after the later of (1) the date the expenditures are paid or (2) the date on which the property, with respect to which such expenditures were made, is placed in service.

**SECTION 3. THREE-YEAR LIMITATION FOR REIMBURSEMENT.** The foregoing notwithstanding, no tax-exempt obligation will be issued pursuant to this Resolution more than three years after the date any expenditure which is to be reimbursed is paid.

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***PASSED AND APPROVED BY THE PORT COMMISSIONERS OF THE PORT OF  
CORPUS CHRISTI AUTHORITY OF NUECES COUNTY, TEXAS AT A REGULAR  
MEETING HELD ON THIS 17<sup>TH</sup> DAY OF MARCH, 2015.***

\_\_\_\_\_  
Chairman, Port Commission

ATTEST:

\_\_\_\_\_  
Secretary, Port Commission

(PORT SEAL)

APPROVED AS TO FORM:

By: \_\_\_\_\_  
General Counsel

*[Signature Page to 2015 Reimbursement Resolution]*

**DATE:** March 17, 2015  
**FROM:** John LaRue; 885-6189; [john@pocca.com](mailto:john@pocca.com)

***AGENDA ITEM NO. 21-A***

**Approve a Pipeline Easement Agreement with Oxy Ingleside Oil Pipeline, LLC,  
for Pipeline Crossing PCCA Property at and near the  
Nueces Bay River Rail Yard and the Viola Channel**

Oxy Ingleside Oil Pipeline, LLC, plans to construct a 20-inch nominal diameter pipeline originating at the Plains All American Pipeline Terminal located at Up River Road and Suntide Road in Nueces County, Texas, and connecting to the Oxy Ingleside Energy Center located on the former Naval Station Ingleside property in San Patricio County, Texas. The portion of the pipeline crossing PCCA-owned lands generally parallels an existing pipeline right-of-way occupied by three other pipelines and crosses the Viola Channel, the western portion of M&G Resins USA, LLC's rail classification yard, the PCCA Nueces River Rail Yard, and the Fulton Corridor as shown on the attached exhibit.

Over the course of the past few months, PCCA staff and legal counsel have been working with representatives of Oxy and M&G and their respective legal counsels to draft an easement agreement acceptable to all parties affected by the routing of this pipeline. The easement will be granted for a term of 30 years, and Oxy will pay the PCCA, in advance, a fee of \$24,846.64 for the first 10-year period of the easement term. The fee is calculated using the current PCCA Pipeline and Utility Easement Fee Schedule A for PCCA customers using public or private docks covered by a current franchise agreement. Fee Schedule A was most recently adjusted and adopted by the Port Commission at the December 9, 2014 meeting and became effective on January 1, 2015. Under Fee Schedule A, the 10-year rate charged for an easement for pipelines having an outside diameter of over 16 inches but not over 32 inches is \$120.12 per rod. This pipeline has an outside diameter of 20 inches and will cross approximately 3,413 linear feet (206.85 rods) of PCCA-owned land.

Staff recommends approval of the attached Pipeline Easement Agreement with Oxy Ingleside Oil Pipeline, LLC, as drafted.

**LEAD CONTACT:** David Krams; 885-6134; [krams@pocca.com](mailto:krams@pocca.com)

**PORT OF CORPUS CHRISTI AUTHORITY  
EASEMENT SUMMARY**

Grantee: Oxy Ingreside Oil Pipeline, LLC

Easement Location: As depicted on the attached Exhibit A

Use: The Pipeline may be used for transporting water, crude oil, condensate and distillate, and, in each case, so long as such product may be legally transported through a pipeline in Texas.

Term: 30 Years

Options: None

Start Date: March 17, 2015

Fee: \$24,846.64 paid up for the first ten year period.

Number of Rods: 206.85

Applicable  
Fee Schedule: PCCA Fee Schedule A

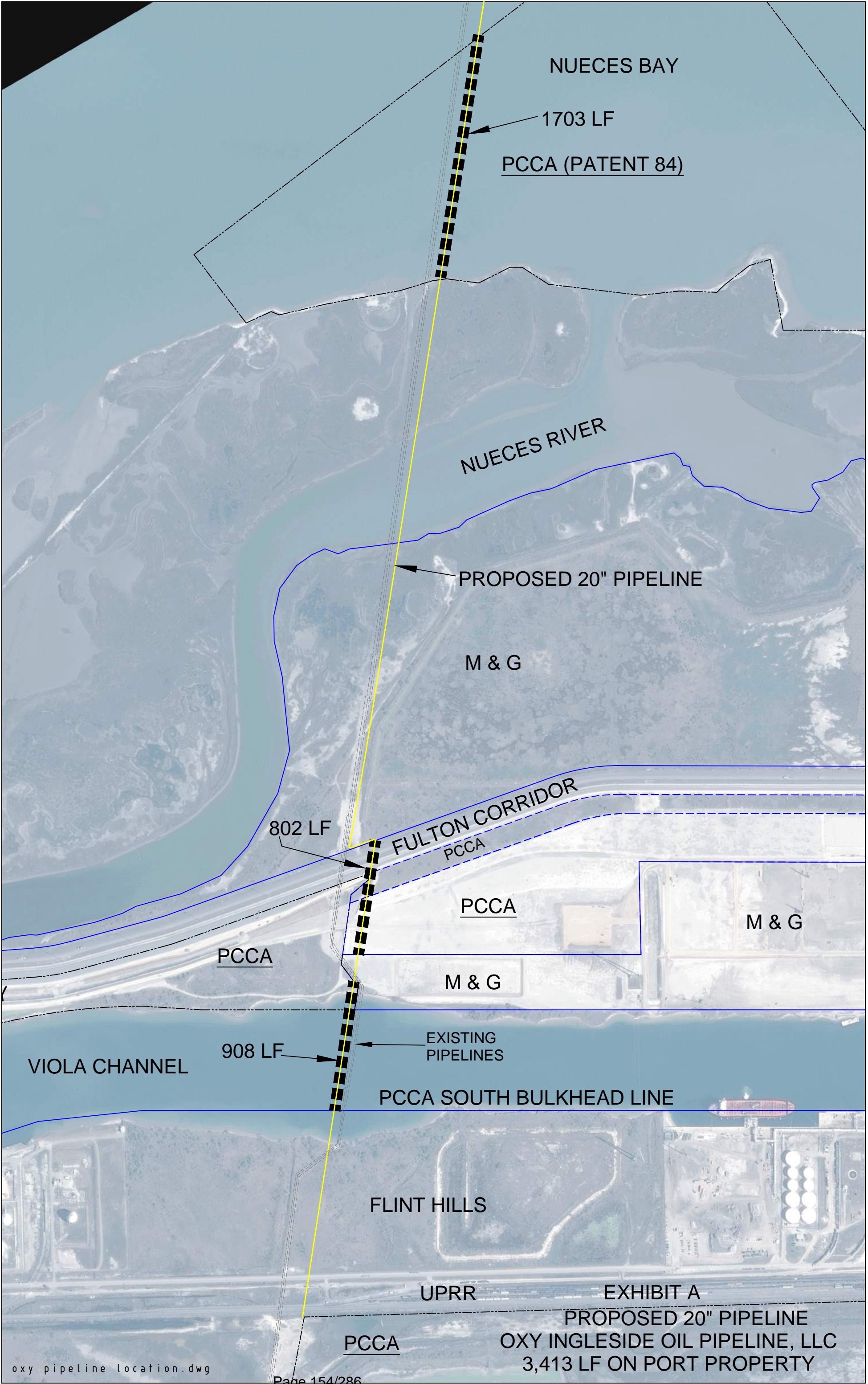
Outside Diameter: 20 inches

Fee per Rod (16.5'): \$120.12

Adjustment of Fee: Fee subject to adjustment based upon the Authority's then-current published fee schedule A for pipelines based upon the outside diameter and length of the pipeline installed within the Pipeline Easement.

Remarks: Grantee shall bury the Pipeline to a safe depth (not less than sixty inches (60") deep) as is or may be reasonably required as a result of any existing road, railroad or pipeline within the Pipeline Easement. Grantee shall cross Authority's improved roads and railroads by directional bore at a minimum depth of eleven feet (11') feet from the base of the lowest elevation of any roadway and at no less than eleven feet (11') beneath the base of the lowest rail in any railroad right of way. Grantee agrees to install that portion of the Pipeline crossing the Viola Channel Extension of the Corpus Christi Ship Channel to a minimum depth of minus one hundred twelve feet (-112') MLW.





**PIPELINE EASEMENT AGREEMENT**

**THE STATE OF TEXAS**

§

§ **KNOW ALL MEN BY THESE PRESENTS THAT:**

**COUNTY OF NUECES**

§

Port of Corpus Christi Authority of Nueces County, Texas, acting herein by and through its Port Commissioners hereunto duly authorized (hereinafter called "Authority") for good and valuable consideration as described below, and including the covenants and conditions herein made and provided to be kept and performed by Grantee, has **GRANTED AND CONVEYED** and by these presents does **GRANT AND CONVEY** to **OXY INGLESIDE OIL PIPELINE, LLC**, a Delaware limited liability company registered to do business in Texas, whose principal address is 5 Greenway Plaza, Suite 110, Houston, Texas 77046-0521 (hereinafter called "Grantee"), a right-of-way and easement on, under and through Authority's land located in Nueces County, Texas and further described below (the "Pipeline Easement"), for the purpose of constructing, laying, operating, maintaining, repairing, replacing and removing one (1) pipeline having a nominal inside diameter of up to twenty inches (20") (the "Pipeline,"), for the transportation of Permitted Products as set out below in this Pipeline Easement Agreement (the "Agreement"), in, upon, over and across the Pipeline Easement hereby granted. Either Authority or Grantee may individually be referred herein to as a "Party" or jointly as "Parties."

During the period beginning on (the "Effective Date"), and ending on the first anniversary of the Effective Date (the "Initial Construction Period") and during any maintenance, repair, replacement, removal or relocation of a Pipeline (the "Work") as permitted or required herein, the boundaries of the Pipeline Easement shall be extended on each side of the Pipeline Easement, to the extent necessary, to create a temporary working space for Grantee immediately adjacent to the Pipeline Easement, but in no event will any temporary work space be larger than five feet (5') from the Centerline (defined below) of either side the Pipeline (the "Temporary Work Space"); provided, however, in the event during the Initial Construction Period or the Work circumstances cause Grantee to request of Authority, in writing, additional temporary work space, Grantee will provide Authority sufficient information to evaluate the circumstances requiring the additional temporary work space requested by Grantee, and promptly notify Grantee, in writing, that Authority consents to the request, or states the changes and terms of the Authority's approval to which Grantee must consent in writing, or denies the request.

Grantee's use of Temporary Work Space shall not interfere with or interrupt Authority's or any tenant of Authority's use of the Authority's land, including without limitation any of the following uses: construction, maintenance or operation of rails; construction, maintenance or operations of dock facilities and appurtenances; or other development or improvement activities of Authority or any tenant of Authority.

Except as otherwise provided herein, the Pipeline Easement shall be limited to the width of the Pipeline actually installed within the Pipeline Easement. The Pipeline Easement shall be located along the centerline depicted on the maps attached hereto as **Exhibits A-1, A-2, A-3, A-4, A-5, A-6, A-7 and A-8**, which are incorporated herein by reference for all purposes, and also

being described on **Exhibits B-1, B-2, B-3, B-4, B-5, B-6, B-7 and B-8**, which are attached hereto and incorporated herein by reference for all purposes (the “Centerline”). The total length of the Centerline is 206.85 surface rods in length

The Pipeline may be used for transporting water, crude oil, condensate and distillate, and, in each case, so long as such product may be legally transported through a pipeline in Texas (“Permitted Products”).

**TO HAVE AND TO HOLD** unto Grantee, its successors and assigns, the rights and privileges hereby conveyed for a period beginning on the Effective Date and ending thirty (30) years thereafter (the “Term”), subject to the terms, conditions, exceptions and reservations herein set forth, and upon the following covenants and conditions which are a part of the consideration for this grant, which covenants and conditions are and shall be construed as covenants running with the land, and which covenants and conditions by its acceptance hereof Grantee covenants and agrees to keep and perform in all material respects.

This Pipeline Easement is granted subject to the following:

A. Number and Size of Pipeline. The Pipeline shall not exceed the following number of pipelines and a nominal inside diameter as follows: (i) Number of pipelines: one (1); and (ii) Nominal inside diameter: (1) having a diameter of up to twenty inches (20”).

B. Fees. For purposes of this Agreement, “Easement Year” means the twelve-month period beginning on the Effective Date and each twelve-month period thereafter during the Term of this Agreement. Grantee shall pay to Authority an annual fee for each Easement Year (the “Annual Fee”). The Annual Fee for the first ten (10) Easement Years shall be Two Thousand Four Hundred Eighty Four and 66/100 Dollars (\$2,484.66) per Easement Year, and Grantee agrees to prepay the aggregate Annual Fee for the first ten (10) Easement Years no later than the tenth day after the date of approval of this Agreement by Authority’s Port Commission. Commencing with the eleventh Easement Year, and for every Easement Year that commences thereafter during the Term, the Annual Fee shall be recalculated based upon Authority’s then-current published fee schedule for pipelines based upon the outside diameter and length of the Pipeline installed in the Pipeline Easement at such time, and Grantee agrees to prepay such Annual Fee for the next ten (10) Easement Years within thirty (30) days after receiving Authority’s invoice for such Annual Fee.

C. Access. Grantee shall have the right of ingress and egress, but such rights shall be confined to the Pipeline Easement and the Temporary Work Space, and Grantee shall not have the right to cross, store materials or equipment on, or conduct any of Grantee’s operations on, in each case, Authority’s land adjacent to the Pipeline Easement except the Temporary Work Space, unless the prior consent of Authority is obtained in writing, which consent will not be unreasonably withheld, conditioned or delayed. Except in the case of an emergency, Grantee agrees to notify Authority not less than seventy-two (72) hours prior to Grantee’s employees, agents or contractors entering upon the Pipeline Easement or Temporary Work Space for construction, maintenance, repairs or other operations; provided, however, in the case of an emergency necessitating entry upon the Pipeline Easement or Temporary Work Space by



Grantee, its employees, agents or contractors, Grantee agrees to notify Authority of the nature and extent of any such emergency within twenty-four (24) hours after any such entry.

D. Construction, Maintenance and Use. Prior to the commencement of construction of the Pipeline, Grantee will furnish Authority with a detailed set of plans for the construction of the Pipeline (the "Plans") for Authority's approval, which approval shall not be unreasonably withheld or delayed. The Plans must be prepared in a standard engineering format and must be signed and sealed by a Professional Engineer registered in the State of Texas. The Plans for any Pipeline shall show the pipe grade, wall thickness and coating of the pipe to be constructed and shall depict the horizontal location and the depth at which such Pipeline will be installed within the Pipeline Easement. The Plans shall also depict any surface features, including but not limited to, drainage ditches, culverts, roads, fixtures, appurtenances, pipelines or containment levees adjacent to the Pipeline Easement that may be affected by the construction activity during installation or maintenance of the Pipeline. The Plans shall be submitted to the Director of Engineering Services of Authority (the "Director"), and the Director agrees to review Grantee's preliminary plans and otherwise coordinate with Grantee prior to Grantee's submission of the Plans. Additionally, prior to the installation of the Pipeline within the Pipeline Easement, Grantee shall furnish the Director "issued-for-construction" drawings for the Pipeline to the extent such drawings are not otherwise included with the Plans. Grantee shall construct and maintain the Pipeline in a good and workmanlike manner and in compliance with all applicable governmental and industry standards for construction and maintenance of the same, including but not limited to the provisions of Authority's Project Manual applicable to the construction and maintenance of pipelines similar to the Pipeline. Warning signs for the existence of the Pipeline that conform to Federal and State laws applicable to such warning signs will be posted at the required locations along the Pipeline Easement.

No boring pit or receiving pit may be placed in the Pipeline Easement without Authority's approval, which approval shall not be unreasonably withheld or delayed. Grantee shall bury the Pipeline to a safe depth (not less than sixty inches (60") deep) as is or may be reasonably required as a result of any existing road, railroad or pipeline within the Pipeline Easement. Grantee shall cross Authority's improved roads and railroads by directional bore at a minimum depth of eleven feet (11') feet from the base of the lowest elevation of any roadway and at no less than eleven feet (11') beneath the base of the lowest rail in any railroad right of way. Grantee agrees to install that portion of the Pipeline crossing the Viola Channel Extension of the Corpus Christi Ship Channel to a minimum depth of minus one hundred twelve feet (-112') MLW.

In refilling any hole or ditch, Grantee must compact the subsoil to ninety-five percent (95%) of original compaction. After any construction, repair or removal, Grantee shall use commercially reasonable efforts to compact, loosen, or otherwise condition the topsoil to the degree of compaction of non-disturbed topsoil to prevent settling, erosion or compaction of such topsoil, in order that the land disturbed will be substantially the same level as the surrounding lands to maintain drainage consistent with the drainage existing immediately prior to such work.

Grantee will notify the appropriate State and Federal agencies that regulate pipelines of the type in the Pipeline Easement in accordance with applicable law after discovery of any

visible or apparent contamination discovered in the Pipeline Easement (1) during initial construction of the Pipeline and (2) at any time during the Term following completion of initial construction of the Pipeline, and provide a copy of such notification to Authority as soon as reasonably practicable.

If, during or after completion of initial construction of the Pipeline, such contamination is caused by the Pipeline or Grantee's use or operation thereof, then Grantee will immediately take all commercially reasonable steps necessary to shut down the Pipeline, repair or replace such Pipeline, and restore the Pipeline Easement to substantially the condition it was in immediately prior to the discovery of such contamination. If such contamination is not caused by the Pipeline or Grantee's use or operation thereof, then Grantee and Authority shall cooperate to determine the source of such contamination and advise the appropriate State and Federal agencies of such contamination.

Grantee's use of the Pipeline Easement herein granted and its operations in relation to it will at all times comply in all material respects with all applicable laws, statutes, rules and regulations of federal, state and local government.

Grantee shall furnish Authority, within forty-five (45) days after completion of the installation of each Pipeline, an as-built drawing of the location of such Pipeline including XYZ coordinates to be taken at a minimum of every five feet (5') along such Pipeline and will furnish Authority an as-built drawing of any subsequent modification of the location of such Pipeline within forty-five (45) days after completion of any such modification.

Grantee shall be responsible for coordination of any construction, maintenance and use in the Pipeline Easement with any other existing users and easement holders in or near the Pipeline Easement as required by applicable law. Grantee shall promptly restore any portion of the Pipeline Easement damaged by Grantee to substantially the same condition as existed immediately prior to such damage.

E. Reservations and Exceptions. The Pipeline Easement herein granted shall be subject to any and all easements heretofore granted by Authority to other parties which are either of record in Nueces County or physically evident on the surface of the land on which the Pipeline Easement is located. Authority reserves the right to grant easements upon, over, under and across its property within the Pipeline Easement, and to grant rights of use, leases and easements above, below and on the surface of the Pipeline Easement, provided that such grants shall not materially interfere with the rights granted herein.

F. Indemnity/Waiver.

(a) As used in this Section F. each of the following terms shall have the meanings set forth in this subparagraph (a):

(1) "Claims" means all claims, damages, losses, fines, penalties, liens, causes of action, suits, judgments, settlements and expenses (including court costs, reasonable attorney's fees (including reasonable attorney's fees in defending and/or settling



a Claim and attorney's fees to collect on this Indemnity), costs of investigation, and expert witnesses) of any nature, kind or description by, through or of any person or entity, including property loss or damage in, on or adjacent to the Pipeline Easement herein granted, bodily or personal injury, sickness, disease, and/or death (including bodily or personal injury and/or death of employees of an Indemnified Person or a Grantee Party).

(2) **"Defend"** (and any capitalized derivatives or variations thereof) means to defend on behalf of another party a Claim in litigation, arbitration, mediation or other alternative dispute resolution proceeding and to pay all actual costs associated with the preparation or prosecution of such Defense.

(3) **"Indemnify"** (and any capitalized derivatives or variations thereof) means to protect and hold harmless a party from and against a potential Claim and/or to compensate a party for a Claim actually incurred.

(4) **"Indemnified Persons"** means Authority, its Port Commissioners, directors, managers, employees and agents.

(5) **"Grantee Parties"** means the Grantee, its agents, contractors, employees, owners, invitees, or licensees.

(6) **"Waive"** means to knowingly and voluntarily relinquish a right and/or to release another party from liability, to the maximum extent permitted by applicable law.

(b) Subject to the terms of this Section F., Grantee shall Defend and Indemnify the Indemnified Persons from and against all Claims resulting from, arising out of, or alleged to have arisen out of or resulted from, in whole or in part, any of the following matters (these Claims being referred to herein as the **"Indemnified Claims"**):

(1) the conduct of Grantee's business on the Pipeline Easement herein granted;

(2) Grantee's breach of the terms and conditions of this Agreement;

(3) any bodily injury to or death of any employee of the Grantee Parties occurring in connection with constructing, installing, maintaining or removing any Pipeline; or

(4) any act, omission, willful misconduct, strict liability, breach of warranty, express or implied, or violation of any laws, ordinances, rules, regulations, or codes, now or hereafter existing and applicable to Grantee and its operations under this Agreement, of or by any Grantee Party.

(c) **Subject to the terms of subparagraph (d) below, the Indemnities, Waivers and obligation to Defend in this Section F. shall be enforced to the fullest extent permitted by**

applicable law for the benefit of the applicable Indemnified Persons, regardless of any extraordinary shifting of risks, and even if the applicable Claim is caused by the joint, concurrent, or comparative negligence of such Indemnified Persons, and regardless of whether liability without fault or strict liability is imposed upon or alleged against such Indemnified Persons; provided, however, that an Indemnity will not be enforced to the extent that a court of competent jurisdiction holds in a final judgment that the applicable Claim against such Indemnified Persons was caused by the willful misconduct or sole or gross negligence of such Indemnified Persons.

(d) Notwithstanding anything to the contrary contained in this Section F., to the extent an Indemnified Claim arises out of the joint, concurrent, or comparative negligence, causation, responsibility or fault of the Indemnified Persons (or its contractors) and the Grantee Parties, then the Grantee's obligation to the Indemnified Persons shall only extend to the percentage of the total responsibility of the Grantee Parties in contributing to such Indemnified Claim. Notwithstanding anything to the contrary contained in this Section F., Grantee shall not be required to Indemnify the Indemnified Persons for any indirect, consequential or punitive damages suffered by the Indemnified Persons.

(e) In Claims against any Indemnified Person by or for an employee of a Grantee Party, the Grantee's indemnification obligation under this Section F., shall not be limited by a limitation on the amount or type of damages, compensation or benefits payable by or for the Grantee Party under workers' or workmen's compensation acts, disability benefit acts, or other employee benefit acts.

(f) The indemnity contained in this Section F. applies, without limitation, to any violation by a Grantee Party of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 ("CERCLA"), 42, U.S.C. Section 9601 et seq; the Resource Conservation and Recovery Act of 1976 ("RCRA"), 42 U.S.C. Section 6901 et seq; the Hazardous Materials Transportation Act, 49 U.S.C. Section 5101 et seq; the Clean Air Act and Amendments of 1990, 41 U.S.C. Section 7401 et seq; the Clean Water Act of 1977, 33 U.S.C. Section 1251 et seq; the Oil Pollution Act of 1990, 33 U.S.C. Section 2701 et seq; the Toxic Substances Control Act, 15 U.S.C. Section 2606 the Texas Water Code; the Texas Solid Waste Disposal Act, Chapter 361, Texas Health and Safety Code; the Texas Clean Air Act, Chapter 382, Texas Health and Safety Code; the Oil Spill Prevention Act of 1991, Chapter 40, Texas Natural Resource Code, and Chapter 26, Texas Water Code; and the Texas Water Quality Act, Chapter 26, Texas Water Code; Authority's Tariffs, Rules and Regulations (collectively, "Environmental Laws, Authority's Tariffs and Rules and Regulations") in effect during the Term of this Agreement and to the extent applicable to Grantee and its operations hereunder.

(g) Intentionally Deleted.

(h) Intentionally Deleted.

(i) Grantee agrees to support its obligations to Indemnify and Defend the Indemnified Persons by the purchase of insurance (or self-insurance) as required by Section G. below.

(j) Except as otherwise provided by this Section F., Grantee hereby Waives all Claims against (1) the Indemnified Persons resulting from, arising out of, or alleged to have arisen out of or resulted from, in whole or in part, any of the Indemnified Claims; and (2) subject to subparagraph (d) above, Authority or its contractors for any damage Authority or its contractors may do to the Pipeline or the Pipeline Easement as the result of any dredging, construction or repair activities related to Authority's docks, channels or dredge material placement areas; provided, however, Authority must notify Grantee in writing at least thirty (30) days in advance of any such dredging, construction or repair activities.

G. Insurance.

Without limiting the indemnity obligations or liabilities of Grantee provided under this Agreement, Grantee agrees at all times during the Term 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 in the Pipeline Easement, Workers' Compensation insurance as required by the Texas Workers' Compensation Code, and Employer's Liability insurance with limits of at least \$500,000.00 per each employee accident and disease.

(ii) Commercial General Liability (CGL) insurance coverage with policy limits of at least \$1,000,000.00 per occurrence and \$2,000,000 general aggregate for bodily injury, personal injury and property damage liability in the Pipeline Easement endorsed to cover contractual liability and Time Element Pollution coverage

(iii) Business Automobile Liability insurance coverage for all owned and non-owned motor vehicles used in the Pipeline Easement, with a policy limit of not less than \$1,000,000 per accident for bodily injury and property damage.

(iv) Excess or Umbrella liability insurance coverage having limits of not less than \$5,000,000.00 over and above the underlying primary coverage limits stated above with respect to property damage and bodily injury or death to any number of persons in any one accident or occurrence.

(v) Pollution Legal Liability insurance coverage for bodily injury, property damage and other losses caused by pollution conditions occurring during the Term, 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.

The limits of insurance set forth above may be met through Grantee's primary or excess/umbrella policies or any combination thereof. The minimum insurance protection amounts set forth in the Policies may be increased from time to time upon ninety (90) days' prior

written notice from Authority to an amount which is commercially reasonable at the time and circumstances. Grantee may self-insure the coverages identified in Sections G above.

Authority shall be furnished (to the attention of the Real Estate Manager at the notice address set forth in Section M., below), prior to the commencement of any work by Grantee on the Pipeline Easement, (1) a certificate or certificates of insurance (and the endorsements required in this paragraph shall be attached to or confirmed in the certificate or certificates of the insurance) evidencing the Policies, or (2) to the extent that Grantee is self-insured, a letter of self-insurance addressed to Authority by Grantee. Only with respect to and to the extent of the liabilities and obligations assumed by Grantee under this Agreement, each of the Policies (except for Workers' Compensation and Employer's Liability insurance) shall be endorsed to name Authority as an additional insured on a primary, non-contributory basis. Grantee shall ensure that no Policy will be suspended, voided, canceled or reduced in coverage or limits without providing Authority five (5) days' prior written notice.

To the extent that Grantee is not self-insured for the insurance coverages identified in this Section G, Grantee shall deliver to Authority renewal or replacement certificates of insurance at least five (5) 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 \$50,000.00. The company writing each of the Policies must possess a then-current rating with A.M. Best Company of at least A: VI. If Grantee fails to provide reasonably satisfactory evidence of any Policies or equivalent self-insurance, or if any of the Policies is canceled and not promptly replaced by Grantee with equivalent coverage, Authority may procure such insurance at Grantee's expense, and Grantee shall reimburse Authority, within thirty (30) days after receipt of written demand therefore, for all amounts spent to procure and maintain such insurance.

#### **H. Waiver of Subrogation**

**(a) Notwithstanding anything to the contrary contained in Section F., Authority hereby waives every claim which arises or may arise in its favor and against Grantee during the Term of this Agreement for any and all loss of, or damage to, any of Authority's property in or adjacent to the Pipeline Easement to the extent that such loss or damage is covered by Authority's property insurance.**

**(b) Grantee hereby waives every claim which arises or may arise in its favor and against Authority during the Term of this Agreement for any and all loss of, or damage to, any of Grantee's property in or adjacent to the Pipeline Easement to the extent that such loss or damage is covered by Grantee's property insurance.**

**(c) Each Party agrees to immediately give to each insurance company, which has issued to it policies of fire and extended coverage insurance, written notice of the terms of its waivers under this Section H., and to have said insurance policies properly endorsed, if necessary, to prevent the invalidation of said insurance coverage by reason of said waivers.**

I. Assignment; Successors and Assigns. The rights herein granted may not be assigned without the prior written consent of Authority, which consent will not be unreasonably withheld, conditioned or delayed; provided, however, Authority consents to assignment of this Agreement to any corporation or other entity which is an affiliate of Grantee. An “affiliate”, as used in this Section I., is a person or entity which controls, is controlled by or is under common control with Grantee. The Pipeline Easement shall be deemed a covenant running with the land and shall inure to the benefit of and be binding upon the Parties and their respective successors and assigns. Assignment by Grantee shall not relieve Grantee from liability for the performance of the covenants and indemnities hereof.

J. Expiration; Termination. This Agreement and all rights to use and occupy the Pipeline Easement shall terminate if the Pipeline shall cease to be used for any Permitted Product for any consecutive forty-eight (48) month period during the Term (except in instances of Force Majeure Events) or if Grantee shall at any time expressly abandon the Pipeline Easement. This Agreement and all of Grantee's rights hereunder, at the option of Authority, shall forthwith terminate upon breach by Grantee of any of the conditions hereof (except in instances of Force Majeure Events) and the failure of Grantee to remedy the same within ninety (90) days after Grantee's receipt of written notice from Authority so to do; provided, however, except as expressly provided in the last sentence of this Section J., if any such breach is not reasonably susceptible to remedy within such ninety (90) day period, but Grantee has commenced such remedy and is diligently pursuing same, the period for remedying any such breach shall be extended by such number of days that Authority and Grantee mutually agree is necessary to allow Grantee to complete such cure. Grantee agrees, within one hundred eighty (180) days after the termination or expiration of this Agreement, to remove the Pipeline and Grantee's other equipment, facilities or appurtenances existing in the Pipeline Easement and restore the land in the Pipeline Easement to substantially the same condition in which same existed immediately prior to the existence of the first Pipeline and its related equipment, facilities and appurtenances. In the event Grantee fails to remove the Pipeline, equipment, facilities and appurtenances within the above-described time period, Authority may either declare the termination of Grantee's interest in the Pipeline, equipment, facilities and appurtenances and all of Grantee's interest therein shall thereupon terminate, or the Authority may cause the Pipeline, equipment, facilities and appurtenances, or any part thereof, to be removed and disposed of, and the lands of Authority restored, all at the cost of Grantee. In the event of a breach of the requirements of Section L. (“Compliance with Authority Security Requirements”), except in instances of Force Majeure Events, this Agreement and all of Grantee's interest hereunder, at the option of Authority, shall forthwith terminate in the event Grantee fails to remedy the same within ten (10) days (subject to Force Majeure Events) after Grantee's receipt of written notice from Authority of such breach.

K. Relocation. Authority may require Grantee to lower or relocate one or more of the Pipeline and such Pipeline's associated equipment, facilities and appurtenances in the Pipeline Easement in the event such Pipeline materially interferes with: (1) the development of Authority's lands adjacent to the Pipeline Easement; (2) the construction of any facility of Authority, or of any tenant of Authority where such construction was approved by Authority, on the Pipeline Easement; (3) upgrading an existing road or proposed new road that would cross the Pipeline Easement; (4) any operation or proposed operation of Authority on the Pipeline

Easement; or (5) any proposed new railroad that would cross the Pipeline Easement; provided, however, that in the case of any of the foregoing events, such event has been finally and unconditionally approved by Authority and any applicable federal, state or local governmental agency; and provided, further, that Grantee shall be allowed no less than one hundred eighty (180) days to lower or relocate such Pipeline. In the event Authority requires Grantee to lower or relocate a Pipeline pursuant to the foregoing sentence, (x) the cost of lowering or relocating such Pipeline shall be paid solely by Grantee; and (y) to the extent necessary to accommodate such lowering or relocation, Authority shall provide Grantee with an alternate Pipeline Easement on Authority's land at no additional cost to Grantee, the location and depth of such alternate Pipeline Easement to be determined by Authority in its sole discretion.

L. Compliance with Authority Security Requirements. Grantee, its employees, agents, representatives and subcontractors shall at all times comply with all Authority mandated security requirements and regulations pertaining to the Pipeline Easement, regardless of whether now existing or hereinafter imposed (the "Security Measures"). Failure to comply with Authority's Security Measures will be grounds for terminating this Agreement, subject to the terms of Paragraph J above. Authority's Security Measures applicable to the Pipeline Easement can be ascertained by contacting the Authority's Police Department, and it shall be Grantee's responsibility to obtain the Security Measures from Authority's Police Department; provided, however, if Grantee requests and obtains from Authority's Police Department a written copy of such Security Measures, Grantee shall only be obligated to comply with the terms of the Security Measures as provided by Authority's Police Department.

M. Notice. All notices, demands, requests and other communications required or permitted to be given or made upon either Party shall be in writing and shall be delivered personally, by registered, certified or regular mail (postage prepaid), or reliable overnight delivery service (fees prepaid), in each case addressed to the Party to whom such notice is directed at the address specified below, unless such address is changed by notice given as specified herein. All notices delivered by certified or registered mail pursuant hereto shall be deemed effective the second day after deposit in the United States mail. All notices delivered in any other manner shall be deemed effective upon the receipt by the party entitled thereto.

All notices, demands and requests to be sent to the parties shall be sent or made at the following addresses:

- (1) For Authority: Port of Corpus Christi Authority of Nueces County, Texas,  
Attention: Executive Director,  
P. O. Box 1541,  
Corpus Christi, Texas 78403
- (2) For Grantee: Oxy Ingleside Oil Pipeline, LLC,  
5 Greenway Plaza, Suite 110,  
Houston, Texas 77046-0521  
Attn: Midstream Projects Group

N. Entire Agreement. The execution of this Agreement shall be conclusive evidence of the agreement of Grantee and Authority to all of the terms and conditions hereof, and this Agreement represents the entire agreement between the Parties with respect to the subject matter hereof.

O. Force Majeure Events. For purposes of this Agreement, the term “Force Majeure Events” shall mean, except with regard to the payment of money due, any delay in the performance of any obligation hereunder by reason of any occurrence which is not within the reasonable anticipation or control of the applicable Party, including but not limited to strikes, lockouts, labor troubles, governmental action or inaction (except for action or inaction of Authority or its affiliate agencies), failure of power, riots, insurrection, war, acts of God, fortuitous accidents or casualties of the sea (excluding ordinary action of wind and waves), or other similar reason, and which occurrence, in any event, is not a result of the intentional act, gross negligence or willful misconduct of such Party. In the event of a Force Majeure Event, such Party’s performance shall be excused for the period of time equivalent to the delay caused by such Force Majeure Event, provided such Party gives prompt notice to the other Party of such delay.

P. Governing Law; ADR. This Agreement shall be construed in accordance with the laws of the State of Texas, without giving effect to the principles of conflict of laws. In the event of any dispute between the Parties, the Parties shall use commercially reasonable efforts to mutually agree upon an alternative form of dispute resolution (“ADR”) before an ADR panel or ADR individual in Corpus Christi, Texas; any settlement or judgment entered thereupon shall be filed only in the State or Federal Courts of Texas. In the event of (1) failure to agree on ADR method, (2) failure to consent to a non-binding ADR decision, or (3) appeal of, or challenge to, an ADR decision, then any legal actions filed may be brought only in the State or Federal Courts located in Nueces County, Texas.

Q. Counterparts. This Agreement may be executed and acknowledged in counterparts, all of which executed and acknowledged counterparts shall together constitute a single document. Signature pages may be detached from the counterparts and attached to a single copy of this document to physically form one document. The Parties may provide signatures and acknowledgments to this Agreement by facsimile or Adobe “.pdf” file and such facsimile or Adobe “.pdf” file signatures or acknowledgments shall be deemed to be the same as original signatures or acknowledgments..

R. Cooperation. Grantee agrees to work cooperatively with Authority and any other company during the construction, repair, maintenance, use and operation of the Pipeline in relation to the rights and responsibilities granted to the other company; provided however, that such cooperation shall not require Grantee to accept any encroachment or clearance proximity to the extent the other company’s route or operations will directly endanger or interfere with the Pipeline. Grantee shall cooperate in good faith with other contractors and tenants in the area of the Easement. Nothing herein shall affect the right of Authority or any tenant of Authority, or their respective successors or assigns, to go upon or across the Pipeline Easement any time for any purpose whatsoever, to the extent that such use does not damage, destroy, injure, and/or materially interfere with the Grantee’s use of the Pipeline Easement for the purposes set forth



herein, including Grantee's ability to safely operate and maintain the Pipeline. Likewise, Grantee expressly acknowledges that Authority and any tenant of Authority are constructing improvements and facilities on the Authority's land, which includes the Pipeline Easement.

***[The signature pages follow this page.]***

**AUTHORITY'S SIGNATURE PAGE**

EXECUTED this \_\_\_\_ day of \_\_\_\_\_, 2015, but effective for all purposes as of the Effective Date.

**PORT OF CORPUS CHRISTI AUTHORITY  
OF NUECES COUNTY, TEXAS**

By: \_\_\_\_\_  
John P. LaRue  
Executive Director

STATE OF TEXAS       §  
                                  §  
COUNTY OF NUECES   §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2015, by John P. LaRue, Executive Director of the Port of Corpus Christi Authority of Nueces County, Texas, on behalf of the Port Authority.

\_\_\_\_\_  
NOTARY PUBLIC, STATE OF TEXAS

**GRANTEE'S SIGNATURE PAGE**

EXECUTED this \_\_\_\_ day of \_\_\_\_\_, 2015, but effective for all purposes as of the Effective Date.

**OXY INGLESIDE OIL PIPELINE, LLC**

By: \_\_\_\_\_

Name:

Title: Vice President

STATE OF \_\_\_\_\_ §

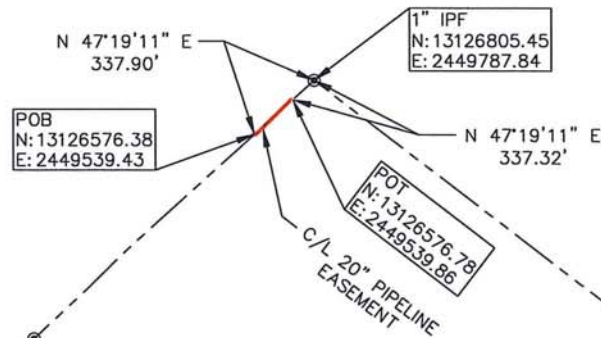
§

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on the \_\_\_\_ day of \_\_\_\_\_, 2015, by \_\_\_\_\_, Vice President of Oxy Ingleside Oil Pipeline, LLC, on behalf of said limited liability company.

\_\_\_\_\_  
NOTARY PUBLIC, STATE OF

EXHIBIT "A-1" (PAGE 1 OF 2)  
NUECES COUNTY, TEXAS



PORT OF CORPUS CHRISTI  
AUTHORITY OF NUECES COUNTY  
2 TRACTS  
CALLED 602.688 ACRES TOTAL  
FILE NO. 786131  
O.P.R.R.P.R.N.C.T.



LINE	BEARING	DISTANCE
L1	S 80°22'45" E	0.02'
L2	N 45°21'35" E	0.57'

TOTAL LINEAR FEET = 0.59 FEET OR 0.036 RODS  
PIPELINE EASEMENT = 0.000 OF AN ACRE / 11 SQ. FT.  
TEMPORARY WORKSPACE = 3.922 ACRES / 170,825 SQ. FT.  
ADDITIONAL TEMP. WORKSPACE = 0.136 OF AN ACRE / 5,912 SQ. FT.

REVISIONS				
No.	Date	Rev By	Description	Checked
3	3/11/15	NDW	REVISER PER COMMENTS	DLJ
2	12/11/14	TAV	REVISED EASEMENT WIDTH	DLJ
1	10/28/14	TAV	REVISED PER RE-ROUTE	DLJ

LEGEND

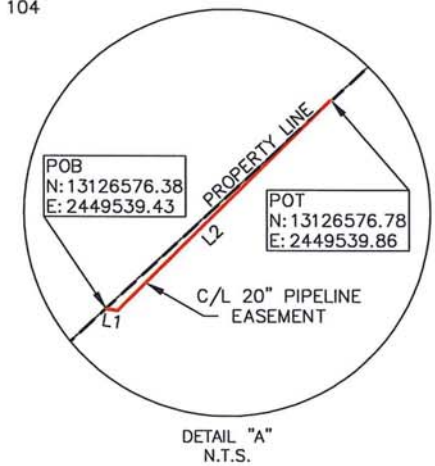
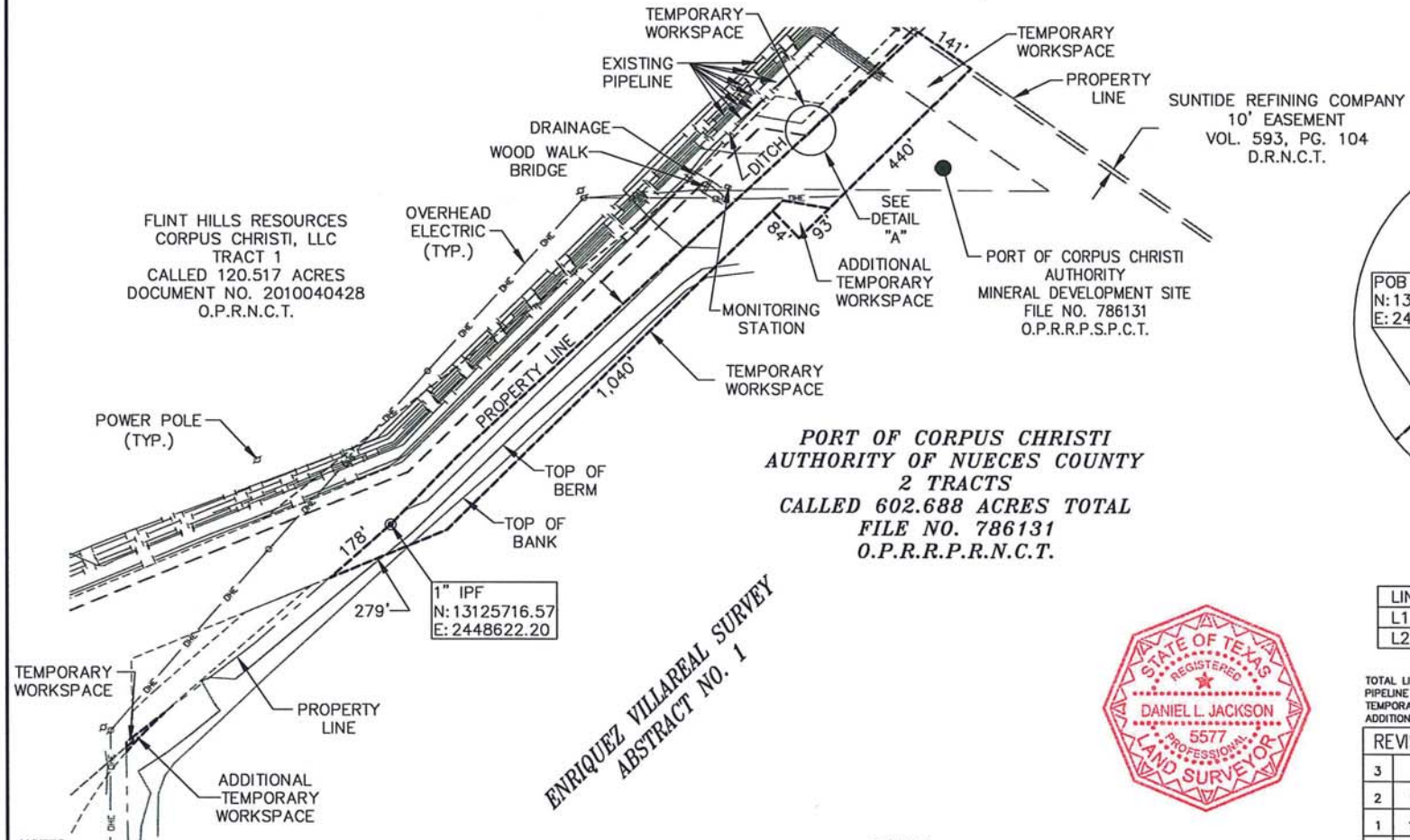
- PIPELINE EASEMENT
- CENTERLINE CREEK/DITCH
- EXISTING EASEMENT
- SURVEY LINE
- R.O.W./PROPERTY LINE
- ⊙ = IRON PIPE FOUND
- = FENCE CORNER POST

NOTE:  
LEGEND IS TYPICAL. NOT ALL ITEMS IN LEGEND  
APPEAR IN DRAWING.

DEED INSET  
N.T.S.

DRAWN BY:	TAV	OXY INGLESIDE PIPELINE, LLC	
CHECKED BY:	DLJ		
AFE:	0380649	PORT OF CORPUS CHRISTI AUTHORITY OF NUECES COUNTY NUECES COUNTY, TEXAS	
DATE:	8/1/14		
SHEET:	1 OF 3	DWG. FILE: PORT OF CORPUS CHRISTI (TX-NU-001.300)	
SCALE:	AS SHOWN		
		REV. 3	

EXHIBIT "A-1" (PAGE 2 OF 2)  
NUECES COUNTY, TEXAS



PORT OF CORPUS CHRISTI  
AUTHORITY OF NUECES COUNTY  
2 TRACTS  
CALLED 602.688 ACRES TOTAL  
FILE NO. 786131  
O.P.R.R.P.R.N.C.T.

ENRIQUEZ VILLAREAL SURVEY  
ABSTRACT NO. 1

LINE	BEARING	DISTANCE
L1	S 80°22'45" E	0.02'
L2	N 45°21'35" E	0.57'

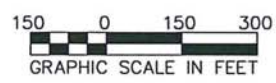
TOTAL LINEAR FEET = 0.59 FEET OR 0.036 ACRES  
PIPELINE EASEMENT = 0.000 OF AN ACRE / 11 SQ. FT.  
TEMPORARY WORKSPACE = 3.922 ACRES / 170,825 SQ. FT.  
ADDITIONAL TEMP. WORKSPACE = 0.136 OF AN ACRE / 5,912 SQ. FT.

REVISIONS				
No.	Date	Rev By	Description	Checked
3	3/11/15	NDW	REVISER PER COMMENTS	DLJ
2	12/11/14	TAV	REVISED EASEMENT WIDTH	DLJ
1	10/28/14	TAV	REVISED PER RE-ROUTE	DLJ

**NOTES**

1. ALL BEARINGS AND DISTANCES HEREIN ARE GRID, BASED ON THE TEXAS STATE PLANE COORDINATES SYSTEM, NAD 83, SOUTH CENTRAL ZONE (4204), NAVD 88, ELEVATIONS MSL, DERIVED FROM GPS OBSERVATION AND DERIVED FROM AN ON-THE-GROUND SURVEY CONDUCTED IN JULY, 2014.

2. THIS ROUTE HAS BEEN CONSTRUCTED USING RECORD MONUMENTS FROM RECORDED DEEDS PROVIDED BY THE CLIENT, OFFICIAL SURVEY RECORDS, MAPS AND OTHER DATA AVAILABLE TO US. THIS SKETCH DOES NOT IN ANY WAY REPRESENT A "BOUNDARY SURVEY" AND DOES NOT COMPLY WITH T.B.P.L.S. MINIMUM STANDARDS OF PROCEDURES FOR A BOUNDARY SURVEY.



PLEASE REFER TO BAR SCALE. DRAWING MAY HAVE BEEN REDUCED OR ENLARGED.

**LEGEND**

- PIPELINE EASEMENT
- CENTERLINE CREEK/DITCH
- EXISTING EASEMENT
- SURVEY LINE
- R.O.W./PROPERTY LINE
- IRON PIPE FOUND
- FENCE CORNER POST

NOTE: LEGEND IS TYPICAL NOT ALL ITEMS IN LEGEND APPEAR IN DRAWING.



DRAWN BY:	TAV
CHECKED BY:	DLJ
AFE:	0380649
DATE:	8/1/14
SHEET:	2 OF 3
SCALE:	AS SHOWN

DWG. FILE: PORT OF CORPUS CHRISTI (TX-NU-001.300)	
REV. 3	

FILENAME: Z:\2014\GARDEN HOBSE\12 20 CRUDE\CERTIFIED\PORT OF CORPUS CHRISTI (TX-NU-001.300).DWG  
PLOT DATE: 3/11/2015 8:42:08 AM



**EXHIBIT "B-1"**  
**NUECES COUNTY, TEXAS**  
**ENRIQUEZ VILLAREAL SURVEY, ABSTRACT NO. 1**

OXY MIDSTREAM STRATEGIC  
DEVELOPMENT LLC  
OXY INGLESIDE OIL PIPELINE, LLC  
PORT OF CORPUS CHRISTI  
AUTHORITY OF NUECES COUNTY

**20 INCH-WIDE PIPELINE EASEMENT**

Being a centerline description of a 20 inch-wide pipeline easement being situated in the Enriquez Villareal Survey, Abstract No. 1, Nueces County, Texas; being part of two tracts of land totaling a called 602.688 acres of land described in Deed to Port of Corpus Christi Authority of Nueces County as recorded in File Number 786131, Official Public Records of Real Property Records, Nueces County, Texas, said easement being described by a centerline which is bound by lines 10 inches each side of and parallel with said centerline and being more particularly described by metes and bounds as follows:

**BEGINNING** at a point in the Northwest line of said 602.688 acre tracts common to the Southeast line of a called 120.417 acre tract of land (Tract 1) described in Deed to Flint Hill Resources Corpus Christi, LLC as recorded in Document Number 2010040428, Official Public Records, Nueces County, Texas; from which a 1 inch iron pipe found at the North corner of said 602.688 acre tract bears North 47°19'11" East, a distance of 337.90 feet;

**THENCE** South 80°22'45" East, a distance of 0.02 feet to a point for corner;

**THENCE** North 45°21'35" East, a distance of 0.57 feet to the **POINT OF TERMINATION** in the Northwest line of said 602.688 acre tracts common to the Southeast line of said 120.417 acre tract, from which said 1 inch iron pipe bears North 47°19'11" East, a distance of 337.32 feet; said easement containing 11 square feet or 0.000 of an acre of land, more or less, said centerline length being 0.59 feet or 0.036 rods.

I, Daniel L. Jackson, Registered Professional Land Surveyor No. 5577 of the State of Texas, do hereby certify this plat shows the results of an on the ground survey made under my direction.

**Original signed and stamped in red ink.**

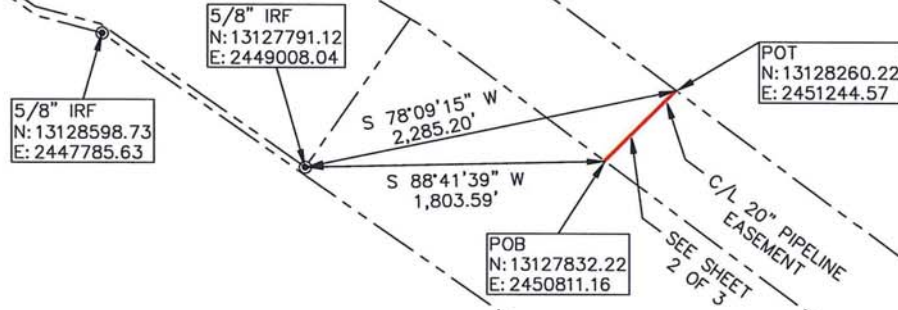


Date of Signature: March 11, 2015.

DANIEL L. JACKSON  
REGISTERED PROFESSIONAL LAND SURVEYOR NO. 5577  
FIRM REGISTRATION/LICENSE NO. 10129300  
FOR PIPELINE LAND SERVICES, INC.  
1700 SHADY OAKS DRIVE, SUITE 108  
DENTON, TEXAS 76205  
(940) 808-1191 OFFICE  
(940) 808-1195 FAX



EXHIBIT "A-2" (PAGE 1 OF 2)  
NUECES COUNTY, TEXAS



PORT OF CORPUS CHRISTI AUTHORITY  
OF NUECES COUNTY, TEXAS  
TRACT III  
CHANNEL BOTTOM, CORPUS  
CHRISTI SHIP CHANNEL  
CALLED 167.058 ACRES  
VOL. 2334, PG. 462  
O.P.R.N.C.T.

FLINT HILLS RESOURCES  
CORPUS CHRISTI, LLC  
TRACT II  
CALLED 96.23452 ACRES  
DOCUMENT NO. 2010040428  
O.P.R.N.C.T.

DEED INSET  
N.T.S.

- LEGEND**
- PIPELINE EASEMENT
  - CENTERLINE CREEK/DITCH
  - EXISTING EASEMENT
  - SURVEY LINE
  - R.O.W./PROPERTY LINE
  - ⊙ = IRON ROD FOUND
  - = FENCE CORNER POST

NOTE:  
LEGEND IS TYPICAL. NOT ALL ITEMS IN LEGEND  
APPEAR IN DRAWING.

TOTAL LINEAR FEET = 609.12 FEET OR 36.916 RODS  
PIPELINE EASEMENT = 0.023 OF AN ACRE / 1,015 SQ. FT.

LINE	BEARING	DISTANCE
L1	N 45°21'35" E	609.12'

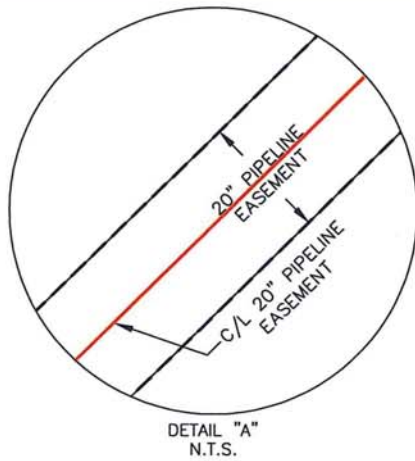


REVISIONS				
No.	Date	Rev By	Description	Checked
3	3/11/15	NDW	REVISED PER COMMENTS	DLJ
2	12/9/14	NDW	REVISED EASEMENT WIDTH	DLJ
1	10/28/14	NDW	REVISED PER RE-ROUTE	DLJ

DRAWN BY:	NDW	<b>OXY INGLESIDE OIL PIPELINE, LLC</b> <b>PORT OF CORPUS CHRISTI AUTHORITY</b> <b>OF NUECES COUNTY, TEXAS</b> <small>NUECES COUNTY, TEXAS</small>
CHECKED BY:	JCV	
AFE:	0380649	
DATE:	8/12/14	
SHEET:	1 OF 3	
SCALE:	AS SHOWN	DWG. FILE: PORT OF CORPUS OIL ESMT (TX-NU-008.000) REV. 3



EXHIBIT "A-2" (PAGE 2 OF 2)  
NUECES COUNTY, TEXAS



S 78°09'15" W 2,285.20'  
TO A 5/8" IRF IN THE  
SOUTHWEST LINE OF  
96.23452 ACRE TRACT

POT  
N: 13128260.22  
E: 2451244.57

M & G RESINS USA, LLC  
TRACT I  
CALLED 168.22 ACRES  
DOCUMENT NO. 2013010971  
O.P.R.N.C.T.

20" PIPELINE  
EASEMENT

C/L 20" PIPELINE  
EASEMENT

EXISTING  
PIPELINE

POB  
N: 13127832.22  
E: 2450811.16

PORT OF CORPUS CHRISTI AUTHORITY  
OF NUECES COUNTY, TEXAS  
TRACT III  
CHANNEL BOTTOM, CORPUS  
CHRISTI SHIP CHANNEL  
CALLED 167.058 ACRES  
VOL. 2334, PG. 462  
O.P.R.N.C.T.



S 88°41'39" W 1,803.59'  
TO A 5/8" IRF IN THE  
SOUTHWEST LINE OF  
96.23452 ACRE TRACT

ENRIQUEZ VILLAREAL SURVEY  
ABSTRACT NO. 1

LINE	BEARING	DISTANCE
L1	N 45°21'35" E	609.12'

REVISIONS				
No.	Date	Rev By	Description	Checked
3	3/11/15	NDW	REVISED PER COMMENTS	DLJ
2	12/9/14	NDW	REVISED EASEMENT WIDTH	DLJ
1	10/28/14	NDW	REVISED PER RE-ROUTE	DLJ

**NOTES**

1. ALL BEARINGS AND DISTANCES CONTAINED HEREIN ARE GRID, BASED ON THE TEXAS STATE PLANE COORDINATES SYSTEM, NAD 83, SOUTH CENTRAL ZONE (4204), NAVD 88, ELEVATIONS MSL, DERIVED FROM GPS OBSERVATION AND DERIVED FROM AN ON-THE-GROUND SURVEY CONDUCTED IN JULY, 2014.

2. THIS ROUTE HAS BEEN CONSTRUCTED USING RECORD MONUMENTS FROM RECORDED DEEDS PROVIDED BY THE CLIENT, OFFICIAL SURVEY RECORDS, MAPS AND OTHER DATA AVAILABLE TO US. THIS SKETCH DOES NOT IN ANY WAY REPRESENT A "BOUNDARY SURVEY" AND DOES NOT COMPLY WITH T.B.P.L.S. MINIMUM STANDARDS OF PROCEDURES FOR A BOUNDARY SURVEY.

**LEGEND**

— PIPELINE EASEMENT  
--- CENTERLINE CREEK/DITCH  
--- EXISTING EASEMENT  
--- SURVEY LINE  
--- R.O.W./PROPERTY LINE  
● IRON ROD FOUND  
□ FENCE CORNER POST

NOTE:  
LEGEND IS TYPICAL. NOT ALL ITEMS IN LEGEND  
APPEAR IN DRAWING.

TOTAL LINEAR FEET = 609.12 FEET OR 38.916 RODS  
PIPELINE EASEMENT = 0.023 OF AN ACRE / 1,015 SQ. FT.

50 0 50 100  
GRAPHIC SCALE IN FEET

PLEASE REFER TO BAR SCALE. DRAWING  
MAY HAVE BEEN REDUCED OR ENLARGED.

DRAWN BY: NDW  
CHECKED BY: JCV  
AFE: 0380649  
DATE: 8/12/14  
SHEET: 2 OF 3  
SCALE: AS SHOWN

OXY INGLESIDE OIL PIPELINE, LLC  
PORT OF CORPUS CHRISTI AUTHORITY  
OF NUECES COUNTY, TEXAS  
NUECES COUNTY, TEXAS  
DWG. FILE: PORT OF CORPUS OIL ESMT (TX-NU-008.000) REV. 3



**EXHIBIT "B-2"**  
**NUECES COUNTY, TEXAS**  
**ENRIQUEZ VILLAREAL SURVEY, ABSTRACT NO. 1**

OXY MIDSTREAM STRATEGIC  
DEVELOPMENT LLC  
OXY INGLESIDE OIL PIPELINE, LLC  
PORT OF CORPUS CHRISTI AUTHORITY  
OF NUECES COUNTY, TEXAS

**20 INCH-WIDE PIPELINE EASEMENT**

Being a centerline description of a 20 inch-wide pipeline easement being situated in the Enriquez Villareal Survey, Abstract No. 1, Nueces County, Texas; being part of a called 167.058 acre tract of land (Tract III) described in Deed to Port of Corpus Christi Authority of Nueces County, Texas as recorded in Volume 2334, Page 462, Official Public Records, Nueces County, Texas; said easement being described by a centerline which is bound by lines 10 inches each side of and parallel with said centerline and being more particularly described by metes and bounds as follows:

**BEGINNING** at a point in the Southwest line of said 167.058 acre tract common to the Northeast line of a called 96.23452 acre tract of land (Tract II) described in Deed to Flint Hills Resources Corpus Christi, LLC as recorded in Document Number 2010040428 of said Official Public Records, from which a 5/8 inch iron rod found at a re-entrant corner in the Northwest line of said 96.23452 acre tract bears South 88°41'39" West, a distance of 1,803.59 feet;

**THENCE** North 45°21'35" East, a distance of 609.12 feet to the **POINT OF TERMINATION** in the Northeast line of said 167.058 acre tract common to the Southwest line of a called 16.6019 acre tract of land described in Deed to Port of Corpus Christi Authority of Nueces County, Texas as recorded in Document Number 1999033128 of said Official Public Records, from which said 5/8 inch iron rod bears South 78°09'15" West, a distance of 2,285.20 feet; said easement containing 1,015 square feet or 0.023 of an acre of land, more or less, said centerline length being 609.12 feet or 36.916 rods.

I, Daniel L. Jackson, Registered Professional Land Surveyor No. 5577 of the State of Texas, do hereby certify this plat shows the results of an on the ground survey made under my direction.

**Original signed and stamped in red ink.**

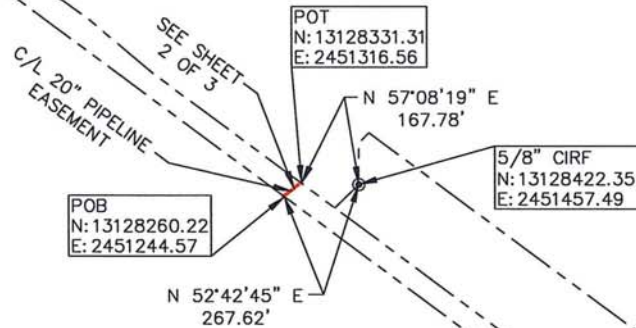


Date of Signature: March 11, 2015.

DANIEL L. JACKSON  
REGISTERED PROFESSIONAL LAND SURVEYOR NO. 5577  
FIRM REGISTRATION/LICENSE NO. 10129300  
FOR PIPELINE LAND SERVICES, INC.  
1700 SHADY OAKS DRIVE, SUITE 108  
DENTON, TEXAS 76205  
(940) 808-1191 OFFICE  
(940) 808-1195 FAX



EXHIBIT "A-3" (PAGE 1 OF 2)  
SAN PATRICIO COUNTY, TEXAS



PORT OF CORPUS CHRISTI  
AUTHORITY OF  
NUECES COUNTY, TEXAS  
CALLED 16.6019 ACRES  
DOCUMENT NO. 1999033128  
O.P.R.N.C.T.

M & G RESINS USA, LLC  
TRACT 1  
RESIDUE OF A  
CALLED 168.22 ACRES  
DOCUMENT NO. 2013010971  
O.P.R.N.C.T.

DEED INSET  
N.T.S.

LEGEND

- PIPELINE EASEMENT
- CENTERLINE, CREEK/DITCH
- EXISTING EASEMENT
- SURVEY LINE
- R.O.W./PROPERTY LINE
- IRON ROD FOUND
- FENCE CORNER POST

NOTE:  
LEGEND IS TYPICAL. NOT ALL ITEMS IN LEGEND  
APPEAR IN DRAWING.

LINE	BEARING	DISTANCE
L1	N 45°21'35" E	101.17'

TOTAL LINEAR FEET = 101.17 FEET OR 6.132 RODS  
PIPELINE EASEMENT = 0.004 OF AN ACRE / 169 SQ. FT.



REVISIONS				
No.	Date	Rev By	Description	Checked
3	3/11/15	NDW	REVISED PER COMMENTS	DLJ
2	12/9/14	TAV	REVISED EASEMENT WIDTH	DLJ
1	10/28/14	TAV	REVISED PER ROUTE ADJUSTMENT	DLJ

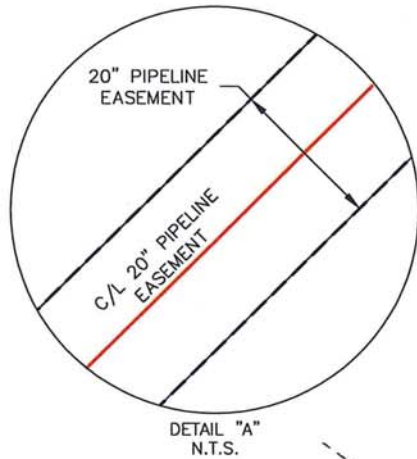
DRAWN BY:	NDW
CHECKED BY:	JCV
AFE:	0380649
DATE:	8/12/14
SHEET:	1 OF 3
SCALE:	AS SHOWN

**OXY INGLESIDE OIL PIPELINE, LLC**  
**PORT OF CORPUS CHRISTI AUTHORITY**  
**OF NUECES COUNTY, TEXAS**  
SAN PATRICIO COUNTY, TEXAS

DWG. FILE: PORT OF CORPUS OIL ESMT (TX-NU-009.000) REV. 3



EXHIBIT "A-3" (PAGE 2 OF 2)  
SAN PATRICIO COUNTY, TEXAS



PORT OF CORPUS CHRISTI  
AUTHORITY OF  
NUECES COUNTY, TEXAS  
CALLED 36.151 ACRES  
DOCUMENT NO. 2009037666  
O.P.R.N.C.T.

PORT OF CORPUS CHRISTI AUTHORITY  
OF NUECES COUNTY, TEXAS  
TRACT III  
CHANNEL BOTTOM, CORPUS CHRISTI  
SHIP CHANNEL  
CALLED 167.058 ACRES  
VOL. 2334, PG. 462  
O.P.R.N.C.T.

POB  
N:13128260.22  
E:2451244.57

C/L 20" PIPELINE EASEMENT  
SEE DETAIL "A"  
L1  
N 52°42'45" E 267.62'  
TO A 5/8" CIRCF IN THE  
WEST LINE OF RESIDUE

POT  
N:13128331.37  
E:2451316.56

N 57°08'19" E 167.78'  
TO A 5/8" CIRCF IN THE  
WEST LINE OF RESIDUE

EXISTING KOCH PIPELINE  
EXISTING AIR LIQUIDE PIPELINE  
EXISTING ENTERPRISE PIPELINE

M & G RESINS USA, LLC  
TRACT 1  
RESIDUE OF A  
CALLED 168.22 ACRES  
DOCUMENT NO. 2013010971  
O.P.R.N.C.T.

ENRIQUEZ VILLAREAL SURVEY  
ABSTRACT NO. 1

PORT OF CORPUS CHRISTI  
AUTHORITY  
OF NUECES COUNTY, TEXAS  
CALLED 16.6019 ACRES  
DOCUMENT NO. 1999033128  
O.P.R.N.C.T.

LINE	BEARING	DISTANCE
L1	N 45°21'35" E	101.17'

TOTAL LINEAR FEET = 101.17 FEET OR 6.132 ROADS  
PIPELINE EASEMENT = 0.004 OF AN ACRE / 169 SQ. FT.

LEGEND

- PIPELINE EASEMENT
- CENTERLINE CREEK/DITCH
- EXISTING EASEMENT
- SURVEY LINE
- R.O.W./PROPERTY LINE
- ⊙ = IRON ROD FOUND
- = FENCE CORNER POST

NOTE:  
LEGEND IS TYPICAL. NOT ALL ITEMS IN LEGEND  
APPEAR IN DRAWING.



PLEASE REFER TO BAR SCALE. DRAWING  
MAY HAVE BEEN REDUCED OR ENLARGED.



REVISIONS				
No.	Date	Rev By	Description	Checked
3	3/11/15	NDW	REVISED PER COMMENTS	DLJ
2	12/9/14	TAV	REVISED EASEMENT WIDTH	DLJ
1	10/28/14	TAV	REVISED PER ROUTE ADJUSTMENT	DLJ

DRAWN BY:	NDW	OXY INGLESIDE OIL PIPELINE, LLC	
CHECKED BY:	JCV		
AFE:	0380649	PORT OF CORPUS CHRISTI AUTHORITY OF NUECES COUNTY, TEXAS	
DATE:	8/12/14		
SHEET:	2 OF 3	SAN PATRICIO COUNTY, TEXAS	
SCALE:	AS SHOWN		
DWG. FILE: PORT OF CORPUS OIL ESMT (TX-NU-009.000)		REV. 3	

**EXHIBIT "B-3"**  
**NUECES COUNTY, TEXAS**  
**ENRIQUEZ VILLAREAL SURVEY, ABSTRACT NO. 1**

OXY MIDSTREAM STRATEGIC  
 DEVELOPMENT LLC  
 OXY INGLESIDE OIL PIPELINE, LLC  
 PORT OF CORPUS CHRISTI AUTHORITY  
 OF NUECES COUNTY, TEXAS

**20 INCH-WIDE PIPELINE EASEMENT**

Being a centerline description of a 20 inch-wide pipeline easement being situated in the Enriquez Villareal Survey, Abstract No. 1, Nueces County, Texas; being part of a called 16.6019 acre tract of land described in Deed to Port of Corpus Christi Authority of Nueces County, Texas as recorded in Document Number 1999033128, Official Public Records, Nueces County, Texas; said easement being described by a centerline which is bound by lines 10 inches each side of and parallel with said centerline and being more particularly described by metes and bounds as follows:

**BEGINNING** at a point in the Southwest line of said 16.6019 acre tract common to the Northeast line of a called 167.058 acre tract of land (Tract III) described in Deed to Port of Corpus Christi Authority of Nueces County, Texas as recorded in Volume 2334, Page 462 of said Official Public Records, from which a 5/8 inch capped iron rod found at an angle point in the Northwest line of the residue of a called 168.22 acre tract of land (Tract 1) described in Deed to M & G Resins USA, LLC as recorded in Document Number 2013010971 of said Official Public Records bears North 52°42'45" East, a distance of 267.62 feet;

**THENCE** North 45°21'35" East, a distance of 101.17 feet to the **POINT OF TERMINATION** in the Northeast line of said 16.6019 acre tract common to the Southwest line of a called 36.151 acre tract of land described in Deed to Port of Corpus Christi Authority of Nueces County, Texas as recorded in Document Number 2009037666 of said Official Public Records, from which said 5/8 inch capped iron rod bears North 57°08'19" East, a distance of 167.78 feet; said easement containing 168.62 square feet or 0.004 of an acre of land, more or less, said centerline length being 101.17 feet or 6.132 rods.

I, Daniel L. Jackson, Registered Professional Land Surveyor No. 5577 of the State of Texas, do hereby certify this plat shows the results of an on the ground survey made under my direction.  
**Original signed and stamped in red ink.**



Date of Signature: March 11, 2015.

DANIEL L. JACKSON  
 REGISTERED PROFESSIONAL LAND SURVEYOR NO. 5577  
 FIRM REGISTRATION/LICENSE NO. 10129300  
 FOR PIPELINE LAND SERVICES, INC.  
 1700 SHADY OAKS DRIVE, SUITE 108  
 DENTON, TEXAS 76205  
 (940) 808-1191 OFFICE  
 (940) 808-1195 FAX





EXHIBIT "A-4" (SHEET 1 OF 3)  
NUECES COUNTY, TEXAS



PORT OF CORPUS CHRISTI AUTHORITY OF  
NUECES COUNTY, TEXAS  
CALLED 36.151 ACRES  
DOCUMENT NO. 2009037666  
O.P.R.N.C.T.

JOE FULTON INTERNATIONAL  
TRADE CORRIDOR

DEED INSET  
N.T.S.

S 78°38'34" W  
203.80'

POT #2  
N: 13129007.95  
E: 2452001.75

5/8" CIRF  
N: 13128967.82  
E: 2451801.95

SEE SHEET  
3 OF 4

S 86°23'39" W  
170.35'

POB #2  
N: 13128978.53  
E: 2451971.96



C/L 20" PIPELINE  
EASEMENT #1

SEE SHEET  
2 OF 4

POT #1  
N: 13128470.45  
E: 2451457.46

S 00°02'28" E  
48.10'

POB #1  
N: 13128331.31  
E: 2451316.56

5/8" CIRF  
N: 13128422.35  
E: 2451457.49

N 57°08'19" E  
167.78'

TOTAL LINEAR FEET #1 = 198.02 FEET OR 12.001 RODS  
PIPELINE EASEMENT #1 = 0.008 OF AN ACRE / 330 SQ. FT.

LINE	BEARING	DISTANCE
L1	N 45°21'35" E	198.02'

TOTAL LINEAR FEET #2 = 41.87 FEET OR 2.538 RODS  
PIPELINE EASEMENT #2 = 0.002 OF AN ACRE / 70 SQ. FT.

LINE	BEARING	DISTANCE
L2	N 45°21'35" E	41.87'

LEGEND

- PIPELINE EASEMENT
- - - CENTERLINE CREEK/DITCH
- - - EXISTING EASEMENT
- - - SURVEY LINE
- - - R.O.W./PROPERTY LINE
- ⊙ = IRON ROD FOUND
- = FENCE CORNER POST

NOTE:  
LEGEND IS TYPICAL. NOT ALL ITEMS IN LEGEND  
APPEAR IN DRAWING.

REVISIONS

No.	Date	Rev By	Description	Checked
3	3/11/15	TAV	REVISED PER COMMENTS	DLJ
2	12/10/14	TAV	REVISED EASEMENT WIDTH	DLJ
1	10/28/14	TAV	REVISED PER RE-ROUTE	DLJ

DRAWN BY: WDJ  
CHECKED BY: DLJ  
AFE: 0380649  
DATE: 8/19/14  
SHEET: 1 OF 4  
SCALE: AS SHOWN

OXY INGLESIDE OIL PIPELINE, LLC

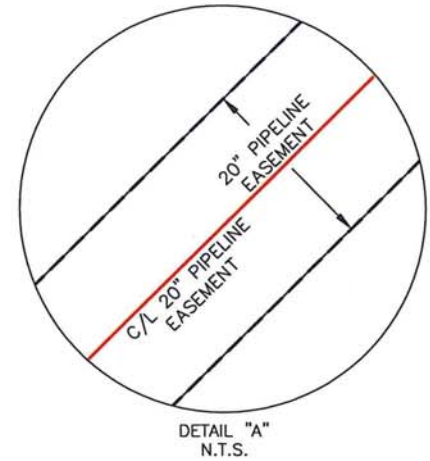
PORT OF CORPUS CHRISTI AUTHORITY  
OF NUECES COUNTY, TEXAS  
NUECES COUNTY, TEXAS

DWG. FILE: PORT OF CORPUS CHRISTI OIL ESMT (TX-NU-010.000)

REV. 3

EXHIBIT "A-4" (SHEET 2 OF 3)  
NUECES COUNTY, TEXAS

PORT OF CORPUS CHRISTI  
AUTHORITY OF NUECES COUNTY, TEXAS  
CALLED 36.151 ACRES  
DOCUMENT NO. 2009037666  
O.P.R.N.C.T.



PORT OF CORPUS CHRISTI  
AUTHORITY OF  
NUECES COUNTY, TEXAS  
CALLED 16.6019 ACRES  
DOCUMENT NO. 1999033128  
O.P.R.N.C.T.

POB #1  
N: 13128331.31  
E: 2451316.56

POT #1  
N: 13128470.45  
E: 2451457.46

S 00°02'28" E  
48.10'

5/8" CIRF  
N: 13128422.35  
E: 2451457.49

ENRIQUEZ VILLAREAL SURVEY  
ABSTRACT NO. 1

M&G RESINS USA, LLC  
TRACT I  
CALLED 168.22 ACRES  
DOCUMENT NO. 2013010971  
O.P.R.N.C.T.

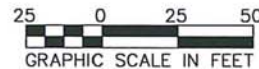
LINE	BEARING	DISTANCE
L1	N 45°21'35" E	198.02'

TOTAL LINEAR FEET #1 = 198.02 FEET OR 12.001 RODS  
PIPELINE EASEMENT #1 = 0.008 OF AN ACRE / 330 SQ. FT.

LEGEND

- PIPELINE EASEMENT
- CENTERLINE CREEK/DITCH
- EXISTING EASEMENT
- SURVEY LINE
- R.O.W./PROPERTY LINE
- IRON ROD FOUND
- FENCE CORNER POST

NOTE:  
LEGEND IS TYPICAL. NOT ALL ITEMS IN LEGEND  
APPEAR IN DRAWING.



PLEASE REFER TO BAR SCALE. DRAWING  
MAY HAVE BEEN REDUCED OR ENLARGED.



REVISIONS				
No.	Date	Rev By	Description	Checked
3	3/11/15	TAV	REVISED PER COMMENTS	DLJ
2	12/10/14	TAV	REVISED EASEMENT WIDTH	DLJ
1	10/28/14	TAV	REVISED PER RE-ROUTE	DLJ

DRAWN BY: WDJ  
CHECKED BY: DLJ  
AFE: 0380649  
DATE: 8/19/14  
SHEET: 2 OF 4  
SCALE: AS SHOWN

OXY INGLESIDE OIL PIPELINE, LLC  
PORT OF CORPUS CHRISTI AUTHORITY  
OF NUECES COUNTY, TEXAS  
NUECES COUNTY, TEXAS

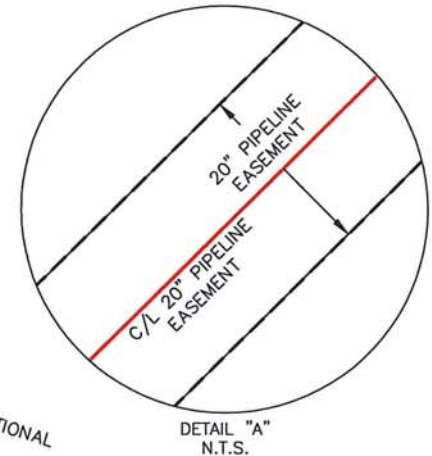
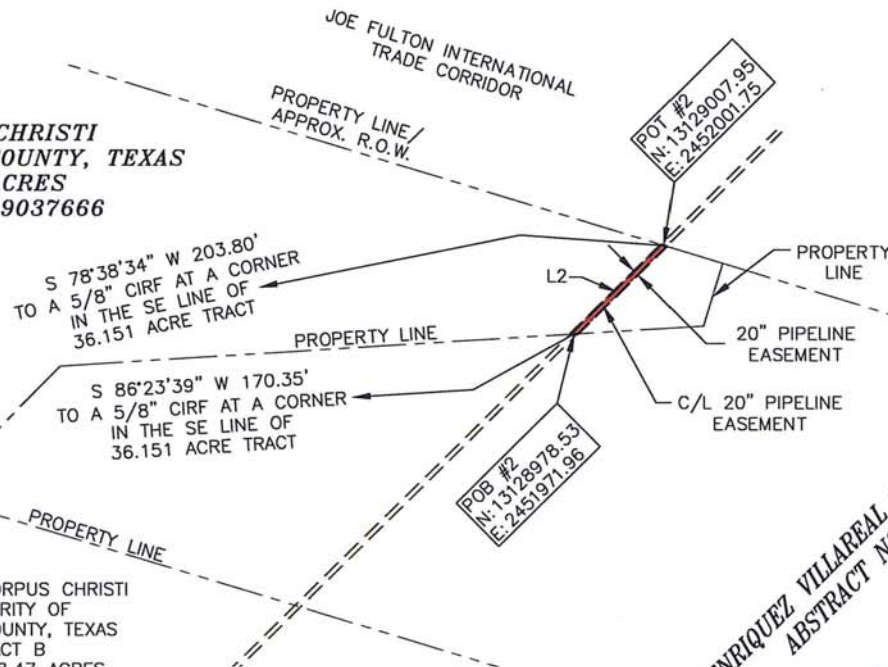
DWG. FILE: PORT OF CORPUS CHRISTI OIL ESMT (TX-NU-010.000)

REV. 3

EXHIBIT "A-4" (SHEET 3 OF 3)  
NUECES COUNTY, TEXAS



PORT OF CORPUS CHRISTI  
AUTHORITY OF NUECES COUNTY, TEXAS  
CALLED 36.151 ACRES  
DOCUMENT NO. 2009037666  
O.P.R.N.C.T.



PORT OF CORPUS CHRISTI AUTHORITY  
OF NUECES COUNTY, TEXAS  
TRACT A  
CALLED 16.50 ACRES  
DOCUMENT NO. 2013026815  
O.P.R.N.C.T.

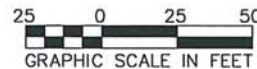
LINE	BEARING	DISTANCE
L2	N 45°21'35" E	41.87'

TOTAL LINEAR FEET #2 = 41.87 FEET OR 2.538 ROADS  
PIPELINE EASEMENT #2 = 0.002 OF AN ACRE / 70 SQ. FT.

LEGEND

- PIPELINE EASEMENT
- CENTERLINE CREEK/DITCH
- EXISTING EASEMENT
- SURVEY LINE
- - - R.O.W./PROPERTY LINE
- ⊙ = IRON ROD FOUND
- = FENCE CORNER POST

NOTE:  
LEGEND IS TYPICAL. NOT ALL ITEMS IN LEGEND  
APPEAR IN DRAWING.



PLEASE REFER TO BAR SCALE. DRAWING  
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REVISIONS				
No.	Date	Rev By	Description	Checked
3	3/11/15	TAV	REVISED PER COMMENTS	DLJ
2	12/10/14	TAV	REVISED EASEMENT WIDTH	DLJ
1	10/28/14	TAV	REVISED PER RE-ROUTE	DLJ

DRAWN BY: WDJ  
CHECKED BY: DLJ  
AFE: 0380649  
DATE: 8/19/14  
SHEET: 3 OF 4  
SCALE: AS SHOWN

OXY INGLESIDE OIL PIPELINE, LLC  
PORT OF CORPUS CHRISTI AUTHORITY  
OF NUECES COUNTY, TEXAS  
NUECES COUNTY, TEXAS

DWG. FILE: PORT OF CORPUS CHRISTI OIL ESMT (TX-NU-010.000)

REV. 3



**EXHIBIT "B-4"**  
**NUECES COUNTY, TEXAS**  
**ENRIQUEZ VILLAREAL SURVEY, ABSTRACT NO. 1**

OXY MIDSTREAM STRATEGIC  
 DEVELOPMENT LLC  
 OXY INGLESIDE OIL PIPELINE, LLC  
 PORT OF CORPUS CHRISTI AUTHORITY  
 OF NUECES COUNTY, TEXAS

**20 INCH-WIDE PIPELINE EASEMENT #1**

Being a centerline description of a 20 inch-wide pipeline easement being situated in the Enriquez Villareal Survey, Abstract No. 1, Nueces County, Texas; being part of a called 36.151 acre tract of land described in Deed to Port of Corpus Christi Authority of Nueces County, Texas as recorded in Document Number 2009037666, Official Public Records, Nueces County, Texas; said easement being described by a centerline which is bound by lines 10 inches each side of and parallel with said centerline and being more particularly described by metes and bounds as follows:

**BEGINNING** at a point in the Southwest line of said 36.151 acre tract common to the Northwest line of a called 16.6019 acre tract of land described in Deed to Port of Corpus Christi Authority of Nueces County, Texas, as recorded in Document Number 1999033128 of said Official Public Records, from which a 5/8 inch capped iron rod found at a point for corner in the Southeast line of said 36.151 acre tract bears North 57°08'19" East, a distance of 167.78 feet;

**THENCE** North 45°21'35" East, a distance of 198.02 feet to the **POINT OF TERMINATION** in a Southeast line of said 36.151 acre tract common to the Northwest line of a called 168.22 acre tract of land (Tract I) described in Deed to M & G Resins USA, LLC as recorded in Document Number 2013010971 of said Official Public Records, from which said capped iron rod bears South 00°02'28" East, a distance of 48.10 feet, said easement containing 330 square feet or 0.008 of an acre of land, more or less, said centerline length being 198.02 feet or 12.001 rods.

**20 INCH-WIDE PIPELINE EASEMENT #2**

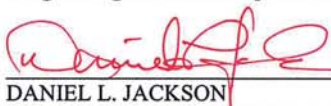
Being a centerline description of a 20 inch-wide pipeline easement being situated in the Enriquez Villareal Survey, Abstract No. 1, Nueces County, Texas; being part of a called 36.151 acre tract of land described in Deed to Port of Corpus Christi Authority of Nueces County, Texas as recorded in Document Number 2009037666, Official Public Records, Nueces County, Texas; said easement being described by a centerline which is bound by lines 10 inches each side of and parallel with said centerline and being more particularly described by metes and bounds as follows:

**BEGINNING** at a point in the South line of said 36.151 acre tract common to the North line of a called 16.50 acre tract of land (Tract A) described in Deed to Port of Corpus Christi Authority of Nueces County, Texas, as recorded in Document Number 2013026815 of said Official Public Records, from which a 5/8 inch capped iron rod found at a point for corner in the Southeast line of said 36.151 acre tract bears South 86°23'39" West, a distance of 170.35 feet;

**THENCE** North 45°21'35" East, a distance of 41.87 feet to the **POINT OF TERMINATION** in a Northeast line of said 36.151 acre tract also being in the ostensible Southwest Right-of-Way line of Joe Fulton International Trade Corridor, from which said capped iron rod bears South 78°38'34" West, a distance of 203.80 feet, said easement containing 70 square feet or 0.002 of an acre of land, more or less, said centerline length being 41.87 feet or 2.538 rods.

I, Daniel L. Jackson, Registered Professional Land Surveyor No. 5577 of the State of Texas, do hereby certify this plat shows the results of an on the ground survey made under my direction.

**Original signed and stamped in red ink.**

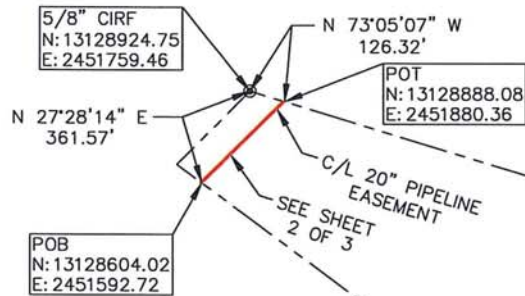


Date of Signature: March 11, 2015.

DANIEL L. JACKSON  
 REGISTERED PROFESSIONAL LAND SURVEYOR NO. 5577  
 FIRM REGISTRATION/LICENSE NO. 10129300  
 FOR PIPELINE LAND SERVICES, INC.  
 1700 SHADY OAKS DRIVE, SUITE 108  
 DENTON, TEXAS 76205  
 (940) 808-1191 OFFICE  
 (940) 808-1195 FAX



EXHIBIT "A-5" (PAGE 1 OF 2)  
NUECES COUNTY, TEXAS



PORT OF CORPUS CHRISTI AUTHORITY  
OF NUECES COUNTY, TEXAS  
TRACT B  
CALLED 58.47 ACRES  
DOCUMENT NO. 2013026815  
O.P.R.N.C.T.

LEGEND

- PIPELINE EASEMENT
- CENTERLINE CREEK/DITCH
- EXISTING EASEMENT
- SURVEY LINE
- R.O.W./PROPERTY LINE
- ⊙ = IRON ROD FOUND
- = FENCE CORNER POST

NOTE:  
LEGEND IS TYPICAL. NOT ALL ITEMS IN LEGEND  
APPEAR IN DRAWING.

TOTAL LINEAR FEET = 404.26 FEET OR 24.501 RODS  
PIPELINE EASEMENT = 0.015 OF AN ACRE / 674 SQ. FT.

LINE	BEARING	DISTANCE
L1	N 45°21'35" E	404.26'



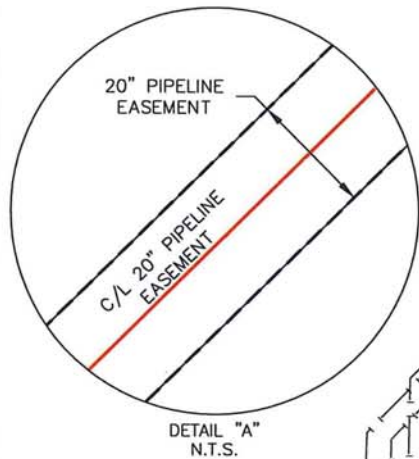
DEED INSET  
N.T.S.

REVISIONS				
No.	Date	Rev By	Description	Checked
3	3/11/15	LA	REVISED PER COMMENTS	DLJ
2	12/10/14	TAV	REVISED EASEMENT WIDTH	DLJ
1	10/28/14	NDW	REVISED PER RE-ROUTE	DLJ

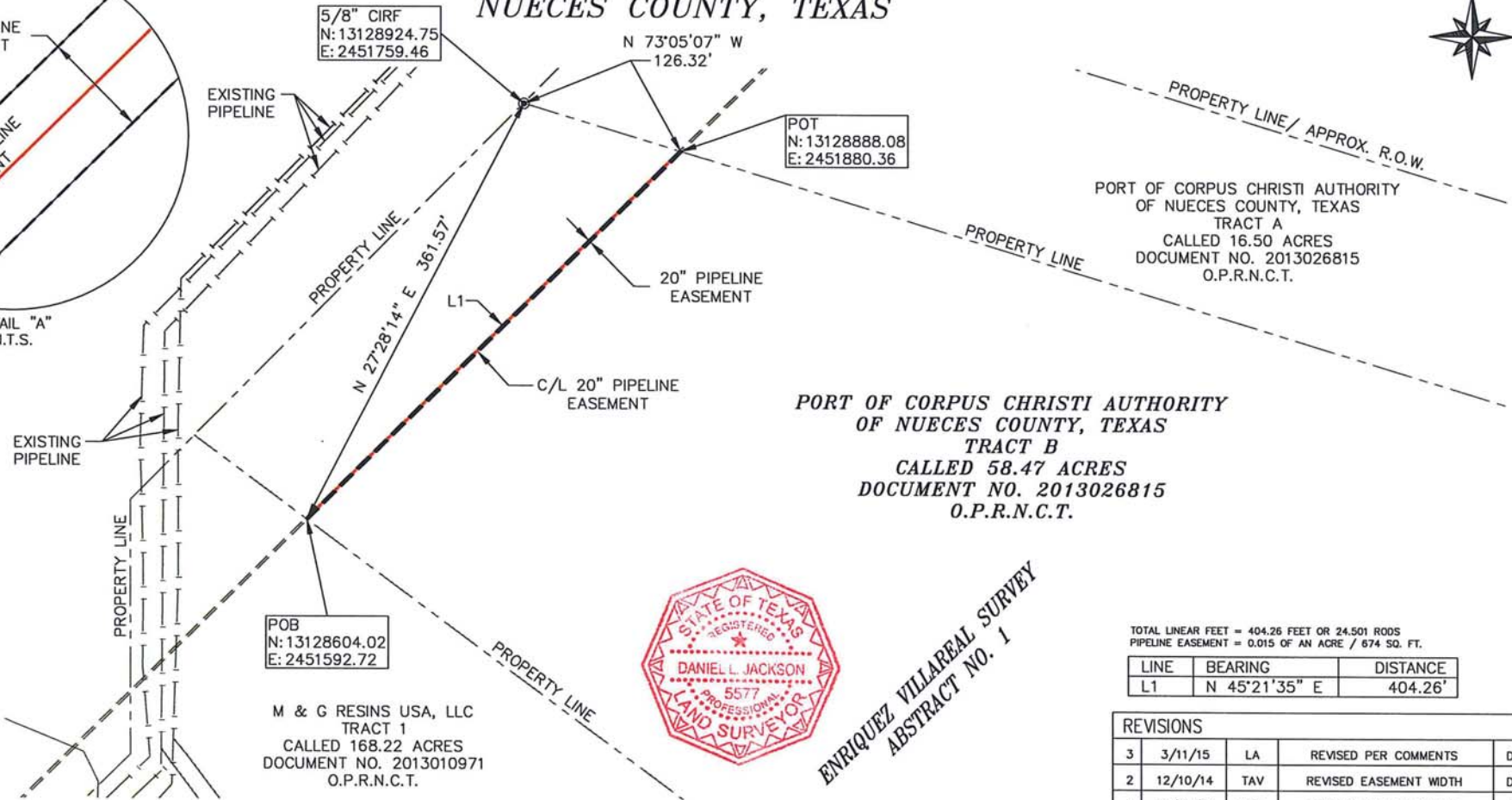
DRAWN BY:	NDW	<b>OXY INGLESIDE OIL PIPELINE, LLC</b>  <b>PORT OF CORPUS CHRISTI AUTHORITY</b> <b>OF NUECES COUNTY, TEXAS</b> <small>NUECES COUNTY, TEXAS</small>
CHECKED BY:	DLJ	
AFE:	0380649	
DATE:	7/25/14	
SHEET:	1 OF 3	
SCALE:	AS SHOWN	DWG. FILE: PORT OF CORPUS CHRISTI OIL ESMT (TX-NU-011.100) REV. 3



EXHIBIT "A-5" (PAGE 2 OF 2)  
NUECES COUNTY, TEXAS



DETAIL "A"  
N.T.S.



ENRIQUEZ VILLAREAL SURVEY  
ABSTRACT NO. 1

TOTAL LINEAR FEET = 404.26 FEET OR 24.501 RODS  
PIPELINE EASEMENT = 0.015 OF AN ACRE / 674 SQ. FT.

LINE	BEARING	DISTANCE
L1	N 45°21'35" E	404.26'

REVISIONS				
No.	Date	Rev By	Description	Checked
3	3/11/15	LA	REVISED PER COMMENTS	DLJ
2	12/10/14	TAV	REVISED EASEMENT WIDTH	DLJ
1	10/28/14	NDW	REVISED PER RE-ROUTE	DLJ

NOTES

- ALL BEARINGS AND DISTANCES CONTAINED HEREIN ARE GRID, BASED ON THE TEXAS STATE PLANE COORDINATES SYSTEM, NAD 83, SOUTH CENTRAL ZONE (4204), NAVD 88, ELEVATIONS MSL, DERIVED FROM GPS OBSERVATION AND DERIVED FROM AN ON-THE-GROUND SURVEY CONDUCTED IN JULY, 2014.
- THIS ROUTE HAS BEEN CONSTRUCTED USING RECORD MONUMENTS FROM RECORDED DEEDS PROVIDED BY THE CLIENT, OFFICIAL SURVEY RECORDS, MAPS AND OTHER DATA AVAILABLE TO US. THIS SKETCH DOES NOT IN ANY WAY REPRESENT A "BOUNDARY SURVEY" AND DOES NOT COMPLY WITH T.B.P.L.S. MINIMUM STANDARDS OF PROCEDURES FOR A BOUNDARY SURVEY.

LEGEND

- PIPELINE EASEMENT
- CENTERLINE CREEK/DITCH
- EXISTING EASEMENT
- SURVEY LINE
- R.O.W./PROPERTY LINE
- ⊙ IRON ROD FOUND
- FENCE CORNER POST

NOTE:  
LEGEND IS TYPICAL. NOT ALL ITEMS IN LEGEND  
APPEAR IN DRAWING.



PLEASE REFER TO BAR SCALE. DRAWING  
MAY HAVE BEEN REDUCED OR ENLARGED.

DRAWN BY:	NDW
CHECKED BY:	DLJ
AFE:	0380649
DATE:	7/25/14
SHEET:	2 OF 3
SCALE:	AS SHOWN

OXY INGLESIDE OIL PIPELINE, LLC  
PORT OF CORPUS CHRISTI AUTHORITY  
OF NUECES COUNTY, TEXAS  
NUECES COUNTY, TEXAS

DWG. FILE: PORT OF CORPUS CHRISTI OIL ESMY (TX-NU-011.100) REV. 3

**EXHIBIT "B-5"**  
**NUECES COUNTY, TEXAS**  
**ENRIQUEZ VILLAREAL SURVEY, ABSTRACT NO. 1**

OXY MIDSTREAM STRATEGIC  
DEVELOPMENT LLC  
OXY INGLESIDE OIL PIPELINE, LLC  
PORT OF CORPUS CHRISTI AUTHORITY  
OF NUECES COUNTY, TEXAS

**20 INCH-WIDE PIPELINE EASEMENT**

Being a centerline description of a 20 inch-wide pipeline easement being situated in the Enriquez Villareal Survey, Abstract No. 1, Nueces County, Texas; being part of a called 58.47 acre tract of land (Tract B) described in Deed to Port of Corpus Christi Authority of Nueces County, Texas as recorded in Document Number 2013026815, Official Public Records, Nueces County, Texas; said easement being described by a centerline which is bound by lines 10 inches each side of and parallel with said centerline and being more particularly described by metes and bounds as follows:

**BEGINNING** at a point in the Southwest line of said 58.47 acre tract common to the Northeast line of a called 168.22 acre tract of land (Tract 1) described in Deed to M & G Resins USA, LLC as recorded in Document Number 2013010971 of said Official Public Records, from which a 5/8 inch capped iron rod found at the Northwest corner of said 58.47 acre tract bears North 27°28'14" East, a distance of 361.57 feet;

**THENCE** North 45°21'35" East, a distance of 404.26 feet to the **POINT OF TERMINATION** in the North line of said 58.47 acre tract common to the South line of a called 16.50 acre tract of land (Tract A) described in Deed to Port of Corpus Christi Authority of Nueces County, Texas as recorded in Document Number 2013026815 of said Official Public Records, from which said 5/8 inch iron rod bears North 73°05'07" West, a distance of 126.32 feet; said easement containing 674 square feet or 0.015 of an acre of land, more or less, said centerline length being 404.26 feet or 24.501 rods.

I, Daniel L. Jackson, Registered Professional Land Surveyor No. 5577 of the State of Texas, do hereby certify this plat shows the results of an on the ground survey made under my direction.

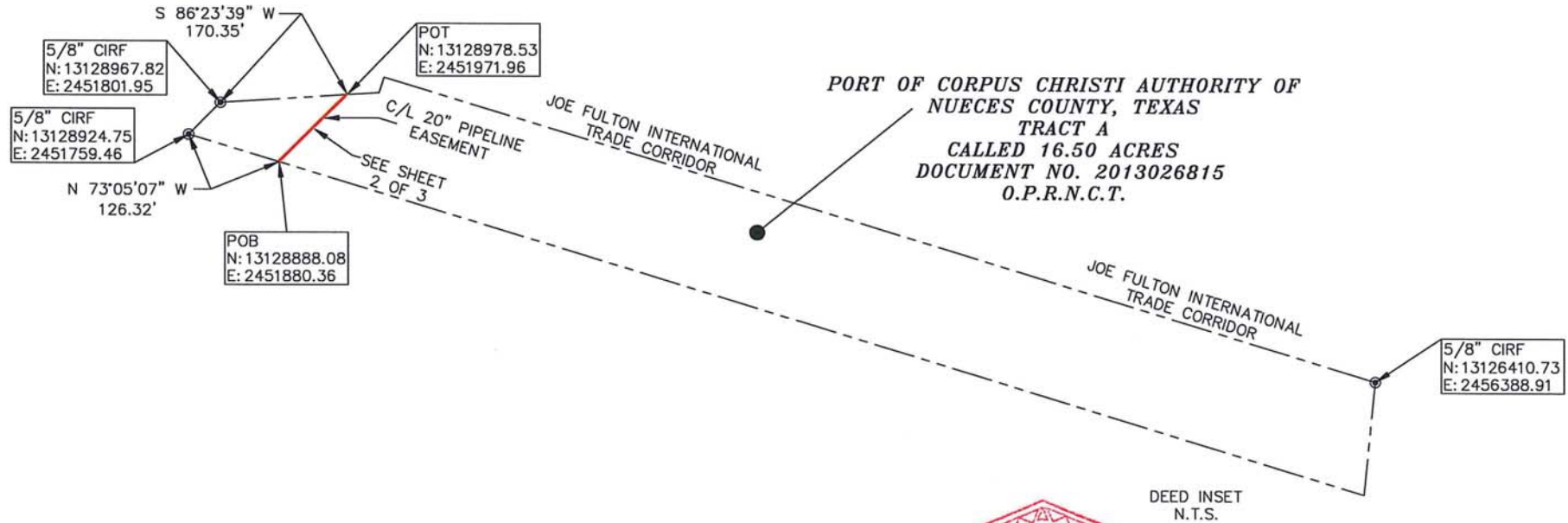
**Original signed and stamped in red ink.**

\_\_\_\_ Date of Signature: March 11, 2015.

DANIEL L. JACKSON  
REGISTERED PROFESSIONAL LAND SURVEYOR NO. 5577  
FIRM REGISTRATION/LICENSE NO. 10129300  
FOR PIPELINE LAND SERVICES, INC.  
1700 SHADY OAKS DRIVE, SUITE 108  
DENTON, TEXAS 76205  
(940) 808-1191 OFFICE  
(940) 808-1195 FAX



EXHIBIT "A-6" (PAGE 1 OF 2)  
NUECES COUNTY, TEXAS



LEGEND

- PIPELINE EASEMENT
- CENTERLINE CREEK/DITCH
- EXISTING EASEMENT
- SURVEY LINE
- R.O.W./PROPERTY LINE
- ⊙ = IRON ROD FOUND
- = FENCE CORNER POST

NOTE:  
LEGEND IS TYPICAL. NOT ALL ITEMS IN LEGEND  
APPEAR IN DRAWING.

TOTAL LINEAR FEET = 128.74 FEET OR 7.802 RODS  
PIPELINE EASEMENT = 0.005 OF AN ACRE / 215 SQ. FT.

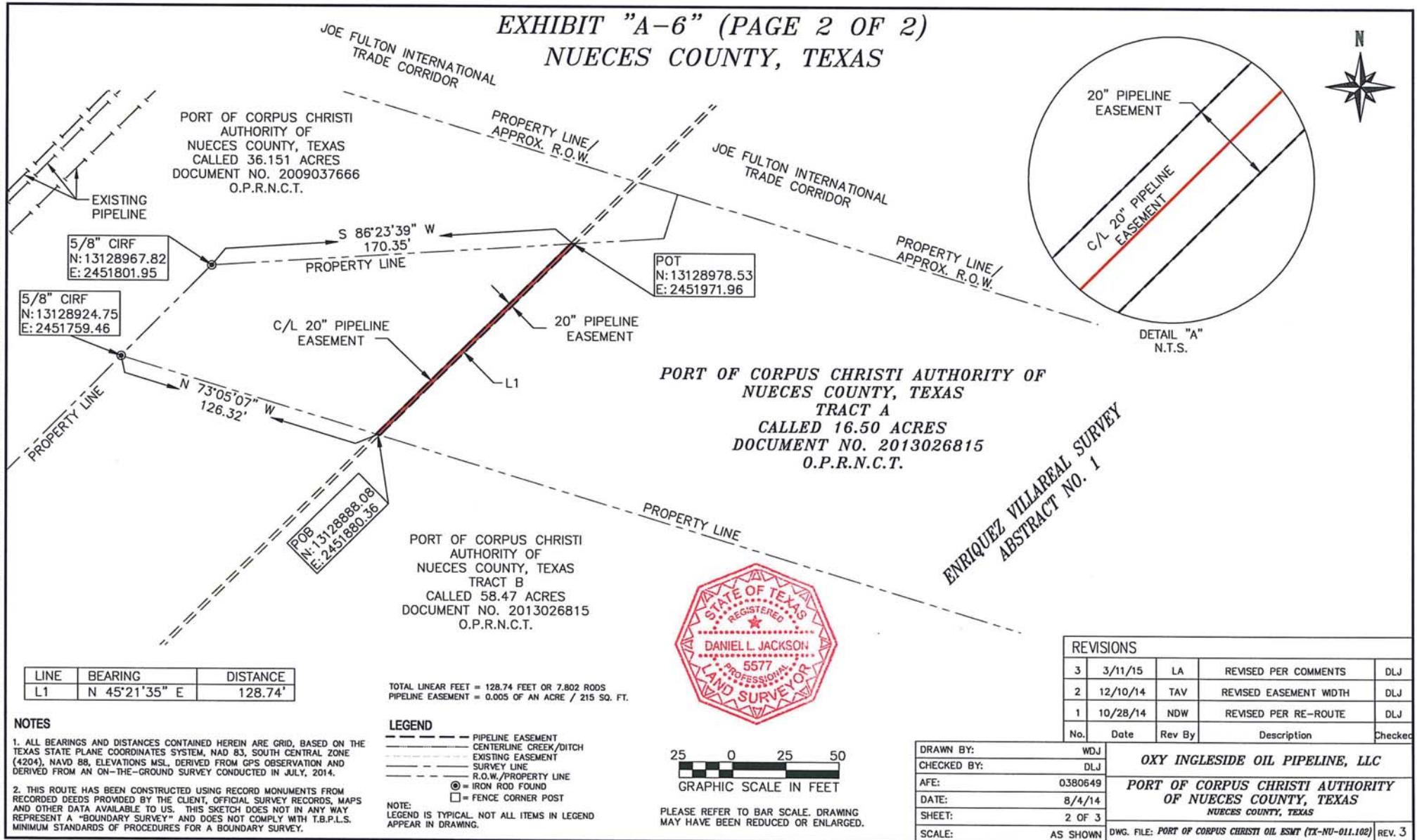
LINE	BEARING	DISTANCE
L1	N 45°21'35" E	128.74'

REVISIONS				
No.	Date	Rev By	Description	Checked
3	3/11/15	LA	REVISED PER COMMENTS	DLJ
2	12/10/14	TAV	REVISED EASEMENT WIDTH	DLJ
1	10/28/14	NDW	REVISED PER RE-ROUTE	DLJ

DRAWN BY:	WDJ	<b>OXY INGLESIDE OIL PIPELINE, LLC</b>		
CHECKED BY:	DLJ			
AFE:	0380649	<b>PORT OF CORPUS CHRISTI AUTHORITY OF NUECES COUNTY, TEXAS</b>		
DATE:	8/4/14			
SHEET:	1 OF 3	DWG. FILE: PORT OF CORPUS CHRISTI OIL ESMT (TX-NU-011.102)		
SCALE:	AS SHOWN			
				REV. 3



EXHIBIT "A-6" (PAGE 2 OF 2)  
NUECES COUNTY, TEXAS



**EXHIBIT "B-6"**  
**NUECES COUNTY, TEXAS**  
**ENRIQUEZ VILLAREAL SURVEY, ABSTRACT NO. 1**

OXY MIDSTREAM STRATEGIC  
 DEVELOPMENT LLC  
 OXY INGLESIDE OIL PIPELINE, LLC  
 PORT OF CORPUS CHRISTI AUTHORITY  
 OF NUECES COUNTY, TEXAS

**20 INCH-WIDE PIPELINE EASEMENT**

Being a centerline description of a 20 inch-wide pipeline easement being situated in the Enriquez Villareal Survey, Abstract No. 1, Nueces County, Texas; being part of a called 16.50 acre tract of land (Tract A) described in Deed to Port of Corpus Christi Authority of Nueces County, Texas as recorded in Document Number 2013026815, Official Public Records, Nueces County, Texas; said easement being described by a centerline which is bound by lines 10 inches each side of and parallel with said centerline and being more particularly described by metes and bounds as follows:

**BEGINNING** at a point in the Southwest line of said 16.50 acre tract common to the Northeast line of a called 58.47 acre tract of land (Tract B) described in Deed to Port of Corpus Christi Authority of Nueces County, Texas as recorded in Document Number 2013026815 of said Official Public Records, from which a 5/8 inch capped iron rod found at the West corner of said 58.47 acre tract bears North 73°05'07" West, a distance of 126.32 feet;

**THENCE** North 45°21'35" East, a distance of 128.74 feet to the **POINT OF TERMINATION** in the North line of said 16.50 acre tract also being in the ostensible West Right-of-Way line of Joe Fulton International Trade Corridor, from which a 5/8 inch iron rod found at the Northwest corner of said 16.50 acre tract bears South 86°23'39" West, a distance of 170.35 feet; said easement containing 215 square feet or 0.005 of an acre of land, more or less, said centerline length being 128.74 feet or 7.802 rods.

I, Daniel L. Jackson, Registered Professional Land Surveyor No. 5577 of the State of Texas, do hereby certify this plat shows the results of an on the ground survey made under my direction.

**Original signed and stamped in red ink.**



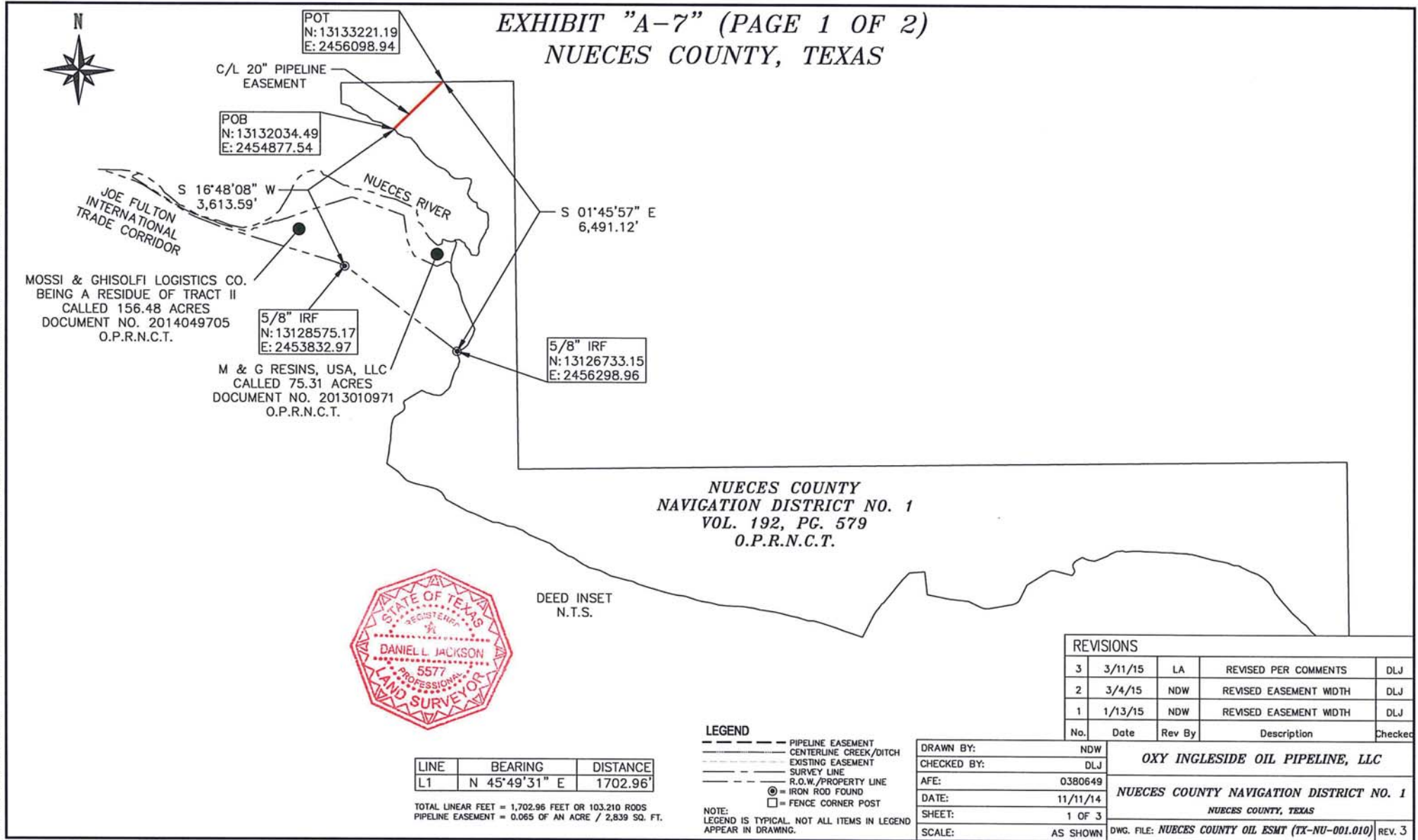
Date of Signature: March 11, 2015.

DANIEL L. JACKSON  
 REGISTERED PROFESSIONAL LAND SURVEYOR NO. 5577  
 FIRM REGISTRATION/LICENSE NO. 10129300  
 FOR PIPELINE LAND SERVICES, INC.  
 1700 SHADY OAKS DRIVE, SUITE 108  
 DENTON, TEXAS 76205  
 (940) 808-1191 OFFICE  
 (940) 808-1195 FAX

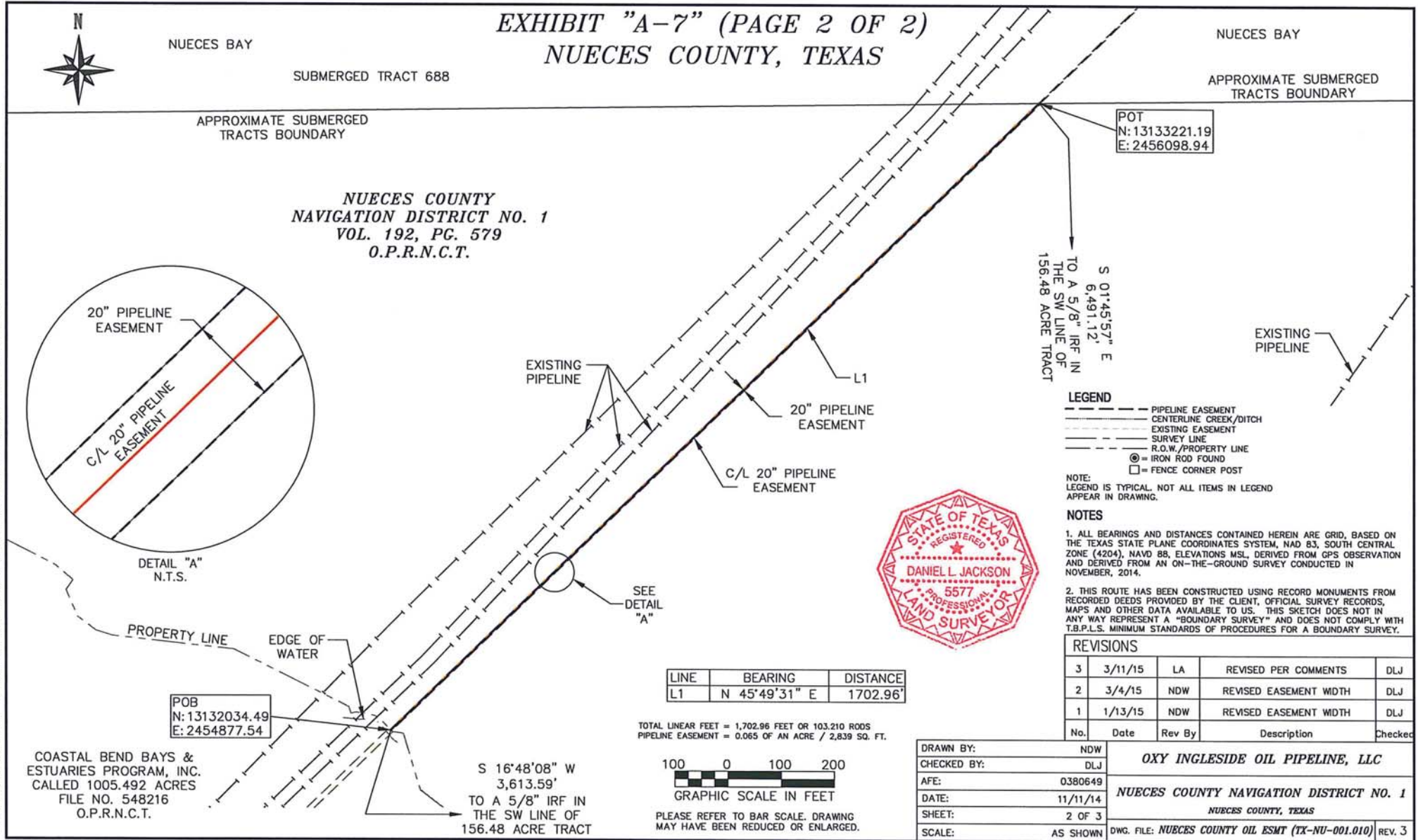




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 PLOT DATE: 3/11/2015 10:02:59 AM



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PLOT DATE: 3/11/2015 10:03:29 AM



**EXHIBIT "B-7"**  
**NUECES COUNTY, TEXAS**  
**NUECES COUNTY NAVIGATION DISTRICT NO. 1, ABSTRACT NO. 2677**

OXY MIDSTREAM STRATEGIC  
DEVELOPMENT LLC  
OXY INGLESIDE OIL PIPELINE, LLC  
NUECES COUNTY NAVIGATION DISTRICT NO. 1

**20 INCH-WIDE PIPELINE EASEMENT**

Being a centerline description of a 20 inch-wide pipeline easement being situated in the Nueces County Navigation District No. 1, Abstract No. 2677, Volume 192, Page 579 Official Public Records Nueces County, Texas; said easement being described by a centerline which is bound by lines 10 inches each side of and parallel with said centerline and being more particularly described by metes and bounds as follows:

**BEGINNING** at a point in the Southwest line of said Nueces County tract, from which a 5/8 inch capped iron rod found at a point in the Southwest line of the residue of a called 156.48 acre tract of land (Tract II) described in Deed to Mossi & Ghisolfi Logistics Co., as recorded in Document Number 2014049705, Official Public Records, Nueces County, Texas bears South 16°48'08" West, a distance of 3,613.59 feet;

**THENCE** North 45°49'31" East, a distance of 1,702.96 feet to the **POINT OF TERMINATION** in the North line of said Nueces County tract, from which a 5/8 inch capped iron rod found at a point in the Southwest line of said residue tract bears South 01°45'57" East, a distance of 6,491.12 feet; said easement containing 2,839 square feet or 0.065 of an acre of land, more or less, said centerline length being 1,702.96 feet or 103.210 rods.

I, Daniel L. Jackson, Registered Professional Land Surveyor No. 5577 of the State of Texas, do hereby certify this plat shows the results of an on the ground survey made under my direction.

**Original signed and stamped in red ink.**



Date of Signature: March 11, 2015.

DANIEL L. JACKSON  
REGISTERED PROFESSIONAL LAND SURVEYOR NO. 5577  
FIRM REGISTRATION/LICENSE NO. 10129300  
FOR PIPELINE LAND SERVICES, INC.  
1700 SHADY OAKS DRIVE, SUITE 108  
DENTON, TEXAS 76205  
(940) 808-1191 OFFICE  
(940) 808-1195 FAX

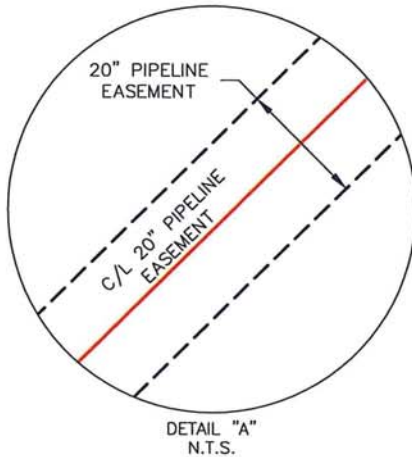




EXHIBIT "A-8" (PAGE 1 OF 2)  
NUECES COUNTY, TEXAS

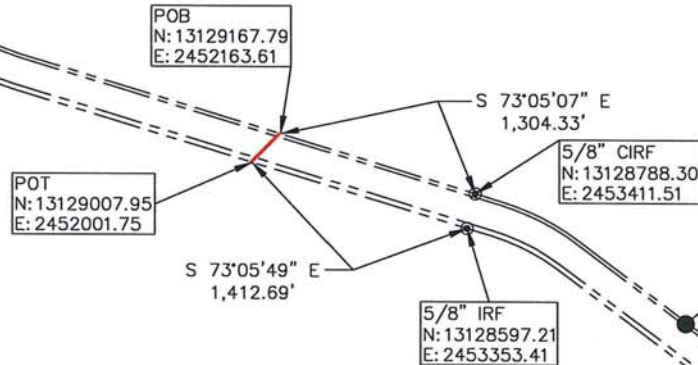


PORT OF CORPUS CHRISTI AUTHORITY  
OF NUECES COUNTY, TEXAS  
TRACT IV  
CALLED 37.443 ACRES  
DOCUMENT NO. 835874, 834875, 834876,  
834877, 835878, 835879, 835880  
AND 835881  
O.P.R.N.C.T.



TOTAL LINEAR FEET = 227.47 FEET OR 13.786 RODS  
PIPELINE EASEMENT = 0.009 OF AN ACRE / 379 SQ. FT.

LINE	BEARING	DISTANCE
L1	S 45°21'35" W	227.47'



PORT OF CORPUS CHRISTI AUTHORITY  
OF NUECES COUNTY, TEXAS  
TRACT 1A  
CALLED 4.014 ACRES  
DOCUMENT NO. 2003000173  
O.P.R.N.C.T.

PORT OF CORPUS CHRISTI AUTHORITY  
OF NUECES COUNTY, TEXAS  
TRACT 1B  
CALLED 6.597 ACRES  
DOCUMENT NO. 2003000173  
O.P.R.N.C.T.



LEGEND

- PIPELINE EASEMENT
- - - CENTERLINE CREEK/DITCH
- - - EXISTING EASEMENT
- - - SURVEY LINE
- - - R.O.W./PROPERTY LINE
- ⊙ = IRON ROD FOUND
- = FENCE CORNER POST

NOTE:  
LEGEND IS TYPICAL. NOT ALL ITEMS IN LEGEND  
APPEAR IN DRAWING.

REVISIONS				
No.	Date	Rev By	Description	Checked

DRAWN BY: NDW  
CHECKED BY: DLJ  
AFE: 0380649  
DATE: 3/11/15  
SHEET: 1 OF 3  
SCALE: AS SHOWN

OXY INGLESIDE OIL PIPELINE, LLC  
PORT OF CORPUS CHRISTI AUTHORITY  
OF NUECES COUNTY, TEXAS  
NUECES COUNTY, TEXAS

DWG. FILE: JOE FULTON R.O.W. ESMT

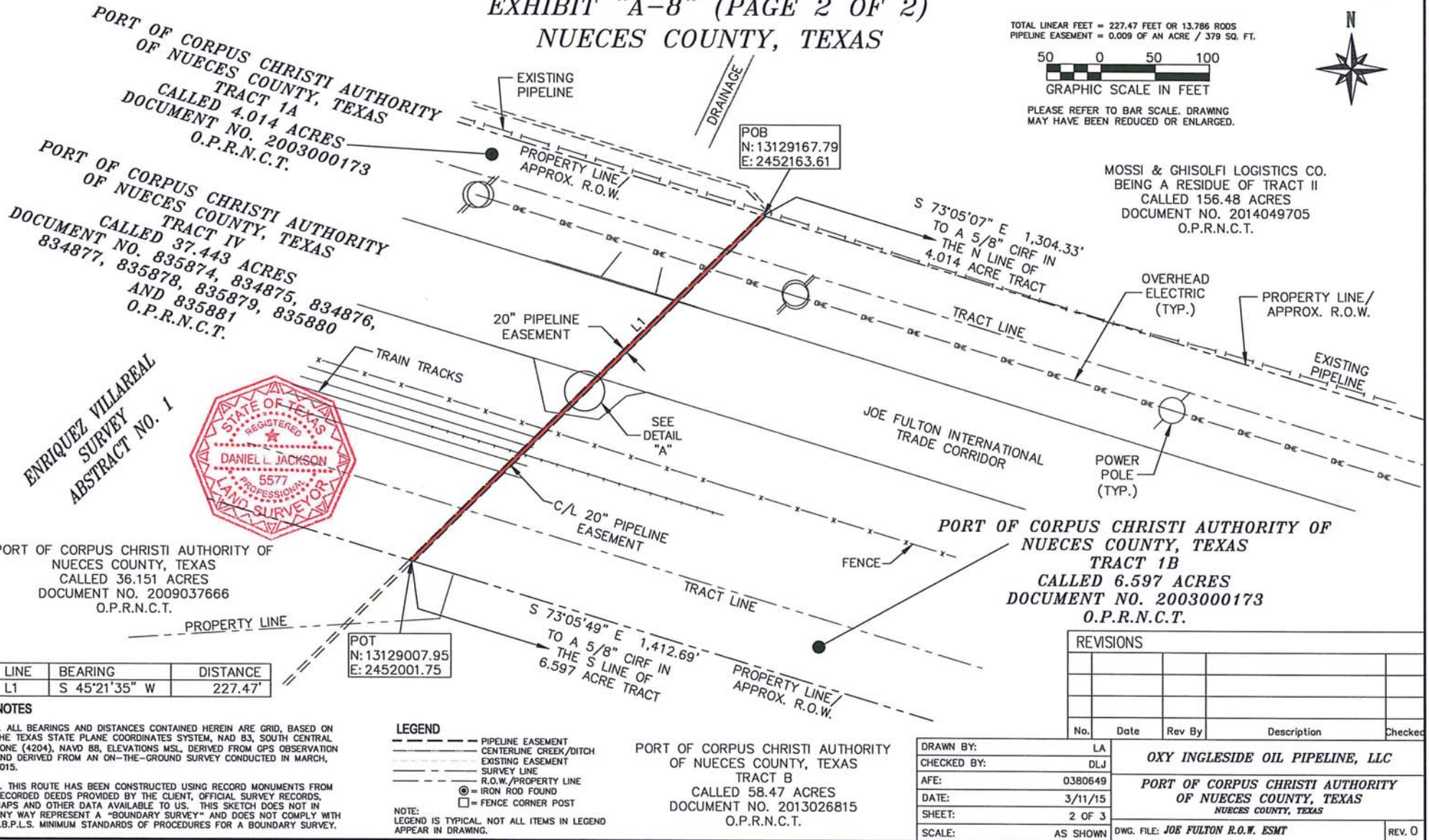
REV. 0

EXHIBIT "A-8" (PAGE 2 OF 2)  
NUECES COUNTY, TEXAS

TOTAL LINEAR FEET = 227.47 FEET OR 13.786 RODS  
PIPELINE EASEMENT = 0.009 OF AN ACRE / 379 SQ. FT.



PLEASE REFER TO BAR SCALE. DRAWING  
MAY HAVE BEEN REDUCED OR ENLARGED.





**EXHIBIT "B-8"**  
**NUECES COUNTY, TEXAS**  
**ENRIQUEZ VILLAREAL SURVEY, ABSTRACT NO. 1**

OXY MIDSTREAM STRATEGIC  
 DEVELOPMENT LLC  
 OXY INGLESIDE OIL PIPELINE, LLC  
 PORT OF CORPUS CHRISTI AUTHORITY  
 OF NUECES COUNTY, TEXAS

**20 INCH-WIDE PIPELINE EASEMENT**

Being a centerline description of a 20 inch-wide pipeline easement being situated in the Enriquez Villareal Survey, Abstract No. 1, Nueces County, Texas; being part of a called 4.014 acre tract of land (Tract 1A), a called 37.443 acre tract of land (Tract IV), and a called 6.597 acre tract of land (Tract 1B) described in Deed to Port of Corpus Christi Authority of Nueces County, Texas as recorded in Document Number 2003000173, 835874, 834875, 834876, 834877, 835878, 835879, 835880, and 835881, Official Public Records, Nueces County, Texas; said easement being described by a centerline which is bound by lines 10 inches each side of and parallel with said centerline and being more particularly described by metes and bounds as follows:

**BEGINNING** at a point in the North line of said 4.014 acre tract common to the South line of the residue of a called 156.48 acre tract of land (Tract II) described in Deed to Mossi & Ghisolfi Logistics Co., as recorded in Document Number 2014049705 of said Official Public Records, from which a 5/8 inch capped iron rod found at a point for corner in the North line of said 4.014 acre tract bears South 73°05'07" East, a distance of 1,304.33 feet;

**THENCE** South 45°21'35" West, a distance of 227.47 feet to the **POINT OF TERMINATION** in a South line of said 6.597 acre tract common to the North line of a called 58.47 acre tract of land (Tract B) described in Deed to Port of Corpus Christi Authority of Nueces County, Texas as recorded in Document Number 2013026815 of said Official Public Records, from which a 5/8 inch iron rod found in the South line of said 6.597 acre tract bears South 73°05'49" East, a distance of 1,412.69 feet, said easement containing 379 square feet or 0.009 of an acre of land, more or less, said centerline length being 227.47 feet or 13.786 rods.

I, Daniel L. Jackson, Registered Professional Land Surveyor No. 5577 of the State of Texas, do hereby certify this plat shows the results of an on the ground survey made under my direction.  
**Original signed and stamped in red ink.**



Date of Signature: March 11, 2015.

DANIEL L. JACKSON  
 REGISTERED PROFESSIONAL LAND SURVEYOR NO. 5577  
 FIRM REGISTRATION/LICENSE NO. 10129300  
 FOR PIPELINE LAND SERVICES, INC.  
 1700 SHADY OAKS DRIVE, SUITE 108  
 DENTON, TEXAS 76205  
 (940) 808-1191 OFFICE  
 (940) 808-1195 FAX





**DATE:** March 17, 2015  
**FROM:** John LaRue; 885-6189; [john@pocca.com](mailto:john@pocca.com)

***AGENDA ITEM NOS. 21-B&C***

**(21-B) Approve Amendment of Easement Agreement with  
San Patricio County Drainage District Easement along  
the Eastern Boundary of the PCCA's La Quinta Property, Tract I**  
**(21-C) Approve 14.23-Acre Drainage Easement Agreement with  
San Patricio County Drainage District for  
Drainage Ditch along the Western Boundary of the PCCA's  
La Quinta Property, Tract II**

The San Patricio County Drainage District (SPCDD) has requested approximately 14.23 acres of additional right-of-way (R-O-W) on the PCCA's La Quinta property along the east side of Green Lake Ditch. The additional R-O-W, located along the western boundary of the La Quinta property, Tract II, is approximately 7,940 feet long and will provide room for the SPCDD to widen the ditch in the future to mitigate flooding potential in the local watershed and also to provide 25 feet on the east side of the improved ditch for maintenance access. See attached exhibit.

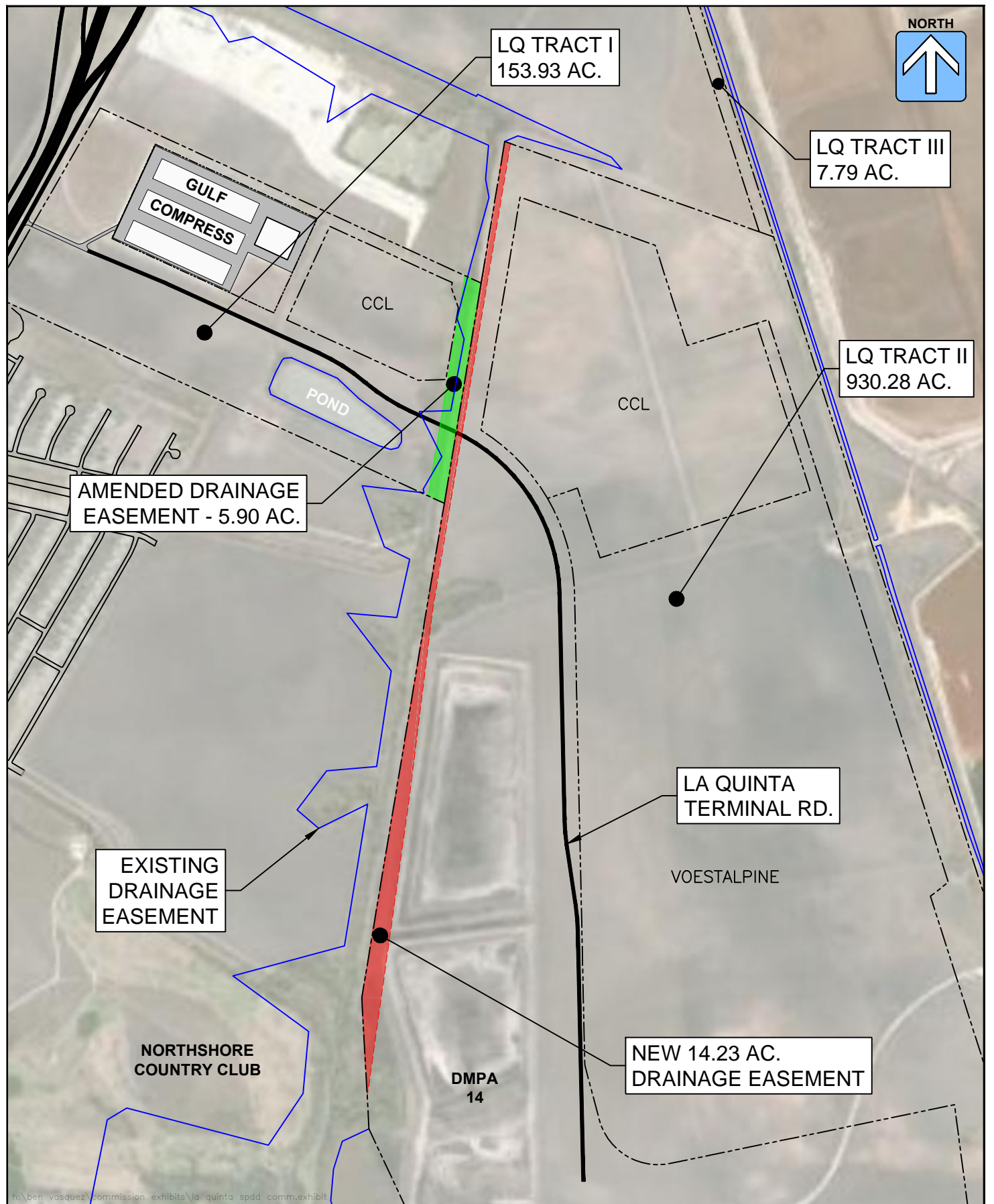
Since the PCCA's acquisition of the La Quinta property in the early 1990s, the PCCA has been supportive of the SPCDD's long-term plans to improve drainage in the region. During the initial planning and permitting phase of the La Quinta Gateway Terminal project, the PCCA had generally agreed to provide lands and easements to the SPCDD once a more defined plan was developed by the SPCDD. With all the existing and planned growth in San Patricio County, the SPCDD recently performed a study of the watershed, determined runoff rates, projected developments, and evaluated proposed improvements to the existing Green Lake Ditch, dam, and outfall structure, and they determined the need for additional R-O-W along the La Quinta property. PCCA staff has reviewed the SPCDD evaluation and found the hydrologic analysis and the request for additional R-O-W to be reasonable.

Staff and representatives of the SPCDD negotiated an agreement for the request. As with other public utility easements granted in connection with the development of PCCA-owned lands and in consideration of the benefits from improved drainage in the area, the easement is recommended to be provided at no cost. Staff recommends approval of the attached Drainage Easement Agreement with the San Patricio County Drainage District for a drainage ditch along the western boundary of the PCCA's La Quinta Property, Tract II.

Additionally, PCCA staff negotiated an amendment to the existing SPCDD easement on the PCCA's La Quinta property along the west side of Green Lake Ditch to remove the zigzagged configuration of the easement and instead create a straight line easement to coincide with both the existing and the future improved ditch alignment. The amended boundary, located along the eastern boundary of the La Quinta property, Tract I, is approximately 1,839 feet long by 145 feet wide. Combined with the new drainage easement along the western boundary of the La Quinta property, Tract II, the overall SPCDD R-O-W would be 200 feet at the north end of the La Quinta Property and 300 feet at the south end.

Staff further recommends approval of the attached Amendment of Easement Agreement with the San Patricio County Drainage District.

**LEAD CONTACT:** David Krams; 885-6134; [krams@pocca.com](mailto:krams@pocca.com)



**DRAINAGE EASEMENT AGREEMENT**

THE STATE OF TEXAS           §  
  § KNOW ALL MEN BY THESE PRESENTS THAT:  
COUNTY OF SAN PATRICIO   §

This Drainage Easement Agreement (“Agreement”) is made this 18th day of February, 2015 (“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 (hereinafter called “Grantor”) and the **SAN PATRICIO COUNTY DRAINAGE DISTRICT**, P. O. BOX 1412, SINTON, TEXAS 78387, a political subdivision of the State of Texas (hereinafter called “Grantee”). The Grantor and Grantee may be referred to herein individually as a “Party” or jointly as the “Parties”. All Exhibits to this Agreement are incorporated herein by reference for all purposes.

WHEREAS, Grantee has requested a drainage easement across a portion of Grantor’s property in San Patricio County, Texas; and

WHEREAS, Grantor is willing to grant such drainage easement to Grantee upon the terms and conditions contained in this Agreement;

NOW, THEREFORE, for an adequate consideration, including the covenants and conditions herein made and provided to be kept and performed by Grantee, Grantor does hereby grant and convey to Grantee a permanent nonexclusive right-of way and easement on and across a 14.23-acre tract of Grantee’s land located in San Patricio County, Texas, which tract is described in Exhibit A attached hereto (the “Drainage Easement”), for the purpose of constructing, maintaining and operating a drainage system upon and across the Drainage Easement, together with the right of ingress and egress to the Drainage Easement, subject to the reservations specified herein and the Permitted Encumbrances (as defined in Paragraph 10 hereof). The Drainage Easement is also depicted on the map attached hereto as Exhibit B.

The Drainage Easement shall be used only for the purpose of placing, constructing, operating, and maintaining a drainage ditch (“Drainage Ditch”) and other drainage improvements related directly to the effective drainage of surface waters from the drainage area around and above the Drainage Easement (such Drainage Ditch and improvements being collectively referred to herein as the “Drainage System”).

For the consideration above recited and the mutual covenants and conditions herein contained, the Parties further agree as follows:

1. Grantee shall not cut away or remove any portion of the surface of the Drainage Easement within twenty-five (25) feet of the eastern boundary of the Drainage Easement. The said eastern twenty-five (25) feet of the Drainage Easement shall be reserved for use as temporary working space for the material, equipment and personnel of the Grantee during the construction, maintenance and operation of the Drainage System and shall serve as a buffer between the Drainage System and the adjacent lands of the Grantor; and Grantor hereby reserves

the right to enter upon and use the said eastern twenty-five (25) feet of the Drainage Easement at any time so long as such use does not unreasonably interfere with the rights granted herein.

2. Ingress to and egress from the Drainage Easement and the Drainage System shall be limited to Grantee's officers, employees, and contractors only for the purpose of constructing and maintaining the Drainage System. Routes of ingress and egress shall be only those designated by Grantor. No right is granted hereby to the general public or to Grantee to use the Drainage Easement or Drainage System for recreation or other purposes not specifically designated in this Agreement. Grantee shall acquire hereby no right, title nor interest in the Drainage Easement which shall authorize or empower Grantee to grant or allow others possessory rights of any character in the Drainage Easement, including, but not by way of limitation, pipeline, utility and other easements.

3. Grantor retains, reserves and shall continue to enjoy the right to use the surface of Drainage Easement for any and all existing uses and for such other future purposes which do not interfere with and prevent the use by Grantee of the rights and privileges herein granted. In particular, Grantor reserves the right to operate, use, maintain, repair, modify, upgrade, and replace all of Grantor's existing improvements within the Drainage Easement (collectively, "Grantor's Improvements"), including, but not limited to, Grantor's private road, bridge, and related improvements known as the La Quinta Terminal Road and the 12-inch potable water line constructed by Grantor per an agreement with the City of Portland. Grantee shall be obligated to restore or replace to a good and functioning condition any of Grantor's Improvements, which have been removed, relocated, altered, damaged or destroyed as a result of Grantee's use of and operations within the Drainage Easement.

4. Grantee shall conduct its operations on the Drainage Easement in a good and workmanlike manner, exercising reasonable skill, care and diligence in performing the same, consistent in all material respects with prudent industry practices. Grantee shall cause its operations and construction of the Drainage System hereunder and the use of the Drainage Easement to be in compliance with all applicable laws, statutes, regulations, rules, zoning laws, environmental laws, health and safety laws, and any other federal, state or local codes and ordinances. Grantee shall, at its sole cost and expense, promptly repair and restore any and all damage to the improvements of Grantor located in the Drainage Easement caused by Grantee or its contractors in the exercise of Grantee's rights under this Agreement. If such repair and/or restoration is not carried out within a reasonable period after the date such damage is caused, the Grantor shall have the right to cause such repair and/or restoration to be made, and the Grantee shall, upon written demand therefor by Grantor, reimburse Grantor for all of its fees, costs and expenses (including, without limitation, reasonable attorneys' fees and court costs) incurred in making or related to such repair and/or restoration. Grantee shall be responsible for coordination of its construction and use in the Drainage Easement with the Grantor and any other existing users and easement holders in or near the Drainage Easement.

5. Grantee shall maintain at its sole cost all of the Drainage Easement in a clean, neat, safe and proper condition to serve its intended purpose of effectively draining surface waters from the drainage area around the Drainage Easement and above the same. Maintenance of the Drainage Ditch shall include, but not be limited to, drainage and erosion control of run-off into

and within the confines of the Drainage Ditch, keeping the Drainage Ditch clear of obstructions to the free flow of drainage water through the Drainage Ditch, and maintaining the Drainage System to prevent erosion and washouts of the soil in the Drainage Easement.

6. Should the Drainage Easement be expressly abandoned by Grantee, its successors or assigns, then all interests conveyed hereby shall, upon such abandonment, revert to Grantor, its successors or assigns.

7. This Agreement and all of Grantee's rights hereunder, at the option of Grantor, shall forthwith terminate upon breach by Grantee of any of the conditions hereof (except in instances of Force Majeure Events) and the failure of Grantee to remedy the same within ninety (90) days after Grantee's receipt of written notice from Grantor so to do; provided, however, except as expressly provided in the last sentence of this Paragraph 7, if any such breach is not reasonably susceptible to remedy within such ninety (90) day period, but Grantee has commenced such remedy and is diligently pursuing same, the period for remedying any such breach shall be extended by such number of days that Grantor and Grantee mutually agree is necessary to allow Grantee to complete such cure. In the event of a breach of the requirements of Paragraph 8, below, except in instances of Force Majeure Events, this Agreement and all of Grantee's interest hereunder, at the option of Grantor, shall forthwith terminate in the event Grantee fails to remedy the same within ten (10) days (subject to Force Majeure Events) after Grantee's receipt of written notice from Grantor of such breach.

8. Grantee, its employees, agents, representatives and subcontractors shall at all times comply with all Grantor mandated security requirements and regulations pertaining to the Drainage Easement, regardless of whether now existing or hereinafter imposed (the "Security Measures"). Failure to comply with Grantor's Security Measures will be grounds for terminating this Agreement, subject to the terms of Paragraph 7 above. Grantor's Security Measures applicable to the Drainage Easement can be ascertained by contacting the Grantor's Police Department, and it shall be Grantee's responsibility to obtain the Security Measures from Grantor's Police Department; provided, however, if Grantee requests and obtains from Grantor's Police Department a written copy of such Security Measures, Grantee shall only be obligated to comply with the terms of the Security Measures as provided by Grantor's Police Department.

9. For purposes of this Agreement, the term "Force Majeure Events" shall mean any delay in the performance of any obligation hereunder by reason of any occurrence which is not within the reasonable anticipation or control of the applicable Party, including but not limited to strikes, lockouts, labor troubles, governmental action or inaction (except for action or inaction of Grantee), failure of power, riots, insurrection, war, acts of God, fortuitous accidents or casualties of the sea (excluding ordinary action of wind and waves), or other similar reason, and which occurrence, in any event, is not a result of the intentional act, gross negligence or willful misconduct of such Party. In the event of a Force Majeure Event, such Party's performance shall be excused for the period of time equivalent to the delay caused by such Force Majeure Event, provided such Party gives prompt notice to the other Party of such delay.

10. THE EASEMENTS AND RIGHTS GRANTED HEREIN ARE BEING GRANTED IN THEIR CURRENT CONDITION, "AS-IS, WHERE-IS AND WITH ALL FAULTS",



WITHOUT REPRESENTATION OR WARRANTY OR INDEMNIFICATION OF ANY KIND, EXPRESS OR IMPLIED, EACH AND ALL OF WHICH ARE HEREBY EXPRESSLY DISCLAIMED BY THE GRANTOR, INCLUDING, WITHOUT LIMITATION, ANY REPRESENTATION OR WARRANTY WITH RESPECT TO QUALITY, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR USE OR PURPOSE. This conveyance is subject to all grants, leases, restrictions, encumbrances and prescriptive rights arising before the date of this Agreement and the waterline easement that the Grantor will grant to City of Portland for the potable waterline which already exists (the "Permitted Encumbrances"). Grantor shall have the right to grant easements to other parties for utility lines, pipelines, and the like, as long as such easements do not interfere with the Drainage System or access to the Drainage Easement.

11. Grantee shall defend, indemnify and hold harmless the Grantor and its Commissioners, agents, officers, employees or contractors ("Grantor Parties"), from and against, and Grantee shall be responsible for, any and all liabilities (including strict liability), actions, demands, damages, penalties, fines, losses, claims, costs, expenses (including reasonable attorneys' and experts' fees and expenses), suits, settlements or judgments of any nature whatsoever (including claims for personal injury, bodily injury, emotional distress, real and personal property damage and economic loss) (all of which are hereinafter collectively called "Claims"), which may be brought or instituted or asserted against the Grantor Parties based on or arising out of or relating to (a) the failure on the part of the Grantee and its employees, agents, invitees, guests, contractors and subcontractors or licensees ("Grantee Parties") to comply with the provisions of any laws, ordinances, rules, regulations, or codes, now or hereafter existing, applicable to the Drainage Easement or the Drainage System, (b) Grantee's breach of the terms and conditions of this Agreement, (c) any bodily injury to or death of any employee of the Grantee Parties occurring in connection with the construction, alteration, repair, maintenance or removal of the Drainage System, or (d) 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 any property related to or connected with the condition or use of the Drainage System, except for those Claims caused solely by the intentional misconduct, negligent acts or omissions of the Grantor Parties. **IT IS THE EXPRESS INTENTION OF GRANTOR AND GRANTEE THAT THE INDEMNITIES SET FORTH IN THIS PARAGRAPH 11 APPLY TO ALL MATTERS DESCRIBED HEREIN, INCLUDING, WITHOUT LIMITATION, ANY OF SAME THAT ARE CAUSED IN PART BY THE NEGLIGENCE OF THE GRANTOR PARTIES.** Grantee shall, however, be relieved of its obligation of indemnity (but not its obligation to defend) with respect to any Claims to the extent, and only to the extent, of (i) the amount actually recovered from one or more insurance carriers and either paid to the Grantor Parties or paid for benefit of the Grantor Parties in reduction of such Claims, or (ii) the percentage of responsibility attributed to the Grantor Parties with respect to causing or contributing to cause in any way the accident, personal injury, property damage, death, or other harm for which the Claims were made. In Claims against any Grantor Party by or for an employee of a Grantee Party, the Grantee's indemnification obligation under this Paragraph 11 shall not be limited by a limitation on the amount or type of damages, compensation or benefits payable by or for the Grantee Party under workers' or workmen's compensation acts, disability

benefit acts, or other employee benefit acts. The obligations of the Grantee under this Paragraph 11 shall survive the termination of this Agreement.

12. Grantee shall keep in effect, at its sole cost and expense, comprehensive general liability insurance covering the Drainage Easement and the exercise of Grantee's rights granted hereunder with maximum limits of liability of not less than \$1,000,000 for bodily injury of death to one person, or to any group of persons as a result of one accident, and \$1,000,000 for property damage. Grantee shall name the Grantor as an additional insured and shall furnish Grantor with a certificate of insurance evidencing such insurance

13. Any notice or demand which either party hereto may desire to serve upon the other shall be sufficiently served if deposited in the United States mail, postage prepaid and certified or registered, or delivered to a regularly established courier service or hand delivered, addressed, in the instance of Grantor,

To: Port of Corpus Christi Authority  
222 Power St.  
Corpus Christi, TX 78401  
Attention: Executive Director

or any other address of which Grantee may be notified in writing by Grantor, and in the instance of Grantee,

To: San Patricio County Drainage District  
P. O. Box 1412  
Sinton, Texas 78387

or such other address of which Grantor may be notified in writing by Grantee. Such notice shall be deemed to have been served upon receipt thereof by the party to whom such notice is given.

14. The rights herein granted may not be assigned without the prior written consent of Grantor. Grantee is to submit to Grantor at least sixty (60) days in advance in writing of the requested assignment a request for assignment together with such information as Grantor shall request. Grantor may require the assignee to execute a formal assumption by the assignee in such form as shall be acceptable to Grantor. Assignment shall not relieve Grantee from liability for the performance of the covenants and indemnities hereof.

15. This Agreement sets forth the entire agreement and the understanding of Grantor and Grantee with respect to the Drainage Easement and supersedes any and all prior agreements and understandings with respect to the Drainage Easement.

16. Subject to the provisions of Paragraphs 6, 7 and 8 above, the easements and rights hereby granted, the restrictions and obligations hereby imposed, and the agreements herein contained shall be permanent, perpetual easements, rights, restrictions, obligations and agreements and shall be covenants running with the land and shall inure to the benefit of, and be

binding upon, the Parties hereto and the respective heirs, successors, and permitted assigns of Grantor and Grantee.

IN WITNESS WHEREOF, Grantor and Grantee have caused this Agreement to be executed by their duly authorized officers as of the dates provided in the acknowledgments below, to be effective for all purposes as of the Effective Date.

PORT OF CORPUS CHRISTI AUTHORITY  
OF NUECES COUNTY, TEXAS

By: \_\_\_\_\_  
John P. LaRue,  
Executive Director

SAN PATRICIO COUNTY DRAINAGE DISTRICT

By: Debra Barrett  
Debra Barrett, President

THE STATE OF TEXAS     §  
COUNTY OF NUECES     §

The instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2015, 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

THE STATE OF TEXAS     §  
COUNTY OF SAN PATRICIO     §

This instrument was acknowledged before me on the 18 day of February, 2015, by Debra Barrett, President of the SAN PATRICIO COUNTY DRAINAGE DISTRICT on behalf of said District.



Shelly Heard  
Notary Public, State of Texas

**EXHIBIT "A"**  
**14.23 ACRE DRAINAGE EASEMENT**  
**SAN PATRICIO COUNTY, TEXAS**

**BEING** a 14.23 acre tract out of that certain 930.28 acre tract of land located in San Patricio County, Texas, described as "Tract II" in Document Number 1998005467 of the Official Public Records of Nueces County, Texas and being more particularly described by metes and bounds as follows:

**BEGINNING** at a found 5/8 inch iron rod at the northwestern corner of said 930.28 acre tract;

**THENCE** South 70°28'50" East, with the northern property line of said 930.28 acre tract and the southern property line of property owned by Berryman Properties, Ltd, a distance of 50.78 feet to a calculated point for the northeast corner of the herein described tract;

**THENCE** South 09°28'59" West, parallel with and 50 feet from the west line of said 930.28 acre tract, a distance of 3888.56 feet to a calculated point of the herein described tract;

**THENCE** South 07°03'47" West, a distance of 1539.36 feet to a calculated point of the herein described tract;

**THENCE** South 08°00'36" West, a distance of 2514.65 feet to a calculated point on the westerly line of said 930.28 acre tract for the south corner of the herein described tract;

**THENCE** North 03°09'18" West, with said westerly property line, a distance of 821.06 feet to a calculated point for the southwest corner of the herein described tract and a corner of said 930.28 acre tract;

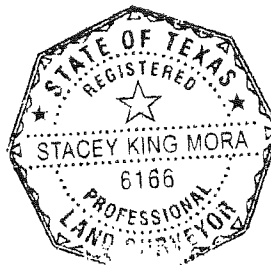
**THENCE** North 09°28'59" East, with said west line, a distance of 7148.05 feet to the **POINT OF BEGINNING** and containing 14.23 acres of land.

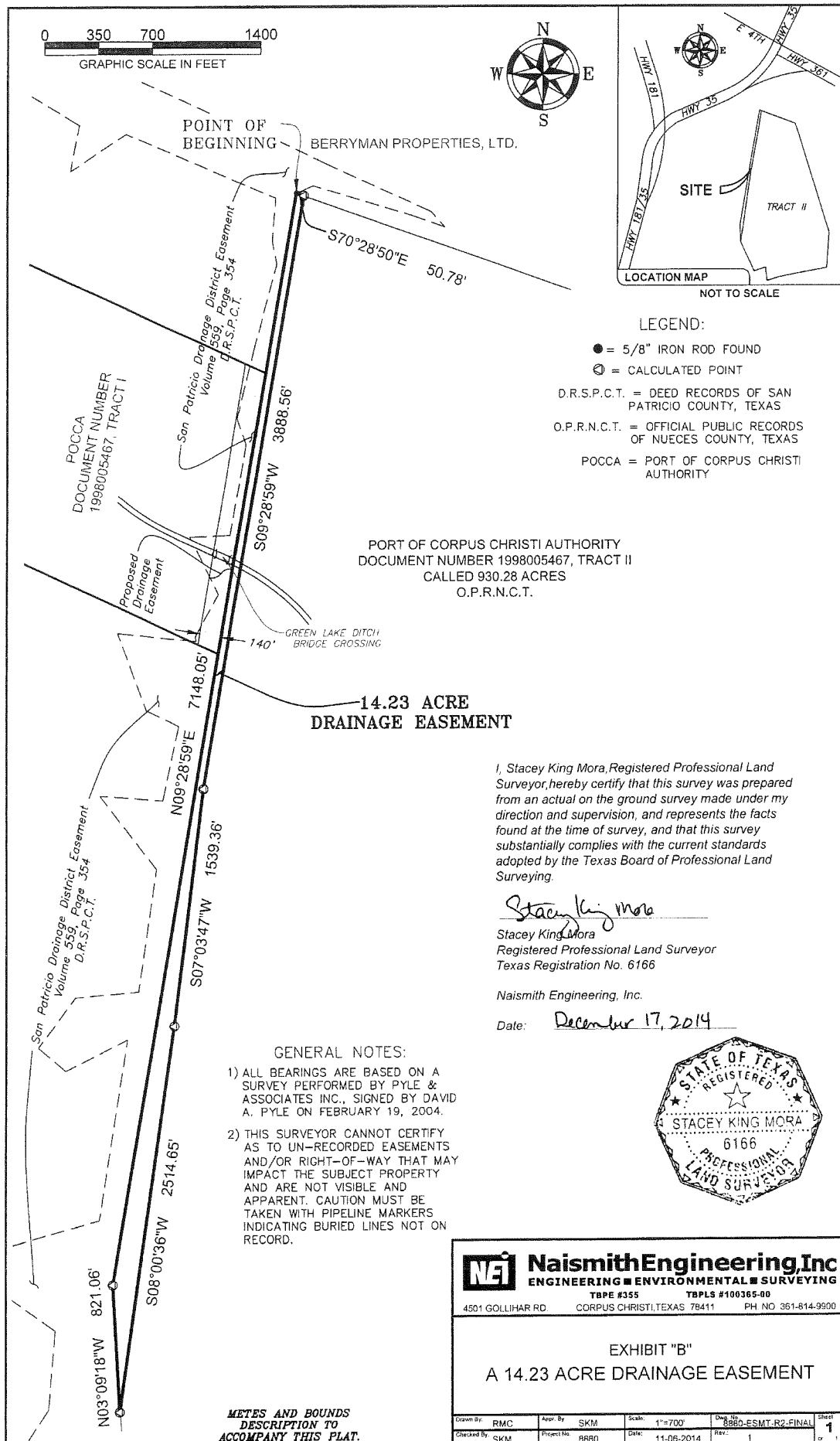
NOTE: BEARINGS ARE BASED ON A SURVEY PERFORMED BY PYLE & ASSOCIATES INC., SIGNED BY DAVID A. PYLE ON FEBRUARY 19, 2004.

Stacey King Mora  
Stacey King Mora, RPLS  
Registered Professional Land Surveyor  
Texas Registration No. 6166  
Naismith Engineering, Inc.

TBPE F#355    TBPLS F# 100395-00

Date: November 7, 2014





**AMENDMENT OF EASEMENT AGREEMENT**

This Amendment of Easement Agreement ("Amendment") is made and entered into effective as of the \_\_\_\_ day of March, 2015 ("Amendment Date") between the **PORT OF CORPUS CHRISTI AUTHORITY OF NUECES COUNTY, TEXAS**, a navigation district and political subdivision of the State of Texas operating under Article XVI, Section 59 of the Texas Constitution ("Grantor") and the **SAN PATRICIO COUNTY DRAINAGE DISTRICT**, P. O. BOX 1412, SINTON, TEXAS 78387, a political subdivision of the State of Texas (hereinafter called "Grantee"). The Grantor and Grantee are collectively referred to herein as the "Parties".

**Recitals**

By that certain Right-of-Way and Easement recorded on July 29, 1977, under file number 261202 of the Real Property Records of San Patricio County, Texas (the "Original Easement"), El Paso Development Company granted to Grantee a drainage easement upon and across a 150.893-acre tract of land in San Patricio County, Texas, which more particularly described in the Original Easement (the "Drainage Easement Area"); and

By that certain Deed recorded on February 11, 1998 as Document Number 1998005487 of the Official Public Records of Nueces County, Texas (the "Deed"), Land Ventures, Inc., and El Paso Development Company conveyed to Grantor four tracts of land, one of which was a 153.93-acre tract of land in San Patricio County, Texas, described as Tract No. 1 in the Deed and more particularly described by metes and bounds in Exhibit A attached to the Deed (the "Grantor's Property").

A portion of the Drainage Easement Area is situated on the east side of Grantor's Property, and the Parties wish to amend the Original Easement to revise the boundaries of the Drainage Easement Area on Grantor's Property.

**Agreement**

NOW THEREFORE, for good and valuable consideration and the mutual covenants contained herein, the receipt and sufficiency of which are hereby acknowledged, Grantor and Grantee hereby agree to amend the Original Easement insofar and only insofar as it applies to that portion of the Drainage Easement Area located on Grantor's Property as follows:

1. From and after the Amendment Date, the portion of the Drainage Easement Area on Grantor's Property shall be that certain 5.91 Acre Drainage Easement in San Patricio County, Texas, more particularly described by metes and bounds in **Exhibit A** attached hereto (the "5.91 Acre Drainage Easement").

2. A map of the 5.91 Acre Drainage Easement is attached hereto as **Exhibit B**.



3. Grantee hereby releases, discharges and quitclaims unto Grantor all of its right, title and interest in and to that portion of the Drainage Easement Area within the Grantor's Property which lies outside the boundaries of the of the 5.91 Acre Drainage Easement.

4. This Amendment shall be binding on the successors and assigns of the Parties.

5. The Original Easement, as amended hereby, shall remain in full force and effect.

6. The person executing this Amendment on behalf of the Grantor personally warrants and represents unto the Grantee that (a) Grantor has the full right and authority to execute and deliver this Amendment, (b) the person was duly authorized to execute this Amendment on behalf of Grantor, and (c) upon request of Grantee, the person will deliver to Grantee satisfactory evidence of his or her authority to execute this Amendment on behalf of Grantor.

7. The person executing this Amendment on behalf of the Grantee personally warrants and represents unto the Grantor that (a) Grantee has the full right and authority to execute and deliver this Amendment, (b) the person was duly authorized to execute this Amendment on behalf of Grantee, and (c) upon request of Grantor, the person will deliver to Grantee satisfactory evidence of his or her authority to execute this Amendment on behalf of Grantee.

8. This Amendment 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. The Parties may provide signatures and acknowledgments to this Amendment by facsimile or Adobe ".pdf" file and such facsimile or Adobe ".pdf" file signatures and acknowledgments shall be deemed to be the same as original signatures and acknowledgments.

***[Signature and acknowledgment pages follow this page]***

**GRANTOR'S EXECUTION PAGE**

IN WITNESS WHEREOF, Grantor has caused this Amendment to be executed by its duly authorized officer as of the date provided below, to be effective, however, for all purposes, as of the Amendment Date.

PORT OF CORPUS CHRISTI AUTHORITY  
OF NUECES COUNTY, TEXAS

By: \_\_\_\_\_  
John P. LaRue  
Executive Director

Date: March \_\_, 2015

STATE OF TEXAS       §  
                                  §  
COUNTY OF NUECES   §


This instrument was acknowledged before me on the \_\_\_\_ day of March, 2015 by JOHN P. LARUE, Executive Director of the Port of Corpus Christi Authority of Nueces County, Texas, on behalf of the Port Authority.

\_\_\_\_\_  
Notary Public, State Of Texas

GRANTEE'S EXECUTION PAGE

IN WITNESS WHEREOF, Grantee has caused this Amendment to be executed by its duly authorized officer as of the date provided below, to be effective, however, for all purposes, as of the Amendment Date.

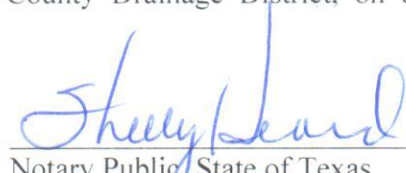
SAN PATRICIO COUNTY DRAINAGE DISTRICT

By:   
Debra Barrett,  
President

Date: March 5, 2015

THE STATE OF TEXAS           §  
   §  
COUNTY OF SAN PATRICIO   §

This instrument was acknowledged before me on the 5 day of March, 2015, by Debra Barrett, President of the San Patricio County Drainage District, on behalf of the Drainage District.

  
Notary Public, State of Texas



**EXHIBIT "A"**  
**5.91 ACRE DRAINAGE EASEMENT**  
**SAN PATRICIO COUNTY, TEXAS**

**BEING** a 5.91 acre tract out of that certain 153.93 acre tract of land located in San Patricio County, Texas, described as "Tract I" in Document Number 1998005467 of the Official Public Records of Nueces County, Texas and being more particularly described by metes and bounds as follows:

**COMMENCING** at a 5/8 inch iron rod found for the northwest corner of a 930.28 acre tract of land described as "Tract II" in Document Number 1998005467 of the Official Public Records of Nueces County, Texas. Thence South 09°28'59" West, a distance of 1181.92 feet to **THE POINT OF BEGINNING** of the herein described tract;

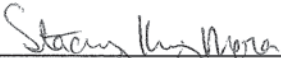
**THENCE** South 09°28'59" West, with the west property line of said 930.28 acre tract and the east property line of said 153.93 acre tract, a distance of 1839.26 feet to a calculated point for the southeast corner of the herein described tract;

**THENCE** North 65°18'30" West, along the southerly line of said 153.93 acre tract, a distance of 145.08 feet to a calculated point for the southwest corner of the herein described tract;

**THENCE** North 09°28'59" East, parallel with and 140 feet from the east line of said 153.93 acre tract, a distance of 1839.26 feet to a calculated point for the northwest corner of the herein described tract;

**THENCE** South 65°18'30" East, with the north line of said 153.93 acre tract, a distance of 145.08 feet to the **POINT OF BEGINNING** and containing 5.91 acres of land.

NOTE: BEARINGS ARE BASED ON A SURVEY PERFORMED BY PYLE & ASSOCIATES INC., SIGNED BY DAVID A. PYLE ON FEBRUARY 19, 2004.

  
\_\_\_\_\_  
**Stacey King Mora, RPLS**  
**Registered Professional Land Surveyor**  
**Texas Registration No. 6166**  
**Naismith Engineering, Inc.**

**TBPE F#355    TBPLS F# 100395-00**

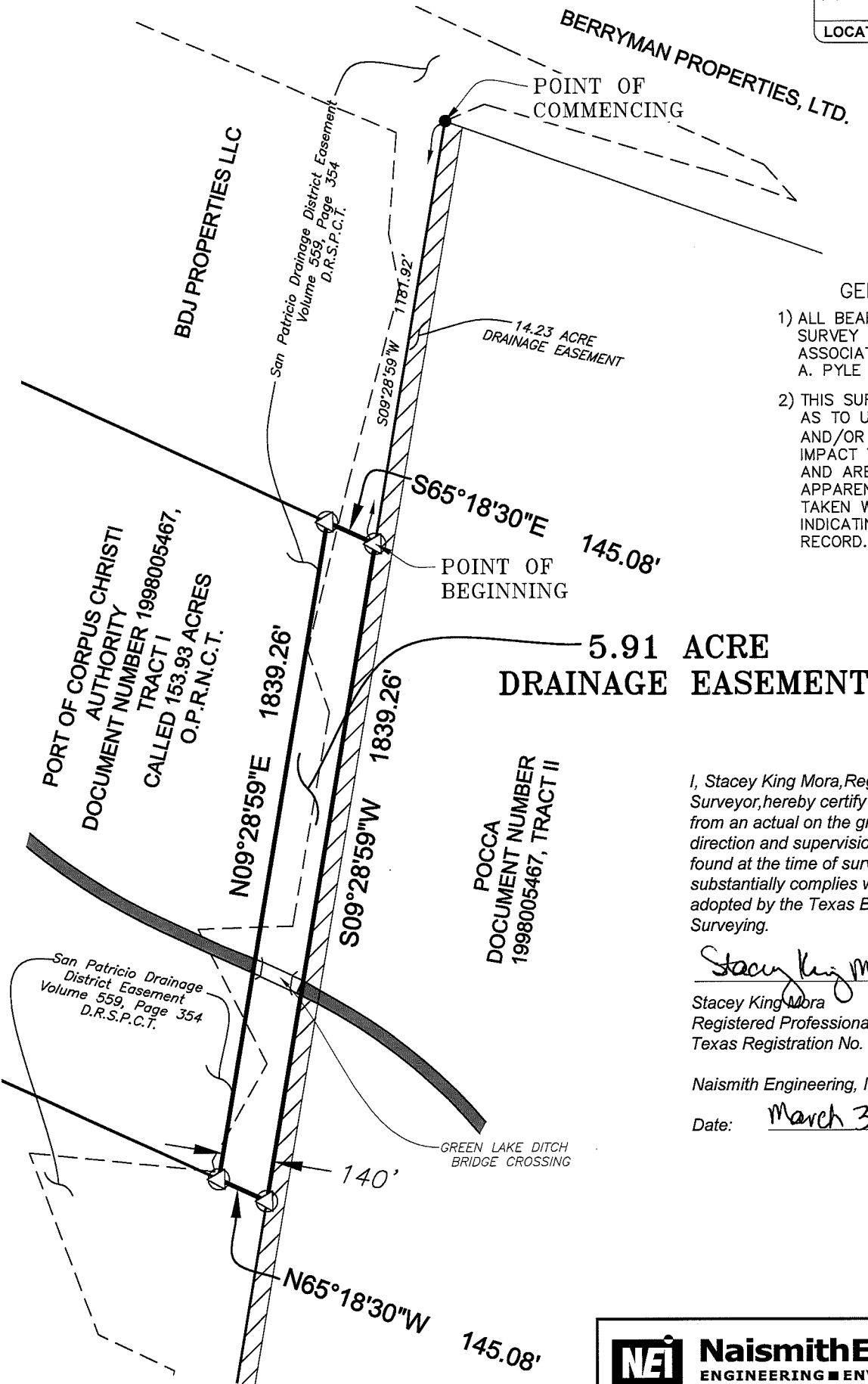
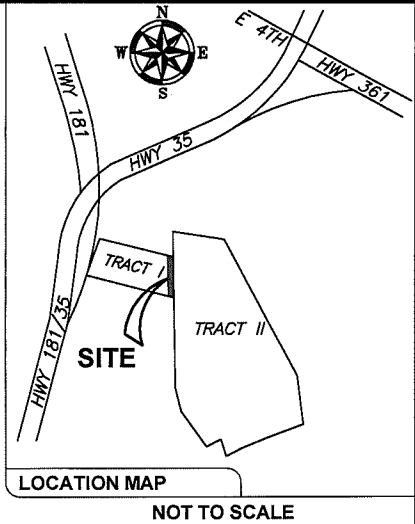
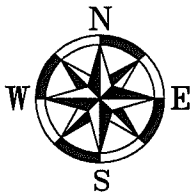
**Date:** November 7, 2014



LEGEND:

- = 5/8" IRON ROD FOUND
- ⊙ = CALCULATED POINT

D.R.S.P.C.T. = DEED RECORDS OF SAN PATRICIO COUNTY, TEXAS  
O.P.R.N.C.T. = OFFICIAL PUBLIC RECORDS OF NUECES COUNTY, TEXAS  
POCCA = PORT OF CORPUS CHRISTI AUTHORITY



GENERAL NOTES:

- 1) ALL BEARINGS ARE BASED ON A SURVEY PERFORMED BY PYLE & ASSOCIATES INC., SIGNED BY DAVID A. PYLE ON FEBRUARY 19, 2004.
- 2) THIS SURVEYOR CANNOT CERTIFY AS TO UN-RECORDED EASEMENTS AND/OR RIGHT-OF-WAY THAT MAY IMPACT THE SUBJECT PROPERTY AND ARE NOT VISIBLE AND APPARENT. CAUTION MUST BE TAKEN WITH PIPELINE MARKERS INDICATING BURIED LINES NOT ON RECORD.

I, Stacey King Mora, Registered Professional Land Surveyor, hereby certify that this survey was prepared from an actual on the ground survey made under my direction and supervision, and represents the facts found at the time of survey, and that this survey substantially complies with the current standards adopted by the Texas Board of Professional Land Surveying.

*Stacey King Mora*  
Stacey King Mora  
Registered Professional Land Surveyor  
Texas Registration No. 6166

Naismith Engineering, Inc.

Date: March 3, 2015



**Naismith Engineering, Inc.**  
ENGINEERING ■ ENVIRONMENTAL ■ SURVEYING  
TBPE #355 TBPLS #100365-00  
4501 GOLLIHAR RD. CORPUS CHRISTI, TEXAS 78411 PH. NO. 361-814-9900

EXHIBIT "B"  
5.91 ACRE  
DRAINAGE EASEMENT

Drawn By: RMC	Appr. By: SKM	Scale: 1"=400'	Dwg. No.: 8880-ESMT-R2-FINAL	Sheet 1
Checked By: SKM	Project No.: 8880	Date: 03-03-2015	Rev.: 2	or 1

***AGENDA ITEM NO. 21-C***

***See Item 21-B***



**DATE:** March 17, 2015

**FROM:** John LaRue; 885-6189; [john@pocca.com](mailto:john@pocca.com)

***AGENDA ITEM NO. 21-D***

**Approve Easement and Right-of-Way Agreements with  
AEP Texas Central Company for Underground Distribution Lines at the  
Bulk Terminal and Crossing the Joe Fulton International Trade Corridor**

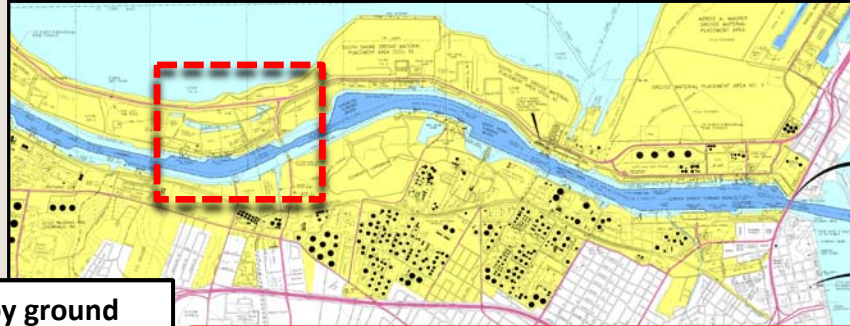
M&G Resins USA, LLC (M&G) is progressing with the construction of its \$1 billion plastics plant on the north side of the Viola Channel. In the coming months, as many as 160 oversized modules (or plant components similar to those shown on the attached exhibit) are scheduled to arrive at the Port of Corpus Christi from various fabrication sites around the world, to be offloaded at Bulk Dock 1. Once offloaded, the modules will be transferred by ground transport to the M&G plant site. The first of these oversized modules is already making the voyage from China and is scheduled to arrive the first week of April 2015.

In order to remove the overhead obstructions crossing the roadways leading from the Bulk Terminal to the M&G plant site, M&G has asked AEP Texas Central Company to remove the two existing sets of overhead power lines (one crossing an access road within the Bulk Terminal and the other crossing the Joe Fulton International Trade Corridor, as shown on the attached exhibit) and place them in an underground conduit crossing each roadway. M&G has agreed to pay for all costs of the relocation; however, AEP is requesting that the PCCA grant a new easement for each crossing as a condition of the relocation. Accordingly, the attached Easement and Right-of-Way agreements were prepared by representatives of AEP for approval and execution by the PCCA. Because these easement agreements are being granted to facilitate a major development project benefiting the PCCA, there will be no fee charged.

Staff recommends approval of these Easement and Right-of-Way Agreements with AEP Texas Central Company.

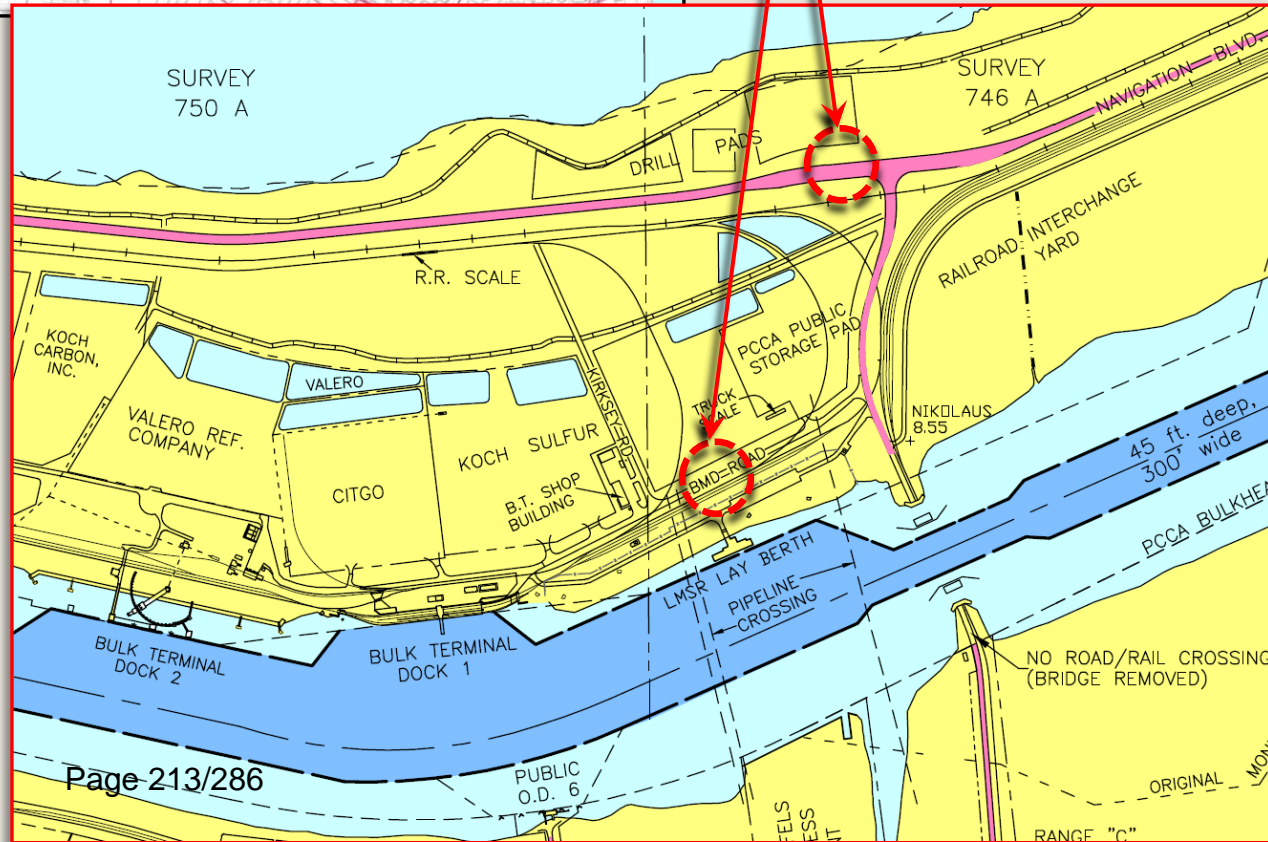
**LEAD CONTACT:** David Krams; 885-6134; [krams@pocca.com](mailto:krams@pocca.com)

# AEP Easements at Bulk Terminal



**General Location  
of Easements**

**Modules to be transported by ground  
transport to the M&G plant site**



(CORP) CP 460-OH/UG REV. 05/12

Town: Corpus Christi      Description: Convert OH to UG for M&G @ Joe Fulton & Navigation  
County: Nueces              W.R. #56902940              Submitted by: rcm              Date: 03/05/2015

## **EASEMENT AND RIGHT OF WAY**

**PORT OF CORPUS CHRISTI AUTHORITY** ("Grantor"), for and in consideration of Ten & 00/100 Dollars (\$10.00), and other good and valuable consideration to Grantor in hand paid by **AEP TEXAS CENTRAL COMPANY**, a Texas corporation, whose address is P.O. Box 2121, Corpus Christi, Texas 78403 ("Grantee") the receipt and sufficiency of which is hereby acknowledged and confessed, has **GRANTED, SOLD, and CONVEYED**, and by these presents does **GRANT, SELL, and CONVEY** unto Grantee, its successors and assigns, a non-exclusive easement and right of way for electric distribution lines, consisting of poles made of wood, metal, or other materials, crossarms, static wires, guys, wire circuits, underground cables and conduits, communication circuits, metering equipment and all necessary or desirable appurtenances (including, but not limited to, transformers, meters, vaults, and service pedestals) over, under, across, and upon the following described land located in Nuece County, Texas, to wit:

SEE EXHIBIT "A ", ATTACHED AND MADE A PART HEREOF AND INCORPORATED HEREIN (the "Easement Area");

Together with the right of ingress and egress over, under, across and upon the Easement Area and Grantor's adjacent land for the purpose of constructing, operating, reconstructing on poles or burying and replacing underground cables and conduits (including necessary ditching and backfilling), enlarging, inspecting, patrolling, repairing, maintaining, upgrading and removing said lines, circuits, underground cables and conduits, poles, wires and appurtenances; which lines shall maintain a minimum clearance of 36 feet at the lowest point of the conductor; the right to relocate along the same general direction of said lines, cables, and conduits; and the right to remove from the Easement Area all structures, obstructions, and trees and parts thereof, using generally accepted vegetation management practices, (whether from the Easement Area or that could grow into the Easement Area) which may, in the reasonable judgment of Grantee, endanger or interfere with the safe and efficient operation and/or maintenance of said lines, cables, conduits or appurtenances or ingress and egress to, from or along the Easement Area.

Grantor reserves the right to use the Easement Area subject to said Easement and Right of Way in any way that will not interfere with Grantee's exercise of the rights hereby granted. However, Grantor shall not construct or permit to be constructed any house or other aboveground structure on or within the Easement Area containing Grantee's improvements without the express written consent of Grantee.

Upon Grantee's cessation of use of the Easement Area, or abandonment of same for a period of twelve (12) consecutive months, this Easement and Right of Way shall automatically cease and terminate, and the rights herein granted shall revert automatically to Grantor. Upon written request received from Grantor, within sixty (60) days of termination of this Easement, Grantee will file a document releasing the Easement and Right of Way in the Real Property Records of Nueces County, Texas.

**TO HAVE AND TO HOLD** the above described easement and rights unto the Grantee, its successors and assigns for so long as this agreement remains in force and effect. Grantor binds itself, assigns, and legal representatives to warrant and forever defend all and singular the above described easement and rights unto the said Grantee, its successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof.

EXECUTED this \_\_\_\_ day of March, 2015

**GRANTOR:**

**PORT OF CORPUS CHRISTI AUTHORITY**

By: \_\_\_\_\_  
John P. LaRue, Executive Director

**ACKNOWLEDGMENT**

**STATE OF TEXAS       §**  
**COUNTY OF NUECES §**

This instrument was acknowledged before me on this \_\_\_\_ day, March, 2015, by John P. LaRue, Executive Director of the Port of Corpus Christi Authority.

\_\_\_\_\_  
Notary Public, State of Texas

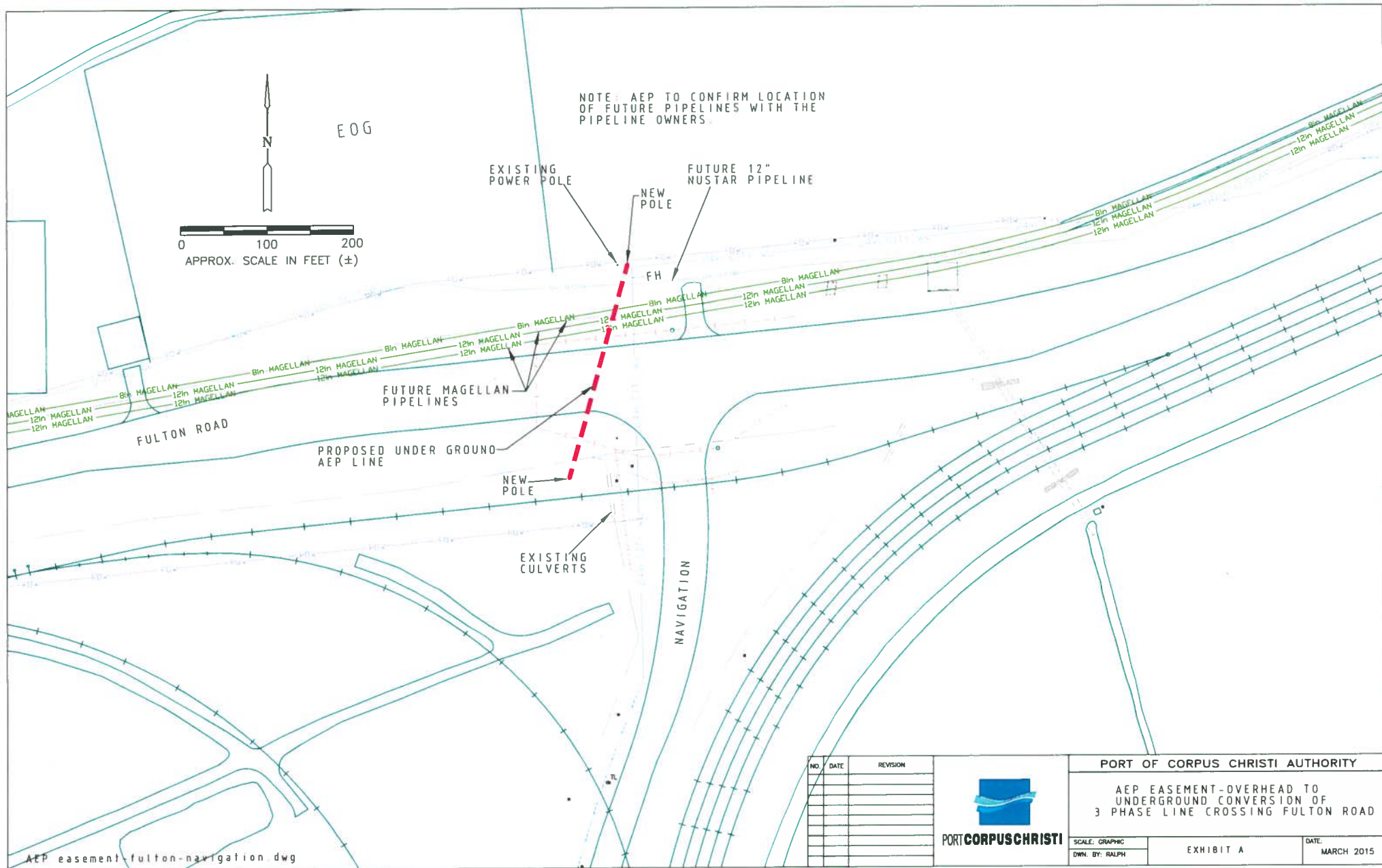
Commission Expires: \_\_\_\_\_

**AFTER RECORDING, PLEASE RETURN TO:**

**AEP**  
**% Distribution Right-Of-Way Agent**  
**P.O. Box 2121**  
**Corpus Christi, Texas 78403**



## EXHIBIT "A"



(CORP) CP 460-OH/UG REV. 05/12

Town: Corpus Christi      Description: Convert OH to UG for M&G at Bulk Dock 3@ BMD Rd  
County: Nueces              W.R. #56902940              Submitted by: rcm              Date: 03/05/2014

## **EASEMENT AND RIGHT OF WAY**

**PORT OF CORPUS CHRISTI AUTHORITY** ("Grantor"), for and in consideration of Ten & 00/100 Dollars (\$10.00), and other good and valuable consideration to Grantor in hand paid by **AEP TEXAS CENTRAL COMPANY**, a Texas corporation, whose address is P.O. Box 2121, Corpus Christi, Texas 78403 ("Grantee") the receipt and sufficiency of which is hereby acknowledged and confessed, has **GRANTED, SOLD, and CONVEYED**, and by these presents does **GRANT, SELL, and CONVEY** unto Grantee, its successors and assigns, a non-exclusive easement and right of way for electric distribution lines, consisting of poles made of wood, metal, or other materials, crossarms, static wires, guys, wire circuits, underground cables and conduits, communication circuits, metering equipment and all necessary or desirable appurtenances (including, but not limited to, transformers, meters, vaults, and service pedestals) over, under, across, and upon the following described land located in Nueces County, Texas, to wit:

SEE EXHIBIT "A ", ATTACHED AND MADE A PART HEREOF AND INCORPORATED HEREIN (the "Easement Area");

Together with the right of ingress and egress over, under, across and upon the Easement Area and Grantor's adjacent land for the purpose of constructing, operating, reconstructing on poles or burying and replacing underground cables and conduits (including necessary ditching and backfilling), enlarging, inspecting, patrolling, repairing, maintaining, upgrading and removing said lines, circuits, underground cables and conduits, poles, wires and appurtenances; which lines shall maintain a minimum clearance of 36 feet at the lowest point of the conductor; the right to relocate along the same general direction of said lines, cables, and conduits; and the right to remove from the Easement Area all structures, obstructions, and trees and parts thereof, using generally accepted vegetation management practices, (whether from the Easement Area or that could grow into the Easement Area) which may, in the reasonable judgment of Grantee, endanger or interfere with the safe and efficient operation and/or maintenance of said lines, cables, conduits or appurtenances or ingress and egress to, from or along the Easement Area.

Grantor reserves the right to use the Easement Area subject to said Easement and Right of Way in any way that will not interfere with Grantee's exercise of the rights hereby granted. However, Grantor shall not construct or permit to be constructed any house or other aboveground structure on or within the Easement Area containing Grantee's improvements without the express written consent of Grantee.

Upon Grantee's cessation of use of the Easement Area, or abandonment of same for a period of twelve (12) consecutive months, this Easement and Right of Way shall automatically cease and terminate, and the rights herein granted shall revert automatically to Grantor. Upon written request received from Grantor, within sixty (60) days of termination of this Easement, Grantee will file a document releasing the Easement and Right of Way in the Real Property Records of Nueces County, Texas.

**TO HAVE AND TO HOLD** the above described easement and rights unto the Grantee, its successors and assigns for so long as this agreement remains in force and effect. Grantor binds itself, assigns, and legal representatives to warrant and forever defend all and singular the above described easement and rights unto the said Grantee, its successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof.



EXECUTED this \_\_\_\_ day of March, 2015

**GRANTOR:**

**PORT OF CORPUS CHRISTI AUTHORITY**

By: \_\_\_\_\_  
John P. LaRue, Executive Director

**ACKNOWLEDGMENT**

**STATE OF TEXAS       §**  
**COUNTY OF NUECES §**

This instrument was acknowledged before me on this \_\_\_\_ day, March, 2015, by John P. LaRue, Executive Director of the Port of Corpus Christi Authority.

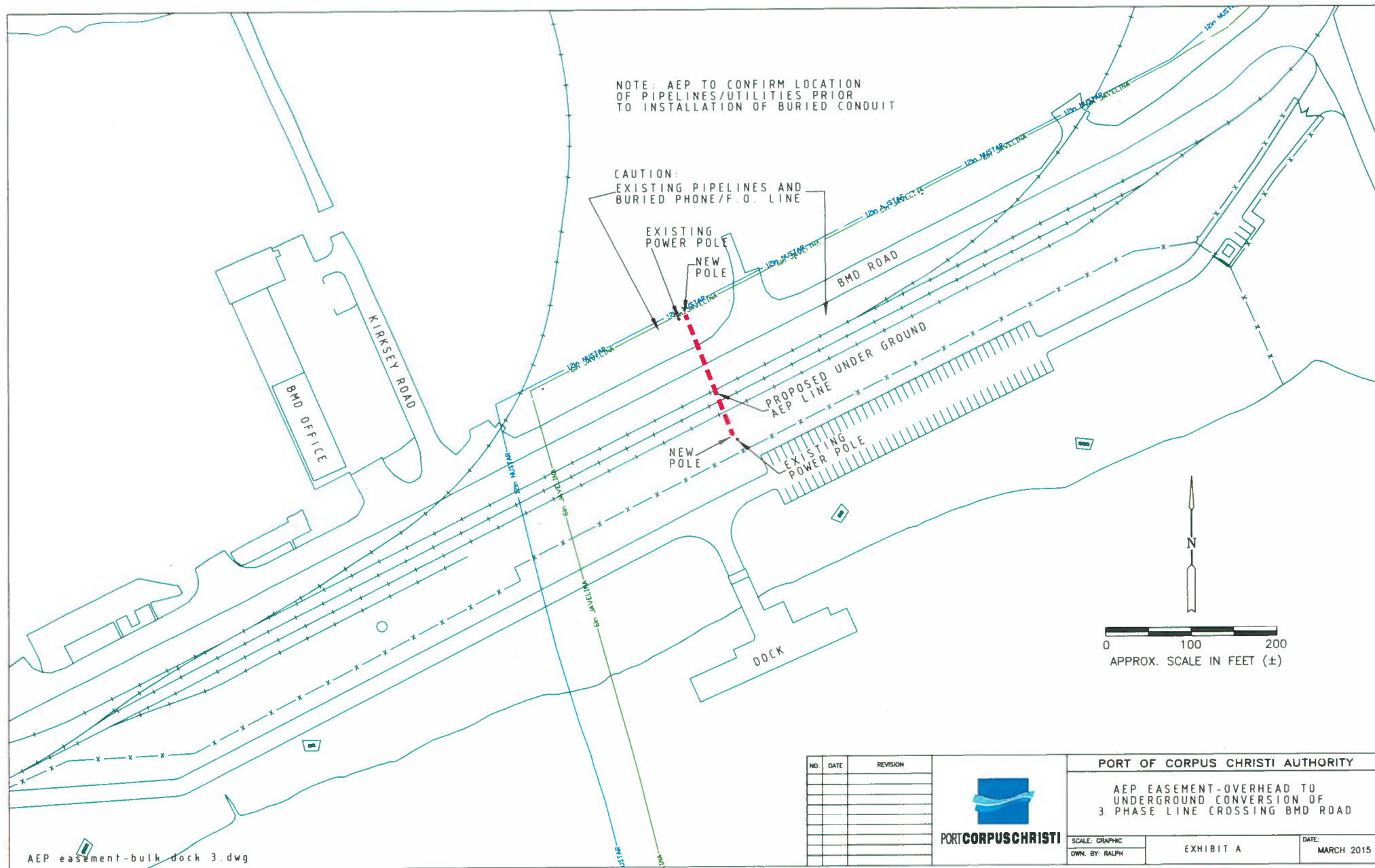
\_\_\_\_\_  
Notary Public, State of Texas

Commission Expires: \_\_\_\_\_

**AFTER RECORDING, PLEASE RETURN TO:**

**AEP**  
**% Distribution Right-Of-Way Agent**  
**P.O. Box 2121**  
**Corpus Christi, Texas 78403**

# EXHIBIT "A"



**DATE:** March 17, 2015

**FROM:** John LaRue; 885-6189; [john@pocca.com](mailto:john@pocca.com)

***AGENDA ITEM NO. 21-E***

**Approve Change Order to Contract with Russell Marine, LLC, for the Construction of Public Oil Dock 14 Project to Reduce Length of Steel Piles**

On December 17, 2014, the Port Commission awarded a contract to Russell Marine, LLC, for the construction of Oil Dock 14. Included in the award was an additive/deductive bid item that would allow adjustments to be made in the design length of the steel, H-shaped anchor piles (H-piles) used to support the ship dock. Adjustments are determined after a test pile program is completed by the contractor and testing consultant.

In January, the H-pile testing program was conducted by Foundation & Geotechnical Engineering, Rock Engineering, and the PCCA's dock designer, HDR Engineering Inc. Of the 339 anchor piles that potentially could have been adjusted with this bid item, the test program determined that 255 piles can be shortened. See attached photographs of the test pile program.

Additive/Deductive Bid Item 5 allows a credit of \$650 for every 10 feet of pile not required for the project. As a result, this contract will be reduced by \$131,300, bringing the new contract amount to \$25,340,675.

Staff recommends approval of a change order with Russell Marine, LLC, in the deductive amount of \$131,300 for the reduction of H-pile lengths for the Public Oil Dock 14 project.

**LEAD CONTACT:** David Krams; 885-6134; [krams@pocca.com](mailto:krams@pocca.com)

# Russell Marine, LLC

## Construction of Public Oil Dock 14 Project





# CHANGE ORDER

Change Order No. 3  
Date: March 17, 2015  
Page 1 of 2

**PROJECT:** Public Oil Dock 14  
**PROJECT NUMBER:** 13-032A  
**CONTRACTOR:** Russell Marine LLC

-----  
This contract will be modified to include the changes listed below, and the contract price and/or contract time will be changed to reflect these modifications:

**See attached description of modifications and breakdown of charges on Page 2.**

Decrease in Contract Price:	\$ (131,300.00)
Increase in Contract Time:	0 Days

Original Contract Amount:	\$ 24,835,475.00
Total Amount of Previous Change Orders:	\$ 636,500.00
Amount of this Change Order:	\$ (131,300.00)
Revised Contract Amount:	\$ 25,340,675.00

Notice To Proceed Date:	January 08, 2015
Original Contract Time:	415 Days
Previous Changes in Contract Time:	45 Days
Calendar Days for this Change Order:	0 Days
Revised Contract Time:	460 Days
Required Completion Date:	April 12, 2016

-----  
The change in contract price incorporates all costs for this Change Order including but not limited to the following—direct and indirect costs, overhead, profit, insurance, bonds, labor, materials, equipment, supervision, and delays. This Change Order is accepted and executed by the Port of Corpus Christi Authority and Russell Marine LLC, as signed by their duly authorized representatives below.

**Port of Corpus Christi Authority**

**Russell Marine LLC**

By: \_\_\_\_\_  
David L. Michaelson, P.E.  
Chief Engineer

By: \_\_\_\_\_  
Robert Andrews  
Vice President

By: \_\_\_\_\_  
David L. Krams, P.E.  
Director of Engineering Services

Date: \_\_\_\_\_

Date: March 17, 2015



Change Order No. 3  
 Date: March 17, 2015  
 Page: 2 of 2

**PROJECT:** Public Oil Dock 14  
**PROJECT NUMBER:** 13-032A  
**CONTRACTOR:** Russell Marine LLC

---

1. Reduction in Steel H-piles (HP14x89) per the outcome of the test pile program. Refer to spreadsheet below. Reduction costs based on Additive/Deductive Bid Item #5 at a reduction of \$650 per 10 ft H-pile length. 210 (10 ft. H-pile) units @ \$650 per 10 ft unit = -\$136,500.00

TP#	A-Frame #	Number of frames	Piles per frame	Total piles	Original Bid Lengths		Final Length		Reduced Length (ft)	Number of Pay units	Pay unit x 650/ea
	1	1	2	2	WS	LS	WS	LS			
					60	75	50	65	10	2	\$1,300
4	2-6	5	1	5		80		70	10	5	\$3,250
18LS	7-18	12	2	24	60	65	50	55	10	24	\$15,600
30 LS/47WS	19-50	32	2	64	60	75	50	65	10	64	\$41,600
53LS	51-53	3	2	6	70	75	60	65	10	6	\$3,900
60 LS/80 WS	54-82	29	2	58	70	80	60	70	10	58	\$37,700
100 LS/ 120 WS	83-126	44	2	88	60	75	55	70	5	44	\$28,600
	127-128	2	2	4	65	70	55	65	7.5	3	\$1,950
	129-130	2	2	4	65	75	55	65	10	4	\$2,600
140 WS	131-163	<u>33</u>	2	<u>66</u>	60	75	60	75	0	<u>0</u>	<u>\$0</u>
		163		321						210	\$136,500

Decrease \$ (136,500.00)

2. Add back test piles used as production piles: #4, 18LS, 30LS, 47WS, 53LS, 60LS, 80WS x 10'; 100LS + 120WS x 5' = 10'. Therefore, 8 (10 ft. H-pile) units @ \$650 per 10 ft unit = \$5,200.00

Increase \$ 5,200.00

**TOTAL DECREASE IN CONTRACT PRICE \$ (131,300.00)**

**TOTAL DECREASE/INCREASE IN CONTRACT TIME 0 Days**



**DATE:** March 17, 2015**FROM:** John LaRue; 885-6189; [john@pocca.com](mailto:john@pocca.com)***AGENDA ITEM NO. 21-F*****Approve a Service Order with HDR Engineering Inc.,  
under Its Professional Services Master Agreement, for  
Additional Engineering Services Associated with  
Public Oil Dock 14 and Entrance Road Projects**

In response to M&G's selection of Corpus Christi for its \$1billion plastics plant and the PCCA's agreements with M&G related to construction activities on PCCA property to support the plant, in April 2013 the PCCA engaged HDR Engineering, Inc. to begin engineering for the construction of Public Oil Dock 14 and for a road connecting the Fulton Corridor to M&G's plant entrance and the dock. The design of Oil Dock 14 has since been completed, the project bid, and the contract awarded to Russell Marine in December 2014 for \$24,840,475. The design of the entrance road, estimated to cost approximately \$3 million, is nearly complete but could not be finalized until after the completion of the adjacent and/or overlapping designs of the Nueces River Rail Road and M&G's improvements in the area and after the construction of South Shore Dredge Material Placement Area, Cell C, being used now for the West Barge Mooring Area dredging project. To complete the entrance road design, the project site will need to be re-surveyed and several plan drawings updated or revised.

In addition, staff requested HDR to provide a storm water pollution prevention plan and dock house and pipeline corridor modifications not included in the original scope of work, and staff requested additional mooring and breasting analyses to be performed for Oil Dock 14 to determine improvements or upgrades that could be made during the existing construction contract to better accommodate larger ships at the dock in the future should slip improvements be permitted and constructed. Staff negotiated a scope of work and price of \$108,000 for HDR to perform this work, associated analyses, and any required re-design, and to complete the plans, specifications and contract documents for the entrance and access road.

As the pace of the construction work at Oil Dock 14 is picking up, the project is anticipated to take increased oversight, management, and inspection to better ensure quality and that the project is completed on time. Staff requested a proposal from HDR to provide these additional construction phase engineering services. The project is currently anticipated to be complete in April 2016, which is a relatively fast schedule given the amount of work left to be accomplished. HDR has presented a proposal and estimated costs to provide these additional services, which includes analyses of test pile program activities and results, timely review of contractor submittals, review and responses to contractors' requests for information, attendance at weekly progress meetings, and production of revised drawings as necessary. Costs for these

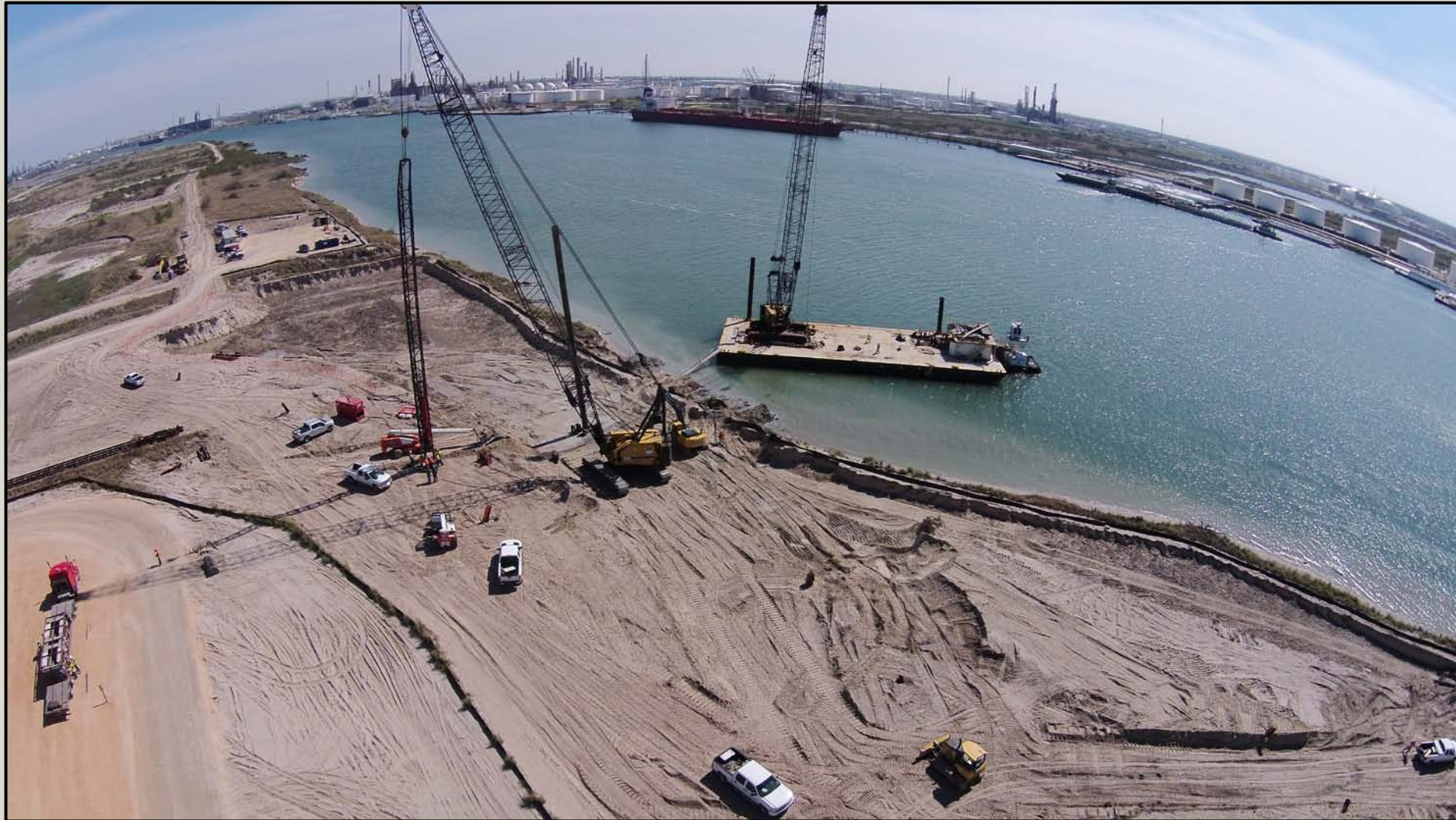
construction phase services, to be billed on a time and materials basis, are estimated to be \$116,000.

Staff recommends approval of a Service Order with HDR Engineering Inc., under its existing Professional Services Master Agreement, for additional services to be performed during the construction phase of Oil Dock 14 and to complete the plans, specifications and contract documents for the Oil Dock 14 entrance road project, in an amount not to exceed \$274,000 as generally described above for \$108,000 and \$116,000 plus an additional \$50,000 in contingency should it be needed during the duration of the Oil Dock 14 project.

**LEAD CONTACT:** David Krams; 885-6134; [krams@pocca.com](mailto:krams@pocca.com)

# HDR Engineering, Inc.

## Construction Phase Services for Oil Dock 14 Ship Dock





**DATE:** March 17, 2015  
**FROM:** John LaRue; 885-6189; [john@pocca.com](mailto:john@pocca.com)

***AGENDA ITEM NO. 21-G***

**Approve a Service Order with CH2M Hill Engineers Inc., under  
Its Professional Services Master Agreement, for the  
Savage Lane Drainage Improvement Project**

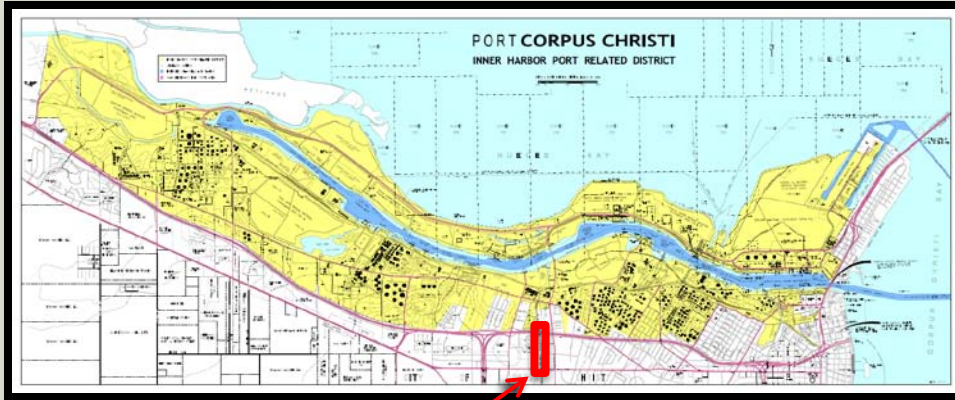
The PCCA owns the right-of-way along the Savage Lane railroad line extending from Up River Road to Highway 44. See attached exhibit. In the past, erosion caused by water draining from adjacent property has resulted in washouts that block railroad track drainage and, in some areas, has covered the tracks with mud and water. Drainage improvements to channel storm water flows from adjacent property and bank stabilization are required to better prevent the need for recurring maintenance and repairs in the area.

The 2015 Budget includes \$150,000 to evaluate the current storm water drainage along Krill Street adjacent to the railroad right-of-way, develop recommendations for repairs and upgrades to storm drainage and slope protection, and implement the identified improvements. CH2M Hill Engineers Inc. has provided engineering services related to the Savage Lane railroad right-of-way drainage periodically since 1992 and is familiar with the area and its drainage issues. Staff negotiated a scope of work and service order with CH2M Hill that includes analyzing Krill Street drainage, developing repair procedures for the eroded areas along the embankment, and preparing plans and specifications for implementing the recommended repairs and upgrades, along with cleaning and re-grading of railroad side ditches. CH2M Hill Inc. is an international engineering firm with an office in Corpus Christi which has satisfactorily performed a number of civil and rehabilitation projects for PCCA in the past.

Staff recommends approval of a service order with CH2M Hill Inc., under an existing Professional Services Master Agreement, to provide engineering services associated with drainage improvements to the Savage Lane railroad site in an amount not to exceed \$75,000.

**LEAD CONTACT:** David Krams; 885-6134; [krams@pocca.com](mailto:krams@pocca.com)

# Savage Lane Drainage Improvement Project



Existing Conditions





**DATE:** March 17, 2015**FROM:** John LaRue; 885-6189; [john@pocca.com](mailto:john@pocca.com)***AGENDA ITEM NO. 21-H*****Award Contract to Rabalais I&E Constructors, the Lowest and Best Bidder  
Based on Bids Received on February 26, 2015, for Construction of  
Camera Poles Associated with Security Grant 13  
La Quinta/Gulf Intracoastal Waterway Surveillance Project**

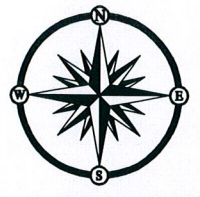
In 2013, the U.S. Department of Homeland Security approved federal funds in the amount of \$2,261,732 for various security improvement projects at the Port of Corpus Christi under Security Grant 13. The scope of work for project number two under this grant, "La Quinta/Gulf Intracoastal Waterway Surveillance," includes installing two surveillance cameras to monitor vessel traffic in the Corpus Christi and La Quinta Ship Channels and the Gulf Intracoastal Waterway. See attached exhibit. Staff identified optimal locations for the installation of both of the cameras, which required the PCCA to enter into a Lease Agreement with Oxy Ingleside Energy Center and an Easement Agreement with Ingleside Dock and Fuel Inc. Both agreements were approved by the Port Commission on November 11, 2014, and January 13, 2015, respectively.

Staff posted notice of this project on the PCCA's procurement website and twice in the Corpus Christi Caller-Times as required by law. Our website history indicates that over 30 potential bidders viewed the contract documents and one hard copy set was picked up in office. Nine potential bidders attended the pre-bid conference, and staff allowed more time to prepare bids than the state-mandated two week minimum bid period. Despite these factors, on February 26, 2015, we received only one responsive bid to our Notice to Bidders. The bid was submitted by Rabalais Constructors, LLC, in the amount of \$679,600 for the Base Bid. Rabalais Constructors, LLC, is locally owned and operated and has successfully performed a number of security grant contracts for the PCCA in the past. Federal funds allocated for the construction of this portion of the project are \$1,558,000.

Staff recommends a contract be awarded to Rabalais Constructors, LLC, for the Base Bid in the amount of \$679,600. This security grant project will be reimbursed 75% (approximately \$509,700) in federal funds; construction costs to the PCCA will be approximately \$169,900. Staff further recommends that the Director of Engineering Services be granted a 4% contingency in accordance with the PCCA's standard contingency guidelines for general construction projects.

**LEAD CONTACT:** David Krams; 885-6134; [krams@pocca.com](mailto:krams@pocca.com)





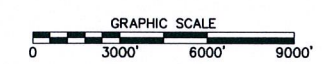
PROPOSED ADDITIONAL  
CAMERA LOCATIONS  
AND RANGE

**CAMERA POLE LOCATION**  
Ingleside Dock and Fuel Lease

**CAMERA POLE LOCATION**  
Oxy Ingleside Energy Lease



LA QUINTA/GULF INTRACOASTAL  
WATERWAY SURVEILLANCE  
4 NAUTICAL MILE RADIUS MAP







**BID TABULATION FOR SECURITY GRANT 13  
LA QUINTA / GIWW SURVEILLANCE  
PROJECT NO. 13-054C  
Bid Opening: February 26, at 2:00 PM**

<b>Company Name</b>	<b>Bid Bond or Check</b>	<b>Base Bid<sup>A</sup></b>
Rabalais Constructors, LLC	5% Bid Bond	\$679,600.00

<sup>A</sup> Base Bid: This project consists of installing one sixty foot (60') tall camera pole with related equipment, fencing, and concrete paving, at two separate locations. Camera signals will be transmitted to the Port's Security Command Center via wired and wireless communications. Cameras will be provided by the Port, and installed by the Contractor. This is a Lump Sum bid item.

NOTE: Time of completion is 90 calendar days as stated in Bid.

Read By: David L. Krams, P.E.

Tabulated By: Dave Michaelsen, P.E.

Checked & Prepared By: Melinda Maldonado

Date: February 26, 2015

**DATE:** March 17, 2015**FROM:** John LaRue; 885-6189; [john@pocca.com](mailto:john@pocca.com)***AGENDA ITEM NO. 21-I*****Purchase of Security Cameras under Port Security Grant 13  
“La Quinta/GIWW Surveillance” Project**

In 2013, the Port of Corpus Christi Authority received a U.S. Department of Homeland Security grant under the Port Security Grant Program for various security improvements. One of the projects awarded was the La Quinta/Gulf Intracoastal Waterway (GIWW) surveillance project. The amount awarded for this project was \$2,210,238.00 (\$1,657,678.50 federal funds and \$552,559.50 Port match). The La Quinta/GIWW surveillance project involves the installation of two camera poles—one at a portion of land (formerly NSI Ingleside) owned by Oxy Ingleside Energy Center and one at a portion of land located at Ingleside Dock & Fuel Inc.

With regard to the surveillance camera portion of the project and after researching different camera solutions, staff recommends a FLIR multisensor pan-tilt-zoom (PTZ) platform with long-range color and FLIR Ranger III XR thermal camera for each of the two aforementioned camera pole sites. FLIR is a recognized leader in the industry for thermal camera solutions.

Cost for the proposed FLIR equipment is based on the Texas Department of Information Resources (DIR) contract #DIR-SDD-2219. This contract offers a 20% discount off of MSRP and allows public agencies to acquire products from commercial sources that are already competitively bid. The Port can purchase these products from Graybar, which is located in Pflugerville, Texas.

Staff recommends the purchase of two MSO-2 series PTZ platforms with long-range view color cameras, two Ranger III XR series long-range thermal cameras, cables, shipping cases and software for \$339,840.80. The attached exhibit is the Graybar quote and FLIR's specification data sheet for the PTZ platform and Ranger III XR thermal cameras. All equipment comes with a 15-month parts and labor warranty. These cameras are compatible with existing analog monitoring and control equipment but will allow the Port to migrate to a high definition IP platform in the future. Installation will be done by the contractor awarded the construction contract for this project (Agenda Item 21-I).

Staff recommends the purchase of two color PTZ cameras and two thermal cameras with cables, shipping cases, and software(as described above) from Graybar at a cost of \$339,840.80 (\$169,920.40 per site). The purchase will be funded by Security Grant 13. The Port's match for this purchase will be \$84,960.20.

**LEAD CONTACT:** Tom Mylett; 885-6238; [tom@pocca.com](mailto:tom@pocca.com)



1922 WAUKESHA DRIVE  
PFLUGERVILLE TX 78660-2033  
Phone: 512-421-2342  
Fax: 800-450-1769

To: PORT OF CORPUS CHRISTI  
PORT OF CORPUS CHRISTI  
222 POWER ST  
CORPUS CHRISTI TX 78401-1529  
Attn: bruce  
Phone: 361-882-5633  
Fax: 361-881-5167  
Email: bruce@pocca.com

Date: 03/05/2015  
Proj Name: **FLIR**  
GB Quote #: **221931037**  
Valid From: 02/02/2015  
Valid To: 04/02/2015  
Contact: Mike Kozachenko  
Email: mike.kozachenko@graybar.com

## Proposal

We Appreciate Your Request and Take Pleasure in Responding As Follows

Item	Quantity	Supplier	Catalog Nbr	Description	Price	Unit	Ext.Price
<b>Notes: DIR CONTRACT # DIR-SDD-2219</b>							
<b>DELIVERY IS 60-90 DAYS ARO FREIGHT ALLOWED</b>							
100	2 EA	FLIR SYSTEMS	23166-206		\$70,375.20	1	\$140,750.40
***Item Note:*** Ranger III XR, 5.5o to 1.1o dual FOV lens, 100mm & 500mm, auto-focus. Human range 6Km. with shipping case							
200	2 EA	FLIR SYSTEMS	MISCSRV CABLE MSO-2 TO RANGER III		\$1,092.00	1	\$2,184.00
***Item Note:*** Cable MSO-2 to Ranger III							
300	2 EA	FLIR SYSTEMS	4126989		\$44,448.80	1	\$88,897.60
***Item Note:*** MSO-2/B3/IIc, pan/tilt, 360o pan, 24VDC, +/-35o elevation, 0.057o accuracy, 0.0057o readout, supports 5 serial devices , 0.03o/sec to 70o/sec							
400	2 EA	FLIR SYSTEMS	324-0007-00		\$1,268.40	1	\$2,536.80
***Item Note:*** Shipping Case, MSO-2							
500	2 EA	FLIR SYSTEMS	500-0479-00		\$28,140.00	1	\$56,280.00
***Item Note:*** LRV-Y33AF 33X, 15mm to 500mm with, 1/2 CCD, 23.4oH x 17.74oV to 0.74oH x 0.55o V, auto focus							
600	2 EA	FLIR SYSTEMS	4128340		\$880.80	1	\$1,761.60

This equipment and associated installation charges may be financed for a low monthly payment through Graybar Financial Services (subject to credit approval). For more information call 1-800-241-7408 to speak with a leasing specialist.

To learn more about Graybar, visit our website at [www.graybar.com](http://www.graybar.com)

24-Hour Emergency Phone#: 1-800-GRAYBAR

Subject to the standard terms and conditions set forth in this document. Unless otherwise noted, freight terms are F.O.B. shipping point prepaid and bill.  
Unless noted the estimated ship date will be determined at the time of order placement.

To: PORT OF CORPUS CHRISTI  
PORT OF CORPUS CHRISTI  
222 POWER ST  
CORPUS CHRISTI TX 78401-1529  
Attn: bruce

Date: 03/05/2015  
Proj Name: FLIR  
GB Quote #: 221931037

**AGENDA ITEM NO. 21-I**

## Proposal

We Appreciate Your Request and Take Pleasure in Responding As Follows

Item	Quantity	Supplier	Catalog Nbr	Description	Price	Unit	Ext.Price
***Item Note:*** Cable MSO-2 to LRV							
700	2 EA	FLIR SYSTEMS	324-0008-00		\$1,439.20	1	\$2,878.40
***Item Note:*** Shipping Case, LRV							
900	2 EA	FLIR SYSTEMS	4127056		\$9,763.00	1	\$19,526.00
***Item Note:*** 90 foot system cable							
1000	2 EA	FLIR SYSTEMS	4130240		\$1,173.00	1	\$2,346.00
***Item Note:*** 6 foot Breakout system cable assembly, includes input for 24VDC input connection to system.							
1100	2 EA	FLIR SYSTEMS	4130834		\$11,340.00	1	\$22,680.00
***Item Note:*** Toyon Video Plus e-Stab + de-scintillation software, single channel							

Total in USD (Tax not included): \$339,840.80

**Delivery:** Integrator required to provide 24VDC and 12VDC power as required

**Warranty:** One year parts and labor, additional three months warranty allowance for shipping, staging, and installation time, total 15 months.

Extended warranties on hardware can be purchased for up to a total five years.

- a. All parts and labor are included
- b. Rates calculated from unit price:
  - i. One additional year 10%
  - ii. Two additional years 22.5%
  - iii. Three additional years 35%
  - iv. Four additional years 47.5%

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To: PORT OF CORPUS CHRISTI  
PORT OF CORPUS CHRISTI  
222 POWER ST  
CORPUS CHRISTI TX 78401-1529  
Attn: bruce

Date: 03/05/2015  
Proj Name: FLIR  
GB Quote #: 221931037

AGENDA ITEM NO. 21-I

Proposal

We Appreciate Your Request and Take Pleasure in Responding As Follows

Item	Quantity	Supplier	Catalog Nbr	Description	Price	Unit	Ext.Price
GRAYBAR ELECTRIC COMPANY, INC. TERMS AND CONDITIONS OF SALE							
1. ACCEPTANCE OF ORDER; TERMINATION - Acceptance of any order is subject to credit approval and acceptance of order by Graybar Electric Company, Inc. ("Graybar") and, when applicable, Graybar's suppliers. If credit of the buyer of the goods ("Buyer") becomes unsatisfactory to Graybar, Graybar reserves the right to terminate upon notice to Buyer and without liability to Graybar.							
2. PRICES AND SHIPMENTS - Unless otherwise quoted, prices shall be those in effect at time of shipment, which shall be made F.O.B. shipping point, prepaid and bill.							
3. RETURN OF GOODS - Credit may be allowed for goods returned with prior approval. A deduction may be made from credits issued to cover cost of handling.							
4. TAXES - Prices shown do not include sales or other taxes imposed on the sale of goods. Taxes now or hereafter imposed upon sales or shipments will be added to the purchase price. Buyer agrees to reimburse Graybar for any such tax or provide Graybar with acceptable tax exemption certificate.							
5. DELAY IN DELIVERY - Graybar is not to be accountable for delays in delivery occasioned by acts of God, failure of its suppliers to ship or deliver on time, or other circumstances beyond Graybar's reasonable control. Factory shipment or delivery dates are the best estimates of our suppliers, and in no case shall Graybar be liable for any consequential or special damages arising from any delay in shipment or delivery.							
6. LIMITED WARRANTIES - Graybar warrants that all goods sold are free of any security interest and will make available to Buyer all transferable warranties (including without limitation warranties with respect to intellectual property infringement) made to Graybar by the manufacturer of the goods. GRAYBAR MAKES NO OTHER EXPRESS OR IMPLIED WARRANTIES, AND SPECIFICALLY DISCLAIMS ALL IMPLIED WARRANTIES INCLUDING BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR PURPOSE. UNLESS OTHERWISE AGREED IN WRITING BY AN AUTHORIZED REPRESENTATIVE OF GRAYBAR, PRODUCTS SOLD HEREUNDER ARE NOT INTENDED FOR USE IN OR IN CONNECTION WITH (1) ANY SAFETY APPLICATION OR THE CONTAINMENT AREA OF A NUCLEAR FACILITY, OR (2) IN A HEALTHCARE APPLICATION, WHERE THE GOODS HAVE POTENTIAL FOR DIRECT PATIENT CONTACT OR WHERE A SIX (6) FOOT CLEARANCE FROM A PATIENT CANNOT BE MAINTAINED AT ALL TIMES.							
7. LIMITATION OF LIABILITY - Buyer's remedies under this agreement are subject to any limitations contained in manufacturer's terms and conditions to Graybar, a copy of which will be furnished upon written request. Furthermore, Graybar's liability shall be limited to either repair or replacement of the goods or refund of the purchase price, all at Graybar's option, and IN NO CASE SHALL GRAYBAR BE LIABLE FOR INCIDENTAL, SPECIAL, OR CONSEQUENTIAL DAMAGES. In addition, claims for shortages, other than loss in transit, must be made in writing not more than five (5) days after receipt of shipment.							
8. WAIVER - The failure of Graybar to insist upon the performance of any of the terms or conditions of this agreement or to exercise any right hereunder shall not be deemed to be a waiver of such terms, conditions, or rights in the future, nor shall it be deemed to be a waiver of any other term, condition, or right under this agreement.							
9. MODIFICATION OF TERMS AND CONDITIONS - These terms and conditions supersede all other communications, negotiations, and prior oral or written statements regarding the subject matter of these terms and conditions. No change, modification, rescission, discharge, abandonment, or waiver of these terms and conditions shall be binding upon Graybar unless made in writing and signed on its behalf by a duly authorized representative of Graybar. No conditions, usage of trade, course of dealing or performance, understanding or agreement, purporting to modify, vary, explain, or supplement these terms and conditions shall be binding unless hereafter made in writing and signed by the party to be bound. Any proposed modifications or additional terms are specifically rejected and deemed a material alteration hereof. If this document shall be deemed an acceptance of a prior offer by Buyer, such acceptance is expressly conditional upon Buyer's assent to any additional or different terms set forth herein.							
10. REELS - When Graybar ships returnable reels, a reel deposit may be included in the invoice. The Buyer should contact the nearest Graybar service location to return reels.							
11. CERTIFICATION - Graybar hereby certifies that these goods were produced in compliance with all applicable requirements of Sections 6, 7, and 12 of the Fair Labor Standards Act, as amended, and of regulations and orders of the United States Department of Labor issued under Section 14 thereof. This agreement is subject to Executive Order 11246, as amended, the Rehabilitation Act of 1973, as amended, the Vietnam Veterans' Readjustment Assistance Act of 1974, as amended, E.O. 13496, 29 CFR Part 471, Appendix A to Subpart A, and the corresponding regulations, to the extent required by law. 41 CFR 60-1.4, 60-741.5, and 60-250.5 are incorporated herein by reference, to the extent legally required.							
12. FOREIGN CORRUPT PRACTICES ACT - Buyer shall comply with applicable laws and regulations relating to anti-corruption, including, without limitation, (i) the United States Foreign Corrupt Practices Act (FCPA) (15 U.S.C. §§78dd-1, et. seq.) irrespective of the place of performance, and (ii) laws and regulations implementing the Organization for Economic Cooperation and Development's Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, the U.N. Convention Against Corruption, and the Inter-American Convention Against Corruption in Buyer's country or any country where performance of this agreement or delivery of goods will occur.							
13. ASSIGNMENT - Buyer shall not assign its rights or delegate its duties hereunder or any interest herein without the prior written consent of Graybar, and any such assignment, without such consent, shall be void.							
14. GENERAL PROVISIONS - All typographical or clerical errors made by Graybar in any quotation, acknowledgment or publication are subject to correction. This agreement shall be governed by the laws of the State of Missouri applicable to contracts to be formed and fully performed within the State of Missouri, without giving effect to the choice or conflicts of law provisions thereof. All suits arising from or concerning this agreement shall be filed in the Circuit Court of St. Louis County, Missouri, or the United States District Court for the Eastern District of Missouri, and no other place unless otherwise determined in Graybar's sole discretion. Buyer hereby irrevocably consents to the jurisdiction of such court or courts and agrees to appear in any such action upon written notice thereof.							
15. PAYMENT TERMS - Payment terms shall be as stated on Graybar's invoice or as otherwise mutually agreed. As a condition of the sales agreement, a monthly service charge of the lesser of 1-1/2% or the maximum permitted by law may be added to all accounts not paid by net due date. Visa, MasterCard, American Express, and Discover credit cards are accepted at point of purchase only.							
16. EXPORTING - Buyer acknowledges that this order and the performance thereof are subject to compliance with any and all applicable United States laws, regulations, or orders. Buyer agrees to comply with all such laws, regulations, and orders, including, if applicable, all requirements of the International Traffic in Arms Regulations and/or the Export Administration Act, as may be amended. Buyer further agrees that if the export laws are applicable, it will not disclose or re-export any technical data received under this order to any countries for which the United States government requires an export license or other supporting documentation at the time of export or transfer, unless Buyer has obtained prior written authorization from the United States Office of Export Control or other authority responsible for such matters.							




Signed: \_\_\_\_\_

This equipment and associated installation charges may be financed for a low monthly payment through Graybar Financial Services (subject to credit approval). For more information call 1-800-241-7408 to speak with a leasing specialist.

To learn more about Graybar, visit our website at [www.graybar.com](http://www.graybar.com) 24-Hour Emergency Phone#: 1-800-GRAYBAR

Subject to the standard terms and conditions set forth in this document. Unless otherwise noted, freight terms are F.O.B. shipping point prepaid and bill. Unless noted the estimated ship date will be determined at the time of order placement.



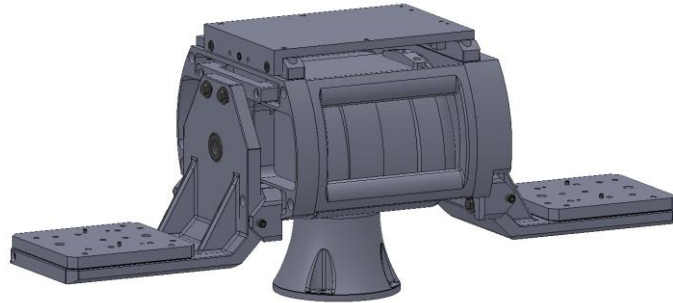
<div style="display: flex; align-items: center; justify-content: space-around;">  <div style="text-align: center;">  <p>Ranger III LR and LR</p>  <p>Ranger III XR+</p> </div> </div>	
<b>Camera Models</b> Revised 2/1/2013	Ranger III LR Ranger III XR Ranger III XR+
<b>Ranger III Thermal Camera Specs</b>	
Array Format (NTSC)	640 × 480
Detector Type	High Sensitivity Cooled InSb
Spectral Range	3.4 μm to 5.1 μm (MWIR)
Pixel Pitch	15 μm
Dual FOV	5X wide to narrow FOVs 2X and 4X Digital E-zoom
Focal lengths	Ranger III LR , 50mm & 250mm Ranger III XR, 100mm & 500mm Ranger III XR+ 150mm & 750mm
Field Of Views, HFOV	Ranger III LR, 11° & 2.2° Ranger III XR, 5.5° & 1.1° Ranger III XR+, 3.6° & 0.75°
Focus Range (Auto or Manual)	30' to ∞ with focus memory
On Command Auto Focus Speed	≤ 10 sec
Digital Detail Enhancement	Variable settings: Low- Medium- High
Video Output	Composite NTSC or PAL
Camera control	RS-422 or RS-232
Power	12-29VDC (24VDC nominal)
Power consumption	35 Watts to 125 Watts with heater ON
Weight	22 lb (-LR); 22 lb (-XR); 28 lb (-XR+)
Dimensions (without sunshade)	7" diam. × 16" long (-LR & XR); 7" diam. to 9"diam. max × 22" long (-XR+)
Environmental Qualification	IP-66 , MIL STD 810F
Operating temperature	-32 C to +55 C, -26 F to +131 F



FLIR Systems, Inc.  
70 Castilian Drive  
Goleta, CA 93117  
USA

1 805.964.9797  
1 805.685.2711 fax  
www.flir.com

## FLIR Pan Tilt Part Number 4126989



Features	FLIR MSO-2/B3/IIc Pan Tilt Unit
<b>Azimuth Range of Motion</b>	Continuous 360°
<b>Elevation Range of Motion</b>	±35°
<b>Azimuth Velocity</b>	0.03°/sec to 70°/sec
<b>Elevation Velocity</b>	0.03°/sec to 30°/sec
<b>Accuracy</b>	±1 mrad
<b>Position Readability</b>	0.1 mrad
<b>Payload</b>	2 x 37 lbs (side by side) 66 lbs total
<b>Interface</b>	10/100 Mb TCP/IP
<b>Sensors Interface</b>	5x Serial Lines
<b>Power Supply</b>	24 VDC (19-32 V)
<b>Operating Temperature</b>	-32° C to 55° C
<b>Environmental Protection</b>	IP66
<b>Weight</b>	45 lbs (with no sensors)

**DATE:** March 17, 2015

**FROM:** John LaRue; 885-6189; [john@pocca.com](mailto:john@pocca.com)

***AGENDA ITEM NO. 21-J***

**Approve a Purchase Order with Dell Financial Services for  
Leasing of Computers and Servers under a Master Lease  
Agreement between the State of Texas Directory of Information  
Resources and Dell Financial Services**

The Port primarily uses Dell desktop computers, laptops and servers. There are currently 172 computers and servers under lease through Dell Financial Services. The Port leases computers through Master Lease Agreement No. 6708974 between the State of Texas Directory of Information Resources (DIR) and Dell Financial Services. All pricing and lease schedules are in accordance with the State of Texas DIR.

In 2014, the total cost of computer equipment leases was \$70,138.42. Staff projects a cost of \$81,687.60 with Dell Financial Services in 2015. The increase in cost is due to the addition of administrative staff projected for 2015 and the leasing of seven new servers. As the VMware virtual server infrastructure is currently operating at 80% capacity, four of these servers will be added to reduce that operating capacity. The three remaining servers will be added for the migration from Novell to a Microsoft domain. Staff allocated \$106,975 in the 2015 budget for computer equipment leases and purchases.

Staff recommends approval of a not-to-exceed amount of \$90,000 with Dell Financial Services for the lease of computer and server equipment as described in the attached quote.

**LEAD CONTACT:** Dennis DeVries; 885-6139; [dennis@pocca.com](mailto:dennis@pocca.com)

**Port of Corpus Christi Authority  
Current and Projected Leases  
2015**

<b>Current Leases</b>					
<b>Dell Lease Number</b>	<b>Lease Date</b>	<b>Lease Term Date</b>	<b>Number of Devices</b>	<b>Cost Per Month</b>	<b>Annual Cost</b>
001-8536291-029	04/14/12	04/14/15	22	\$ 671.02	\$ 8,052.24
001-8536291-030	05/11/12	05/11/15	12	\$ 341.44	\$ 4,097.28
001-8536291-031	07/31/12	07/31/15	6	\$ 188.28	\$ 2,259.36
001-8536291-032	08/21/12	08/21/16	3	\$ 604.99	\$ 7,259.88
001-8536291-033	09/29/12	09/29/16	4	\$ 439.59	\$ 5,275.08
001-8536291-034	12/26/12	12/26/16	3	\$ 396.20	\$ 4,754.40
001-8536291-035	12/19/12	12/19/15	3	\$ 128.50	\$ 1,542.00
001-8536291-037	06/10/13	06/10/16	21	\$ 489.97	\$ 5,879.64
001-8536291-038	08/02/13	08/02/16	2	\$ 47.55	\$ 570.60
001-8536291-039	12/02/13	12/01/16	14	\$ 310.13	\$ 3,721.56
001-8536291-041	03/13/14	03/17/17	9	\$ 188.52	\$ 2,262.24
001-8536291-042	03/20/14	03/20/17	17	\$ 454.43	\$ 5,453.16
001-8536291-043	05/30/14	05/31/17	19	\$ 511.62	\$ 6,139.44
001-6708974-001	12/01/14	12/01/17	12	\$ 395.31	\$ 4,743.72
001-6708974-002	12/22/14	12/22/17	24	\$ 705.76	\$ 8,469.12
001-6708974-003	02/11/15	02/11/18	1	\$ 28.99	\$ 347.88
			<b>172</b>	<b>\$ 5,902.30</b>	<b>\$ 70,827.60</b>
<b>Projected New Leases</b>					
Servers	6/1/2015	6/1/2019	4	\$ 834.00	\$ 5,004.00
Servers	6/1/2015	6/1/2019	3	\$ 542.00	\$ 3,252.00
Desktops	6/1/2015	6/1/2018	8	\$ 267.00	\$ 1,602.00
Laptops	6/1/2015	6/1/2018	4	\$ 167.00	\$ 1,002.00
			<b>19</b>	<b>\$ 1,810.00</b>	<b>\$ 10,860.00</b>
			<b>191</b>		<b>\$ 81,687.60</b>

**DATE:** March 17, 2015

**FROM:** John LaRue; 885-6189; [john@pocca.com](mailto:john@pocca.com)

**AGENDA ITEM NO. 22**

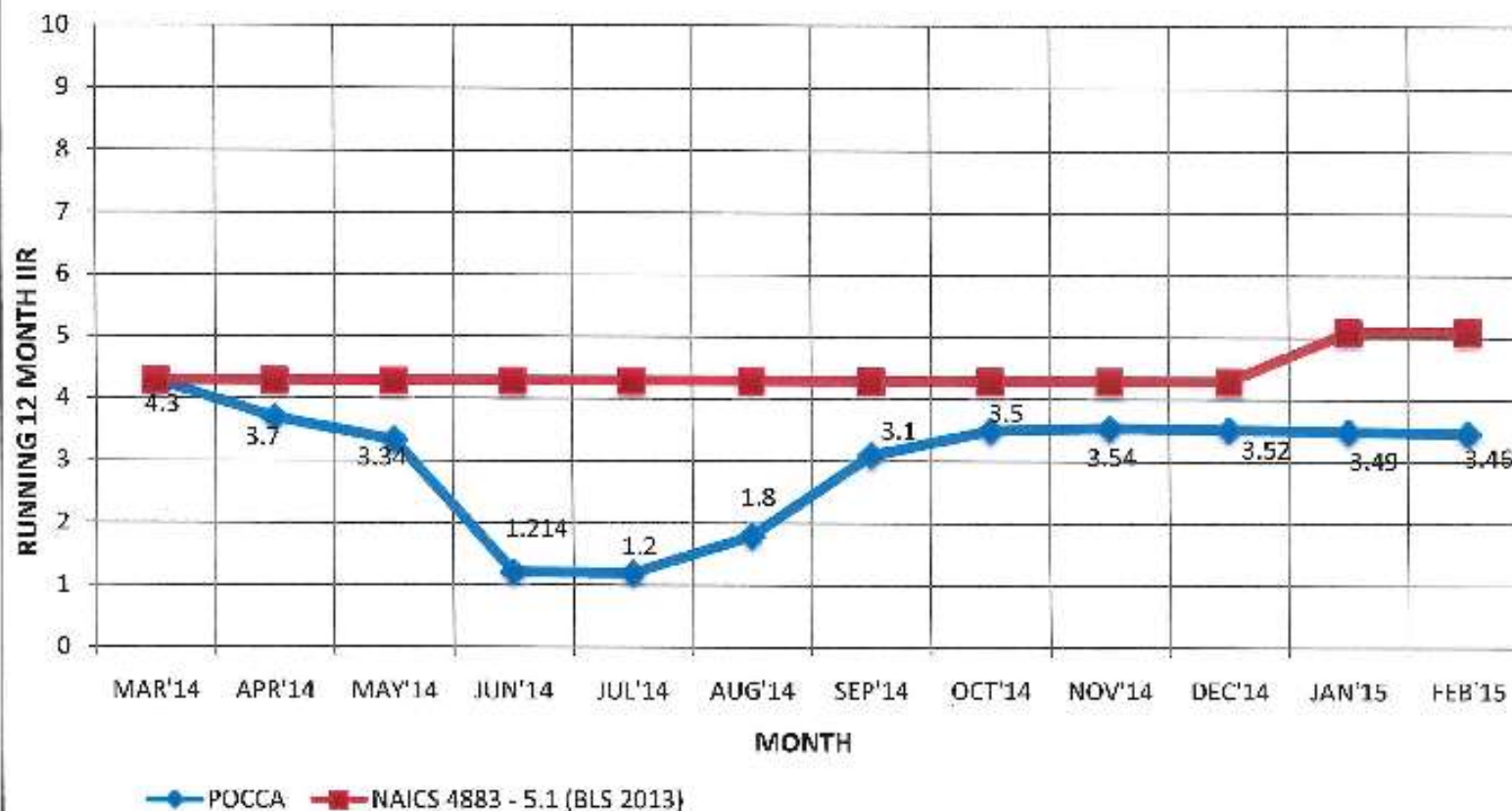
**EXECUTIVE DIRECTOR'S REPORT**



**Port of Corpus Christi Authority**  
Monthly Safety Data Report  
February 2015

Safety	POCCA Employees Total		BMD Personnel		Maintenance Personnel		PD Personnel		Admin. & Annex Personnel	
	Month	YTD	Month	YTD	Month	YTD	Month	YTD	Month	YTD
Number of Employees	191		23		41		51		76	
Work Hours	28,227	58,889	4,043	8,512	5,562	11,654	7,704	13,580	10,514	25,144
First Aid Cases	1	4	1	2	0	1	0	1	0	0
Recordable Injuries	1	2	0	0	0	0	1	2	0	0
Recordable Illnesses	0	0	0	0	0	0	0	0	0	0
Last Time Cases	0	0	0	0	0	0	0	0	0	0
Number of Days Lost	0	0	0	0	0	0	0	0	0	0
Restricted Cases	0	0	0	0	0	0	0	0	0	0
Number of Days Restricted	0	0	0	0	0	0	0	0	0	0
TOTAL RECORDABLES	1	2	0	0	0	0	1	2	0	0
INCIDENT RATE (YTD)		6.79		0.00		0.00		29.46		0.00
<b>Types of Injuries</b>										
Slips/Trips/Falls	0	2	0	0	0	1	0	0	0	0
Struck By	1	1	1	1	0	0	0	0	0	0
Strains/Sprains	1	3	0	1	0	0	1	1	0	0
Cuts/Lacerations/Punctures	0	0	0	0	0	0	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	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0
TOTAL	2	6	1	2	0	1	1	1	0	0
<b>Days Since Last Lost Time Case</b>										
Days Since Last Lost Time Case	17		Hours Since Last Lost Time Case	136		Days Since Last Recordable Injury/Illness	17		Hours Since Last Recordable Injury/Illness	136
<b>12 Month Rolling Average</b>										
Date of Last Lost Time Case	Thursday, February 12, 2015		Date of Last Recordable	Thursday, February 12, 2015		March 2014 - February 2015:		346,694	Manhours Worked	
						Occupational Injury/Illness Rate:		3.46		

## 12 MONTH AVG OSHA Injury/Illness RATE February 2014 - January 2015





**COMMUNICATIONS**

***February Events with Employee Participation:***

- Visit to Magellan
- AAPA Economic Development Seminar in Pensacola
- Lloyd's Port of the Year Reception & Dinner in Houston
- State of the City
- Strategic Planning Meetings
- Planning meeting for GPAA in CC
- Planning meetings for Nueces River Yard Grand Opening
- START Meeting in Corpus Christi
- Wellness meeting & monthly luncheon
- Various Positive Engagement Campaign meetings
- Job Shadow Day
- Mastermind Committee Mtg.
- Port Commission Mtg. and special Port Commission meeting
- CVB monthly meeting
- American Diabetes Board Meeting
- Boys & Girls Club Board Meeting
- VCS Board Meeting
- Bridge Walk
- Wellness Committee Board Meeting

***Upcoming Events with Employee Participation:***

- Bridge Walk
- Goodwill Spring Walk/Run
- MS Walk
- March of Dimes
- Tour the Cure

***Multimedia Coverage For February:***

- **New Marketing/Media Management**
  - PortOfCorpusChristi.com
    - Our Broadcasts/SEACASTS news feed stories are original content; written to inspire organic growth with search engines.
      - [US investments remain critical according to voestalpine CEO](#)
      - [New Harbor Bridge closer to construction with Port commitment](#)
      - [Chinese Investment Interest Continues to Grow in South Texas](#)
      - [Teamwork for the Corpus Christi Region](#)
    - Website Analytics (February 1 – 28, 2015)
      - 11,150 Sessions
      - 25,791 Page Views
      - 6,467 Unique Users

## ➤ User Profiles

	<b>Country</b>	<b>Sessions</b>	<b>% Sessions</b>
1.	United States	10,207	91.54%
2.	Mexico	89	0.80%
3.	India	84	0.75%
4.	China	83	0.74%
5.	Colombia	64	0.57%
6.	Canada	53	0.48%
7.	United Kingdom	51	0.46%
8.	Chile	46	0.41%
9.	Peru	38	0.34%
10.	Germany	32	0.29%

## ➤ Top Traffic Sources

	<b>Source</b>	<b>Sessions</b>	<b>%New Session</b>
1.	Direct	5,072	41.11%
2.	Organic Search	5,056	62.16%
3.	Referral	944	52.54%
4.	Social	78	66.67%

## ○ Social Media – More great engagement!

## ➤ Facebook (January 1 – 31, 2015)

- 333 Likes
- 3,512 Total Reach (Organic)

## ➤ Twitter

- 747 Followers
- 10 Retweets
- 13 Favorites
- 9 Replies
- 3,600 Impressions (Organic)

## ○ Photo/Video/Documentary

- People Move Our Port (PMOP)
- Inner Harbor area beauty photos
- Inner Harbor Ops
- NRRY Update
- State of the City (CC)
- Visiting college students
- February Commission Meeting

● **Media, Marketer & Community Relations**

- Put a wrap on 2015 Directory – Taking delivery any day now
- Continued engagement of worldwide community through web and social channels

● **Media Advisories/Press Releases**

- CCREDC new Director – write/coordinate release
- Bulk Material Alarm Test – coordinate release

- **Media Mentions/Websites**
  - 13 (See attached PortCCNews2\_2015)

***Marketing – MDR:***

In February, the Communications Department began planning the Grand Opening of the Nueces River Rail Yard Phase I and working on rail reception invitations and gifts. The department is also gearing up for the Gulf Ports Association of the Americas conference to be held in Corpus Christi, March 31-April 2. The People Move Our Port community campaign continues to grow, and the team is preparing to launch a media campaign utilizing online banner ads, and non-traditional media in the downtown area in later March to early April.

***February 2015 Media/ Editorial Focus /Ad Content***

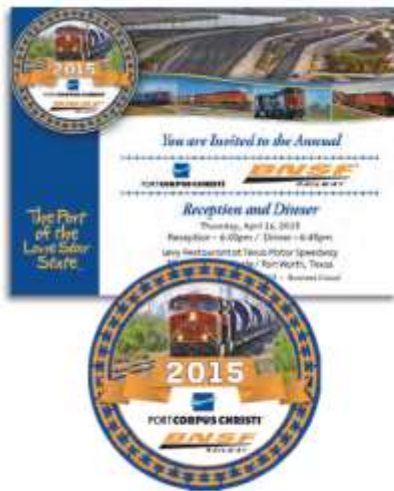
- *American Journal of Transportation* /Foreign Trade Zones /Powerful Partners for Progress
- *International Transport Journal* Breakbulk/Heavy Lift/Rail/Wind Take a load off.
- *Logistics Management* /US Ports Update /The Port of the Lone Star State.
- aapa-ports.org/ Homepage Banner /The Port of the Lone Star State.
- americaneconomia.com /eNewsletter Sponsor /Su Puerto en Texas.
- ajot.com /Run of Site Banner /Ready for the big haul.
- expansionsolutionsmagazine.com /Homepage Banner /Come Grow With Us.
- latintrade.com /Daily eNewsletter Sponsor /Mejoramos su cadena logística.

***March 2015 /Media Editorial/ Focus Ad Content***

- *Asociación Nacional de Importadores* /Directory published in Mexico /Su Puerto en Texas.
- *America Economia* /Ports Reach Boiling Point – Special Ed. /Su Puerto en Texas.
- *Beeville Publishing* /Eagle Ford Shale Directory /Shale-scale Expansion
- *Expansion Solutions Magazine* /Texas Annual State Review /The Port of the Lone Star State.
- *International Transport Journal* / Sea Freight/Ports/Rail /Take a load off.
- *Journal of Commerce* /Intermodal Transportation /Ready for the big and long haul.
- *Seatrade* /Panama Canal Review/ Ready for the big and long haul.
- aapa-ports.org /Homepage Banner /The Port of the Lone Star State.
- centralamericadata.com /Transportation & Logistics /Channel Su Puerto en Texas.
- drycargomag.com /Homepage Banner /The Port of the Lone Star State.
- expansionsolutionsmagazine.com/ Homepage Banner /Come Grow With Us.
- ITJ Daily /ITJ Daily eNewsletter Banner /Take a load off.
- latintrade.com /Daily eNewsletter Sponsor/ Mejoramos su cadena logística.
- RechargeNews.com/ Wind Channel /We're a fan of wind.

***Current Marketing Developments***

- START Initiative
- 2015 Media
- Various Media and Community Ads
- Account Advising
- People Move Our Port Campaign
- Nueces River Rail Yard Grand Opening
- Strategic Plan Action Team
- Kids Video



## AGENDA ITEM NO. 22



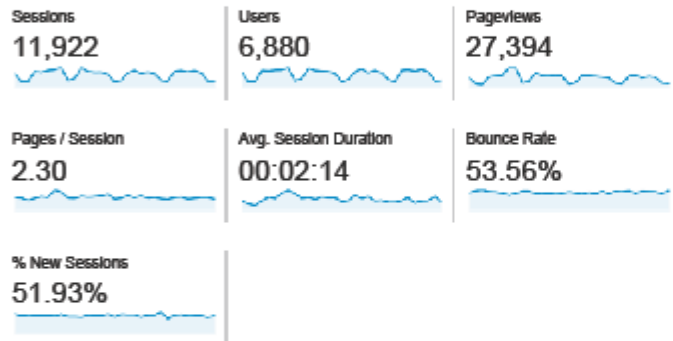
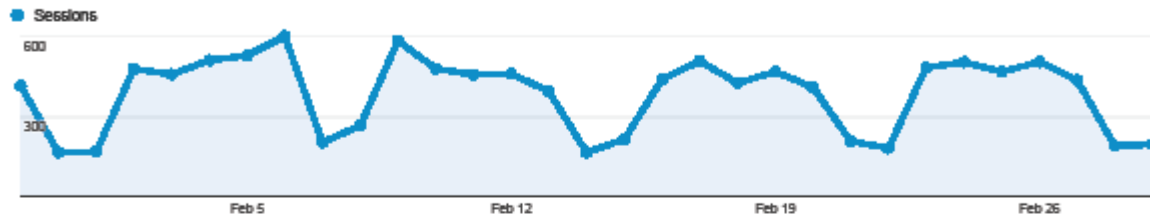
PCC - <http://www.portofcorpuschristi.com> [Go to this report](#)  
PCC

### Audience Overview

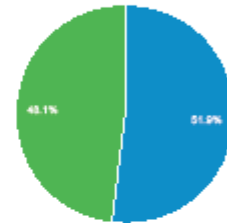
Jan 30, 2015 - Mar 1, 2015

All Sessions  
100.00%

#### Overview



New Visitor Returning Visitor



Country		Sessions	% Sessions
1.	<a href="#">United States</a>	10,924	91.63%
2.	<a href="#">China</a>	91	0.76%
3.	<a href="#">Mexico</a>	90	0.75%
4.	<a href="#">India</a>	87	0.73%
5.	<a href="#">Colombia</a>	69	0.58%
6.	<a href="#">Canada</a>	56	0.47%
7.	<a href="#">United Kingdom</a>	52	0.44%
8.	<a href="#">Chile</a>	46	0.39%
9.	<a href="#">Peru</a>	39	0.33%
10.	<a href="#">Germany</a>	34	0.29%

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**GOVERNMENT AFFAIRS**

During February 2015, Government Affairs promoted and protected port and regional interests at the local, state and federal levels of government.

**LOCAL**

- Attended Corpus Christi Chamber of Commerce Government Affairs committee meeting to prepare for upcoming legislative session.
- Planning port briefings for new elected officials.
- Working with port staff to plan Nueces River Rail Yard ribbon cutting, sent invitations to elected officials, made request for USDOT Secretary to speak.

**STATE**

- Held meetings with state delegation and consultants to discuss port's overweight permit legislation.
- Participated in Texas Ports Association Day in Austin, met with House and Senate offices.
- Participated in San Patricio Day in Austin with local business leaders, elected officials, met with House and Senate offices.
- Participated in Coastal Bend Day in Austin with local business leaders, elected officials, met with House and Senate offices.
- Texas House Speaker Joe Straus announced House committee assignments in February. Our state representatives all received chairmanship positions: Hunter, Calendars, Chair; Herrero, Criminal Jurisprudence, Chair; Lozano, Redistricting, Chair.

**FEDERAL**

- The President released a proposed FY 2016 budget that is a decrease (\$1.95 billion) from previous year (\$2.33 billion) for navigations programs. Government Relations will continue to work with congressional offices, AAPA and other stakeholders to seek increased funding for construction and dredging monies and Harbor Maintenance Tax revenues as specified in WRDA.
- Worked with congressional offices and consultants regarding approval of the widening and deepening component of the Corpus Christi Ship Channel project.
- Working with congressional offices and consultants to monitor FY 2016 Budget, Surface Transportation Reauthorization, National Freight Policy provisions, Harbor Maintenance Trust Fund reform, US Coast Guard, Port Security Grant Program funding, etc.





**MEMORANDUM**

**To:** Nelda Olivo  
**From:** Hugo Berlanga  
**Re:** February Activity Report  
**Date:** March 6, 2015

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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:

Governor Abbott stated he will veto any budget if the business franchise tax is not lowered or done away with entirely.

The Senate Transportation committee voted out SB 5 to provide the Texas Department of Transportation (TxDOT) with \$25 billion in additional funds for roads over the next decade. The committee also passed out SJR 5, a constitutional amendment dedicating any additional funds over \$2.5 billion in vehicle sales taxes to the highway fund. It is estimated that SB 5 and SJR 5, if approved will dedicate \$2 billion a year for roads.

Speaker Joe Straus (R-San Antonio) released committee assignments, Rep. John Otto (R-Dayton) takes over as chair of the Appropriations committee for retired Jim Pitts. Other assignments of note, Rep. John Frullo (R-Lubbock) will chair the Insurance committee, while former chair Rep. John Smithee (R-Amarillo) will chair the Judiciary and Civil Practices committee.

Gov. Abbott announced five emergency items for the 84<sup>th</sup> Legislative Session: early education, higher education, research initiatives, transportation funding, border security funding and ethics reform.

Key leaders in the House expect a \$4 billion tax cut to be included in the budget, while in the Senate some are concerned about the Senate's tax cut proposal. Sen. Kevin Eltife (R-Tyler) said permanent solutions are needed for the state's funding problems before he can support tax cuts. The Senate budget proposal cuts taxes by \$4.6 billion.

## ***AGENDA ITEM NO. 22***

- Attended the Texas Port Commissions Visit and Reception held in Austin, Texas on February 2, 2015;
- Attended a meeting with Governor's staff in Austin, Texas on February 3, 2015;
- Attended a meeting with GLO Commissioner G. P. Bush on February 3, 2015;
- Attended the Transportation Committee hearing in Austin on February 25, 2015;
- BBC will continue to work with Port staff to coordinate all legislative lobbying efforts;
- 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.

**Memorandum for Nelda Olivo  
Director of Government Affairs, Port of Corpus Christi Authority**

From: Brian Yarbrough and Janiece Crenwelge  
Date: 3/2/2015  
Re: Activities on behalf of Port Corpus Christi during February 2015

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**February 1:** Edit background and explanation of the Port's legislative proposal to include state highways in Nueces County and to and from Joe Fulton International Corridor as roadways on which the Port may issue oversize/overweight permits.

Review of Comptroller's website, report, and searchable database of entities claiming eminent domain authority to understand both the range of entities submitting letters and whether other entities also missed the reporting deadline or did not submit letters in accordance with statutory guidelines.

**February 2:** Phone call with Cory Pomeroy, Texas Oil and Gas Association (TXOGA), regarding SB 18 by Estes, 82R-2011. Cory staffed Sen. Duncan on this bill in 2011, and the requirement that entities with eminent domain power submit a letter claiming authority and citing relevant statutes was something Sen. Duncan wanted in the bill. Conversation with Cory made us aware that legislation has also been passed to require a 2/3 vote of both houses of the Legislature to grant eminent domain authority.

Capitol meetings between Port Commissioners Barbara Canales and Richard Valls, John LaRue, Nelda Olivo, Hugo Berlanga, and Brian Yarbrough and Governor Abbott's office, Sen. Zaffirini, Rep. Hunter, Rep. Herrero, and Sen. Hinojosa. Discussions of Port's legislative initiatives regarding authority to issue an oversize/overweight permit on a state highway in Nueces County and eminent domain authority for the San Patricio Rural Rail Transportation District.

Attend Texas Ports Association Legislative Reception.

**February 3:** Email Josh Reyna, Legislative Director for Sen. Hinojosa, background on the eminent domain issue for the San Patricio Rural Rail Transportation District so that he can submit a draft request to Legislative Council.

**February 5:** Schedule meeting with Sen. Lois Kolkhorst for Thursday, February 12. John LaRue and Sen. Kolkhorst spoke at the Texas Ports Association Legislative Reception on February 2, and Sen. Kolkhorst invited John to set up a meeting.

**February 9:** At request of Sen. Hinojosa's office, check with Sen. Zaffirini's office to determine whether she would like to file the bill to restore eminent domain authority for the San Patricio Rural Rail Transportation District. Chief of Staff Sean Griffin confirmed that Sen. Zaffirini would like to file. Send email to Sean so that he can submit a draft request to Legislative Council.

## ***AGENDA ITEM NO. 22***

Phone call with Nelda Olivo to discuss possible noon meeting with Sen. Kolkhorst on Feb. 12<sup>th</sup>, San Patricio County Day, and expenditure reporting.

**February 10:** Meet with Krista Kyle, policy analyst and staff attorney in Sen. Zaffirini's office, on the San Patricio Rural Rail Transportation District eminent domain issue. Discussion of local notice requirements related to the bill.

**February 12:** Email Krista Kyle additional background and research on the San Patricio Rural Rail Transportation District issue. Inquiry as to whether Texas Legislative Council has indicated that the bill will require posting of local notice.

Attend San Patricio County Day reception at the Stephen F. Austin. Discuss rail district eminent domain issue with San Patricio county officials and determine if another entity with overlapping eminent domain power may be available to exercise its authority.

**February 13:** Meet with Krista Kyle to let her know that while we want to draft a bill to restore eminent domain authority to the San Patricio Rural Rail Transportation District, we do not want to file the bill until a final decision has been made on which entity should use its eminent domain authority.

Meet with Josh Reyna in Sen. Hinojosa's office. Give Josh written explanation and draft language for authorizing an oversize/overweight permit on state highways in Nueces County.

**February 14:** Notify Port that Rep. Lozano filed HB 1422, which would restore the eminent domain authority of *any* rural rail transportation district that lost its authority under Section 2206.101(c), Government Code.

**February 17:** Review proposed omnibus port association legislation transmitted by Nelda Olivo for general impact and tracking, pending selection of author and filing.

**February 18:** Communication to John LaRue and Nelda Olivo to gather additional background information related to an oversize/overweight permit per the request of Sen. Hinojosa's legislative director.

Contact Krista Kyle to make her aware of Rep. Lozano's HB 1422 and reiterate that we would like a bill specific to the San Patricio Rural Rail Transportation District.

**February 19:** Update Matt Lamon in Rep. Lozano's office regarding the bill Rep. Lozano filed to restore eminent domain authority for *all* rural rail transportation districts and the possibility that San Patricio County may look to another entity with eminent domain authority to condemn property for the project in question.

**February 23:** Meet with Rep. Hunter to discuss the overweight permit bill and strategy for passage through the House. Consult with Rep. Abel Herrero on carrying the overweight permit bill in the same manner as the original SB 1571 in 2009.

## ***AGENDA ITEM NO. 22***

**February 24:** Communicate to Josh Reyna in Sen. Hinojosa's office additional information provided by Nelda Olivo about how overweight permits are working in the Ports of Brownsville and Freeport.

**February 1-28:** Conferences with Sen. Hinojosa, Reps. Hunter, Lozano and Herrero, and staffs, regarding port issues. Daily review of and legal research on filed legislation for potential impact to Port of Corpus Christi activities and operations. Weekly transmission of current bill tracking list to John LaRue and Nelda Olivo on filed legislation.

**CASSIDY & ASSOCIATES**

733 TENTH STREET, N.W., SUITE 400  
WASHINGTON, D.C. 20001-4886

Tel: (202) 347-0773  
Fax: (202) 347-0785  
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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: February 1-28, 2015

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Summary of Services on behalf of Port of Corpus Christi Authority, Texas:

- Substantive consulting on federal government issues on behalf of PCCA
  - ▶ Helping finalize follow-up correspondence with Corps of Engineers and Office of Management and Budget policy as applied to Corpus Christi Ship Channel improvement project
  - ▶ Reported on activities of Secretary of Transportation and Vice President on promotion of port and transportation infrastructure improvements
  - ▶ Assisted in drafting invitation to Department of Transportation regarding TIGER Grant project completion ceremony and made follow-up communication re same
  - ▶ Provided information about release of proposed FY156 budget and funding of Corps of Engineers and transportation programs
  - ▶ Discussed progress of local Corps district on economic update work plan
- Legislative Liaison and Monitoring
  - ▶ Reported on outcomes of Port meetings with Corps of Engineers and Office of Management and Budget
  - ▶ Gave advance notice of meeting between House Transportation & Infrastructure Committee and Secretary of Transportation
  - ▶ Monitored hearings on surface transportation act reauthorization, especially rail provisions that could impact Port
  - ▶ Provided information advance notice of planned regarding TIGER Grant project completion ceremony
- Client Contact and Team Coordination
  - ▶ Engaged in regular telephone and e-mail contact on PCCA matters with Executive Director John LaRue, Government Relations Manager Nelda Olivo, and Director of Engineering Services David Krams
  - ▶ Reviewed news media coverage of new developments at Port and other PCCA activities and discussed same with PCCA representatives



## BORSKI ASSOCIATES, LLC

4463 East Thompson Street  
Philadelphia, PA 19137  
(215) 327-5600 (Cell)

805 15th Street, N.W.  
Suite 1101  
Washington, DC 20005  
(202) 459-0804 (Office)

### **MEMO**

To: Port of Corpus Christi  
From: Borski Associates  
Date: March 6, 2015  
Re: Monthly Report

#### **President's Budget**

The President's proposed FY16 budget was released on February 2nd. It included \$1.172 billion for construction projects, which would be roughly \$500 million less than Congress provided in FY15. Furthermore, only \$321 million of this is dedicated to navigation projects. Additionally, the budget proposes \$2.7 billion for operations and maintenance, of which only \$915 million comes from the Harbor Maintenance Trust Fund. This is over \$200 million less than provided in FY15 by Congress and is less than required by WRRDA 2014. It would also reduce funding for "energy transfer" ports under WRRDA. We will work with POCCA to communicate any concerns to Congress as it considers the FY16 Energy and Water Appropriations bill.

The budget included \$8.75 million for maintenance dredging of the Port of Corpus Christi Ship Channel.

#### **FY15 Homeland Security Funding**

Congress averted a shutdown of Department of Homeland Security functions by passing one week extension, which buys congressional Republican leaders time to consider how to address the President's executive orders on immigration. While no Customs and Border Protection officers would be furloughed, administrative and support staff would be, perhaps leading to slow downs at ports of entry.

**BUSINESS DEVELOPMENT**

- The wind energy components continue to arrive on a steady basis. Four vessels discharged in the month of February and a similar number are anticipated for the month of March. Nevertheless, we are already in close contact with various manufacturers monitoring their intended projects for 2016. Our ample rail capability and lay down areas allow us to continue having preferential attention to handle this type of cargo.
- Continuing with wind energy clients and as reported a few months back. We received the last unit train with blades for export to Peru. It will take four vessels to transport all the blades. The first vessel should be loading in mid March.
- All the BD staff members are participating within the various action planning workshops developing PCC's Strategic Plan. The strategic objectives should be presented towards the middle of March.
- We are working with various clients planning to import steel pipe, for the oil and gas industry, from Asia, Arabian Sea and Mediterranean areas. Some of them destined to Northern Mexico's, State of Chihuahua, oil-gas projects. In the meantime, we have another three thousand tons of Asian pipe arriving in March.
- Met with a couple of entities who are planning to export frac-sand, in super bags, to Colombia. As the domestic frac-sand business is slowing down, we are aggressively pursuing this opportunity. It can become the "base" cargo for the intended Liner Service project.
- We have received various companies who are interested in importing/handling aggregates in the 20 to 30 thousand ton per ship volumes (up to 600 thousand tons yearly). Coordinating with the Bulk Terminal to find a suitable solution to this opportunity and/or trying to find a suitable port area to accommodate the client needs.
- Attended and presented the Port within an invitation from TAMUCC/ State Department to various South American and Mexico business executives. Some of the participating companies plan to expand their manufacturing operations to Texas. Though small in scale, compared to M&G et al, we will assist them in having their operation within our ample Foreign Trade Zone areas.
- Participated in a couple of meetings coordinating the Reefer Warehouse dismantling process. Latest word from Santa Marta Port and his local contractor is to start the process in early March and have all the materials ready for shipment by end June.
- Our Port was a finalist for the prestigious Lloyd's List North American 2015 Awards (Port Operator of the Year). The event took place in Houston. We competed against entities such as SSA Marine, Prince Rupert Port, GCT Global Container Terminals and APM Terminals. Unfortunately, we lost to APM Terminals but should continue enhancing our Port's operations/diversification and compete in the 2016 event.
- Attended meetings, as member of the Downtown Area Development Plan committee, in which various "ideas" on how to "unite the areas" near the waterfront were presented. This, once the new bridge is constructed and the old one demolished. Some

## ***AGENDA ITEM NO. 22***

ideas/implementations may be possible but others would be either too costly and/or just not workable at all.

- Travelled to Houston to meet with three important freight forwarders who today are sending containers to Colombia. Presented our Liner Project with the advantages to be achieved via PCC and all were very interested in pursuing this new ocean venue. Our Colombian contacts of Palermo, Compas and DeepBlue continue to work clients from their side as well.
- NASCO (North American Strategy for Competitiveness) is planning to have their regional committee meeting in PCC during the month of April. We are coordinating this effort and anticipate having over fifty delegates in attendance. The latest NAFTA cargo initiatives, including oil-drilling plans for Northern Mexico are to be topics of discussion
- We are closely following the latest USA-Cuba round of negotiations on diplomatic relations and trade. In addition, maintaining close contact with our Texas Cuba Trade Alliance colleagues and agricultural exporters. We intend to have PCC in front of our Cuban contacts, in DC, as the venue to export cargoes to said island.
- Working within the steering committee of the Eagle Ford Shale Consortium in planning their yearly meeting to take place in May.
- We have received eight vessels with factory assembly components for one of plants under construction in the area. In addition, coordinating suitable space in the South Side of the port, so their engineers can assemble a three hundred ton ship loader.
- Working/coordinating with other port departments the logistics required for an entity importing heavy lift components for their manufacturing plant. Special “heavy-lift” vessel will be utilized for the transport of such 300+ metric ton pieces. Expected arrival time will be sometime in April.

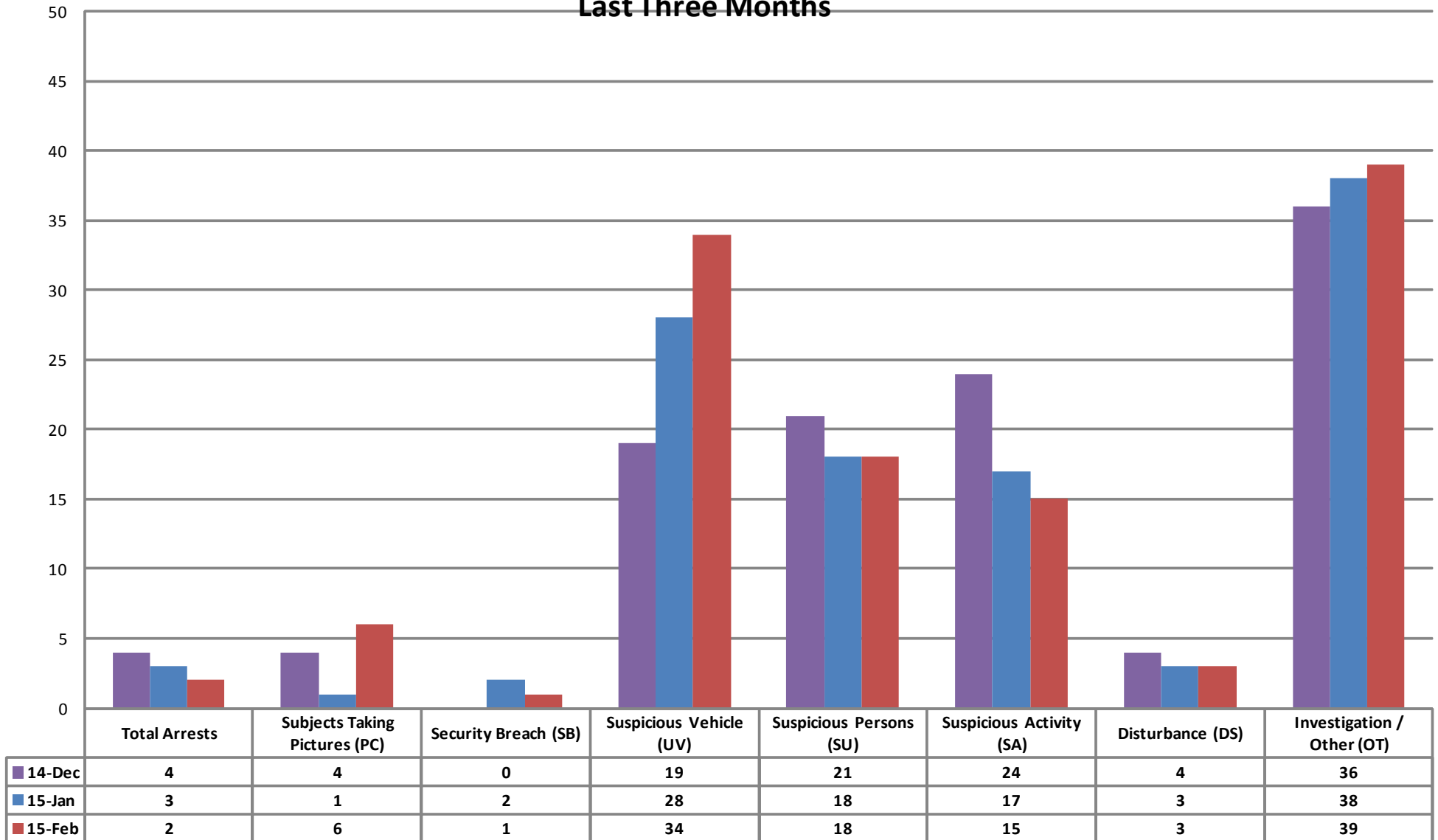
## **HUMAN RESOURCES**

### ***General***

- New Hires:
  - Leslie Ruta, Staff Accountant (Accounting)
  - Bruce Ward, Police Officer (Port Security)
  - Jose Ramos, Police Officer (Port Security)
- Drug/Alcohol Tests
  - post accident
- Events Attended
  - Workforce Solutions of the Coastal Bend's annual Job Shadow Day with local employers. This program allows individuals (ages 19 to 22) in the Coastal Bend area to shadow professionals in the field they themselves are interested in pursuing. (4) participants shadowed Port staff in our Engineering, Business Development, IT and Security departments.
- Staff meetings
  - Human Relations
  - Recruitment
  - Staffing
  - Employee Development
  - Payroll Administration/Compensation
- **Contract Participation:**
  - At the end of February 2014 (544) vendors were registered on the established E-Bid System website for businesses doing and those wanting to do business with PCCA. Of the vendors registered (214) are Target Group Vendors. The Target Group Vendors are: Disadvantaged Business Enterprise (DBE), Historically Underutilized Business (HUB), Minority Business Enterprise (MBE), Woman Owned Business (WOB) and Small Business Enterprise (SBE).

<b>Port of Corpus Christi Authority</b>				
<b>Organizational Chart</b>				
<b>February 28, 2015</b>				
<b>DEPARTMENTS</b>	<b>Exempt</b>	<b>Non-Exempt</b>	<b>Temporary</b>	<b>Total</b>
Executive Director	3	1	0	4
Human Resources	2	3	0	5
Managing Director	2	0	0	2
Engineering Services	18	4	0	22
Finance & Admin.	1	1	0	2
Accounting	3	6	0	9
Information Tech	8	0	0	8
Business Development	4	0	0	4
Communications	4	0	0	4
Operations	6	0	0	6
Maintenance	2	39	0	41
Harbormaster's Office	1	8	0	9
Bulk Handling Facility	3	20	0	23
Security/Police Dept.	4	47	0	51
<b>TOTAL</b>	<b>61</b>	<b>129</b>	<b>0</b>	<b>190</b>
<b>E - EXEMPT</b>				
<b>NE - NON-EXEMPT</b>				
<b>H - HOURLY</b>				
<b>T - TEMPORARIES</b>				

## 2015 Port Police Calls - PICC Last Three Months





## OPERATIONS

### HARBORMASTER

#### Ship Arrivals

<u>February 2015</u>			<u>February 2014</u>		
<u>Tankers</u>	<u>Freighters</u>	<u>YTD ships</u>	<u>Tankers</u>	<u>Freighters</u>	<u>YTD</u>
91	26	264	74	24	211

#### Barge Arrivals

<u>February 2015</u>			<u>February 2014</u>		
<u>Tank Barges</u>	<u>Freight Barges</u>	<u>YTD Barges</u>	<u>Tank Barges</u>	<u>Freight Barges</u>	<u>YTD Barges</u>
393	36	1038	382	13	938

#### Shifting

<u>February 2015</u>		<u>February 2014</u>	
<u>Tankers</u>	<u>Freighters</u>	<u>Tankers</u>	<u>Freighters</u>
17	0	22	3
<u>Tank Barges</u>	<u>Freight Barges</u>	<u>Tank Barges</u>	<u>Freight Barges</u>
807	7	834	3

#### Average Daily Vessel Arrivals

	<u>2015</u>	<u>2014</u>
Ships:	4.18	3.50
Barges:	17.18	14.11

### Channel Disruptions

#### February 2015

- 75.50 hours of disruption due to fog
- 18 outbound and 18 inbound delayed

#### February 2014

- 308.83 hours of disruption. 278.83 hours due to fog; 2.75 hours due to obstruction
- 56 outbound and 69 inbounds delayed

### BULK TERMINAL

- Current Projects:
  - Replacing three-quarter belt covers with full belt covers
  - Dust control for all pads and roads
  - Preparing for pad resurfacing and paving projects

## ***AGENDA ITEM NO. 22***

- Replacing pans under the ship loader belt and CB# 5
  - Installing cable tray along CB# 2
- Current Activity
  - Railcars:
    - Loaded: 45 for a total of 4,479.50 Short Ton pet coke
    - Unloaded: 0 for a total of 0 Short Ton pet coke
  - Bulk Dock #1:
    - 30,866.61 Shorts Tons Barite
    - 7,720.67 Short Tons Rutile Sand
  - Bulk Dock #2:
    - 117,901.98 Short Tons Pet Coke
    - 19,842.00 Short Tons Sulfur
  - Pads:
    - 124,704.79 Short Tons Pet Coke
    - 14,745.00 Short Tons Sulfur

### **OPERATIONS COORDINATOR**

- Insurance:
  - Work continues with PCCA legal counsel and Consultant regarding an indemnification matter. Resolution of this issue is ongoing.
  - Met with the Port's Insurance Consultant to review the proposed 2015-2016 property renewal. Due to a soft market and other strategies the Port will realize a significant savings this year. This item will be on the March Commission agenda.
- Port Damage Claims:
  - Total recovered to date (2010 – 2014) is \$71,008

### **MAINTENANCE**

- Performed preventative maintenance (PM) on vehicles, safe boat and equipment at the Maintenance Department.
- Performed routine inspection and PM on lights, water outlets.
- Performed grounds keeping port wide.
- Performed monthly a/c service port wide.
- Over saw janitorial service on all port facilities.
- Replaced kitchen exhaust fan, replaced two broken light fixtures in the pavilion area at Ortiz Center. Cleaned freezer coils and adjusted temperature, Repaired broken sidewalk bricks in front entrance to lobby and in the pavilion behind lobby. Also repaired the cooling tower overflow sensor at Ortiz Center.
- Painted interior window trim at guard house for oil dock 1 and 2. Replaced rusted door closure at Ave F guardhouse, Repainted anti skid on stairs at Ave F guard house.
- Replaced door knob in the restroom and repaired lift station at Stroman guard house.

## ***AGENDA ITEM NO. 22***

- Repaired window seal and painted Safety Manager's new office at Administration building.
- Installed motion detector light switches in restrooms at Admin.
- Repaired kitchen counter top drawer at HMO.
- Installed motion detector light switches in restroom at Annex.
- Repaired stairwell lights on 2nd and 3rd floor at Annex.
- Removed furniture from environmental department and installation of wall cabinet at 2nd floor Annex.
- Repaired broken grease fitting on boat lift for the police department. Worked to unclog the kitchen drain at police department.
- Repaired a/c unit at BMD 1 and also replaced fuel pump on unit 428 for BMD.
- Disassembled ship panel and fender legs from cargo dock 8. Refurbished ship panel for cargo dock 8.
- Repaired potable water valve at oil dock 2.
- Repaired area lighting at Avery point at oil dock 3,4,7 and 11.
- Fabricated and installed handrail at oil dock 8.
- Fabricated and installed access ladder at oil dock 3. Repaired restroom sewer piping at oil dock 3.
- Repaired maintenance entrance driveway.
- Installed "plant entrance" signs on JFITC near gate 94 for MG company.
- Installed and connected forward thruster on the fire boat.
- Relocated administrative personnel from Cold Storage to the new maintenance office.
- Assisted FSG with installation and testing of a generator at Harbor Island.

### **FOREIGN TRADE ZONE**

- A meeting with zone operators and local Customs and Border Protection (CBP) officers is scheduled for Thursday, March 19. CBP will be providing updates on FTZ procedures, compliance reviews, and pending initiatives.
- An application has been submitted to the FTZ Board for approval of FTZ designation for M&G Resins site and operation. In addition to the M&G site, two Port warehouses have been activated with Customs for M&G's storage use pending approval of their site.
- Port is currently working to finalize the application for voestalpine Texas, LLC for FTZ designation of their project site. This application should be ready to submit to the Board by March 6.
- FTZ Manager continues working with companies that have expressed interest in FTZ benefits.

**ORTIZ CENTER**

- Based upon budget, the month of February was closer in line to top lines for that of January. We had a large wedding for a military couple that needed to postpone to later in the year based upon his deployment extension.
- With the month of February being slower for us, we took the opportunity to perform several maintenance opportunities throughout the Ortiz Center. We replaced several light fixtures to new LED versions. These new light fixtures have a lower cost of maintenance, are a greener option and will derive energy savings throughout the year. In addition, we stripped and waxed the entry lobby and restroom corridors, made repairs to broken tiles and provided touch up services to several walls and door fixtures.
- While the top line sales goal for February was not achieved, we are still coming in ahead of client profit with the next couple of months projecting to come in above top line sales.
- As part of our commitment to the community, we are also pleased to report that the Ortiz Center provided over 10k in discounts to various not for profit and Community Based Organizations during the months of January and February. The additional support given by the Ortiz Center assists these wonderful organizations in their goals to generate the needed funds that allow them to provide the much needed support to our community throughout the Coastal Bend.

Below are 2014 totals and numbers to-date for 2015 activity

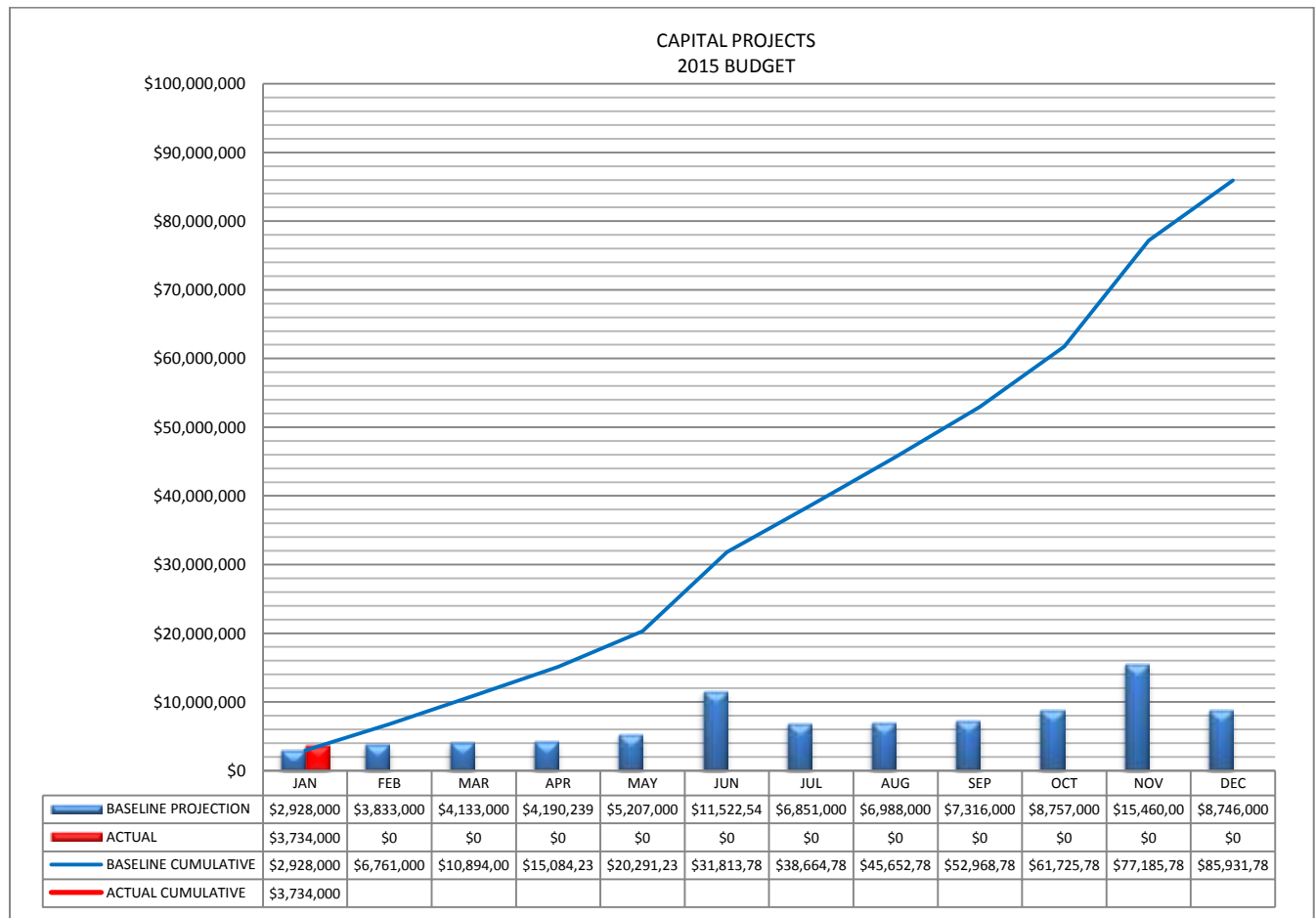
<b>2014</b>	<b>Guest Attendance</b>	<b>Number of Events</b>	<b>Revenue</b>	<b>2015</b>	<b>Guest Attendance</b>	<b>Number of Events</b>	<b>Revenue</b>
January	3,955	36	\$142,352	January	5113	42	216,694
February	4,911	33	\$114,327	February	n/a	n/a	n/a
March	4,086	38	\$127,300	March			
<b>1st Quarter</b>	<b>12,952</b>	<b>107</b>	<b>\$383,979</b>	<b>1st Quarter</b>			
April	6,953	53	\$216,269	April			
May	4,980	42	\$163,023	May			
June	2,878	39	\$128,631	June			
<b>2nd Quarter</b>	<b>14,811</b>	<b>134</b>	<b>\$507,923</b>	<b>2nd Quarter</b>			
July	3,290	44	\$132,152	July			
August	2,147	27	\$82,718	August			
September	3,766	29	\$144,026	September			
<b>3rd Quarter</b>	<b>9,203</b>	<b>100</b>	<b>\$358,896</b>	<b>3rd Quarter</b>			
October	5,838	50	\$190,869	October			
November	4,121	31	\$233,592	November			
December	3,897	44	\$312,556	December			
<b>4th Quarter</b>	<b>13,856</b>	<b>125</b>	<b>\$737,017</b>	<b>4th Quarter</b>			
<b>Totals</b>	<b>50,822</b>	<b>466</b>	<b>\$1,987,815</b>	<b>Totals</b>			

**ENGINEERING SERVICES**

As of February 28, 2015, the Port of Corpus Christi Authority Department of Engineering Services had completed 6 projects and has 86 projects in progress. These projects consist of 54 Capital, 16 Maintenance, and 22 Professional Service projects. To date this year approximately \$4,124,000 has been invoiced for work performed. Below is a table detailing the 2014 budget amount and the “to date” cost, for the capital, maintenance and professional services.

<b>Engineering Services February 2015 Report</b>			
<b>Project Type</b>	<b>No. of Projects</b>	<b>2015 Budget Amount</b>	<b>Expended to Date</b>
Capital	98	\$85,931,785.50	3,734,000
Maintenance	42	\$7,155,000	279,000
Professional Services	41	\$2,004,500	111,000
<b>Total</b>	<b>181</b>	<b>95,091,285.50</b>	<b>4,124,000</b>

Below is a graph representing the 2015 Capital Project Budget and a forecast of monthly project expenditure of the capital projects throughout the year. An actual monthly project expenditure tracking line is included to follow the progress as the year develops.



The status of the following listed projects currently in progress is provided for your information:

**CAPITAL PROJECTS**

***Security Grant Improvements Projects***

Grant Thirteen: The gas line has been installed for the emergency generator on the Southside Cargo Terminal. Bids were opened on February 26, 2015 for the La Quinta/GIWW project. This item is on the March 17, 2015 commission agenda for consideration.

***Nueces River Rail Yard – Phase I (09-037A)***

The track A unit train siding has been placed into service to relieve rail congestion in the Port. The contractor has completed the punchlist items for Tracks B, C, D & E. The service road, fencing, topsoil and seeding remain to be complete on the Interchange Yard. Work is well underway on the bike path along the south shore of Nueces Bay. The project is scheduled to be 100% complete in April. Mitigation construction was completed in 2013. Mitigation monitoring will continue for 5 years after closure of construction phase.

***Nueces River Rail Yard – Phase II (13-043A)***

CH2M Hill has completed the final design of the rail yard expansion plans. TxDOT has approved the design drawings and issued the Letter of Authorization (LOA). The contract documents and engineer's estimate have been delivered to TxDOT for their review. Environmental coordination with TxDOT is complete. Project is scheduled to begin bidding in March.

***Permian Yard Drainage Improvements (09-041A)***

Contractor had stopped due to a Martin Midstream pipeline leak found in the work area. Work schedule to begin again on March 9, 2015.

***Permian Yard Drainage Improvements – Phase II (09-041B)***

Project is 80% complete.

***Tule Lake Public Ship Dock – Oil Dock 14 (13-032A)***

The site has been cleared and the test pile program is nearly complete. The contractor has begun installing the production steel H-Piles for the anchor wall.

***West Barge Mooring Area (13-051A)***

Contractor has started dredging the barge fleeting area. Shoreline revetment mats are expected to be delivered by the end of the month.

***Resurface Public Storage Pads at Bulk Terminal (14-030A)***

Freese & Nichols was selected as the consultant for the design phase. Preliminary plans are scheduled for mid-March 2015.



***Construct 8" Water Line at La Quinta (14-045B)***

Design is 50% complete to complete the water line loop to serve the PCCA's La Quinta property. Completion of final design is pending while easement is being coordinated and obtained by city of Portland.

***New Fire Barge Dock (12-034A)***

Design is being finalized for a dedicated berth for the Port's Fire Barge. This will be located at the west end of Cargo Dock 2 (Ortiz Center). COE permit has been approved. RVE is currently working on final design plans and scheduled to be complete late March.

***Replace Generator for VTIS at Harbor Island (14-048A)***

Delivery and installation is complete. Notice of Substantial Completion was issued. Currently awaiting final submittals.

***Northside Storage Yard Expansion (12-028A)***

*Project is 100% complete. No further report will be made.*

***Port Area Signage & Landscaping Improvement (14-039A)***

Naismith Engineering has completed the preliminary study. Final design and the initial phase of construction is scheduled for 2015.

***Gregory Relief Rail Bypass (14-040A)***

This project is on hold.

***Replacement of Dock House on Oil Dock 10 (14-041A)***

Design drawings and contract documents have been finalized. However, Oil Dock 10 customer (Flint Hills Resources) has requested that project be delayed until their substantial turnaround schedule has been executed, which will occur at the end of May 2015. Staff will be incorporating other dock improvements/repairs into this project contract.

***New Port Office Facility (14-036A)***

WKMC Architects is under contract to develop a program of requirements and preliminary site layouts. Draft deliverables are under PCCA review.

***Construction of Multi-purpose Ship and Barge Dock & 15 Acre Storage Yard at La Quinta Gateway Terminal (14-037A)***

Design began in September 2014. Anticipate design to be completed in mid-summer, 2015.

***Oil Dock 3 Upgrades (14-058A)***

Staff is preparing USACE permit application paperwork. Staff is evaluating additional options and addressing navigation and property limitations.

***Remove Tule Lake Lift Bridge Foundations (07-046C)***

## ***AGENDA ITEM NO. 22***

An extension of time has been requested for the permit with the USACE. A pre-solicitation meeting with potential contractors was held in mid-February.

### ***Maintenance Building Relocation (14-061A)***

WKMC Architects is under contract to evaluate current and anticipated space requirement. WKMC met with Operations/Maintenance to discuss space and operational needs and has presented preliminary site layouts. Draft layout and cost information has been provided for PCCA review.

### ***Surplus Sale of Cold Storage Warehouse (14-062A)***

Notice of Acceptance was sent to Texas Descon along with requesting the plan for dismantling and removing the building and Contractor's safety plan. Pre-construction conference was conducted on February 6, 2015.

### ***Inner Harbor Rail Upgrades and Improvements (14-016A)***

Contractor has completed most of the track work with the exception of track #634 for which work is currently underway. Contractor currently building up track bed for track #634.

### ***Design of New Public Oil Docks at Viola (14-044A)***

HDR has submitted the conceptual design report. Staff has received and is reviewing Final Conceptual Study.

### ***La Quinta Terminal Aquatic Mitigation (12-031A)***

CHE has completed plans and specification. Project has been advertised for bid, and anticipates recommending award at April commission meeting.

## **MAINTENANCE PROJECTS**

### ***Maintenance Painting at Bulk Terminal (13-049A)***

Maintenance painting is being performed at Bulk Terminal on an as needed basis. Staff will be developing a new bid package for bidding at the beginning of April.

### ***Purchase of Dock Fenders and Panels (14-014A)***

All items have been delivered. Staff is currently awaiting final invoices.

### ***Roadways & Parking Lot Repairs (2014) (14-018A)***

Project is complete. No further report will be made.

### ***Inner and Outer Harbor Land Management (14-019A)***

Contractor has completed Site 1 and is mobilizing to Site 2. Project is 50% complete.

### ***Fire Line Improvements at OD-2 (15-039A)***

Staff is currently in negotiations with Maverick Engineering, Inc. for engineering services pertaining to design of improvements.

### ***General Improvements at OD-6 (15-030A)***

Defined scope of work and negotiating with Colwell and Associates for engineering fees related to design of identified improvements.

**ENVIRONMENTAL/PROFESSIONAL PROJECTS**

***Environmental Management System (14-025A)***

Our EMS Program is ISO 14001 certified for the sixth year. Current initiatives under the EMS Program include measures to reduce spills and impacts to storm water runoff from our operations. Port staff continues partnership development with Port customers. Active partnerships in EMS exist with Dix Fairway, PCT, Gulf Stream Marine, and Corpus Christi Terminal Railroad. Other initiatives resulting from the EMS program include the Gulf Port's Environmental Summit and the Growing Greener Initiative.

***Request for Statement of Interest & Qualifications for 2015 Major and Minor Engineering Projects (RFQ) (15-001A)***

Request were received on March 6, 2015 from 21 companies to this RFQ. Staff will be reviewing submittals.

***Widen CCSC and Additional Barge Shelves (14-043A)***

Consultant has developed options and potential approvals to permit or authorize and fund. Draft planning matrix reviewed in July 2014. Path forward pending PPA to construct CCSC-CIP 52' project. PCCA pursuing amending La Quinta PPA and accelerating funds to widen upper bay of CCSC and construct barge shelves. USACE is completing an economic update to the LRR.

***Underwater Inspections of Various Waterfront Facilities (14-035A)***

RVE has completed underwater inspection field work for Oil Docks 2, 3, 10; Cargo Docks 1, 2, 8, 9; and Bulk Material Docks 1 and 2. RVE has provided PCCA with draft report for review.

**DREDGING**

***Channel Improvement Project (98-012A, 04-027A, 09-048B/C)***

In November 2007, Congress passed WRDA of 2007 authorizing the Port's Channel Improvement Project.

The project include in following improvements:

1. Widening the CCSC to 530' from Port Aransas to the Harbor Bridge.
2. Adding 200'-wide barge shelves on both sides of the ship channel across Corpus Christi Bay.
3. Extending La Quinta Channel by 7400' at a depth of -39' MLT.
4. Deepening all reaches of CCSC (excluding La Quinta) from -45' MLT to -52' MLT.
5. Constructing Ecosystem Restoration projects near Port Aransas and Ingleside on the Bay.

## ***AGENDA ITEM NO. 22***

Project received congressional appropriation in FY2009 for the construction phase of the project, officially ending the Pre-Construction Engineering and Design phase. A Project Partnership Agreement (PPA) was executed in October 2009 for the La Quinta Channel Extension & Ecosystem Restoration. Construction of Contract No. 1 was completed in 2010 to construct DMPA 14. Fifty-eight million in federal funds were appropriated in May 2011 enabling the COE to solicit additional construction contracts. COE awarded two (2) contracts in September 2011; one to extend the La Quinta Ship Channel and the other to construct the Ecosystem Restoration project adjacent to Ingleside-on-the-Bay, Texas. The dredging associated with La Quinta Ship Channel Extension and the Ecosystem Restoration project is 100% complete.

Deepening and widening of the CCSC and the addition of barge shelves underwent re-evaluation and the studies were complete in early 2013. The re-evaluation confirmed these two project components are still in the Federal interest. The COE Director of Civil Works approved the re-evaluation report (all components) and recommended the project to Congress to increase the authorized project cost to \$344,610,000. The channel improvement project was re-authorized in May 2014 by the Water Resources Reform and Development Act of 2014. Based on guidance from OMB and the ASA, USACE is completing an economic update to the LRR. The target date for completion is Summer of 2015.

### **ENGINEERING MASTER AGREEMENTS AND SERVICE ORDERS**

Listed below are the Master Agreements implemented including values of Service Orders issued per year:

	2014	2015
HDR, Inc. (13-01)	\$793,500	
Freese and Nichols, Inc. (13-02)	\$407,191	
Govind Development, LLC (13-03)	\$249,450	
Naismith Engineering, Inc. (13-04)	\$45,000	
CH2M Hill (13-05)	\$2,613,470	
RVE, Inc. (13-06)	\$472,329	
LNV, Inc. (13-07)	\$105,500	
Lockwood, Andrews and Newnam, Inc. (14-01)		\$62,694
Maverick Engineering (14-02)	\$58,000	
Coast & Harbor Engineering (14-03)	\$193,645	
WKMC Architects (14-04)	\$115,000	

**ENVIRONMENTAL  
MASTER AGREEMENTS AND SERVICE ORDERS**

Listed below are the Environmental Master Agreements implemented including Service Order Values:

	2014	2015
Golder & Associates (01-14)	\$45,300	
RPS, Inc. (02-14)	\$101,300	
Trinity Consultants (03-14)	\$44,000	
E2 Manage Tech (05-14)	\$82,043	
Apex Tritan, Inc. (06-14)	\$86,040	
RSA, Inc. (09-14)	\$178,958	

**UPCOMING BID OPENINGS**

Replace Conveyor Idlers (15-033A)	April 1, 2015
La Quinta Terminal Aquatic Habitat Mitigation (12-031A)	April 7, 2015
Nueces River Rail Yard – Phase II (13-032A)	April 28, 2015

***AGENDA ITEM NO. 23***

***No Attachment***



***AGENDA ITEM NO. 24***

***No Attachment***

***AGENDA ITEM NO. 25***

***No Attachment***

**DATE:** March 17, 2015

**FROM:** John LaRue; 885-6189; [john@pocca.com](mailto:john@pocca.com)

***AGENDA ITEM NO. 26***

**Approve an Agreement with the Department of the Army for  
Placement of Dredge Material in Tule Lake Dredge Material Placement Area**

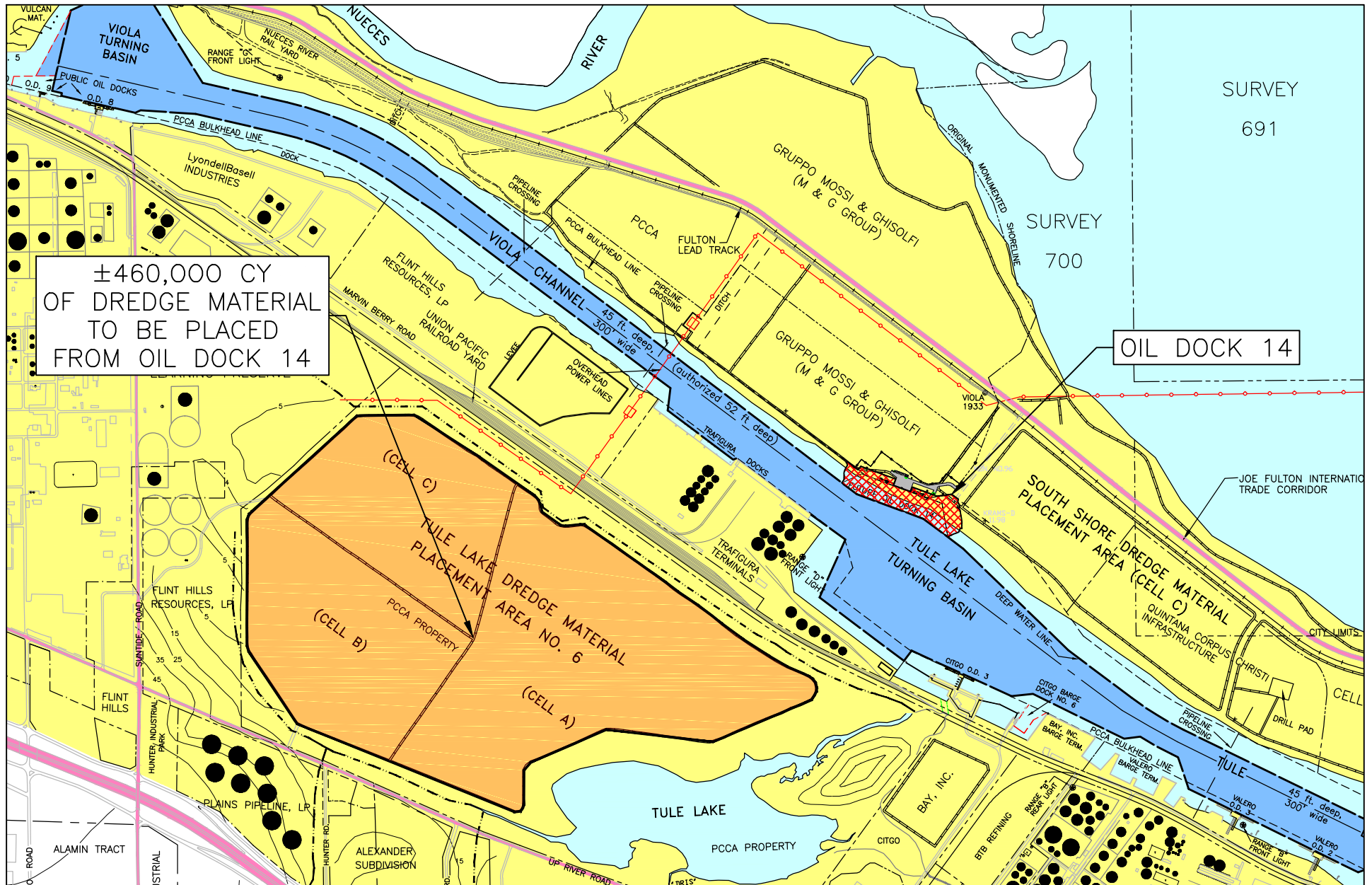
On December 17, 2014, the Port Commission awarded a contract to Russell Marine, LLC, for construction of Oil Dock 14, and construction began shortly thereafter. Dredging for the dock slip is currently set to begin in May 2015, with the dredged material permitted and scheduled to be placed into the Tule Lake Dredge Material Placement Area (DMPA).

The U.S. Army Corps of Engineers (USACE) currently requires any party, including non-federal sponsors like the PCCA, to enter into an agreement and pay a tipping fee for placement of non-federal dredged material into any DMPA designated for the federal project and maintained by the USACE. The USACE has established a tipping fee rate of \$0.55 per cubic yard (CY) for placement into Tule Lake DMPA and is requiring an advance payment before work begins in an amount equal to the tipping fee rate times the estimated cubic yards to be placed in the designated DMPA. An estimated 460,000 CY will be dredged and deposited into Tule Lake DMPA, resulting in an advance payment of \$253,000; however, the final volume could be as much as 500,000 CY.

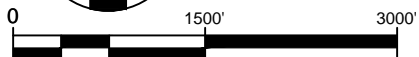
Staff recommends approval of the attached resolution authorizing the Executive Director to sign the attached Agreement with the U.S. Army Corps of Engineers for placement of dredge material into the Tule Lake Dredge Material Placement Area. Staff further recommends approval to pay tipping fees to the U.S. Army Corps of Engineers in an amount not to exceed \$275,000 for placement of up to 500,000 cubic yards of dredged material into Tule Lake DMPA.

In accordance with the terms of the Agreement, once dredging is complete, the USACE will conduct a final accounting of the amount of material placed in the DMPA and then determine the actual tipping fee for using the DMPA. In the event the final accounting shows that the advance is less than the actual tipping fee, the PCCA will be required to pay the difference; if it shows that the advance exceeded the tipping fee, the federal government will refund the PCCA the excess funds.

**LEAD CONTACT:** David L. Krams, P.E.; 361-885-6134; [krams@pocca.com](mailto:krams@pocca.com).



h:\ben vasquez\commission exhibits\tule lake dmpa.dwg



PORT OF CORPUS CHRISTI AUTHORITY			
PLACEMENT OF DREDGE MATERIAL IN TULE LAKE DMPA			
SCALE:	1"=1500'	DATE:	2015/03/04
DWN. BY:	BEN V	EXHIBIT "A"	TIME: 14:39:52

AGREEMENT  
BETWEEN  
THE DEPARTMENT OF THE ARMY  
AND  
PORT OF CORPUS CHRISTI AUTHORITY (PCCA)  
FOR DISPOSAL OF MATERIAL  
IN  
CONFINED DREDGED MATERIAL DISPOSAL FACILITY –  
INNER HARBOR (IH) PA-6 (TULE LAKE)  
  
CORPUS CHRISTI SHIP CHANNEL  
NUECES COUNTY, TEXAS

THIS AGREEMENT is entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2015, by and between the Department of the Army (hereinafter the "Government"), represented by the U.S. Army Engineer, Galveston District (hereinafter the "District Engineer"), and Port of Corpus Christi Authority (hereinafter "Requesting Party") represented by its Executive Director.

WITNESSETH, THAT:

WHEREAS, Section 401(c) of Public Law 92-500 (33 U.S.C. §1341), authorizes the Secretary of the Army (hereinafter the "Secretary"), acting through the Chief of Engineers, to permit the use of confined dredged material disposal facilities under the Secretary's jurisdiction by Federal licensees or permittees and to make an appropriate charge for such use, if such disposal is deemed to be in the public interest;

WHEREAS, on May 7, 2001, the Deputy Assistant Secretary of the Army (Civil Works) authorized the Director of Civil Works to enter into future agreements under Section 401(c), as part of a permitting process or other means, subject to a determination by the Director of Civil Works, based upon supporting documentation, that such an agreement is in the public interest;

WHEREAS, the Galveston District, U.S. Army Corps of Engineers in accordance with various authorizations including PL 77-675 (1942) and Section 101(a) (29) of WRDA 1996 is responsible for the operation and maintenance of the Corpus Christi Ship Channel, Nueces County, Texas, including the operations and maintenance of Confined Dredged Material Disposal Facility Inner Harbor (IH) PA 6 (Tule Lake and);

WHEREAS, Requesting Party applied for and was issued Permit #SWG-2013-00922 issued on December 5, 2014 to dredge in the vicinity of the Corpus Christi Ship Channel and allows for disposal of an estimated 460,000 cubic yards of dredged material from such work into Confined Dredged Material Disposal Facility – Inner Harbor (IH) PA 6 (Tule Lake); and

WHEREAS, on \_\_\_ day of \_\_\_\_\_, 2015, the Director of Civil Works determined that allowing placement of not more than 460,000 cubic yards of material the Confined Dredged

Material Disposal Facility –Inner Harbor (IH) PA 6 (Tule Lake), by the Requesting Party is in the public interest; and

WHEREAS, the Government and the Requesting Party have the full authority and capability to perform in accordance with the terms of this Agreement.

NOW, THEREFORE, the Government and the Requesting Party agree as follows:

#### ARTICLE I- DEFINITIONS AND GENERAL PROVISIONS

For purposes of this Agreement:

A. The term "Disposal Action" shall mean placement in the Confined Dredged Material Disposal Facility – Inner Harbor (IH) PA 6 (Tule Lake) (hereinafter "Designated DMPA") of approximately 460,000 cubic yards of maintenance dredged material to be dredged from Option 1-Ship Dock: Dredge approximately 675,000 cubic yards for new 0.6 acre basin to a required depth of 54 feet MLT plus 2 feet allowable over depth: construct a 200 foot long by 100 foot wide ship dock with a 365 foot long linear sheet pile bulkhead and six 15 foot by 21 foot x 9 foot mooring dolphins; place approximately 0.5 acre of revetment along the Eastern and Western basin perimeters; construct two catwalks 150 foot long by 4 foot wide each along the Eastern and Western sides of the proposed ship dock; install two 15 foot by 21 foot by 9 foot mooring dolphins or two 96 inch steel monopoles along each catwalk; 2426 SF EEM wetland excavated. No hydrophytic vegetation is present in either the area to be dredged or filled in the vicinity of the Corpus Christi Ship Channel, by Requesting Party's independent contractor, as generally described in the Section 401(c) Clean Water Act Determination and approved by the Director of Civil Works by a Determination of Public Interest for Dredged Material Placement Facility on \_\_\_\_ day of \_\_\_\_\_, 2015.

B. The term "cost of the Disposal Action" shall mean the tipping fee times the actual amount of cubic yards of dredged material placed by the Requesting Party's independent contractor in the Designated DMPA, as determined by the Government.

C. The term "tipping fee" shall mean the fee for each cubic yard of dredged material placed in the Designated DMPA. For the purposes of this Agreement, the tipping fee is \$.55 per cubic yard as determined by the Galveston District ~~market analysis~~.

D. The term "District Engineer" shall mean the U.S. Army Engineer, Galveston District.

#### ARTICLE II - OBLIGATIONS OF REQUESTING PARTY AND GOVERNMENT

A. The Government shall allow the Requesting Party capacity in the Designated DMPA for placement of up to approximately 460,000 cubic yards of dredged material, subject to paragraph C. of this Article and in compliance with the Operations Plan as described in paragraph E. of this Article.



B. The Requesting Party shall comply with all applicable State and Federal laws and regulations in dredging and disposal of the material. In particular, the Requesting Party shall comply with the requirements of the Clean Water Act, 33 USC 1341, et. seq., and Permit #SWG-2013-00992 issued by the U.S. Army Engineer District, Galveston on December 5, 2014.

C. The Requesting Party shall contribute 100 percent of the cost of the Disposal Action.

D. The Requesting Party shall pay to the Government in advance of placement of any dredged material an amount, equal to the tipping fee times the estimated cubic yards to be placed in the Designated DMPA, currently estimated to be \$253,000. This amount is an estimate and is not to be construed as the total financial responsibility of the Requesting Party.

E. ~~Prior to commencing use of the Designated DMPA, the~~ The Government shall finalize and provide to the Requesting Party ~~with a written copy of~~ the Operations Plan for this Disposal Action that includes specific plans and procedures. The Requesting Party shall comply with the Operations Plan for the duration of this Disposal Action. The District Engineer may require subsequent modifications or updates to such plan if such action is deemed necessary to comply with disposal operation management practices.

F. The Government shall determine the actual amount of cubic yards placed in the Designated DMPA based on a review of the Requesting Party's dredging surveys and volume computations of the yards dredged.

G. The Government shall have no obligation to pay costs for dredging of the material, the transporting the dredged material to the Designated DMPA, or placement of the dredged material in the Designated DMPA.

~~H. The Requesting Party shall, after placement of dredged material in Designated DMPA, abandon all right, title, and interest in the material.~~

I. The Government and the Requesting Party may meet periodically to discuss the Requesting Party's Disposal Action, estimated costs of disposal, compliance with the permit, and other such matters as may be necessary. Any disputes that arise shall be resolved at the lowest level necessary. If unresolved, such disputes shall be resolved by the District Engineer and the Requesting Party's Agent and Attorney-in-Fact.

J. In implementing this Agreement, the Government and the Requesting Party shall comply with all applicable Federal, state and local laws and regulations, and permits, including but not limited to the National Environmental Policy Act and Section 401 of the Clean Water Act (33 U.S.C. 1341).

K. In the exercise of their respective rights and obligations under this Agreement, the Government and the Requesting Party each act in an independent capacity, and neither is to be considered the officer, agent, or employee of the other.

L. Nothing in this Agreement is intended to alter any responsibility or liability of any party pursuant to existing environmental laws and regulations.

#### ARTICLE III - METHOD OF PAYMENT

A. The Requesting Party shall provide to the Government the full amount of the estimated cost of the Disposal Action required by Article II.D. of this Agreement, prior to initiation of the Disposal Action, by delivering a check payable to "FAO, USAED, Galveston" to the District Engineer or providing an Electronic Funds Transfer of the required funds in accordance with procedures established by the Government.

B. After completion of the Disposal Action or termination of this Agreement, the Government shall conduct a final accounting and furnish the Requesting Party with the results of the final accounting. The final accounting shall determine the cost of the Disposal Action.

1. In the event the final accounting shows that the contribution provided by the Requesting Party is less than its required contribution for cost of the Disposal Action, the Requesting Party shall, no later than 30 calendar days after receipt of written notice, make a payment to the Government of whatever sum is required to meet the Requesting Party's required contribution for cost of the Disposal Action by delivering a check payable to "FAO, USAED, Galveston" to the District Engineer or providing an Electronic Funds Transfer in accordance with procedures established by the Government.

2. In the event the final accounting shows that the contribution provided by the Requesting Party exceeds its required contribution for cost of the Disposal Action, the Government shall, subject to the availability of funds, refund the excess to the Requesting Party no later than 30 calendar days after the final accounting is complete. In the event existing funds are not available to refund the excess to the Requesting Party, the Government shall seek such appropriations as are necessary to make the refund.

#### ARTICLE IV – INDEMNIFICATION

Subject to the provisions of Article VIII of this Agreement, The the Requesting Party shall hold and save the Government free from all damages arising from the Disposal Action, except for damages due to the fault or negligence of the Government or its contractors.

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#### ARTICLE V - TERMINATION

If both parties mutually agree in writing not to continue with the Disposal Action or the Disposal Action is completed, whichever occurs first, both parties shall conclude their activities relating to the Disposal Action and proceed to a final accounting in accordance with Article III.B. of this Agreement.

## ARTICLE VI – NOTICES

A. Any notice, request, demand, or other communication required or permitted to be given under this Agreement shall be deemed to have been duly given if in writing and either delivered personally or by telegram or mailed by first-class, registered, or certified mail, as follows:

If to the Requesting Party:

Port of Corpus Christi Authority  
Attn: John P. LaRue, Executive Director  
P.O. Box 1541  
222 Power Street  
Corpus Christi, Texas 78401

If to the Government:

District Engineer  
Galveston District  
P.O. Box 1229  
2000 Fort Point Road  
Galveston, Texas 77550

B. A party may change the recipient or address to which such communications are to be directed by giving written notice to the other party in the manner provided in this Article.

C. Any notice, request, demand, or other communication made pursuant to this Article shall be deemed to have been received by the addressee at the earlier of such time as it is actually received or seven calendar days after it is mailed.

## ARTICLE VII - CONFIDENTIALITY

To the extent permitted by the laws governing each party, the parties agree to maintain the confidentiality of exchanged information when requested to do so by the providing party.

## ARTICLE VIII - OBLIGATIONS OF FUTURE APPROPRIATIONS

A. Nothing herein shall constitute, nor be deemed to constitute, an obligation of future appropriations by the Commissioners of the Requesting Party, where creating such an obligation would be inconsistent with Article III, Section 52 of the Constitution of the State of Texas.

B. The Requesting Party intends to satisfy its obligations under this Agreement. The Requesting Party shall include in its budget request or otherwise propose, for each fiscal period, appropriations sufficient to cover the Requesting Party's obligations under this Agreement for each year, and will use all reasonable and lawful means to secure the appropriations for that year sufficient to make the payments necessary to fulfill its obligations hereunder. The Requesting Party reasonably believes that funds in amounts sufficient to discharge these obligations can and will lawfully be appropriated and made available for this purpose. In the event the budget or

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other means of appropriations does not provide funds in sufficient amounts to discharge these obligations, the Requesting Party shall use its best efforts to satisfy any requirements for payments under this Agreement from any other source of funds legally available for this purpose. Further, if the Requesting Party is unable to satisfy its obligations hereunder, the Government may exercise any legal rights it has to protect the Government's interests related to this Agreement.

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement, which shall become effective upon the date it is signed by the District Engineer.

DEPARTMENT OF THE ARMY

PORT OF CORPUS CHRISTI AUTHORITY

BY: \_\_\_\_\_  
Richard P. Pannell  
Colonel, U.S. Army  
District Engineer

BY: \_\_\_\_\_  
John P. LaRue  
Executive Director  
Port of Corpus Christi Authority

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CERTIFICATE OF AUTHORITY

I, Leo J. Welder, Jr., do hereby certify that I am the ~~principal legal officer of general counsel~~ for the Port of Corpus Christi Authority, that ~~John P. LaRue~~ the Port of Corpus Christi Authority has the full authority and legal capability to perform the terms of this Agreement between the Department of the Army and Port of Corpus Christi Authority, in connection with the Disposal of Material in Confined Dredged Material Disposal Facility – Inner Harbor (IC) PA 6 (Tule Lake),- and that the persons who have executed this Agreement on behalf of Port of Corpus Christi Authority, have acted within their statutory authority.

IN WITNESS WHEREOF, I have made and executed this certification this \_\_\_\_\_ day of \_\_\_\_\_ 2015.

\_\_\_\_\_  
Leo J. Welder, Jr.  
~~Principal Legal Officer~~  
General Counsel



***AGENDA ITEM NO. 27***

***No Attachment***

***AGENDA ITEM NO. 28***

***No Attachment***

**DATE:** March 17, 2015

**FROM:** John LaRue; 885-6189; [john@pocca.com](mailto:john@pocca.com)

***AGENDA ITEM NO. 29***

**Discuss and take action opposing the United States Environmental Protection Agency's proposed lowering of the National Ambient Air Quality Standard for Ozone**

In late 2014, the U.S. Environmental Protection Agency (EPA) proposed a revision to the National Ambient Air Quality Standards (NAAQS) for ozone. The EPA is proposing and is requesting comments on lowering the primary standard to some level between 65- and 70-parts per billion (ppb) and are open to receiving comments for lowering it to some level down to 60-ppb.

Our area, which consists of Nueces and San Patricio counties, is in attainment with the current NAAQS for ozone of 75-ppb, with an area level of 66-ppb measured by Federal and State approved, research-grade air monitors. The Corpus Christi area has progressively and proactively reduced ozone levels in our region from the 1989 levels of 90-ppb. This has been done in large part through significant stake holder participation and voluntary programs.

Lowering the standard below the 75-ppb level would be very challenging to our area and quite possibly, prove problematic to ever reach attainment of the ozone standard again. There are inter and intrastate transport issues with air quality. Our area experiences transport levels of ozone in excess of 60-ppb on high ozone days. Lowering the standard will also cause a majority of the United States cities to become non-attainment for ozone.

Staff recommends formal comments be submitted by the Port of Corpus Christi to EPA opposing the lowering of the NAAQS for ozone.

**LEAD CONTACT:** David Krams; 885-6134; [krams@pocca.com](mailto:krams@pocca.com)