

NOTICE OF PORT COMMISSION MEETING

The Port Commission (“Commission”) of the Port of Corpus Christi Authority (“PCCA”) of Nueces County, Texas, will hold a Regular Session Meeting on Tuesday, January 19, 2016, at 9:00 a.m., 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:
 - A. Safety Briefing
 - B. Pledge of Allegiance
 - C. Invocation
 - D. Receive Conflict of Interest Affidavits.
2. Approve the minutes of the December 15, 2015 Commission meeting.
3. Administer Oath of Office to Port Commissioners Richard Valls and Wes Hoskins.
4. Elect officers of the Port Commission for 2016.
5. Receive comments from the public. (*Each speaker is limited to three minutes.*)
6. Receive committee reports from the following Commission committees:
 - A. Security
 - B. Audit
7. Receive staff reports on the following matters:
 - A. Channel Improvement Project
 - B. Bulk Terminal
 - C. Environmental
8. Approve a Resolution of Appreciation for Foster Edwards.

9. Approve a Resolution in Memory of Louis William “Bill” Hennings, III.
10. Receive presentation on the status of the City of Corpus Christi’s desalinization project.
11. Receive presentation from staff on the Military Out-Load at Port Corpus Christi in November 2015.
12. Approve a Resolution Prohibiting the Carrying of Handguns into PCCA Meeting Rooms during Open Meetings.
13. Receive a presentation from the Texas Department of Transportation on the Harbor Bridge Replacement Project.

Authorize PCCA staff to issue a Request for Proposals for a consultant to assist PCCA in carrying out its obligations under the Neighborhood Acquisition and Relocation Program described in PCCA’s agreement with the Texas Department of Transportation, the City of Corpus Christi, and the Corpus Christi Housing Authority for the Harbor Bridge Replacement Project.
14. Approve changes to Tariff 100-A, Item 667, “Stevedore and/or Freight Handling License and Application.”
15. Approve lower liability limits on various PCCA insurance policies.
16. 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 an increase in a Professional Services Contract with Wiss, Janney, Elstner Associates Inc. for engineering services associated with structural repairs to PCCA bridges.
 - B. Approve a Professional Services Contract with Training & Programming Services for Development and Maintenance of the Engineering Services Project Tracker Software.
 - C. Approve a Farming Lease Agreement with Triple W Farms for a 105-acre tract of land located in San Patricio County.
 - D. Approve a professional services Consulting Agreement with Citygate Associates, LLC, for assessment of PCCA’s marine firefighting capabilities and related matters.

17. Receive report from the Executive Director on upcoming community events, PCCA events and activities of the following PCCA departments during the preceding month—Safety, Community Relations, Communications, Government Affairs, Business Development, Foreign Trade Zone, Ortiz Center, Human Resources, Security, Operations, Engineering Services, Finance, Real Estate, and Environmental.
18. 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.
19. The Commission will go into executive session pursuant to §551.072 of the Texas Government Code to deliberate the purchase and value of certain real property on the north side of the Ship Channel. The Commission may authorize the acquisition of this property in open session.
20. The Commission will go into executive session pursuant to §551.072 of the Texas Government Code to deliberate the purchase and value of certain real property accessible to the north side of the Inner Harbor. The Commission may authorize the acquisition of this property in open session.
21. The Commission will go into executive session pursuant to §551.072 and §551.087 of the Texas Government Code to deliberate (i) leasing certain PCCA real property on the north side of the Inner Harbor, and (ii) offering financial or other incentives to a business prospect that PCCA seeks to have locate or expand on the north side of the Inner Harbor and with which PCCA is conducting economic development negotiations.
22. The Commission will go into executive session pursuant to §551.087 of the Texas Government Code to deliberate offering financial or other incentives to a business prospect that PCCA seeks to have locate in San Patricio County and with which PCCA is conducting economic development negotiations.
23. The Commission will go into executive session pursuant to §551.071 of the Texas Government Code to receive legal advice from PCCA's counsel regarding the voluntary petition filed by Sherwin Alumina Company, LLC, under Chapter 11 of the United States Bankruptcy Code in the United States Bankruptcy Court for the Southern District of Texas.
24. Approve a Service Order with CH2M Hill Engineers Inc., under its Professional Services Master Agreement, for engineering services to complete the design of new Oil Dock 15.
25. Adjourn.

AGENDA ITEM NO. 1

**Safety Briefing, Pledge of Allegiance, Invocation and
Receive Conflict of Interest Affidavits**

NO ATTACHMENT

**OFFICIAL MINUTES OF PORT COMMISSION MEETING
DECEMBER 15, 2015**

The Port Commissioners of the Port of Corpus Christi Authority convened at the Portland Community Center, 2000 Billy G. Webb, Portland, Texas, on Tuesday, December 15, 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
Mr. Sean Strawbridge
Mr. Jarl Pedersen
Mr. Darrin Aldrich
Mr. Tony Alejandro
Ms. Patricia Cardenas
Ms. Rosie Collin
Mr. Dennis DeVries
Mr. Tyler Fuhrken
Ms. Sarah Garza
Mr. Ray Harrison
Ms. Donna James-Spruce
Mr. David Krams
Ms. Sandra Terrell-Davis
Mr. John Pasch
Mr. Tom Mylett
Ms. Audre Debler
Ms. Lynn Angerstein
Mr. Dan Koesema
Ms. Leslie Ruta
Mr. Bland Chamberlain
Ms. Sherry DuBois
Ms. Angela Leyva
Mr. Bennie Benavides
Ms. Liz Cantu
Ms. Peggy Mettlen
Ms. Vicky Garza
Ms. Roxana Gomez
Mr. Jesse Samu
Ms. Teresa Bray

Mr. Sam Esquivel
Ms. Natasha Fudge
Ms. Jennifer Powell

Others Present:

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

Others Present:

Rep. J.M. Lozano
Texas House of Representatives
Judge Terry Simpson
Commissioner Fred Nardini
San Patricio County
Mayor David Krebs
City of Portland
Mr. Jeremy Hintz
SensorFlight
Mr. David Fields
Gulf Compress
Mr. Brent Moore
HDR Engineering
Ms. Lillian Riojas
Capt. Joe Harrington
Valero
Ms. Sue Zimmermann
Mr. Xavier Valverde
G&H Towing
Mayor Pete Perkins
City of Ingleside
Mr. Bob Paulison
Port Industries
Mr. Chris Ramirez
Caller-Times
Mr. Terry Arnold
Consultant
Mr. Iain Vasey
CC Regional Economic Development Corp.
Mr. Rich Stroot
Consultant
Mr. Daniel Kors
Del Mar College
Mr. Roger TenNapel
Ms. Darcy Jones
Flint Hills Resources
Ms. JoAnn Ehmann
Ingleside on the Bay

Mr. Rick DuPriest
WL Bates
Mr. Don Rodman
Rodman & Co.
Ms. Linda Walker
Walker & Associates
Mr. Francis Gandy
Mr. Tom Moore
Consultant
Mr. Mo Morehead
Mr. Fred Dotts
Mr. Steven Rybak
Ms. Nancy Zuniga
MDR
Mr. Tom Carlisle
Carlisle Insurance
Mr. Roy DeBolt
Kiewit
Mr. JJ Johnston
Mr. David Hawley
Mr. Mike Carrell

I.

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

II.

On motion made by Mr. Valls and seconded by Mr. Squires, the Commission approved the minutes of the November 17 and November 23, 2015, Commission meetings in the form presented to the meeting.

III.

The Chair asked for comments from the public. Rep. J.M. Lozano presented a resolution of appreciation to Mr. Wes Hoskins and Chair Hawley for their services to the community. Mayor Krebb of Portland and Daniel Kors of Del Mar thanked Judy Hawley for her years of service. Mr. Jeremy Hinz commented on Item 12 –Addition of Item 614, “Use of Unmanned Aircraft Prohibited over Port of Corpus Christi Authority (PCCA) Property, to Tariff 100-A”.

IV.

The Commission received committee reports from the Security Committee and the Audit Committee.

V.

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

- A.** Water
- B.** Channel Improvement Project
- C.** Bulk Terminal
- D.** Environmental

VI.

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

**RESOLUTION
OF APPRECIATION**

WHEREAS, Judy Hawley was appointed to the Port Commission in January 2004 and served a total of twelve years as a member of the Commission; and

WHEREAS, Judy Hawley served as Secretary from January 2010-January 2013; and Chair of the Port Commission from January 2014 until January 2016; and

WHEREAS, during Judy Hawley's tenure and with her and invaluable participation, the Port completed major infrastructure projects like the reversion and sale of Naval Station Ingleside (NSI) to Oxy Ingleside Prop. Holdings; the Channel Improvement Project Authorization/Re-Authorization/Reauthorization; the La Quinta Channel Deepening project, for navigation and ecosystem restoration, and La Quinta Assumption of Maintenance to -45'; and

WHEREAS, Judy Hawley has participated in international and domestic negotiations vital to securing trade resolutions with China, Austria and Italy; as well as providing testimony before State and National legislative entities in support of I-69 and the Harbor Bridge; and

WHEREAS, Judy Hawley's vision focused on diversification of Port Corpus Christi and its leadership including the adoption of a Strategic Plan as a pathway for future development; and giving of her time and expertise to continue the Port's diversification efforts in support of the Port's Mission Statement; and

WHEREAS, Judy Hawley, in addition to her service to the Port during this time aided our State and local community with service as Chair of the Corpus Christi Regional Economic Development Corporation, Chair of the Texas State Aquarium Board and Co-chair of the Chamber Infrastructure Committee; and Hawley chairs the State I-69 Corridor Advisory Board and serves on numerous other statewide transportation boards including the Texas Transportation Institute Advisory Committee, the Alliance for I-69 and the Border Trade Advisory Committee; and

WHEREAS, the Port Commission wants to publicly acknowledge Judy Hawley's leadership on the Port Commission and her honorable service to the community; and

NOW, THEREFORE BE IT RESOLVED, that the Port Commission of Port Corpus Christi Authority expresses its sincere gratitude for the twelve years of service Judy Hawley gave to Port Corpus Christi, its staff and the citizens of the community, including the two years of service she gave as Commission Chairwoman. The Commission further wishes to acknowledge its appreciation of her as a loyal friend and supporter.

BE IT FURTHER RESOLVED, that this resolution be made a part of the permanent minutes of this Port Commission and that a copy of the Resolution be furnished to Judy Hawley. Unanimously adopted this 15th day of December 2015.

VII.

On motion made by Mr. Zahn and seconded by Mr. Valls, the following resolution was adopted:

**RESOLUTION
IN MEMORY OF
JOHN M. BARRETT, JR.**

WHEREAS, John Michael Barrett, Jr. (January 1, 1949 – October 2, 2015) dedicated his life to the agricultural community, water conservation, Texas, and service to his country; and

WHEREAS, John M. Barrett, Jr. served for a combined total of over 100 years of service for the San Patricio County Farm Bureau, the Edcot Cotton Gin, the Edroy Coop, the Gulf Compress of Corpus Christi, the South Texas Cotton Gin Association, the San Patricio County Cooperative, and the San Patricio Rural Rail District; and

WHEREAS, John M. Barrett, Jr. served as a gubernatorial appointee of Governor George W. Bush to the Coastal Coordination Council, performed consultative work for the Corpus Christi Bay National Estuary Program, and was a member-appointee of the US Environmental Protection Agency's Federal Advisory Commission on clean water provisions; and

WHEREAS, John M. Barrett, Jr. only diverged from his commitment to agricultural and conservational service to serve five years as an officer in the United States Naval Special Warfare Forces, in which he was responsible for 18 swift river patrol boats and their crews; and

WHEREAS, the Port Commission wants to publicly acknowledge John M. Barrett, Jr.'s commitment to land and water management;

NOW, THEREFORE BE IT RESOLVED, that the Port Commission of Port Corpus Christi Authority expresses its sincere gratitude for the lifetime of service John M. Barrett, Jr. gave to South Texas, to the land, to the environment, and to his country; and

BE IT FURTHER RESOLVED, that this resolution be made a part of the permanent minutes of this Port Commission and that a copy of the Resolution be furnished to the family John M. Barrett, Jr.

VIII.

On motion made by Mr. Engel and seconded by Mr. Squires, the following resolution was adopted:

**RESOLUTION DEDICATING
OIL DOCK 14 ROAD
AFTER FORMER PORT CHAIRMAN
MIKE CARRELL**

WHEREAS, Mike Carrell was appointed to the Port Commission in January 2002 and served a total of twelve years as a member of the Port Commission; and

WHEREAS, Mike Carrell served as the Chairman of the Port Commission from January 2010 through December 2013; and

WHEREAS, Mike Carrell was an active member of the Port Commission, and served as Chairman during one the most productive and vital periods in the Port's history including the advent of the Eagle Ford Shale Play; and

WHEREAS, Mike Carrell played a vital role the Port's diversification efforts and mission while continuing to develop major infrastructure improvements to accommodate the Port's growth including construction of the Port's Nueces River Rail Yard and the Joe Fulton International Trade Corridor, in which Mike Carrell was heavily involved; and

WHEREAS, both of these major infrastructure projects were essential for M&G Polymers to select the Port as the site to construct a plastics plant; and

WHEREAS, The Port of Corpus Christi Commission would like to recognize Mike Carrell and all he has done for the Port, with the naming of a new road which will serve as the entrance to M&G's Plastic Plant, the access to new public Oil Dock 14 designed to provide feed stock to M&G and Port other customers resulting from the Eagle Ford Shale Play, and provide future access to other Port industries in this area as a result of new infrastructure constructed; and

WHEREAS, the name of the new road would be "Mike Carrell Road".

NOW, THEREFORE BE IT RESOLVED that the Port Commission of the Port of Corpus Christi Authority expresses its sincere gratitude for the years of service Mike Carrell gave to the Port of Corpus Christi, its staff and the citizens of this community.

BE IT FURTHER RESOLVED that this dedication of Mike Carrell Road be made a part of the permanent minutes of this Port Commission and that a copy of the Resolution be furnished to Mike Carrell.

IX.

The Commission received a report from the San Patricio Economic Development Corporation on services provided this year under their Development Services Agreement with the PCCA.

X.

The Commission received a presentation from Morehead, Dotts, Rybak and the Port's Communications Department on a marketing campaign for 2016.

XI.

On motion made by Mr. Engel and seconded by Mr. Bowers the Commission approved the following PCCA Sponsorship Policy:

Port Corpus Christi is committed to supporting local community programs, initiatives, and activities that improve the quality of life in our regional community. We adhere to the principles of social responsibility, taking into account the interests of all stakeholders. We serve as a catalyst for driving economic opportunity, and as a catalyst for positive change in the neighboring communities in which we live and work. We invest in organizations that demonstrate a proven track record in addressing key community needs in our focus areas of giving.

At Port Corpus Christi, we are proud of our nearly 90 year legacy of helping create a sustainable future by utilizing our full breadth of resources to creating a strong, vibrant, and healthy community. People move our port!

Port of Corpus Christi invites eligible organizations to apply for sponsorship funds using our online application system. Applicants must be tax-exempt under Section 501(c) (3) of the Internal Revenue Code (IRC) or other applicable section of the IRC and operate exclusively for charitable, scientific or educational purposes. Organizations seeking funding must first submit an on-line application using the form below. All requests for Port Corpus Christi sponsorships must be submitted online, at least six weeks prior to date of event, using the Port Corpus Christi Sponsorship Application. Receipt of applications will be acknowledged. Funding decisions are made at the sole discretion of Port Corpus Christi in accordance with its policies and procedures. Funding decisions are not subject to review or appeal. If approved for funding, awarded amounts will be sent directly to the recipient organization after receipt of the required documentation. Applicants for sponsorships of events and/or activities not directed to a charitable purpose should send proposals to portccsponsorships@pocca.com.

Each year, we receive hundreds of requests for a variety of initiatives, programs and events. While we appreciate those organizations working to make a difference in our communities, we are focused on those initiatives that align with our overall community investment priorities. As part of our funding decisions, all funding will be restricted to local programs that impact our regional community.

Focus areas of giving:

- *Education: We support programs that empower students to stay in school and help develop their full potential. We invest in programs that help guide early science, technology, engineering and math (STEM) education and that encourages personal development through scholarships, mentoring and internships so that students are prepared to work in a globally connected world.*
- *Health, Safety, Security and the Environment (HSSE): We support innovative programs and initiatives that improves the quality of life in our community including those that promote healthy living, safety, environmental stewardship, education, conservation and preservation. We are committed to programs that develop cleaner sources of energy, promote environmental stewardship aimed at air quality improvement and storm water management, as well as programs that beautify local neighborhoods.*
- *Community and Maritime Stewardship: We invest in sustainable community programs through partnerships with local non-profit organizations that make a positive and long lasting impact in our regional community. Our community stewardship program invests in programs that assist our customers in their social responsibility initiatives. As responsible stewards of the inner harbor, we support programs that provide a safe haven for visiting maritime seafarers.*

Port Corpus Christi cannot provide sponsorships to:

- *Individuals*
- *Political campaigns or parties*

- *Entities which pass-through monies to individuals or other groups (a.k.a. “third-party giving”)*
- *Groups that discriminate on the basis of age, race, sex, sexual orientation or national origin*

XII.

On motion made by Mr. Zahn and seconded by Mr. Bowers, the Commission approved the addition of Item 614, “Use of Unmanned Aircraft Prohibited over Port of Corpus Christi Authority (PCCA) Property,” to Tariff 100-A. A copy of Item 614, as approved, is attached to these minutes as **Attachment “A”**.

XIII.

On motion made by Mr. Zahn and seconded by Mr. Valls, the Commission ratified a correction to Part Six, Paragraph C of Item 669, “Access to Port Authority Property,” of Port Tariff 100-A. The correction is in italics below:

- C. Federal, State, and Local law enforcement officials, acting in the actual discharge of their official duties, and/or when authorized by statute, *are exempt from the provisions in this Part Six.*

XIV.

On motion made by Mr. Zahn and seconded by Mr. Bowers, the Commission approved the Port’s assessment (share) of the Refinery Terminal Fire Company’s 2016 Operating and Capital Budget in the amount of \$194,046.

XV.

On motion made by Mr. Engel and seconded by Ms. Canales, the Commission approved a 2.28% increase (based on a like increase in the Producer Price Index (PPI) for Port and Harbor Operations), effective as of January 1, 2016, to all wharfage and dockage charges under PCCA Tariff 100-A and to the following items under Bulk Terminal Tariff 1-A: Items 342 (Charges for Use of Traveling Gantry Crane), 344 (Charges for Use of Radial Ship Loader) and 346 (Unloading of Rail Cars at Bulk Dock 2). Mr. Valls voted against the motion.

XVI.

On motion made by Mr. Engel and seconded by Ms. Canales, the Commission approved a 2.28% increase (based on a like increase in the Producer Price Index (PPI) for Port and Harbor Operations), effective as of January 1, 2016, to PCCA’s fees for pipeline and utility easements, such that these fees for 2016 will be as shown on the Easement Fee Schedule A and Easement Fee Schedule B presented at the meeting. Mr. Valls voted against the motion. A copy of Easement Fee Schedule A and Easement

Fee Schedule B for 2016 are attached to the minutes of this meeting as part of **Attachment “B”**.

On motion made by Mr. Zahn and seconded by Mr. Engel, the Commission approved a 2.28% increase (based on a like increase in the Producer Price Index (PPI) for Port and Harbor Operations), effective as of January 1, 2016, to PCCA’s fees for use of PCCA-owned Dredge Material Placement Areas, such that this fee for 2016 will be \$4.38 per cubic yard. A copy of the Dredge Material Placement Area Depletion Charges for 2016 is attached to the minutes of this meeting as part of **Attachment “B”**.

XVII.

On motion made by Mr. Engel and seconded by Mr. Zahn, the Commission approved (i) the renewal of PCCA’s Health and Dental Benefits Plan for the twelve-month period beginning January 1, 2016, and (ii) the amendments to PCCA’s Health and Dental Benefits Plan described in Amendment #4 to the Plan’s 2015 Summary Plan Description presented to the meeting. A copy of Amendment #4 is attached to these minutes as **Attachment “C”**.

XVIII.

On motion made by Mr. Engel and seconded by Mr. Squires, the Commission approved Companion Life Insurance Company as the stop-loss reinsurance carrier for the PCCA Health and Dental Benefits Plan for the twelve-month period beginning January 1, 2016.

XIX.

On motion made by Mr. Squires and seconded by Mr. Engel, the Commission approved renewing PCCA’s Workers’ Compensation Insurance coverage with the Texas Municipal League Intergovernmental Risk Pool for the one-year period beginning January 1, 2016, for a premium of \$125,145.

XX.

On motion made by Mr. Engel and seconded by Mr. Squires, the Commission approved an employer elected rate of 7% of covered payroll to the Texas County and District Retirement System Plan for the 2016 Plan Year.

XXI.

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

**RESOLUTION AUTHORIZING FUNDING OF THE
PORT OF CORPUS CHRISTI PROMOTION AND DEVELOPMENT FUND
FOR 2016 AND MATTERS RELATING THERETO**

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

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

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

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

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

Section 1. For purposes of this Resolution, the term "Business/Community Development Expenses" means (a) the Business/Community Development expenditures included in the Port of Corpus Christi Authority 2016 Annual Budget, (b) community event sponsorships, and (c) the amounts payable under PCCA's agreements, such as its Port Development Services Agreements, in effect during all or part of 2016 which provide by their terms that PCCA's payment obligations thereunder will be paid with money in the Development Fund (collectively, the "Development Contracts").

Section 2. During the calendar year 2016, an amount of money equal to the Business/Community Development Expenses shall be set aside in the Development Fund; provided, however, that the amount of money allocated to the Development Fund during 2016 shall not exceed two percent of PCCA's gross income from operations for that year.

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

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

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

XX.

On motion made by Mr. Engel and seconded by Mr. Zahn, the Commission approved, in the form presented to the meeting, a Professional Services Agreement with each of the following persons or entities for 2016:

- A. Baker-Wotring, LLP
- B. W.L. Bates
- C. Berlanga Business Consultants
- D. BGYarbrough & Associates
- E. Borski Associates
- F. Frank Brogan
- G. Jorge Canavati
- H. Cassidy & Associates
- I. Delisi Communications-Pathfinder Public Affairs
- J. Hampton Road Consulting
- K. Joe Harrington
- L. Simon Hsing
- M. Mathiesen maritime Services
- N. Thomas S. Moore
- O. Morehead, Dotts, Rybak
- P. Welder Leshin, LLP

XXIII.

On motion made by Mr. Engel and seconded by Ms. Canales, the Commission approved, in the form presented to the meeting, the following Development Services Agreements for 2016:

- A. Coastal Bend Bays & Estuaries Program
- B. Corpus Christi Chamber of Commerce
- C. Corpus Christi Hispanic Chamber of Commerce
- D. Corpus Christi Regional Economic Development Corporation
- E. Robstown Area Economic Development Corporation

F. San Patricio County Economic Development Corporation

XXIV.

On motion made by Mr. Engel and seconded by Ms. Canales, the Commission approved PCCA's 2016 Annual Budget in the form presented to the meeting.

XXV.

The Executive Director reported on the following during his report: Tree for All; Budget Process; Channel Improvement Process; Harbor Bridge Process; Navidad Los Ninos Bike give-away; and NAACP Oveal Williams Senior Citizen Banquet.

XXVI.

Chair Hawley asked for comments from Commissioners.

At 10:50 a.m. Chair Hawley announced that the Commission would go into executive session pursuant to §551.072, §551.074; and §551.087 of the Texas Government Code to deliberate agenda items 27, 28, 29 and 30.

At 12:34 p.m. the Commission reconvened into open session.

XXVII.

The Commission deliberated the performance of the Executive Director and the Chief Operating Officer in executive session. In open session, on motion duly made and seconded, the Commission (i) awarded John LaRue, Executive Director, a \$60,000 bonus for the year 2015, in accordance with the terms of his employment contract with PCCA, and (ii) awarded Sean Strawbridge, Chief Operating Officer, a \$25,000 bonus for the year 2015, in accordance with the terms of his employment contract with PCCA.

XXVIII.

This item was for executive session only: Deliberate offering financial or other incentives to a business prospect that PCCA seeks to have locate or expand on the north side of the Inner Harbor and with which PCCA is conducting economic development negotiations.

XXIX.

The Commission deliberated the purchase and value of certain real property accessible to the north side of the Inner Harbor in executive session. In open session, on motion made by Mr. Zahn and seconded by Mr. Valls, the Commission approved the purchase of Lot 12, Block 101 of the Brooklyn Addition, a Subdivision of the City of Corpus Christi, Nueces County, Texas, and authorized staff to close the transaction.

XXX.

This item was for executive session only: Deliberate the purchase and value of certain real property accessible to the south side of the Inner Harbor and related legal issues.

XXXI.

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

RESOLUTION APPROVING A FOUR PARTY AGREEMENT BETWEEN THE TEXAS DEPARTMENT OF TRANSPORTATION (“*TxDOT*”), THE PORT OF CORPUS CHRISTI AUTHORITY OF NUECES COUNTY, TEXAS (“*PORT AUTHORITY*”), THE CITY OF CORPUS CHRISTI, TEXAS (“*CITY*”), AND THE CORPUS CHRISTI HOUSING AUTHORITY (“*HOUSING AUTHORITY*”) CONCERNING THE HARBOR BRIDGE REPLACEMENT PROJECT; AUTHORIZING THE EXECUTION THEREOF; AND APPROVING MATTERS RELATED THERETO

WHEREAS, the Federal Highway Administration (“*FHWA*”) and TxDOT have proposed the replacement of the current Harbor Bridge in Corpus Christi, Texas (the “*Project*”). The current bridge spans the Corpus Christi Ship Channel. FHWA and TxDOT, as joint lead agencies, initiated the National Environmental Policy Act evaluation of the Project in 2011 and prepared an environmental impact statement; and

WHEREAS, the Port Authority supports the 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, eliminate the potential for a catastrophic collapse of the existing bridge, and provide 205 feet of navigational clearance to accommodate larger vessels entering the Port Authority’s Inner Harbor; and

WHEREAS, on March 13, 2015, the FHWA Coordination and Compliance Division received a complaint under Title VI of the Civil Rights Act of 1964 (42 U.S.C. §2000d) and 49 C.F.R. Part 21, submitted by two individuals who reside in the Hillcrest neighborhood of the City (the “*Complaint*”); and

WHEREAS, FHWA and TxDOT propose to enter a Voluntary Resolution Agreement (“**Two Party Agreement**”) to implement specific Title VI mitigation actions for the Project and resolve the Complaint; and

WHEREAS, TxDOT, the Port Authority, the City, and the Housing Authority propose to enter into a Four Party Agreement (“**Four Party Agreement**”) to allocate responsibility among themselves for implementing the Title VI mitigation actions for the Project set forth in the Two Party Agreement; and

WHEREAS, (i) TxDOT is authorized to enter into an interlocal contract with one or more local governments under Transportation Code §201.209, (ii) the Port Authority is authorized to enter into a contract with any person, government or governmental agency necessary or convenient to carry out any of the powers granted to the Port in Subchapter E of Chapter 60, Water Code, (iii) the City is authorized to enter into an interlocal contract under Government Code, Chapter 791, and (iv) the Housing Authority may cooperate with a municipality, political subdivision, or the state, in action taken with respect to the problems of providing housing for persons of low income under Local Government Code §392.059; and

WHEREAS, the Four Party Agreement has been presented to the Port Commission for consideration and approval at this meeting, and

WHEREAS, the Port Authority’s obligations under the Four Party Agreement are chiefly found in Exhibit C to that agreement and pertain to those parts of the Hillcrest and Washington-Coles neighborhoods inside the green boundary lines shown in Attachment No. 1 to the Four Party Agreement (collectively, the “**Neighborhood**”); and

WHEREAS, under the terms of the Four Party Agreement the Port Authority is agreeing (1) to offer to purchase all of the residential and business property in the Neighborhood pursuant to the terms of the Neighborhood Acquisition Plan described in Exhibit C to the Four Party Agreement, and (2) to provide relocation benefits to displaced owners, tenants and businesses pursuant to the terms of the Relocation Program described in Exhibit C, all at a cost not to exceed \$20 million; and

WHEREAS, under the terms of the Four Party Agreement the Port Authority is also agreeing to offer to buy restrictive covenants and purchase options on the owner occupied residential property in the Neighborhood pursuant to the terms of the Voluntary Restrictive Covenant Program described in Exhibit C to the Four Party Agreement; and

WHEREAS, the Port Authority, by action of its Port Commission, hereby finds and determines that the Neighborhood Property (as defined in the Four Party Agreement) is accessible to the Corpus Christi Ship Channel in the Inner Harbor District of the Port of Corpus Christi and that acquisition of all or part of the Neighborhood Property pursuant to the Neighborhood Acquisition Plan, the Relocation Program, and the Voluntary Restrictive Covenant Program described in Exhibit C to the Four Party Agreement, is necessary for the continued development of the Port of Corpus Christi and its waterways and will aid in the development of navigation-related industries and businesses on the Port Authority’s property;

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

Section 1. The Four Party Agreement is hereby approved in substantially the form presented to this meeting.

Section 2. The Executive Director of the Port Authority is hereby authorized and directed, for and on behalf of the Port Authority, to execute the Four Party Agreement in substantially the form presented to this meeting, with such changes therein as he shall approve, his execution thereof to constitute conclusive evidence of such approval.

Section 3. The Port Authority is hereby authorized and directed to implement the Neighborhood Acquisition Plan, the Relocation Program, and the Voluntary Restrictive Covenant Program described in the Four Party Agreement pursuant to and in accordance with the terms and conditions of the Four Party Agreement without any further actions or approvals by the Port Commission.

Section 4. The Port Authority's staff is hereby authorized and directed to issue a request for qualifications or a request for proposals for professional real estate acquisition and relocation services to implement and administer the Neighborhood Acquisition Plan and the Relocation Program on behalf of the Port Authority in accordance with the Four Party Agreement, the applicable portions of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and applicable state law and regulations. The Port Commission intends to select the firm providing the best overall value and benefit to the Port Authority. The selected firm will also be responsible for implementing and administering the Voluntary Restrictive Covenant Program on behalf of the Port Authority in accordance with the Four Party Agreement.

Section 5. In connection with the acquisition of real property and real property interests under the Neighborhood Acquisition Plan described in the Four Party Agreement, the Executive Director, the Chief Operating Officer, and the Chief Commercial Officer are each hereby severally authorized and directed, for and on behalf of the Port Authority, to execute and deliver any and all agreements and instruments necessary or appropriate to purchase or to offer to purchase the real property and real property interests the Port Authority is purchasing or offering to purchase under that program.

Section 6. In connection with the acquisitions restrictive covenants and options under the Voluntary Restrictive Covenant Program described in the Four Party Agreement, the Executive Director, the Chief Operating Officer, and the Chief Commercial Officer are each hereby severally authorized and directed, for and on behalf of the Port Authority, to execute and deliver any and all agreements and instruments necessary or appropriate (a) to purchase or to offer to purchase the restrictive covenants and options the Port Authority is purchasing or offering to purchase under that program, and (2) to assign to a third party any obligations of the Port Authority to purchase restrictive covenants and options under that program.

Section 7. In connection with funding any moving and relocation expenses under the Relocation Program described in the Four Party Agreement, the Executive Director, the Chief Operating Officer, and the Chief Commercial Officer are each hereby severally authorized and directed, for and on behalf of the Port Authority, to execute and deliver any and all agreements and instruments necessary or appropriate to carry out the Port Authority's obligations under that program.

Section 8. The Executive Director, the Chief Operating Officer, and the Chief Commercial Officer are each hereby severally authorized and directed, for and on behalf of the Port Authority, to execute, attest, seal, and deliver any and all additional certificates, documents, or other papers and to do any and all other things necessary or appropriate to carry out the intent and purposes of this Resolution.

XXXII.

There being no further business, the meeting adjourned at 12:36 p.m.

ATTACHMENT “A”

TARIFF ITEM 614 – USE OF UNMANNED AIRCRAFT PROHIBITED OVER PORT OF CORPUS CHRISTI AUTHORITY (PCCA) PROPERTY.

A. Definitions:

1. **Unmanned Aircraft System:** Includes the unmanned aircraft (UA) and all of the associated support equipment, control station, data links, telemetry, communications and navigation equipment, etc., necessary to operate the unmanned aircraft. The UA is the flying portion of the system, flown by a pilot via a ground control system, or autonomously through use of an on-board computer, communication links and any additional equipment that is necessary for the UA to operate safely.
2. **Critical Infrastructure Facility:** any one of the following, if completely enclosed by a fence or other physical barrier that is obviously designed to exclude intruders, or if clearly marked with a sign or signs that are posted on the property, are reasonably likely to come to the attention of intruders, and indicate that entry is forbidden:
 - a. a petroleum or alumina refinery;
 - b. an electrical power generating facility, substation, switching station, or electrical control center;
 - c. a chemical, polymer, or rubber manufacturing facility;
 - d. a water intake structure, water treatment facility, wastewater treatment plant, or pump station;
 - e. a natural gas compressor station;
 - f. a liquid natural gas terminal or storage facility;
 - g. a telecommunications central switching office;
 - h. a port, railroad switching yard, trucking terminal, or other freight transportation facility;
 - i. a gas processing plant, including a plant used in the processing, treatment, or fractionation of natural gas;
 - j. a transmission facility used by a federally licensed radio or television station;
 - k. a steelmaking facility that uses an electric arc furnace to make steel; or
 - l. a dam that is classified as a high hazard by the Texas Commission on Environmental Quality;

B. Prohibition:

1. In accordance with Texas Government Code, Chapter 423, Section 423.0045 “Offense: Operation of Unmanned Aircraft over Critical Infrastructure Facility,” a person commits an offense if the person intentionally or knowingly: (1) operates an unmanned aircraft over a critical infrastructure facility and the unmanned aircraft is not higher than 400 feet above ground level; (2) allows an unmanned aircraft to make contact with a critical infrastructure facility, including any person or object

ATTACHMENT “A”

on the premises of or within the facility; or (3) allows an unmanned aircraft to come within a distance of a critical infrastructure facility that is close enough to interfere with the operations of or cause a disturbance to the facility. TEX. GOV'T CODE § 423.0045(b).

2. Exemptions provided for in Texas Government Code § 423.0045(c) are applicable to this Item 614.
3. Violations of Texas Government Code, Chapter 423, will be investigated and presented to the respective County District Attorney's Office for prosecution.
4. Application for approval to operate a UA over PCCA property may be made to the PCCA Executive Director, or designated representative, by submitting a completed application found on the PCCA Website, or available at the PCCA Police & Security Dept. 1002 E. Port Ave. Corpus Christi, Texas 78401. The application may be found at www.portofcorpuschristi.com, Police/Security menu tab, “Unmanned Aircraft Operation Application.” Simply follow the instructions provided therein.
5. The application will be reviewed and responded to within a reasonable period of time.

ATTACHMENT "A"

REQUEST FOR AUTHORIZATION TO OPERATE UNMANNED AIRCRAFT OVER PCCA
PROPERTY

Date of Request: _____

Name of Individual Requesting Authorization: _____
(first, middle, last name – please print/type)

Company or Home address _____
(name of company, street address, city, state, zip code)

Office or Home phone: () _____ - _____ Cell phone: () _____ - _____ email: _____

Purpose for use of UA:

Location of intended use of UA: (include altitude range):

Make/Model/Color/Serial # of UA: _____

Video/Camera imagery will be reviewed by designated PCCA Security Staff.

Date of UA Operation: _____ Time(s) of Operation (e.g. 8am-10am) _____

By my signature below, I acknowledge understanding that (1) if authorized, this authorization may be terminated at any time for any reason; (2) any video/camera data shall be reviewed by designated PCCA Security staff; (3) this authorization is limited to operation of the UA exclusively within the location defined above; (4) this authorization will expire at the end of the defined Times of Operation provided above; and (5) if during the operation any equipment failure is experienced or any suspicious activity is observed, the operator will notify the PCCA Security Command Center at (361) 882-1182.

(Signature of Person completing this form) Date/time signed: _____

This request for authorization has been _____.

Authorized by: (Print) _____ (Sign) _____ (Date) _____

ATTACHMENT "B"

PORT OF CORPUS CHRISTI AUTHORITY
PIPELINE AND UTILITY
EASEMENT FEE SCHEDULE A

Effective January 1, 2016

For Port Customers Using Public Docks or Private Docks
Covered by a Current Franchise Agreement*

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

DESCRIPTION	Proposed 10-Yr Rate	
Not over 8" Diameter	\$ 55.85	per rod
Minimum	\$ 1,675.34	per line
Over 8" but not over 16" Diameter	\$ 67.02	per rod
Minimum	\$ 2,010.40	per line
Over 16" but not over 32" Diameter	\$ 122.85	per rod
Minimum	\$ 2,792.23	per line
Over 32" but not over 48" Diameter	\$ 195.45	per rod
Minimum	\$ 5,026.01	per line
Over 48" but not over 64" Diameter	\$ 268.05	per rod
Minimum	\$ 6,142.90	per line
Over 64" but not over 80" Diameter	\$ 351.71	per rod
Minimum	\$ 7,259.79	per line
Over 80" but not over 96" Diameter	\$ 430.01	per rod
Minimum	\$ 8,935.13	per line
96" or over	\$ 502.61	per rod
Minimum	\$ 10,610.47	per line
12 KV Electrical Transmission	\$ 44.67	per rod
Minimum	\$ 1,340.27	per line
35 KV	\$ 50.26	per rod
Minimum	\$ 1,474.30	per line
69 KV	\$ 55.85	per rod
Minimum	\$ 1,608.32	per line
138 KV	\$ 83.76	per rod
Minimum	\$ 1,675.34	per line
345 KV	\$ 100.52	per rod
Minimum	\$ 2,010.40	per line
Wooden Support Poles	\$ 279.23	each
Steel Tower Supports	\$ 1,116.89	each

* Also for governmental agencies.

Measurement determined by outside diameter of pipe including coating or insulation

ATTACHMENT "B"

PORT OF CORPUS CHRISTI AUTHORITY PIPELINE AND UTILITY EASEMENT FEE SCHEDULE B

Effective January 1, 2016

For Companies that are not Port Customers or Use Private Docks
Not Covered by a Current Franchise Agreement

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

DESCRIPTION	Proposed 10-Yr Rate	
Not over 8" Diameter	\$ 167.54	per rod
Minimum	\$ 5,026.01	per line
Over 8" but not over 16" Diameter	\$ 201.04	per rod
Minimum	\$ 6,031.21	per line
Over 16" but not over 32" Diameter	\$ 368.58	per rod
Minimum	\$ 8,376.68	per line
Over 32" but not over 48" Diameter	\$ 586.37	per rod
Minimum	\$ 15,078.03	per line
Over 48" but not over 64" Diameter	\$ 804.17	per rod
Minimum	\$ 18,428.70	per line
Over 64" but not over 80" Diameter	\$ 1,055.46	per rod
Minimum	\$ 21,779.38	per line
Over 80" but not over 96" Diameter	\$ 1,290.01	per rod
Minimum	\$ 26,805.39	per line
96" or over	\$ 1,507.81	per rod
Minimum	\$ 31,831.40	per line
12 KV Electrical Transmission	\$ 134.03	per rod
Minimum	\$ 4,020.81	per line
35 KV	\$ 150.78	per rod
Minimum	\$ 4,422.89	per line
69 KV	\$ 167.54	per rod
Minimum	\$ 4,824.97	per line
138 KV	\$ 251.30	per rod
Minimum	\$ 5,026.01	per line
345 KV	\$ 301.56	per rod
Minimum	\$ 6,031.21	per line
Wooden Support Poles	\$ 837.67	each
Steel Tower Supports	\$ 3,350.67	each

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

ATTACHMENT "B"

Dredge Material Placement Area Depletion Charges

As of January 1, 2016

\$500.00 Application Fee Plus

Rincon Placement Area and Placement Area No. 1	Port Fee	\$4.38/CY
	Corps Fee	*
Southshore Placement Areas (Cells A, B & C)	Port Fee	\$4.38/CY
	Corps Fee	*
Placement Area No. 6	Port Fee	\$4.38/CY
	Corps Fee	*
Suntide Placement Area	Port Fee	\$4.38/CY
	Corps Fee	*
Placement Areas from Port Aransas to Ingleside Point	Port Fee	\$4.38/CY
	Corps Fee	*
Placement Areas Along La Quinta Channel	Port Fee	\$4.38/CY
	Corps Fee	*
Good Hope Placement Area	Port Fee	\$4.38/CY
	Corps Fee	*
Placement Area No. 14	Port Fee	\$4.38/CY
	Corps Fee	*

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

ATTACHMENT "C"

AMENDMENT #4 to 2015 SPD

ORIGINAL PLAN EFFECTIVE DATE: JANUARY 1, 2015

AMENDMENT EFFECTIVE DATE: JANUARY 1, 2016

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

I. SUMMARY PLAN DESCRIPTION

Location: Schedule of Benefits

Delete:

COVERED SERVICES	SPOHN NETWORK PROVIDERS	FIRST HEALTH NETWORK PROVIDERS (OUTSIDE SPOHN SERVICE AREA)	NON-NETWORK PROVIDERS & FIRST HEALTH PROVIDERS (IN SPOHN SERVICE AREA) (MAY BE SUBJECT TO BALANCE BILLING)
MONTHLY DEDUCTIBLE Per Single/Family Unit	\$200		
ANNUAL MAXIMUM ELIGIBLE COINSURANCE OUT-OF-POCKET EXPENSE (EXCLUDES DEDUCTIBLE AND CO-PAYS) PER SINGLE/FAMILY UNIT	\$1,000		Unlimited

PRESCRIPTION DRUG BENEFITS

	30 DAY SUPPLY	*RETAIL 90 / MAIL ORDER
SMOKING DETERRENTS One (6) six month treatment per calendar year/ not to exceed (2) treatments in a lifetime	Co-pay applies based on information below	
GENERIC	\$10 Co-pay	\$15 Co-pay
BRAND NAME FORMULARY	\$30 Co-pay	\$45 Co-pay
NON-FORMULARY BRAND NAME DRUGS	\$40 Co-pay	\$60 Co-pay
SHINGLES AND MENINGITIS VACCINE AT THE PHARMACY PRESCRIPTION REQUIRED	\$30 Co-pay	

**90-Day supply allowed with 1½ co-pays for Maintenance Drugs at participating pharmacies*

***Note:** All co-pays will not apply to coinsurance stop loss maximum. For further information regarding your Prescription Drug benefits, see the Prescription Drug Benefits section of the SPD.*

ATTACHMENT “C”

Replace With:

COVERED SERVICES	SPOHN NETWORK PROVIDERS	FIRST HEALTH NETWORK PROVIDERS (OUTSIDE SPOHN SERVICE AREA)	NON-NETWORK PROVIDERS & FIRST HEALTH PROVIDERS (IN SPOHN SERVICE AREA) (MAY BE SUBJECT TO BALANCE BILLING)
MONTHLY DEDUCTIBLE Per Single/Family Unit	\$200		
Maximum Out of Pocket Amount Includes Deductibles, Co-pays, and Coinsurance Individual & Families	\$3,000		Unlimited

PRESCRIPTION DRUG BENEFITS

	30 DAY SUPPLY	*RETAIL 90 / MAIL ORDER
GENERIC	\$10 Co-pay	\$15 Co-pay
BRAND NAME FORMULARY	\$35 Co-pay	\$45.00 Co-pay
NON-FORMULARY BRAND NAME DRUGS	\$45 Co-pay	\$60.00 Co-pay
SPECIALTY DRUGS	\$200 Co-pay	Not Available
PREVENTIVE DRUGS & CONTRACEPTIVES**	\$0 Co-pay	Not Available
SHINGLES AND MENINGITIS VACCINE AT THE PHARMACY	\$0 Co-pay	
Prescription Co-Pays Apply to the Maximum Out of Pocket		
If a Brand name drug is dispensed when a generic equivalent is available, the Co-pay will be the Brand Name Co-pay plus the difference in cost between the Brand Name drug and the Generic equivalent. If no Generic is available, the Brand Co-pay will apply.		
*90-Day supply allowed with 1½ co-pays for Maintenance Drugs at participating pharmacies **No co-pay for generic preventive drugs and contraceptives unless a generic drug is deemed medically inappropriate by the prescribing physician.		

AGENDA ITEM NO. 3

**Oath of Office to
Port Commissioners**

NO ATTACHMENT

AGENDA ITEM NO. 4

Elect Officers

NO ATTACHMENT

AGENDA ITEM NO. 5

Comments from Public

NO ATTACHMENT

AGENDA ITEM NO. 6

Committee Reports

NO ATTACHMENT

AGENDA ITEM NO. 7

Staff Reports

NO ATTACHMENT

DATE: January 19, 2016

TO: Port Commission

FROM: Rosie Collin, Director of Community Relations
Rosie@pocca.com
(361) 885-6115

AGENDA ITEM NO. 8

Approve a Resolution of Appreciation for Foster Edwards

RESOLUTION

WHEREAS, Foster Edwards served as President/CEO of the Corpus Christi Chamber of Commerce serving a total of eight years; and

WHEREAS, Foster Edwards, during his tenure and with his invaluable participation worked diligently alongside Senator Juan “Chuy” Hinojosa, Chairman Todd Hunter, Port Commissioner Charlie Zahn and the business community in shepherding the Texas windstorm reform and legislation that would positively impact the four county Coastal Bend region; and

WHEREAS, Foster Edward’s vision focused on enhancing opportunities for members of the Corpus Christi Chamber of Commerce through programs such as Leadership Corpus Christi, Lemonade Day, Conquer the Coast and Salute to the Military; and

WHEREAS, Foster Edwards, in a collaboration with Port Corpus Christi, Nueces and San Patricio Counties and the City of Corpus Christi reestablished the South Texas Military Facilities Task Force that continues to enhance and protect jobs, promote good relations with our military bases and raise awareness of the value of our military bases to the Coastal Bend region; and

WHEREAS, Foster Edwards, in addition to his service to the Corpus Christi Chamber of Commerce is the Former Chairman of the National Association of Realtors, Former Chairman of Corpus Christi Convention and Visitors Bureau, Founding Director of Our House, Inc. (non-profit operating a Ronald McDonald House in Corpus Christi) and Former President, Corpus Christi Industrial Foundation; and

WHEREAS, the Port Commission wants to publicly acknowledge Foster Edwards for his leadership and his honorable service to the community; and

NOW, THEREFORE BE IT RESOLVED, that the Port Commission of Port Corpus Christi Authority expresses its sincere gratitude to Foster Edwards for his eight years of service to the Coastal Bend region and for his collaborative efforts with Port Corpus Christi. The Commission further wishes to acknowledge its appreciation of him as a loyal friend and supporter.

BE IT FURTHER RESOLVED, that this resolution be made a part of the permanent minutes of this Port Commission and that a copy of the Resolution be furnished to Foster Edwards. Unanimously adopted this 19th day of January 2016.

DATE: January 5, 2016

TO: Port Commission

FROM: Sarah L. Garza, Director of Environmental Planning & Compliance
sarah@pocca.com
(361) 885-6163

AGENDA ITEM NO. 9

Approve a Resolution in Memory of Louis William “Bill” Hennings, III

RESOLUTION

WHEREAS, Louis William “Bill” Hennings, III dedicated his life to serving others through his work in the community of Corpus Christi and to his country, until his death on December 10, 2015; and

WHEREAS, Bill Hennings started at the City of Corpus Christi in 1971 as a building official rising through the organization to become the City Manager in 1996 and retiring after 30 years in 1998; and

WHEREAS, Bill Hennings continued to work as a consultant in the community and served on the Metropolitan Planning Organization Committee after retiring from the City of Corpus Christi until his death; and

WHEREAS, Bill Hennings also chaired the Corpus Christi Air Quality Committee from 1995 to 2008, during which time the region came into attainment of the National Ambient Air Quality Standard for ozone through implementation of voluntary measures and remains in attainment of the current ozone standard due in large part to Bill Hennings leadership and collaborative vision; and

WHEREAS, Bill Hennings served in the Navy before starting his career at the City of Corpus Christi, as an Engineering Officer overseas and then back in the states overseeing Public Works at the Dallas Naval Air Station; and

WHEREAS, Bill Hennings was a valued partner of the Port of Corpus Christi Authority and the Port Commission wants to publicly acknowledge Bill Hennings commitment to Corpus Christi and the environment, specifically the air quality in our region;

NOW THEREFORE BE IT RESOLVED, by the Port Commission of the Port of Corpus Christi Authority of Nueces County, Texas, that the Port Commission and Staff

wish to acknowledge their deep appreciation of Bill Hennings as a hardworking, considerate and well-regarded individual and its sincere gratitude for the lifetime of service Bill Hennings gave to Corpus Christi, to the environment, and to his country.

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 furnished to the family of Bill Hennings.

AGENDA ITEM NO. 10

Desalinization Report

NO ATTACHMENT

DATE: January 19, 2016

TO: Port Commission

FROM: John Pasch, Interim Director of Operations
Jpasch@pocca.com
885-6157

AGENDA ITEM NO. 11

**Receive Presentation from Staff on the Military Out-Load at
Port Corpus Christi in November 2015**

SUMMARY: The Port of Corpus Christi Authority performed a military out-load “MOL” operation in November 2016. This operation required a great deal of coordination from a number of parties to ensure that all federally-mandated security requirements were met. Included in the evolution of this operation was the 842nd Transportation Battalion, Port of Corpus Christi Authority, Port of Corpus Christi Police Department, Corpus Christi Police Dive Team, U.S. Customs and Border Patrol, Coast Guard Deployable Specialized Forces (DSF) support – Maritime Safety & Security Team (MSST), Canine unit, Anti Swimmer system, Container Inspection Training & Assist Team (CITAT), and Regional Dive Locker.

BACKGROUND: The evolution began months ahead of time with a detailed process review and culminated with a smoothly executed delivery of 220 pieces of military hardware by ship for rail transport from the Port of Corpus Christi.

- In preparation for this MOL operation, an incident action plan (IAP) using the Incident Command System (ICS) was jointly developed. This IAP was a unified representation of all members.
- Conducted MOL offload operations with the M/V OCEAN GLOBE. A week prior to the expected arrival of the MOL vessel, a completed IAP was distributed for PRC review and approval. An ICS Operations Brief was then delivered a few days prior to review the tactics associated with ensuring the safety and security of the MOL. Ship arrival, cargo offload and departure were delayed due to numerous unforeseen conditions, but flexibility among the team and supporting units enabled operations to progress without significant security gaps, interruption to adjacent commercial facilities, or maritime traffic. While the operation lasted longer than expected, the MOL operation was successfully executed.

The following presentation highlights this operation and the diversity of missions our Port performs. Captain Tony Hahn, Commander Brent Kenny and Commander Zach Picket are on hand.

ALTERNATIVES: N/A

CONFORMITY TO PORT POLICY: N/A

EMERGENCY: N/A

FINANCIAL IMPACT: N/A

STAFF RECOMMENDATION: N/A

DEPARTMENTAL CLERARANCES: N/A

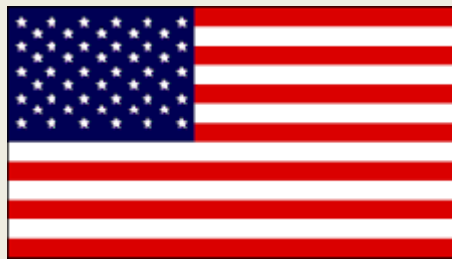
LIST OF SUPPORTING DOCUMENTS: Copy of Presentation.



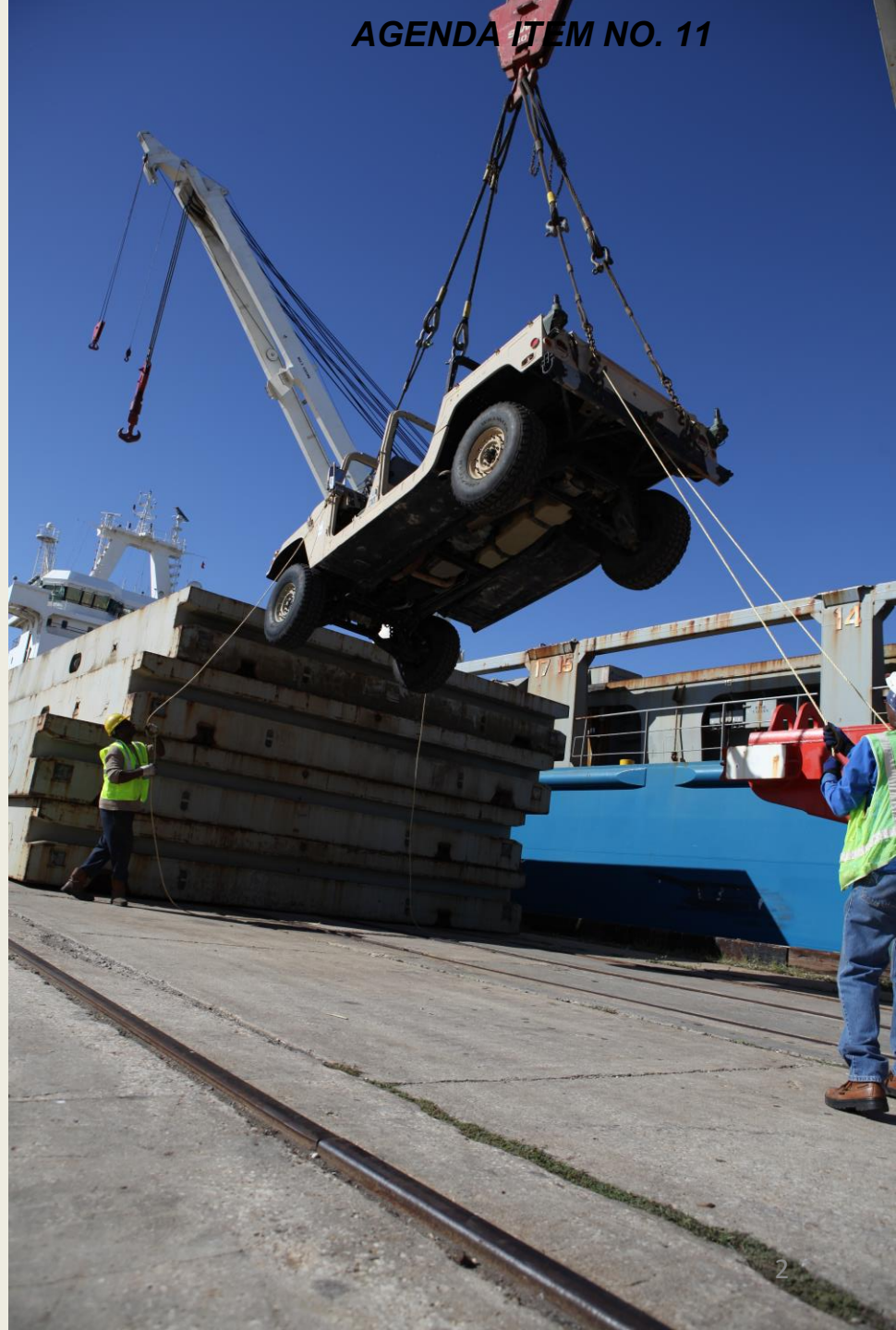
PORTCORPUSCHRISTI

US Military Cargo Out Load November 2015

Presentation assembled by Jesse Samu & Jennifer Powell



A Military Out Load
(MOL) was
performed in
November 2015.





Project Collaborators

- Corpus Christi Terminal Railroad
- Customs and Border Protection
- International Longshoremen Association
- POCCA Harbormaster's Office
- POCCA Maintenance Department
- POCCA Police Department
- Shippers Stevedoring
- US Army
- US Coast Guard (includes 6 different commands from throughout USA)



This operation
was performed
for two weeks.



During this time, 220
pieces of equipment were
moved.

MOL 2015



MOL 2015



MOL 2015



MOL 2015



DATE: January 19, 2016

TO: Port Commission

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

AGENDA ITEM NO. 12

Approve Resolution Prohibiting the Carrying of Handguns into Meeting Rooms during Open Meetings

SUMMARY: Staff recommends adoption of a Resolution (see attachment) which provides notice to the public that, except in the case of duly certified/licensed federal, state, or local law enforcement personnel, the possession of a handgun in a room in which a meeting of the Port Commission is being held is prohibited.

BACKGROUND: During the 2015 Legislative Session, the Texas Legislature passed House Bill H.B. 910 which allows a properly licensed individual to carry a handgun either concealed or openly. If the licensed individual carries openly, the individual is required to carry the handgun in a belt holster or in a shoulder holster. The law became effective January 1, 2016.

Texas Penal Code Section 46.035(c) (effective January 1, 2016) provides "A license holder commits an offense if the license holder intentionally, knowingly, or recklessly carries a handgun under the authority of Subchapter H, Chapter 411, Government Code, regardless of whether the handgun is concealed or carried in a shoulder or belt holster, in the room or rooms where a meeting of a governmental entity is held and if the meeting is an open meeting subject to Chapter 551, Government Code, and the entity provided notice as required by that chapter." The attached Resolution prohibits license holders from carrying handguns into the room or rooms within which a meeting of the Port Commission is held subject to the Texas Open Meetings Act. The Resolution further provides that notice of such prohibition will be posted in accordance with Sections 30.06 (concealed carry) and 30.07 (open carry) of the Texas Penal Code.

ALTERNATIVES: N/A

CONFORMITY TO PORT POLICY: New Policy

EMERGENCY: No.

FINANCIAL IMPACT: None.

STAFF RECOMMENDATION: Staff recommends approval of the attached Resolution Prohibiting the Carrying of Handguns into Meeting Rooms during Open Meetings.

DEPARTMENTAL CLEARANCES:

Originating Department	Port Security
Reviewed & Approved	Tom Mylett
Legal	Dane Bruun
Senior Staff	John LaRue
	Sean Strawbridge
	Jarl Pederson

LIST OF SUPPORTING DOCUMENTS:

Copy of Resolution

**A RESOLUTION PROHIBITING THE CARRYING OF HANDGUNS
INTO MEETING ROOMS DURING OPEN MEETINGS**

WHEREAS, during the 84th Texas Legislative Session, Senate Bill 273 and House Bill 910 were passed amending state law regarding the carrying of handguns; and

WHEREAS, Senate Bill 273 and House Bill 910 authorize governmental entities, such as the Port of Corpus Christi Authority (“PCCA”), to prohibit the carrying of handguns into meeting rooms during open meetings under the Texas Open Meetings Act; and

WHEREAS, the Port Commission wishes to prohibit the carrying of handguns into meeting rooms during open meetings in compliance with the newly revised state law;

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

Section 1. In accordance with Sections 46.035(c), Texas Penal Code, effective January 1, 2016, carrying a concealed handgun by persons licensed under the authority of Subchapter H, Chapter 411, Government Code is prohibited in all rooms where an open meeting of the Port of Corpus Christi Authority is held subject to Chapter 551, Government Code, and notice of such prohibition shall be given in accordance with Section 30.06 (concealed carry), Texas Penal Code.

Section 2. In accordance with Sections 46.035(c), Texas Penal Code, effective January 1, 2016, openly carrying a handgun by persons licensed under the authority of Subchapter H, Chapter 411, Government Code is prohibited in all rooms where an open meeting of the Port of Corpus Christi Authority (“PCCA”) is held subject to Chapter 551, Government Code, and notice of such prohibition shall be given in accordance with Section 30.07 (open carry), Texas Penal Code.

ADOPTED BY the Port Commission of the Port of Corpus Christi Authority of Nueces County, Texas, at a public meeting of the Port Commission held on January 19, 2016.

* * * * *

DATE: January 19, 2016

TO: Port Commission

FROM: Jimmy Welder, Port Counsel
jwelder@welderleshin.com
(361) 561-8002

AGENDA ITEM NO. 13

Authorize PCCA Staff to Issue a Request for Proposals for a Consultant to Assist PCCA in Carrying Out Its Obligations under the Neighborhood Acquisition and Relocation Program Described in PCCA's Agreement with the Texas Department of Transportation, the City of Corpus Christi, and the Corpus Christi Housing Authority for the Harbor Bridge Replacement Project

SUMMARY: As part of the Harbor Bridge Replacement Project, PCCA has agreed to offer to purchase the following properties in the parts of the Hillcrest and Washington-Coles neighborhoods north of I-37 and west of the proposed route of the new Harbor Bridge (the "Neighborhood"): eligible owner-occupied property, eligible residential rental property, property owned by an eligible church, and property owned by an eligible neighborhood business. PCCA has agreed to pay relocation benefits (i) to sellers of owner-occupied property, church-owned property, and neighborhood business property, and (ii) to eligible tenants displaced by the sale of residential rental property. These acquisitions must be made and relocation benefits paid in accordance the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and regulations promulgated under the Uniform Act. Staff recommends that the Port Commission authorize staff to issue a request for proposals from consultants interested in assisting PCCA in carrying out its acquisition and relocation obligations under the Four Party Agreement described in the background section for this agenda item. In Staff's opinion, an RFP for these services provides the best value for PCCA.

BACKGROUND: At the Port Commission meeting held on December 15, 2015, the Commission approved a Four Party Agreement between PCCA, the Texas Department of Transportation, the City of Corpus Christi, and the Corpus Christi Housing Authority, in which PCCA agreed to make the purchase offers and pay the relocation benefits described in the preceding summary, subject to a \$20 million limitation on PCCA's total out-of-pocket costs in carrying out the acquisition/relocation plan. The Four Party Agreement provides that PCCA will engage an acquisition and relocation service provider to implement and administer the Neighborhood Acquisition Plan described in the agreement on PCCA's behalf. The purpose of the RFP described in the Summary above is to find and ultimately select the consultant who can best provide these acquisition and relocation services for or on behalf of PCCA.

ALTERNATIVES: Competitive sealed bids for these services.

CONFORMITY TO PORT POLICY: Using an RFP to acquire these consulting services is consistent with Port Policy.

EMERGENCY: This is not an emergency, but it must be done expeditiously to meet the deadlines established in the Four Party Agreement

FINANCIAL IMPACT: Fulfilling PCCA's obligations under the Four Party Agreement may cost up to \$20 million. The portion of this amount that will be paid to the consultant is unknown at this time.

STAFF RECOMMENDATION: Staff recommends Commission approval of the attached Resolution, which authorizes staff to issue a request for proposals from consultants willing to assist PCCA in carrying out its acquisition and relocation obligations under the Four Party Agreement. Staff further recommends that the Commission authorize the Chair to appoint members of the selection committee.

DEPARTMENTAL CLEARANCES:

Senior Staff	John LaRue Sean Strawbridge Jarl Pedersen
Legal	Jimmy Welder

LIST OF SUPPORTING DOCUMENTS:

Resolution authorizing staff to issue an RFP as outlined in this memorandum.
Copy of the Four Party Agreement.

MISCELLANEOUS:

The sole purpose of this memorandum is to convey Staff's recommendation to the Port Commission on the best value method of selecting a consultant to assist PCCA in carrying out its obligations under the Four Party Agreement. Nothing in this memorandum constitutes an offer to buy property in the Neighborhood or to provide relocation benefits to any person in the Neighborhood. No person may rely on this memorandum except the Port Commissioners for the purposes described herein.

RESOLUTION AUTHORIZING PORT AUTHORITY STAFF TO ISSUE A REQUEST FOR PROPOSALS FROM CONSULTANTS INTERESTED IN ASSISTING THE PORT AUTHORITY IN CARRYING OUT ITS OBLIGATIONS UNDER A FOUR PARTY AGREEMENT BETWEEN THE TEXAS DEPARTMENT OF TRANSPORTATION (“*TxDOT*”), THE PORT OF CORPUS CHRISTI AUTHORITY OF NUECES COUNTY, TEXAS (“*PORT AUTHORITY*”), THE CITY OF CORPUS CHRISTI, TEXAS (“*CITY*”), AND THE CORPUS CHRISTI HOUSING AUTHORITY (“*HOUSING AUTHORITY*”) CONCERNING THE HARBOR BRIDGE REPLACEMENT PROJECT, AND NAMING THE MEMBERS OF THE SELECTION COMMITTEE OR AUTHORIZING THE PORT COMMISSION CHAIR TO NAME THE MEMBERS OF THE SELECTION COMMITTEE

WHEREAS, the Federal Highway Administration (“*FHWA*”) and TxDOT have proposed the replacement of the current Harbor Bridge in Corpus Christi, Texas (the “*Project*”); and

WHEREAS, TxDOT, the Port Authority, the City, and the Housing Authority have entered into a Four Party Agreement (“*Four Party Agreement*”) that allocates responsibility among the parties for implementing certain Title VI mitigation actions in those parts of the Hillcrest and Washington-Coles neighborhoods north of I-37 and west of the proposed route of the new Harbor Bridge (collectively, the “*Neighborhood*”); and

WHEREAS, under the terms of the Four Party Agreement the Port Authority has agreed (1) to offer to purchase all of the residential and business property in the Neighborhood pursuant to the terms of the Neighborhood Acquisition Plan described in Exhibit C to the Four Party Agreement (the “*Neighborhood Acquisition Plan*”), and (2) to provide relocation benefits to displaced owners, tenants and businesses pursuant to the terms of the Relocation Program described in Exhibit C (the “*Relocation Program*”), all at a cost not to exceed \$20 million; and

WHEREAS, under the terms of the Four Party Agreement the Port Authority is also agreeing to offer to buy restrictive covenants and purchase options on the owner occupied residential property in the Neighborhood pursuant to the terms of the Voluntary Restrictive Covenant Program described in Exhibit C to the Four Party Agreement; and

WHEREAS, the Four Party Agreement provides that PCCA will engage an acquisition and relocation service provider (“*Acquisition/Relocation Consultant*”) to implement and administer the Neighborhood Acquisition Plan and the Relocation Program on the Port Authority’s behalf; and

WHEREAS, Section 60.454 of the Texas Water Code provides various methods for acquiring the services of the Acquisition/Relocation Consultant and authorizes the Port Commission to select the method that, in the opinion of the Commission, provides the best value for the Port Authority; and

WHEREAS, in the opinion of the Port Authority’s staff the request for proposal method of selecting the Acquisition/Relocation Consultant provides the best value for the Port Authority;

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

Section 1. In the opinion of the Port Commission, the request for proposal method of selecting the Acquisition/Relocation Consultant provides the best value for the Port Authority.

Section 2. Port Authority staff is hereby authorized to issue a request for proposals from consultants seeking to serve as the Port Authority's Acquisition/Relocation Consultant for purposes of implementing and administering the Neighborhood Acquisition Plan and the Relocation Program on the Port Authority's behalf in accordance with the Four Party Agreement, the applicable portions of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and applicable state law and regulations. The Acquisition/Relocation Consultant will also be responsible for implementing and administering the Voluntary Restrictive Covenant Program described in Exhibit C to the Four Party Agreement on behalf of the Port Authority in accordance with the Four Party Agreement.

Section 3. The Chair of the Port Commission is hereby authorized to appoint the members of the selection committee that will evaluate the responses to the RFP.

Section 4. At a subsequent meeting of the Port Commission, the Commission will select the consultant providing the best overall value and benefit to the Port Authority as the Acquisition/Relocation Consultant. The Commission also reserves the right to reject all of the proposals.

ADOPTED BY the Port Commission of the Port of Corpus Christi Authority of Nueces County, Texas, at a public meeting of the Port Commission held on January 19, 2016.

* * * * *

**HARBOR BRIDGE REPLACEMENT PROJECT
CORPUS CHRISTI, TEXAS**

Four Party Agreement

This Agreement ("Agreement") is made by and between the Texas Department of Transportation ("TxDOT"), the Port of Corpus Christi Authority of Nueces County, Texas ("Port"), the City of Corpus Christi, Texas ("City"), and the Corpus Christi Housing Authority ("Housing Authority"). TxDOT, the Port, the City, and the Housing Authority are each referred to as a "Party," and collectively as the "Parties."

RECITALS

WHEREAS, the Federal Highway Administration ("FHWA") and TxDOT have proposed the replacement of the current Harbor Bridge in Corpus Christi, Texas (the "Project"). The bridge spans the Corpus Christi Ship Channel. FHWA and TxDOT, as joint lead agencies, initiated the National Environmental Policy Act ("NEPA") evaluation of the Project in 2011 and prepared an environmental impact statement (EIS);

WHEREAS, on March 13, 2015, the FHWA Coordination and Compliance Division received a complaint under Title VI of the Civil Rights Act of 1964 (42 U.S.C. §2000d) and 49 C.F.R. Part 21, submitted by two individuals who reside in the Hillcrest neighborhood in the City of Corpus Christi (the "Complaint");

WHEREAS, FHWA and TxDOT propose to enter a Voluntary Resolution Agreement ("Two Party Agreement") to implement specific Title VI mitigation actions for the Project and resolve the Complaint (**Exhibit B**). This Four Party Agreement is an agreement by the undersigned Parties who have joined together to implement the requirements of the Two Party Agreement; and

WHEREAS, TxDOT is authorized to enter into an interlocal contract with one or more local governments under Transportation Code §201.209, the Port is authorized to enter into a contract with any person, government or governmental agency necessary or convenient to carry out any of the powers granted to the Port in Subchapter E of Chapter 60, Water Code, the City is authorized to enter into an interlocal contract under Government Code, ch. 791, and the Housing Authority may cooperate with a municipality, political subdivision, or the state, in action taken with respect to the problems of providing housing for persons of low income under Local Government Code §392.059; and

WHEREAS, the Port supports the 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;

NOW THEREFORE, in consideration of the foregoing recitals, which are incorporated herein, and the mutual promises of the Parties set forth herein, the Parties agree as follows:

AGREEMENT

Section 1. Effective Date. The Agreement shall become effective contemporaneously with the FHWA's issuance of the Record of Decision for the Project ("Effective Date"), which approves of the Preferred Alternative identified in the Final EIS signed on November 25, 2014.

Section 2. Effective Period. The Agreement will be in effect starting with the Effective Date and ending on the date the new Harbor Bridge is open to traffic ("Effective Period"). However, the obligations of the Parties to this Agreement shall be suspended during any period that the Harbor Bridge Project (Red Alternative) is suspended due to the actions of any federal or state agency, litigation, or administrative action related thereto. If the Harbor Bridge Project (Red Alternative) is terminated, this Agreement will cease to be effective.

Section 3. Exhibits. This Agreement incorporates herein the exhibits which show the Two Party Agreement, certain defined terms used in the Agreement, and show the action measures each Party will perform.

Section 4. Responsibility.

4.1 Each Party is responsible for performing the action items described in the exhibit identified for that Party attached to the Agreement. In addition, TxDOT is responsible to oversee the action items to be carried out by the Port, City, and the Housing Authority and to ensure completion of such items.

4.2 Nothing in this Agreement shall be deemed or construed by the Parties, nor by any third party, as creating the relationship of principal and agent or of partnership or of joint venture between the Parties.

Section 5. Record Keeping and Reporting.

5.1 Record Keeping. The Port and the City each shall maintain records of their work performed under this Agreement as it relates to each Neighborhood Property. The records shall be organized using a common identifying label for each property using the unique identifying record indicator established by the Nueces County Appraisal District.

5.2 Record Keeping Required by Two Party Agreement. The reporting requirements in this paragraph apply to the Port, City, and Housing Authority (the "Local Governmental Entities"). The Local Governmental Entities shall each maintain the records required by the Two Party Agreement that relate to their respective responsibilities under this Agreement.

5.3 Quarterly Reports by Port, City, Housing Authority. Each Local Governmental Entity shall submit one completed progress report quarterly, in a form/format provided by TxDOT, describing the work and progress made to carry out the action items it is responsible for under the Agreement, and as is necessary to satisfy the reporting requirements of the Two Party Agreement as they relate to their respective

responsibilities. Each Local Governmental Entity must submit a report for the periods of: October 1 to December 31, January 1 to March 31, April 1 to June 30, and July 1 to September 30, for the duration of the Effective Period. The Local Governmental Entity shall furnish one copy of the completed progress report to TxDOT on or before the thirtieth (30th) calendar day of the month following the end of the period for which the report is submitted. The Local Governmental Entity must complete the report in its entirety with the most accurate information available at the time of reporting. It must be able to support the information contained in its progress reports.

5.4 Quarterly Report by City's Liaison. The City shall submit quarterly reports to TxDOT as required by the Two Party Agreement that relate to the Liaison's duties.

5.5 Quarterly Report by TxDOT. TxDOT shall submit to FHWA one progress report quarterly, in a form/format approved by FHWA, describing the work and progress made to carry out the action items that TxDOT is responsible for under the Proposal. TxDOT must submit the quarterly reports for the duration of the Effective Period. TxDOT shall furnish one copy of the completed progress report to FHWA on or before the sixtieth (60th) calendar day following the end of the period for which the report is submitted. TxDOT must complete the report in its entirety with the most accurate information available at the time of reporting. It must be able to support the information contained in its progress reports.

Section 6. Inspection by FHWA. TxDOT and the Local Governmental Entities each agree to permit FHWA, or its authorized representatives, to inspect all work and other data, and to audit the books, records, and accounts of the Party and its contractors pertaining to performing the action items described in the Agreement.

Section 7. Dispute Resolution.

7.1 Informal Resolution Procedures as Condition Precedent. Any disputes among the Parties relating to this Agreement (a "Dispute"), shall be the subject of the informal dispute resolution procedures set out in this Section 7 before a Party may exercise any other rights and remedies available under Section 7.3.

7.2 Informal Resolution. If any Party believes a Dispute exists, that Party may notify the other Parties in writing that a Dispute exists. A Party may notify another Party that the provisions of this Section 7 are invoked (the "Resolution Start Notice"). The notice must include (a) the statement of such Party's position on the Dispute, (b) a summary of the reasons supporting such Party's position and (c) a proposed resolution to such Dispute that would be satisfactory to such Party. Within ten (10) business days from receipt of the Resolution Start Notice, the Party receiving the notice shall deliver to the other Party a written response to the Dispute (a "Resolution Response Notice"). Each Resolution Response Notice shall include (i) a statement of such Party's position on the Dispute, (ii) a summary of the reasons supporting such Party's position and (iii) a proposed resolution of such Dispute that would be satisfactory to such Party. Each Party will designate a senior executive of such Party (the "Designated Executive") and agrees that such Designated Executives shall have full authority to resolve such Dispute. A Party may replace its Designated Executive upon written notice to the other

Party. The Designated Executives shall immediately begin to communicate regarding the Dispute, including attendance at a personal meeting if requested by the other Designated Executive, and shall exercise good faith efforts to resolve the Dispute fairly and completely within forty five (45) days after the date of the Resolution Response Notice. A Party sending a written notice under this section must send a copy of the notice to all other Parties, whether such other Parties are the subject of the Dispute or not.

7.3 Other Rights and Remedies. If a Dispute has been the subject of informal resolution in accordance with this Section 7, and such procedures are concluded without a resolution to the Dispute that is satisfactory to both Parties, either Party shall be entitled to exercise any other rights and remedies available under this Agreement, or available at law or equity.

7.4 Performance. Each of the Parties shall continue performance under this Agreement during the process of resolving a Dispute.

Section 8. Enforcement.

8.1 The Local Governmental Entities each acknowledge and understand that if it does not fulfill its obligations under this Agreement, then TxDOT may assume all or part of their respective obligations. In that event, the Local Governmental Entities agree to reimburse TxDOT for all expenses, obligations, liabilities, costs and fees incurred by TxDOT in connection with assuming their respective obligations under this Agreement. Should TxDOT determine that one of the Local Governmental Entities is not in compliance with the Agreement, then TxDOT may take appropriate action to exercise its rights and remedies available under this Agreement, or available at law or equity. The Local Governmental Entities each acknowledge that TxDOT has provided valuable consideration in this Agreement and that TxDOT is authorized to seek remedies at law or equity to compel its compliance with the Agreement. THE LOCAL GOVERNMENTAL ENTITIES EACH EXPRESSLY COVENANT AND AGREE, TO THE FULLEST EXTENT PERMITTED BY LAW INCLUDING THE TEXAS CONSTITUTION, TO PROTECT, INDEMNIFY, RELEASE, DEFEND AND HOLD FREE AND HARMLESS TXDOT AND ITS OFFICERS, DIRECTORS, REPRESENTATIVES, EMPLOYEES, INVITEES, AGENTS, AND CONTRACTORS FROM AND AGAINST ANY AND ALL LIABILITIES, LOSSES, COSTS AND EXPENSES (THE "LIABILITIES"), ARISING FROM OR AS A RESULT OF THE PARTY'S FAILURE TO CARRY OUT THE ACTION ITEMS DESCRIBED IN THE EXHIBIT IDENTIFIED FOR THAT PARTY ATTACHED TO THE AGREEMENT. The Local Governmental Entities each acknowledge that TxDOT, upon determining that such Party is indebted to TxDOT for Liabilities incurred under this Agreement (to the maximum extent of the indebtedness amounts described below), may submit a report to the Texas Comptroller under Texas Government Code Section 403.055 concerning holds on warrants or electronic funds transfers.

8.2 The Port acknowledges that TxDOT has provided valuable consideration in this Agreement. The Port acknowledges that if it fails to carry out the action items described in Exhibit C, that such failure constitutes a breach of the Agreement and an indebtedness to TxDOT in the amount of \$20 million less all Acquisition Costs (as

described under the heading "Reimbursement of acquisition costs over \$20 million" in Exhibit C) paid by the Port. TxDOT shall provide notice of the Port's breach and an opportunity to resolve the dispute in accordance with Section 7 of this Agreement. TxDOT shall submit a report to the Texas Comptroller under Texas Government Code Section 403.055, concerning holds on warrants or electronic funds transfers, identifying the Port as a debtor to the state.

8.3 The City acknowledges that TxDOT has provided valuable consideration in this Agreement. The City acknowledges that if it fails to carry out the action items described in Exhibit D, that such failure constitutes a breach of the Agreement and an indebtedness to TxDOT in the amount of \$320,000. TxDOT shall provide notice of the City's breach and an opportunity to resolve the dispute in accordance with Section 7 of this Agreement. TxDOT shall submit a report to the Texas Comptroller under Texas Government Code Section 403.055, concerning holds on warrants or electronic funds transfers, identifying the City as a debtor to the state, in an amount not to exceed \$320,000, less any amount the City has already expended under the Agreement.

8.4 The Housing Authority acknowledges that TxDOT has provided valuable consideration in this Agreement. The Housing Authority acknowledges that if it fails to carry out the action items described in Exhibit F, that such failure constitutes a breach of the Agreement and an indebtedness to TxDOT in the amount of \$1,500,000. TxDOT shall provide notice of the Housing Authority's breach and an opportunity to resolve the dispute in accordance with Section 7 of this Agreement. TxDOT shall submit a report to the Texas Comptroller under Texas Government Code Section 403.055, concerning holds on warrants or electronic funds transfers, identifying the Housing Authority as a debtor to the state, in an amount not to exceed \$1,500,000, less any amount the Housing Authority has already expended under the Agreement.

8.5 The Local Governmental Entities each acknowledge that should it fail to carry out the obligations described in the exhibit to this Agreement identified for that Party, that TxDOT will request of the Corpus Christi Metropolitan Planning Organization ("Corpus Christi MPO") that any future Metropolitan Mobility/Rehabilitation funds or other MPO fund sources that would otherwise be identified, programmed, or awarded to such Party for transportation projects, shall instead be programmed for TxDOT's use for purposes of TxDOT assuming those obligations to ensure their completion. The Local Governmental Entities further acknowledge and agree that should TxDOT be required to reimburse the Port for costs of the Neighborhood Acquisition Plan that exceed \$20 million (as provided for in Exhibit C), that TxDOT will request of the Corpus Christi MPO that any future Metropolitan Mobility/Rehabilitation funds or other MPO fund sources (up to the amount of the required reimbursement) that would otherwise be identified, programmed, or awarded to one or more of the Local Governmental Entities, shall instead be programmed for TxDOT's use for purposes of TxDOT funding its obligations under Exhibit C. The Local Governmental Entities each hereby commit that they will agree with TxDOT's request and not take any action to object to or oppose TxDOT's request or the Corpus Christi MPO's approval and implementation of the request.

Section 9. Party Representative; Notices. The Parties each appoint a Party representative, a person whose role, on behalf of a Party, is to coordinate with the other

Parties on all work matters related to this Agreement, including working directly or indirectly with the public. Each Party reserves the right to change the designation of its representative from time to time by written notice to the other Parties. All requests, notices, demands, authorizations, directions, consents, waivers or other communications (collectively, "Notices") required or permitted under this Agreement shall be in writing and sent to the Party representative. Notices shall either be: (a) delivered in person, (b) sent by certified mail, postage prepaid, return receipt requested, using the United States Postal Service, or (c) delivered by a nationally recognized overnight courier service that obtains receipts. Each Notice shall be deemed to be delivered to a Party when received at its address set forth or designated as provided in this section.

Notices must be addressed to TxDOT at:

Christopher Caron, P.E.
District Engineer
Texas Department of Transportation
1701 South Padre Island Drive
Corpus Christi, TX 78416

(361) 808-2221
Chris.Caron@txdot.gov

Notices must be addressed to the Port at:

John P. LaRue
Executive Director
Port of Corpus Christi Authority
222 Power Street
Corpus Christi, TX 78401

(361) 885-6189
john@pocca.com

Notices must be addressed to the City at:

Miles Risley
City Attorney
City of Corpus Christi Legal Department
1201 Leopard Street
P. O. Box 9277
Corpus Christi, TX 78469

(361) 826-3361
milesr@cctexas.com

Notices must be addressed to the Housing Authority at:

Gary Allsup
Chief Executive Officer
Corpus Christi Housing Authority
3701 Ayers Street
Corpus Christi, TX 78415

(361) 889-3350
gary_allsup@hacc.org

Section 10. Entire Agreement. This Agreement contains the entire agreement among the Parties with respect to the subject matter hereof, and no oral statements or prior written materials not specifically incorporated herein shall be effective. No variation, modification, or changes hereof shall be binding on any Party unless set forth in a document executed by all of the Parties.

Section 11. Assignment. Except as provided in the Voluntary Restrictive Covenant Program described in Exhibit C, the rights and/or obligations under this Agreement of any Party may not be assigned except with the express written consent of the other Parties. Any assignment in violation of this provision shall be void.

Section 12. Legal Construction. If one or more of the provisions contained in this Agreement shall for any reason be held inapplicable, invalid, illegal, or unenforceable in any respect, that inapplicability, invalidity, illegality, or unenforceability shall not affect any other provisions and this Agreement shall be construed as if it did not contain the inapplicable, invalid, illegal, or unenforceable provision.

Section 13. Sole Benefit. This Agreement is entered into for the sole benefit of the Parties and their respective successors and permitted assigns. Nothing in this Agreement or in any approval subsequently provided by a Party shall be construed as giving any benefits, rights, remedies, or claims to any other person, firm, corporation or other entity, including, without limitation, the public in general. Nothing in this Agreement shall be construed as creating any liability in favor of any third party or parties against any of the Parties, nor shall it be construed as relieving any third party or parties from any liabilities of such third party or parties to FHWA, TxDOT, the Port, the City, or the Housing Authority. The Parties do not waive, relinquish, limit or condition their right to avoid liability which they otherwise might have to third parties.

Section 14. Execution. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, e-mail or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

IN WITNESS THEREOF, the Parties have caused this Agreement to be executed by its duly authorized signatory, effective as provided herein.

PORT OF CORPUS CHRISTI AUTHORITY



John P. LaRue
Executive Director

Dated: 12-16-15


CITY OF CORPUS CHRISTI



Ronald L. Olson
City Manager

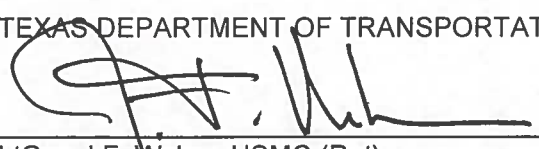
Dated: 16 Dec. 2015

ATTEST:



REBECCA HUERTA
CITY SECRETARY


TEXAS DEPARTMENT OF TRANSPORTATION



LtGen J.F. Weber, USMC (Ret)
Executive Director

Dated: 12/17/2015

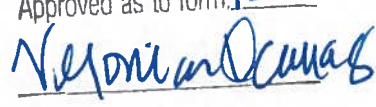
CORPUS CHRISTI HOUSING AUTHORITY



Gary Allsup
President and Chief Executive Officer

Dated: 12-16-15

Approved as to form: 12-16-15



Nelson and Deunaga

Assistant City Attorney
For City Attorney

Res. 030705
AUTHORIZED
BY COUNCIL 12/15/15

Exhibit A – Definitions

For purposes of this Agreement, each of the following terms shall have the meaning set forth in this Exhibit A. Capitalized terms in this Agreement which are not defined in this Exhibit A are defined in the text of the Agreement or other exhibits to the Agreement.

“Acquired Property” shall mean the Neighborhood Property and any other property in the Neighborhood acquired by the Port.

“Appraisal” shall mean a written statement independently and impartially prepared by a qualified appraiser setting forth an opinion of defined value of an adequately described property as of a specific date, supported by the presentation and analysis of relevant market information.

“Business” means any lawful activity, except a farm operation, that is conducted on property in the Neighborhood on January 1, 2016 and continuously thereafter:

(i) Primarily for the sale of products or services to the members of the Neighborhood or surrounding community for which the business is reliant on the Neighborhood for the majority of the sales; this determination will be made based on type of business, products or services offered, the location of the business, and the availability of the products or services outside of the Neighborhood; or

(ii) By a nonprofit organization that has established its nonprofit status under applicable Federal or State law.

“Business Property” means any facility in the Neighborhood, including a church, which is not Residential Property and in which a Business is conducted.

“Eligible Homeowners” shall mean, for any Owner Occupied Property, the Owner or Owners of that property on January 1, 2016.

“Home Based Business” means a home based business located within an Owner Occupied Property. The eligibility of a home based business must be shown by the prior two years certified Federal tax returns showing business operation and a percentage of the home used for the home based business. An eligible business would be relocated and reestablished only if the Owner of the property opted to participate in the Neighborhood Acquisition Program. The home value would be determined based on normal appraisal practices and the offer would be made to the Owner of the property. Separate relocation assistance packages (under the Relocation Program) would be presented, one concerning relocation of the Owner, and one concerning relocation of the business.

“Leathers Public Housing Complex” shall mean the 122-unit public housing complex by that name located in the City of Corpus Christi, which is owned by the Housing Authority and which is located adjacent to the Neighborhood.

"Neighborhood" shall mean the geographic area in the City of Corpus Christi that is inside the green boundary lines shown in Attachment No. 1 (which attachment is hereby incorporated into the Agreement).

"Neighborhood Acquisition Plan" or "Plan" shall mean the Port's plan to purchase the Neighborhood Property as described under the headings "Neighborhood Acquisition Plan" in Exhibit C attached to this Agreement.

"Neighborhood Property" means Residential Property and Business Property.

"Neighborhood Property Owners" shall mean, for any Neighborhood Property, the Owner or Owners of that property on January 1, 2016 and who own it continuously thereafter.

"Owner" shall mean, with respect to any Neighborhood Property, a person who purchases or holds any of the following interests in the Neighborhood Property:

(i) Fee title, a life estate, a land contract, a 99 year lease, or a lease including any options for extension with at least 50 years to run from the date of acquisition; or

(ii) An interest in a cooperative housing project which includes the right to occupy a dwelling; or

(iii) A contract to purchase any of the interests or estates described in subparagraphs (i) or (ii) above; or

(iv) Any other interest, including a partial interest, which in the judgment of TxDOT warrants consideration as ownership.

"Owner Occupied Property" shall mean any dwelling in the Neighborhood that is owned by one or more Owners and in which at least one Owner who is a natural person resides on a permanent basis on January 1, 2016, and continuously thereafter, whether or not additional persons may reside in the dwelling as Tenants. Owner occupancy status would also apply for members of the military, or other owners, for whom there is a legal, work related, or other necessary reason for the person to not actively occupy the residence on January 1, 2016.

"Owner Occupied Restrictive Covenant" shall mean, for any Owner Occupied Property, a legally enforceable restriction that permanently prohibits the use of the property for residential purposes by anyone other than the Eligible Homeowners. Any Owner Occupied Restrictive Covenant described in this Agreement shall be for the benefit of TxDOT, the Port, and the City and may be enforced by any of these Parties.

"Person" means any individual, family, partnership, corporation, or association.

"Relocation Program" shall mean the Port's plan to provide relocation benefits in connection with the Neighborhood Acquisition Plan as described under the heading "Relocation Program" in Exhibit C attached to this Agreement.

"Residential Restrictive Covenant" shall mean, for any Neighborhood Property, a legally enforceable restriction that permanently prohibits the use of the property for residential purposes by anyone. Any Residential Restrictive Covenant described in this Agreement shall be for the benefit of TxDOT, the Port, and the City and may be enforced by any of these parties.

"Residential Rental Property" shall mean any dwelling in the Neighborhood, including a single family house, a duplex for two or more families, or other multi-family housing, which is not an Owner Occupied Property and in which one or more Tenants reside on January 1, 2016. For properties in which a Tenant does not occupy the property on January 1, 2016, to apply the definition, the Owner must show previous tenant history for the two years immediately prior to the signing of this Agreement. Should the property been occupied by tenants for at least 45 weeks of the prior two years, the property would fall within the definition of Residential Rental Property. To be eligible under the Neighborhood Acquisition Plan (described below) an Owner must own the Residential Rental Property on January 1, 2016, and continuously thereafter. For the absence of doubt, the Leathers Public Housing Complex is not a Residential Rental Property for purposes of this Agreement.

"Residential Property" shall mean any Owner Occupied Property or Residential Rental Property.

"Tenant" shall mean a person who has temporary use and occupancy of Residential Property on January 1, 2016 and continuously thereafter. For the absence of doubt, a person living in the Leathers Public Housing Complex is not a Tenant for purposes of this Agreement.

"Uniform Act" shall mean the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (42 U.S.C. §4601 et seq.).

"Voluntary Restrictive Covenant Program" or "Program" shall mean the Port's program to purchase Owner Occupied Restrictive Covenants and Options as described under the heading "Voluntary Restrictive Covenant Program" in Exhibit C.

Exhibit B

Voluntary Resolution Agreement

VOLUNTARY RESOLUTION AGREEMENT

I. Purpose

The Federal Highway Administration (FHWA) and the Texas Department of Transportation (TxDOT) hereby enter into this Voluntary Resolution Agreement (Agreement) to propose specific Title VI mitigation actions for the U.S. Highway 181 improvements from Beach Avenue to Morgan Avenue at the Crosstown Expressway Project (Project). These actions will ensure the affected minority persons in the Northside Community of Corpus Christi, Texas (Hillcrest and Washington-Coles)¹ do not bear disproportionately high and adverse human health or environmental effects as a result of the Project.

FHWA conducted an investigation pursuant to Title VI of the Civil Rights Act of 1964, 42 U.S.C. 2000d to 2000d-7 (Title VI) and its implementing regulations at 49 C.F.R. Part 21. This investigation was initiated in response to an administrative complaint filed by the Texas Rio Grande Legal Aid, Inc. on March 13, 2015, on behalf of two individuals who live in Hillcrest.

The complaint alleged, in part, that TxDOT violated Title VI when the Red Alternative² for the Project was selected, which created a disparate impact for the predominantly minority Hillcrest and Washington-Coles residents.

II. Applicability

Title VI provides that no person in the United States shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity receiving Federal financial assistance. Title 49 of the Code of Federal Regulations, Part 21 (the Regulations) implements Title VI for the U.S. Department of Transportation (USDOT) and provides that Recipients may not, directly or through contractual or other arrangements, utilize criteria or methods of administration which have the effect of subjecting persons to discrimination because of their race, color, or national origin, or have the effect of defeating or substantially impairing accomplishment of the objectives of the program with respect to individuals of a particular race, color, or national origin. TxDOT is a Recipient of Federal financial assistance from the FHWA, and the Project includes Federal financial assistance.

¹ This document incorporates the geographic boundaries for the Northside Community, Hillcrest Neighborhood, and Washington-Coles Neighborhood as defined in the TxDOT Final Environmental Impact Statement – US 181 Harbor Bridge – November 2014, and as depicted in Appendix A, Figure 3.5-7 (<https://ccharborbridgeproject.files.wordpress.com/2012/02/appendix-a-figures1.pdf>).

² *Id.* § 2.8 Identification of the Recommended Alternative.

III. No Admission of Violation

By signing this Agreement, TxDOT, disputes that a Title VI violation has occurred.

IV. Effective Date, Term of the Agreement, and Timelines

The term of this Agreement (Term) shall commence on the date FHWA issues the Record of Decision for the Project, which approves of the Preferred Alternative identified in the Final EIS signed on November 25, 2014 (Effective Date) and shall terminate after the date FHWA approves the final voucher for the Project. If the Project (Red Alternative) is terminated, this agreement will cease to be effective. Should the project be suspended due to funding or legal action, the actions required in this Agreement are suspended during the time of the Project suspension.

If TxDOT is unable to comply with the initial timelines in this document, then TxDOT may request an extension, which shall not be unreasonably withheld. If TxDOT does not comply with the timelines agreed to under this Agreement, then FHWA may pursue potential sanctions, as discussed in Section XI of this Agreement.

V. Definitions

For the purpose of this Agreement, the terms listed below shall have the following meanings:

Appraisal means a written statement independently and impartially prepared by a qualified appraiser setting forth an opinion of defined value of an adequately described property as of a specific date, supported by the presentation and analysis of relevant market information.

Business means any lawful activity, except a farm operation, that is conducted on property located in the Neighborhood, as of January 1, 2016 and continuously thereafter:

- (i) Primarily for the sale of products or services to the members of the Neighborhood or surrounding community for which the business is reliant on the Neighborhood for the majority of the sales;³
- (ii) By a nonprofit organization that has established its nonprofit status under applicable Federal or State law;
- (iii) A home based business located within an Owner Occupied Property.⁴

³ This determination will be made based on type of business, products or services offered, the location of the business, and the availability of the products or services outside of the Neighborhood.

D.N. Leathers I or Leathers shall mean the 122-unit public housing complex by that name located in the City of Corpus Christi, which is owned by the Corpus Christi Housing Authority and which is located adjacent to the Hillcrest neighborhood.

Days shall mean calendar days.

Neighborhood shall mean the geographic area in the City of Corpus Christi bounded by West Broadway Street, Floral, Martin Luther King Drive, and the right of way line of the Project, as shown in **Appendix A** (the area inside the green boundary lines) attached to and made part of this Agreement.

Owner means a person who purchases or holds any of the following interests in real property:

- (i) Fee title, a life estate, a land contract, a 99 year lease, or a lease including any options for extension with at least 50 years to run from the date of acquisition; or
- (ii) An interest in a cooperative housing project which includes the right to occupy a dwelling; or
- (iii) A contract to purchase any of the interests or estates described in subparagraphs (i) or (ii) of this section; or
- (iv) Any other interest, including a partial interest, which in the judgment of TxDOT warrants consideration as ownership.

Owner Occupied Property means any dwelling in the Neighborhood that is owned by one or more Owners and in which at least one Owner that is a natural person resides in the dwelling on a permanent basis on January 1, 2016, and continuously thereafter, whether or not additional persons may reside in the dwelling as Tenants.⁵

Person means any individual, family, partnership, corporation, or association.

Residential Property means any Owner Occupied Property or Residential Rental Property.

⁴ The eligibility of a home based business must be shown by the prior two years certified Federal tax returns showing business operation and a percentage of the home used for the home based business. An eligible business would be relocated and reestablished only if the Owner of the property opted to participate in the Acquisition Program. The home value would be determined based on normal appraisal practices and the offer would be made to the Owner of the property. Separate relocation assistance packages (under the Relocation Program) would be presented, one concerning relocation of the Owner, and one concerning relocation of the business.

⁵ Owner occupancy status would also apply for members of the military, or other owners, for whom there is a legal, work related, or other necessary reason for the person to not actively occupy the residence on January 1, 2016.

Residential Rental Property means any dwelling in the Neighborhood, including a single family house, a duplex for two or more families, or other multi-family housing, which is not an Owner Occupied Property and in which one or more Tenants reside on January 1, 2016.⁶ To be eligible under the Acquisition Program (described below) an Owner must own the Residential Rental Property on January 1, 2016, and continuously thereafter. For the absence of doubt, the Leathers Public Housing Complex is not a Residential Rental Property for purposes of this Agreement.

Tenant means a person who on January 1, 2016, and continuously thereafter, has the temporary use and occupancy of Residential Property owned by another.

VI. TxDOT Actions

- A. As the Recipient of Federal-Aid Highway funds from FHWA, TxDOT is solely responsible for effectuating the actions described in this Agreement. Except where noted, the actions described below will be performed in addition to the mitigation actions already committed to by TxDOT as they relate to the Project, contained within the Final Environmental Impact Statement (FEIS). TxDOT agrees to comply with Executive Order 12892 to affirmatively further fair housing.
- B. TxDOT will perform or effectuate the following:
 - 1. **Mitigation in Final EIS.** As described in TxDOT's Final EIS⁷, TxDOT will provide assistance for residential and business displacements in Washington-Coles for those properties within the Project Right-of-Way, including but not limited to the use of TxDOT relocation counselors to work with persons displaced to find decent, safe and sanitary dwellings in the residents' preferred locations. Additional mitigation is described in the Final EIS.
 - 2. **Property Acquisition Management.** Within 120 days of the Effective Date of this Agreement TxDOT will retain, or cause to be retained, a responsible party or parties as Acquisition Manager (Manager) for the purposes of managing and implementing the Voluntary Acquisition Program (Section VI(B)(3)) and the Relocation Benefits Program (Section VI(B)(4)). The Manager will carry out and

⁶ For properties in which a Tenant does not occupy the property on January 1, 2016, to apply the definition, the Owner must show previous tenant history for the two years immediately prior to the signing of this Agreement. Should the property been occupied by tenants for at least 45 weeks of the prior two years, the property would fall within the definition of Residential Rental Property.

⁷ Final Environmental Impact Statement – US 181 Harbor Bridge – November 25, 2014, § 4.7.6.2 Mitigation Measures, <http://ccharborbridgeproject.com/eis/>.

manage all appraisals, purchases, relocation assistance, title work, and other related services. The Manager must keep and retain all records required by the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as implemented in Title 49 of the Code of Federal Regulations, Part 24, and required by Title VI of the Civil Rights Act of 1964. TxDOT will provide oversight of the Manager to ensure the Uniform Relocation Act is followed and displaced persons are treated in a fair and equitable manner.

3. **Voluntary Acquisition Program (Acquisition Program).** For each Owner of Residential Property and Business in the Neighborhood, TxDOT will carry out a Voluntary Acquisition Program. This Program will be made available to eligible Owners and Businesses that express, in writing, a desire to participate in the Acquisition Program. If an Owner or Business owner expresses an interest in acquisition during the effective period for the program, then TxDOT will treat them as a *displaced person* with the rights and privileges set forth in 49 C.F.R. § 24.2(a)(9). As such, TxDOT will ensure that interested Owners' and Business' properties are appraised, the appraisals are reviewed, and offers to acquire the properties are issued. For an Owner Occupied Property, the offer shall also give the Owner the right to retain a life estate in the property. In such cases, the purchase price of the property will be reduced to reflect the value of the retained life estate. Eligible Owners who elect to retain a life estate waive their rights under the Relocation Program (described below). TxDOT will provide, or cause to be provided, written notice, in the same manner required under 49 C.F.R. § 24.102, of the terms of the Acquisition Program to all Owners, and Businesses on an annual basis throughout the effective period of the program. TxDOT will initiate the Acquisition Program no later than 120 days from the Effective Date of this Agreement. TxDOT will provide the first written notice no later than 120 days from the Effective Date of this Agreement. For purposes of the Acquisition Program, the just compensation for any property shall be deemed to be the approved appraisal of the value of the property as determined under the appraisal process in 49 C.F.R. §§24.103 and 24.104, without giving effect to any rules that might render such rules inapplicable. TxDOT will initiate the Acquisition Program no later than 120 days from the Effective Date, and the program will be in effect for a three year period following initiation. TxDOT will not be required to condemn any property under this program.

4. **Relocation Benefits Program (Relocation Program).** TxDOT will carry out a Relocation Benefits Program in the Neighborhood. TxDOT will provide, or cause to be provided, relocation benefits for (1) Owners who participate in the Acquisition Program (except homeowners who elect to retain a life estate waive

their rights to any relocation benefits), (2) Tenants of an Owner Occupied Property or Residential Rental Property in which the Owners participate in the Acquisition Program, and (3) Businesses who participate in the Acquisition Program. TxDOT will provide relocation assistance to eligible displaced Owners and Tenants as required under the applicable sections of the Uniform Act and 49 C.F.R. Part 24, Subparts C-F. Participating Tenants must express an interest, in writing, to TxDOT. TxDOT will initiate the Relocation Program no later than 120 days from the Effective Date of this Agreement and the program will be in effect for a three year period following initiation.

5. **Voluntary Restrictive Covenant Program (Covenant Program).** TxDOT will carry out a Voluntary Restrictive Covenant Program for Owner Occupied Properties in the Neighborhood. TxDOT will ensure that to each eligible Owner of Owner Occupied Property in the Neighborhood will be made an offer to purchase a covenant that permanently prohibits the use of the property for residential purposes upon any future conveyance of the property, and an option to purchase the property for its then appraised value if the Owner elects to sell the property or upon the death of the Owner, whichever occurs first. The purchase price of the restrictive covenant will be not less than \$7,500.00 per home. The covenant will provide that it is effective upon the death of the named Owner of the property or when the property is sold, whichever comes first. If there is more than one Owner, the restrictive covenant will provide that it is effective upon the death of the last-surviving of the named owners or when the property is sold, whichever comes first. TxDOT will initiate the Covenant Program no later than 120 days from the Effective Date of this Agreement and the Program will be in effect for a three year period following initiation.
6. **Transfer of Title.** Under the Acquisition Program and Covenant Program, at the closing of a sale, TxDOT will pay the reasonable expenses the Owner necessarily incurred for recording fees, transfer taxes, documentary stamps, evidence of title, boundary surveys, legal descriptions of the real property, and similar expenses incidental to conveying the real property. At TxDOT's expense, the Owner shall participate in all good faith efforts to provide the purchaser good and marketable title. TxDOT may elect to accept the conveyance after resolving title issues or may accept the conveyance subject to conditions. At the closing all liens will be deducted from the payment made to Owner.
7. **Restriction on Participation.** Eligible Owners may participate in the: (a) Acquisition Program and Relocation Program, or (b) the Covenant Program, but not both.

8. **Community Liaison Program.** TxDOT will ensure that a Community Liaison Program (Liaison Program) is created that conforms with the provisions contained in **Appendix B**. TxDOT will initiate the Liaison Program no later than 60 days from the Effective Date of this Agreement and the Program will be in effect for a 48 month period following initiation.
9. **Additional Low Income Housing Assistance.** TxDOT will ensure the Corpus Christi Housing Authority tenants who on January 1, 2016 are housed at the D. N. Leathers I property are offered relocation assistance and benefits pursuant to the program requirements of the United States Department of Housing and Urban Development (HUD), and that such benefits are provided to any tenants who accept the offer. Housing options shall include:
- Occupancy in a public housing unit operated or assisted by the Housing Authority at a rental rate paid by the family that is comparable to the rental rate applicable to the unit from which the family is vacated; or
 - Tenant Protection Voucher, if such vouchers are issued by HUD, except that such assistance will not be considered "comparable housing" until the family is actually relocated into such housing.
- If for any reason such benefits are not offered to the tenants, or were offered and housing with a Tenant Protection Voucher and occupancy in a public housing unit was not available, TxDOT will ensure the tenants are relocated and offered relocation assistance and benefits pursuant to the applicable sections of the Uniform Act and 49 C.F.R. Part 24, Subparts C-F.⁸ TxDOT will initiate assistance no later than December 31, 2016.
10. **Park Mitigation.** TxDOT, in coordination with FHWA's Office of Civil Rights and the Neighborhood Community Advisory Board (described below), will meet to reformulate the proposed 4(f) mitigation in the FEIS that focuses on rehabilitation in the Neighborhood of T.C. Ayers Park and Williams Memorial Park (Parks). TxDOT will maintain the Parks for 24 months from the Effective Date of this Agreement, at which time FHWA, the Advisory Board, and TXDOT will meet to discuss and propose next steps. Any variation from the current proposed mitigation in the FEIS, must be approved by FHWA Office of Civil Rights and will be enforceable under this Agreement.

⁸ A tenant claiming that housing under HUD's Tenant Protection Voucher program or the Public Housing Program is not available in the City of Corpus Christi must show they have made good faith efforts to obtain such housing.

VII. Modification of Agreement

This Agreement may be modified by mutual agreement of both FHWA and TxDOT after negotiating in good faith and in writing.

VIII. Federal Reimbursement

TxDOT may apply for federal reimbursement for any eligible expenses incurred as part of the Title VI mitigation in this project.

IX. Intimidation or Retaliatory Acts Prohibited

Neither TxDOT nor any entity or business party to an agreement to carry out the actions herein shall intimidate, threaten, coerce, or discriminate against any individual for the purpose of interfering with any right or privilege secured by Section 601 of Title VI or 49 C.F.R. Part 21, or because they have made a complaint, testified, assisted, or participated in any manner in an investigation, proceeding, or hearing pursuant to 49 C.F.R. Part 21.

X. Third-Party Agreement

FHWA acknowledges that TxDOT has entered into a separate agreement with the Port of Corpus Christi Authority of Nueces County, Texas, the City of Corpus Christi, Texas, and the Corpus Christi Housing Authority, for purposes of implementing the Agreement, and that such local governmental entities under the separate agreement will carry out some of the mitigation actions identified in this Agreement. No provisions in such agreement will (1) affect TxDOT's obligations to FHWA, generally, or (2) supercede any provision described herein to the extent TxDOT's third-party agreement conflicts with any provision contained herein or Federal law or regulation.

XI. Monitoring and Enforcement

TxDOT will send written progress reports to the FHWA-Texas Division no less than once per quarter of the Federal Fiscal Year. The reports will include a summary of all activities (including those not performed by TxDOT personnel) related to performing the tasks in Section VI of this Agreement. Further, TxDOT will cooperate with FHWA regarding all additional requests for information and documentation, pursuant to 49 C.F.R. § 21.9, et seq.

Specifically, written progress reports will contain, but are not limited to, information on appraisals performed on specific properties pursuant to this Agreement, specific property purchases offered and accepted, relocation assistance provided and to whom, restrictive covenant purchases and to whom, title work performed, and other

services related to the relocation of Neighborhood residents occurring during that reporting period. Written progress reports will also contain a summary of all activities related to the relocation of tenants currently housed in D.N. Leathers I, including progress related to the identification of alternative locations for new public housing and for tenants.

In addition, the Liaison provided pursuant to Section VI B.8 will send written progress reports to TxDOT no less than once per quarter of the Federal Fiscal Year. The reports will include a summary of all activities related to the performance of the Liaison's duties for that reporting period, as described in Section VI B.8.

Upon the signing of this Agreement, a Neighborhood Community Advisory Board (Community Advisory Board) will be established by soliciting participation by Neighborhood and community members to be a part of, and lead, the Advisory Board. The Community Advisory Board would be Neighborhood and community members who volunteer to serve on the Advisory Board with any leadership of the Advisory Board selected by the voluntary members. This Advisory Board will be in effect during the duration of the Project. TxDOT will be responsible for collaborating with the Community Advisory Board on activities related to the implementation of this Agreement, on at least a quarterly basis throughout the life of the Project. Additionally, TxDOT will collaborate with the Advisory Board on issues including public workshops on the Voluntary Acquisition Program, the Relocation Benefits Program, the Voluntary Restrictive Covenant Program, and the relocation of tenants in D.N. Leathers I. TxDOT will document its collaboration with the Community Advisory Board, including comments and concerns raised in quarterly meetings and how they were addressed, in its written progress reports. The Community Advisory Board will also be permitted to raise concerns related to the implementation of this Agreement with FHWA.

If TxDOT, through its actions or inaction, fails to implement any part of this Agreement or fails to cooperate with FHWA documentation and information requests, FHWA may invoke its authority pursuant to 49 C.F.R. § 21.13, et seq. for failure or threatened failure to comply with Title VI of the Civil Rights Act of 1964. If at any time FHWA makes such a determination, then FHWA shall notify TxDOT in writing. The notice shall include a statement of the basis for FHWA's determination and shall allow TxDOT fifteen (15) days to either; (a) explain in writing the reason for the actions and describe the remedial actions that have been or shall be taken to achieve compliance with this Agreement or (b) dispute the accuracy of FHWA's findings. If TxDOT does not respond to the notice, or if, upon review of TxDOT's response, FHWA determines that TxDOT has not complied with the terms of the Agreement, FHWA may pursue its statutory and/or contractual remedies. Should a violation of the agreement occur, the time period of the Agreement will be extended

for an amount of time equal to the time FHWA determines a violation occurred to the time of the FHWA approved remedy.

Nothing in this Agreement shall be construed as creating any liability in favor of any third party or parties against FHWA or TxDOT.

XII. Abeyance

FHWA will hold in abeyance the Letter of Finding regarding the complaint filed in the matter (described above) during the performance of this Agreement. At any time, should TxDOT not perform, or ensure performance, under this Agreement, FHWA will notify TxDOT as stated in section XI above. Should TxDOT fail to remedy the violation within 30 days of notification, the Letter of Finding will be issued and applicable actions taken.

FEDERAL HIGHWAY ADMINISTRATION

Gregory G. Nadeau
Administrator

Dated: _____

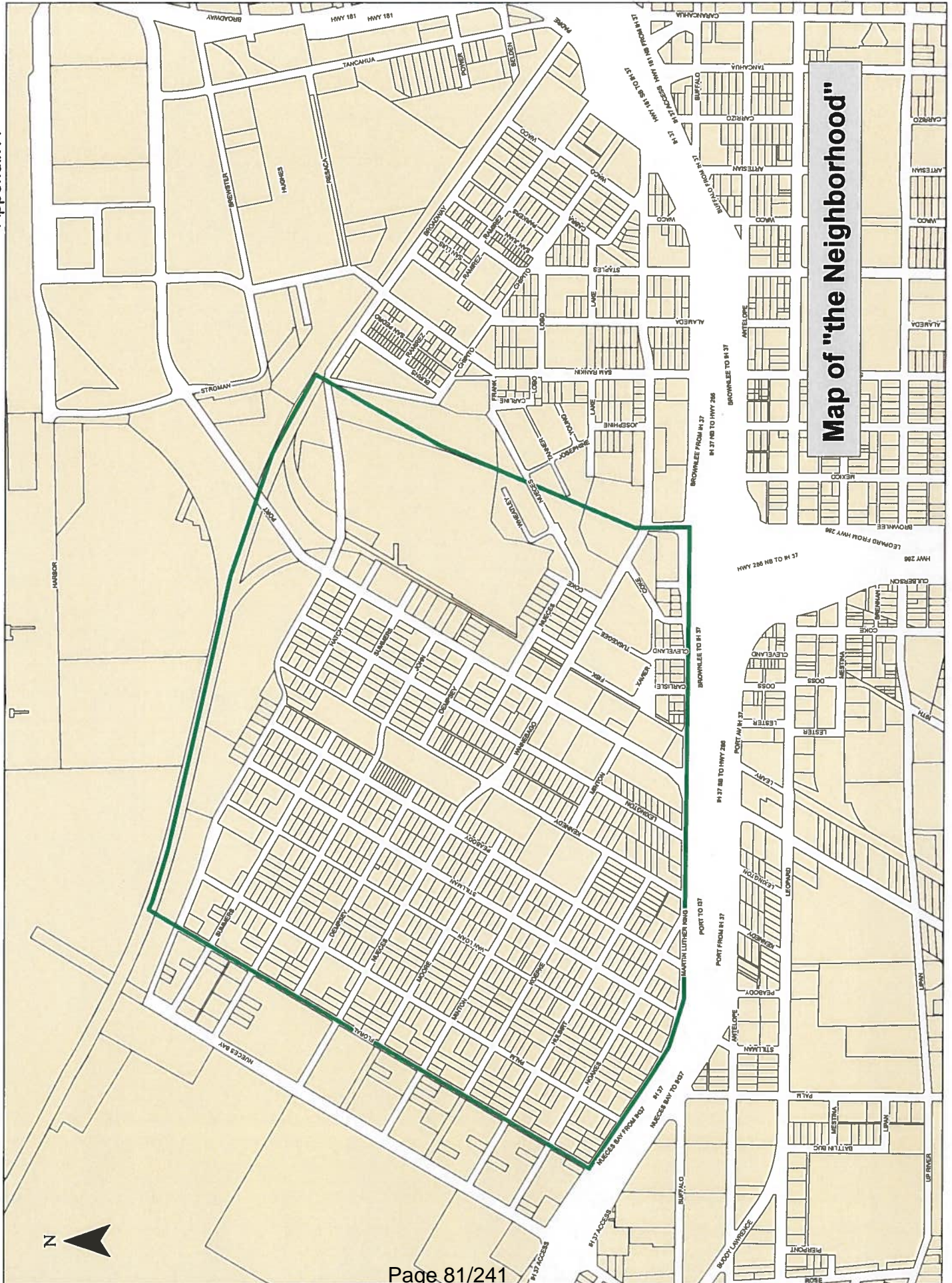
TEXAS DEPARTMENT OF TRANSPORTATION

LtGen J.F. Weber, USMC (Ret)
Executive Director

Dated: _____

APPENDIX A
MAP SHOWING THE NEIGHBORHOOD

Appendix A



APPENDIX B**COMMUNITY LIAISON PROGRAM****I. Scope**

The Liaison will provide proactive informational assistance to interested persons who are assessing whether to participate in the Acquisition Program, the Relocation Program, and the Covenant Program. For any Owner, Tenant, or Business, the Liaison will provide information to those individuals who indicate a desire for such assistance in relation to the provisions of this Agreement (each, an Interested Person).

II. Guiding principles of the Liaison Program

The essence of effective practice of the Liaison will be determined and set by guiding principles, including:

- Facilitate the provision of sufficient information to interested persons to reduce otherwise-existing denials of or delays in the provision of benefits.
- Avoid or minimize a situation where an interested person leaves an information session without the Liaison having provided a clear path for the interested person to be capable of understanding eligibility for one or more benefits.
- Avoid or minimize a situation where an Interested Person leaves an information session without the Liaison having identified a methodology for determining eligibility for benefits for which the Interested Person qualifies or the steps for how they could determine such qualification.
- Facilitate the full and fair application of every potential program element with the goal of enabling Interested Persons to have the capability to access the maximum level of program benefits.
- Ensure that language translation and interpreter services are available for all Limited English Proficiency (LEP) persons, in accordance with Executive Order 13166 and TxDOT's Language Assistance Plan.⁹

III. Liaison program goals

The goals of the Liaison program are:

- to provide information and assistance to try to ensure that each Interested Person is appropriately knowledgeable about the benefits and options available to them;

⁹ <http://ftp.dot.state.tx.us/pub/txdot-info/ocr/language-assistance-plan.pdf>.

- to facilitate each Interested Person's evaluation of and application for the benefits for which they are eligible;
- to coordinate with any third party public or private entities with whom TxDOT has an agreement pursuant to this Agreement.

IV. Liaison position minimum qualifications

TxDOT will ensure the Liaison has the following minimum qualifications:

- Training: the Liaison will be properly trained in the knowledge and skills to adequately provide assistance to Interested Persons pursuant to this Agreement.
- Maturity and Experience: the Liaison will have the maturity, experience, and negotiation skills necessary to work with the affected community.
- Bilingual: the Liaison services will either be provided by the Liaison in English and Spanish or the Liaison will be able to provide easy access to an individual or individuals who are fluent in English and Spanish.

V. Liaison Support

TxDOT will provide, or cause to be provided, support to the Liaison as necessary for the successful performance of the Liaison's duties.

VI. Field Office and Equipment

TxDOT will ensure the Liaison has an office facility within the Hillcrest/Washington-Coles Neighborhoods or within 1000 feet thereof, which will serve as a Field Office to facilitate providing assistance effectively and efficiently assist Interested Persons. The Field Office will be in a safe location and of a size sufficient to hold small (5-10 person) meetings. In addition, TxDOT will ensure the Liaison has a laptop computer with specifications sufficient to carry out their duties, as well as a compatible printer and miscellaneous office supplies.

VII. Primary program duties of the Liaison

The Liaison's primary duties will be to:

1. Prepare and execute an early and continuing Coordination Plan. The Liaison will be responsible for developing and executing a Plan for early and continuing coordination and interaction with interested persons, Owners, Tenants, Businesses, Acquisition Program participants, Voluntary Restrictive Covenant Program participants, and any public or private entities with whom TxDOT has an agreement pursuant to this Agreement.

2. Develop and maintain database. The Liaison will maintain a database on each Interested Person and Owner, where they are in the process, and what next steps have been identified and communicated to the person. The Database will be updated on a daily or weekly basis. The Database will include all of the Liaison's correspondence with Interested Persons and Owners, project participants, and appropriate contacts with the City, the Texas Department of Transportation, the Port of Corpus Christi Authority, the Corpus Christi Housing Authority, the relocation assistance firm contracted by the Port of Corpus Christi Authority, and other community contacts.
3. Limited English Proficiency (LEP) plan. The Liaison will prepare a Limited English Proficiency (LEP) Plan describing the policies, services, and information that the Liaison will take to ensure that LEP persons have meaningful access to the programs, benefits, assistance, and information.
4. Performance report. The Liaison will provide TxDOT or its designee with a quarterly progress report. In addition, the Liaison will assist TxDOT with any reporting pursuant to Section XI of this Agreement.
5. Request for increased support or resources/scalability potential. If, any time during the Term of this Agreement, if the Liaison determines that more support or resources may be needed, the Liaison may provide TxDOT with the Liaison's recommended program changes, accompanied by the appropriate written justifications and supporting performance and other data.
6. The Liaison will be responsible for providing for the interview of each eligible Interested Person to determine said Interested person's needs, evaluate their eligibility for each program, explain how their participation in the Programs described herein would work, and how available benefits would assist them in the process.
7. The Liaison will listen to each interested person's explanation of personal issues to provide the Liaison with a better understanding of what that person needs.
8. The Liaison will make phone calls to the relevant agencies and third party entities as needed, in order to inquire about matters to determine eligibility, schedule appropriate meetings, and determine what materials will be required of the Interested Person in order to access services.

9. The Liaison will also facilitate an Interested Person in accessing other forms of assistance that can be provided to maximize the Interested Person's benefits or help lessen the process burdens on an Interested Person in participating in the programs described herein. This assistance may include referral to other appropriate public and private agencies that provide services concerning housing financing, employment, health, welfare, or legal assistance.

Exhibit C – Port of Corpus Christi Authority

Neighborhood Acquisition Plan. No later than 120 days from the Effective Date of this Agreement, the Port will mail or deliver a written notice ("Original Notice") to the Neighborhood Property Owners of each Neighborhood Property, expressing an interest in buying their Neighborhood Property on a voluntary basis and requesting a written expression of interest from the Neighborhood Property Owners of any Neighborhood Property who may be interested in selling their Neighborhood Property. The Port will provide written notice, in the same manner required under 49 C.F.R. § 24.102, of the terms of the Neighborhood Acquisition Plan to all Neighborhood Property Owners on an annual basis throughout the Effective Period of the program.

The Neighborhood Property Owners of any Neighborhood Property who provide the Port with a written expression of interest in selling their Neighborhood Property within three years after receiving the Port's Original Notice are referred to in this Agreement as "Interested Neighborhood Property Owners," whether one or more. The Port will make a written offer to the Interested Neighborhood Property Owners to purchase their Neighborhood Property (each an "Actual Offer") for the full amount of the Port's determination of the just compensation (as described below) for the property.

Under the Neighborhood Acquisition Plan, the sellers of any Neighborhood Property must have continuously owned the property from January 1, 2016 to the date of sale. (In other words, the Port will not purchase Neighborhood Property from any Owners other than the Owners of the property on January 1, 2016.)

For purposes of the Plan, the just compensation for any Neighborhood Property shall be deemed to be the approved Appraisal of the value of the property as determined under the appraisal process in 49 C.F.R. §§24.103 and 24.104, without giving effect to any rules that might render such rules inapplicable.

The Port's Actual Offer to buy an Owner Occupied Property shall also give the Eligible Homeowners the right to retain a life estate in the property. The Port will automatically become the owner of the property upon the death of the last to die of the Eligible Homeowners. In such cases, the purchase price of the property will be reduced to reflect the value of the retained life estate. Eligible Homeowners who elect to retain a life estate in their Owner Occupied Property waive their rights to any relocation benefits described below under the heading "Relocation Benefits."

Any Neighborhood Property purchased by the Port pursuant to the Neighborhood Acquisition Plan must be conveyed to the Port free and clear of any liens. Upon the Port's purchase of any Neighborhood Property under the Neighborhood Acquisition

Plan, the Port shall promptly record a Residential Restrictive Covenant on that property in the real property records of Nueces County. In no instance shall the Port convey any acquired Neighborhood Property to any other person prior to executing and recording a Residential Restrictive Covenant on that property. The Port will demolish each dwelling or facility it purchases pursuant to the Neighborhood Acquisition Plan. The Port will maintain any property it acquires under the Plan, including mowing the grass as needed.

Relocation Program. If the Port buys any Owner Occupied Property in accordance with the Plan, the Port will provide relocation assistance to the Eligible Homeowners and eligible Tenants, if any, of that property. If the Port buys any Owner Occupied Property in which a Home Based Business is conducted, the Port will also provide relocation assistance for the Home Based Business.

Similarly, if the Port buys any Residential Rental Property pursuant to the Plan, the Port will provide relocation assistance to the eligible Tenants of that property. The sellers of a Residential Rental Property will not be provided relocation benefits.

If the Port buys any Business Property in accordance with the Plan, the Port will provide relocation assistance for the Business on that property.

The Port will provide relocation assistance to displaced Eligible Homeowners and displaced eligible Tenants as required under the applicable sections of the Uniform Act and 49 C.F.R. Part 24, Subparts C-F. The Port will provide relocation assistance to eligible Businesses and Home Based Businesses as required under the applicable sections of the Uniform Act and 49 C.F.R. Part 24, Subparts C-D. Within 60 days of the Effective Date of this Agreement, the Port will engage an acquisition and relocation service provider to implement and administer the Neighborhood Acquisition Plan on the Port's behalf.

Reimbursement of Acquisition Costs in Excess of \$20 Million. Under this Agreement, the Port's "Acquisition Costs" include the out-of-pocket costs incurred by the Port in carrying out the Neighborhood Acquisition Plan and the Relocation Program. Acquisition Costs include paying the acquisition and relocation service provider, purchasing Neighborhood Property, purchasing any other real property required under the Voluntary Acquisition Program, providing relocation benefits and moving expenses to eligible displaced Owners and Tenants of Owner Occupied Property, eligible displaced Tenants of Residential Rental Property, and eligible displaced Businesses and Home Based Businesses, providing relocation benefits and moving expenses to any other Person or Business in the Neighborhood that is required under the Relocation Benefits Program, and demolishing dwellings and facilities acquired under the Plan. If the Port spends more than \$20 million on Acquisition Costs ("Excess Acquisition

Costs”), TxDOT shall reimburse the Port for these Excess Acquisition Costs. The Port shall submit monthly invoices to TxDOT for Excess Acquisition Costs, if any, and TxDOT agrees to pay these invoices within thirty (30) days of receipt of same.

Voluntary Restrictive Covenant Program. The Port’s Original Notice to the Eligible Homeowners of each Owner Occupied Property will also include an alternative offer to buy: (1) an Owner Occupied Restrictive Covenant on the property, and (2) an option to purchase the property for its then appraised value (“Option”) if the Eligible Homeowners elect to sell the property or upon the death of the last to die of the Eligible Homeowners, whichever occurs first. The total purchase price of an Owner Occupied Restrictive Covenant will be not less than \$7,500. The Eligible Homeowners of any Owner Occupied Property shall have three years after receiving the Port’s Original Notice to accept the Port’s offer to buy an Owner Occupied Restrictive Covenant and an Option on their property.

If an Owner Occupied Property is owned by more than one Owner on January 1, 2016, the Port will not purchase an Owner Occupied Restrictive Covenant and Option on the property unless all Eligible Homeowners elect to sell the Owner Occupied Restrictive Covenant and Option. If all such Eligible Homeowners do elect to sell the Owner Occupied Restrictive Covenant and Option, the purchase price will be divided among the Eligible Homeowners in proportion to their ownership interests in the property. Upon the death of the last to die of the Eligible Homeowners, their Owner Occupied Property may no longer be used for residential purposes by anyone.

The Eligible Homeowners of an Owner Occupied Property may accept the Port’s offer to purchase an Owner Occupied Restrictive Covenant and Option on the property or the Port’s offer to buy the property, but not both offers. Upon the Port’s purchase of an Owner Occupied Restrictive Covenant and Option on an Owner Occupied Property, the Port shall promptly record the Owner Occupied Restrictive Covenant and Option in the real property records of Nueces County. The sellers of an Owner Occupied Restrictive Covenant and Option will not be provided relocation benefits.

The Port is solely responsible for the costs of the Voluntary Restrictive Covenant Program. There is no financial cap on expenditures under this program.

Notwithstanding anything to the contrary contained in the Voluntary Restrictive Covenant Program, if the Eligible Homeowners accept the Port’s offer to buy an Owner Occupied Restrictive Covenant and Option on their Owner Occupied Property, the Port may assign its contractual obligation to purchase the Owner Occupied Restrictive Covenant and/or Option to a third party of the Port’s choosing. If in such case, however, the third party fails to purchase the restrictive covenant or the Option, the Port will be obligated to do so.

Deadline to Accept Detailed Offer. If the Port prepares a detailed offer under any of the programs described above, the Person will have 60 days to accept the offer.

Transfer of Title. Under the Neighborhood Acquisition Plan and Voluntary Restrictive Covenant Program, at the closing of a sale of Neighborhood Property the Port will pay the reasonable expenses the Owner of the property necessarily incurred for recording fees, transfer taxes, documentary stamps, evidence of title, boundary surveys, legal descriptions of the real property, and similar expenses incidental to conveying the real property. At the Port's expense, the Owner of the property shall participate in all good faith efforts to provide the Port good and marketable title. The Port may elect to accept the conveyance after resolving title issues or may accept the conveyance subject to conditions. At the closing all liens will be deducted from the payment made to Owner.

Responsibility for Programs in the Two Party Agreement. The Port accepts responsibility to carry out the Neighborhood Acquisition Plan, the Relocation Program, and the Voluntary Restrictive Covenant Program, as described in the Two Party Agreement. If TxDOT notifies the Port that the Port's work as described in this Exhibit C does not adequately satisfy the requirements of the Two Party Agreement, the Port agrees to carry out whatever additional work is needed.

Compliance with Record Keeping and Reporting Requirements Under Section 5 of the Agreement. In compliance with the requirements of Section 5, the Port will submit to TxDOT quarterly reports. Written progress reports will contain, but are not limited to, information on appraisals performed on specific properties pursuant to this Agreement, specific property purchases offered and accepted, relocation assistance provided and to whom, restrictive covenants purchased and from whom, title work performed, and other services related to the relocation of Neighborhood residents occurring during that reporting period.

Port Purposes. The Neighborhood Acquisition Plan and the Relocation Program are two elements of TxDOT's agreed upon Title VI mitigation actions for the Project, and the Port has agreed to assume responsibility for implementing the Neighborhood Acquisition Plan and the Relocation Program to ensure construction of the Project, which will eliminate the potential for a catastrophic collapse of the existing bridge and will provide 205 feet of navigational clearance to accommodate larger vessels entering the Port's Inner Harbor. The Port, by action of its Port Commission, hereby finds and determines that the Neighborhood Property is accessible to the Corpus Christi Ship Channel and the Inner Harbor District of the Port of Corpus Christi and that acquisition of the Neighborhood Property pursuant to the Neighborhood Acquisition Plan and the Relocation Program, and the Voluntary Restrictive Covenant Program, is necessary for the continued development of the Port of Corpus Christi and its waterways and will aid

in the development of navigation-related industries and businesses on the Port's property (collectively, "Port Purposes").

Community Advisory Board. A representative of the Port will attend TxDOT's quarterly meetings of the Community Advisory Board described in the Two Party Agreement.

Exhibit D – City of Corpus Christi

City support of Project, Neighborhood Acquisition Plan, Voluntary Restrictive Covenant Program. The City fully supports the Project and the Port's acquisition of property in the Neighborhood pursuant to the Neighborhood Acquisition Plan and Voluntary Restrictive Covenant Program, and agrees that the Acquired Property may be used for Port Purposes.

The City acknowledges and agrees that the representations and agreements made by the City in this Exhibit D have been made as a material inducement to the Port to enter into this Agreement, that the Port is relying on the City's representations and agreements, and that the Port would not have entered into this Agreement without the City's representations and agreements.

Use of eminent domain in a manner that is beneficial to Neighborhood residents. The City understands that the Port's use of eminent domain may be necessary to enable some sellers who have non-resident partial interest Owners to provide good and complete title to the Port and thereby participate in the Neighborhood Acquisition Plan. Also, Texas law assists residents by providing increased eligibility for relocation assistance if their properties are purchased by an entity with eminent domain authority, and the City desires to assist participants in the Neighborhood Acquisition Plan in their desire to receive relocation benefits. Therefore, pursuant to Texas Water Code §62.106(d), the City hereby consents to the Port's use of eminent domain authority in the acquisition of property in the Neighborhood. The City understands that, during the Effective Period, the Port will only use eminent domain when requested by the Owner or purported Owner of a property interest in the property being sold to the Port pursuant to the Neighborhood Acquisition Plan. As between the Port and the City only, this consent will survive the suspension or termination of this Agreement.

Transfer of weedy lot liens, paving liens, and demolition liens. For any property that the Port purchases under the Neighborhood Acquisition Plan and agrees to maintain pursuant to agreement between the City and Port, the City agrees to permanently transfer to the Port its rights to its Weedy Lot Liens, Paving Liens, and Demolition Liens on the basis of a City determination that the value of such obligations approximates or exceeds the value of the lien rights. The transfer of such rights will effectively constitute a release of such liens in favor of the Port, giving the Port additional flexibility in negotiating the purchase of property under the Neighborhood Acquisition Plan.

Maintenance of T.C. Ayers Park and Williams Memorial Park (Parks). To satisfy the requirements specified in the Two Party Agreement, the City will maintain the Parks for 24 months from the Effective Date.

Assistance to citizens – liaison for existing city housing programs. Subject to program continuation, the City of Corpus Christi will make available to eligible Neighborhood residents several existing City housing programs (the “City Housing Programs”):

- (1) CDBG Minor Home Repair Program;
- (2) CDBG Single Family Rehabilitation Program;
- (3) CDBG Appliance Replacement Program;
- (4) HOME Investment Partnerships Homebuyer Assistance; and
- (5) HOME Investment Partnerships Rehabilitation Program for Veterans

These housing programs are currently undersubscribed, but are subject to funds availability and their continuation in years after the current fiscal year are subject to annual funding appropriations from the City and federal agencies. The City will designate a city employee who will act as a liaison to Neighborhood residents, and facilitate access to services under the City Housing Programs. Applicants will need to meet federal requirements and other qualification criteria (for example, income limits) to access these programs. Housing programs may be continued or terminated in future years.

Assistance to citizens – liaison for providing information to eligible residents who are assessing whether to participate in the Neighborhood Acquisition Plan or Voluntary Restrictive Covenant Program. For any residential property that is eligible for the Neighborhood Acquisition Plan or the Voluntary Restrictive Covenant Program, the City will provide a liaison to provide information as each owner evaluates whether to participate. At no time will the liaison be making decisions for or on behalf of any person interested in participating.

Appointment of liaison. The City will designate one or more of its employees to carry out the responsibilities of the liaison as described below and as described under the heading “City Liaison and Liaison Program Details” in this Exhibit D. The City will initiate the Liaison Program no later than 60 days from the Effective Date of this Agreement and program will be in effect for a 48 month period following initiation. The City will designate at least one employee who will act as the liaison to carry out the duties under the Agreement (the “Liaison”). The City will give the contact information for the Liaison to each household in the Neighborhood.

The City will authorize the Liaison to facilitate and refer applicants to the following services that are currently provided by third Parties*:

1. Homeowner counseling offered by local banks. This type of counseling is often required for down payment assistance and other public and private grants. It can be made available to all of the affected homeowner residents.
2. *Privately Owned Apartments. It has been estimated by apartment developers that apartment developers will be able to provide the needed new multifamily

units for the designated low-income groups over the next two years utilizing a combination of incentives from the Federal Home Loan Bank Board and low income housing tax credits through the Texas Department of Housing and Community Affairs. Although advance commitments for this type of funding cannot be obtained, the City has a strong track record in obtaining competitive awards of low-income housing tax credits for projects each year, and local banks have made arrangements with the Federal Home Loan Bank Board for technical assistance in securing competitive awards through its programs. Federal fair housing laws would prohibit the restriction of any such developments only to persons from the Northside neighborhoods, but adequate capacity should be available to meet the needs of all Northside residents interested in relocating to new apartments in other areas.

3. *Affordable housing programs provided by developers in different parts of the City that will provide new housing options available for purchase.
4. *Banks offering low down-payment mortgage products, including loans that require as little as a \$500 down payment. As an example of a local bank program, BBVA Compass Bank has indicated that it has a low-interest loan program that pays most closing costs and only requires a \$500 down payment. BBVA has stated that credit scores as low as 620 are currently acceptable.
5. *Homeownership counseling through nonprofit agencies, including, but not limited to, Catholic Charities, Texas State Affordable Housing Corporation, TexasVeterans.com, and GreenPath.
6. *Local landlords.
7. The Corpus Christi Housing Authority. Additionally, the City will declare its support for the Neighborhood Acquisition Plan described in Exhibit C. This support is expected to enable the Corpus Christi Housing Authority to provide a preference for residents who have been displaced under the Plan.

*The City has not conducted an investigation to verify or guarantee statements made by third parties or the present or future availability of services provided by third parties. The City will not provide the services identified as being provided or facilitated by any entity other than the City.

Compliance with Record Keeping and Reporting Requirements Under Section 5 of the Agreement. In compliance with the requirements of Section 5, the City will submit to TxDOT quarterly reports. Written progress reports will contain, but are not limited to, a summary of all activities related to the performance of the Liaison's duties for that reporting period, as described in this Exhibit D.

Assemblage of tracts for Port Purposes. The City desires to encourage the assemblage of property for Port Purposes pursuant to the Neighborhood Acquisition Plan through

the strategic abandonment of rights of way that maintains the efficient contiguity of travel in and through the Neighborhood. Accordingly, the City acknowledges that the City Council may exercise its powers under Section 1(a)(11) of Article X of the City's Charter to close or alter the public streets, alleys, or other public ways within its jurisdiction in pursuit of said objective. The City acknowledges and agrees that where streets, alleys or other public ways abut Acquired Property, in order to facilitate the Port's use of the Acquired Property for Port Purposes, the closure or alteration of those streets, alleys, or ways may become necessary.

The City agrees that for purposes of closing or altering streets, alleys or other public ways pursuant to the Neighborhood Acquisition Plan, including a closure or alteration under Section 49-12 of the City's Code of Ordinances pursuant to such Plan, the City, by action of its City Council, may find that:

- (i) a request or petition by the Port to have the City Council close a street, alley or other public way abutting Acquired Property is considered by the City Council to be a request or petition jointly and severally initiated by the City and the Port;
- (ii) such closure or alteration is considered to be required for the proper completion of the Harbor Bridge, which is a public improvement project; and
- (iii) no further payment is required of the Port to acquire the part of the City's rights in a street, alley or other public way that the City chooses to abandon, close or alter.

The City maintains the discretion to abandon, close, alter, or retain a street, alley or other public way in response to a request or petition in a manner that maintains the efficient contiguity of travel in and through the Neighborhood.

Notwithstanding any other provision of this Agreement, if the City closes any streets (or other public ways) in the Neighborhood (or portions thereof) at the request of the Port, the City, by action of its City Council, hereby finds the Port will not be required to pay any additional amounts to the City for the property it acquires in connection with these street closures.

Community Advisory Board. The City's Liaison will attend TxDOT's quarterly meetings of the Community Advisory Board described in the Two Party Agreement.

City's Liaison and Liaison Program Details

I. Scope

The Liaison will provide proactive informational assistance to interested persons who are assessing whether to participate in the Acquisition Program, the Relocation Program, and the Covenant Program. For any Owner or Tenant, the Liaison will provide information to those individuals who indicate a desire for such assistance in relation to the provisions of this Agreement.

II. Guiding principles of the Liaison Program

The essence of effective practice of the Liaison will be determined and set by guiding principles, including:

- Facilitate the provision of sufficient information to interested persons to reduce otherwise-existing denials of or delays in the provision of benefits.
- Avoid or minimize a situation where an interested person leaves an information session without the Liaison having provided a clear path for the interested person to be capable of understanding eligibility for one or more benefits.
- Avoid or minimize a situation where an interested person leaves an information session without the Liaison having identified a methodology for determining eligibility for benefits for which the interested person qualifies or the steps for how they could determine such qualification.
- Facilitate the full and fair application of every potential program element with the goal of enabling interested persons to have the capability to access the maximum level of program benefits.
- Ensure that language translation and interpreter services are available for all Limited English Proficiency (LEP) persons, in accordance with Executive Order 13166 and TxDOT's Language Assistance Plan.¹

III. Liaison program goals

The goals of the Liaison program are:

- to provide information and assistance to try to ensure that each interested person is appropriately knowledgeable about the benefits and options available to them;
- to facilitate each interested person's evaluation of and application for the benefits for which they are eligible;

¹ <http://ftp.dot.state.tx.us/pub/txdot-info/ocr/language-assistance-plan.pdf>.

- to coordinate with any third party public or private entities with whom TxDOT has an agreement pursuant to this Agreement.

IV. Liaison position minimum qualifications

The City will ensure the Liaison has the following minimum qualifications:

- Training: the Liaison will be properly trained in the knowledge and skills to adequately provide assistance to interested persons pursuant to this Agreement.
- Maturity and Experience: the Liaison will have the maturity, experience, and negotiation skills necessary to work with the affected community.
- Bilingual: the Liaison services will either be fluent in English and Spanish or be able to provide easy access to an individual or individuals who are fluent in English and Spanish.

V. Liaison Support

The City will provide, or cause to be provided, support to the Liaison as necessary for the successful performance of the Liaison's duties.

VI. Field Office and Equipment

The City will ensure the Liaison has an office facility within the Hillcrest/Washington-Coles Neighborhoods or within 1000 feet thereof, which will serve as a Field Office to facilitate providing assistance effectively and efficiently to interested persons. The Field Office will be in a safe location and of a size sufficient to hold small (5-10 person) meetings. In addition, the City will ensure the Liaison has a laptop computer with specifications sufficient to carry out their duties, as well as a compatible printer and miscellaneous office supplies.

VII. Primary program duties of the Liaison

The Liaison's primary duties will be to:

1. Prepare and execute an early and continuing Coordination Plan. The Liaison will be responsible for developing and executing a Plan for early and continuing coordination and interaction with interested persons, Owners, Tenants, Acquisition Program participants, Voluntary Restrictive Covenant Program participants, and TxDOT, the Port, and the Housing Authority.
2. Develop and maintain database. The Liaison will maintain a database on each interested person and Owner, where they are in the process, and what next steps have been identified and communicated to the person. The Database will

be updated on a daily or weekly basis. The Database will include all of the Liaison's correspondence with interested persons and Owners, project participants, and appropriate contacts with the City, the Texas Department of Transportation, the Port of Corpus Christi Authority, the Corpus Christi Housing Authority, the relocation assistance firm contracted by the Port of Corpus Christi Authority, and other community contacts.

3. Limited English Proficiency (LEP) plan. The Liaison will prepare a Limited English Proficiency (LEP) Plan describing the policies, services, and information that the Liaison will take to ensure that LEP persons have meaningful access to the programs, benefits, assistance, and information.
4. Performance report. The Liaison will provide TxDOT or its designee with a quarterly progress report. In addition, the Liaison will assist TxDOT with any reporting pursuant to Section 5 of this Agreement.
5. Request for increased support or resources/scalability potential. If, any time during the Term of this Agreement, if the Liaison determines that more support or resources may be needed, the Liaison may provide TxDOT and the City with the Liaison's recommended program changes, accompanied by the appropriate written justifications and supporting performance and other data.
6. The Liaison will be responsible for providing for the interview of each eligible interested person to determine said interested person's needs, evaluate their eligibility for each program, explain how their participation in the Programs described herein would work, and how available benefits would assist them in the process.
7. The Liaison will listen to each interested person's explanation of personal issues to provide the Liaison with a better understanding of what that person needs.
8. The Liaison will make phone calls to the relevant agencies and third party entities as needed, in order to inquire about matters to determine eligibility, schedule appropriate meetings, and determine what materials will be required of the interested person in order to access services.
2. The Liaison will also facilitate an interested person in accessing other forms of assistance that can be provided to maximize the interested person's benefits or help lessen the process burdens on an interested person in participating in the Programs described herein. This assistance may include referral to other

appropriate public and private agencies that provide services concerning housing financing, employment, health, welfare, or legal assistance.

Exhibit E – Texas Department of Transportation

Purchase of property. For purposes of right of way, and for a lay-down area during the construction period for the Project, TxDOT will purchase from the Corpus Christi Housing Authority the property known as D. N. Leathers I and D. N. Leathers II (approximately 26.75 acres). However, TxDOT's obligation to purchase is contingent on the Housing Authority offering the property at an agreed upon market value, the closing of the purchase occurring no later than January 15, 2017, and the property being free of structures. (Some of the D.N. Leathers II property has previously been designated as planned for acquisition for right of way; TxDOT may acquire such portion of the property by separate purchase or by condemnation.)

Exhibit F - Corpus Christi Housing Authority

Housing preference for participants in the Neighborhood Acquisition Plan. If the Port designates a person as having been “Displaced by Government Action” as described below, the Housing Authority will accept that designation. This applies to any Eligible Homeowner or Tenant of an Owner Occupied Property, or Tenant of a Residential Rental Property, that is the subject of a sale to the Port under the Neighborhood Acquisition Plan described in Exhibit C. The Port will provide documentation showing the persons who were the subject of a purchase under the Plan, and therefore properly designated as “Displaced by Government Action.”

The designation means the Housing Authority will provide its highest preference which will place those displaced residents at the top of the Housing Authority’s waiting list. The Housing Authority typically houses as many as 400 new families per year into public housing units.

- Residents in the Public Housing Program pay 30% of their income as rent
- Assistance is available for residents earning up to 80% of area median income.
- Applicants must meet and comply with program requirements as described in the Housing Authority’s Admissions and Continued Occupancy Plan

Closing of D.N. Leathers I, relocation of tenants, demolition, and sale. The Housing Authority owns Leathers I, which is a 122-unit public housing complex that is adjacent to the Hillcrest neighborhood. As described below, the Housing Authority has for several years planned to Close Leathers I, relocate the tenants, demolish the structures, and sell the property. Within 60 days of the Effective Date, the Housing Authority will apply for the approval of the United States Department of Housing and Urban Development (“HUD”) to relocate residents, demolish the structures, and dispose of the property under HUD’s public housing demolition and disposition procedures. The Housing Authority will seek expedited processing, consideration, and approval.

The Board of Commissioners of the Housing Authority established a general plan to relocate the tenants of Leathers I to a new facility, with the first step being the submission of an application to HUD seeking approval for a Rental Assistance Demonstration (“RAD”) program to convert the Housing Authority’s entire public housing portfolio so that the Housing Authority may leverage the private capital markets to make capital improvements. The Board of Commissioners authorized the RAD application on November 11, 2013, the Housing Authority submitted the application on December 19, 2013, and HUD approved the application on March 27, 2015.

HUD's demolition and disposition procedures require the Housing Authority to provide a relocation plan for, and to provide rehabilitation transfers to, the residents of Leathers I.

The relocation plan must include:

- The Housing Authority will relocate the tenants no later than December 31, 2016.
- When the Housing Authority establishes a new facility to replace D.N. Leathers I in a new location outside of the Hillcrest area but within the City of Corpus Christi, all the residents of D.N. Leathers I will be offered priority placement in the new property, as approved by HUD.
- Relocation of residents on a nondiscriminatory basis, and relocation resources.
The Housing Authority must offer each family displaced by demolition or disposition comparable housing that meets housing quality standards and uniform physical condition standards, and that is located in an area that is generally not less desirable than the location of the displaced persons. The housing must be offered on a nondiscriminatory basis, without regard to race, color, religion, creed, national origin, handicap, age, familial status, or gender, in compliance with applicable Federal and state laws. For persons with disabilities displaced from a unit with reasonable accommodations, comparable housing should include similar accommodations. Housing options shall include:
 - Occupancy in a public housing unit operated or assisted by the Housing Authority at a rental rate paid by the family that is comparable to the rental rate applicable to the unit from which the family is vacated; or
 - Tenant Protection Voucher, if such vouchers are issued by HUD, except that such assistance will not be considered "comparable housing" until the family is actually relocated into such housing.
- Certain provision for in-place tenants.
The Housing Authority may not complete disposition of a building until all tenants residing in the building are relocated, and must:
 - notify each family residing in the development of the proposed demolition and disposition 90 days prior to the displacement date, except in cases of imminent threat to health and safety. The notification must include a statement that:
 - The development or portion of the development will be demolished and disposed of;
 - The demolition of the building in which the family resides will not commence until each resident of the building has been relocated;

- Each family displaced by such action will be provided comparable housing, which may include housing with reasonable accommodations for disability.
- provide for the payment of the actual and reasonable relocation expenses of each resident to be displaced, including residents requiring reasonable accommodations because of disabilities;
- ensure that each displaced resident is offered comparable replacement housing;
- provide any necessary counseling for residents that are displaced.
- Right of return.
 - Displaced residents will not have the opportunity to return to Leathers I since the property will be demolished. However, displaced families will be offered the opportunity to relocate to a new property once it is completed.
- Additional plan requirements.
 - The number of individual residents to be displaced;
 - The type of counseling and advisory services the Housing Authority will provide;
 - What housing resources are expected to be available to provide housing for displaced residents; and
 - An estimate of the costs for counseling and advisory services and resident moving expenses, and the expected source for payment of these costs.

Closing of D.N. Leathers I, relocation of tenants. Notwithstanding any other provisions of this exhibit and contingent upon HUD approval of demolition and disposition and upon an agreement with TxDOT to purchase the D.N. Leathers I property, the Housing Authority will ensure the tenants who on January 1, 2016 are housed at the D. N. Leathers I property are offered relocation assistance and benefits pursuant to the program requirements of the United States Department of Housing and Urban Development (HUD), and that such benefits are provided to any tenants who accept the offer. Housing options shall include:

- Occupancy in a public housing unit operated or assisted by the Housing Authority at a rental rate paid by the family that is comparable to the rental rate applicable to the unit from which the family is vacated; or
- Tenant Protection Voucher, if such vouchers are issued by HUD, except that such assistance will not be considered "comparable housing" until the family is actually relocated into such housing.

If for any reason such benefits are not offered to the tenants, or were offered and housing with a Tenant Protection Voucher and occupancy in a public housing unit was not available, the Housing Authority shall relocate the tenants and offer relocation assistance and benefits pursuant to the applicable sections of the Uniform Act and 49 C.F.R. Part 24, Subparts C-F. (A tenant claiming that housing under HUD's Tenant Protection Voucher program or the Public Housing Program is not available in the City of Corpus Christi must show they have made good faith efforts to obtain such housing.) The Housing Authority will initiate assistance no later than December 31, 2016.

Sale of D.N. Leathers II. The Housing Authority owns the property on which Leathers II was formerly located, which was a public housing complex adjacent to the Hillcrest neighborhood. The buildings at Leathers II have been demolished. The property remains subject to HUD regulation and oversight regarding property uses and disposition.

Within 60 days of the Effective Date, the Housing Authority will apply to HUD for expedited processing, consideration, and approval to sell the property to TxDOT under HUD's Public Housing Demolition and Disposition regulations.

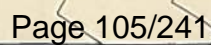
Compliance with Record Keeping and Reporting Requirements Under Section 5 of the Agreement. In compliance with the requirements of Section 5, the Housing Authority will submit to TxDOT quarterly reports. Written progress reports will contain, but are not limited to, a summary of all activities related to the relocation of tenants currently housed in D.N. Leathers I, including progress related to the identification of alternative locations for new public housing and for tenants.

Community Advisory Board. A representative of the Housing Authority will attend TxDOT's quarterly meetings of the Community Advisory Board described in the Two Party Agreement.

Attachment No. 1

Map Showing the "Neighborhood"

Eligible for the Neighborhood Acquisition Plan
and the Voluntary Restrictive Covenant Program



DATE: January 19, 2016

TO: Port Commission

FROM: Maggie Iglesias-Turner, General Cargo & Tariff Manager
maggie@pocca.com
(361) 885-6156

AGENDA ITEM NO. 14

**Approve Changes to Tariff 100-A, Item 667,
“Stevedore and/or Freight Handling License and Application”**

SUMMARY: Staff requests changes to Tariff 100-A, Item 667, “Stevedore and/or Freight Handling License and Application.” The changes are (1) mandate the licensee to develop and implement an Environmental Management System (EMS) by Jan 1, 2017; and (2) that, upon request, Port staff will assist licensee to develop and implement an EMS.

BACKGROUND: N/A

ALTERNATIVES: N/A

CONFORMITY TO PORT POLICY: Conforms to the PCCA’s Strategic Plan.

EMERGENCY: N/A

FINANCIAL IMPACT: N/A

STAFF RECOMMENDATION: Staff recommends approval of the changes to Tariff 100-A, Item 667, “Stevedore and/or Freight Handling License and Application,” as shown in the attached copy of Tariff Item 667, with effective date of Jan 19, 2016.

DEPARTMENTAL CLEARANCES:

Originating Department Business Development

Reviewed & Approved Ruben Medina
Maggie Turner
Legal Jimmy Welder
Senior Staff John LaRue
Sean Strawbridge
Jarl Pederson

LIST OF SUPPORTING DOCUMENTS:

Copy of Revised Tariff Item 667.

Copy of Revised Application for Stevedore and/or Freight Handlers License.

ITEM 667 (I) Effective: 1-19-16

STEVEDORE AND/OR FREIGHT HANDLING LICENSE

1. LICENSE REQUIRED

From January 1, 1991, no person, firm, corporation or other business entity shall operate as or carry on the business of a stevedore or freight handler at the Port of Corpus Christi unless and until there shall first have been obtained from the Port Authority a license authorizing such stevedoring or freight handling activity. As used in this Item, "stevedore" or "stevedoring" includes persons, firms, corporations or other business entities and their subsidiaries, engaged in the activity of loading and/or unloading commercial cargo vessels, excluding bulk liquid cargo; "freight handler" or "freight handling" includes persons, firms, corporations or other business entities and their subsidiaries, engaged in physically loading or unloading railcars or trucks or engaged in any other cargo handling operations, except bulk liquid cargo, in or on the Terminal Facility of the Authority. As used in this Item 667, "stevedore", "stevedoring", "freight handler", and "freight handling" shall not include loading or unloading cargo to or from a site situated within the jurisdiction of Authority, and leased by Authority to a lessee and the loading or unloading is done by lessee's employees.

2. APPLICATION FOR LICENSE

Application for (i) a stevedore and freight handling license, or (ii) a freight handling license, with accompanying fee shall be submitted to the Port Authority. Copies of the Application Form are available upon request. Licensing fees are specified in Paragraph 5 of this Item. Initial license and subsequent renewals shall be in effect for one calendar year from January 1 through December 31. New applications may be submitted and new licenses may be issued during a calendar year; however, fees shall not be prorated for part of a year and renewals shall be as provided in Paragraph 4 of this Item 667.

3. CONSIDERATION OF APPLICATION

The Port Authority shall review the application and may require additional information. If, after review of an application by the Port Authority, the applicant is found to be a competent operator with past practices which demonstrate a commitment to safe and efficient performance of stevedoring and/or freight handling, and skill, experience, equipment and personnel necessary to do so, the applicant will be so notified by the Port Authority and a license issued to the applicant. Applicants not found will be so notified.

4. ISSUANCE OF LICENSE AND RENEWAL

Issuance of a license shall be evidenced by the dated signature of a duly authorized Port Authority representative on the Application Form. Acceptance of a license shall signify consent of the licensee to comply with various tariffs of the Port Authority the Rules and Regulations of the Port Authority contained in Tariff 100-A.

Licenses will be issued for a period of one year from January 1 through December 31. The Port Authority will mail and/or electronically send notices of renewal, including invoices for the Annual Renewal Fee, to all licensees, on or about December 1 of each year. The renewal period shall extend from the postmark or electronic date on which the renewal notice is mailed or electronically sent through the last day of January of the year of renewal. A license will automatically expire unless the Port Authority receives the application for renewal with renewal fee no later than the last day of January of the year of renewal. Failure to renew within the prescribed time will require the filing of a new original application including original application fee if the person, firm, corporation or other business entity desires to continue providing stevedoring or freight handling services at the Port of Corpus Christi.

A license may be revoked or renewal denied if the licensee fails to comply with the Authority's tariff, including but not limited to the Rules and Regulations of the Port Authority contained in Tariff 100-A, is no longer in business or has been inactive continuously for six months immediately preceding notice of revocation or denial of renewal, unless good cause is shown for inactivity. **No stevedoring or freight handling operations may be undertaken by a licensee while their license is expired, is suspended, or has been revoked, or while action is pending on a new original application.**

5. LICENSE FEES

Resident Stevedores and Freight Handlers (Notes 1,2,3,4)	ORIGINAL APPLICATION FEE \$5,000.00	ANNUAL RENEWAL \$1,000.00
Non-Resident Stevedores and Freight Handlers (Notes 2,3,4)	ORIGINAL APPLICATION FEE \$5,000.00	ANNUAL RENEWAL \$1,000.00

Resident Freight Handlers (Notes 1,2,3,4)	ORIGINAL APPLICATION FEE \$3,000.00	ANNUAL RENEWAL \$600.00
Non-Resident Freight Handlers (Notes 2,3,4)	ORIGINAL APPLICATION FEE \$3,000.00	ANNUAL RENEWAL \$600.00

Note 1: As used in this Item, "Resident Stevedores and Freight Handlers" include only those persons, firms, corporations or other business entities that operate as a stevedore or freight handler in or on the Terminal Facilities of the Port Authority on a regular, recurring basis, and maintain full time offices, staff and equipment in Corpus Christi, Texas.

Note 2: As used in this Item, "Non-Resident Stevedores and Freight Handlers" includes all other persons, firms, corporations or other business entities not defined in Note 1 above.

Note 3: Application fees are non-refundable and will not be prorated for fractional parts of a year, except as provided in Paragraph 6 of this Item.

Note 4: Non-Resident Stevedores and Freight Handlers are required to provide a local telephone number and a local representative who may be contacted while stevedoring or freight handling operations are being conducted. The name of the representative and the phone number shall be provided to the Harbormaster's office prior to commencement of any stevedoring or freight handling operations.

6. LICENSES ARE NON-TRANSFERRABLE

A license may not be transferred, assigned or otherwise used by anyone other than the licensee named in the license without prior written approval of the Port Authority. Any person, firm, corporation or other business entity acquiring a going business from a licensee hereunder may qualify for a license upon written application to the Port Authority. If, after review of an application by the Port Authority, the applicant is found to be a competent operator with past practices which demonstrate a commitment to safe and efficient performance of stevedoring and/or freight handling, and skill, experience, equipment and personnel necessary to do so, the Port Authority may grant a transfer of license and in its sole discretion may waive the license application fee. Any attempt to transfer or assign a license contrary to this provision may be cause for revocation of the license.

7. STEVEDORE AND/OR FREIGHT HANDLER INSURANCE

Without limiting the indemnity obligations or liabilities of licensee, or its insurers, provided in ~~THIS~~ **this** Tariff 100-A, licensee agrees at all times its Stevedore and/or Freight Handlers license is in effect to carry and maintain at its sole expense policies of insurance ("the Policies") of the types and in the minimum amounts as follows:

- A. For all its employees engaged in performing work, workers' compensation required by the Texas Workers' Compensation Code, and employer's liability insurance with limits of at least \$500,000.00 each employee accident and disease, or such similar insurance which is in accordance with state and federal law applicable to said employees. If there is an exposure of injury to employees under the US Longshoreman's and Harbor Worker's Compensation Act, the Jones Act or under the laws, regulations or statutes applicable to maritime employees, coverage shall be included for such injuries or claims.
- B. Commercial General Liability (CGL) coverage (including "contractually assumed liability" coverage) with policy limits of at least \$1,000,000.00 per occurrence and \$2,000,000.00 general aggregate at the Leased Premises
- C. Business Auto Liability coverage for all owned and non-owned vehicles, with a policy limit of \$1,000,000.00 (Combined Single Limit.)
- D. Umbrella liability coverage limits of not less than \$5,000,000.00 over and above the underlying primary coverage limits stated in subparagraph A, B and C in this Section.
- E. Dependent on the pollution potential of the proposed operation, a Pollution Legal Liability policy with a limit of not less than \$5,000,000.00 per occurrence may be required.

Further, Authority shall be furnished, to the attention of Authority's Director of Operations, prior to licensee being issued its license, as proof of the insurance required of licensee a certificate or certificates of insurance (and the endorsements required in this ~~p~~ Paragraph 7- shall be attached to the certificate or certificates of the insurance) describing the Policies, which certificates must be acceptable, in their form and content, to PCCA. Each of the Policies will be endorsed to

(a) (except for Workers' Compensation and employer's liability insurance) name Authority, its Commissioners, officers, officials, employees and agents as an additional insured (b) provide that it will not be suspended, voided, canceled or reduced in coverage or limits without thirty (30) days' prior written notice to Authority, Attention: Director of Operations, and (c) provide that notwithstanding any language in any policy of insurance held by Authority ("Authority Insurance") to the effect that the Authority Insurance is primary, the policy or policies held by licensee are primary coverage and the Authority Insurance is non-contributory so that Authority Insurance will not share with the Policies

In addition, the Policies shall be endorsed to provide as follows (or an ISO form endorsement containing the equivalent wording may be used): "Underwriters or the company or companies issuing this policy agree that, if the named insured is required, by written contract, to name any other person, firm or organization as an additional insured on this policy for claims arising out of acts, or the failure to act, by the named insured, then such other person, firm or organization shall automatically be deemed to be an additional insured under this policy without any further action, but only to the extent required under said written contract." Licensee shall deliver to Authority certificates of renewal at least thirty (30) days prior to the expiration date of each of the Policies and copies of new policies at least thirty (30) days prior to terminating any of the Policies. 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; and, in such event, Authority may decline to issue the applicant's license, without any liability on the part of Authority to licensee. The company writing each of the Policies must possess a current rating with A.M. Best Company of at least A: VI. If licensee neglects or refuses to provide any insurance required herein, or if any insurance is canceled, Authority may procure such insurance at licensee's expense, and Authority is entitled to reimbursement from licensee for all amounts spent to procure and maintain the insurance, with interest on such expense at a rate of 10% annually from the date licensee receives Authority's notice of payment until reimbursement.

WAIVER OF SUBROGATION. As a condition to the issuance of a license, licensee waives every claim which arises or may arise in its favor against Authority during the existence of licensee's license or any renewal or extension thereof for any and all claims against it, or for loss of, or damage to, any of its property covered by applicable insurance policies, to the extent that such claim, loss or damage is covered or recoverable under said insurance policies. Said waiver shall be in addition to, and not in limitation or derogation of, any other waiver or release contained in this Tariff 100-A with respect to any loss of or damage to licensee's property. Licensee agrees to immediately give to each insurance company which has issued to it policies of insurance applicable to provisions of this Item 667 of Tariff 100-A written notice of the terms of the waiver set forth in this Paragraph 7, and to have said insurance policies properly endorsed, if necessary, to prevent the invalidation of said insurance coverage by reason of said waiver; and licensee will provide to Authority a copy of said endorsement or endorsements or evidence that such endorsement is not necessary to prevent the invalidation of the insurance coverage by reason of such waiver.

8. STEVEDORE AND/OR FREIGHT HANDLER ENVIRONMENTAL PERFORMANCE

Licensee certifies that it currently has or will have in place an Environmental Management System (EMS) by December 31, 2016. Authority will provide assistance necessary for Licensee to develop and implement an EMS by December 2016 through workshops and training in person with Licensee's employees. After December 31, 2016, Licensee shall provide documentation of a fully implemented EMS program for all operations occurring at or on Authority property. Documentation at a minimum shall include a list of team members and an organizational chart to show roles and responsibilities within the organization, a description of the Plan-Do-Check-Act process, and documented procedures for legal and other requirements and compliance, setting environmental priorities and objectives and targets, document control and record management, training and competence, communication, emergency preparedness and response, management programs for set priorities including monitoring and measurement, internal audit, non-conformity, corrective and preventative actions, and management review. In lieu of providing EMS program documentation, Licensee at its own expense can obtain external certification of the EMS to the ISO 14001:2015 standard and provide documentation of certification to the Authority. A document with a summary of the annual management review which includes, but is not limited to, details on environmental improvements made during the previous calendar, listing of identified non-conformances and associated corrective actions, results of the internal audit and/or external audit, and initiatives recommended by management for the coming year shall also be provided to the Authority prior to Dec 31 each year.

At a minimum, Licensee's EMS shall comply with Authority's EMS requirements which are outlined in the *EMS Compliance Requirements for Port Users Environmental Performance* located on the Authority website at www.portofcorpuschristi.com. Quarterly, the Licensee will be graded on the environmental performance at Authority public docks and laydown yards and leased properties. Performance will be rated using the Port Corpus Christi Environmental Performance Score Card. Licensee's right to use Authority public docks and laydown yards will be determined by Licensee's maintenance of a quarterly score of 80% or better and an overall annual average of at least 85%.

DATE: January 19, 2015
TO: Port Commission
FROM: Dennis DeVries, Director of Finance
dennis@pocca.com
361-885-6139

AGENDA ITEM NO. 15

Approve Lower Liability Limits on Various PCCA Insurance Policies

SUMMARY: Staff requests authority to reduce the policy limits on certain insurance policies carried by the PCCA, which will result in a significant cost savings.

BACKGROUND: On September 15, 2015, the Commission approved renewal of the following insurance policies for the 12-month period beginning October 1, 2015:

- (a) General & Marine Liability Insurance
- (b) Law Enforcement Liability
- (c) Errors & Omissions Liability
- (d) Auto Liability
- (e) Auto Physical Damage
- (f) Hull Insurance
- (g) Mobile Equipment
- (h) Crime
- (i) Excess Protection & Indemnity Insurance and
- (j) Foreign Liability.

The total renewal premium for the above policies was \$260,522.

At the request of the Audit Committee, the PCCA's Risk Program Manager the PCCA's legal counsel and the PCCA's insurance consultant performed the following: (1) liability limit benchmarking study using the Ports of Houston, Beaumont, Freeport and Galveston as comparisons to the PCCA; (2) a legal review of the PCCA's immunities and defenses; (3) a qualitative assessment of the PCCA's levels of risk for each exposure; and (4) a detailed claims review. As a result of this analysis, staff determined that the PCCA's liability insurance limits, with the exception of Errors & Omissions – Employment Practices, warrant a reduction in premiums. Staff found that the PCCA's liability limits are significantly higher than our benchmarking partners and that the majority of exposures are subject to the Texas Tort Claims Act ("TTCA") which provides a limited waiver of immunity for the negligent use of motor-driven equipment or tangible

personal property by PCCA employees as well as statutory caps on recoverable damages.

ALTERNATIVES: N/A

CONFORMITY TO PORT POLICY: N/A

EMERGENCY: N/A

FINANCIAL IMPACT: The financial impact of this item is a reduction in premium costs.

STAFF RECOMMENDATION: Staff recommends adjustment of PCCA's liability policy limits as follows:

LIABILITY POLICY	CURRENT LIMIT	NEW LIMIT	CURRENT PREMIUM	ESTIMATED NEW PREMIUM	TOTAL PREMIUM SAVINGS
Marine Employers	\$1,000,000	Not renewed	\$10,491	0.00	\$10,491
Law Enforcement	\$5,000,000	\$3,000,000	\$13,910	\$12,696	\$1,214
Auto Liability	\$10,000,000	\$1,000,000	\$18,003	\$14,970	\$3,033
General Liability	\$20,000,000	\$10,000,000	\$81,957	\$69,207	\$12,750
Excess Protection & Indemnity	\$80,000,000	\$40,000,000	\$65,569	\$57,500	\$8,069
TOTAL ANNUAL SAVINGS					\$35,557

The Audit Committee approved staff's recommendation to lower limits, which will yield a \$35,557 decrease in premiums for the PCCA. The PCCA should see an estimated refund of \$17,444 from the various carriers.

DEPARTMENTAL CLEARANCES:

Originating Department	Finance Development
Reviewed & Approved	Dennis DeVries
	Donna James-Spruce
Legal	Dane Bruun
Senior Staff	John LaRue
	Sean Strawbridge

LIST OF SUPPORTING DOCUMENTS: Copy of Agenda Item 14 from September 15, 2015, Port Commission meeting entitled "Approve Renewal of PCCA's General and Marine Liability Insurance and Related Liability and Hull Insurance."

DATE: September 15, 2015

FROM: John LaRue; 885-6189; john@pocca.com
AGENDA ITEM NO. 14
Approve Renewal of PCCA's General and Marine Liability Insurance and Related Liability and Hull Insurance

Currently, the PCCA purchases a variety of insurance policies to protect the PCCA against liability exposures. Such liability policies include the following coverage; General/ Marine Liability, Hull Insurance, Excess Protection and Indemnity (Excess P&I), Law Enforcement Liability, Public Officials Liability, Auto Liability/Physical Damage and Foreign Liability. Since the PCCA is named as an Additional Insured on the policy of the company who performs aerial fly-overs, there is no need to renew the Non-Owned Aircraft coverage.

Carlisle Insurance has coordinated the placement and/or renewal of all the above policies, which will expire on October 1, 2015. With the exception of the Excess P&I insurance and the Foreign Liability insurance, the remaining policies are provided through the Texas Municipal League Intergovernmental Risk Pool (TML-IRP). The Excess P&I insurance and Foreign Liability will be provided through Lloyds of London and ACE respectively.

A comparison of the current year's premiums and the 2015-2016 premiums is as follows;

	<u>2014-2015 Premium</u>	<u>2015-2016 Premium</u>
Liability & Related	\$194,902	\$192,453
Excess P&I	\$65,569	\$65,569
Foreign Liability	\$2,626	\$2,500
Policy Additions/Deletions	\$13,207	\$0
TOTAL Premium	\$276,304	\$260,522

The total premium for the upcoming 2015-2016 year is \$15,782 less than the current year's premium, which equates to a 6% decrease. Staff recommends renewing the Liability Policies for a premium of \$194,902, the Excess P&I coverage for \$65,569, and purchasing the Foreign Liability coverage for \$2,500.

LEAD CONTACT: Donna James-Spruce, 885-6695; Donna@pocca.com

DATE: January 19, 2016

TO: Port Commission

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

AGENDA ITEM NO. 16-A

**Approve an Increase in a Professional Services Contract with
Wiss, Janney, Elstner Associates Inc. for Engineering Services
Associated with Structural Repairs to PCCA Bridges**

SUMMARY: Staff requests an increase to engineering services costs to complete the redesign of structural repairs to two PCCA bridges at a cost of \$27,000, which will bring the total cost for engineering design to \$74,850. The 2016 budget included \$300,000 for construction and design of this maintenance project.

BACKGROUND: Last year, staff initiated a project to repair two single-span bridges owned by the PCCA. In February 2015, staff contracted with Wiss, Janney and Elstner Associates Inc. to perform the design work for this project at a cost not to exceed \$47,850. The project was subsequently designed and bid in October. We received only one bid and that bid greatly exceeded the projected budget. As a consequence the Port Commission rejected that bid upon staff's recommendation. Staff instructed WJE to review the plans to determine ways to reduce costs. The redesign is progressing but additional funds are needed to complete the final analysis of design alternatives and provide a new set of plans and specifications for both bridges.

ALTERNATIVES: Staff has split the project into two separate projects, bidding Oil Dock 11, the most critical bridge, first and bidding repairs to Oil Dock 12 later in the year.

CONFORMITY TO PORT POLICY: N/A

EMERGENCY: N/A

FINANCIAL IMPACT: N/A

STAFF RECOMMENDATION: Staff recommends an additional purchase order in an amount not to exceed \$27,000 be issued to Wiss, Janney, Elstner Associates Inc. to

DEPARTMENTAL CLEARANCES:

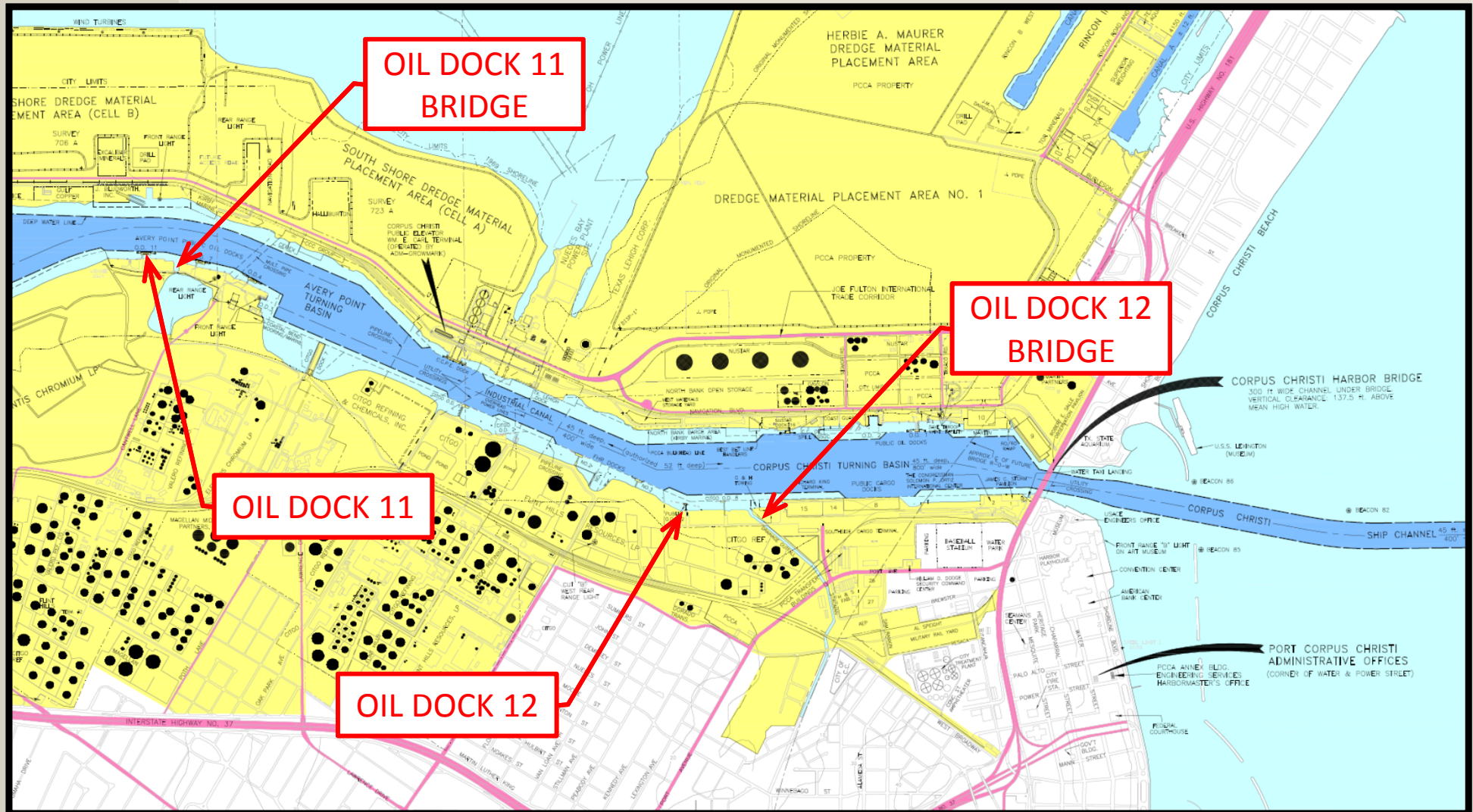
Originating Department	Engineering Services	
Reviewed & Approved	David Krams	Yes
	Dave Michaelsen	Yes
	Brett Flint	Yes
Legal	No Legal Review	
Senior Staff	John LaRue	
	Sean Strawbridge	
	Jarl Pederson	

LIST OF SUPPORTING DOCUMENTS:

Map of Bridge Locations



Structural Repairs to PCCA Bridges



DATE: January 19, 2016

TO: Port Commission

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

AGENDA ITEM NO. 16-B

Approve a Professional Services Contract with Training & Programming Services for Development and Maintenance of the Engineering Services Project Tracker Software

SUMMARY: Staff requests approval of a Professional Services Contract with Training & Programming Services in an amount not to exceed \$30,000. This professional services contract will formalize and clarify the services for the PCCA's Project Tracker software. Funds for this project will be provided under the general engineering line item of the 2016 budget. Including the initial cost of \$28,500 for this program, this will bring the total for TPS's services to date to \$88,500.

BACKGROUND: Staff has been working with TPS since 2013 to design and develop a project management system to better track the increasing number of capital, maintenance and professional services projects. Prior to that, staff had used a Microsoft Access database to track projects. However, that program had limitations in its use and was not particularly user friendly for the PCCA's Engineering Services Department requirements. The Coastal Bend Bays & Estuaries Program recommends the TPS product to PCCA staff.

While the software program is up and fully functional, staff requests that we continue with TPS to help create additional reports, improve the interface with other programs, and provide general support to staff.

ALTERNATIVES: N/A

CONFORMITY TO PORT POLICY: The Project Tracker software is one of the goals of the Strategic Plan.

EMERGENCY: N/A

FINANCIAL IMPACT: N/A

STAFF RECOMMENDATION: Staff recommends approval of a Professional Services Contract with Training & Programming Services in an amount not to exceed \$30,000 to ensure the success of the Project Tracker software program and to provide assistance to staff and maintenance of the program.

DEPARTMENTAL CLEARANCES:

Originating Department	Engineering Services
Reviewed & Approved	David Krams Dave Michaelson Brett Flint
Legal	None (Used Std. Agmt w/o Change)
Senior Staff	John LaRue Sean Strawbridge Jarl Pederson

LIST OF SUPPORTING DOCUMENTS: None.

DATE: January 19, 2016
TO: Port Commission
FROM: Darrin Aldrich, Director of Real Estate
Darrin@pocca.com
(361) 885-6169

AGENDA ITEM NO. 16-C

**Approve a Farming Lease with Triple W. Farms for a
105-Acre Tract of Land Located in San Patricio County, Texas**

SUMMARY: Staff requests approval of a Farming Lease Agreement with Triple W. Farms for a 105-acre tract of land located in San Patricio County. The term of the Lease Agreement will be under one year; the annual rent is \$5,250.00. The Leased Premises will be used for the purpose of growing cotton, sorghum, corn, or other commercial agricultural commodities.

BACKGROUND: Last year, the Port of Corpus Christi Authority (PCCA) acquired a 138.56-acre tract of land for future development along U.S. Highway 181, across the highway from the PCCA's La Quinta property in San Patricio County. The property contains approximately 105 acres of farmable acreage that was previously farmed by Triple W. Farms prior to the PCCA's acquisition. With no immediate need for the PCCA to develop the property, staff has negotiated the terms of a new lease agreement that would allow Triple W. Farms to continue farming the available acres. The arrangement is beneficial for both parties in that the rent paid is a revenue stream for the PCCA, the farming operations are a deterrent to unauthorized use of the property for illegal dumping or other purposes, and Triple W. Farms realizes a benefit from the agricultural use of the land.

ALTERNATIVES: Allow the acreage to remain unoccupied and incur the cost to maintain the property.

CONFORMITY TO PORT POLICY: N/A

EMERGENCY: No.

FINANCIAL IMPACT: The PCCA will realize an annual rent of \$5,250.00 as well as a beneficial agricultural economic impact to the community.

STAFF RECOMMENDATION: Staff recommends approval of a Farm Lease with Triple W. Farms.

DEPARTMENTAL CLEARANCES:

Originating Department	Real Estate
Reviewed & Approved	Darrin Aldrich
Legal	Mike Mahaffey
Senior Staff	Sean Strawbridge
	Jarl Pederson
	Dennis Devries

LIST OF SUPPORTING DOCUMENTS:

Agenda Memorandum Location Map Exhibit
Lease Summary
Lease Agreement



TRIPLE W. FARMS

±105 Acre Farm Lease in San Patricio County

GENERAL LOCATION OF LEASE PREMISES

GULF COMPRESS
LA QUINTA DIVISION

PCCA
± 105 Acres

GREGORY

TPCO

361

SHERWIN ALUMINA CO.

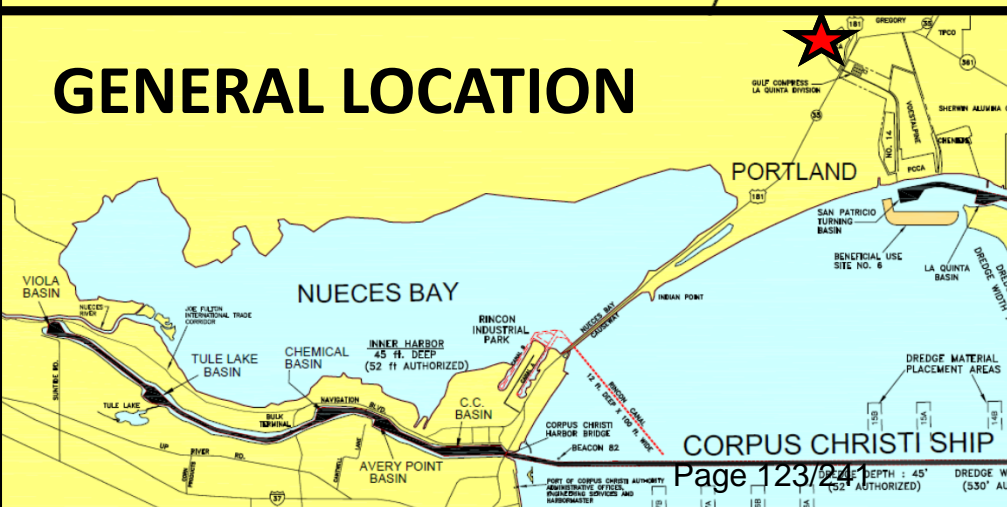
VOESTALPINE

CHENIERE

DUPONT

OXYCHEN
INC.

GENERAL LOCATION



CORPUS CHRISTI SHIP

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LEASE SUMMARY

Lessee: Triple W. Farms
7717 County Road 3963
Taft, Texas 78390

Premises: ± 105 acres in San Patricio County, across from the Gulf Compress Facility at La Quinta Terminal

Use: The Lease Premises is to be used and occupied by Triple W. Farms for the purpose of growing cotton, sorghum, corn, or other commercial agricultural commodities

Term: Under One (1) year
January 19, 2016 – December 31, 2016

Options: None

Start Date: January 19, 2016

Annual Rent: \$5,250.00, made in annual payment
(105 acres x \$50.00 per acre)

Tenant Business: Agriculture – the occupation of cultivating land and producing crops

Tenant Contact: Mr. Daniel Wendland

Remarks: Upon the final harvest of any growing crops or upon crops failure, either party may terminate this lease agreement without cause upon Thirty (30) days written notice to the other. Lessee has been advised and acknowledges that the Authority is presently engaged in negotiations relating to the routing and installation of pipeline(s) across the Leased Premises that may interfere with Lessee's operations. In the event Authority grants an easement or right of way for any pipeline, Lessee shall be entitled to seek reimbursement for any actual and reasonable crop damages, costs, expenses and lost profits incurred by Lessee during that crop season because of any activity by an authorized representative of the Authority performing such operations.

FARM LEASE

This lease agreement is made effective as of the 19th day of January, 2016, (the "Effective Date") by and between **PORT OF CORPUS CHRISTI AUTHORITY OF NUECES COUNTY, TEXAS** ("Authority") acting by it duly authorized Port Commission, whose mailing address is **P. O. Box 1541, Corpus Christi Texas 78403**, and **Triple W. Farms**, a Texas general partnership ("Lessee"), whose mailing address is **7717 CR 3963, Taft, Texas 78390**.

1. Lease of Property. In consideration of the mutual covenants and agreements set forth in this agreement, Authority leases to Lessee the surface estate of 105 acres of land, more or less, as depicted on Exhibit A attached hereto and incorporated herein by reference (hereinafter called the "Leased Premises") which land is owned by Authority and located in San Patricio County, Texas.

2. Term of Lease. The term of this lease shall commence on the Effective Date and (subject to earlier termination as herein provided) ending at midnight, Central Time, the 31st day of December, 2016.

3. Rent. Lessee agrees to pay to Authority, without any deduction or offset, at its offices in Corpus Christi, Texas, as the total rent for the Leased Premises, the sum of **Five Thousand Two Hundred Fifty and No/100 Dollars (\$5,250.00)** on the date of final execution of this agreement.

4. Use. The Leased Premises is to be used and occupied by Lessee for the purpose of growing cotton, sorghum, corn, or other commercial agricultural commodities and for activity necessarily related thereto, and for no other use unless approved by Authority in writing. The Leased Premises shall not be used for any purpose or business deemed as extra hazardous by the National Board of Fire Underwriters. No hazard will be created or allowed to continue on the Leased Premises that will increase the insurance rate of Authority or of the other lessees of adjacent Authority properties. Lessee's occupancy, operation or use of the Leased Premises shall not violate any applicable city, state or federal law or regulations pertaining to the storage, disposal, use or release of environmentally hazardous materials.

5. Landlord's Lien. Pursuant to Chapter 9 of the Texas Business and Commerce Code (UCC), Lessee grants to Authority a security interest to secure the payment of all rent that may become due under this lease. This security interest attaches to all crops raised on the Leased Premises. An event of default under this

lease agreement shall be default under the security agreement. Authority may at its election at any time file a copy of this lease agreement as a financing statement.

6. Records. Lessee agrees to maintain records of all agricultural and financial matters relating to the Leased Premises. Lessee shall specifically maintain records on all of the following: location and amount of land planted and date planted; soil cultivation preparation, including amount, type, and dates of fertilizer applications and tillage practices; and per-acre yields of crops. Authority and Authority's authorized representative shall have the right to inspect these records at reasonable times during business days Monday through Friday.

7. Cultivation and Grass Control. Lessee shall cultivate the Leased Premises in an efficient and economic manner, including without limitation, taking reasonable action to prevent Johnson grass and other noxious weeds from growing on the Leased Premises and using all modern methods of farming that are customarily practiced in the area of San Patricio County, Texas. Lessee will take all necessary action to maintain any government crop allotment existing on the Leased Premises on the date of execution of this lease agreement. Lessee shall ensure that all areas not actively cultivated by the Lessee are closely managed by either grazing, haying, or mowing to limit the height of grass and/or weeds to less than 24 inches so as to not encourage any wildlife presence on the Leased Premises. **If at any time in the Authority's opinion, and after thirty (30) days written notice sent to Lessee, the Lessee fails to comply with the requirements in this paragraph, or, to adequately respond to a request from the Authority to remedy any shortfall, the Authority reserves the right to correct the failure to comply set forth in Authority's notice at the sole expense of the Lessee or terminate the Agreement.**

8. Improvements. Lessee does not have the right to erect any improvements upon nor make any alterations to the Leased Premises without the prior written consent of Authority, and in the event Lessee is permitted to erect improvements upon or make alterations to the Leased Premises, Lessee must comply with all applicable governmental laws, ordinances, and regulations. Lessee shall have the right to remove any improvements or items so installed, provided Lessee is not in default; however, Lessee shall repair any damage caused by such removal, before termination of the lease.

9. Right to Enter. Authority or Authority's authorized representative shall have the right, at any time, to enter the Leased Premises for purposes of making any repairs, alterations, or improvements; to perform any inspections, surveys or any other analyses that Authority shall deem necessary or advisable; or for the purpose

of conducting any activity related to possible lease or sale of the Leased Premises, or any part thereof, for any use of the Leased Premises by Authority or any prospective lessee or buyer. Lessee shall not be entitled recover any compensation or offset in rent for any crop damages or other losses arising from such activities on the Leased Premises by the Authority.

Authority reserves the right, subject to Lessee's consent, not to be unreasonably withheld, to grant rights of way on the perimeter of the Leased Premises and in other locations within the Leased Premises, which do not interfere (in Lessee's sole but reasonable opinion) with Lessee's intended use of the Leased Premises, to the extent reasonably necessary to place poles and necessary wires and attachments for electricity or for telephone and fiber optic lines over and across any part of the Leased Premises, and to lay, or grant easements or rights of way to other parties for the laying of oil and gas pipelines under, and fiber optics over, under and upon the Leased Premises. Authority has the right to use third parties for the performance of the rights reserved to Authority in this Section.

10. No Partnership. This lease shall not give rise to a partnership between the parties. Neither party shall have the authority to bind the other without the other party's written consent.

11. Indemnification by Lessee

(a) Lessee shall defend, indemnify and hold harmless the Authority Parties ("*Authority Parties*" means the Authority, its Port Commissioners, directors, managers, employees and agents.) from and against, and Lessee shall be responsible for, any and all Claims which may be brought or instituted or asserted against the Authority Parties based on or arising out of or relating to any of the following events (each being referred to herein as an "*Indemnified Event*"): (i) the failure on the part of the Lessee or any of its sublessees or their respective owners, officers, managers, agents, invitees, guests, contractors, subcontractors or licensees ("*Lessee Parties*") to comply with the provisions of Applicable Laws applicable to the Leased Premises or the Lessee Facilities on the Leased Premises, or (ii) any injury to or death of or claim of injury to or death of any person or any damage to or loss of or claim of damage to or loss of property occurring on the Leased Premises or the Lessee Facilities, in each case arising out of (1) the use or occupancy of the Leased Premises by Lessee or any Lessee Party, or (2) the condition, use, malfunction, defect, or explosion of any of the Lessee Facilities, or (3) the construction, alteration, repair or maintenance of the Lessee Facilities.

(b) Notwithstanding anything to the contrary contained in Paragraph 11(a), it is expressly provided and agreed by and between the Parties that Lessee shall not be obligated to indemnify and hold harmless the Authority Parties from and against their own negligence.

(c) Notwithstanding anything to the contrary contained in Paragraph 11(a), Lessee shall be relieved of its obligation of indemnity (but not its obligation to defend) with respect to any Claim to the extent, but only to the extent, of (1) the amount actually recovered from one or more insurance carriers and either paid to the Authority Parties or paid for benefit of the Authority Parties in reduction of such Claim, or (2) the percentage of responsibility attributed to the Authority Parties with respect to causing or contributing to cause the Indemnified Event for which the Claim was made.

(d) Lessee's indemnity obligations under this Paragraph 11. shall not be limited by a limitation on the amount or type of damages, compensation or benefits owed by Lessee to any employee of Lessee under workers' or workmen's compensation acts, disability benefit acts, or other employee benefit acts.

(e) The obligations of the Lessee under this Paragraph 11(a) shall survive the expiration or any earlier termination of the term of this Lease.

12. Assignment or Sublease. Lessee may neither assign this lease nor sublet any portion of the Leased Premises without the prior written consent of Authority.

13. Utility Charges. Lessee shall pay all utility charges for electricity, heat, water, gas, and power used by Lessee in and about the Leased Premises during the periods this lease is in effect. Lessee shall pay these charges before they become delinquent.

14. Termination Without Cause. Upon the final harvest of any growing crops or upon crops failure, either party may terminate this lease agreement without cause upon Thirty (30) days written notice to the other. Such notice may be sent by electronic mail or regular U.S. Mail to the address for Notice provided herein and shall be effective as of the date of the sending of the electronic mail or the deposit of regular mail with the U.S. Postal Service.

15. Crop Damage. Lessee has been advised and acknowledges that the Authority is presently engaged in negotiations relating to the routing and installation of pipeline(s) across the Leased Premises that may interfere with Lessee's operations. In the event Authority grants an easement or right of way for

any pipeline, Lessee shall be entitled to seek reimbursement for any actual and reasonable crop damages, costs, expenses and lost profits incurred by Lessee during that crop season because of any activity by an authorized representative of the Authority performing such operations. Authority agrees, however, that in any easement or right of way agreement granted by the Authority to the Grantee named in such agreement the Grantee will agree in such agreement that in the event the Grantee, its employees, contractors or any other persons or entities who are working on the Leased Premises under contract or direction of the Grantee damages crops, Lessee's equipment and causes Lessee expenses and lost profits during that crop season because of any activity by Grantee, Grantee will reimburse Lessee for reasonable expenses and lost profits within sixty (60) days after Lessee provides Grantee the amount of damage incurred by Lessee.

16. Insurance. Lessee agrees to take and to maintain for the protection of Authority and Lessee, as their interests may appear, with insurers satisfactory to Authority, a Farmer's Comprehensive Personal liability policy or an Owner's, Landlord's, and Tenant's policy with minimum combined limits of \$250,000 for Bodily Injury and Property damage. The insurance coverage required by this Agreement shall name Authority as an additional insured, and these policies shall contain another insurance endorsement stating that the insurance provided by such policy shall be primary insurance for all assureds, and that any other insurance carried by Authority shall not be called upon by the insurers for sharing claim costs, contributing, deficiency, concurrent, or double insurance, or otherwise. All insurance policies provided coverage hereunder shall contain provisions that it will not be cancelled nor material changes in the policies become effective except on thirty (30) days prior written notice thereof to Authority. Lessee shall furnish Authority certificates of insurance to Authority's Risk Program Manager on a form that has been accepted and is on file with the State of Texas Insurance Commission; and the text of the certificates must be acceptable to Authority.

Lessee waives every claim which arises or may arise in its favor against Authority during the term of this lease or any renewal or extension thereof for any and all loss of, or damage to, any of its property located within or upon, or constituting a part of, the Leased Premises, covered by applicable insurance policies, to the extent that such loss or damage is recoverable under said insurance policies. Said waiver shall be in addition to, and not in limitation or derogation of, any other waiver or release contained in this lease agreement with respect to any loss of or damage to property of the parties hereto. Lessee agrees to immediately give to each insurance company which has issued to it policies of insurance applicable to provisions of this lease agreement written notice of the terms of the waiver set forth in this Section, and to have said

insurance policies properly endorsed, if necessary, to prevent the invalidation of said insurance coverage by reason of said waiver; and Lessee will provide to Authority a copy of said endorsement or endorsements or evidence that such endorsement is not necessary to prevent the invalidation of the insurance coverage by reason of such waiver

17. Quiet Enjoyment. Lessee, on paying the rent and all other sums called for herein and performing all of Lessee's other obligations contained herein, shall and may peaceably and quietly have, hold, occupy, use and enjoy the Leased Premises during the term of this lease agreement, subject to the provisions of this lease agreement. Authority agrees to warrant and forever defend Lessee's right to occupancy of the Leased Premises against the claims of any and all persons whomsoever lawfully claiming the same or any part thereof, by, through or under Authority (but not otherwise) subject to (a) the provisions of this lease agreement, (b) the lawful use of the Leased Premises by the State of Texas or by anyone claiming under the State of Texas, by virtue of a purchase, sale, lease, or donation of all or part of the minerals under the Leased Premises, for the purpose of exploring for oil, gas, or other minerals, (c) all matters of record in Nueces County, Texas, and (d) any unrecorded easements or licenses executed by Authority to the extent the foregoing are validly existing and applicable to the Leased Premises Lessee shall have no right to voluntarily permit any portion of the Leased Premises to be used for the purpose of drilling an oil or gas well without Authority's prior written consent.

18. Force Majeure. Neither Authority nor Lessee shall be required to perform any obligation under this lease as long as performance is delayed or prevented by *force majeure*. *Force majeure* shall mean acts of God, drought, floods, material or labor restrictions by any governmental authority, and any other cause not reasonably within the control of either party, and which, by the exercise of due diligence, Authority or Lessee is unable, wholly or in part, to prevent or overcome.

19. Mediation. Authority and Lessee agree they will, before taking any other legal action, including the filing of an action in State or Federal Court, attempt in good faith, to mediate in Corpus Christi, Texas, any controversy or claim arising out of or related to this lease agreement before a mediator to be agreed upon by Authority and Lessee. Authority and Lessee must agree upon a mediator within fifteen (15) days after a written request for mediation by either party, or either party may request any State District Judge sitting in Nueces County, Texas, to appoint a mediator and such appointment will be final. The mediator will schedule a mediation meeting at a time and place determined by the mediator. Authority and Lessee will each pay one-half of the costs of mediation to the mediator.

20. Miscellaneous.

- A. No Waiver The waiver of any breach of any term or condition of this lease agreement does not waive any other breach of that term or condition or of any other term or condition.
- B. Notice. All payments, notices, demands, or requests from Lessee to Authority shall be given to **Port of Corpus Christi Authority, Attention: Executive Director, P. O. Box 1541, Corpus Christi, Texas 78403**, or at such other address as Authority shall request in writing. All payments, notices, demands, or requests from Authority to Lessee shall be given to Lessee at **7717 CR 3963, Taft, Texas 78390** or at such other address as Lessee shall request in writing.
- C. Binding Agreement. This agreement binds and inures to the benefit of the parties and their respective legal representatives, heirs, distributees, successors and assigns where assignment is permitted by this lease agreement.
- D. Applicable Law. This lease agreement must be construed and its performance enforced under Texas law. Venue of any action arising out of this lease agreement will be in Nueces County, Texas.
- E. Construction. In case any one or more of the provisions contained in this agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision thereof, and this agreement shall be construed as if such invalid, illegal, or unenforceable provisions had never been contained herein.
- F. Time of Essence. Time is of the essence to this lease agreement.
- G. Attorneys' Fees. In the event Authority or Lessee breaches any of the terms of this agreement whereby the party not in default employs attorneys to protect or enforce its rights hereunder and substantially prevails, then the defaulting party agrees to pay the other party's reasonable attorneys' fees so incurred by such other party.
- H. Public Disclosure. Authority is a governmental authority subject to the requirements of the Texas Open Meetings Act and the Texas

Open Records Act (Texas Government Code, chapters 551 and 552), and as such Authority is required to disclose to the public (upon request) this lease agreement and certain other information and documents relating to the consummation of the transactions contemplated hereby. In this regard, Lessee agrees that the disclosure of this lease agreement or any other information or materials related to the consummation of the transactions contemplated hereby to the public by Authority as required by the Texas Open Meetings Act, Texas Open Records Act or any other law will not expose Authority (or any party acting by, through or under Authority) to any claim, liability or action by Lessee.

- I. Contractual Relationship. Nothing contained in this agreement shall create a contractual relationship with or a cause of action in favor of a third party against Authority.
- 21. Entire Agreement. This lease contains the entire agreement of the parties relating to its subject matter. Any oral representations or modifications concerning this lease shall be of no force and effect. Any subsequent amendment or modification must be in a writing agreed upon and executed by both parties.

IN TESTIMONY WHEREOF, this lease agreement is executed in duplicate originals, either of which shall be deemed to be an original, at Corpus Christi, Texas, on the date first above-mentioned.

(SIGNATURES OF THE PARTIES ARE ON THE NEXT PAGE)

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

By: John P. LaRue
Executive Director
“Authority”

Triple W. Farms,

By: Danny Wendland
General Partner
Of Triple W. Farms
“Lessee”

**STATE OF TEXAS §
 §
COUNTY OF NUECES §**

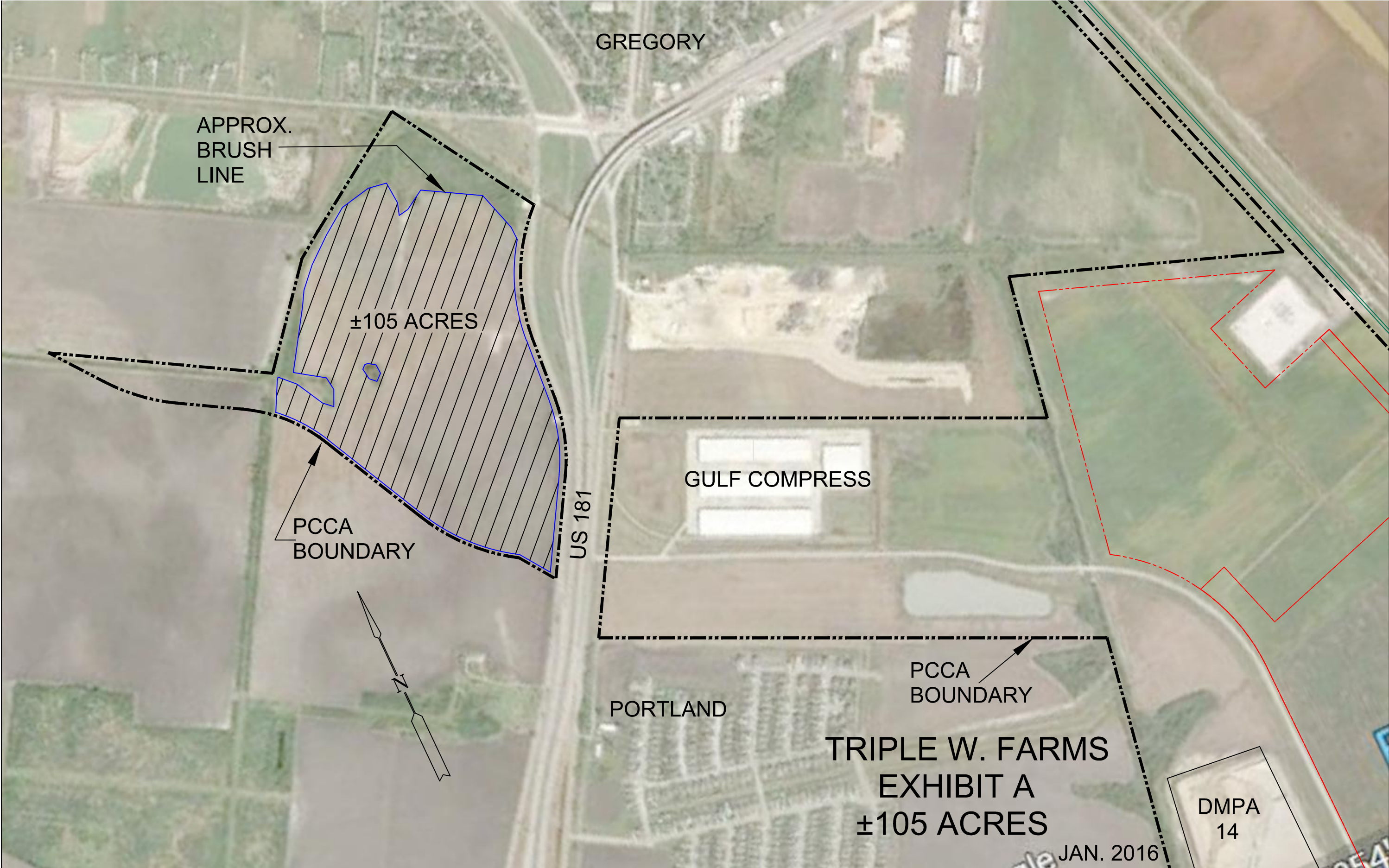
This instrument was acknowledged before me on the _____ day of _____, 20__ by JOHN P. LARUE, as Executive Director of the Port of Corpus Christi Authority of Nueces County, Texas, on behalf of the Port.

NOTARY PUBLIC, STATE OF
TEXAS

**STATE OF TEXAS §
COUNTY OF _____ §**

This instrument was acknowledged before me on the _____ day of _____, 20____, by Danny Wendland as General Partner of Triple W Farms on behalf of said entity.

NOTARY PUBLIC, STATE OF
TEXAS



DATE: January 19, 2016
TO: Port Commission
FROM: A.C. Alejandro, Director of Port Emergency Management
Tony@pocca.com
367-885-6188

AGENDA ITEM NO. 16-D

**Approve a Professional Services Consulting Agreement with
Citygate Associates, LLC**

SUMMARY: This professional services agreement is for the assessment of the PCCA's marine firefighting capabilities, risk, quantity and type of response assets necessary to achieve a timely response.

BACKGROUND: The Port's current marine firefighting response vessel was constructed over 15 years ago, with budget and response limitations that prevented a timely response by today's standards. We now need to examine and evaluate our changing needs in order to develop a marine firefighting suite of the future that will provide a more efficient response in today's growing oil-shipping environment.

ALTERNATIVES: None.

CONFORMITY TO PORT POLICY: N/A

EMERGENCY: No.

FINANCIAL IMPACT: This item will not increase Port revenue; expense to the Port not to exceed \$75,000.

STAFF RECOMMENDATION: Staff recommends approval of a Consulting Agreement with Citygate Associates, LLC, in an amount not to exceed \$75,000.

DEPARTMENTAL CLEARANCES:

Originating Department	Port Emergency Management
Reviewed & Approved	A.C. Alejandro
Legal	Dane Bruun

Senior Staff

John LaRue
Sean Strawbridge

LIST OF SUPPORTING DOCUMENTS:

1. Citygate Associates, LLC Proposal
2. Consulting Agreement with Exhibits A & B

CONSULTING AGREEMENT

This CONSULTING AGREEMENT (the “Agreement”) is made and entered into effective as of January 1, 2016 (“Effective Date”), by and between Citygate Associates, LLC (“Consultant”) and the PORT OF CORPUS CHRISTI AUTHORITY OF NUECES COUNTY, TEXAS (“PCCA”), each a “Party” and, collectively, the “Parties.”

WHEREAS, Consultant has agreed to provide PCCA with the services stated in Exhibit A attached hereto (“Professional Services”), which is incorporated into this Agreement for all purposes; and

WHEREAS, PCCA wishes to engage the Consultant to provide the Services on the terms and conditions stated in this Agreement;

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

Section 1. *Consultant’s Services.* The PCCA hereby engages the Consultant to perform the Services in accordance with the terms and conditions set forth in this Agreement, and Consultant hereby agrees to provide the Services during the Term (as defined in Section 3) of this Agreement. The Parties may mutually agree to refine the scope of the Services during the Term as circumstances may warrant.

Section 2. *Key Staff.* The Services will be performed primarily by Citygate Associates, LLC.

Section 3. *Term.* This Agreement will commence on the Effective Date and expire on December 31, 2016, Notwithstanding anything to the contrary contained in the preceding sentence, either Party may terminate this Agreement for any reason on sixty (60) days’ advance written notice sent to the other Party at the address set forth in Section 11, or personally delivered to the other Party.

Section 4. *Effect of Termination.* Upon the termination of this Agreement, PCCA shall have no further obligation to the Consultant hereunder except to pay the Consultant all unpaid fees which the Consultant has earned under this Agreement.

Section 5. *Consultant’s Responsibilities.* In addition to all other obligations contained herein, the Consultant agrees, warrants, and represents that:

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

5.2 The Consultant will proceed with due diligence and promptness in providing the Services;

5.3 Services shall be performed in accordance with the highest ethics, professional workmanship, and service standards in the field;

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

5.5 Neither the Consultant's performance of the Services nor its compliance with any term of this Agreement shall constitute a breach under any agreement that the Consultant has or had with any other party including, without limitation, any non-compete, confidentiality, or non-disclosure agreement regarding third-party proprietary information;

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

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

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

5.9 The Consultant has and hereby retains full control of any supervision over the Consultant's obligations hereunder;

5.10 The Consultant shall satisfy all tax and other governmentally-imposed responsibilities as an independent contractor under this Agreement including, but not limited to, payment of state, federal and social security taxes, unemployment taxes, and workers' compensation; and

5.11 As of the Effective Date and at all times during the Term, the Consultant shall possess and maintain in good standing any and all licenses and/or other authorizations and approvals necessary to perform the Services.

Section 6. *PROFESSIONAL SERVICES Fee.* In consideration of the Consultant's performance of the Services in accordance with this Agreement during the Term, PCCA shall pay to the Consultant the compensation set forth in Exhibit B attached hereto ("Payments to CONSULTANT for Fireboat Services") as provided in Exhibit B, which is incorporated into this Agreement for all purposes.

Section 7. *Independent Contractor Status.*

7.1 The Parties agree that the Consultant will act as an independent contractor in the performance of any and all Services under this Agreement, and will in no way be considered an agent, partner, joint venturer, or employee of the PCCA at any time during the Term. The Consultant will only consult and render advice to the PCCA and will not undertake to commit the PCCA to any course of action in relation to a third party unless expressly requested and authorized to do so by the PCCA.

7.2 The Consultant shall not be entitled to any rights or benefits of an employee of the PCCA at any time during the Term. Furthermore, the Consultant will not be eligible to participate in any profit sharing plan or other employee benefit plan maintained by the PCCA for the benefit of its employees. The PCCA shall have no responsibility for withholding any federal income taxes or paying payroll taxes on any amounts paid to the Consultant. The Consultant agrees to pay all income and employment taxes on the PROFESSIONAL SERVICES fee or other amounts paid to the Consultant hereunder, consistent with its status as an independent contractor, in compliance with all applicable laws and regulations.

7.3 At all times during the Term, the Consultant shall carry standard workers' compensation insurance (as may be required by law), automobile liability coverage, and commercial general liability insurance in commercially reasonable and appropriate amounts, as approved by the PCCA in its sole discretion. Certificates of insurance depicting such required coverage shall be provided by the Consultant to the PCCA upon request.

Section 8. *PCCA Representative.* Except as otherwise provided by PCCA, the PCCA's Representative during the Term shall be PCCA's Executive Director and/or his designee. When the Consultant requires approval, authorization, and/or other communication from or with the PCCA, such communication shall be directed to the PCCA's Representative. The PCCA's Representative shall be reasonably available to the Consultant for consultation and/or direction.

Section 9. *Confidential Information.* It is understood that information developed by or communicated to Consultant in the performance of this Agreement, as well as any and all information in whatever form or medium supplied to Consultant in connection herewith which is not generally available to the public is proprietary to the PCCA and constitutes confidential information of the PCCA. Consultant agrees that, without prior written approval of the PCCA's Representative, Consultant will make no oral or written disclosure of such information to third parties either during or after the term of this Agreement, except for the purpose of performing Consultant's obligations under this Agreement.

Section 10. *Notices.* All notices, demands, reports, requests or other communication required or permitted to be given hereunder shall be deemed to have been given when received, whether delivered personally or mailed. Any notice that is mailed should be addressed as follows:

If to the PCCA:

222 Power Street
Corpus Christi, Texas 78401
ATTN: Executive Director

If to Consultant:

2250 E Bidwell St # 100
Folsom, CA 95630
ATTN: Consultant Citygate Associates, LLC

Either Party may change its mailing address for purposes of this Agreement by giving written notice thereof to the other Party.

Section 11. *Assignment.* This Agreement may not be assigned by the Consultant without the prior written consent of the PCCA.

Section 12. *Binding.* This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns.

Section 13. *Governing Law.* **THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, EXCLUDING ANY CONFLICT-OF-LAWS RULE OR PRINCIPLE THAT MIGHT REFER THE GOVERNANCE OR CONSTRUCTION OF THIS AGREEMENT TO THE LAW OF ANOTHER JURISDICTION. THE PARTIES HERETO EXPRESSLY AGREE THAT THIS AGREEMENT IS EXECUTED AND SHALL BE PERFORMED IN NUECES COUNTY, TEXAS, AND VENUE OF ALL DISPUTES, CLAIMS AND LAWSUITS ARISING HEREUNDER SHALL LIE IN NUECES COUNTY, TEXAS.**

Section 14. *Severability.* If any part of this Agreement is held to be invalid, illegal, or unenforceable in any respect, such determination shall not affect any other provision of this Agreement, and this Agreement shall then be construed as if the invalid, illegal, or unenforceable provision had not been included in this Agreement.

Section 15. *Open Records.* The PCCA is a governmental body subject to the requirements of the Texas Public Information Act (Texas Government Code, chapter 552), and as such the PCCA is required to disclose to the public (upon request) this Agreement and certain other information and documents relating to the consummation of the transactions contemplated hereby. In this regard, the Consultant agrees that the disclosure of this Agreement or any other information or materials related to the consummation of the transactions contemplated hereby to the public by the PCCA as required by the Texas Public Information Act or any other applicable law will not expose the PCCA (or any party acting by, through or under the PCCA) to any claim, liability or action by the Consultant.

Section 16. *Entire Agreement.* This Agreement constitutes the entire agreement between the Parties with respect to these particular Services. There are no written or oral representations or understandings between the Parties with respect to the Services that are not fully expressed in this Agreement. This Agreement may be amended or modified from time to time only by a written instrument executed by the Parties.

Section 17. *Waiver.* The failure of either Party in any one or more instances to insist upon strict performance of any of the terms and provisions of this Agreement or to exercise any option herein conferred shall not be construed as a waiver or relinquishment to any extent of the right to assert or rely upon any such terms, provisions or options on any future occasion.

Section 18. *Force Majeure.* In the event either Party shall be delayed or hindered in or prevented from the performance of any act required hereunder by reasons of strike, lockouts, labor troubles, restrictive government or judicial orders or decrees, riots, insurrection, war, Acts of God, inclement weather or other similar reason or a cause beyond such Party's control, then performance of such act shall be excused for the period of such delay. Any timelines affected by such force majeure shall be extended for a period equal to that of the delay. Notice of the start and stop of any such force majeure shall be provided to the other Party.

Section 19. *Limitation of Liability.* Except as otherwise expressly provided herein, neither Party shall be liable or responsible to the other Party for any indirect, incidental or consequential loss or damage of any nature whatsoever (including, but not limited to, PROFESSIONAL SERVICES, negligence or tort liability) of the other Party, including without limitation, any actual or anticipated profits, loss of time, inconvenience, commercial loss or any other damages, even if the Party has advance notice of the possibility of such damages.

Section 20. *Headings.* All Section headings or other titles used in this Agreement are used solely for convenience and shall not affect or be used in connection with the interpretation or construction of this Agreement.

Section 21. *Defamation.* The Parties covenant and agree that in no event, and at no time during the Term or at any time thereafter, shall either of them disparage, denigrate, slander, libel or otherwise defame the other or the other's businesses, services, properties or assets, or employees, personnel, agents, or representatives.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by them or their duly authorized representatives effective as of the Effective Date.

PCCA:

PORT OF CORPUS CHRISTI AUTHORITY OF
NUECES COUNTY, TEXAS

By: _____
John P. LaRue
Executive Director

CONSULTANT:

CITYGATE ASSOCIATES, LLC

By: _____
Name: _____
Title: _____

EXHIBIT A

SERVICES

The Consultant will perform the following professional services in accordance with the terms and conditions set forth in this Agreement.

- Act as Consultant for the risk assessment for the Port of Corpus Christi Authority pertaining to its marine fire-fighting capabilities in accordance with the proposal submitted by the Consultant.
- The proposal should consider that the Port of Corpus Christi Authority currently has no fast marine fire-fighting response capability.
- The proposal should weigh various response times and delineate what it will take to attain them.
- The proposal should focus on the fact that the Port of Corpus Christi Authority is a growing tanker port that ships Liquefied Hazardous Gas (LHG), among other bulk hazardous liquids which include crude oil and petrochemicals. Bulk hazardous liquids account for 86% of the Port's annual tonnage.
- This proposal should include an assessment and recommendation of the type of equipment and vessel that is deemed necessary for the Port of Corpus Christi Authority's marine fire-fighting needs.
- This proposal should address manning of the firefighting response vessel either by Port employees or outside entities.
- The proposal should delineate the scope and missions of the marine firefighting response vessel.
- Portions of this report may be deemed security sensitive information (SSI) and should be treated accordingly.

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

The services described in this Exhibit A will be provided by the Consultant on an as-needed basis as requested by the PCCA. All Services will be provided by the Consultant in person at such times and locations as designated by the PCCA (or by telephone or electronic means as otherwise agreed by the PCCA). The Consultant will make every effort to be available to consult with the PCCA at such times and places as the PCCA may reasonably request from time to time.

PCCA POINT OF CONTACT: Tony Alejandro

EXHIBIT B

CONTRACT FEES

The Consultant will perform the services described in Exhibit A in accordance with the terms and conditions of this Agreement for a total fee not to exceed \$75,000. This fee will cover all costs for overhead, including but not limited to, office rent, long distance telephone charges, postage, payroll and copying charges. Any direct or out-of-pocket expenses (including travel, hotel, meals, *etc.*) or services not within the scope of services described in Exhibit A must be approved in writing by the PCCA prior to incurrence of the expense.

In order to receive payment, the Consultant must submit an invoice for all fees earned during the installment period (monthly, quarterly, *etc.*) This invoice should also include any approved direct expenses, properly itemized along with original receipts. The PCCA will pay all invoices within 30 days of receipt of the invoice.

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

CITYGATE ASSOCIATES, LLC

■ FOLSOM (SACRAMENTO), CA

MANAGEMENT CONSULTANTS ■

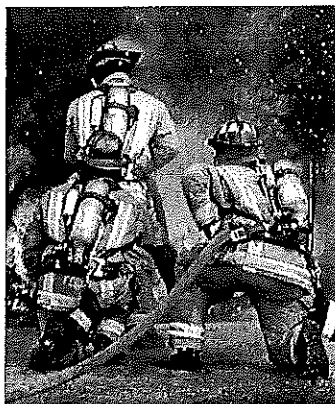
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PROPOSAL TO CONDUCT A MARINE FIREFIGHTING RISK AND RESPONSE ASSETS ANALYSIS

PORT OF CORPUS CHRISTI

December 16, 2015

■ ■



■ 2250 East Bidwell St., Ste #100 ■ Folsom, CA 95630
■ (916) 458-5100 ■ Fax: (916) 983-2090





2250 East Bidwell Street, Suite 100 • Folsom, CA 95630 • PH 916-458-5100 • FAX 916-983-2090

December 16, 2015

Sean Strawbridge
Chief Operating Officer
Port of Corpus Christi
SStrawbridge@pocca.com

RE: PROPOSAL TO CONDUCT A MARINE FIREFIGHTING RISK AND RESPONSE ASSETS ANALYSIS

Dear Mr. Strawbridge:

Citygate Associates, LLC is pleased to present our proposal to the Port of Corpus Christi. This introductory letter explains why Citygate is the most experienced fire deployment and risk assessment consultancy in the Western U.S., period.

Citygate's qualifications to perform your study are exceptional based on our extensive background in fire and emergency services consulting, specifically in fire department and large port and specialty risk deployment and risk assessment. In recent years, Citygate has executed many of the largest fire service studies we know of, including the Ports of Long Beach and Los Angeles, the counties of San Diego (57 agencies) and El Dorado (14 agencies), the cities of San Diego, Oakland, Stockton, San Bernardino, San Jose, and Sacramento.

As our project scope and team descriptions will demonstrate, Citygate's Public Safety Principal, Stewart Gary, has hands-on experience with port studies for the three largest ports in California (including a firefighting assets multi-hazard risk assessment study for the Port of Long Beach). Also, Citygate's Risk Assessment Specialist, Sam Mazza, has deep skills in quantifying and assessing risk using a scored matrix approach that brings rigor to the perception of risks and frequency of hazards. In addition, Chief David Badgett, retired Assistant Chief for the Los Angeles Fire Department, brings years of working commercial harbor and port experience with him.

We understand the complexities required to execute a project with this many elements, and how to work collaboratively with multiple stakeholders so that all parties buy in to the recommendations and implement the Commission's preferred direction.

Sean Strawbridge
December 16, 2015
Page 2

CITYGATE ASSOCIATES KEY STRENGTHS

We believe that you are not hiring a "firm," but rather professional individuals who have qualifications matching the client's unique needs. Our team members are the practice specialists in their fields; the Port is not going to work with less skilled, entry- or mid-level consultants. Citygate's team also has the diversity of experience to deal with *all* of the elements necessary in this project.

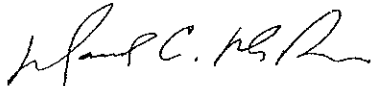
Why is this experience critical? The Port is hiring outside help to utilize experienced consultants that know how to uncover tough issues and how to work them to successful closure. We know the approaches needed and, as importantly, how to effectively communicate the results to the Port and its stakeholders.

* * *

Citygate believes that, upon the Port's review of our unique qualifications, you will find that Citygate's team of multi-disciplinary consultants, who have a long history of working together, will exceed the Port's expectations!

As President of the firm, I am authorized to execute a binding contract on behalf of Citygate Associates, LLC. Please feel free to contact me at our headquarters office, located in Folsom, California at (916) 458-5100, extension 101 or via e-mail at dderoos@citygateassociates.com if you wish further information.

Sincerely,



David C. DeRoos, MPA, CMC
President

cc: Project Team

Port of Corpus Christi, TX
 Proposal to Conduct a Marine Firefighting Risk and Response Assets Analysis

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Appendices

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SECTION 1—PROJECT APPROACH

1.1 GENERAL PROJECT APPROACH

Citygate Associates, LLC's project approach to conduct a marine firefighting risk and response assets analysis for the Port of Corpus Christi (Port) is presented in this section. Citygate's approach is consistent with our Project Team member's experience in large port fire services provision and risk assessments. We utilize various National Fire Protection Association (NFPA) publications as best practice guidelines, along with appropriate federal and state regulations regarding the risks to be protected in the Port's operating area. We do not use simple, nor one-size-fits-all measures.

As recent practicing professionals in fire and port administration, the Port is, in effect, getting the expertise of an external "seasoned department head team," not the opinions of junior staff members or consultants who have spent little time on the front lines managing in fire services.



A significant strength of the Citygate team is that we are able to develop reports with specific recommendations, tailored to the local situation, that are implementable within the revenues available. Our reports identify specific areas that are working well, where improvements are needed, and what new resources, if any, would be needed to implement the recommendations.

1.1.1 Deployment Methodology

The core methodology used by Citygate in our assessment of fire risks and response capacity analysis work will be that of the "Standards of Response Coverage" systems approach to fire services deployment as published by the Commission on Fire Accreditation International. This is a systems-based approach using local risk and demographics to determine the level of protection best fitting the Port's needs.

SOC Methodology

The study will use the following eight elements in the Standards of Response Coverage process:

1. Existing deployment – each agency has something in place today.
 The Citygate team will understand existing deployment strategies and performance measures for the private and public fire services in the Port operational area.
2. Community outcome expectations – what is expected of the response agency?
 Citygate will review the Port's expectations for fire, EMS, and special hazard responses.
3. Community risk assessment – what assets are at risk in the Port community?

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Proposal to Conduct a Marine Firefighting Risk and Response Assets Analysis

- Citygate will determine an all-hazard risk assessment for the Port's lines of business, including commodities present, shipping types and commodities, hazard mitigation systems in place or possible, population demographics, and planned growth plans.
- 4. Distribution study – the locating of first-due resources (typically engines).
- Citygate will review the provision of all marine fire services currently available from both public and private providers.
- This review will include the staffing, apparatus capabilities, and time over distance response times from the various providers.
- 5. Concentration study – Where large emergencies will require the response of multiple units to hold a very serious emergency to non-catastrophic levels, Citygate will understand the depth and response times for response assets in the region.
- 6. Historical Incident Demand – What have been the emergencies over time?
 - Citygate will analyze prior incident data to review emergency incident demand and the scope of prior emergencies.
- 7. Historical response effectiveness studies – For prior emergencies, what was the response provided and the outcome of the emergency?
- 8. Overall evaluation with updated Deployment Goal statements by risk type, as needed.
 - Citygate will advise on a revised set of marine firefighting policies.
 - Citygate will identify changes in deployment, if desirable, along with likely timing.
 - The recommended performance goals will be consistent with national guidelines from the National Fire Protection Association (NFPA), along with appropriate regulatory agency requirements.

Port of Corpus Christi, TX
Proposal to Conduct a Marine Firefighting Risk and Response Assets Analysis

1.2 WORK PLAN

Task 1: Initiate and Manage the Project

Subtasks:

1.1 Develop Detailed Work Plan Schedule for Project

- ◆ We will develop a detailed work schedule for the project. This will assist both the consultants and Port staff to monitor the progress of the study.

1.2 Obtain and Review Port Documentation

- ◆ We will develop and submit a list of all documents relevant to this project, including current services, growth forecasts, any appropriate prior studies, Fire Department documentation including (as available) and a myriad of other information.
- ◆ We will use Dropbox (an online shared file service) to make it convenient for Port staff to answer questions and upload supporting documents.
- ◆ Once we receive the requested documentation from the Port, we will review it prior to conducting our interviews in the following subtask. We have found that reviewing this information prior to our interviews improves the effectiveness and value of the interviews we conduct, since it results in more specific questions and more definitive information.

1.4 Ongoing Project Management

- ◆ We provide monthly written status reports along with our invoice which describe work performed in the prior month, work scheduled in the upcoming month, and any study issues or project and budget issues.
- ◆ In addition, if a serious issue is encountered at any point in the project, we will immediately call and/or email the Port's project manager to work on an effective, timely resolution.

On-Site Meetings

There will be no on-site meetings during this task.

Port of Corpus Christi, TX
Proposal to Conduct a Marine Firefighting Risk and Response Assets Analysis

Task 2: On-Site Services Review and Risk Assessment
--

Subtasks:**2.1 Conduct On-Site Services Review and Stakeholder Interviews**

- ◆ A key to a successful consulting engagement is a mutual understanding of the project's scope and objectives. We will meet with Port's representatives to correlate our understandings of the study's scope, and ensure that our Work Plan and project schedule are mutually agreeable. In our experience, this early effort to clearly define expectations, roles and lines of communications results in a better focus on substantive issues as the engagement progresses.
- ◆ To enhance our understanding of the issues at stake in this project, we will:
 - Tour existing Port operating facilities and key business partners.
 - Meet with and listen to leaders of the existing public and private fire services.
 - Meet with and listen to key commodity shippers and other hazardous operations managers in the Port's operational area.

2.2 Conduct Risk Assessment

- ◆ We will review special hazard risks such as:
 - Use and transportation of hazardous materials, technical rescue, hazardous business processes, and rail, to name a few.
 - Populations to be protected.
 - Port land use regulations.
 - Occupancy types by land use designation.
 - Hazardous substances and processes.
 - Non-structural risk categorization.
- ◆ Citygate's analysis will also include a matrix showing the Port's operating area common predictable risk types and will identify staffing and resources needs.

2.3 Review Assessment with Staff

- ◆ We will meet with Port staff to review what was obtained during our assessments and identify what follow-up will be needed, if any.

Port of Corpus Christi, TX
Proposal to Conduct a Marine Firefighting Risk and Response Assets Analysis

On-Site Meetings

There will be one, three-day on-site meeting for two Citygate personnel to conduct our on-scene assessments of the Port's marine firefighting risks and present capabilities for fire control.

Task 3: Conduct Analysis

Subtasks:

3.1 Review of Historical System Performance

- ◆ We will conduct a complete analysis of our document review and on-site observations regarding the Port's marine firefighting capabilities, including:
 - Risks and populations to be protected.
 - Current public and private firefighting response capabilities.
 - Desired outcomes for predictable types of emergencies.
 - Growth plans for the Port and their impacts on marine firefighting.
 - Identify what additional preventive strategies could be considered prior to an emergency occurring.
- ◆ If gaps from current firefighting services to risks are identified, we will provide recommendations for the process to close the gaps over time. Our analysis will answer these overarching questions that also apply to many agencies:
 - For current and future service demands, what level of marine firefighting services are needed to protect the risks currently present and in the foreseeable future?
 - If the recommendation is for more than the current firefighting services, what should be done for improvement?
- ◆ We will provide fire response options and strategies that might be suitable for the Port over the short- and long-term.

3.2 Conduct Mid-Project Briefing

- ◆ Once the analysis is complete, we believe that an equally important study deliverable is the written report and briefing materials that must tell the story to the public and elected officials in a straightforward manner that a non-fire-service audience can understand. At the end of this task, we will prepare a preliminary

Port of Corpus Christi, TX
Proposal to Conduct a Marine Firefighting Risk and Response Assets Analysis

results briefing for Port staff and conduct a discussion and review via a Skype tele-conference meeting.

On-Site Meetings

There will be no on-site meetings in this task. We will conduct a Skype tele-conference to review preliminary findings.

Task 4: Prepare and Deliver the Draft Report

Subtasks:

4.1 Prepare Comprehensive Draft Report

- ◆ After our preliminary briefing, the entire Citygate Project Team will prepare a comprehensive Draft Report, including all elements of our analysis in Tasks 1 through 3, to feature but not be limited to supporting exhibits, an executive summary, and supporting detailed analysis.

4.2 Review Draft Report with Port Project Manager

- ◆ Upon completion of the Draft Report, an electronic version in MS-Word will be sent to the Port project manager for comments using the “track changes” and “insert comments” tools in Word. Our normal practice is to review a draft of our report with management personnel to ensure that the factual basis for our recommendations is correct and to allow time for a thorough review. In addition, we take time to discuss any areas that require further clarification or amplification. It is during this time that understandings beyond the written text can be communicated.

4.3 Present Draft Report

- ◆ We will schedule a Skype tele-conference meeting with the Port leadership to present the draft findings, answer any questions, and agree on elements for the Final Report.

On-Site Meetings

There will be no on-site meetings; however, there will be one tele-conference meeting to present the Draft Report.

Port of Corpus Christi, TX**Proposal to Conduct a Marine Firefighting Risk and Response Assets Analysis****Task 5: Prepare and Deliver the Final Report****5.1 Prepare and Submit Final Report**

- ◆ The process of Final Report preparation is an important one. Implicit in this process is the need for a sound understanding of how our review was conducted, what issues were identified, why our recommendations were made, and how implementation should be accomplished.
- ◆ Based on the results of our Draft Report review process, we will then prepare and submit an Executive Summary and a Final Report to Port leadership, including ten (10) publication-quality bound, final versions of the written report.

5.2 Present Final Report

- ◆ We also will make an on-site oral presentation to Port leadership and Commissioners using a PowerPoint. We will include an opportunity for questions and answers, as needed.

On-Site Meetings

There will be one on-site meeting to present the Final Report.

1.3 STUDY COMPONENTS WITH WHICH THE PORT MUST ASSIST

Both Citygate and the Port understand the economic constraints related to this study. The Port and allied firefighting providers have the best capability to collect much of the required data that can assist the Citygate study. Therefore, the Port will assist Citygate with:

- ◆ Via a document request questionnaire issued by Citygate, submitting existing Port and partner firefighting agency documents describing the organization, staffing plans, services, budgets, expenses and performance measures, if any, within the Port's operational areas.
- ◆ Providing other Port data as requested by Citygate.

1.4 PROJECT SITE VISITS

The following is our schedule of on-site meetings to facilitate the gathering of information and understanding for the project to explain/present the project's findings:

Port of Corpus Christi, TX

Proposal to Conduct a Marine Firefighting Risk and Response Assets Analysis

SECTION 2—PROJECT TEAM

2.1 CITYGATE'S PROJECT TEAM

Citygate's capability for this service can be simply stated: the experience and talents of our Project Team members! We know that successful departmental review results come from our ability to handle, as necessary, six critical roles in cooperation with the Port project team: (1) champion; (2) stakeholder listener; (3) subject matter trainer/expert; (4) meeting facilitator; (5) coach and content expert; and (6) final strategist/advisor.

Citygate's team members, in their agency and consulting careers, *have successfully walked the talk* on fire department review efforts by focusing on the inclusion of culture and communication, with rigorous analytic methods to build a business case that elected officials and agency employees can both understand.

The Citygate team has a multi-disciplinary approach that includes the full range of skills required to execute this challenging project. The diverse group of specialists comprising Citygate's proposed Project Team (described below) knows how to integrate their respective expertise into comprehensive, compelling, and creative strategies to accomplish an agency's objectives.

Citygate's team members build a business case that elected officials and agency employees can both understand.

2.2 PROJECT TEAM / PROJECT ROLES

The qualifications of the Project Team are critical as it is the expertise and the capabilities of the consultants involved in the project that ultimately determine the success of the project. Citygate's project team is the most experienced and prolific public safety project team in the western U.S.

Please note that the role of each team member is described in *italics* at the end of their biographical paragraph. Full resumes for each consultant are presented in **Appendix B**. Primary members of our Project Team include the following experienced consultants:

Port of Corpus Christi, TX

Proposal to Conduct a Marine Firefighting Risk and Response Assets Analysis

Chief Stewart W. Gary, MPA, Public Safety Principal & Project Director



Chief Gary is the Fire Practice Principal for Citygate Associates. Chief Gary is the retired Fire Chief of the Livermore-Pleasanton Fire Department in Alameda County, California. For fourteen years, he was a lead instructor, program content developer, and consultant for the Standards of Response Coverage process. For many years, he annually taught a 40-hour course on this systems approach for fire deployment at the California Fire Academy, and he teaches and consults across the United States and Canada on the Standards of Response Coverage process. Over the last fourteen years, he has performed over 250 organizational and deployment studies on departments ranging in size from Minneapolis, Minnesota to San José, California, the Sacramento Metropolitan Fire District and the Los Angeles County Fire Department. Chief Gary has also led all of Citygate's projects at major ports.

Chief Gary will be the Project Director and main point of contact for Port staff. He will manage the risk and fire services analysis, co-author the reports, and present all briefings.

Samuel Mazza, CFC, CFO, EFO, Risk Assessment Specialist



Chief Mazza is a Senior Fire and Emergency Services Specialist with over 40 years of fire service experience. He is the retired Fire Chief of the City of Monterey, California where he oversaw a successful consolidation of fire services with the City of Pacific Grove. Prior to his service with Monterey, Chief Mazza spent over 30 years with CAL FIRE in numerous assignments spanning state, county, and fire and special district services. He has extensive collaborative and command experience, including appointment as the Incident Commander of a statewide Type-1 Incident Command Team. Chief Mazza is a California state Certified Fire Chief, CPSE Chief Fire Officer, Executive Fire Officer and National Fire Academy instructor. Chief Mazza recently performed community risk assessments for the Menlo Park FPD, Montecito FPD, City of San Jose, and Kings County. He has also led several deployment and master planning projects.

Chief Mazza will assist with conducting the risk assessment.

Port of Corpus Christi, TX

Proposal to Conduct a Marine Firefighting Risk and Response Assets Analysis

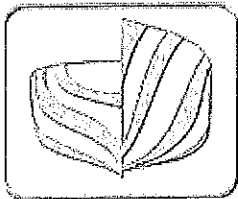
David Badgett, Senior Fire Services Consultant



Chief Badgett is a retired Los Angeles City Fire Department Assistant Chief. As Assistant Chief, Mr. Badgett commanded the Fire Department's on-duty emergency resources in Division 1, the downtown and West LA areas, and later in Division 2, the Southern section of the City, which included the Commercial Harbor and LAX. Each of the three LAFD Field Divisions commands approximately 35 Fire Stations and 340 personnel. Chief Badgett also served as the LAFD representative to the National Fire Academy, Fire Service Training Development and Education (TRADE) program. Chief Badgett has consulting experience with general public safety, emergency response, pre-incident preparation and post-incident mitigation. He previously worked with Chief Gary on the Joint Fire Services Plan for the Ports of Los Angeles and Long Beach. He also recently completed a tour as the Acting Director of Emergency Operations for the Port of Los Angeles.

Chief Badgett will assist Chief Gary with the on-site assessments and co-draft the project reports.

Robert Allan, LTD., Naval Architects and Marine Engineers



Robert Allan Ltd. is Canada's most senior consulting Naval Architectural firm, established in Vancouver, B.C. in 1930. The company has earned an international reputation for innovative, successful designs for a wide range of ships and has been a leader in creating cost-efficient vessels for service in the marine transportation industry. Robert Allan's experience includes designs for hundreds of vessels of almost all types, from small fishing boats to ocean-going ferries and fireboats. Robert Allan provides independent professional marine consulting and design services to a worldwide client base, supported by the latest in computer-aided design technology.

Robert Allan, LTD will, once the risk assessment and marine firefighting gap analysis are completed, provide a comparable survey of what marine firefighting vessels are used around the world for comparable risks identified in Corpus Christi.

Port of Corpus Christi, TX
Proposal to Conduct a Marine Firefighting Risk and Response Assets Analysis

David C. DeRoos, MPA, CMC, Citygate President

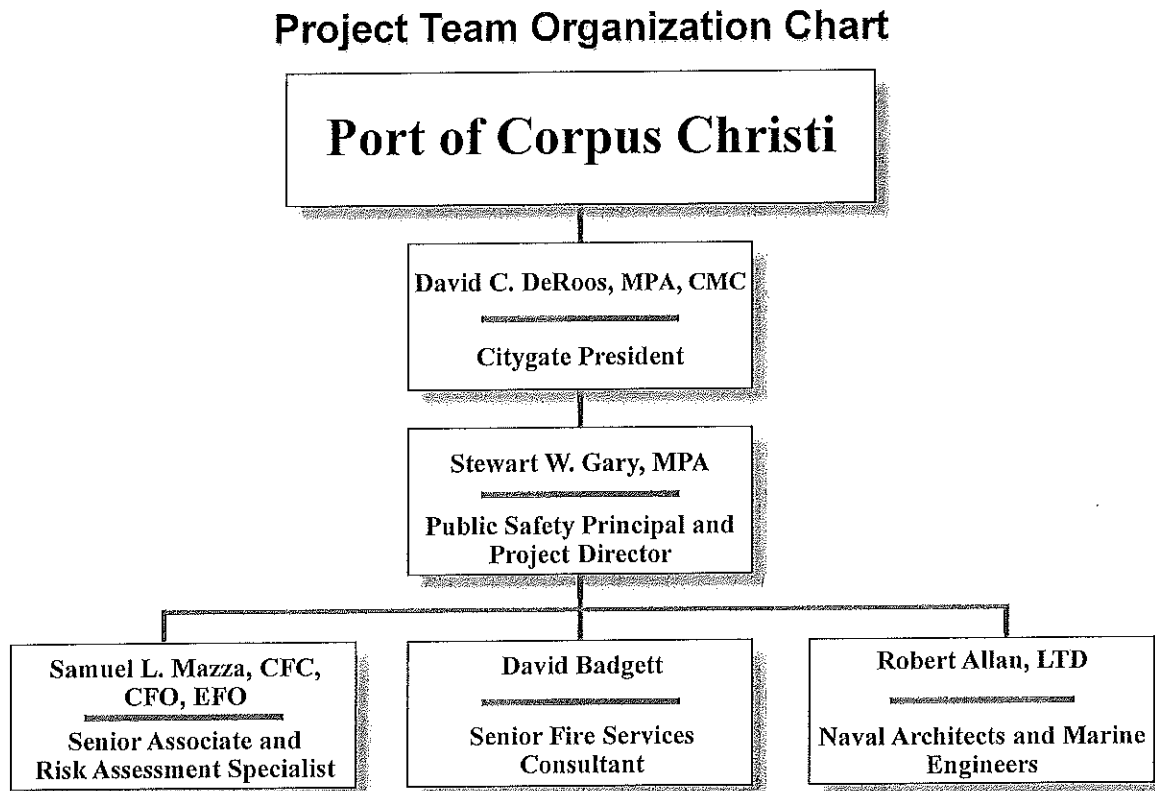


Mr. DeRoos has 30 years of experience as a consultant to local government, preceded by 5 years as an assistant to the City Administrator. He earned his undergraduate degree in Political Science/Public Service (Phi Beta Kappa) from the University of California, Davis and holds a Master of Public Administration degree from the University of Southern California. Prior to becoming a Principal in Citygate in 1991, he was a Senior Manager in the local government consulting division of Ernst & Young.

Mr. DeRoos is responsible for ensuring the project is conducted smoothly and efficiently within the schedule and budget allocated, and that project deliverables meet Citygate's and the client's quality standards.

2.3 PROJECT TEAM CHART

The following is a Project Team organization chart. Citygate's consultants adhere to the Code of Ethics found in **Appendix A**.



DATE: January 19, 2016

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

AGENDA ITEM NO. 17

EXECUTIVE DIRECTOR'S REPORT

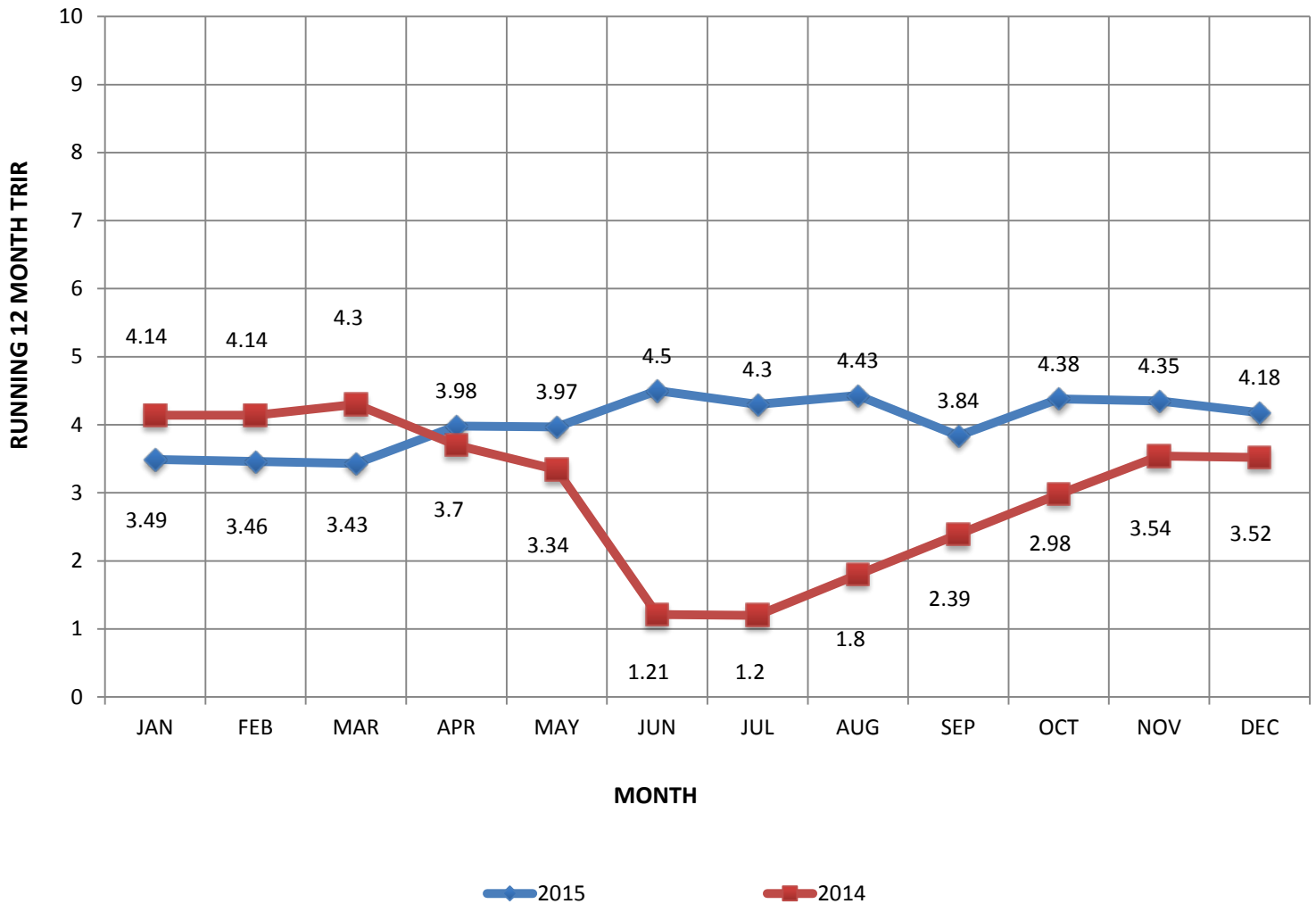
Port of Corpus Christi Authority

Monthly Safety Data Report

December 2015

PORTCORPUSCHRISTI										
	POCCA Employees Total		BMD Operations		Maintenance Operations		PD Operations		Administration Operations	
Safety	Month	YTD	Month	YTD	Month	YTD	Month	YTD	Month	YTD
Number of Employees	204		22		42		54		86	
Hours Worked	41,137	374,874	4,573	48,793	7,538	73,061	12,340	103,438	16,687	149,583
First Aid Cases	1	22	0	5	1	9	0	3	0	5
Recordable Injuries	0	8	0	1	0	2	0	3	0	2
Recordable Illnesses	0	0	0	0	0	0	0	0	0	0
Lost Workday Cases	0	1	0	0	0	0	0	1	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	0	8	0	1	0	2	0	3	0	2
INCIDENT RATE (YTD)		4.27		4.10		5.47		5.80		2.67
Types of Injuries										
Slips/Trips/Falls	0	8	0	1	0	2	0	2	0	1
Struck By	1	5	0	2	1	3	0	0	0	0
Strains/Sprains	0	6	0	1	0	1	0	1	0	2
Cuts/Lacerations/Punctures	0	3	0	1	0	2	0	0	0	0
Back Injuries	0	1	0	0	0	1	0	0	0	0
Heat Stress	0	1	0	0	0	1	0	0	0	0
Insect Bites	0	0	0	0	0	0	0	1	0	0
Other	0	1		0	0	0	0	1	0	0
TOTAL	1	25	0	5	1	10	0	5	0	3
Days Since Last Lost Time Case	Hours Since Last Lost Time Case		Days Since Last Recordable Injury/Illness			Hours Since Last Recordable Injury/Illness				
79	632		42			336				
Date of Last Lost Time Case	Date of Last Recordable		12 Month Rolling Average							
Wednesday, October 14, 2015	Friday, November 20, 2015		January 2015 - December 2015:				382,783	Hours Worked		
			Total Recordable Incident Rate (TRIR):				4.18			

12 MONTH AVG Total Recordable Incident Rate (TRIR)





Strains and Sprains

A sprain is an injury to a ligament, the tough, fibrous tissue that connects bones to other bones. It normally involves a stretching or a tearing of the tissue.

A strain is an injury to either the muscle or a tendon, the tissue that connects muscles to the bones. Back injuries are the most prevalent in regard to strains.

According to Alliance an OSHA Cooperative Program these types of injuries occur frequently, and are painful, disabling and often accompanied by lengthy recovery periods. Maintaining good physical fitness is essential in avoiding sprains and strains.

Tips to avoid injury

- Practice safe housekeeping (clutter free areas)
- Avoid strenuous activity on the job when tired or in pain
- Use extra caution when working on slippery surfaces.
- Use extra caution when walking uneven surfaces
- Always look where you are placing your feet.
- Before lifting anything heavy always warm up, use moderate stretching exercises. Do not stretch aggressively to injure yourself.
- Move heavy objects by pushing or pulling, whenever possible. Pushing is always preferable.
- Always stand close to the object that you are lifting and be certain that fingers and toes are clear when setting down.

These are just a few of many tips that are available to you.

****Safety Incentive****

First 10 employees to call, text or email the Safety Manager with the answer will have their name put into a drawing for a safety incentive. Please be sure to include YOUR NAME!!

Did You KNOW? WINNER!

**Jerrilynn
Ashcraft**

Port TRIR: 4.35
2015 Injuries:
Slips/Trips/Falls = 8
Struck By = 5
Strain/Sprain = 6
Cuts/Lacerations = 3

**DECEMBER SAFETY
SUGGESTION WINNER**

IS:

JOHN REED

Safety Suggestion



- Engineering to contract work to add stairs and hand rail to Water Street access behind Admin building.
Status: In construction
- H2S personal and area monitors.
Status: In process
- Clean cracks (in cement and pavement) of grass and dirt and seal to prevent having to weed-eat area.
Status: In process
- Provide latex glove pouch holders that fit on duty belts.
Status: Under review
- Color code all electrical, extension and power cords on tools every quarter.
Status: 75% Complete
- Require all construction contractors awarded a contract to submit a safety plan prior to starting work.
Status: In process
- Install a Lock Out/Tag Out box with tags and locks in the gantry & ship loader as well as all electrical areas.
Status: Complete

Safety begins with **YOU!** Continue to make a difference!

Stay informed for new Safety topics of the month!

****Safety Incentive Question****

TRUE OR FALSE

It is always better to lift and carry a heavy object, even when it is possible to push or pull it?

**Picture
This!**



DECEMBER 2015

COMMUNITY RELATIONS

Internal events/ meetings

- Sponsorship application with Richard Hernandez
- Weekly Staff meeting with Liz Cantu

Community events/meetings/sponsorships

- Christus-Spohn Ground Breaking
- City of Corpus Christi Council Meeting
- Coastal Bend Economic & Housing Outlook 2016
- Mayor's Interagency Meeting hosted by the Corpus Christi Chamber of Commerce
- Meeting with Fire Chief Robert Rocha
- Tree For All with NuStar Energy
- Adopt-A School Visits
- Westside Business Association, "Navidad de los Ninos"
- NAACP Holiday Thanksgiving Feast (with Sean Strawbridge)
- Meeting with Alan Wilson, incoming Chairman, Corpus Christi Chamber of Commerce
- Meeting with Nelda Olivo and Aransas Pass City Manager Sylvia Carrillo
- Corpus Christi Medical Center Trustee Holiday dinner
- Annual Meeting of Board of Directors and Count Officials, Workforce Solutions of the Coastal Bend
- Meeting with Larry Elizondo and Lisa Hinojosa, CITGO Public Affairs
- TPCO Holiday Party
- Meeting with Cristina Barrera, Principal, Menger Elementary School
- Port briefing with José Antonio Larios Ponce, Interim Consul General of Mexico, Port Commissioner Wayne Squires, Port Commissioner Barbara Canales, Port consultant, Jorge Canavati, Ruben Medina and Maggie Iglesias Turner
- Meeting with Humberto Almaraz, Toby Globy Eco Systems, Will Nichols, Manager of Government Affairs and Public Relations - Corpus Christi Terminal
- Meeting with Nelda Olivo and Kristina Leal, Chief, Mayor's Office
- CCREDC 2016 Annual Investors Luncheon
- Wednesday Morning Group
- Association of Chemical
- Boys Club Board of Director's Meeting (Liz Cantu)
- Executive Board Meeting, Corpus Christi Hispanic Chamber of Commerce
- Corpus Christi Hispanic Chamber of Commerce Board of Director's Meeting
- Meeting with Sarah Tindall, CCREDC
- Press Conference: Corpus Christi Hispanic Chamber of Commerce and Corpus Christi Chamber

Community Relations Activities**Tree For All**

Tree For All is a Christmas tree giveaway to 200 needy families. In a partnership with NuStar Energy and Home Depot, Port Corpus Christmas, Christmas ornaments and a tree stand were also part of the giveaway package. 85 Port Corpus Christi employees participated in this event. 42 NuStar employees participated as well. Port employees sang Christmas carols throughout the evening. POCCA the Pelican along with Santa Claus and Mrs. Claus were on hand to greet the families, which were recommended by non-profit agencies. This is the 18th year that Port Corpus Christi hosted the event. Channels 3, 6 10 captured the event in their nightly news edition.

Shown below in photos: In first photo, Port employees, In second photo, Santa with POCCA the Pelican and families who were gifted trees.

**Mastermind Committee Christmas visits to Adopt-A-Schools**

Every year for the past 15 years, the Mastermind Committee visits our Adopt-A-Schools. Children visit with Santa Claus, POCCA the Pelican and receive a small gift by Port employees. Children from every grade participate in the annual event.

In first photo: Santa and POCCA the Pelican with children from George Evans. In second photo, with students from George Evans Elementary.



In first photo: Community Relations Department employees Liz Cantu and Rosie Collin with Menger Elementary School Staff, POCCA the Pelican and Mastermind Committee.



Westside Business Association “Navidad de los Ninos”

Port Corpus Christi sponsored the 2015 Navidad de los Ninos held at the Joe Garza Gym. The annual event, hosted by the Westside Business Association (WBA) gives out bicycles, books and gifts for needy children in the community. CITGO provided by the food and refreshments.

In first photo: Sean Strawbridge, Rosie Collin and Dr. Gilda Ramirez, President, WBA. In second photo, Dr. Ramirez, Sean Strwbridge and student from Grant Middle School.



Port Corpus Christi sponsors “Christmas Around the World” at Gloria Hicks Elementary

Diane LaRue, Mary Prosperi and Ashleigh White participate in “Christmas Around the World” at Gloria Hicks Elementary in which every student receives a small gift. Gloria Hicks Elementary is a Title 1 school.



**Port Corpus Christi at NAACP Holiday Thanksgiving Feast at Oveal Williams
Senior Citizen's Center**

Port Corpus Christi donated toys to the annual event which is attended by residents of the Hillcrest and Dona Park neighborhoods.

Shown below in first photo: Terry Mills, Tonya Simpson, Mark Skurka and Sean Strawbridge. In second photo: Sean Strawbridge serving dessert residents.



COMMUNICATIONS

December Staff & Employee Events

- AAPA Latin América
- 2016 Marketing Plan and Creative
- A Tree For All
- Various PMOP Positive Engagement Campaign meetings
- Various Budget planning meetings
- Port Commission Mtg.
- Wellness Committee meetings, Luncheon and Health Assessment
- CVB monthly meeting
- VCS Board Meeting
- Planned and participated at Port Users Holiday Reception

Multimedia Coverage for December

- NEW MEDIA MARKETING MANAGEMENT
 - PortOfCorpusChristi.com
 - Our Broadcasts/SEACASTS news feed stories are original content; written to inspire organic growth with search engines.
 - [*Smiles and Cheer at 18th Annual A Tree For All*](#)
 - [*Port Corpus Christi Bulk Terminal Receives Environmental Stewardship Award*](#)
 - [*New Life in Colombia for Former Port Corpus Christi Refrigerated Warehouse*](#)
 - [*Achieving a balance of trade and energy independence - Lifting the 40 year crude oil export embargo*](#)
 - [*First U.S. Crude Oil Export in 40 Years Sails from Corpus Christi*](#)
 - Website Analytics (December 1 – 31, 2015)
 - 12,367 Sessions
 - 25,307 Page Views
 - 6,397 Unique Users
 - User Profiles

Country	Sessions	% Sessions
1. United States	11,342	91.71%
2. Peru	75	0.61%
3. India	60	0.49%
4. Mexico	58	0.47%
5. Colombia	57	0.46%
6. Canada	55	0.44%

➤ Top Traffic Sources

Source	Sessions	%New Sessions
1. Organic Search	5,535	49.36%
2. Direct	5,113	31.63%
3. Referral	937	41.52%
4. Social	490	85.10%
5. Email	276	77.54%
6. Display	16	87.50%

○ Social Media – (December 1 – 30, 2015)

➤ Facebook

- 4,323 Likes
- 899 New Likes
- 213,844 Total Reach
- 76,622 Organic Reach

➤ Twitter

- 1,237 Followers
- 34 New Followers
- 8,500 Impressions (Organic)

• PHOTO | VIDEO | DOCUMENTARY

- Refrigerated warehouse shipment
- POCCA Christmas activities
- Visiting Mexico consulate
- Heavy lift generators/engines direct to rail
- 1st Export crude oil shipment

• MEDIA, MARKETER, COMMUNITY AND PUBLIC RELATIONS

- Coordinate December Our Port newsletter
- Coordinate/assist media re: 1st crude export
- Presentations

• MEDIA ADVISORIES/PRESS RELEASES

- [The 18th Annual “A Tree for All” Kicks off the Holiday Season](#)
- [Bulk Materials Terminal at Port Corpus Christi Receives a Conservation & Environmental Stewardship Award](#)
- [Port Corpus Christi Receives President’s Award from Corpus Christi Chamber of Commerce](#)
- [Congress Designates Corridor for Future Interstate 14](#)
- [Former Port Corpus Christi Cold Storage Warehouse Sets Sail for Santa Marta, Colombia Corpus](#)
- [U.S. Crude Oil Export No Longer Banned](#)
- [First U.S. Crude Oil Export in 40 Years Sails from Corpus Christi](#)

• MEDIA MENTIONS/WEB STORIES (December 1 – 31, 2015)

- 34 Mentions (See attached PortCCNews12_2015)

Marketing – MDR:

With the support of MDR, we focused on preparing for the New Year. The creative team designed new business-to-business marketing and began implementing the new designs into placements scheduled to run in January. Media placements for 2016 are roughly 80% completed with some budget set aside as discretionary for special projects or promotions. The team will be working on marketing placements for oil exports and planning for a big year of grand openings and the Port's 90th anniversary.

December 2015 /Media Editorial/ Focus Ad Content

- *Dry Cargo International* Dry Cargo Directory/ Stop, Drop & Store
- *Expansion Solutions Magazine*/ Award Winners /Bigger. Better. Booming.
- *Global Trade Magazine* /Why we love these Ports /Big on Relationships.
- *T21 Revista*/ Various/ Su Puerto en Texas.
- *Todo Logística*/ Various/ Su Puerto en Texas.
- *AAPA Online*/ Homepage Banner/ The Port of the Lone Star State.
- *America Economia* /eNewsletter Banner /Su Puerto en Texas.
- *AJOT.com*/ Run of Site Banner /Ready for the big haul.
- *Breakbulk.com*/ Run of Site Banner/ Take a load off.
- *CentralAmericaData.com* /Transportation & Logistics /Su Puerto en Texas.
- *ExpansionSolutionsMagazine.com*/ Homepage Banner /South Texas: Join the Boom.
- *GlobalTrade.com* /Box Ad /The Port of the Lone Star State.
- *T21.com.mx* /Homepage Banner/ Mejoramos su cadena logistica.

January 2016/ Media Editorial /Focus Ad Content

- *AAPA Seaports Directory*
- *Breakbulk Magazine* / Breakbulk China and Breakbulk Africa Conferences
- *Dry Cargo International* /US Gulf Report (added value: editorial 900 words)
- *Expansion Solutions Magazine* /Logistics/Top 5 US Ports
- *Journal of Commerce* /Annual Review & Outlook
- *North American Strategy for Competiveness* /Annual Review & Outlook
- *SHALE Magazine* / Feature on Cheniere
- *Todo Logistica*/Guia Logistica
- *aapa-ports.com* / homepage banner
- *breakbulk.com* /run of site (added value)
- *expansionsolutionsmagazine.com* / homepage banner
- *Latin Trade* / Daily eNewsletter banner

Current Marketing Developments

- 2016 Media
- 2016 Creative
- Print/Digital Ads
- Account Advising
- People Move Our Port Campaign
- Safety Posters
- Safety Briefings for Admin Bldgs.
- 90th Anniversary Planning
- Bulletin Boards
- AAPA Environment Committee Save the Date



Event Tracker: December 2015

Start Date	Event/ organization	Time	Location	Representatives	Event Type	Purpose
December 1, 2016	TAMUCC Athletic Luncheon		Water Street	Select Staff	Sponsorship	PR
December 1, 2014	CC Chamber Luncheon		Omni	Select Staff		
December 1, 2016	Coastal Bend Economic Forum		ABC	Select Staff	Sponsorship	PR
December 2, 2014	TCDRS Retirement		Ortiz	All Staff	Meeting	Port
December 3, 2014	CBBE Awards Banquet		Omni	Select Staff	Sponsorship	PR
December 3, 2016	M & G		Houston		Meeting	BD
December 4, 2014						
December 5, 2014						
December 6, 2014						
December 7, 2014						
December 8, 2014	Union Pacific		3rd Floor		Meeting	BD
December 9, 2016	STEER State of Energy		San Antonio	Select Staff	Luncheon	
December 9, 2014	CCHC Awards/VIP Event		CCHC	Select Staff	Sponsorship	PR
December 10, 2014						
December 11, 2014						
December 11, 2014						
December 12, 2014						
December 13, 2014						
December 14, 2014						
December 15, 2014	commission meeting		Portland	All Staff		Port
December 15, 2016	Interim Consul General of Mexico			Commissioner, Commercial, Ops		Port, BD
December 16, 2014						
December 17, 2014	Port Holiday Mixer		Ortiz		Special Event	PR, BD
December 18, 2014						
December 19, 2014						
December 20, 2014						
December 21, 2014						
December 22, 2014						
December 23, 2014	Bulk Terminal Master Planning		Port		Meeting	Port
December 24, 2014						
December 25, 2014						
December 26, 2014						
December 27, 2014						
December 28, 2014						
December 29, 2014						
December 30, 2014						
December 31, 2014		Page 172/241				

Audience Overview

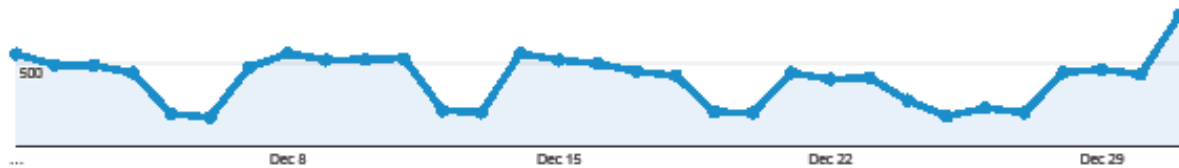
Dec 1, 2015 - Dec 31, 2015

All Sessions
100.00%

Overview

Sessions

1,000



Sessions

12,367

Users

6,397

Pageviews

25,307

Pages / Session

2.05

Avg. Session Duration

00:02:32

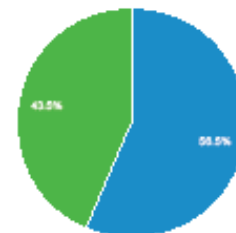
Bounce Rate

57.86%

% New Sessions

43.53%

Returning Visitor New Visitor



Country		Sessions	% Sessions
1.	United States	11,342	91.71%
2.	Peru	75	0.61%
3.	India	60	0.49%
4.	Mexico	58	0.47%
5.	Colombia	57	0.46%
6.	Canada	55	0.44%
7.	Brazil	54	0.44%
8.	Chile	49	0.40%
9.	United Kingdom	48	0.39%
10.	Panama	37	0.30%

GOVERNMENT AFFAIRS

LOCAL

- Community Relations and Government Affairs met with City Manager of Aransas Pass regarding annexation.
- Community Relations and Government Affairs met with Mayor's office, Chief of Staff.
- Attended ACIT Outlook luncheon with PICC member companies.
- Attended Hispanic Chamber Awards luncheon.
- Attended Port Users holiday reception.

STATE

- Working with TXDOT and other port departments regarding next steps for Harbor Bridge residents' relocation.
- Met with Gulf Ports Association government affairs committee to plan 2016 Hit the Hill event in DC.
- Government Affairs and Business Development held briefing and port tour for TXDOT Maritime Division, Rail Division and Federal Relations staff.
- Various conference calls with Texas Ports Association regarding PAAC, 2016 economic study update, etc.
- Working with consultants to monitor Interim Committee charges that were released last month.

FEDERAL

- Congress passed the FY2016 Omnibus Appropriations bill that funds the entire federal government through September 2016. The legislation includes funding critical to seaports such as US Army Corps of Engineers, Harbor Maintenance Tax, Donor and Energy Transfer Ports Program, EPA DERA grants, TIGER Grant Program, FEMA Port Security Grant Program. Also included is a five year extension of the production tax credit for wind energy and lifting of the ban on U.S. crude exports.
- Worked with consultants regarding OMB approval for our Channel Improvement Project and Corps meetings in December.



MEMORANDUM

To: Nelda Olivo
From: Hugo Berlanga
Re: November Activity Report
Date: December 10, 2015

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:

James Bass will be the new Executive Director of the Texas Department of Transportation (TxDOT).

The Lt. Governor announced the appointments of Sen. Craig Estes (R-Wichita Falls) as the chair of the Senate Committee on Natural Resources and Economic Development and Sen. Kelly Hancock (R-Tarrant) as chair of the committee on Business and Commerce.

The Texas Water Development Board announced the approval of 15 regional water plans as part of the state's next five-year plan. These plans incorporate \$62 billion in capital projects.

In national news the House and Senate have agreed on a \$305 billion highway bill that extends federal transportation funding for five years. The deal struck occurs days before the existing transportation spending is set to expire. The bill pays for gas tax revenue and a package of \$70 billion in offsets from other areas of the federal budget.

Gov. Abbott announced the appointment of Roland Pablos of El Paso as the new Chair of the Racing Commission and Mike Morath a Trustee for the Dallas Independent School District to the Commission on Education.

Sen. Paul Bettencourt (R-Harris), chair of the Select Committee on Property Tax Reform and Relief, held its first meeting hearing and invited testimony from the Texas Municipal League and the Texas Association of Counties

Rep. Elliott Naishtat (D-Travis) announced he will not seek re-election.

**Memorandum for Nelda Olivo
Director of Government Affairs, Port of Corpus Christi Authority**

From: **Brian Yarbrough** and Janiece Crenwelge
Date: December 31, 2015
Re: Activities on behalf of Port Corpus Christi during December 2015

December 1: Review of correspondence from Nelda Olivo regarding Texas business development visit to Cuban Mariel Development Zone by Gov. Abbott.

December 2: Attend and monitor hearing of the Senate Governmental Committee on Intergovernmental Relations for port issues. Specifically in regards to Charge 3, relating to disaster preparedness planning and coordination in the wake of a growing range of threats. The committee is studying whether existing processes maximize regional cooperation to rebuild housing and infrastructure, and allow for the timely dissemination of funds to units of local governments for reconstruction following a federal declaration. The Committee will develop recommendations, if necessary, to improve the efficiency of disaster recovery efforts, incorporating best practices identified from other states, as well as lessons-learned from past reconstruction efforts in Texas. Brief meeting with Texas Railroad Commissioner Christi Craddick for Port.

December 3: Attend and monitor hearing of the Senate Committee on Veterans Affairs & Military Installations, Subcommittee on Border Security for port issues. Review of correspondence from port communications director regarding the Port bulk terminal facility and the Coastal Bend Bays Foundation.

December 4: Review of Texas Register for state agency actions relating to POCCA and transmittal to staff.

December 8: Attend and monitor Senate Agriculture, Water & Rural Affairs Committee hearing for issues related to POCCA in Charge 4: Study and make recommendations on the effects of windblown and waterborne litter. The study includes an analysis of the economic effects of litter, any necessary methods to prevent and remediate litter, and an assessment of state and local programs to reduce litter. Additionally monitoring on issues relating to the economic benefits the Texas Department of Agriculture's Market Development Services provide to the state through promoting Texas Agricultural products. The committee is reviewing Review the current marketing services and strategies available to Texas producers and determine additional resources necessary to increase the Market Development Services capabilities.

December 9: Review of correspondence from POCCA on Congressional activity relating to the Interstate Highway 14 designation in the federal transportation bill.

December 11: Review of Texas Register for state agency actions relating to POCCA and transmittal to staff.

December 15: Attend Legislative update on Procurement & Contracting Laws: Disclosing Interested Parties to a Contract pursuant to HB 1295 from the 84th Texas Legislative Session for issues relating to Port contracting, law and rules update.

December 18: Review of Texas Register for state agency actions relating to POCCA and transmittal to staff. Review of POCCA correspondence from Nelda Olivo regarding federal action to lift ban on U.S. trade export of crude oil.

December 22: Correspondence with Nelda Olivo regarding Sarah Garza, Director of Environmental Planning and Compliance regarding meeting with Texas Commission of Environmental Compliance for POCCA update regarding Port bulk terminal improvements.

December 28: Review of Texas Register for state agency actions relating to POCCA and transmittal to staff.

December 1-30: Conferences with offices of Sen. Hinojosa, Reps. Hunter, Lozano and Herrero, and staffs, regarding port issues. Review of and legal research on legislation enacted by the 84th Texas Legislature of interest to Port of Corpus Christi activities and operations. Weekly transmission of relevant rulemakings and public notices to John LaRue and Nelda Olivo.

BORSKI ASSOCIATES, LLC

5023 South Convent Lane, Unit J
Philadelphia, PA 19114
(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: January 4, 2016
Re: Monthly Report

FY16 Budget

House, Senate, and White House negotiators came to an agreement of the FY16 budget, culminating in the passage of an omnibus appropriations bill that also include the extension of the certain tax provisions. Included in this bill was \$25 million for Donor and Energy Transfer Ports. According to AAPA, this funding could result in \$650,000 made available to the Port of Corpus Christi. This funding may be used for payments to shippers, for maintenance dredging of channels and/or berths, and for contaminated sediment remediation.

Also included was a provision that authorized one navigation New Start, as well as slots for 3 additional New Starts that could be used for navigation projects.

2016 Outlook

Presidential election years are notoriously unproductive when it comes to passing legislation. However, the Obama Administration will certainly want to make its impact administratively, in the absence of any meaningful legislation being passed. Our first order of business will be to work through the Army Corps/Office of Management and Budget to get funding for the Corpus Christi Ship Improvement Project provided in an FY16 Workplan and/or an FY17 budget cycle.

Meanwhile, House Transportation and Infrastructure Chairman Bill Shuster has expressed interest in passing another WRDA bill in 2016. While we believe this will be difficult, any bill his Committee produces will likely serve as a template for future action. We will work with POCCA to develop and promote any provisions that might serve the Port's interests.



733 Tenth Street, N.W., Suite 400
Washington, DC 20001-4886

Tel: (202) 347-0773
Fax: (202) 347-0785
www.cassidy.com

Firm Client: Port of Corpus Christi Authority, Texas

Primary Client Team: Barry Rhoads, Steven McKnight, Andrew Forbes, and Kaleb Froehlich

Services Period: December 1-31, 2015

Summary of Services on behalf of Port of Corpus Christi Authority, Texas:

- Substantive consulting on federal government issues on behalf of PCCA
 - Described Executive Branch negotiations and issues related to legislation to repeal statutory limits on domestic oil exports
 - Discussed strategy for use in January meeting with Corps of Engineers officials, including impact of new Limited Reevaluation Report, negotiation of new Project Partnership Agreement, and omnibus language on funding of new start projects
- Legislative Liaison and Monitoring
 - Provided information about Congressional action on the surface transportation reauthorization bill, the Fixing America's Surface Transportation Act ("FAST Act"), including conference provisions on national multimodal freight strategic policy plan and a National Multimodal Freight Network
 - Provided information about Congressional omnibus appropriations act for FY16 [H.R. 2029], including language about the number and categories of permitted new starts for Corps of Engineers projects
 - Provided information about passage of legislation to repeal ban on domestic oils exports as part of FY16 omnibus appropriations act
 - Reported on Congressional delegation positions on omnibus appropriations act, both prior to passage and recorded Congressional votes
- 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
 - Provided input and review for Port press release on repeal of oil export ban
 - Reviewed news media coverage of new developments at Port and other PCCA activities and discussed same with PCCA representatives

BUSINESS DEVELOPMENT

Wind Energy & Project Cargo

- BD staff provided 2015 Wind Energy cargo revenue report (total 69 vessel calls).
- BD staff submitted a Wind Energy cargo abstract to the American Wind Energy Association (AWEA), which was selected for an opportunity to display a poster presentation at the annual Wind Energy Expo in May (New Orleans).
- In December 2015, the Production Tax Credit (PTC) was extended for a five-year limited term for wind and other renewable industries, thus allowing sufficient stability for future wind project cargo shipments via POCCA. Texas is expected to add about 2,800 Mega Watts of new wind energy capacity in 2016.
- Two major Wind Turbine manufacturers confirmed their 2016 shipping schedules to the POCCA (total 39 vessels).
- BD staff worked as a facilitator between a major Class I railroad, the Short Line railroad at POCC, and a major wind manufacturer to develop assurances of expedient rail loading procedures in 2016.
- BD staff participated in separate meetings with two major Class I Railroads during December for the purposes of providing recent updates and to discuss projected cargo for 2016.

Dry Bulk & General Cargo

- One of the top USA terminal & stevedoring companies paid a visit to the POCCA. As part of their continuing growth, they have business expansion plans and are interested in pursuing opportunities through this port. Their expertise/line of work is handling large volumes of bulk materials. Staff will continue dialogue with them through the early part of next year.
- Finalized a six month extension of the lease to the entity currently performing trans-load of liquid bulk cargo from railcar onto truck.
- BD staff visited pipe importing clients in Houston. We were told that throughout 2016 we are to receive an average of 3-5 thousand tons per month of steel pipe. The pipe will be for drilling as well as for gas projects. In addition, staff, along with some of our steel pipe clients, attended annual Associated Institute of International Steel meeting.
- BD staff attended the STEER (South Texas Energy & Economic Round Table) annual event in San Antonio. The key speakers commented on the future opportunities that their respective companies have for light crude & gas drilling in northern Mexico. One of the companies will be visiting our Port in January as they have plans to invest in infrastructure within this area.

- In collaboration with the port's Government Relations staff, BD staff met with representatives from TxDOT Maritime Division and gave them with a Port tour.
- BD staff continues to work closely with and assist one of our new tenants including working with their logistics experts for the import of additional cargoes required to start production sometime in late 2016.
- BD staff continues to participate as part of the BMD Master Development Plan Team.

Latin America Trade Development

- Port staff and Commissioners Canales and Squires hosted a luncheon and port presentation for Deputy Consul General of Mexico, Jose Antonio Larios Ponce, to discuss bi-national trade opportunities.
- BD staff will be meeting in Monterrey Mexico with one of the three Class 1 rail road companies. The purpose of this meeting will be to coordinate marketing efforts and to further discuss possible cargoes to be moved Mexico and POCCA.
- We are working on the organization of the first Latin American Petroleum & Energy Summit which is to take place here in February of next year. The Colombian Petroleum Association is spearheading a delegation of energy companies who are interested in meeting with local entities to seek joint venture opportunities within this field of business. Also, Palermo Terminal and other companies engaging in the handling of chemicals will be attending. Currently, some local energy entities have confirmed that they are willing to participate in this event.
- Finally, after a prolonged dismantling process, the refrigerated warehouse was loaded onto a vessel and is now within the Santa Marta, Colombia port premises. We have been told by our Santa Marta port colleagues that they anticipate to have it operational by the third quarter of this year. Once it is active, it will be named: "Port Corpus Christi"
- To assist in promoting POCCA to Latin America, all 2016 Latin American campaign and promotions will be translated to Spanish.

FOREIGN TRADE ZONE

- A meeting with Foreign Trade Zone (FTZ) operators and local Customs and Border Protection (CBP) officers is scheduled for Thursday, January 28. CBP will provide review information on year-end reports, 2016 compliance review schedules, and updates on FTZ systems and procedures.
- Voestalpine continues to work on information required for CBP activation approval of their site.
- POCCA received an application for FTZ designation from Tex-Isle Supply, Inc.; a Houston based company planning to expand their oil and gas industry pipe business with a proposed site in the Robstown area.

ORTIZ CENTER

The month of December was extraordinary. Staff is pleased to report that the Ortiz Center had the highest sales month in Ortiz history once again, exceeding \$385,000 in gross revenue. Our practice of coordinating most sub-contracted event work, such as decorating, valet, floral, etc., has helped us drive sales while also allowing better controls of load in and load schedules affording us the opportunity to book more events.

As we enter 2016, the Ortiz Center is positioned well with \$714,394 in contracted business already on the books, up 1% over last year. We look forward to several anticipated projects, such as the upgrading of the sound system in the ballroom, the transition from the Port network for phones and internet, adding much needed bandwidth to the venue, as well as several environmental opportunities. We are also very excited to add several new menu items, to include action stations and small bite concepts to the menu that will continue to distinguish us from our competition.

As part of our continued commitment to the community, we are pleased to report that the Ortiz Center provided \$200,083 in discounts and sponsorships to various non-profit and Community Based Organizations in 2015. The support given by the Ortiz Center assists these wonderful organizations in their ability to generate the resources needed to provide services throughout the Coastal Bend region.

Below are 2014 totals and numbers to-date for 2015 activity

2014	Guest Attendance	Number of Events	Revenue	2015	Guest Attendance	Number of Events	Revenue
January	3,955	36	\$142,352	January	5,113	42	\$216,694
February	4,911	33	\$114,327	February	2,639	27	\$75,227
March	4,086	38	\$127,300	March	5,397	40	\$197,604
1st Quarter	12,952	107	\$383,979	1st Quarter	13,149	109	\$489,525
April	6,953	53	\$216,269	April	5,046	53	\$187,262
May	4,980	42	\$163,023	May	5,727	42	\$187,077
June	2,878	39	\$128,631	June	4,152	47	\$204,576
2nd Quarter	14,811	134	\$507,923	2nd Quarter	14,925	142	\$578,915
July	3,290	44	\$132,152	July	3,511	52	\$165,634
August	2,147	27	\$82,718	August	2,521	31	\$92,649
September	3,766	29	\$144,026	September	3,418	30	\$157,647
3rd Quarter	9,203	100	\$358,896	3rd Quarter	9,450	113	\$415,930
October	5,838	50	\$190,869	October	4,572	52	\$214,263
November	4,121	31	\$233,592	November	6,907	56	\$257,904
December	3,897	44	\$312,556	December	5,468	50	\$385,933
4th Quarter	13,856	125	\$737,017	4th Quarter	16,947	158	\$858,100
Totals	50,822	466	\$1,987,815	Totals	54,471	522	\$2,342,470

HUMAN RESOURCES

General

- There was (1) Pre-Placement Physical Examination along with a drug test conducted. Also there were (3) random drug and alcohol tests conducted.

New Hire

- Daniel Benavides, Utility Worker - Bulk Terminal

Recruitment

- Vessel Traffic Controller - Harbormaster's Office

Training & Development

- *Texas County and District Retirement System (TCDRS)* - Richard Ashcraft, Member Services Field Representative for TCDRS conducted an overview of the Port's Pension and Benefits Plan during an Employee Luncheon.
- *Renewal of Health and Dental Plan for 2016* - Employee Meetings were held to discuss the Employee Health and Dental Benefits Plan Renewal for 2016. These meetings also gives employees the opportunity for Open Enrollment. The meetings were conducted by Walker & Associates, and Entrust to discuss Plan changes starting January 1, 2016.
- *American Family Life Assurance Company (AFLAC)/ Wageworks* - Additionally, employee meetings were held to allow employee to purchase AFLAC products and to enroll in the Flexible Spending Plan through Wage Works.

Additional Training & Development

- Coordination of EMS HAZWOPER Training, Safety - Matrix based on Safety Manual and planning for Welding Safety Training Program.
- Discussions with Risk Program Manger regarding Driver Safety and attending Training the Trainer conference. Additionally, developed New Hire Orientation format and structure which includes General Safety Awareness and Driver Concerns.

**Port of Corpus Christi Authority
Organizational Chart
December 31, 2015**

DEPARTMENTS	Exempt	Non-Exempt	Temporary	Total
Executive Director	2	0	0	2
Director of Government Affairs	1	0	0	1
COO	2	0	0	2
CCO	1	1	0	2
Human Resources	3	3	0	6
Safety	1	1	0	2
Engineering Services	12	3	0	15
Environmental Services	5	1	0	6
Real Estate Services	2	1	0	3
Finance & Admin.	1	1	0	2
Accounting	3	7	0	10
Risk Management	2	0	0	2
Information Tech	13	0	0	13
Business Development	5	0	0	5
Community Relations	2	0	1	3
Communications	3	0	1	4
Operations	3	1	0	4
Maintenance	2	41	0	43
Harbormaster's Office	1	8	0	9
Bulk Handling Facility	3	19	0	22
Security/Police Dept.	4	44	0	48
TOTAL	71	131	2	204

E - EXEMPT

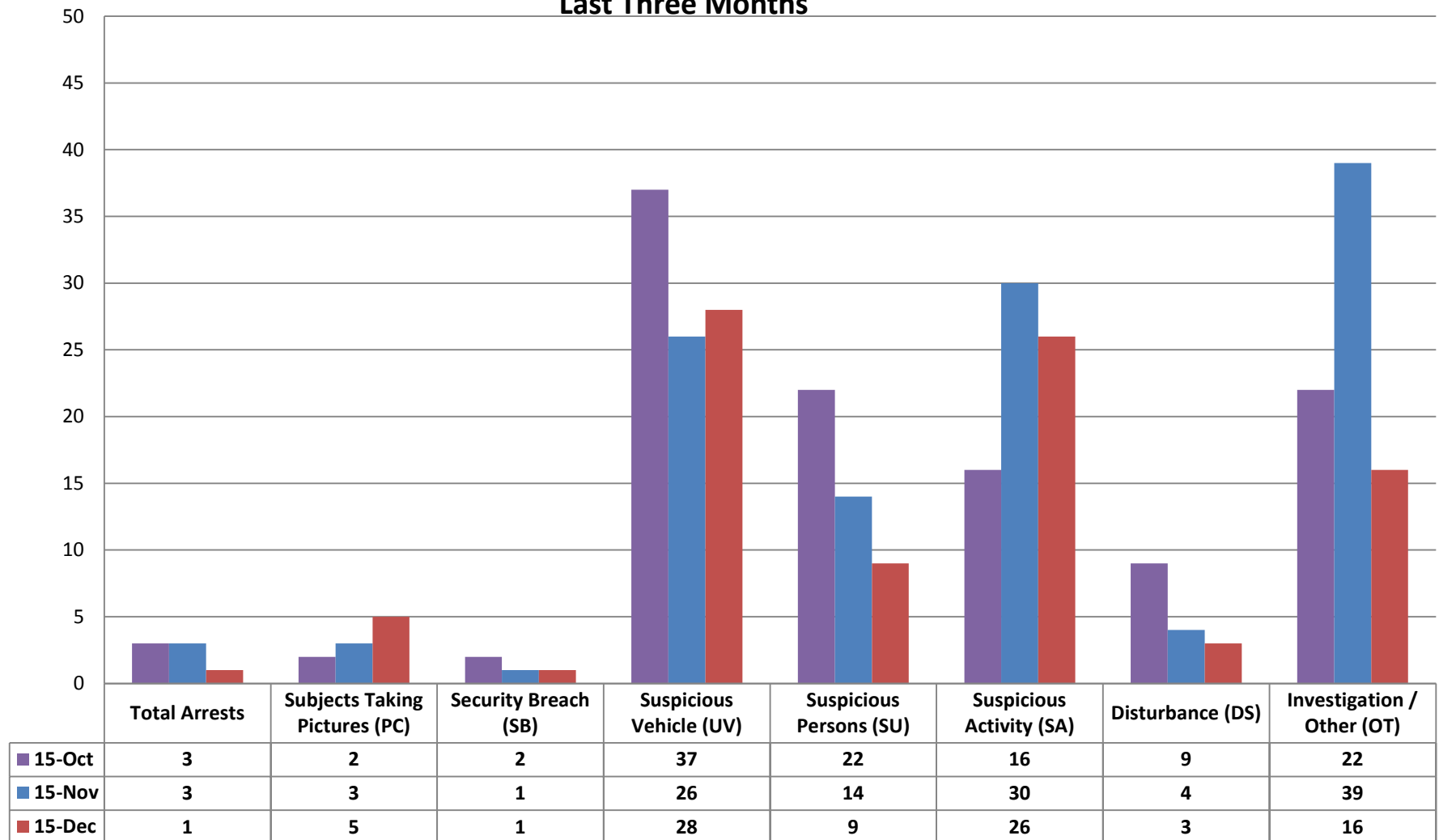
NE - NON-EXEMPT

H - HOURLY

T - TEMPORARIES

SECURITY

**2015 Port Police Calls - PICC
Last Three Months**



OPERATIONS

Port Relations & Outreach Highlights

On December 16, 2015 The Port of Corpus Christi Authority hosted a meeting with several maritime leaders and stakeholders about the implementation of PORTS® (*Physical Oceanographic Real-Time System*). Among the guest speakers was James Rizzo, Assistant Director at Texas A&M University – Corpus Christi's Conrad Blucher Institute (CBI). Rizzo explained how sensor placement could enhance operations for all port users.



James Rizzo, Conrad Blucher Institute

On December 18, 2015 Dr. Michael Bomba from the University of North Texas came to meet with members of Operations and Engineering about trends in the Gulf Intracoastal Waterway. He was collecting data on trends for dredging and maintenance from ports across Texas.

Personnel Status

- One employee is on Medical Leave since August 2015.
- One employee is on Restricted Duty since October 2015.

HARBORMASTER

Ship Arrivals	Tankers	Freighters	Year to Date Ships
December 2015	93	29	1737
December 2014	105	31	1599

Barge Arrivals	Tank Barges	Freight Barges	Year to Date Barges
December 2015	344	5	5715
December 2014	515	52	6876

Shifting	Tankers	Freighters	Tank Barges	Freight Barges
December 2015	21	3	783	0
December 2014	19	5	994	4

Channel Disruptions

Channel Disruptions	Total Hours	Fog	Wind	Military/Other	Rig
December 2015	188.40	129.32	56.58	3.5	2.50
December 2014	109.74	97.74	12	42.97	--

Delays	Inbound Delays	Outbound Delays
November 2015	56	43
November 2014	42	28

BULK TERMINAL

Current Projects

- Replacing three-quarter belt covers with full belt covers 90% complete
- Dust control for all pads and roads
- Preparing for pad resurfacing
- Installing cable tray along CB# 2
- Storm Water MGMT-Working with engineers to develop run-off strategy
- Replacing belt cleaners on Ship Loader Conveyors 30% complete
- Replacing Idlers on Conveyors 75% complete
- Purchase and installed New Motor for Ship Loader Boom Shute/Boom Hoist
- Finished CB# 5 Idlers and belt covers

Activity at Bulk Terminal (short tons)

Railcars

- Loaded: 5 railcars for a total of 555.85 Pet coke
- Unloaded: 0 railcars for a total of 0 Pet coke

Bulk Dock #1

- 21,942.61 Barite

Bulk Dock #2

- 135,012.22 Pet coke
- 60,342.05 Sulfur

Pads

- 129,962.02 Pet coke
- 20,248.00 Sulfur

YARDS & RAIL

- Rail traffic slow with exception of grain (milo maize/sorghum) picking up at ADM – 3314 total revenue railcars in Nov YTD 35 % off from 2014
- ADM grain looking to have a grain push through 1st quarter 2016 –a unit train per day – thousands of railcars
- UPRR/BNSF reps met and toured Port looking for wind/grain/plastic/new rail business projections for 2016
- Working on Agreements (CCPN 1997 Operating and M&G SIT agreement) with Welder, Pedersen and Stroot.
- Appraisal on two of Port locomotives, Gen Set at \$735,000.00 and 65 ton at \$50,000.00 as received. Waiting to see if any interest from GW or M&G
- MOL OPS SDDC set up mobile command center east of Accounting storage trailer, wash area set up on CD 8, steam washers on site, 65 railcars loaded for UPRR outbound – Operation complete no issues
- PPO met in accordance with demands for November 2015
- North Bank storage yard wind components departing by truck no issues,
- North Storage yard project cargo and wind cargo departing by trucks no issue, FTZ areas set up for M&G cargo

CARGO DOCKS

- Freezer warehouse dismantled– Colombian ship ETA Dec 1st week
- CD 8 - OCEAN GLOBE – military outload completed no issues, train departed December 6, 2015. Dec – 09 ships arrived in Nov
- CD 9 – 06 ships arrived

MAINTENANCE

Maintenance Department

- Performed preventative maintenance(PM) on vehicles, safe boat and equipment and Maintenance department.
- Performed ground keeping port wide.

- Over saw janitorial service on all port facilities.

Ortiz Center

- Assisted W White with troubleshooting and testing of refrigerant alarms chiller room.
- Tested and repaired lawn irrigation sprinkler heads.

Guard House

- Installed pedestrian crosswalk tape at Stroman.
- Re secured fire extinguisher mount at Viola.
- Replaced space heater at Avery.
- Mounted gun storage boxes in all guard houses. (per Tom Mylett)
- Replaced electric contactor for lift station at Viola.
- Replaced section of siding OD 6 guard house.

Admin

- Tightened and secured bolts and screw on spiral staircase.
- Repaired cooling issue at HR offices.
- Replaced radiator in small generator.
- Trimmed palm tree and repaired lawn irrigation soaker hose.

Annex

- Completed modification to IT office door removal.
- Troubleshoot and repaired alarm failure in chiller room.
- Assisted engineering department with removal and relocation of office furniture.
- Installed new ice machine at HMO.
- Trimmed palm trees, modified janitorial/shower room in 1st floor.
- Resumed and completed off renovation on 2nd floor IT offices.

Port Security/PD

- Serviced and sanitized ice machine.
- Repaired a/c in security storage office space.
- Repaired flag pole and replaced flag rope at Command Center.
- Repaired carpet tile in dispatch room.
- Replaced stained ceiling tiles throughout PD offices.
- Installed fender in center piling of safe boat lifts.

BMD

- Unlogged kitchen sink, replaced locks in temporary offices.
- Replaced potable ship supply water outlet at BMD 1.

Cargo Dock

- Troubleshoot and repaired fire alarm flow switch at CD 9.
- Monthly potable flush and inspections.
- Monthly fire alarm test and inspections.

- Cleaned and lubed rail road switches at CD 8.
- Replaced section of piping on outside awning of D 15.
- Exercised and lubed fire system post indicator valves at cargo docks 14 and 15 and bldgs. 26 & 27.

Oil Dock

- Replaced sanitary sewer pump at OD 7.
- Backfilled eroded bulk head area at Avery docks.
- Monthly potable water flush and inspections.
- Replaced conduit and light wiring at OD 3.
- Replaced ¼ turn valve to potable water shut off and replaced valve locking mechanism at OD 1.
- Started fabrication of handrails for OD 1 and 11.

Fire Boat

- Attained bid for bilge discharge piping replacement.
- Purchased all materials for discharge piping replacement.
- Replaced heating element in trailer at OD 12.
- Gates, Fence and Roads:
 - Fabricated and installed gate 23.
 - Repaired ranch gate at LA Quinta KBH road.
 - Removed and swept caliche from Joe Fulton roadways as per environmental dept.
 - Repaired or reinstalled various stop and yield signs on Joe Fulton corridor.

Maintenance Shop

- Attended SPCC training conducted by Steven Ashely.
- Assisted annual "Tree For All".
- Installed safety protection barriers at CNG pump.

Around the Port

- Repaired lights and electrical panel at M&G land use west of ADM.
- Repaired women's restroom lights at water taxi.
- Replaced lights at Harbor entrance sign.
- Installed closure signs at east fishing area.
- Installed life preserver rings in or around water taxi area (per safety).

Environmental Planning and Compliance Monthly Report

Environmental Stewardship Measurements

Program Area	Measured Environmental Improvements Through Nov 2015
Electrical Consumption	10% Green Energy – 811,701 KWHs
Spent Liquids Recycled	553 gallons
Paper/Cardboard Recycled	93,629 lbs
Components Recycled	1,397
Regional Air Quality	51 ppb (EPA standard of 70ppb)
Community Complaints	0
Notice of Violations	0
Tenant Audits Completed	12

Important Announcements

Environmental staff participated in the recent Texas State Aquarium camps for children on December 21-23 and 28-30, 2015. It was an opportunity to share our environmental stewardship efforts and how these efforts benefit the aquariums ability to draw water from the ship channel for use in the displays and habitats.

Environmental staff, with the assistance of the Talent Development Manager, conducted annual Storm Water Pollution Prevention Training and Spill Prevention Control and Countermeasure Training with Maintenance, Bulk Terminal and Port Police in December in accordance with the regulatory requirements. Environmental staff also completed the annual storm water inspection of both the Maintenance and Bulk Terminal Facilities. The results of the inspection are being summarized in an annual report that will be completed prior to March 31, 2016 in accordance with the permit requirements.

Additionally, the PCCA is a co-permittee with the City of Corpus Christi on a water quality permit for storm water runoff from the municipal separate storm water system (MS4). The extent of the permit application within the Port area is within the City limits. A requirement of the permit is to complete an Annual Report summarizing the activities conducted in accordance with the Storm Water Management Program. Further, the permit requires that the organization's governing body be apprised of the contents of the Annual Report. Therefore, a copy of the Annual Report is attached as Exhibit A to this EDR for your information.

A Request for Proposals for Environmental Management Information Software was finalized at the end of the year and was advertised on January 8 and January 15 with a bid opening of January 29, 2016. This is to provide recordkeeping and tracking software of environmental data and performance measures. Additionally, a Request for Qualifications for Professional Services for Bulk Terminal Master Planning was also finalized at the end of the year and was advertised on January 8 and 15 also with a bid opening of January 29, 2016.

Status of Environmental Programs & Initiatives

Public Cargo Dock Environmental Performance – Updates have been proposed to Stevedore Licensing program to improve environmental performance while working at Public Cargo Docks. Staff have been meeting and conversing with Stevedores to discuss the proposed changes and are getting good feedback regarding willingness to participate.

Bulk Terminal Air Monitoring Network – Six air monitors have been installed at the Bulk Terminal and one air monitor off-site near Dona Park in coordination with the Bulk Terminal tenants through an air monitoring network agreement. A pilot program is underway to develop a baseline and evaluate acceptable levels for monitor alerts to prevent offsite impacts. A coordinated response to high level alerts for both dust and wind have been developed and will be refined after further evaluation of the pilot test results. After completion of the pilot test and the evaluation of the results, a process for communication of the results to the community will be implemented as well.

Environmental Management System – ISO Certification continues for 8th year. This year, staff will revisit the Environmental Policy approved by the Port Commission in 2004 and make recommendations for updates to the policy for Commission approval. A new ISO 14001 standard was published in September 2015 and re-certification will require compliance with the new standard. Staff the needed updates to our EMS program to comply with the new standard. The largest change will be a revision to our prioritization process. However, this was a necessary change regardless of the standard revisions as our prioritization process needed revamping now since the program has been around a while and all the low hanging fruit has been picked. A new prioritization process will be developed to aid the annual budget process. An update to the 2007 EMS training video is underway and should be finished in 2016.

Tenant Audit Program – The tenant audit program involves auditing tenants annually and then conducting a lease ending audit in advance of the termination of the lease agreement. It may also include follow up audits as necessary to ensure noted non-compliances are resolved and quarterly audits in the event of continuing non-compliance issues. The program is being developed further to include an Environmental Performance Scorecard that will be communicated to the Port Commission. High achievers will be recognized for their efforts and poor performance will be a consideration in future amendments and agreements.

2015 Budgeted Projects

Purchase of Software Application for EMS Recordkeeping (15-057A) – A service order was negotiated with E2 ManageTech, Inc. to assist with development of specifications, the RFP process, and selection of a vendor to provide software for an Environmental Management Information System. The preliminary scoping workshop occurred in late May to identify requirements for the specification development. Request for proposal package was advertised on January 8 and 15 and the bid opening is currently scheduled for January 29, 2015. The selection process will take several months and staff expects to present a final selection to the Port Commission for approval in May 2016.

General Electrical Consumption Reduction Projects (13-013A) – A lighting study was completed at Al Speight Laydown Yard, Cargo Dock 15, and at the Ortiz Center to evaluate the lighting at these facilities. Recommendations were made to upgrade the lighting at these three

facilities with LED technology. An electrical consultant will be contracted to develop the final drawings and the project advertised for bid. It is expected to award in early 2016.

Geographic Information System Maintenance and Upgrades (15-017A/B) – The scope of work for 2015 improvements and upgrades to the PCCA's GIS system were negotiated earlier in the year with Brown and Caldwell, Inc. under existing terms and conditions. The project was broken into two phases – Phase I was the development of specifications to convert PCCA's GIS from a customized application to a web based application using an off-the-shelf platform. Phase I was completed in July 2015 and Phase II was approved by the Port Commission in September 2015. A notice to proceed has been issued and the Consultant is working with Port staff on the conversion. It is expected that the conversion will be completed in mid-2016. The project is currently on schedule and within budget.

Investigation and Remediation of Contamination from La Quinta Pipeline Removal / Relocation (14-002B) – A service order with Golder Associates, Inc. for consulting services for performing additional groundwater sampling, sampling for fingerprint analyses of contamination, and the development of Affected Property Assessment Report was approved by the Port Commission at the June 2015 Commission Meeting. Fieldwork was completed in early July and the results of the work are being developed into a Groundwater Usability Summary and Drinking Water Report for submittal to the TCEQ. After approval of these reports by TCEQ, an Affected Property Assessment Report will be prepared and submitted to TCEQ for review and approval. Preliminary results indicate that groundwater usability is Class 3 and concentrations do not exceed applicable standards. If TCEQ agrees with our conclusions, then further remediation activities will not be necessary.

Investigation of Former J.I. Hailey Property (11-002B) – An Addendum to the Affected Property Assessment Report was provided to TCEQ in July 2015. The Addendum also requested approval for closure with no institutional controls (i.e. deed recordation). TCEQ has reviewed the report and requested additional information. The additional information was provided to them for review in early November 2015. Additional fieldwork to collect a groundwater sample may be needed prior to case closure. Staff is awaiting a response from the TCEQ Project Manager.

Investigation of Property Near Tule Lift Bridge (14-002C) – Additional sampling to determine leaching characteristics of contaminants in soil was conducted in February 2015. Results indicated that further evaluation of the site is necessary. The site was approved for participation in the Voluntary Cleanup Program in TCEQ in September 2105. A Groundwater Water Usability Summary and Drinking Water Report were provided to the TCEQ for their review. TCEQ requested additional information in a follow up letter. This information is being collected and will be provided to TCEQ in a follow up submittal by early January. Upon approval of the classification of the groundwater, Apex TITAN, Inc. will prepare an Affected Property Assessment Report to fully evaluate soil and groundwater concentrations compared to the relevant standard based on the groundwater classification. It is expected that at a minimum deed recordation will be necessary to restrict future use of the property to commercial/industrial land use.

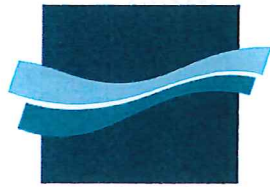
Storm Water Drainage Study (15-013A) – A Master Agreement has been negotiated with IC Engineers and a service order to conduct the storm water drainage study is being developed. The study is necessary to update the storm water drainage information for the Port area from the 1993 study. This information will be used in the future planning of storm water management and runoff during design of new facilities and upgrades to existing facilities to ensure adequate infrastructure exists or determine what addition infrastructure should be installed.

Environmental Consultant Master Agreements and Service Orders

Listed below are the Environmental Consultant Master Agreements and associated Service Order values:

<i>Consultant (MA#)</i>	<i>2014 Service Order Amounts</i>	<i>2015 Service Order Amounts</i>
Golder & Associates (01-14)	\$45,300	\$79,949
RPS, Inc. (02-14)	\$101,300	\$59,083
Trinity Consultants (03-14)	\$44,000	\$54,600
Rosengarten Smith and Associates, Inc. (04-14)	\$195,758	\$306,414
E2 ManageTech Inc. (05-14)	\$82,043	\$37,030
Apex TITAN, Inc.	\$66,900	\$28,140

Exhibit A – MS4 Annual Report



PORT CORPUS CHRISTI

MS4 Co-Permittee Annual Report for TPDES Permit No. WQ0004200000

For November 1, 2014 – October 31, 2015

January 04, 2016

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APPENDICES

ATTACHMENT A – SUMMARY DATA

MS4 Co-Permittee Annual Report For TPDES Permit No. WQ0004200000

This Annual Report is being provided per Part IV, Section C, of the NPDES Permit No. TXS000601 issued to the Port of Corpus Christi Authority (PCCA) as a co-permittee by the Texas Commission on Environmental Quality as TPDES Permit No. WQ0004200000. This report has been provided to the City of Corpus Christi for compilation into a system wide report 45 days prior to the report due date of March 1, 2016. This report pertains to those activities that occurred from November 1, 2014, through October 31, 2015, that relate to the portions of the Municipal Separate Storm Sewer System (MS4) for which PCCA is the operator.

1.0 STATUS OF IMPLEMENTING THE SWMP

All elements of the PCCA Storm Water Management Plan (SWMP) are fully implemented and the results of implementation are described in more detail throughout this report.

2.0 PROPOSED CHANGES TO THE SWMP

PCCA has updated its map of the MS4 areas to include areas on the north side of the ship channel that are within the corporate boundaries of the City of Corpus Christi. PCCA is updating section 13.0, Measurable Goals, of the SWMP pertaining to implementation of the measurable goals, including adding additional goals and measurement components.

The SWMP will also be updated to reflect that Stevedores, which operate within the MS4 boundaries, are required to meet new environmental performance measures. Effective January 16, 2016, following Port Commission approval, Licensees (stevedores and freight handlers) must develop and implement an Environmental Management System by December 31, 2016. The new environmental performance standards for licensees will include PCCA conducting quarterly evaluations of the environmental performance of each licensee at Port docks, laydown yards, and leased property. Performance will be rated using Port Corpus Christi's Environmental Scorecard, which is currently under development. Licensee's right to use Port public docks and laydown yards will be determined by Licensee's maintenance of a quarterly score of 80% or better and an annual overall average of least 85%. Companies performing with an overall annual score of 90% or better will be recognized by the Port Commission for their efforts.

3.0 REVISIONS TO THE ASSESSMENT OF CONTROLS AND THE FISCAL ANALYSIS

During the reporting period, PCCA hired an engineering firm to design storm water conveyance system improvements at the Maintenance Facility, which is inside the MS4 area. A further discussion on the outcome of the engineering evaluation is in Section 8.1 of the report. The General Environmental Budget for 2016 approved by the Port Commission is \$800,000 and the Environmental Management System budget is \$150,000. These are the two primary projects in which the annual expenditures for routine storm water costs are included. In addition, the 2016

MS4 Co-Permittee Annual Report For TPDES Permit No. WQ0004200000

budget also includes \$6,955,000 for projects related to storm water improvements that range from surveying and updating storm water drainage information for input into design and construction projects, improvements to the existing drainage systems at our Bulk Terminal and Maintenance Facility, landscape enhancements that will improve storm water quality, and ongoing maintenance of drainage infrastructure and controls.

4.0 SUMMARY OF DATA

In accordance with TPDES Permit No. WQ000420000, the City of Corpus Christi maintains responsibility for conducting wet weather monitoring at the three locations identified in Part IV.A.1.a (3) of the permit and floatables monitoring as specified in Part IV.B. However, other data is collected by PCCA related to storm water runoff. A discussion of the data collected during the reporting period and a summary of the results is provided in the applicable sections of this report.

PCCA monitors storm water runoff from our Maintenance Facility and has an objective and target under our Environmental Management System (EMS) for meeting the Sector Q benchmark levels in the Multi Sector General Permit (MSGP). Three samples were collected and analyzed during the permit term. Two of three samples exceeded the benchmark levels for total aluminum, iron, lead, and suspended solids. Three samples exceeded the total zinc benchmark level. Annual analysis of storm water discharges to tidal waters was conducted in January of 2015 with all required parameters below the daily maximum effluent limitation set forth in the MSGP. Tables summarizing the results are provided as Attachment A. Further discussion of PCCA's monitoring data at the Maintenance Facility can be found in section 8.11 of this report.

5.0 SUMMARY OF NPDES AND TPDES NOTICES OF INTENT AND SMALL CONSTRUCTION SITE NOTICES AND INSPECTIONS AT INDUSTRIAL SITES

During the reporting period, PCCA received two Small Construction Site Notices, and two Notices of Intent for a large construction sites under TPDES Permit No. TXR150000. PCCA received no NOI's for any other TPDES or NPDES general permits. Small Construction Site Notices were received from Ram-Bro Contracting for the Inner and Outer Harbor Land Management Project (09-026A) and from Russell Marine LLC, for Oil Dock 14 project (13-032A) both of which were outside the corporate boundary of the City of Corpus Christi. NOIs were received from W.T. Byler Co. for the Nueces River Rail Yard Phase II project (13-043A,) of which a small portion of the project is within the corporate boundary of the City of Corpus Christi, and from NuStar Energy, L.P. for their North Beach Pipeline project which is also outside the MS4 permitted area.

PCCA submitted several Notifications of Termination (NOT) in the reporting period. A NOT was submitted November 21, 2014, terminating coverage under Permit TXR15PG14 for the Joe

MS4 Co-Permittee Annual Report For TPDES Permit No. WQ0004200000

Fulton Corridor Phase II construction project. A NOT was submitted January 8, 2015, terminating coverage under Permit TXR15YJ50 for the Inner and Outer Harbor Land Management construction project. A NOT was submitted July 29, 2015, terminating coverage under Permit TXR150011880 for the Inner Harbor Rail Upgrades construction project. A NOT was submitted August 20, 2015, terminating coverage under Permit TXR150011216 for the Northside Storage Yard construction project. Finally, PCCA submitted a NOT on October 30, 2015, terminating coverage under TPDES General Permit TXG830000 for discharges of waters contaminated by petroleum substances at PCCA Oil Dock 1, which was within the MS4 area.

PCCA received one NOT during the reporting period. W. T. Byler's NOT was received on October 8, 2015, for their work associated with the M & G Jumbo Project, Permit No. TXR150011101.

6.0 ANNUAL EXPENDITURES FOR THE PRIOR FISCAL YEAR AND THE BUDGET FOR THE CURRENT FISCAL YEAR

PCCA budgets are approved by the Port Commission on a calendar year basis. As discussed previously in this report, the budget line items that include allocations for storm water expenditures include the General Environmental budget and the Environmental Management System budget. Additional detail on budgets and expenditures for the reporting period where the elements of the SWMP are captured are included in Table 1 below.

TABLE 1 –EXPENDITURES FOR 2014 AND 2015 & BUDGET FOR 2015 AND 2016

Major Elements of SWMP	Budget Program Area	2014 Expenditures	2015 Expenditures	2015 Budget	2016 Budget
Structural Controls	Construction Projects (Maintenance)	\$3,837,833	\$1,693,000	\$7,355,000	\$6,905,000
Areas of New Development	Construction Projects (Capital)	\$28,204,504	\$69,418,000	\$69,238,147	\$91,556,972
Roadways	Construction Projects (Maintenance)	\$3,837,833	\$1,693,000	\$7,355,000	\$6,905,000
Flood Control Project	Construction Projects (Capital)	\$28,204,504	\$69,418,000	\$69,238,147	\$91,556,972
Pesticide and Herbicide Application	Maintenance Operations – Labor and Expense	\$6,458,467	\$4,362,364	\$9,493,465	\$6,839,667
Illicit Discharges and Improper Disposal	General Environmental (Waste Management)	\$478,059.93	\$741,060	\$300,000	\$400,000

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Major Elements of SWMP	Budget Program Area	2014 Expenditures	2015 Expenditures	2015 Budget	2016 Budget
Spill Prevention and Response	General Environmental	\$362,726.55	\$511,415	\$500,000	\$800,000
	Environmental Management System	\$82,529.92	\$46,619	\$100,000	\$150,000
Industrial and High Risk Runoff	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Construction Site Runoff	General Environmental (Storm Water)	\$39,339.78	\$9,888	\$50,000	\$30,000
Public Education	Environmental Management System	\$82,529.92	\$46,619.12	\$100,000	\$150,000
Monitoring and Screening	General Environmental (Storm Water)	\$39,339.78	\$9,888	\$50,000	\$30,000
Measurable Goals	Construction Projects (Capital and Maintenance)	\$82,529.92	\$71,111,000	\$1,100,000	\$98,461,972
Port Operating Budget	Labor and Expense	\$49,196,029	\$51,134,554	\$57,981,379	\$58,914,526

Note: 2015 Expenditures may not include all costs as year-end close out doesn't occur until January 31, 2016. Additionally, PCCA labor is not included in above numbers, unless specifically noted.

In addition to the above expenditures, PCCA staff spent time training employees, contractors, and temporary employees; inspecting port properties; and ensuring inclusion of technical specifications for storm water runoff from construction sites.

7.0 SUMMARY OF ENFORCEMENT ACTIONS, INSPECTIONS, AND PUBLIC EDUCATION PROGRAMS

There were no inspections of the MS4 by a regulatory agency during the reporting period. There were no enforcement actions against PCCA within the MS4 area during the reporting period.

Routine construction inspections and compliance audits are completed on PCCA projects by PCCA staff to determine compliance with contract documents and technical specifications; however, the number of inspections is not always recorded. Where PCCA is the Primary Operator on a construction project, PCCA staff conduct the permit-required storm water inspections. Within the MS4 area, PCCA continues to maintain construction general permit TXR15LV32 for the Former Koch Pipeline Corpus Christi Terminal No. 1 (Permian Yard) and performs all required inspections of the site. During the reporting period, PCCA conducted ninety-two (92) storm water inspections at construction sites throughout the Port, some of which

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are not in the MS4 area. Issues identified during any storm water inspection are managed in accordance with the associated SWP3.

PCCA operates under MSGP No. TXR05K365 at our Maintenance Facility. Monthly, quarterly, and annual inspections were performed in accordance with the permit requirements. Thirteen inspections were conducted during the reporting period, including one annual facility compliance evaluation.

PCCA continues to work with tenants and port users to minimize the introduction of pollutants into the MS4. Tracking of materials, floatables, spills, leaking equipment, and other pollutants are minimized through the use of best management practices which are then verified during monthly inspections of public docks, storage yards, and their associated facilities, some of which are outside the regulated MS4 areas. Any deficiencies noted during monthly compliance inspections are communicated to the responsible parties for correction. Twelve monthly inspections and six follow-up inspections were completed during the reporting period.

Maintaining environmental compliance at leased properties, including applicable storm water regulations, is required of all PCCA tenants through lease agreements and tariffs. Compliance is evaluated during annual tenant audits. Three tenant audits were conducted within the MS4 area during the reporting period. No illicit discharges were observed with tenant operations.

When applicable, PCCA contract documents for construction and material handling projects contain storm water management requirements consistent with TPDES Permit TXR150000. These requirements educate prospective bidders on the legal requirements to control storm water runoff. PCCA advertised 38 construction or material handling projects for bid during the reporting period, although not all were within the MS4 area. PCCA utilizes E-Bid, an electronic bidding system that notifies registered contractors when projects are posted. A total of 4,055 notifications were sent out to prospective bidders. Additionally, PCCA staff conducted training on construction storm water compliance for the applicable staff of two PCCA contractor companies.

PCCA utilizes various means and methods to educate staff, users, stakeholders, and the community on storm water pollution prevention, environmental compliance, and spill prevention and response. Staff education includes annual storm water and Spill Prevention, Control and Countermeasure training to all applicable employees. In addition, training on best management practices and environmental management programs is provided to Maintenance Facility staff monthly. Bulletin boards in strategic PCCA facilities are regularly updated to educate and inspire environmental compliance and stewardship. Additionally, PCCA publishes a monthly newsletter which includes the status of environmental programs, environmental tips, and news. The newsletter is distributed to staff and commissioners, and is also available on the PCCA web page for the community.

PCCA contributes financial assistance to several organizations to further the environmental and educational goals of the organization. PCCA contributes \$160,000 per year to the Coastal Bend

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Bays and Estuaries Program. PCCA funded (\$2,202) two meetings of the Coastal Issues Forum hosted by the Coastal Bend Bays Foundation (CBBF.) Local environmental issues are discussed at these meetings. In addition, PCCA is an annual sponsor of CBBF's Earth Day Bay Day and the Annual Conservation & Environmental Stewardship Awards Banquet. PCCA also contributes \$5,000 to fund a portion of the chairwoman's position on the Corpus Christi Air Quality Group.

On February 10, 2015, PCCA presented to the International Visitors Leadership Program, sharing PCCA's management policies and practices in regard to environmental protection and biodiversity conservation. PCCA partnered with the Pollution Prevention Partnership and Texas A&M University – Corpus Christi to host an Auto Check event at Whataburger Field on July 30, 2015. During the event, coloring books, tire gauges, and pollution prevention pamphlets were handed out to participants. PCCA participated in Earth Day Bay Day with Port industries. In addition to an environmental quiz, participants received several giveaways promoting the environment.

PCCA periodically updates the community on our environmental performance through media advertisements, press releases, and a community newsletter. PCCA also maintains a web page which includes an environmental section.

8.0 IDENTIFICATION OF ANY WATER QUALITY IMPROVEMENTS, DEGRADATIONS, AND PROGRESS TOWARD MEASUREABLE GOALS

Under the SWMP, PCCA set measurable goals which generally are managed as objectives and targets under the Port's EMS program. This section is a discussion of the status of meeting the objectives and targets identified in our SWMP and any water quality improvements or degradations observed.

8.1 STRUCTURAL CONTROLS

Three engineering projects were completed in the reporting period which should reduce the discharge pollutants from the respective PCCA facilities in the MS4 boundaries. Two post inlets west of Cargo Dock 15 were redesigned and replaced in March of 2015. The new post inlets incorporate a wider concrete apron around the inlets. Because the inlets are located in an area dominated by cord grass, the wider aprons should minimize vegetative debris falling into the inlets during landscape maintenance activities. Pavement failure caused by a crane at Oil Dock 1 created the potential for sediment and gravel to be discharged offsite. Repairs and redirection of flow were completed in February of 2015. Finally, concrete repairs, new covers for the storm water filter system, and the installation of a sediment catch basin at the Maintenance Facility were completed in April of 2015.

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The target for structural controls is to meet the benchmark levels set forth for Sector Q facilities by the MSGP. PCCA contracted with HDR Engineering (HDR) to assist in assessing storm water management challenges and recommending corrective actions at PCCA's Maintenance Facility. HDR Engineering conducted a reconnaissance of the Maintenance Facility and in November of 2015, presented a draft report that included structural and non-structural strategies for managing storm water. As a result of HDR's study, PCCA contracted with Alan Plummer Associates, Inc. (APAI) in June of 2015 to design storm water management solutions for the drainage sub-basin encompassing PCCA's Maintenance Facility. APAI is in the final design process of several structural storm water BMPs which include roof downspout treatment devices, containment around aggregate storage, two inline storm water treatment baffle boxes, and three bio swales. Construction of all designed improvements should be complete by the end of 2016.

PCCA contracted with LNV, Inc. in June of 2015 to design landscape improvements, and structural improvements where necessary, to reduce erosion, maintenance requirements, and vegetative debris from problematic areas. Prioritization of sites, design of site solutions, and construction of solutions is expected to be completed by the end of 2016. Other structural controls for the management of storm water are developed on a case by case basis as new operations and activities warrant it.

8.2 AREAS OF NEW DEVELOPMENT AND SIGNIFICANT REDEVELOPMENT

As discussed in the SWMP, improvements in the areas of new development and significant redevelopment are developed on a case by case basis and at a minimum all activities are compliant with the construction general permit TXR150000 and where required, meet MSGP requirements for final construction. PCCA maintains storm water specifications outlining the requirements of the general permit for inclusion in the contract documents. Additionally, other environmental specifications related to pollution prevention and other environmental issues are included as appropriate.

PCCA has substantially completed a two phase drainage project at its Permian Yard, which is an eighteen acre site on the north side of the ship channel in the Inner Harbor. The improvements to the drainage infrastructure are being completed to prepare the site for future development and improve drainage on adjacent properties. This project is permitted under construction general permit TXR15LV32 and included the installation of new underground drainage infrastructure, the installation of new concrete boxes and pipe culverts, and a new outfall with a sluice gate. The majority of the project was completed during the reporting period, however the concrete outfall apron is expected to be completed in 2016.

8.3 ROADWAYS

PCCA has the responsibility for maintenance of only one roadway within the Port's MS4 area. Navigation Boulevard extends from the intersection with Avenue F to the Joe Fulton Corridor.

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PCCA works with Port users on a case by case basis during material transfers and construction activities to ensure spilled or tracked materials are cleaned off the roadway. PCCA maintenance staff routinely monitors and maintains the roadway and adjacent right of way, including litter removal and street sweeping as needed. All other streets and roadways within the MS4 area are owned by the City of Corpus Christi or Nueces County, who have responsibility for maintenance.

8.4 FLOOD CONTROL PROJECTS

PCCA facilities are designed to an elevation of one foot above the 100-year flood. Otherwise, PCCA does not typically participate in flood management projects. The City of Corpus Christi operates and maintains flood control structures near the port area in the MS4 area.

8.5 PESTICIDES, HERBICIDES, AND FERTILIZER APPLICATIONS

Under our EMS program, PCCA has a best management practice for herbicide application and it is included in the BMP Manual, which is utilized by Port maintenance staff when applying herbicide. Additionally, staff utilizes an herbicide map book that quantifies the maximum amount of herbicide to be applied at locations around the port. Staff is trained on the BMPs and how to utilize the herbicide map book. During the reporting period, 377 gallons of herbicide mixture were applied across the entire port area, not just in the MS4 area. The herbicide was applied across 648,295 ft², which is within the application rate allowed by the product's label.

Pesticide application is applied by a contractor when necessary to eradicate pest problems. PCCA does minor applications for ants, wasps, or bees when a nest impedes work and this is done using aerosol cans of sprays or powders. Fertilizers are not applied in the port area.

As specified in section 8.1, PCCA is designing landscape improvements for construction in the upcoming year. Ultimately, a combination of best management practices, landscaping alternatives and structural interventions will be developed to minimize maintenance requirements, erosion, and the need for pesticides, herbicides, and/or fertilizer by utilizing native and drought tolerant plant species.

8.6 ILLICIT DISCHARGES AND IMPROPER DISPOSAL

Under the objective and target for control of illicit discharges and improper disposal, PCCA maintains in GIS a port-wide inventory of our storm water system. During routine inspections this information is verified and updated as necessary. Additionally, new storm water system features are added to GIS as construction projects are completed. During the reporting period, PCCA systematically inspected all non-submerged outfalls for illicit discharges and found none.

MS4 Co-Permittee Annual Report

For TPDES Permit No. WQ0004200000

During the reporting period, PCCA environmental staff conducted 12 dry weather inspections of its MS4. No illicit discharges were identified during the inspections. However, these inspections identified housekeeping and work practice issues at the laydown areas that PCCA owns. PCCA worked with the customers and their contractors to clean up the areas and ensure best management practices were being followed.

PCCA continues to work with port users inside its fence line regarding its EMS program. The EMS program is a program to ensure compliance, continual improvement and pollution prevention. PCCA staff communicates with port users within the fence line about PCCA's EMS program, storm water pollution prevention measures to be taken when working within the EMS fence line, and provide brochures on PCCA's EMS program. Three Stevedores participated in PCCA's EMS program and participated in Steering Committee meetings held during the reporting period.

PCCA continues to work with a tenant on sand handling operations at their facility and two Stevedores regarding leaking equipment and floatables reduction on PCCA property. The sand handling company, Port Corpus Terminals (PCT), operates with a lease agreement at Cargo Dock 9, which is within the MS4 area. PCCA staff have met with this tenant to discuss keeping their outside surfaces swept and to control tracking of sand off their site. As a result of these meetings, PCT has designed and implemented structural BMPs which are utilized during loading and unloading operations for the open grate dock drains. The Stevedores, Gulf Stream Marine and Dix Fairway, have recurring leaking equipment issues. Both Stevedores have increased their attention to leaking equipment and have improved the use of spill pans under leaking equipment. In addition, Gulf Stream Marine completed a significant housekeeping project on the storage pads in which they operate, removing and properly disposing of floatables, unnecessary scrap metal, wood scrap, and obsolete equipment. All three of these companies participated in the PCCA's EMS program and will have an EMS of their own under new requirements in 2016. PCCA will continue to work with these companies and monitor the areas through regular inspections.

During the reporting period, three tenant audits were conducted in the MS4 area. During a tenant audit, PCCA reviews the tenant's environmental management programs and compliance with applicable federal, state, and local regulations. Through the lease agreement, tenants are responsible for obtaining their own storm water permit and conducting required inspections as applicable to their operations. Housekeeping issues at one facility were identified during the tenant audits and were resolved by the tenant. No illicit discharges were observed with tenant operations during the tenant audits.

An adjacent landowner in the MS4 area is a minor league baseball team and Friday night home games and other special events include firework displays. The adjacent landowner hired a 3rd party to remove the firework debris from PCCA property and they performed ten (10) pickups. During these pickups, fourteen (14) 30-gallon bags of firework debris and associated materials were picked up and disposed of by the contractor.

MS4 Co-Permittee Annual Report For TPDES Permit No. WQ0004200000

During the reporting period, no sanitary sewer overflows or indications of infiltration were observed by PCCA in the MS4 area. There were no instances of improper disposal of household hazardous wastes. A total of 358 gallons of used oil and 398 lead acid batteries were recycled from PCCA facilities. In addition to the housekeeping performed by port users, PCCA maintenance staff collect floatables from PCCA property as needed and prior to conducting landscape maintenance.

PCCA will continue to conduct inspections, update information in the GIS system, and conduct awareness training to prevent illicit discharges and improper disposal practices.

8.7 SPILL PREVENTION AND RESPONSE

PCCA had previously identified spill potential as an objective and target in our EMS program, which resulted in a reduction in the number of preventable spills. As a result, PCCA has implemented a zero tolerance of spills policy on public docks. Contractors and port users must utilize proper spill prevention practices, report all spills, and ensure all spills are properly cleaned. A majority of preventable spills are related to vehicle and equipment operation. Reduction in spills and leaks was accomplished by developing a robust preventative maintenance program, utilizing proper containment and storage of wastes, and conducting regular facility inspections. Additionally, all port users were notified of the zero tolerance of spills policy and that all leaking equipment must be removed from the docks and not brought back until properly repaired.

PCCA continues to track spills that occur in the port area to ensure proper cleanup and educate PCCA employees, users, and contractors on spill prevention. During the reporting period, 22 spills or leaks associated with PCCA operations were documented in the MS4 area. All spills were cleaned up using the EMS spill kits present in the Port area. Also during the reporting period, 32 spills occurred as a result of Port user operations within the MS4 area. Spills by Port users is a new measurement for which the baseline has been established during this reporting period. Continued monitoring of spills by Port users will be documented for measurement and comparison. Of the 54 total spills in the MS4 area, only three were reportable.

Through the EMS program, PCCA will continue to manage spill potential in the port area and train employees, Port users, contractors, and vendors on ways to prevent spills.

8.8 INDUSTRIAL AND HIGH RISK RUNOFF

There are currently no Type 1 facilities discharging to the PCCA MS4. PCCA maintains a tenant audit program in which tenants are reviewed annually for compliance with all applicable environmental regulations, including storm water requirements. Additionally, lease ending audits are conducted prior to lease termination to ensure there are no outstanding environmental

MS4 Co-Permittee Annual Report For TPDES Permit No. WQ0004200000

concerns. PCCA maintains a GIS that assists with ensuring audits are completed in a timely manner. The GIS tracks the varying environmental issues associated with tenant operations. Under their respective lease agreements, tenants are responsible for compliance of site operations with applicable environmental requirements. During the reporting period, three tenant audits were conducted within the MS4 area. No illicit discharges were identified within the MS4 area during the tenant audits. PCCA will continue to monitor both tenant and PCCA operations to ensure that storm water runoff is being properly managed.

8.9 CONSTRUCTION SITE RUNOFF

PCCA utilizes a Construction Activities Environmental Checklist and associated construction technical specifications for ensuring environmental compliance on construction projects. The use of the checklist is fully implemented and proves to be successful in ensuring that the appropriate environmental specifications are included in the contract documents for construction projects. During the reporting period 23 construction projects that were let, not all within the MS4 area, were reviewed utilizing the Construction Activities Environmental Checklist and appropriate environmental specifications were included, including applicable storm water requirements in the bid and contract documents. Additionally, construction projects under \$50,000 are also reviewed to determine the inclusion of appropriate environmental controls. Through this review process, storm water runoff from construction site activities is being appropriately managed.

8.10 PUBLIC EDUCATION

Environmental training is provided on a regular basis (monthly and annually) to port employees. The employee training is annually reviewed and tracked to ensure all employees receive appropriate environmental training including storm water pollution prevention training. An employee newsletter is also published on a monthly basis and includes an environmental section. Information on facility compliance is provided as well as information that can be used to help improve environmental performance at home or in the community. Bulletin boards are also maintained in all departments with helpful environmental information for work and at home.

Also, as discussed in Section 7.0 of this report, PCCA has participated in several community events where environmental information was provided to the public. The EMS Program continues to be an appropriate venue for educating the Public.

The PCCA has also hired a Talent Development Manager who is responsible for developing, preparing, facilitating, and monitoring the training and development of all PCCA staff. The Talent Development Manager collaborates with the Environmental Planning and Compliance Department to ensure applicable PCCA staff receive appropriate training on storm water, spill prevention control and countermeasures, and the Environmental Management System.

MS4 Co-Permittee Annual Report For TPDES Permit No. WQ0004200000

8.11 MONITORING & SCREENING PROGRAMS

In accordance with TPDES Permit No. WQ000420000, the City of Corpus Christi maintains responsibility for conducting wet weather monitoring at the three locations identified in Part IV.A.1.a (3) of the permit and floatables monitoring as specified in Part IV.B. However, an objective and target to meet the bench mark levels in the MSGP has been set for our Maintenance Facility.

During the reporting period, three qualifying rain event samples were collected and analyzed for Sector Q benchmark levels. Two of the three samples exceed the five benchmark parameters, while one sample met all benchmark levels except total zinc. PCCA staff conducted investigations to determine causes for the exceedances after each sampling event. The first semi-annual benchmark sample at Maintenance Facility was taken on January 22, 2015. For the January 22, 2015, event, an inspection of the conveyance system identified gray colored water in inlet # 1 and accumulated sediments at inlet #3. The respective inlets were cleaned after the rain event.

An additional sample was analyzed in the first semi-annual monitoring period to assess the effectiveness of recently completed structural repairs and enhancements described in section 8.1. The April 17, 2015, sampling event showed significant improvement overall in monitored pollutants, with all parameters except zinc below the benchmark levels.

The September 9, 2015, rain event exceeded all benchmark levels. Inspection of the storm water conveyance system found vegetative debris and sediment in the filter fabric at inlet #1. A review of the storm water flow data shows that the filter system was overtopped this rainfall event.

The bench mark levels, as discussed previously, were not met for the sampling events during the reporting period. PCCA hired an engineering firm to design storm water conveyance system improvements and controls at its Maintenance Facility. Construction of designed improvements previously described in section 8.1 should be completed by the end of 2016. Sector Q and Annual Hazardous Metals storm water sampling results from our Maintenance Facility are provided in Attachment A.

Dry weather screening and Industrial and High Risk Runoff Monitoring occurs through a variety of existing environmental programs previously discussed in this report including MS4 inspections, tenant audits, construction inspections, and MSGP inspections.

MS4 Co-Permittee Annual Report For TPDES Permit No. WQ0004200000

9.0 CERTIFICATION

I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.

Additionally, a copy of this Annual Report will be provided to the Port Commission in the Executive Director's Report for the January 19, 2016, Commission Meeting.



John P. LaRue
Executive Director

JAN 0 5 2016

Date

**MS4 Co-Permittee Annual Report
For TPDES Permit No. WQ0004200000**

ATTACHMENT A

SUMMARY DATA

SECTOR Q STORM WATER SAMPLE RESULTS

Sample ID	Sample Date	Sample Time	Total Aluminum (mg/L)	Total Iron (mg/L)	Total Lead (mg/L)	Total Zinc (mg/L)	Total Suspended Solids (mg/L)
Benchmark Levels			1.2 (mg/L)	1.3 (mg/L)	0.010 (mg/L)	0.16 (mg/L)	50 (mg/L)
MF-4	01/22/2015	7:23 AM	3.28	3.56	.0331	1.27	140
MF-4	04/17/2015	9:12 PM	0.869	0.874	0.00909	0.19	30
MF-1	09/09/2015	12:34 PM	2.2	2.35	.0235	1.33	85

Annual Hazardous Metals Analysis for Storm Water Discharges to Tidal Waters

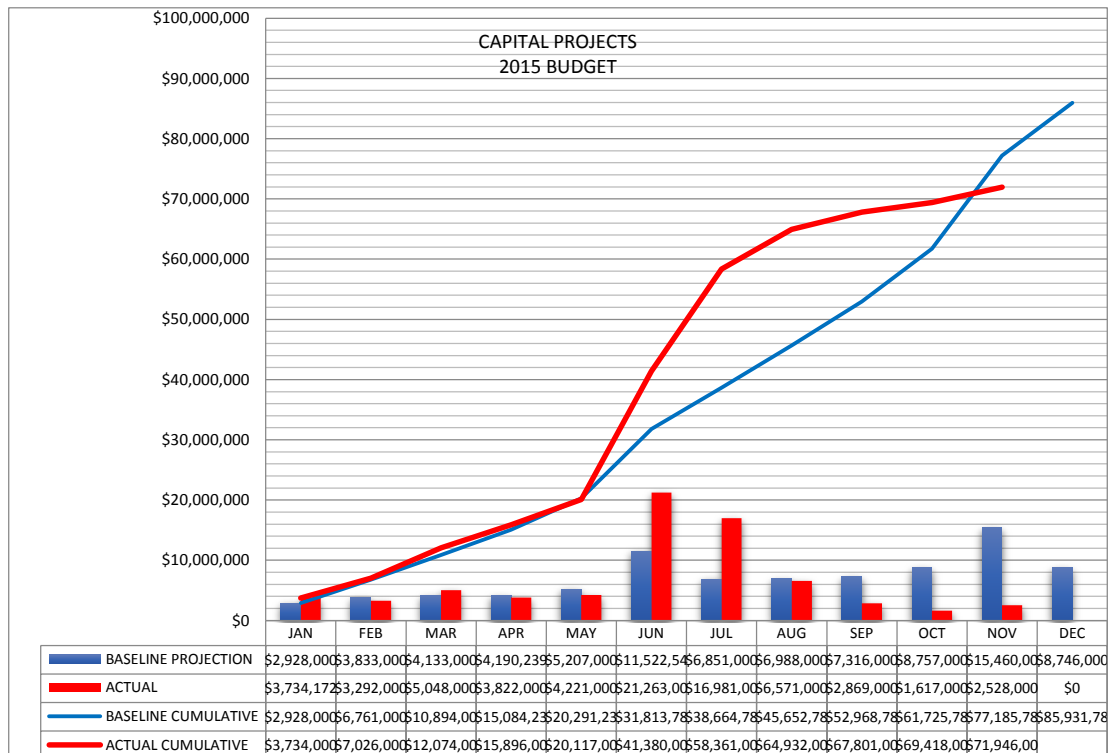
Sample Date	Total Arsenic (mg/L)	Total Barium (mg/L)	Total Cadmium (mg/L)	Total Chromium (mg/L)	Total Copper (mg/L)	Total Lead (mg/L)	Total Manganese (mg/L)	Total Mercury (mg/L)	Total Nickel (mg/L)	Total Selenium (mg/L)	Total Silver (mg/L)	Total Zinc (mg/L)
Numeric Limits	0.3	4.0	0.3	5.0	2.0	1.5	3.0	0.01	3.0	0.3	0.2	6.0
1/22/2015	0.0042	0.6030	0.0019	0.0424	0.0358	0.0331	0.1080	<0.0002	0.0177	<0.002	<0.001	1.2700

ENGINEERING SERVICES

As of December 31, 2015 (billing through November 30, 2015), the Port of Corpus Christi Authority Department of Engineering Services had completed 48 projects and has 131 projects in process. These projects consist of 76 Capital, 47 Maintenance, and 36 Professional Service projects. During November, \$2,762,000 was invoiced for ongoing work. To date this year approximately \$74,858,000 has been invoiced for work performed. Below is a table detailing the 2015 budget amount, the “to date” cost, and year-end forecast for the capital, maintenance and professional services and also the 2016 Budget.

Engineering Services December 2015 Report					
Project Type	No. of Projects	2015 Budget Amount	Expended to Date	End of Year Forecast	2016 Budget
Capital	103	\$85,931,786	\$71,946,000	\$74,858,000	\$91,556,972
Maintenance	55	\$7,155,000	\$1,877,000	\$2,162,000	\$6,905,000
Professional Services	45	\$2,004,500	\$1,094,000	\$1,181,000	\$2,425,000
Total	203	\$95,091,286	\$74,917,000	\$78,201,000	\$100,886,972

Below is a graphic representation of 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.



CAPITAL PROJECTS***Security Grant Improvement Projects***

Security Grant 13 – La Quinta/GIWW Surveillance (13-054C) – FEMA allowed a time extension to this project to install a Wide Area Viewing (WAV) camera that had been purchased and been placed in storage. A contract for the service provider (signal from Ingleside-on-the-Bay to Security Command Center) will be brought to the Commission for action. Security Grant 14 – Oil Dock 14 Access Control (14-060C) - Design of the guard house and other security features at OD-14 began in August. The 95% preliminary design is currently under review. Security Grant 15 - Application (15-061A) - FEMA has released (definitized) the Bulk Terminal fencing project and a kick-off meeting was held with the consultants and staff. Still waiting for the Fulton Corridor Lighting project to be definitized.

CNG Fueling Station (15-015D)

Contractor is commissioning CNG fueling station. Project nearing completion.

Construction of 8-inch Water Line at La Quinta Property (14-045B)

Completion of the final design is still pending, while an easement for the water line is being coordinated and obtained by the City of Portland. Design of the 8" water line, which will provide a partial water line loop to serve the PCCA's La Quinta Property, is 50% complete.

Construction of Multi-purpose Ship and Barge Dock & 15 Acre Storage Yard at La Quinta Gateway Terminal (14-037A)

Design is 95% complete. Design by the first quarter of 2016.

Equipment Storage Building (14-028B)

A preliminary building and office layout is currently out for review by engineering.

Fire System Pressurization Upgrades at Oil Docks (14-023A)

Project design continues, water line route from Oil Dock 1 & 2 has not been finalized.

Full Covers Over All Conveyor Belts (13-033A)

All covers are installed. No further report will be made.

Improvements to Fire Protection Systems at Oil Docks 4, 7, 11 (15-041A)

Preliminary assessment of existing fire protection system complete. Govind provided 60% design submittal for PCCA review and comment. PCCA review ongoing.

Inner Harbor Rail Upgrades & Improvements (2015 Project) (15-016A)

Scope of work has been provided to the Consultant (Freeze and Nichol, Inc.) and an initial scoping meeting is scheduled for January 5, 2016.

Joe Fulton Corridor Waterline Extension (15-065A)

Design 95% complete. Cost share and water service main agreements under negotiations with potential water users and City.

La Quinta Terminal Mitigation – Aquatic Habitat (12-031A)

Construction in progress and is 95% complete. Contractor being required to replant vegetation.

Landscape Enhancements (15-051A)

Consultant selection process completed through RFQ process and a service order was negotiated with LNV, Inc. and approved by the Commission. A kick off meeting was held in early July. The prioritization criteria technical memorandum is currently under review. Contractor completed survey work at three sites: Maintenance Facility shoreline, Nueces Bay public fishing area, and Nueces River public fishing area.

Maintenance Building Relocation (14-061A)

Work on this project has been postponed until 2017 and not included in the 2016 budget. No further report will be made.

New Access Road to Good Hope DMPA (09-019A)

Field survey work (topo) completed for alternate access road easement. Draft metes and bounds and map exhibits to be submitted to Oxy for review in January 2016.

New Fire Barge Dock (12-027A)

Final drawings are complete.

New Operator's Cab for Gantry Crane (15-043A)

The conceptual design has been submitted for review by the BT operations team. Feedback will be gathered and relayed to the design team.

New Port Office Facility (14-036A)

PCCA staff evaluating options for this project.

New Public Oil Dock 18 (14-044A)

HDR has submitted the conceptual design report for up to three docks along the Viola Channel.

Nueces River Rail Yard Phase - II (13-043A)

Wick drains are 100% complete. Embankment has been placed under the transmission lines and limestone base placed on the first 50 stations on the east end of the project. Surcharge has been placed and the surcharge period has begun on all areas, except under the transmission lines. AEP will have the transmission line relocated in January.

Permian Yard Drainage Improvements (09-041A)

Contractor has installed all box culverts, continues to work on outfall apron.

Port Area Signage & Landscaping Improvements (14-039A)

95% plans have been submitted for review. Anticipate final design of signage components to be completed by end of year.

Public Oil Dock 14 (13-032A)

The contractor has installed all the bulkhead steel sheet piles. Six sections of concrete bulkhead cap has been cast and the dredge sub-contractor continues to dredge the slip. The mooring structure piles are driven and the driving template for the first ship breasting structure is to be set the first week of January. The project is approximately 65% complete.

Public Oil Dock 14 Terminal Entrance & Roadway (15-050A)

The Port was awarded the Rider 48 grant in December. An Agreement will be drafted and executed with TxDOT prior to bidding the project. Scheduled to have bids on the street in February.

Purchase and Installation of Additional AEI Readers (15-055A)

Currently awaiting 90% Plans and Specs from Design Consultant. Permitting is also being acquired for access to the Union Pacific site. Plan to bid project in early 2016. Plan to Bid project early 2016.

Reconstruction of Sam Rankin Road (24/76) (15-053A)

Preliminary drawings still under review by PCCA and City of Corpus Christi staff.

Relocation of Suntide DMPA Drainage to Viola Turning Basin (13-036A)

Working with COE to include in the FY16 O&M schedule. Scope of work would include relocating a portion of the ditch as well as maintenance of the remainder of the ditch and culverts.

Remove Tule Lake Lift Bridge Foundations (07-046C)

The 95% design drawings have been completed and are under review. The contract documents are now being finalized to have a contract on the street in Feb. for Commission action early 2016 when the final COE permit is issued.

Replacement of Dock House at Oil Dock 10 (14-041A)

Contractor awaiting delivery of new pre-fab dock house, however continues to work on marine dock repairs and parking lot base layer.

Resurface Public Storage Pads (14-030A)

Addressing plans and spec comments for additional review.

Surplus Sale of Cold Storage Warehouse (14-062A)

Project complete. No further report will be made.

MAINTENANCE PROJECTS

Fire Line Improvements at Oil Dock 2 (15-039A)

Subsurface utility excavation to locate existing fireline and any potential nearby obstructions will be performed mid-January 2016. Once complete findings will be incorporated into drawings and a bid package finalized.

General Improvements to Oil Dock 6 (15-030A)

Staff reviewing draft design drawings and developing contract documents.

Inner and Outer Harbor Land Management (2015) (15-019A)

Project will be advertised for bid in January.

Repair Port Bridge at Oil Dock 11 (15-037A)

Plan to bid the bridge services Oil Dock 11 in early 2016. Design is 90% complete.

Replace Fire Alarm Panels at Ortiz Center (15-036C)

Notice of Substantial Completion was issued and contractor is completing punchlist items.

Replacement of DC Drives in Ship Loader (15-034A)

Two DC drives have been replaced as emergency repairs. During Richmond Engineering next scheduled visit, the third DC drive will be replaced.

Re-Roofing of PCCA Facilities (15-012A)

Preliminary plans and contract documents are currently out for staff review.

Resurfacing of North and South Side Open Storage Areas (15-038A)

Project is currently out for bid with a bid opening scheduled for January 22, 2016.

Roadway & Parking Lot Repairs (2015) (15-018A)

Preparing plans for staff review.

Savage Lane Railroad Drainage (15-022A)

Project is scheduled to bid in late January.

Upgrades and Repairs to Bulk Dock 2 Marine Structures (15-035A)

Study Phase is complete, initial design is currently underway. Plan to Bid project in early 2016.

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.

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 December 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)	\$813,746	\$296,150
Freese and Nichols, Inc. (13-02)	\$407,191	\$278,077
Govind Development, LLC (13-03)	\$249,450	\$176,500
Naismith Engineering, Inc. (13-04)	\$45,000	\$93,780
CH2M Hill (13-05)	\$2,613,470	\$279,380
RVE, Inc. (13-06)	\$729,871	\$225,665
LNV, Inc. (13-07)	\$105,500	\$468,517
Lockwood, Andrews and Newnam, Inc. (14-01)	\$62,694	\$349,994
Maverick Engineering (14-02)	\$50,000	\$8,000
Coast & Harbor Engineering (14-03)	\$193,645	\$186,631
WKMC Architects (14-04)	\$139,500	\$50,000

Worley Parsons (15-01)

\$48,079

UPCOMING PROJECTS/ REQUEST FOR PROPOSALS

Underwater Inspection of Various Waterfront Facilities (15-023A)

January 21, 2016

Resurfacing of South Side Open Storage (15-038A)

January 22, 2016

Inner and Outer Harbor Land Management (2015) (15-019A)

January 29, 2016

Savage Lane Railroad Drainage Improvements (15-022A)

January 29, 2016

Joe Fulton International Trade Corridor Waterline Extension (15-065A)

January 29, 2016

2016 Major and Minor Engineering/Architectural Projects (16-001A)

February 9, 2016

Port of Corpus Christi Authority

MONTHLY FINANCIAL RESULTS

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November 2015



PORTCORPUS CHRISTI™

PORT OF CORPUS CHRISTI AUTHORITY

FINANCIAL RESULTS

KEY METRICS

OPERATING REVENUES	OPERATING EXPENSES	NET INCOME(LOSS)	TONNAGE	SHIPS AND BARGES	CAPITAL PROJECTS
\$ 76,665,513	\$ 46,873,334	\$ 18,544,309	95,035,089	16,785	\$ 69,516,302
↑ 2% Actual	↑ 2% Actual	↓ -38% Actual	↑ 4% Actual	↓ -11% Actual	
↑ 4% Budget	↓ -12% Budget	↓ -12% Budget			↓ -11% Budget

ALL METRICS

METRIC	YTD 2015 ACTUAL	YTD 2014 ACTUAL	% CHANGE	YTD 2015 BUDGET	% CHANGE
ASSETS	\$ 618,474,515	\$ 472,325,979	↑ 31%		
CASH & INVESTMENTS	\$ 173,381,345	\$ 152,525,948	↑ 14%		
ACCOUNTS RECEIVABLE	\$ 10,404,632	\$ 10,366,574	↑ 0%		
RESTRICTED ASSETS	\$ 71,839,837	\$ 36,089	↑ 198,963%		
LIABILITIES	\$ 141,101,887	\$ 21,334,057	↑ 561%		
NET POSITION	\$ 477,372,628	\$ 450,991,922	↑ 6%		
OPERATING REVENUES	\$ 76,665,513	\$ 75,269,319	↑ 2%	\$ 73,522,523	↑ 4%
OPERATING EXPENSES	\$ 46,873,334	\$ 45,732,468	↑ 2%	\$ 53,042,791	↓ -12%
NET OPERATING INCOME (LOSS)	\$ 29,792,179	\$ 29,536,851	↑ 1%	\$ 20,479,732	↑ 45%
NON OPERATING REVENUE (EXPENSES)	\$ (11,247,870)	\$ 583,868	↓ -2,026%	\$ 555,934	↓ -2,123%
NET INCOME (LOSS)	\$ 18,544,309	\$ 30,120,719	↓ -38%	\$ 21,035,666	↓ -12%
TONNAGE	95,035,089	91,421,794	↑ 4%		
SHIPS	1,624	1,463	↑ 11%		
BARGES	5,367	6,360	↓ -16%		
SHIPS & BARGES	6,991	7,823	↓ -11%		
RAIL CARS	16,785	21,197	↓ -21%		
CAPITAL PROJECTS	\$ 69,516,302			\$ 77,867,186	↓ -11%

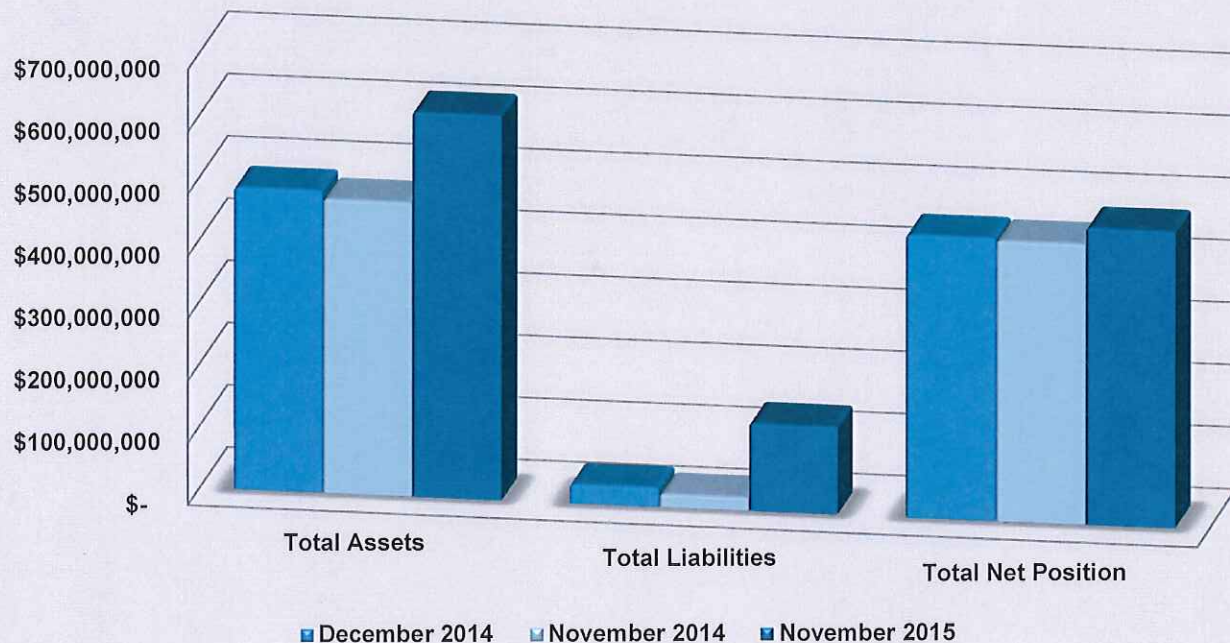
PORT OF CORPUS CHRISTI AUTHORITY

FINANCIAL RESULTS

STATEMENT OF NET POSITION

	November	December	Annual Change	%	November	Year-Over-Year Change	%
	2015	2014			2014		
Cash/ Investments	\$ 173,381,345	\$ 156,102,157	\$ 17,279,188	11%	\$ 152,525,948	\$ 20,855,397	14%
A/R	\$ 10,404,632	\$ 17,341,744	\$ (6,937,112)	-40%	\$ 10,366,574	\$ 38,058	0%
Restricted Assets	\$ 71,839,837	\$ 35,522	\$ 71,804,315	202,140%	\$ 36,089	\$ 71,803,748	198,963%
P P & E, net	\$ 353,678,766	\$ 302,580,237	\$ 51,098,529	17%	\$ 300,877,304	\$ 52,801,462	18%
Other	\$ 9,169,935	\$ 9,014,594	\$ 155,341	2%	\$ 8,520,064	\$ 649,871	8%
Total Assets	\$ 618,474,515	\$ 485,074,254	\$ 133,400,261	28%	\$ 472,325,979	\$ 146,148,536	31%
Current Liabilities	\$ 4,988,177	\$ 8,333,509	\$ (3,345,332)	-40%	\$ 4,581,354	\$ 406,823	9%
Unearned Income	\$ 16,985,952	\$ 18,288,929	\$ (1,302,977)	-7%	\$ 12,785,975	\$ 4,199,977	33%
Long-term Debt	\$ 115,000,000	\$ -	\$ 115,000,000	-	\$ -	\$ 115,000,000	-
Other	\$ 4,127,758	\$ 4,160,634	\$ (32,876)	-1%	\$ 3,966,728	\$ 161,030	4%
Total Liabilities	\$ 141,101,887	\$ 30,783,072	\$ 110,318,815	358%	\$ 21,334,057	\$ 119,767,830	561%
Investment in Net Assets	\$ 285,664,778	\$ 293,461,952	\$ (7,797,174)	-3%	\$ 291,282,791	\$ (5,618,013)	-2%
Restricted Net Position	\$ 71,839,837	\$ 35,522	\$ 71,804,315	202,140%	\$ 36,089	\$ 71,803,748	198,963%
Unrestricted Net Position	\$ 119,868,013	\$ 160,793,708	\$ (40,925,695)	-25%	\$ 159,673,042	\$ (39,805,029)	-25%
Total Net Position	\$ 477,372,628	\$ 454,291,182	\$ 23,081,446	5%	\$ 450,991,922	\$ 26,380,706	6%

Statement of Net Position



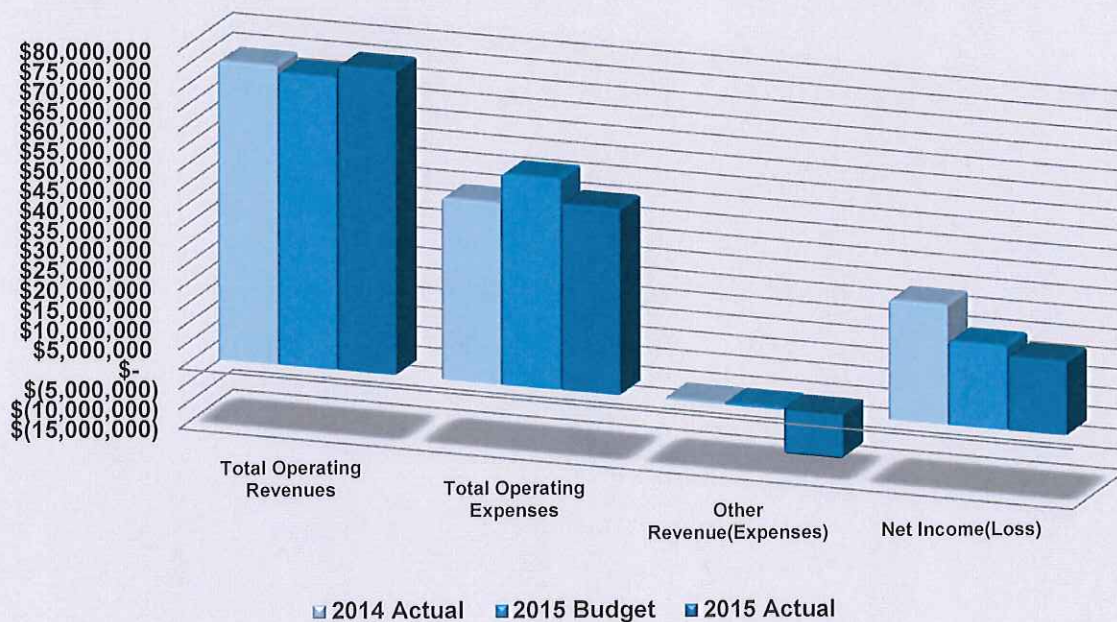
PORT OF CORPUS CHRISTI AUTHORITY

FINANCIAL RESULTS

STATEMENT OF REVENUES AND EXPENSES

	November			Change			
	2015		2014	Budget	%	Actual	%
	Actual	Budget	Actual				
Wharfage	\$ 42,002,899	\$ 39,838,375	\$ 38,703,371	\$ 2,164,524	5%	\$ 3,299,528	9%
Dockage	\$ 12,893,948	\$ 13,548,873	\$ 13,556,457	\$ (654,925)	-5%	\$ (662,509)	-5%
Security	\$ 6,126,645	\$ 6,051,118	\$ 5,927,055	\$ 75,527	1%	\$ 199,590	3%
Other Shipping Services	\$ 7,198,155	\$ 6,098,385	\$ 9,371,531	\$ 1,099,770	18%	\$ (2,173,376)	-23%
Building and Land Rental	\$ 8,443,866	\$ 7,985,772	\$ 7,710,905	\$ 458,094	6%	\$ 732,961	10%
Total Operating Revenues	\$ 76,665,513	\$ 73,522,523	\$ 75,269,319	\$ 3,142,990	4%	\$ 1,396,194	2%
Employee Services	\$ 17,364,674	\$ 18,578,614	\$ 15,242,937	\$ (1,213,940)	-7%	\$ 2,121,737	14%
Maintenance	\$ 3,998,832	\$ 8,699,372	\$ 5,283,082	\$ (4,700,540)	-54%	\$ (1,284,250)	-24%
Utilities/ Telephone	\$ 1,343,256	\$ 1,136,689	\$ 1,160,379	\$ 206,567	18%	\$ 182,877	16%
Insurance	\$ 1,724,167	\$ 1,881,888	\$ 1,832,384	\$ (157,721)	-8%	\$ (108,217)	-6%
Prof/ Contracted Services	\$ 5,502,329	\$ 6,390,747	\$ 6,360,226	\$ (888,418)	-14%	\$ (857,897)	-13%
Operator/ Event Expenses	\$ 1,295,527	\$ 1,433,558	\$ 1,271,745	\$ (138,031)	-10%	\$ 23,782	2%
Admin/Trade Dvlp/Other	\$ 3,566,745	\$ 3,867,917	\$ 3,492,783	\$ (301,172)	-8%	\$ 73,962	2%
Depreciation	\$ 12,077,804	\$ 11,054,006	\$ 11,088,932	\$ 1,023,798	9%	\$ 988,872	9%
Total Operating Expenses	\$ 46,873,334	\$ 53,042,791	\$ 45,732,468	\$ (6,169,457)	-12%	\$ 1,140,866	2%
Net Operating Income(Loss)	\$ 29,792,179	\$ 20,479,732	\$ 29,536,851	\$ 9,312,447	45%	\$ 255,328	1%
Interest Income	\$ 642,653	\$ 372,831	\$ 367,602	\$ 269,822	72%	\$ 275,051	75%
Other Revenue	\$ 192,921	\$ 183,470	\$ 176,124	\$ 9,451	5%	\$ 16,797	10%
Gain(Loss) Disposal of Assets	\$ (5,825,720)	\$ -	\$ 40,596	\$ (5,825,720)	-	\$ (5,866,316)	-14,450%
Interest/Bond Expense	\$ (3,257,673)	\$ (367)	\$ (454)	\$ (3,257,306)	887,549%	\$ (3,257,219)	717,449%
Other Expense	\$ (3,000,051)	\$ -	\$ -	\$ (3,000,051)	-	\$ (3,000,051)	-
Other Revenue(Expenses)	\$ (11,247,870)	\$ 555,934	\$ 583,868	\$ (11,803,804)	-2,123%	\$ (11,831,738)	-5%
Net Income(Loss)	\$ 18,544,309	\$ 21,035,666	\$ 30,120,719	\$ (2,491,357)	-12%	\$ (11,576,410)	-844%

Statement of Revenues & Expenses



PORT OF CORPUS CHRISTI AUTHORITY

FINANCIAL RESULTS

<u>Public Oil Docks</u>	November		
	2015		Variance
	Actual	Budget	
Operating Revenues	\$ 29,136,929	\$ 31,627,813	\$ (2,490,884)
Operating Expenses	\$ (2,116,905)	\$ (3,715,782)	\$ 1,598,877
Net Operating Income(Loss)	\$ 27,020,024	\$ 27,912,031	\$ (892,007)
Other Revenue(Expenses)	\$ -	\$ -	\$ -
Net Income(Loss)	\$ 27,020,024	\$ 27,912,031	\$ (892,007)

<u>Private Oil Docks</u>	November		
	2015		Variance
	Actual	Budget	
Operating Revenues	\$ 14,524,035	\$ 12,548,423	\$ 1,975,612
Operating Expenses	\$ (39,240)	\$ (50,407)	\$ 11,167
Net Operating Income(Loss)	\$ 14,484,795	\$ 12,498,016	\$ 1,986,779
Other Revenue(Expenses)	\$ -	\$ -	\$ -
Net Income(Loss)	\$ 14,484,795	\$ 12,498,016	\$ 1,986,779

<u>Dry Cargo Docks</u>	November		
	2015		Variance
	Actual	Budget	
Operating Revenues	\$ 6,679,803	\$ 5,711,160	\$ 968,643
Operating Expenses	\$ (2,376,172)	\$ (2,845,423)	\$ 469,251
Net Operating Income(Loss)	\$ 4,303,631	\$ 2,865,737	\$ 1,437,894
Other Revenue(Expenses)	\$ -	\$ -	\$ -
Net Income(Loss)	\$ 4,303,631	\$ 2,865,737	\$ 1,437,894

<u>Bulk Terminal</u>	November		
	2015		Variance
	Actual	Budget	
Operating Revenues	\$ 1,992,564	\$ 1,807,382	\$ 185,182
Operating Expenses	\$ (2,058,575)	\$ (2,359,273)	\$ 300,698
Net Operating Income(Loss)	\$ (66,011)	\$ (551,891)	\$ 485,880
Other Revenue(Expenses)	\$ 7,673	\$ 3,575	\$ 4,098
Net Income(Loss)	\$ (58,338)	\$ (548,316)	\$ 489,978

<u>Conference Center</u>	November		
	2015		Variance
	Actual	Budget	
Operating Revenues	\$ 8,409,385	\$ 8,504,880	\$ (95,495)
Operating Expenses	\$ (5,704,497)	\$ (5,971,536)	\$ 267,039
Net Operating Income(Loss)	\$ 2,704,888	\$ 2,533,344	\$ 171,544
Other Revenue(Expenses)	\$ 9,359	\$ -	\$ 9,359
Net Income(Loss)	\$ 2,714,247	\$ 2,533,344	\$ 180,903

PORT OF CORPUS CHRISTI AUTHORITY

FINANCIAL RESULTS

<u>Property and Buildings</u>	November		
	2015		Variance
	Actual	Budget	
Operating Revenues	\$ 7,276,693	\$ 4,410,261	\$ 2,866,432
Operating Expenses	\$ (5,350,645)	\$ (7,571,791)	\$ 2,221,146
Net Operating Income(Loss)	\$ 1,926,048	\$ (3,161,530)	\$ 5,087,578
Other Revenue(Expenses)	\$ (5,928,928)	\$ -	\$ (5,928,928)
Net Income(Loss)	\$ (4,002,880)	\$ (3,161,530)	\$ (841,350)

<u>Other Facilities</u>	November		
	2015		Variance
	Actual	Budget	
Operating Revenues	\$ 2,368,492	\$ 2,861,486	\$ (492,994)
Operating Expenses	\$ (1,448,694)	\$ (1,491,305)	\$ 42,611
Net Operating Income(Loss)	\$ 919,798	\$ 1,370,181	\$ (450,383)
Other Revenue(Expenses)	\$ (2,997,200)	\$ -	\$ (2,997,200)
Net Income(Loss)	\$ (2,077,402)	\$ 1,370,181	\$ (3,447,583)

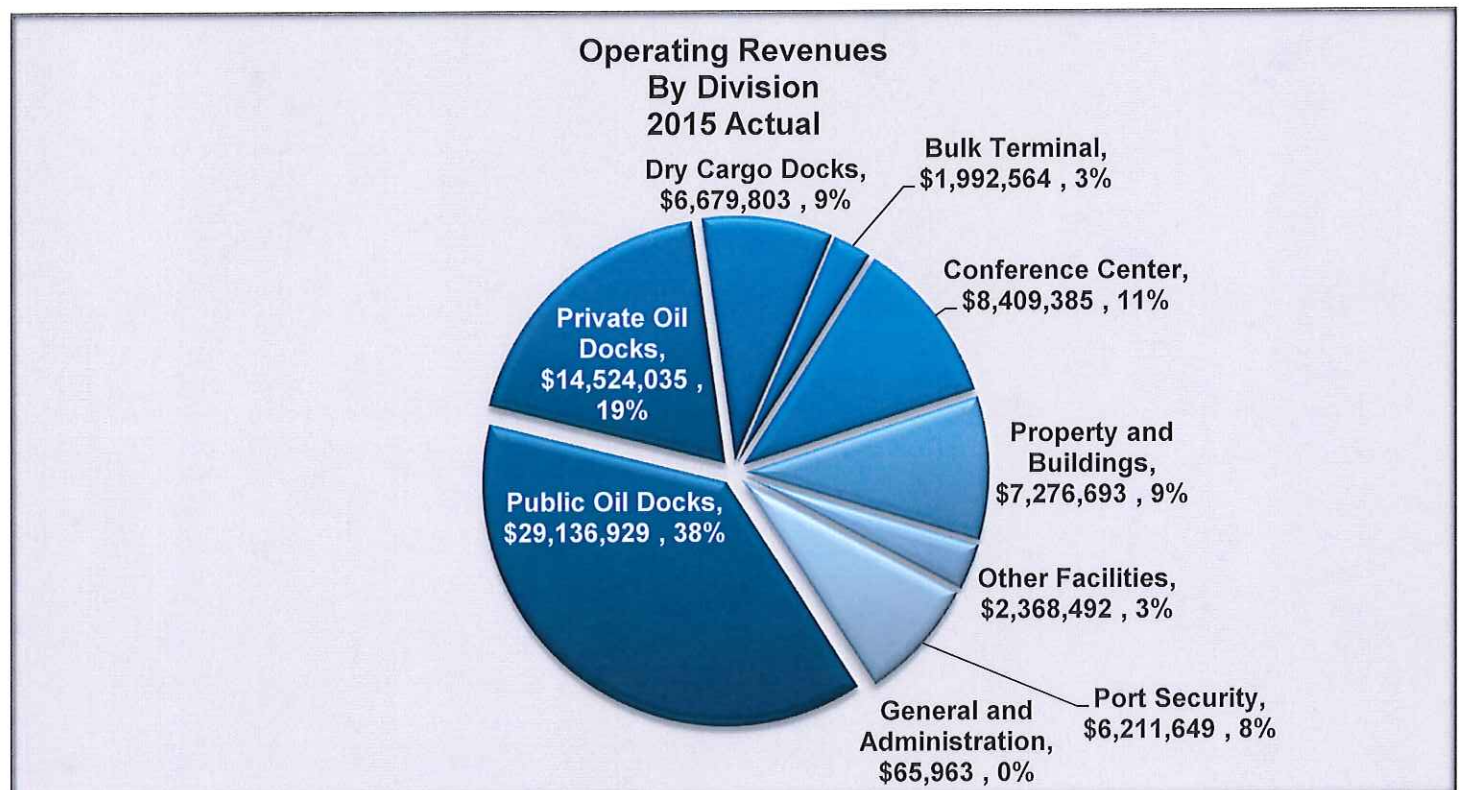
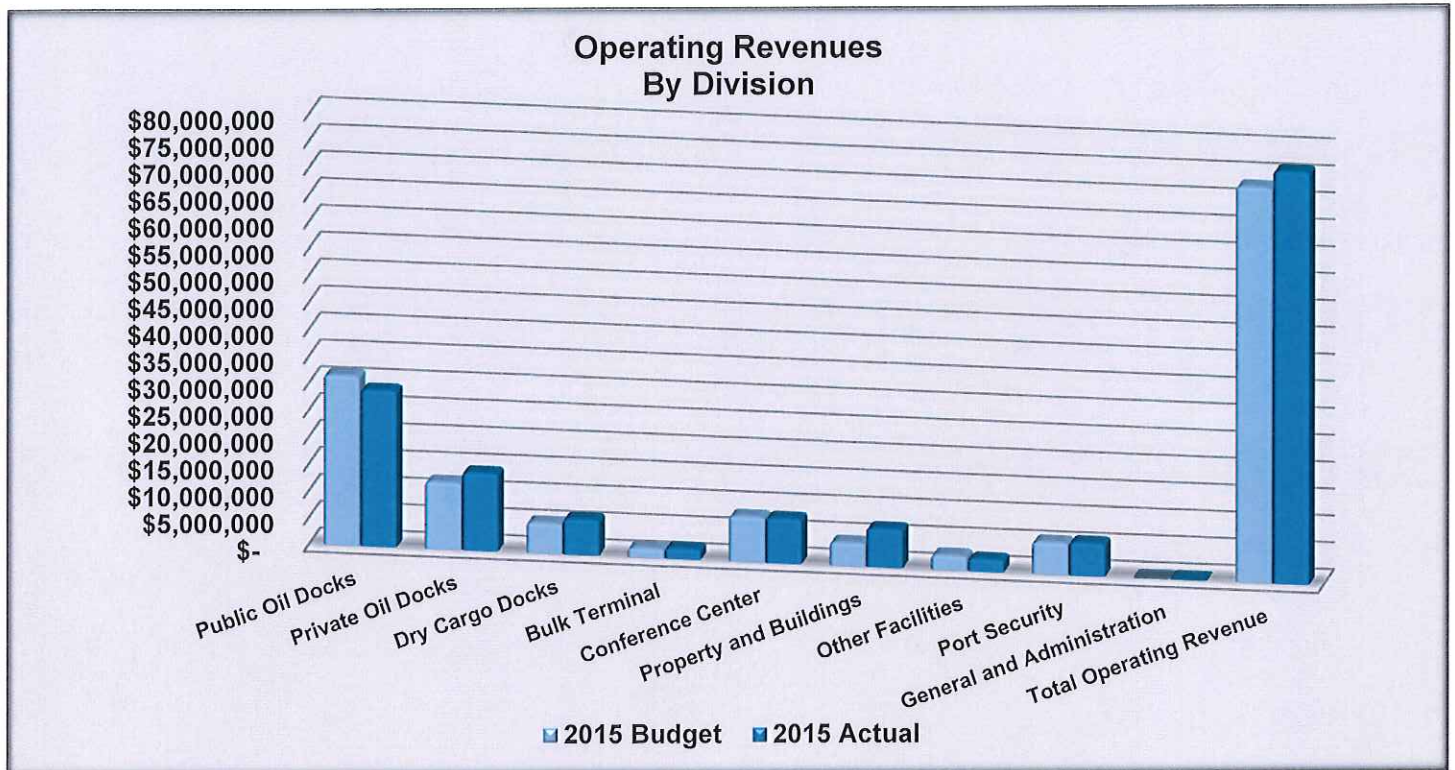
<u>Port Security</u>	November		
	2015		Variance
	Actual	Budget	
Operating Revenues	\$ 6,211,649	\$ 6,051,118	\$ 160,531
Operating Expenses	\$ (8,439,667)	\$ (8,253,429)	\$ (186,238)
Net Operating Income(Loss)	\$ (2,228,018)	\$ (2,202,311)	\$ (25,707)
Other Revenue(Expenses)	\$ 15,012	\$ -	\$ 15,012
Net Income(Loss)	\$ (2,213,006)	\$ (2,202,311)	\$ (10,695)

<u>General and Administration</u>	November		
	2015		Variance
	Actual	Budget	
Operating Revenues	\$ 65,963	\$ -	\$ 65,963
Operating Expenses	\$ (19,338,940)	\$ (20,783,845)	\$ 1,444,905
Net Operating Income(Loss)	\$ (19,272,977)	\$ (20,783,845)	\$ 1,510,868
Other Revenue(Expenses)	\$ (2,353,786)	\$ 552,359	\$ (2,906,145)
Net Income(Loss)	\$ (21,626,763)	\$ (20,231,486)	\$ (1,395,277)

<u>Total</u>	November		
	2015		Variance
	Actual	Budget	
Operating Revenues	\$ 76,665,513	\$ 73,522,523	\$ 3,142,990
Operating Expenses	\$ (46,873,335)	\$ (53,042,791)	\$ 6,169,456
Net Operating Income(Loss)	\$ 29,792,178	\$ 20,479,732	\$ 9,312,446
Other Revenue(Expenses)	\$ (11,247,870)	\$ 555,934	\$ (11,803,804)
Net Income(Loss)	\$ 18,544,308	\$ 21,035,666	\$ (2,491,358)

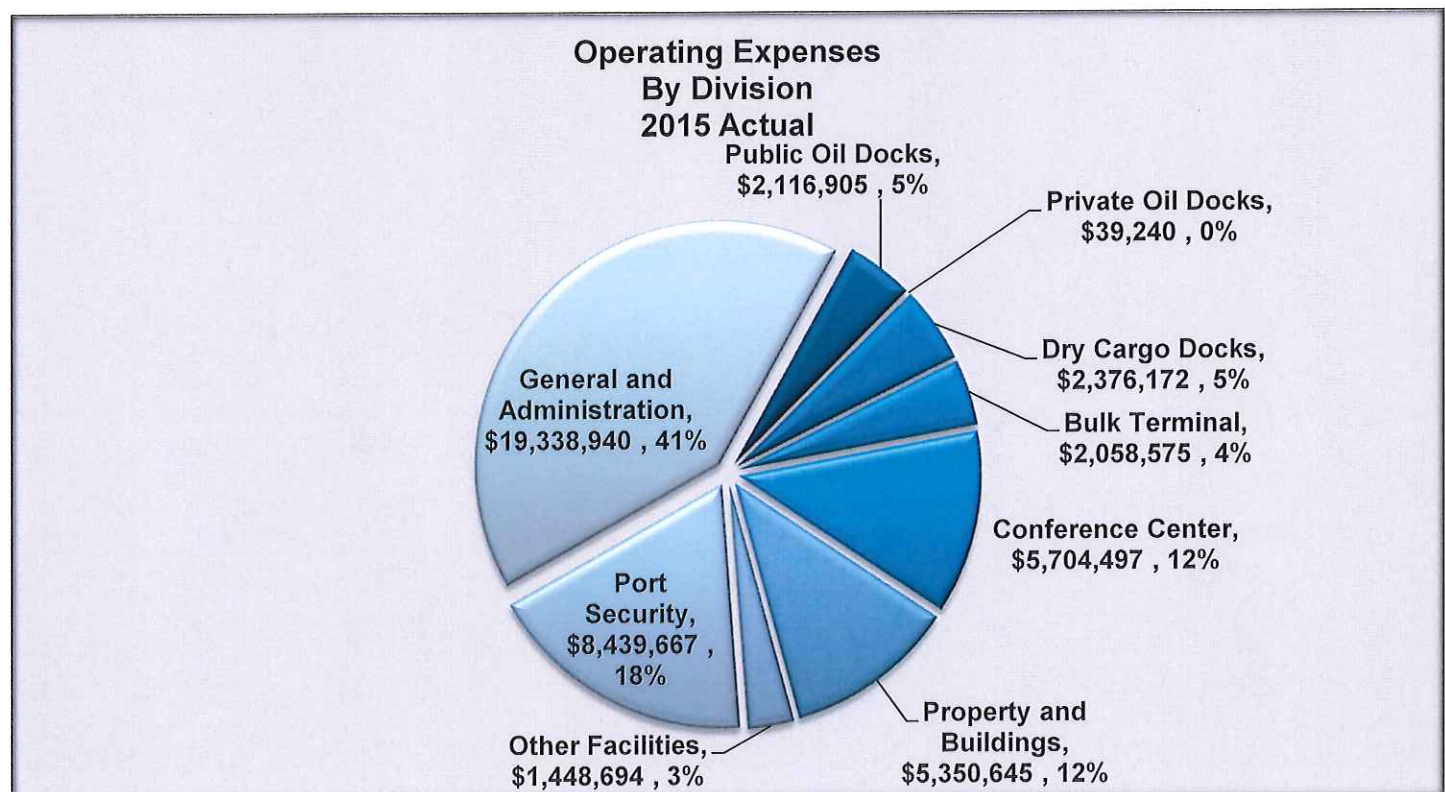
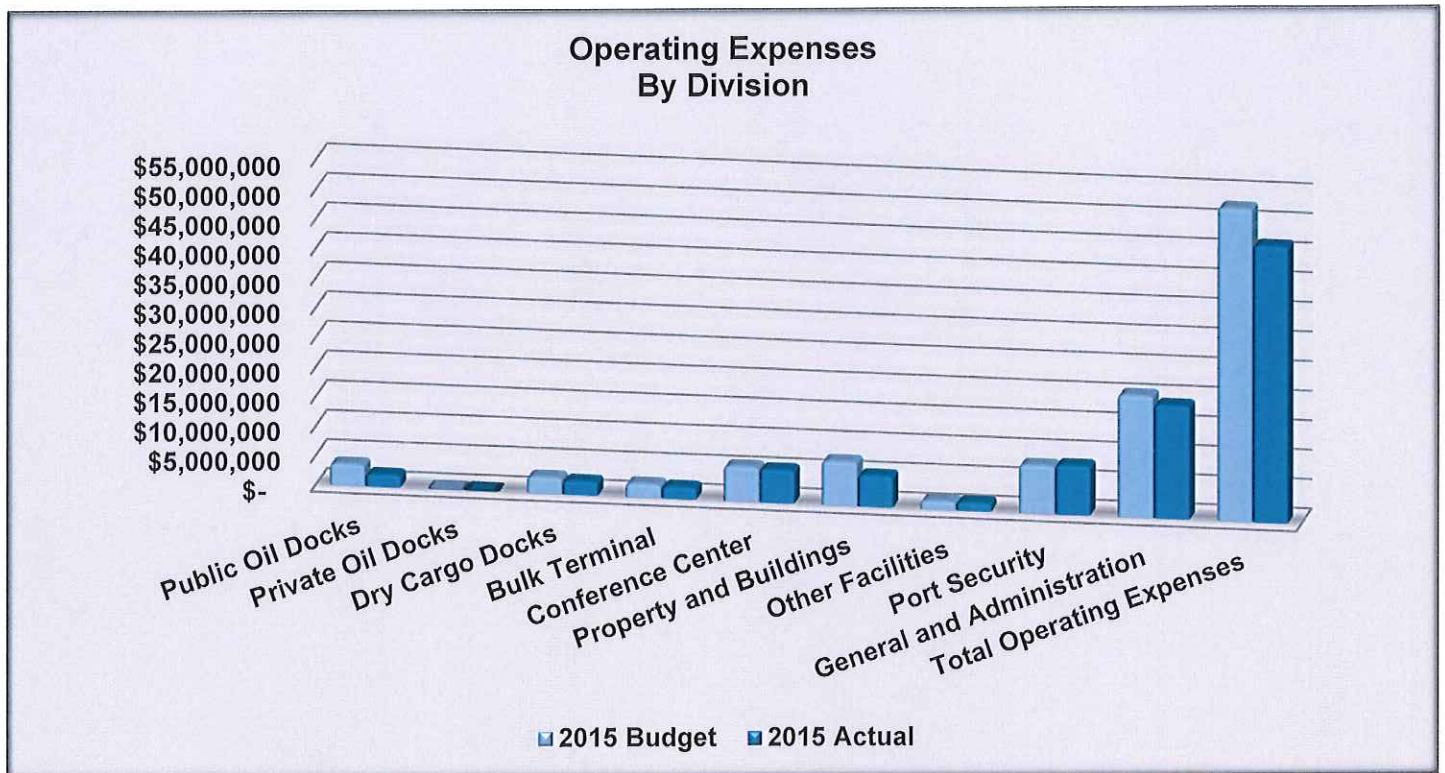
PORT OF CORPUS CHRISTI AUTHORITY

FINANCIAL RESULTS



PORT OF CORPUS CHRISTI AUTHORITY

FINANCIAL RESULTS

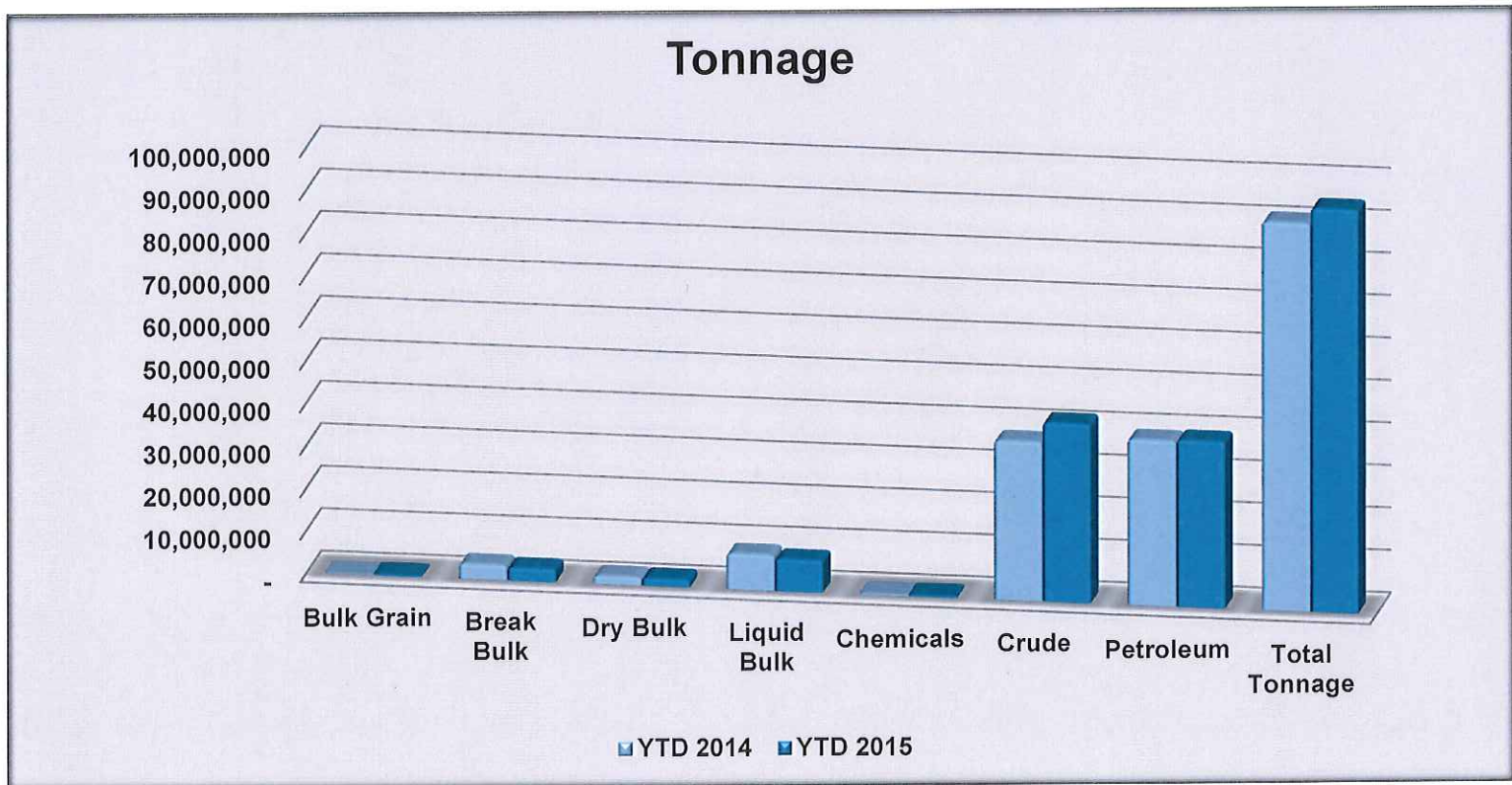


PORT OF CORPUS CHRISTI AUTHORITY

FINANCIAL RESULTS

TONNAGE

	November		Mth Over Mth Change	%	YTD		Year Over Year Change	%
	2015	2014			2015	2014		
Bulk Grain	25,495	13,629	11,866	87%	379,594	261,613	117,981	45%
Break Bulk	425,131	526,998	(101,867)	-19%	3,103,299	3,621,710	(518,411)	-14%
Dry Bulk	161,541	176,765	(15,224)	-9%	1,842,125	2,003,738	(161,613)	-8%
Liquid Bulk	447,116	733,178	(286,062)	-39%	7,650,394	8,485,689	(835,295)	-10%
Chemicals	21,926	9,682	12,244	126%	529,307	430,130	99,177	23%
Crude	3,881,466	3,804,373	77,093	2%	42,200,937	37,561,967	4,638,970	12%
Petroleum	3,529,439	3,451,386	78,053	2%	39,329,433	39,056,947	272,486	1%
Total Tonnage	8,492,114	8,716,011	(223,897)	-3%	95,035,089	91,421,794	3,613,295	4%



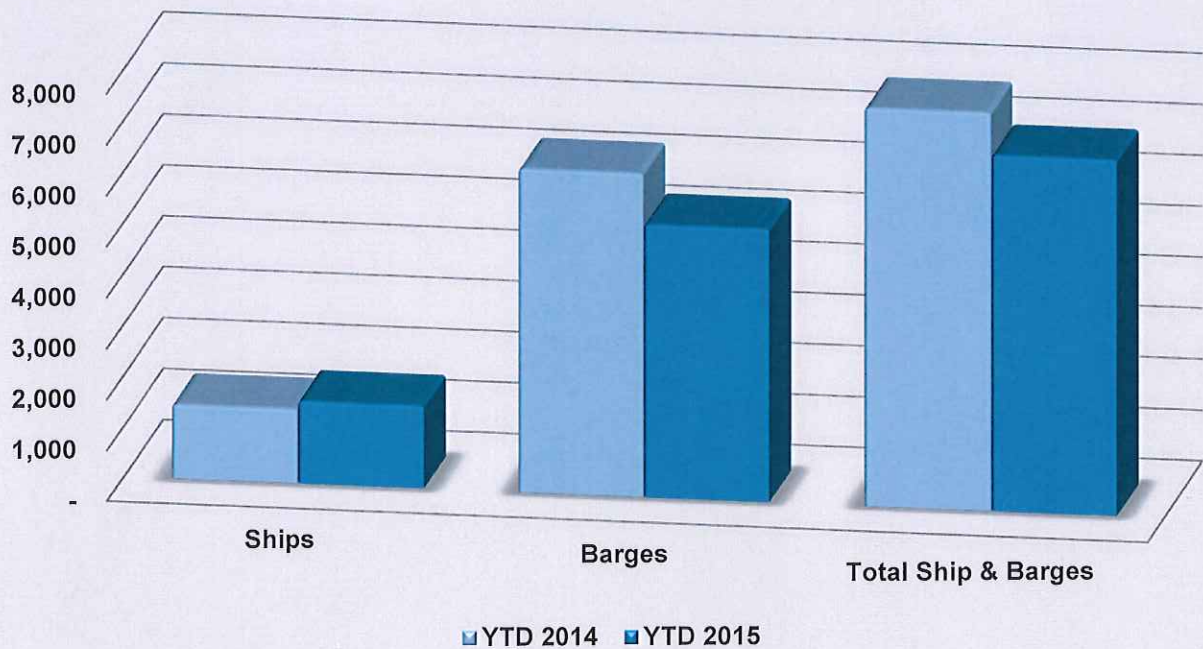
PORT OF CORPUS CHRISTI AUTHORITY

FINANCIAL RESULTS

SHIP & BARGE MOVEMENTS

	November		Mth Over Mth Change	%	YTD		Year Over Year Change	%
	2015	2014			2015	2014		
Ships	144	131	13	10%	1,624	1,463	161	11%
Barges	452	596	(144)	-24%	5,367	6,360	(993)	-16%
Total Ship & Barges	596	727	(131)	-18%	6,991	7,823	(832)	-11%

Ships & Barges

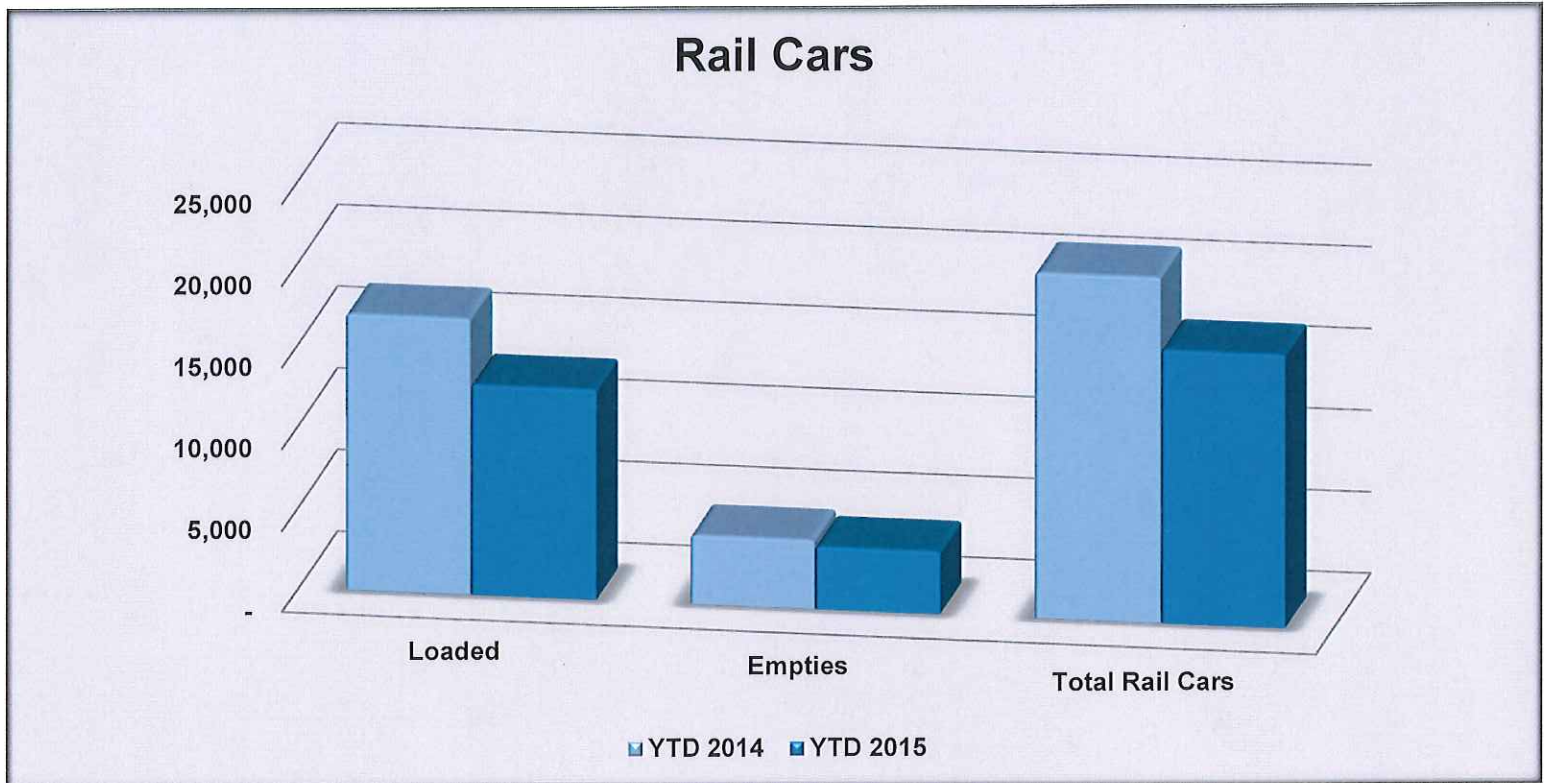


PORT OF CORPUS CHRISTI AUTHORITY

FINANCIAL RESULTS

RAIL CARS

	November		Mth Over Mth Change	%	YTD			
	2015	2014			2015	2014	Year Over Year Change	%
Loaded	3,153	3,057	96	3%	12,911	16,934	(4,023)	-24%
Empties	302	298	4	1%	3,874	4,263	(389)	-9%
Total Rail Cars	3,455	3,355	100	3%	16,785	21,197	(4,412)	-21%

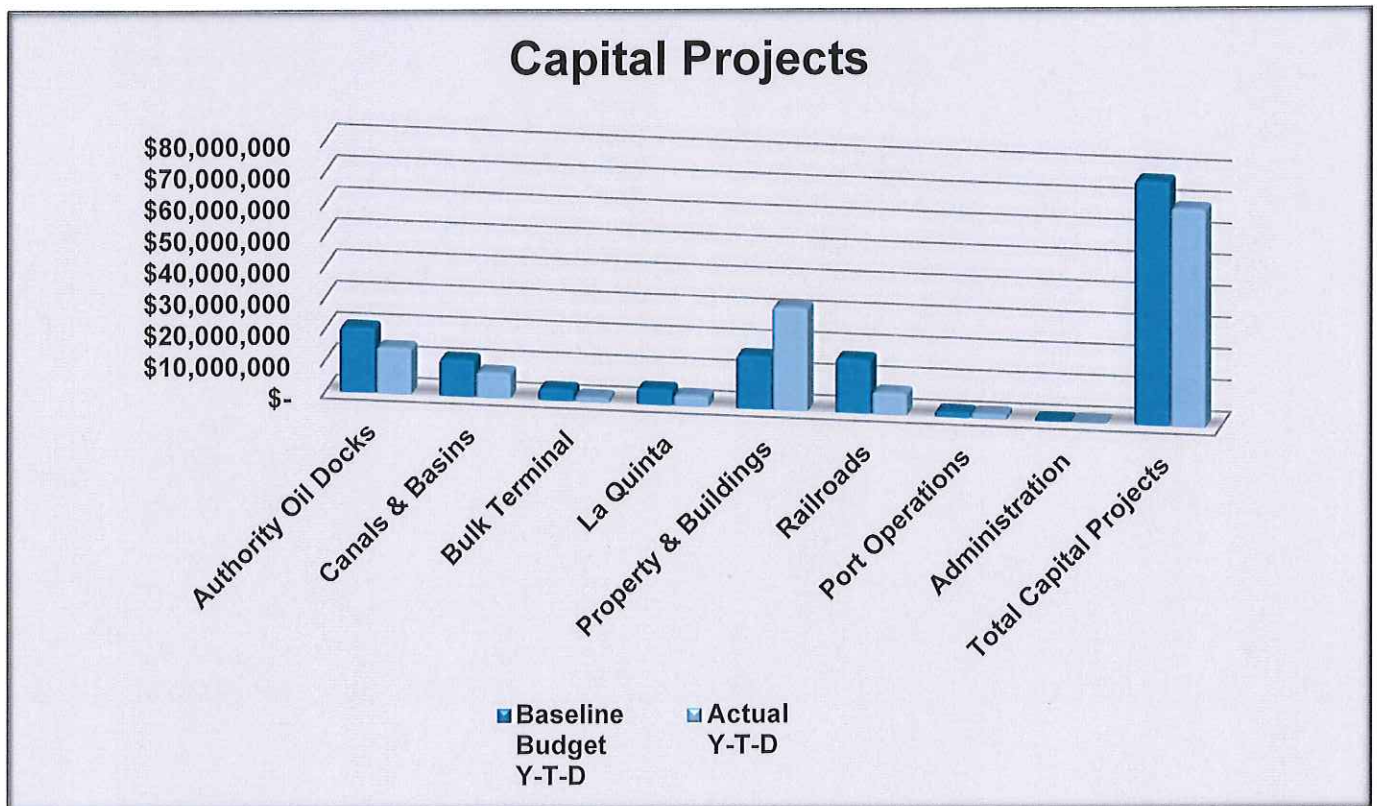


PORT OF CORPUS CHRISTI AUTHORITY

FINANCIAL RESULTS

CAPITAL PROJECTS

	Annual Budget	Actual Y-T-D	Balance Remaining	Baseline Budget Y-T-D	Actual Y-T-D	Variance
Authority Oil Docks	\$ 23,469,142	\$ 14,711,267	\$ 8,757,875	\$ 20,727,142	\$ 14,711,267	\$ (6,015,875)
Canals & Basins	\$ 12,663,644	\$ 8,123,343	\$ 4,540,301	\$ 11,804,644	\$ 8,123,343	\$ (3,681,301)
Bulk Terminal	\$ 4,055,000	\$ 1,613,180	\$ 2,441,820	\$ 3,829,000	\$ 1,613,180	\$ (2,215,820)
La Quinta	\$ 5,785,000	\$ 3,441,730	\$ 2,343,270	\$ 5,177,000	\$ 3,441,730	\$ (1,735,270)
Property & Buildings	\$ 18,670,000	\$ 32,846,873	\$ (14,176,873)	\$ 16,989,000	\$ 32,846,873	\$ 15,857,873
Railroads	\$ 19,944,000	\$ 7,043,274	\$ 12,900,726	\$ 17,329,000	\$ 7,043,274	\$ (10,285,726)
Port Operations	\$ 1,755,000	\$ 1,574,866	\$ 180,134	\$ 1,755,000	\$ 1,574,866	\$ (180,134)
Administration	\$ 271,400	\$ 161,769	\$ 109,631	\$ 256,400	\$ 161,769	\$ (94,631)
Total Capital Projects	\$ 86,613,186	\$ 69,516,302	\$ 17,096,884	\$ 77,867,186	\$ 69,516,302	\$ (8,350,884)



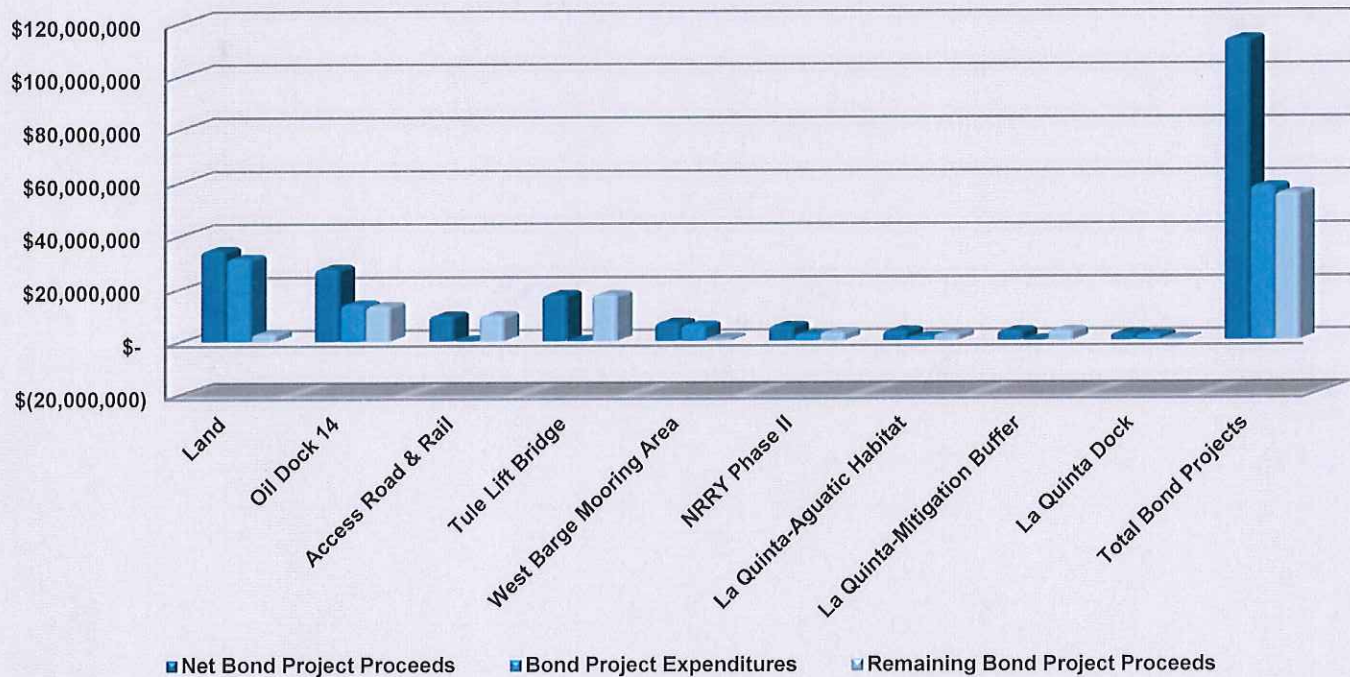
PORT OF CORPUS CHRISTI AUTHORITY

FINANCIAL RESULTS

BOND PROJECT PROCEEDS - (As of November 2015)

	Bond Project Proceeds	Bond Issuance Expenses	Net Bond Project Proceeds	Bond Project Expenditures	Remaining Bond Project Proceeds
Land	\$ 34,960,000	\$ 346,544	\$ 34,613,456	\$ 31,587,883	\$ 3,025,573
Oil Dock 14	\$ 28,000,000	\$ 277,552	\$ 27,722,448	\$ 14,194,786	\$ 13,527,662
Access Road & Rail	\$ 10,000,000	\$ 99,126	\$ 9,900,874	\$ (4,387)	\$ 9,905,261
Tule Lift Bridge	\$ 18,000,000	\$ 178,426	\$ 17,821,574	\$ 69,030	\$ 17,752,544
West Barge Mooring Area	\$ 7,280,000	\$ 72,164	\$ 7,207,836	\$ 6,160,758	\$ 1,047,078
NRRY Phase II	\$ 6,000,000	\$ 59,476	\$ 5,940,524	\$ 2,556,478	\$ 3,384,046
La Quinta-Aguatic Habitat	\$ 4,020,000	\$ 39,848	\$ 3,980,152	\$ 1,474,915	\$ 2,505,237
La Quinta-Mitigation Buffer	\$ 3,940,000	\$ 39,056	\$ 3,900,944	\$ (1,729)	\$ 3,902,673
La Quinta Dock	\$ 2,800,000	\$ 27,755	\$ 2,772,245	\$ 2,136,975	\$ 635,270
Total Bond Projects	\$ 115,000,000	\$ 1,139,947	\$ 113,860,053	\$ 58,174,709	\$ 55,685,344

Bond Project Proceeds (As of November 2015)



AGENDA ITEM NO. 18

**Comments from
Port Commissioners**

NO ATTACHMENT

AGENDA ITEM NOS. 19, 20, 21, 22 & 23

Executive Session

NO ATTACHMENTS

DATE: January 19, 2016

TO: Port Commission

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

AGENDA ITEM NO. 24

Approve a Service Order with CH2M Hill Engineers Inc., under its Professional Services Master Agreement, for Engineering Services Associated with the New Oil Dock 15

SUMMARY: Staff requests approval of a Service Order with CH2M Hill Engineers Inc. (CH2M), under an existing Professional Services Master Agreement, for engineering services associated with the new Oil Dock 15. The 2016 budget included \$500,000 for design of this strategic capital project; this Service Order has a not-to-exceed budget of \$150,000.

BACKGROUND: Negotiations between Martin Operating Partners (Martin) and PCCA staff are ongoing with regard to relocation of the company's current oil operations at Cargo Dock 10, which will be displaced by construction of the New Harbor Bridge, to a proposed new facility to be designated as Oil Dock 15. The proposed dock location is west of Oil Dock 2, near NuStar Oil Dock 16 (see attached exhibit).

In order to meet Martin's anticipated timetable, staff negotiated a service order with CH2M under its existing Professional Services Master Agreement to provide engineering and design services for this new dock. This Service Order will be executed only upon the PCCA Staff and Martin reaching an agreement on the terms and conditions for Martin's use of Oil Dock 15. CH2M previously initiated design and permitting efforts for the proposed dock through a separate contract with Martin. A U.S. Army Corps of Engineers permit has been issued for the proposed dock.

The scope of services for this Service Order builds on design work completed to date, provides continued efforts for preliminary design and permitting support, and initiates final design and preparation of contract documents for the construction of marine components for a new concrete pile supported dock and slip.

As the full scope of the project is finalized, a subsequent Service Order will be negotiated and presented to the Commission for approval at a future meeting. The subsequent Service Order will include additional engineering services associated with final design of marine components, design of oil handling equipment, mechanical/electrical components, instrumentation, site access control, and upland

infrastructure. Staff continues to work with CH2M to further define design criteria and the scope of services required for a complete project design.

ALTERNATIVES: PCCA staff and Martin have evaluated and discussed several alternatives related to this project. Alternate locations and dock configurations have been evaluated as well as operational alternatives to accommodate Martin's throughput at existing Public Oil Docks. Based on the current schedule for the Harbor Bridge, Martin and PCCA operational requirements, and regulatory permitting stipulations, the proposed project is considered to be the preferred alternative to meet the primary goal of having an operating dock facility for Martin's use by first quarter of 2017.

CONFORMITY TO PORT POLICY: This project conforms to Port Policy and is included as a Strategic Capital Project in the 2016 Capital Budget. In addition, the project is consistent with the PCCA 2025 Strategic Plan, identified in Strategic Goal #2 – Provide Facilities & Services to Meet Customer Needs to provide surface infrastructure and services to support maritime and industrial development.

EMERGENCY: No.

FINANCIAL IMPACT: This project will maintain throughput levels with an existing customer by replacing capacity that will be impacted by construction of the new Harbor Bridge. The PCCA's cost to design and construct the proposed dock will be recovered through rentals, capital recovery fees, and minimum annual guaranteed throughput volume to be included in a new lease with Martin currently being negotiated.

STAFF RECOMMENDATION: Staff recommends approval of a Service Order with CH2M Hill Engineers Inc., under an existing Professional Services Master Agreement, for engineering services associated with the new Oil Dock 15 at a cost not to exceed \$150,000, subject to PCCA Staff and Martin reaching an agreement on the terms and conditions for Martin's use of Oil Dock 15. An additional Service Order to complete the design and to prepare bid and construction documents will be bought forward at a future Commission Meeting for consideration.

DEPARTMENTAL CLEARANCES:

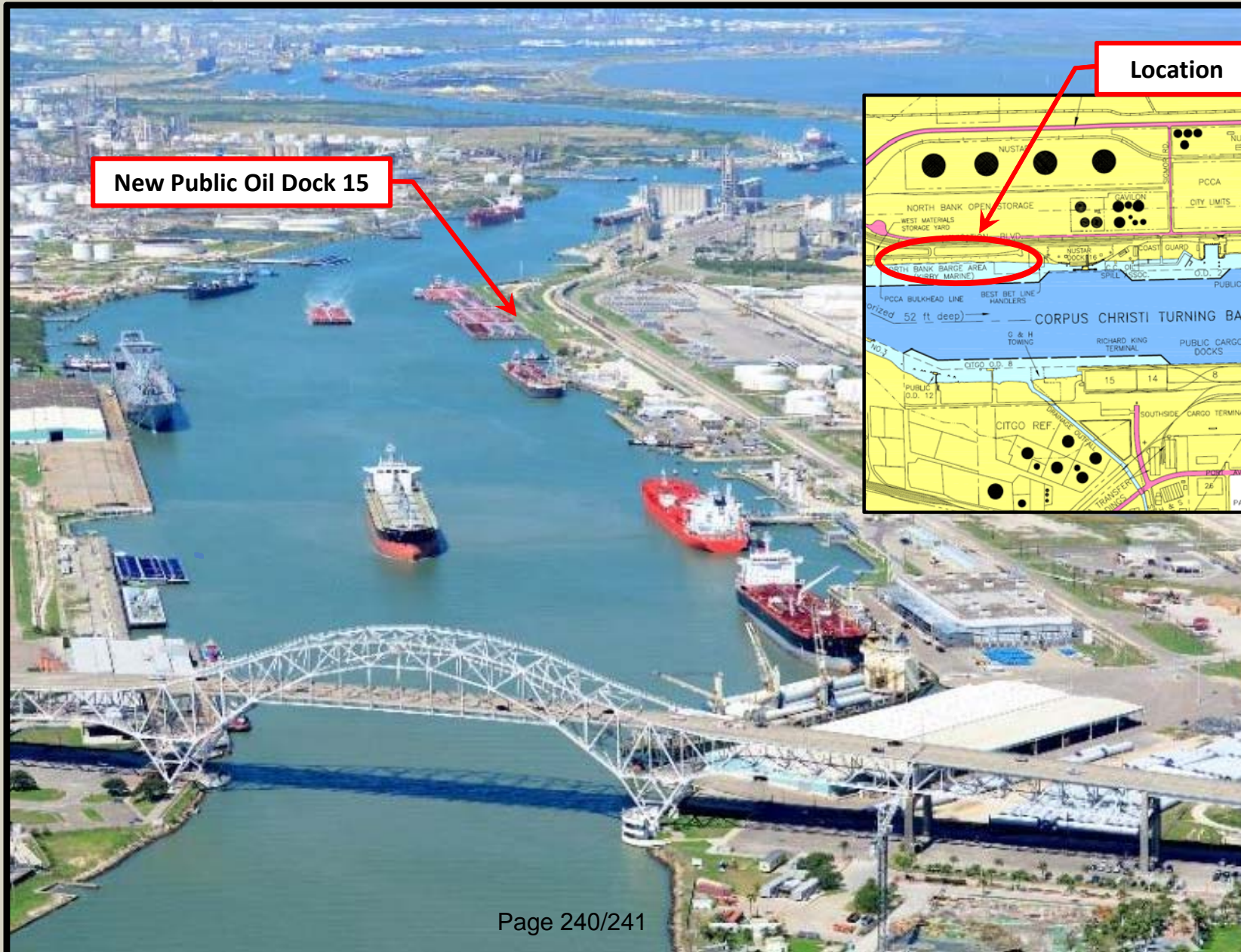
Originating Department	Engineering Services
Reviewed & Approved	David Krams Brett Flint
Legal	None <i>(Master Agmt Service Order will be used without additional legal review)</i>
Senior Staff	John LaRue Sean Strawbridge Jarl Pederson

LIST OF SUPPORTING DOCUMENTS:

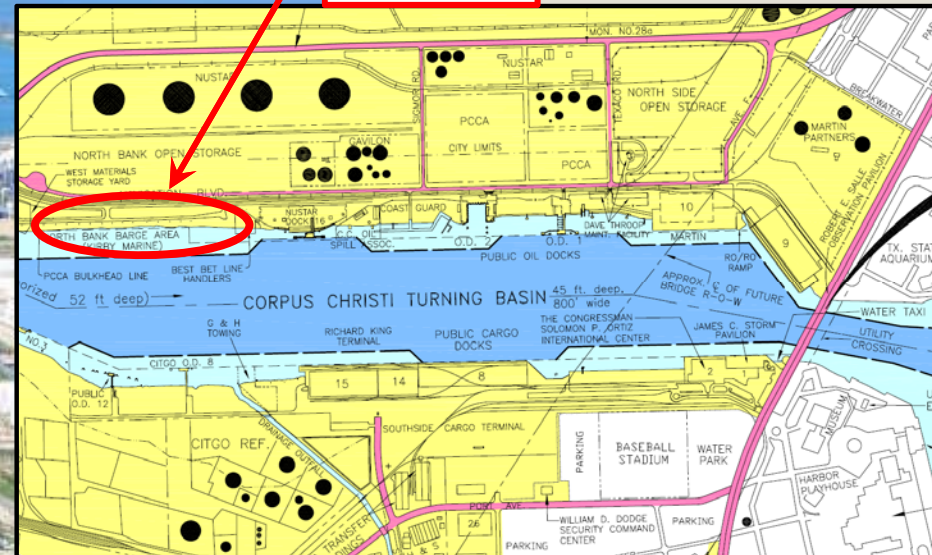
Map of Proposed Oil Dock 15 Location



New Public Oil Dock 15



Location



AGENDA ITEM NO. 25

ADJOURN