



PORTCORPUSCHRISTI

**Notice of Meeting of the Port Commission of the
Port of Corpus Christi Authority of Nueces County, Texas, on
Tuesday, August 16, 2016, at 9:00 AM
At the Solomon P. Ortiz International Center
402 Harbor Dr, Corpus Christi, Texas**

This meeting will begin at 9:00 AM or at the conclusion of the Pilot Board meeting, if later.

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.

- 1. CALL TO ORDER**
- 2. SAFETY BRIEFING**
- 3. PLEDGE OF ALLEGIANCE**
- 4. INVOCATION**
- 5. RECEIVE CONFLICT OF INTEREST AFFIDAVITS**
- 6. MINUTES**
 - 6.a. Approve the minutes of the July 19, 2016 Commission meeting.

7. **PUBLIC COMMENT (Each speaker is limited to three minutes.)**
8. **RECEIVE REPORT FROM SECURITY COMMITTEE - No Attachment**
9. **RECEIVE REPORT FROM AUDIT COMMITTEE - No Attachment**
10. **RECEIVE REPORT FROM LONG-RANGE PLANNING COMMITTEE - No Attachment**
11. **PRESENTATIONS**
 - 11.a. Receive progress report from Del Richardson & Associates on the Hillcrest/Washington-Coles Voluntary Real Estate Acquisition and Relocation Program.
[DRA Progress Report](#)
12. **OPEN AGENDA**
 - 12.a. Approve PCCA's second quarter financial report.
[2nd Quarter Financial Report - MEMO](#)
[2nd Quarter Financials - REPORT](#)
 - 12.b. Approve PCCA's second quarter investment report.
[2nd Quarter Investment Report - MEMO](#)
[2nd Quarter Investment -REPORT](#)
 - 12.c. Approve the PCCA's 2016 Procurement Policy.
[Procurement Policy MEMO](#)
[Procurement POLICY](#)
 - 12.d. Approve the purchase of Cisco Phone System from Computer Solutions in the total amount of \$200,405.53.
[Cisco Phone System - MEMO](#)
[Cisco Phone System - QUOTE](#)
[Cisco Phone System - ENGAGEMENT LTR](#)
 - 12.e. Approve contracts with CyrusOne for data center colocation, Time Warner Cable for telecommunications, and Sigma for networking equipment moving services.
[No Attachment](#)
 - 12.f. Award an Indefinite Delivery/Indefinite Quantity Contract to Coastal Bend Demolition Inc., the best proposer based on proposals received on June 28, 2016, for residential/commercial demolition and property clearing services in connection with the Harbor Bridge project.
[Hillcrest Demo -MEMO](#)
[Hillcrest Demo - AGREEMENT](#)
 - 12.g. Award an Indefinite Delivery/Indefinite Quantity Professional Services Contract to Professional Services Industries Inc., the best proposer for proposals received on August 3, 2016, for environmental inspections and

plans and demolition contract administration related to properties acquired by the PCCA under the Hillcrest/Washington-Coles Voluntary Real Estate Acquisition and Relocation Assistance Program.

[Hillcrest Environmental - MEMO](#)

[Hillcrest Environmental- AGREEMENT](#)

- 12.h. Approve an Easement Agreement with Cheniere Corpus Christi Pipeline, L.P., for a 48-inch natural gas pipeline on PCCA property located at the La Quinta Terminal site in San Patricio County, Texas.

[Cheniere - MEMO](#)

[Cheniere - MAP](#)

[Cheniere - SUMMARY](#)

[Cheniere - EASEMENT](#)

13. CONSENT AGENDA

- 13.a. Approve an Electric Transmission Line Easement with AEP Texas Central Company to replace two 138kV transmission lines under the Corpus Christi Ship Channel.

[AEP - MEMO](#)

[AEP Easement - MAPS](#)

[AEP Easement - SUMMARY](#)

[AEP Easement - AGREEMENT](#)

[AEP Easement - METES & BOUNDS A](#)

[AEP Easement - METES & BOUNDS B](#)

- 13.b. Award a construction contract in the amount of \$69,930 to Malek Inc., the lowest and best bidder based on bids received on July 22, 2016, to replace the HVAC chiller in the Annex Building.

[Annex Bldg HVAC - MEMO](#)

[Annex Bldg HVAC - BID SHEET](#)

- 13.c. Approve a Lease Agreement with Flatiron/Dragados, LLC, for temporary construction areas located on the north and south sides of the Corpus Christi Turning Basin to facilitate construction of the new Harbor Bridge.

[Flatiron Dragados - MEMO](#)

[Flatiron Dragados - MAP](#)

[Flatiron Dragados - SUMMARY](#)

[Flatiron Dragados - LEASE](#)

- 13.d. Approve a Professional Engineering Services Contract with Freese and Nichols Inc. in the amount of \$92,262 for engineering services associated with paving improvements at the Bulk Terminal

[Bulk Terminal Paving - MEMO](#)

[Bulk Terminal Paving - MAP](#)

- 13.e. Approve agreement with the Refinery Terminal Fire Company for marine firefighting services.

[RTFC - MEMO](#)

[RTFC - AGREEMENT](#)

[RTFC - BYLAWS](#)

14. STAFF/COMMISSION COMMENTS

- 14.a. 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.
[Executive Director's Report](#)
- 14.b. Receive comments from Port Commissioners on any of the agenda items for this meeting, the PCCA's activities during the preceding month, upcoming PCCA events, and suggestions for future agenda items. (No Attachment)

15. EXECUTIVE SESSION

- 15.a. The Commission will go into executive session pursuant to §551.087 of the Texas Government Code to deliberate offering financial or other incentives to a business prospect that PCCA is encouraging to locate in San Patricio County and with which PCCA is conducting economic development negotiations. (No Attachment)
- 15.b. The Commission will go into executive session pursuant to §551.072 of the Texas Government Code to deliberate the purchase and value of certain real property in the vicinity of the La Quinta Ship Channel. (No Attachment)
- 15.c. The Commission will go into executive session pursuant to §551.072 and §551.087 of the Texas Government Code to deliberate (i) leasing certain PCCA real property on the north side of the Inner Harbor, and (ii) offering financial or other incentives to a business prospect that PCCA is encouraging to locate on the north side of the Inner Harbor and with which PCCA is conducting economic development negotiations. (No Attachment)
- 15.d. The Commission will go into executive session pursuant to §551.071 and §551.072 of the Texas Government Code to deliberate the purchase and value of certain real property in the vicinity of the La Quinta Channel and to receive legal advice from PCCA counsel regarding the acquisition of this property. (No Attachment)
- 15.e. The Commission will go into executive session pursuant to §552.071 and §551.072 of the Texas Government Code to deliberate the purchase and value of certain real property on the south side of the Inner Harbor and to receive legal advice from PCCA counsel regarding the acquisition costs for this property. (No Attachment)

16. ADJOURN

**OFFICIAL MINUTES OF PORT COMMISSION MEETING
JULY 19, 2016**

The Port Commissioners of the Port of Corpus Christi Authority convened at the Solomon P. Ortiz International Center, 402 Harbor Drive, Corpus Christi, Texas, on Tuesday, July 19, 2016, at 9:00 a.m., for the regular monthly meeting of the Port Commission.

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

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

Ms. Teresa Brey
Ms. Sonya Budilo
Ms. Natasha Fudge
Ms. Peggy Mettlen
Ms. Jennifer Powell
Mr. Jesse Samu
Ms. Pamela Mota
Ms. Jerrilynn Ashcraft
Ms. Leslie Harris
Ms. Brandi Mills
Mr. James Haley
Ms. Danielle Converse
Ms. Ana Cristina Gaxiola Angulo
Mr. Ray Harrison

Others Present:

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

Others Present:

Mr. James Max Moody
Attorney
Mr. Hugo Berlanga
Berlanga Business Assoc.
Mr. Terry Arnold
Consultant
Capt. Louis Adams
Aransas/CC Pilots
Mr. Roger TenNapel
Flint Hills Resources
Ms. Barbara Major
Ms. Susan Zimmermann
Consultant
Mr. Lamont Taylor
CAFP
Mr. Ronald Berglund
RIDC
Ms. Darcy Schroeder
Valero
Ms. Nancy Loayza
Ingleside on the Bay
Mr. Joe Guzman
Robstown Area Development Corp.
Ms. Carla Gardiner
Ms. Carol Scott
Kailo Communications
Ms. Jalyn Stineman
US Coast Guard

Mr. Rose Cornelius-Crawford
Rev. Adam Carrington
Citizens Alliance
Capt. Mike Kershaw
Consultant
Mr. Xavier F. Valverde
G&H Towing Co.
Mr. Clay Nichol
Mr. Sam Shilu
Moffatt & Nichol
Mr. Chris Ramirez
Caller-Times
Ms. Del Richardson
DRA
Mr. Jonothan Sheridan
Martin
Mr. Larry Perryman
Bay-Houston Towing
Mr. Iain Vasey
CCREDC
Mr. Fred Dotts
Ms. Nancy Vasquez
Morehead Dotts & Rybak
Ms. Robin Villarreal
Mr. Bruce Hawn
Welder-Leshin
Mr. Rick DuPriest
WL Bates

1. Chair Zahn called the meeting to order.
2. The Commission and audience received a safety briefing.
3. The Pledge of Allegiance was recited.
4. The invocation was given by Ms. Canales.
5. Chairman Zahn asked for Conflict of Interest Affidavits. None were submitted.
6. On motion made by Mr. Valls and seconded by Mr. Engel, the Commission approved the minutes of June 21, 2016, Commission meeting in the form presented to the meeting.

7. The Chair asked for comments from the public. Mr. Tony Reyes of Mission 911 recognized the Port with its Prosperity Award. Ms. Sandra Davis introduced PCCA newly hired employees, interns and mentioned those employees recently promoted.
8. The Commission received a report from the Security Committee.
9. The Commission received a report from the Audit Committee.
10. The Commission received a report from the Long-Range Planning Committee.
11. The Commission received a report from Del Richardson & Associates Inc. on the Hillcrest Voluntary Real Estate Acquisition and Relocation Assistance Program.
12. **OPEN AGENDA:**
- 12a. On motion made by Mr. Engel and seconded by Mr. Valls, the Commission approved the following **RESOLUTION RELATED TO REVIEW OF INVESTMENT POLICY AND INVESTMENT STRATEGIES:**

WHEREAS, Section 2256.005(e), Texas Government Code, as amended, requires the governing body of an investing entity to review its investment policy and investment strategies not less than annually; and

WHEREAS, Section 2256.005(e), Texas Government Code, as amended, further requires the governing body to adopt a written instrument by rule, order, ordinance, or resolution stating that it has reviewed the investment policy and investment strategies and that the written instrument so adopted shall record any changes made to either the investment policy or investment strategies; and

WHEREAS, the Port Commission of the Port of Corpus Christi Authority wishes to fully comply with the provisions of Section 2256.005(e), Texas Government Code; and

WHEREAS, the Port Commission did on this date review its investment policy and investment strategies in a properly posted public meeting;

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

Section 1. The Port Commission hereby approves and adopts the Port of Corpus Christi Authority Investment Policy (dated July 2016), including the investment strategies contained therein, in the form presented to this meeting.

Section 2. The changes to PCCA's current investment policy and investment strategies are as follows:

- A1/P1 commercial paper with a maturity not to exceed 180 days has been added to the list of authorized investments
- No more than 15% of PCCA's total portfolio may be invested in commercial paper
- In the selection of PCCA's depository bank, preference will be given to banks that offer actual pledged securities for PCCA's time and demand deposits
- Federal Home Loan Bank letters of credit have been added to the list of acceptable collateral for PCCA's time and demand deposits
- BOSCO, Inc. (Subsidiary of Bank of OK) has been added to the list of PCCA's authorized broker/dealers and Cantella & Company (King Capital), Loop Capital, and SAMCO Capital Markets have been deleted from the list

Section 3. This resolution is adopted by the Port Commission this 19th day of July, 2016.

- 12b.** On motion made by Mr. Valls and seconded by Ms. Canales, the Commission approved the revisions to Tariff 100-A, Item 673, Port Police Land & Marine Patrol Divisions, shown in Exhibit A to the minutes of this meeting.
- 12c.** On motion made by Mr. Valls and seconded by Mr. Engel, the Commission authorized staff to issue a Request for Proposals for Professional Services for completion of asbestos and regulated waste surveys, development of asbestos abatement plans and disposal plans, coordination of the demolition contractor, oversight of abatement and air monitoring during abatement, oversight of demolition activities, and oversight of disposal of wastes related to properties acquired by the PCCA under the Hillcrest/Washington-Coles Voluntary Real Estate Acquisition and Relocation Assistance Program.
- 12d.** On motion made by Ms. Canales and seconded by Mr. Squires, the Commission approved, in the form presented to the meeting, a Consulting Agreement in the amount of \$85,934.00 with Moffatt & Nichol, the lowest and best proposer for proposals received on June 10, 2016, for a Bulk Terminal Market Study. Mr. Valls voted No on the item.
- 12e.** On motion made by Mr. Engel and seconded by Mr. Squires, the Commission approved, in the form presented to the meeting, a Master SAAS Subscription and Services Terms and Conditions Agreement with Intalex Technologies Inc., for software and related professional services to collect, enter, share, maintain, evaluate and verify Port-wide environmental, health and safety performance. The agreement includes the annual subscription fee and the implementation costs for a total amount of \$194,981.92 in 2016 and the annual subscription fee of \$52,561.92 each year through July 31, 2019, for a total overall cost of \$300,105.75.

- 12f.** On motion made by Mr. Engel and seconded by Mr. Valls, the Commission approved, in the form presented to the meeting, an amendment to the contract with Del Richardson & Associates Inc., which reduced the insurance requirements for professional real estate appraisal services needed in connection with PCCA's Voluntary Acquisition Program in the Hillcrest and Washington-Coles Neighborhoods.

- 12g.** On motion made by Mr. Valls and seconded by Ms. Canales, the Commission (i) awarded a contract in the amount of \$2,949,830 to Shoreline Foundation, Inc., the lowest and best bidder based on bids received on July 8, 2016, for construction of the La Quinta Aquatic Habitat Mitigation Phase II project, (ii) approved an allowance of \$179,750 for planting, if needed, up to 5 acres (at \$36,950 per acre) of emergent wetland vegetation in the Phase I areas, (iii) approved an allowance of \$145,250 for planting, if needed, up to 5 acres (at \$29,050 per acre) of submerged seagrass in Cell F, and (iv) granted the Director of Engineering Services a 5% (\$147,491.50) contingency in accordance with the PCCA's standard contingency guidelines for marine and rehabilitation projects. The Commission recommended that staff invite the University of Texas Marine Science Institute to participate in chronicling the project.

13. Consent Agenda:

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

- 13a.** Approve a Service Order in the amount of \$20,717.00 with Coast & Harbor Engineering, d/b/a Mott MacDonald, under Professional Services Master Agreement No. 14-03, for engineering services associated with the installation of the AEI readers project.

- 13b.** Approve Professional Services Master Agreement No. 10-16 and Service Order No. 1 in the amount of \$30,870.00 with Platinum Environmental Solutions, LLC, for environmental consulting services related to completion of an Affected Property Assessment Report at the PCCA La Quinta property.

- 13c.** Approve funds in an amount not-to-exceed \$50,000.00 for Port-wide temporary staffing needs, including the Hillcrest Voluntary Real Estate Acquisition and Relocation Program.

- 13d.** Approve an Easement Agreement with Martin Operating Partnership, LP, for a 24-inch pipeline from their Oil Dock 15 lease site to their 10-acre terminal facility lease site.

- 13e. Approve the purchase of a CASE SR130 skid steer loader in the amount of \$27,746.00 from Nueces Power Equipment using government pricing from the State of Texas Buy Board Cooperative Purchasing Program.

14. EXECUTIVE DIRECTOR REPORT AND COMMISSIONER COMMENTS:

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

15. EXECUTIVE SESSION

At 10:47 a.m., Mr. Zahn announced that the Commission would go into executive session pursuant to §551.071, §551.072 and §551.087 of the Texas Government Code to deliberate agenda items 15a, 15b, and 15c, which were described in the agenda of the meeting as follows:

- 15a. The Commission will go into executive session pursuant to §551.087 of the Texas Government Code to deliberate offering financial or other incentives to a business prospect that PCCA is encouraging to locate in San Patricio County and with which PCCA is conducting economic development negotiations.
- 15b. The Commission will go into executive session pursuant to §551.072 of the Texas Government Code to deliberate the purchase and value of certain real property on the north side of the Ship Channel.
- 15c. The Commission will go into executive session pursuant to §551.071 and §551.087 of the Texas Government Code to consult with PCCA's counsel regarding easement negotiations with a business prospect that PCCA is encouraging to locate, stay or expand in San Patricio County, and deliberate offering financial incentives to this business.

At 12:38 p.m. the Commission reconvened into open session. No action was taken in open session on any of the executive session agenda items.

- 16. There being no further business, the meeting adjourned at 12:39 p.m.

EXHIBIT 'A'

TARIFF 100A, ITEM 673 RED-LINE VERSION (Showing Changes)

ITEM 673

PORT POLICE LAND & MARINE PATROL DIVISIONS

PART ONE – PORT OF CORPUS CHRISTI POLICE DEPARTMENT

Since September 11, 2001, the Port of Corpus Christi Authority (PCCA) has implemented a system of layered security, law enforcement measures, and response capabilities to enhance the integrity of its critical infrastructure and key resources (CI/KR) throughout the PCCA. These efforts have enhanced the safety of the Port of Corpus Christi, the industries surrounding the Port of Corpus Christi, and the Coastal Bend community as a whole. National Security Presidential Directive 41, Homeland Security Presidential Directive 13 (NSPD-41/HSPD-13) and the State of Texas Homeland Security Strategic Plan 2015-2020 address, among other critical concerns, the vulnerabilities that exist which terrorists, foreign and domestic, may seek to exploit. Notwithstanding the vulnerabilities that exist through landside access to CI/KR, the Texas maritime domain remains one of those areas of vulnerability. To better mitigate those vulnerabilities, the Port Commission in 2004 established the Port of Corpus Christi Police Department as an essential element of the federal, state, and local layered security posture throughout the Port of Corpus Christi Authority. The Port of Corpus Christi Police Department is mandated by the Port Commission to maintain strong participative partnerships with all respective federal, state and local law enforcement and regulatory agencies.

PART TWO – PORT POLICE OFFICER POWERS AND DUTIES

Port Police Officers are licensed by the Texas Commission on Law Enforcement (TCOLE) and have the same powers and duties as a peace officer described by Article 2.12 of the Texas Code of Criminal Procedure, including the powers of arrest described in the Texas Penal Code, Texas Code of Criminal Procedure, and Texas Transportation Code, and Texas Water Code. See TEX. WATER CODE § 60.077. In exercising these duties and powers of arrest, Port Police Officers are bound by both the U.S. Constitution and the State of Texas Constitution.

PART THREE – LAND PATROL DIVISION

A. The mission of the Land Patrol Division is as follows:

1. To protect, patrol, and defend, in collaboration with federal, state, and local law enforcement partners, the landside public access routes to Critical Infrastructure/Key Resources (CI/KR) throughout City of Corpus Christi Industrial District No. 1 and defined Industrial Districts outside of Nueces County with a direct nexus to the Maritime Transportation System (MTS) that transit the Corpus Christi Ship Channel, La Quinta Channel, Gulf Intracoastal Waterway (within Nueces & San Patricio Counties), Rincon Channel, and the Corpus Christi Inner Harbor.
2. To provide, when requested, first response law enforcement service to all businesses, including members of Port Industries of Corpus Christi. First response law enforcement services include, but are not limited to, the following:
 - a. reported/suspected violations of applicable federal, state, or local (Port Tariff) laws whether criminal or civil;
 - b. reported/suspected incidents involving public breach of the peace;
 - c. reported/suspected incidents involving criminal incidents relating to crimes against person(s) or property;
 - d. reported/suspected incidents involving “active shooter” and
 - e. reported/suspected incidents that the requesting party believes require the presence of a Texas certified peace officer. (e.g. Port Police Officer, Municipal Police Officer, Sheriff’s Deputy, State Trooper, State Game Warden, etc.).

Port Police Officers shall perform their duties in accordance with all applicable federal, state, and local laws.

PART FOUR – MARINE PATROL DIVISION

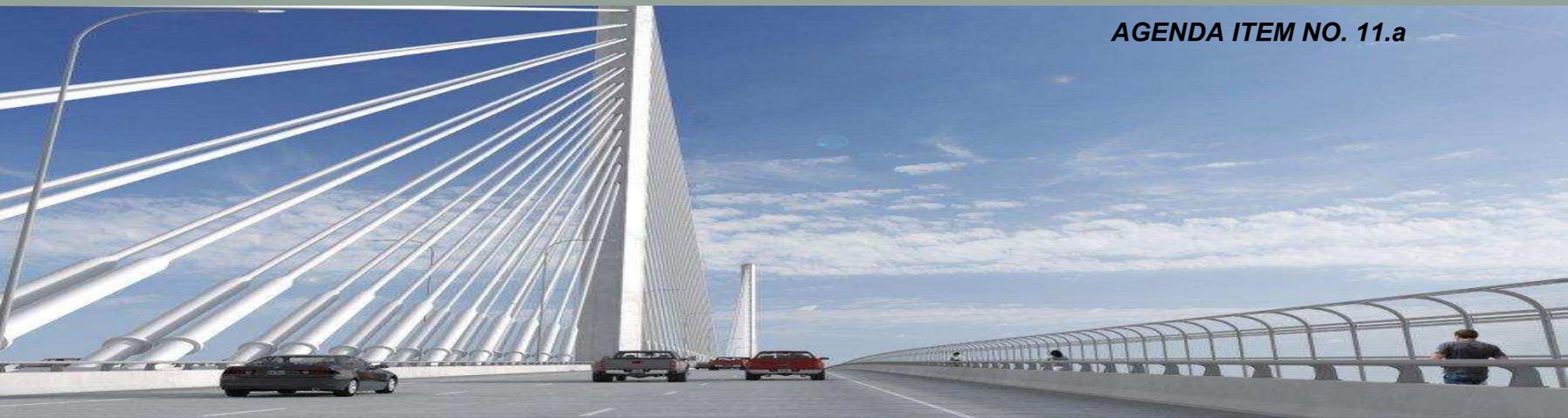
A. The mission of the Marine Patrol Division is as follows:

1. Protect, secure, and defend the ship channels and waterways in the jurisdiction of the Port Authority (see Item 600) and the facilities served by those ship channels and waterways;
2. Promote the health, safety, and general welfare of any person using the ship channels and waterways in the jurisdiction of the Port Authority;
3. Prevent terrorist attacks on ship channels and waterways in the jurisdiction of the Port Authority and the facilities served by those ships channels and waterways; and
4. Collaborate and work in partnership with those local, state, and federal public safety agencies that have concurrent jurisdiction with the Port Authority over the ship channels and waterways in the Port Authority’s jurisdiction to protect, secure and defend these ship channels and waterways.

B. To meet this mission, Port Police Officers in the Marine Patrol Division will patrol the ship channels and waterways within the Port Authority’s jurisdiction on a regular basis using marine patrol craft as directed by the Port Authority’s Executive Director, Chief Operating Officer (COO), and PCCA Police Chief.

- C. The Marine Patrol Division's primary area of responsibility (AOR) is as follows: Inner Harbor of the Port of Corpus Christi, Corpus Christi Ship Channel to the Port Aransas Jetties, Rincon Canals, La Quinta Channel, Jewell Fulton Canal, and the Gulf Intracoastal Waterway. All other adjoining and adjacent waterways within the Port Authority's jurisdiction remain areas of authorized marine patrol activities, but are secondary AOR's with regard to routine marine patrols.

- D. Item 674 provides specific information pertaining to operation of non-commercial vessels, as defined therein, within the Corpus Christi Ship Channel and adjoining waterways. Item 674 also describes areas within the Port Authority's jurisdiction where non-commercial vessel traffic is prohibited.



Hillcrest / Washington – Coles Voluntary Real Estate Acquisition & Relocation Program

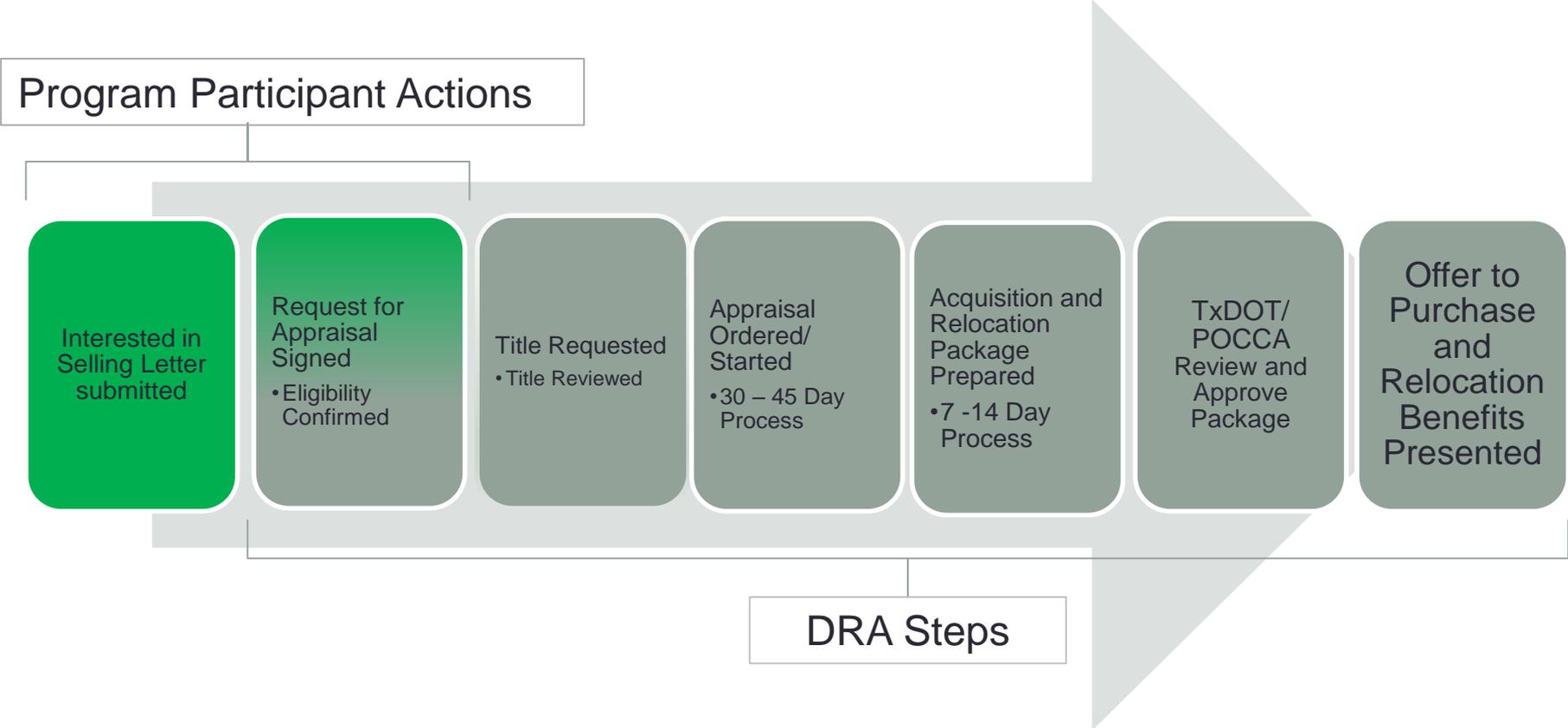
August 16th 2016 Commissioners meeting

Appraisals Have Begun



65 Appraisals Ordered!!

When will we make our first offer to purchase?



45 to 60 days from August 1st the first offer presentations begin

Title Review

Title issues seen to date	
Multiple landowners	Marital Status
Liens of all kinds for example Federal tax liens, Child Support Liens, Vendor's Liens, Abstract of Judgement, Tax Suits	Power of Attorneys validity
Contracts for Deed	Probate Records
Identification of Heirship	Corrections to legal descriptions that are not Lot & Block
Invalid information on report	Clear all leases and Unit Designations
Missing Spouse	Divorce Decree Disputes

We identified 3 title risk levels low, medium, and high.

- Low-risk titles can be cleared with minimal client involvement.
- Medium-risk titles can be cleared but need minimal legal involvement.
- High-risk titles take extraordinary legal/investigative work and high resident involvement.

Title Requested – 147
 Title Reviewed – 116

Low	20	17/
Medium	54	47/
High	42	36/

Community Workshops

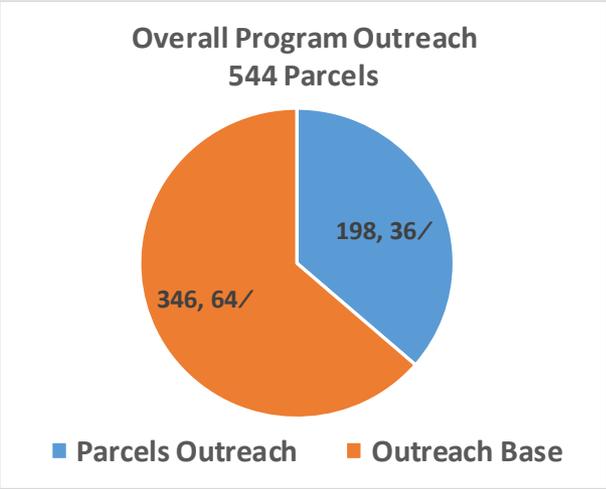


Community outreach focused on 4 areas based on feedback and questions received during June 2016 events. These areas were:

- Budgeting Basics
- Presentation by the City Liaison on roles and available City Services
- Understand, Build, Repair and Manage your credit
- The ABC's of Appraisals

July workshops had 75 participants sign in with the majority attending the ABC's of Appraisals. 20 July's overall post workshop evaluations indicated that the workshops had scored an average of 4.3 on a scale of 1 to 5 with 5 being the highest.

Community Outreach Detail



From May 7th to August 4th representatives of 36% of the parcels in the program area either visited our office or attended one of our events.

During the month July over 205 people visited our office.

We continue to engage community leaders and organizations.

Date	Activity
7/7/2016	Hillcrest Buyout Neighborhood Action Plan Meetings (With TxDot)
7/7/2016	Community Advisory Board Meeting
7/8/2016	Monique Espinosa Mortgage Lending Officer-Community Development
7/12/2016	Corpus Christi Regional Economic Development Corporation Breakfast
7/19/2016	Corpus Christi Realtor Association meeting
7/20/2016	Housing Opportunity Committee introduction to Voluntary Relocation and the Uniform Relocation Act
7/21/2016	Nick Mitchell-Bennett Non-Profit Builder
7/22/2016	Bert Braselton Builder meeting
7/22/2016	Barbara Sweeney Habitat for Humanity housing discussion
7/22/2016	Corpus Christi Independent School District – Dr. Hernandez
7/25/2016	United Way – Catrina Wilson
7/25/2016	Hillcrest/Washington-Coles Church Leadership discussion
7/25/2016	Citizen Alliance Meeting

May 7th Letter Update

Initial Mail Out	
Initial Letters Mailed	541
Missed Parcels - Letters Issued	3
Initial Letters Mailed (Revised Total)	544
Parcels Ineligible for Program	
Vacant Parcel*	18
Structure Non-eligible	0
Parcels Eligible for Program	526

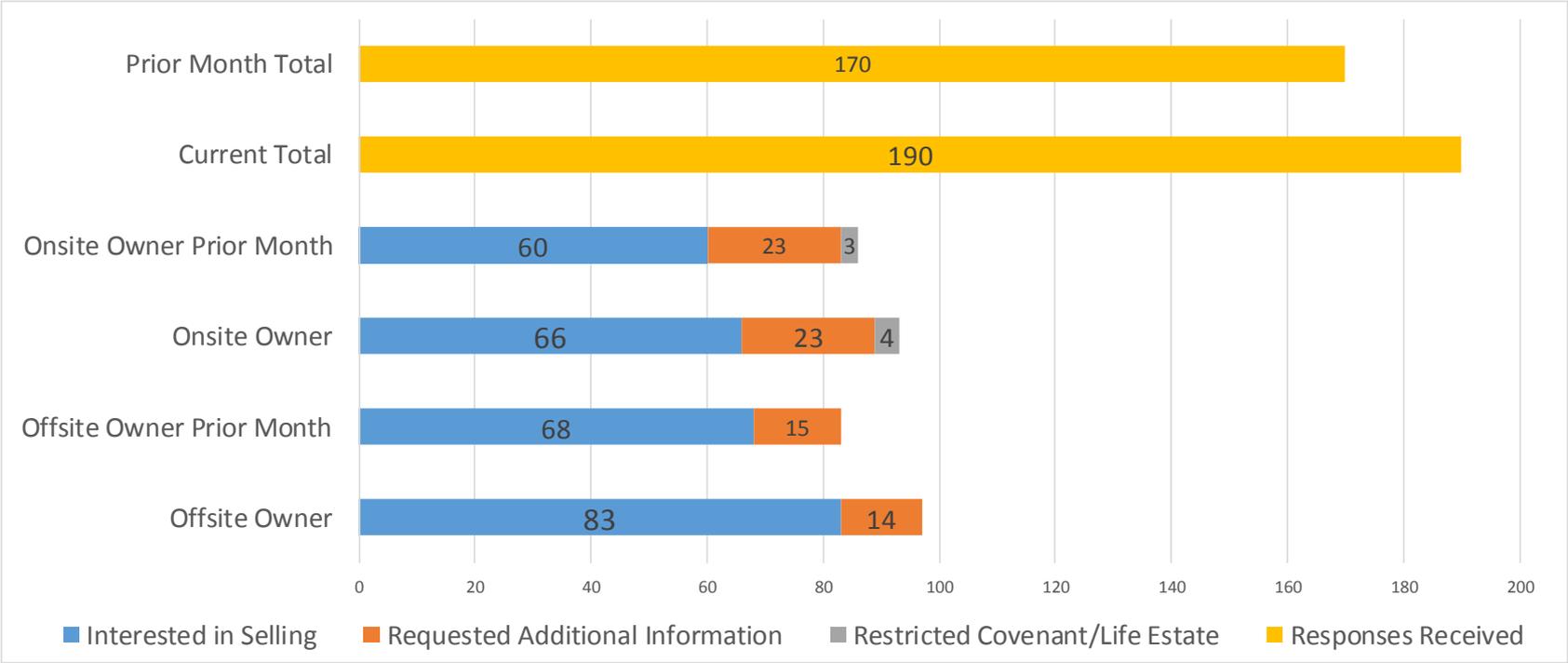
Mail Out Confirmation			
	Aug. 4 2016	Previous Month	Variance
Confirmed Return Receipts (green card)	389	379	10
Confirmed by Letter Submitted	40	25	15
Verbal confirmation	1	0	1
Unresponsive Vacant Parcels**	9	0	9
Unknown Status	105	140	(35)
Total:	544	544	

* Identified vacant parcels - not eligible for program

** Unresponsive owner - parcel is a vacant lot

As of 8/4/2016

May 7th Letter Update continued



Upcoming Workshops

- Aug 16: Tenant Workshop:** Learn about eligibility requirement, benefits and assistance being offered to the tenants in the program area.
Learn How You Can Become a Homeowner
Time: 5:30 p.m. – 7:00 p.m.
- Aug 23: Owner Occupied Property Workshop:** For owners that live in the program area, learn eligibility requirement, benefits and assistance available.
PURCHASE A NEW HOME
Time: 10:00 a.m. – 11:30 a.m.
Time: 5:30 p.m. – 7:00 p.m.
- Aug 25: Become a First Time Homebuyer:** Learn eligibility requirements for City programs.
Learn How You Can Become a Homeowner
Time: 10:00 a.m. – 11:30 a.m.
Time: 5:30 p.m. – 7:00 p.m.



In looking for innovative ways to get more participants out to the events, we are having raffles and fresh baked cookies at every event for the month August!!

**Participation
Door Prizes at
each event**

Thank You

Q & A



DATE: August 16, 2016

TO: Port Commission

FROM: Dennis J. DeVries, Director of Finance
dennis@pocca.com
 361 885-6139

AGENDA ITEM NO. 12.a

Approve PCCA’s Second Quarter Financial Report

SUMMARY: Staff requests Commission approval of the PCCA’s second quarter financial report.

BACKGROUND: None

ALTERNATIVES: None.

CONFORMITY TO PORT POLICY: Yes.

EMERGENCY: No.

FINANCIAL IMPACT: N/A

STAFF RECOMMENDATION: Staff recommends approval of the PCCA’s Second Quarter Financial Report for the Quarter Ended June 30, 2016.

DEPARTMENTAL CLEARANCES:

Originating Department	Finance Department
Reviewed & Approved	Dennis J. DeVries
Legal	N/A
Senior Staff	John LaRue
	Sean Strawbridge
	Jarl Pedersen
Commission	Audit Committee

LIST OF SUPPORTING DOCUMENTS:

Financial Review for the Quarter Ended June 30, 2016



FINANCIAL REVIEW

For the Quarter Ended June 30, 2106



PORT CORPUS CHRISTI[®]
Moving America's Energy



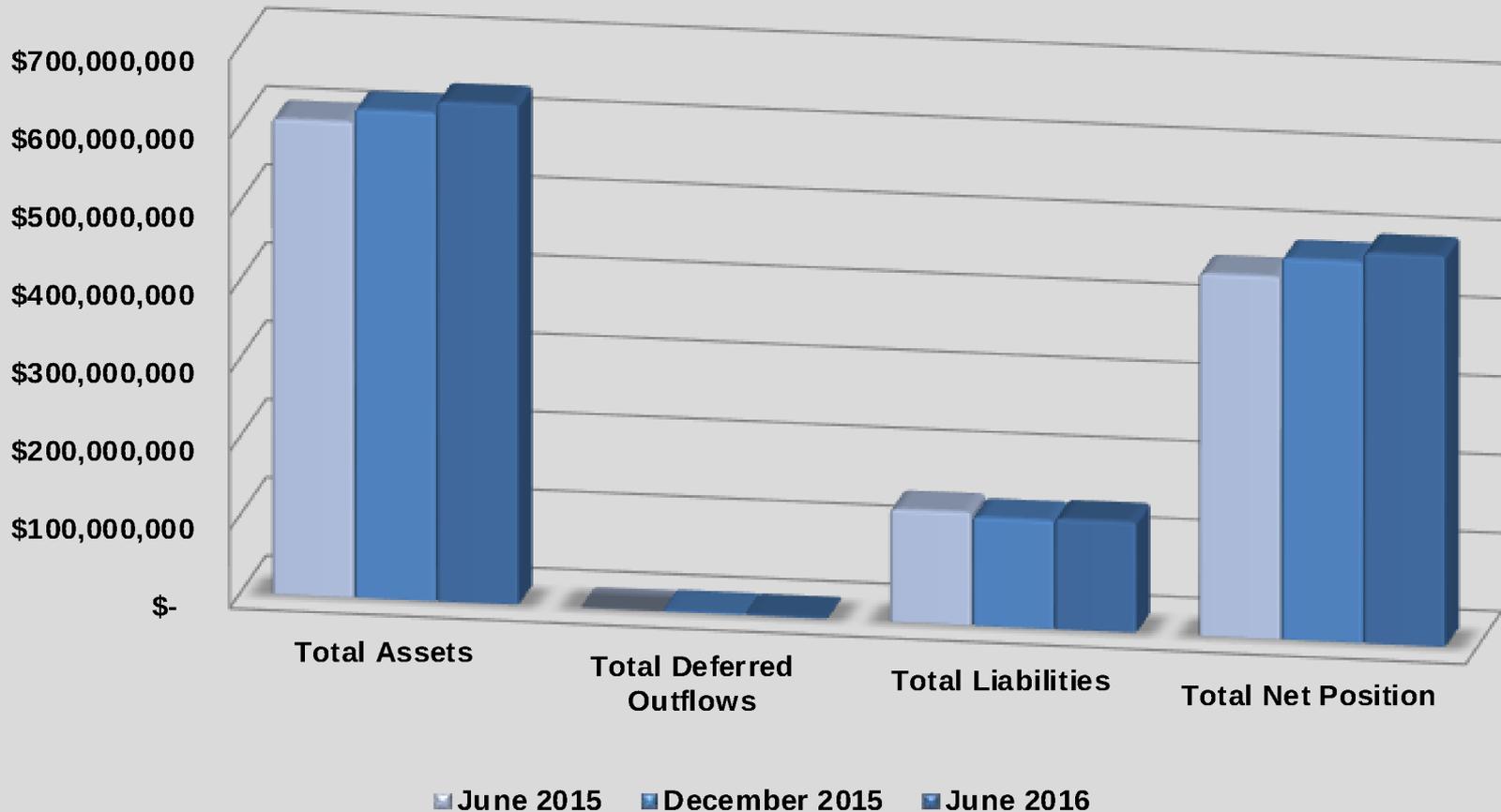
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Net Position

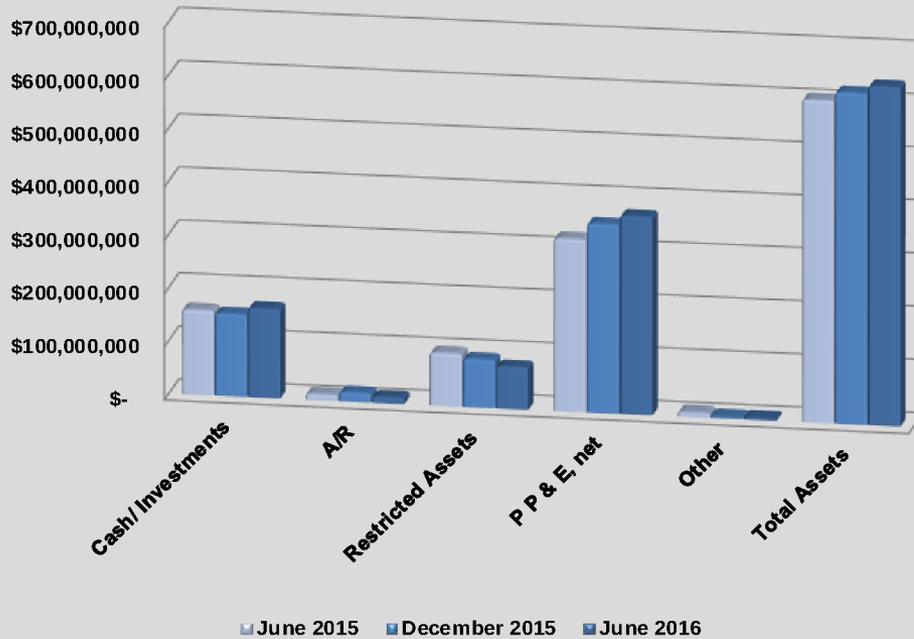
STATEMENT OF NET POSITION

	June	December	Annual Change	%	June	Year-Over-Year Change	%
	2016	2015			2015		
Cash/ Investments	\$ 168,632,163	\$ 155,618,723	\$ 13,013,440	8%	\$ 160,477,537	\$ 8,154,626	5%
A/R	\$ 11,874,049	\$ 17,592,762	\$ (5,718,713)	-33%	\$ 11,829,563	\$ 44,486	0%
Restricted Assets	\$ 79,985,537	\$ 90,967,295	\$ (10,981,758)	-12%	\$ 99,965,232	\$ (19,979,695)	-20%
P P & E, net	\$ 373,715,673	\$ 355,995,268	\$ 17,720,405	5%	\$ 325,726,628	\$ 47,989,045	15%
Other	\$ 4,559,133	\$ 3,967,987	\$ 591,146	15%	\$ 9,600,024	\$ (5,040,891)	-53%
Total Assets	\$ 638,766,555	\$ 624,142,035	\$ 14,624,520	2%	\$ 607,598,984	\$ 31,167,571	5%
Deferred Outflows-Pension	\$ 1,958,889	\$ 1,958,889	\$ -	0%	\$ -	\$ 1,958,889	100%
Total Deferred Outflows	\$ 1,958,889	\$ 1,958,889	\$ -	0%	\$ -	\$ 1,958,889	100%
Current Liabilities	\$ 7,938,590	\$ 7,241,469	\$ 697,121	10%	\$ 7,774,111	\$ 164,479	2%
Unearned Income	\$ 14,190,991	\$ 12,401,441	\$ 1,789,550	14%	\$ 17,543,731	\$ (3,352,740)	-19%
Long-term Debt	\$ 115,000,000	\$ 115,000,000	\$ -	0%	\$ 115,000,000	\$ -	100%
Other	\$ 4,466,450	\$ 4,347,870	\$ 118,580	3%	\$ 4,087,761	\$ 378,689	9%
Total Liabilities	\$ 141,596,031	\$ 138,990,780	\$ 2,605,251	2%	\$ 144,405,603	\$ (2,809,572)	-2%
Investment in Net Assets	\$ 294,234,451	\$ 287,147,608	\$ 7,086,843	2%	\$ 285,649,889	\$ 8,584,562	3%
Restricted Net Position	\$ 36,034,033	\$ 36,153,709	\$ (119,676)	0%	\$ 16,152,376	\$ 19,881,657	123%
Unrestricted Net Position	\$ 168,860,929	\$ 163,808,827	\$ 5,052,102	3%	\$ 161,391,116	\$ 7,469,813	5%
Total Net Position	\$ 499,129,413	\$ 487,110,144	\$ 12,019,269	2%	\$ 463,193,381	\$ 35,936,032	29

Statement of Net Position

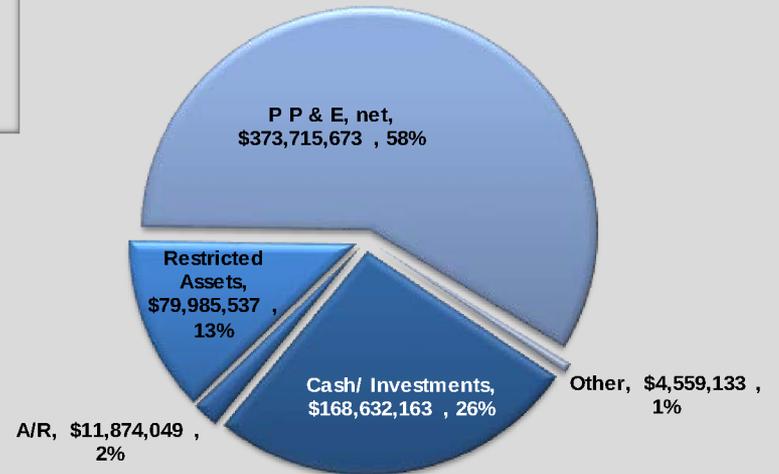


Assets



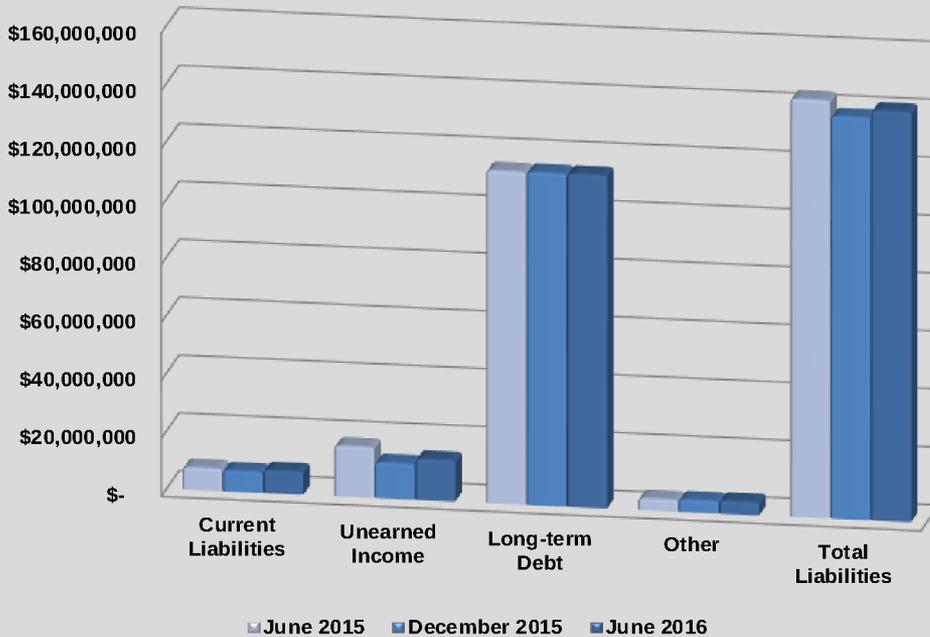
ASSETS			
	June	December	June
	2016	2015	2015
Cash	\$ 168,632,163	\$ 155,618,723	\$ 160,477,537
A/R	\$ 11,874,049	\$ 17,592,762	\$ 11,829,563
Restricted Assets	\$ 79,985,537	\$ 90,967,295	\$ 99,965,232
P P & E, net	\$ 373,715,673	\$ 355,995,268	\$ 325,726,628
Other	\$ 4,559,133	\$ 3,967,987	\$ 9,600,024
Total Assets	\$ 638,766,555	\$ 624,142,035	\$ 607,598,984

Assets 2016

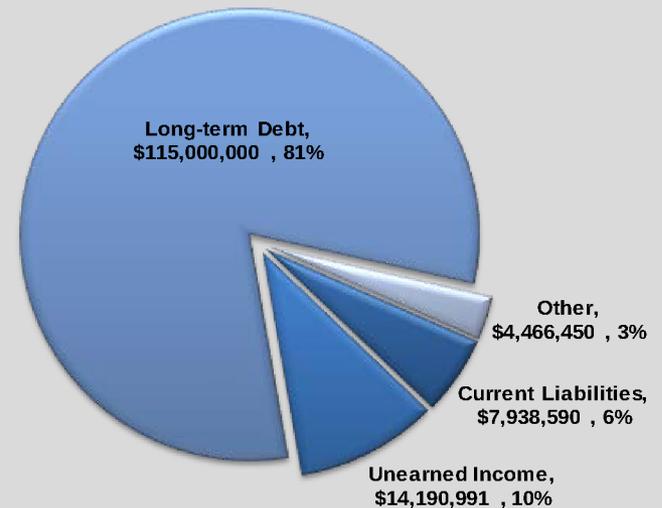


Liabilities

Liabilities



Liabilities 2016



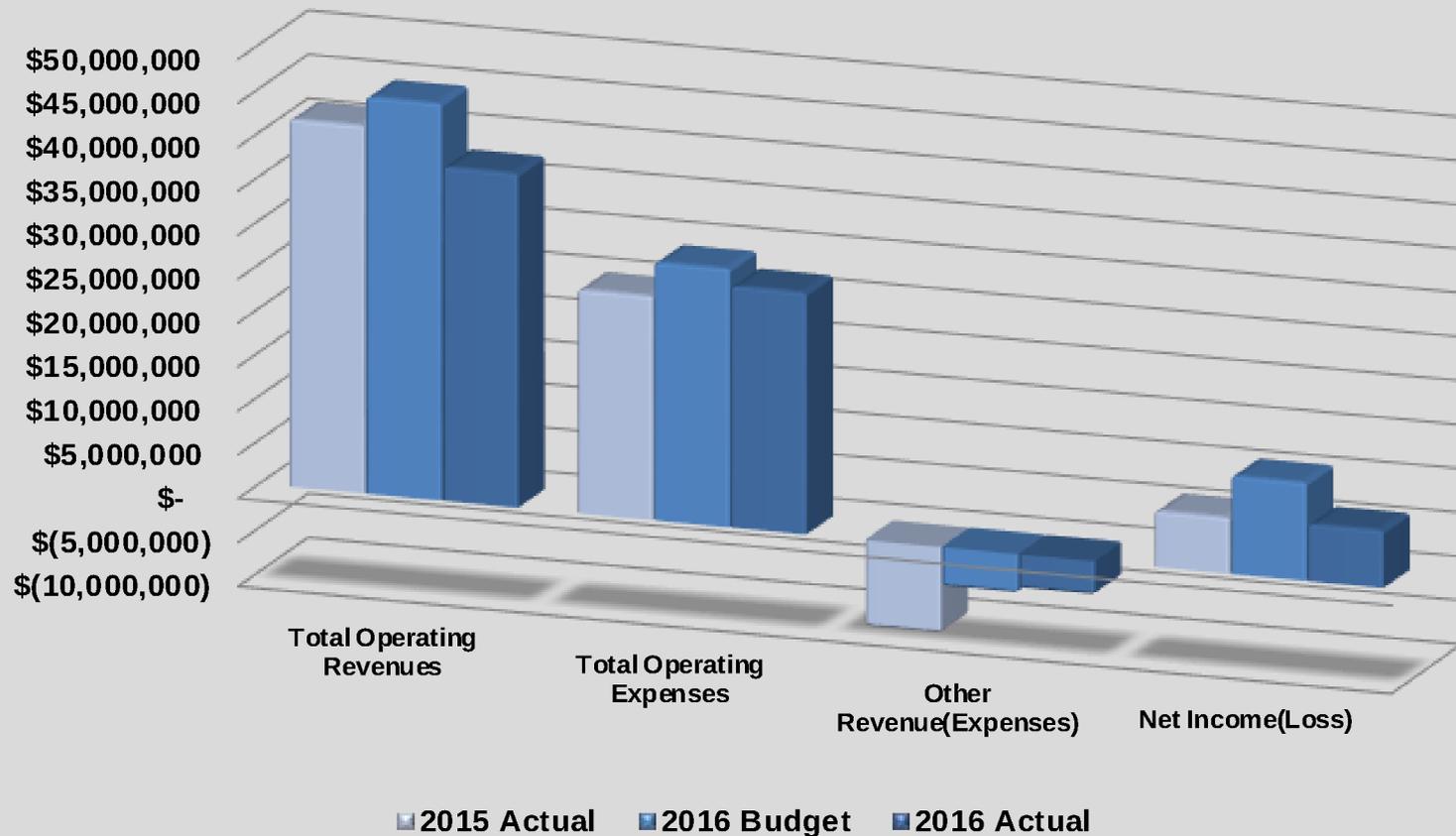
LIABILITIES			
	June	December	June
	2016	2015	2015
Current Liabilities	\$ 7,938,590	\$ 7,241,469	\$ 7,774,111
Unearned Income	\$ 14,190,991	\$ 12,401,441	\$ 17,543,731
Long-term Debt	\$ 115,000,000	\$ 115,000,000	\$ 115,000,000
Other	\$ 4,466,450	\$ 4,347,870	\$ 4,087,761
Total Liabilities	\$ 141,596,031	\$ 138,990,780	\$ 144,405,603

Revenues & Expenses

STATEMENT OF REVENUES AND EXPENSES							
	June			Change			
	2016		2015	Budget	%	Actual	%
	Actual	Budget	Actual				
Wharfage	\$ 19,822,718	\$ 24,152,723	\$ 22,857,246	\$ (4,330,005)	-18%	\$ (3,034,528)	-13%
Dockage	\$ 5,759,603	\$ 7,930,826	\$ 7,188,017	\$ (2,171,223)	-27%	\$ (1,428,414)	-20%
Security	\$ 2,862,341	\$ 3,566,263	\$ 3,334,679	\$ (703,922)	-20%	\$ (472,338)	-14%
Other Shipping Services	\$ 3,757,176	\$ 4,815,008	\$ 4,087,528	\$ (1,057,832)	-22%	\$ (330,352)	-8%
Building and Land Rental	\$ 5,845,494	\$ 4,735,301	\$ 4,397,758	\$ 1,110,193	23%	\$ 1,447,736	33%
Total Operating Revenues	\$ 38,047,332	\$ 45,200,121	\$ 41,865,228	\$ (7,152,789)	-16%	\$ (3,817,896)	-9%
Employee Services	\$ 10,098,085	\$ 11,074,288	\$ 9,901,799	\$ (976,203)	-9%	\$ 196,286	2%
Maintenance	\$ 3,062,043	\$ 3,419,648	\$ 2,186,388	\$ (357,605)	-10%	\$ 875,655	40%
Utilities/ Telephone	\$ 664,097	\$ 661,257	\$ 715,402	\$ 2,840	0%	\$ (51,305)	-7%
Insurance	\$ 841,878	\$ 1,044,216	\$ 961,210	\$ (202,338)	-19%	\$ (119,332)	-12%
Prof/ Contracted Services	\$ 3,534,328	\$ 3,526,501	\$ 3,043,367	\$ 7,827	0%	\$ 490,961	16%
Operator/ Event Expenses	\$ 797,453	\$ 660,135	\$ 708,049	\$ 137,318	21%	\$ 89,404	13%
Admin/Trade Dmp/Other	\$ 1,943,873	\$ 2,099,811	\$ 1,900,950	\$ (155,938)	-7%	\$ 42,923	2%
Depreciation	\$ 6,572,538	\$ 6,940,916	\$ 6,100,764	\$ (368,378)	-5%	\$ 471,774	8%
Total Operating Expenses	\$ 27,514,295	\$ 29,426,772	\$ 25,517,929	\$ (1,912,477)	-6%	\$ 1,996,366	8%
Net Operating Income(Loss)	\$ 10,533,037	\$ 15,773,349	\$ 16,347,299	\$ (5,240,312)	-33%	\$ (5,814,262)	-36%
Interest Income	\$ 999,044	\$ 356,961	\$ 339,190	\$ 642,083	180%	\$ 659,854	195%
Other Revenue	\$ 77,468	\$ 125,319	\$ 77,998	\$ (47,851)	-38%	\$ (530)	-1%
Gain(Loss) Disposal of Assets	\$ -	\$ -	\$ (5,861,420)	\$ -	-	\$ 5,861,420	-100%
Interest/Bond Expense	\$ (2,075,572)	\$ (2,069,975)	\$ (1,502,874)	\$ (5,597)	0%	\$ (572,698)	38%
Other Expense	\$ (3,000,000)	\$ (3,000,000)	\$ (3,000,052)	\$ -	0%	\$ 52	0%
Other Revenue(Expenses)	\$ (3,999,060)	\$ (4,587,695)	\$ (9,947,158)	\$ 588,635	13%	\$ 5,948,098	60%
Net Income(Loss)	\$ 6,533,977	\$ 11,185,654	\$ 6,400,141	\$ (4,651,677)	-42%	\$ 133,836	2%

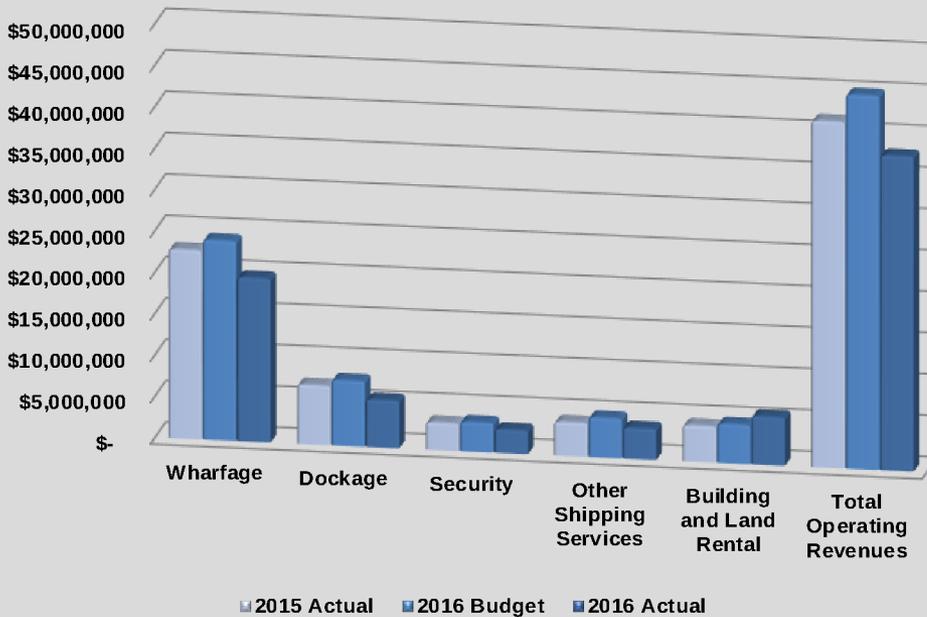
Revenues and Expenses

Statement of Revenues & Expenses

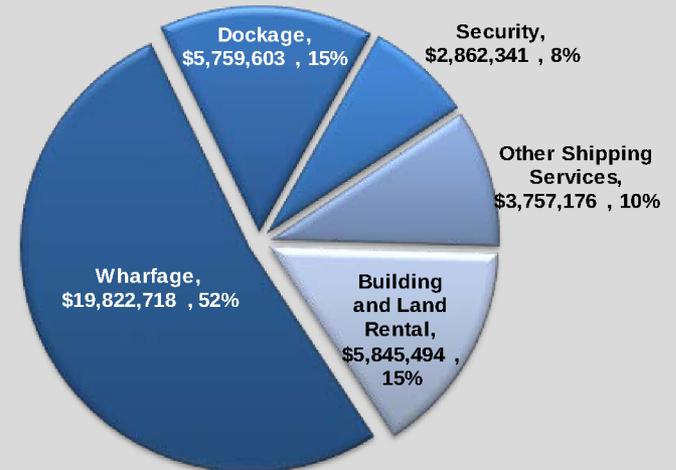


Revenues

Operating Revenues



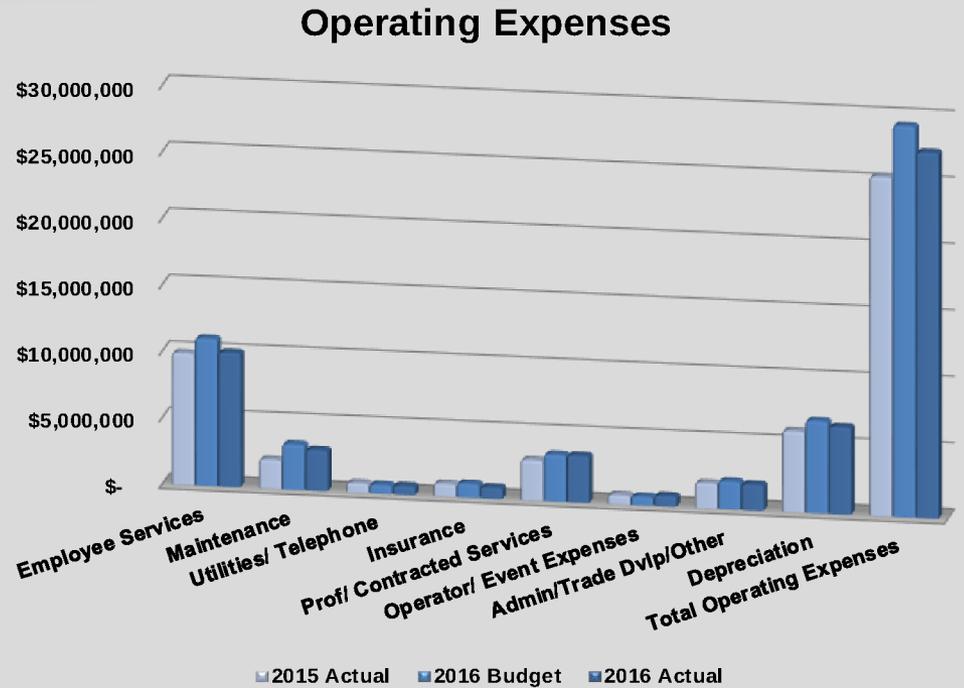
Operating Revenues 2016 Actual



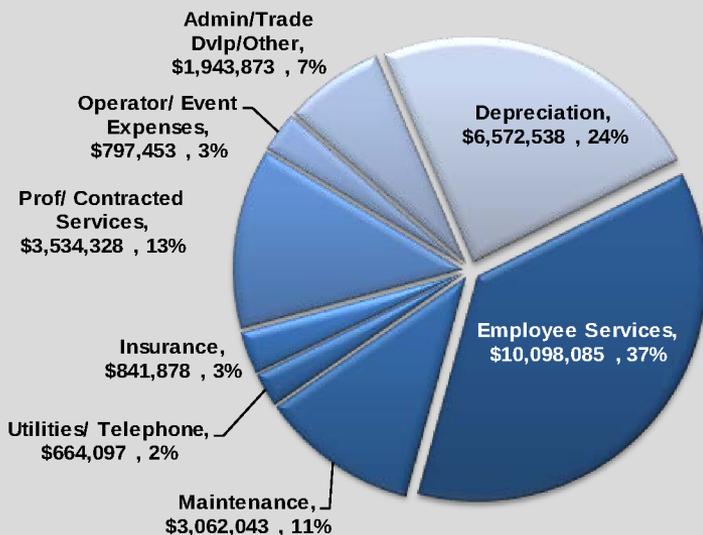
OPERATING REVENUES			
	June		
	2016		2015
	Actual	Budget	Actual
Wharfage	\$ 19,822,718	\$ 24,152,723	\$ 22,857,246
Dockage	\$ 5,759,603	\$ 7,930,826	\$ 7,188,017
Security	\$ 2,862,341	\$ 3,566,263	\$ 3,334,679
Other Shipping Services	\$ 3,757,176	\$ 4,815,008	\$ 4,087,528
Building and Land Rental	\$ 5,845,494	\$ 4,735,301	\$ 4,397,758
Operating Revenues	\$ 38,047,332	\$ 45,200,121	\$ 41,865,228

Expenses

OPERATING EXPENSES			
	June		
	2016		2015
	Actual	Budget	Actual
Employee Services	\$ 10,098,085	\$ 11,074,288	\$ 9,901,799
Maintenance	\$ 3,062,043	\$ 3,419,648	\$ 2,186,388
Utilities/ Telephone	\$ 664,097	\$ 661,257	\$ 715,402
Insurance	\$ 841,878	\$ 1,044,216	\$ 961,210
Prof/ Contracted Services	\$ 3,534,328	\$ 3,526,501	\$ 3,043,367
Operator/ Event Expenses	\$ 797,453	\$ 660,135	\$ 708,049
Admin/Trade Dvlp/Other	\$ 1,943,873	\$ 2,099,811	\$ 1,900,950
Depreciation	\$ 6,572,538	\$ 6,940,916	\$ 6,100,764
Operating Expenses	\$ 27,514,295	\$ 29,426,772	\$ 25,517,929



Operating Expenses 2016 Actual



Tonnage/Ships & Barges

TONNAGE

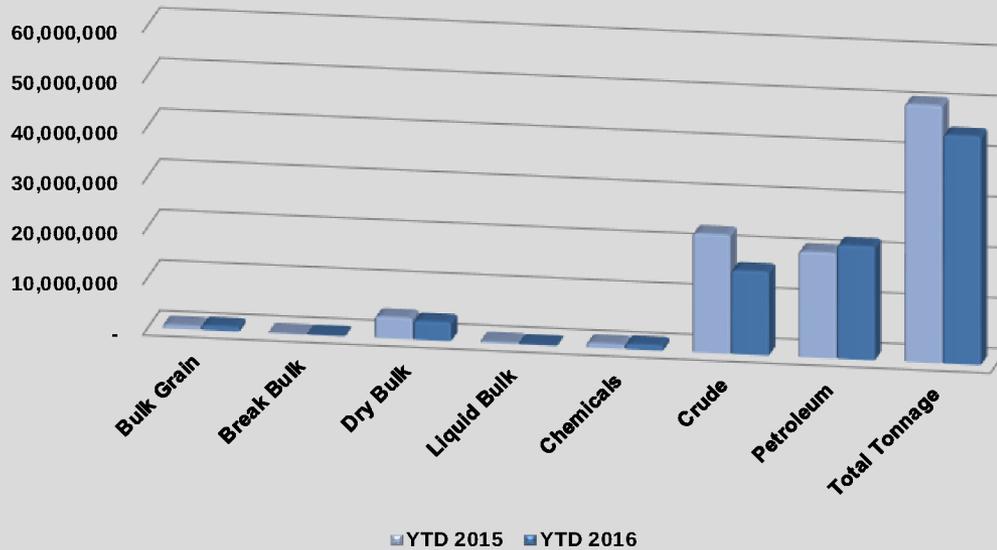
	June		Mth Over Mth Change	%	YTD		Year Over Year Change	%
	2016	2015			2016	2015		
Bulk Grain	323,257	96,084	227,173	236%	979,460	811,588	167,872	21%
Break Bulk	58,891	58,598	293	1%	152,138	156,457	(4,319)	-3%
Dry Bulk	724,379	677,787	46,592	7%	3,732,454	4,278,378	(545,924)	-13%
Liquid Bulk	-	-	-	0%	209,624	357,862	(148,238)	-41%
Chemicals	194,411	135,896	58,515	43%	1,072,867	944,346	128,521	14%
Crude	2,722,484	4,138,100	(1,415,616)	-34%	16,603,212	23,589,210	(6,985,998)	-30%
Petroleum	3,555,242	3,792,530	(237,288)	-6%	22,533,977	20,932,743	1,601,234	8%
Total Tonnage	7,578,664	8,898,995	(1,320,331)	-15%	45,283,732	51,070,584	(5,786,852)	-11%

SHIP & BARGE MOVEMENTS

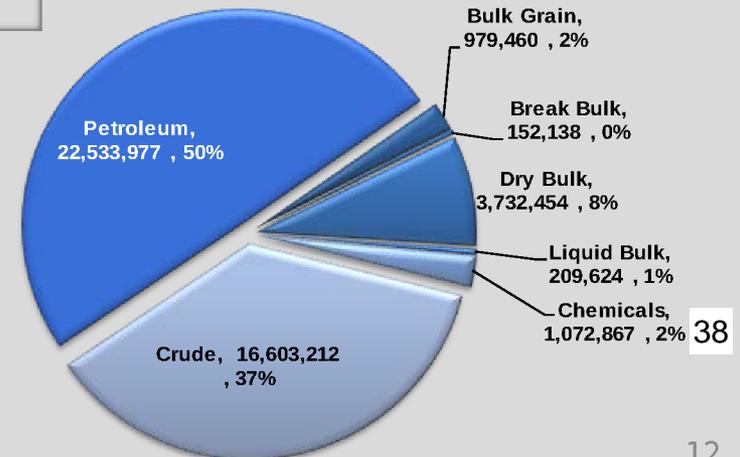
	June		Mth Over Mth Change	%	YTD		Year Over Year Change	%
	2016	2015			2016	2015		
Ships	139	146	(7)	-5%	780	863	(83)	-10%
Barges	278	478	(200)	-42%	2,308	2,985	(677)	-23%
Total Ship & Barges	417	624	(207)	-33%	3,088	3,848	(760)	-20%

Tonnage

Tonnage



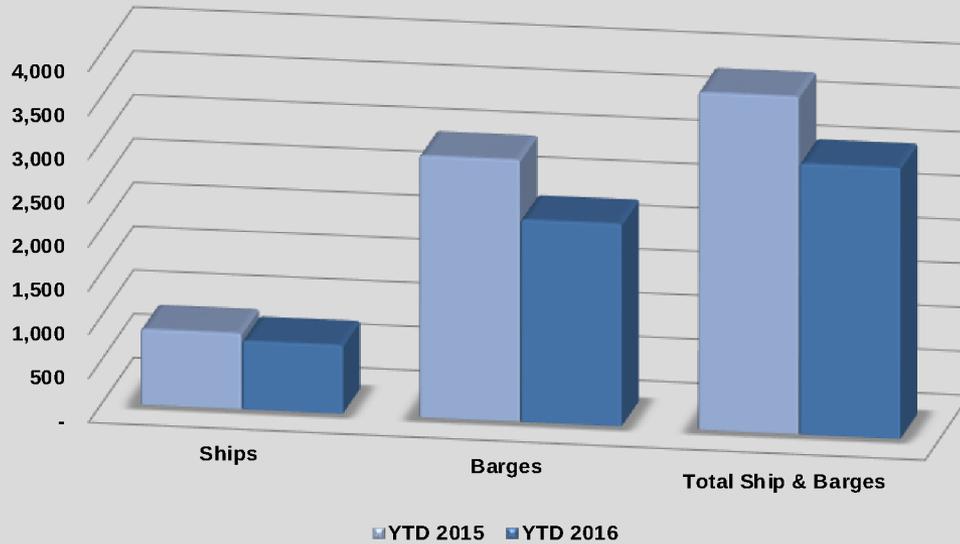
Tonnage 2016



TONNAGE	June		Year Over Year Change
	2016	2015	
	Bulk Grain	979,460	811,588
Break Bulk	152,138	156,457	(4,319)
Dry Bulk	3,732,454	4,278,378	(545,924)
Liquid Bulk	209,624	357,862	(148,238)
Chemicals	1,072,867	944,346	128,521
Crude	16,603,212	23,589,210	(6,985,998)
Petroleum	22,533,977	20,932,743	1,601,234
Total Tonnage	45,283,732	51,070,584	(5,786,852)

Ships and Barges

Ships & Barges



SHIP & BARGE MOVEMENTS			
	June		Year Over Year Change
	2016	2015	
Ships	780	863	(83)
Barges	2,308	2,985	(677)
Total Ship & Barges	3,088	3,848	(760)

Ships & Barges 2016



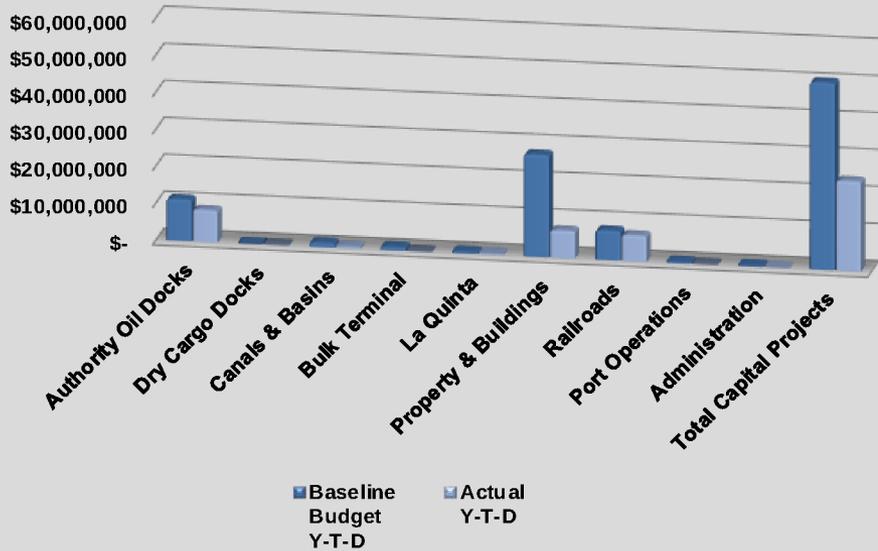
Capital Projects

CAPITAL PROJECTS

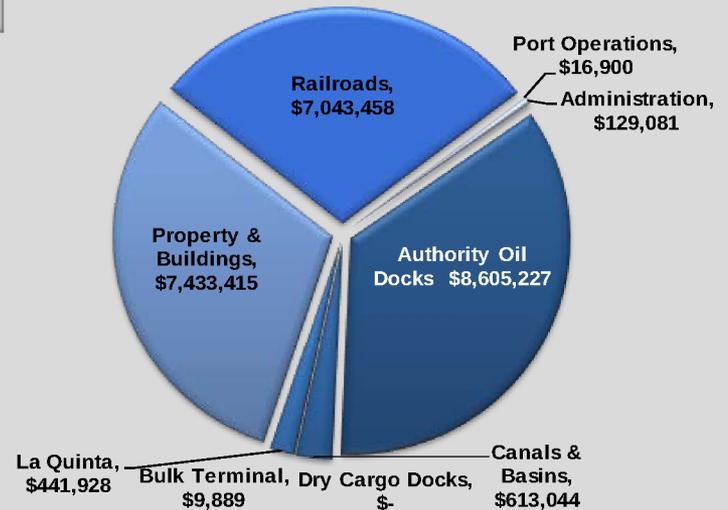
	Annual Budget	Actual Y-T-D	Balance Remaining	Baseline Budget Y-T-D	Actual Y-T-D	Variance
Authority Oil Docks	\$ 13,530,000	\$ 8,605,227	\$ 4,924,773	\$ 11,215,000	\$ 8,605,227	\$ (2,609,773)
Dry Cargo Docks	\$ 1,200,000	\$ -	\$ 1,200,000	\$ 60,000	\$ -	\$ (60,000)
Canals & Basins	\$ 23,996,321	\$ 613,044	\$ 23,383,277	\$ 1,207,300	\$ 613,044	\$ (594,256)
Bulk Terminal	\$ 5,397,500	\$ 9,889	\$ 5,387,611	\$ 977,500	\$ 9,889	\$ (967,611)
La Quinta	\$ 9,637,500	\$ 441,928	\$ 9,195,572	\$ 627,500	\$ 441,928	\$ (185,572)
Property & Buildings	\$ 36,196,305	\$ 7,433,415	\$ 28,762,890	\$ 27,620,000	\$ 7,433,415	\$ (20,186,585)
Railroads	\$ 17,110,000	\$ 7,043,458	\$ 10,066,542	\$ 7,990,000	\$ 7,043,458	\$ (946,542)
Port Operations	\$ 1,086,000	\$ 16,900	\$ 1,069,100	\$ 500,000	\$ 16,900	\$ (483,100)
Administration	\$ 1,355,000	\$ 129,081	\$ 1,225,919	\$ 410,333	\$ 129,081	\$ (281,252)
Total Capital Projects	\$ 109,508,626	\$ 24,292,942	\$ 85,215,684	\$ 50,607,633	\$ 24,292,942	\$ (26,314,691)

Capital Projects

Capital Projects



Capital Project Expenditures 2016



CAPITAL PROJECTS

	Baseline Budget Y-T-D	Actual Y-T-D	Variance
Authority Oil Docks	\$ 11,215,000	\$ 8,605,227	\$ (2,609,773)
Dry Cargo Docks	\$ 60,000	\$ -	\$ (60,000)
Canals & Basins	\$ 1,207,300	\$ 613,044	\$ (594,256)
Bulk Terminal	\$ 977,500	\$ 9,889	\$ (967,611)
La Quinta	\$ 627,500	\$ 441,928	\$ (185,572)
Property & Buildings	\$ 27,620,000	\$ 7,433,415	\$ (20,186,585)
Railroads	\$ 7,990,000	\$ 7,043,458	\$ (946,542)
Port Operations	\$ 500,000	\$ 16,900	\$ (483,100)
Administration	\$ 410,333	\$ 129,081	\$ (281,252)
Total Capital Projects	\$ 50,607,633	\$ 24,292,942	\$ (26,314,691)

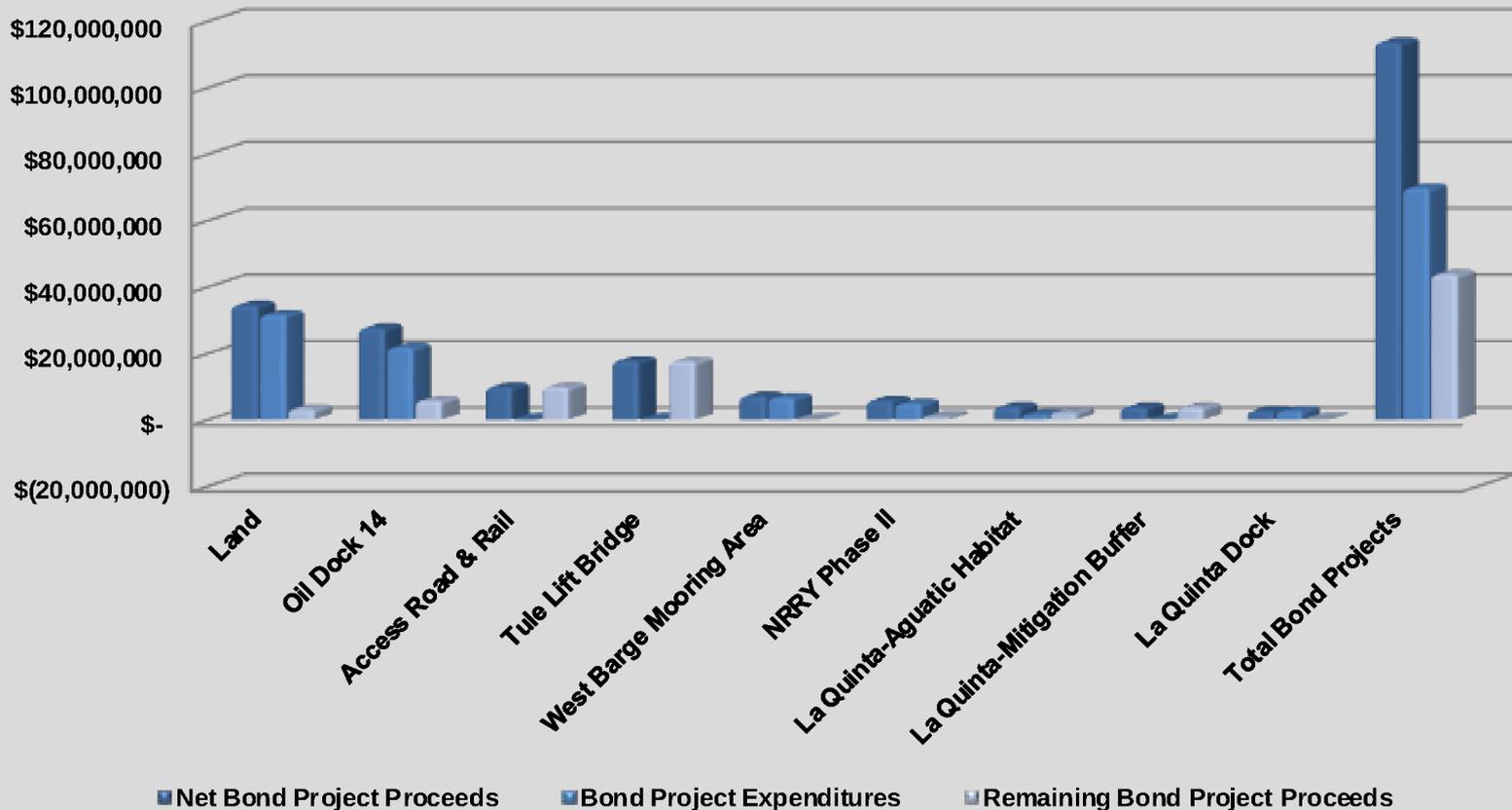
Bond Projects

BOND PROJECT PROCEEDS - (As of June 2016)

	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	\$ 31,757,503	\$ 3,317,862
Oil Dock 14	\$ 28,000,000	\$ 277,552	\$ 27,722,448	\$ 21,871,834	\$ 5,850,614
Access Road & Rail	\$ 10,000,000	\$ 99,126	\$ 9,900,874	\$ (22,376)	\$ 9,923,250
Tule Lift Bridge	\$ 18,000,000	\$ 178,426	\$ 17,821,574	\$ 158,929	\$ 17,662,645
West Barge Mooring Area	\$ 7,280,000	\$ 72,164	\$ 7,207,836	\$ 6,745,927	\$ -
NRRY Phase II	\$ 6,000,000	\$ 59,475	\$ 5,940,525	\$ 5,024,171	\$ 916,354
La Quinta-Aquatic Habitat	\$ 4,020,000	\$ 39,849	\$ 3,980,151	\$ 1,684,506	\$ 2,295,645
La Quinta-Mitigation Buffer	\$ 3,940,000	\$ 39,055	\$ 3,900,945	\$ 18,050	\$ 3,882,895
La Quinta Dock	\$ 2,800,000	\$ 27,755	\$ 2,772,245	\$ 2,670,007	\$ 102,238
Total Bond Projects	\$ 115,000,000	\$ 1,139,946	\$ 113,860,054	\$ 69,908,551	\$ 43,951,503

Bond Projects

Bond Project Proceeds (As of June 2016)





Thank You



DATE: August 16, 2016

TO: Port Commission

FROM: Dennis J. DeVries, Director of Finance
dennis@pocca.com
 361 885-6139

AGENDA ITEM NO. 12.b

Approve PCCA’s Second Quarter Investment Report

SUMMARY: Staff requests Commission approval of the PCCA’s Second Quarter Investment Report in accordance with provisions set out in in the Government Code, Public Funds Investment Act Section 2256.023 (c).

BACKGROUND: Under Section 2256.023, not less than quarterly, the investment officer will prepare and submit to the governing body of the entity a written report of investment transactions for all funds covered by this chapter for the preceding reporting period.

ALTERNATIVES: None.

CONFORMITY TO PORT POLICY: Yes.

EMERGENCY: No.

FINANCIAL IMPACT: N/A

STAFF RECOMMENDATION: Staff recommends approval of the PCCA’s Second Quarter Investment Report for the Quarter ended June 30, 2016.

DEPARTMENTAL CLEARANCES:

Originating Department	Finance Department
Reviewed & Approved	Dennis J. DeVries
Legal	N/A
Senior Staff	John LaRue
	Sean Strawbridge
	Jarl Pedersen
Commission	Audit Committee

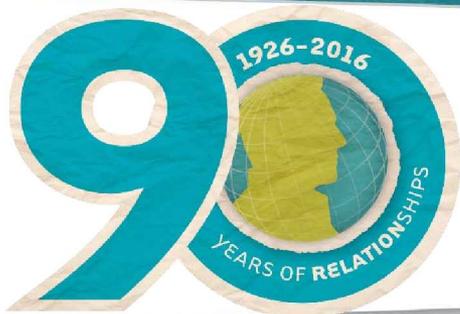
LIST OF SUPPORTING DOCUMENTS:

Investment Report for the Quarter Ended June 30, 2016



INVESTMENT REPORT

For the Quarter Ended June 30, 2016



PORT CORPUS CHRISTI[®]
Moving America's Energy

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- **Compliance Statement**
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- **Investment Values and Yield Returns**
- **Allocation Analysis**
- **Portfolio Balances**
- **Weighed Average Maturities (WAM)**
- **Rates**
- **Benchmarks**
- **Appendix**
 - ❖ **Investment Portfolio Report**
 - ❖ **Investment Transactions**



Compliance Statement

We believe the investment information presented for the quarter ending June 30, 2016, is accurate in all material respects, and is presented in a manner that fairly sets forth the investment standing of the Port of Corpus Christi Authority (Authority).

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



Dennis J. DeVries
Director of Finance



Audre Debler
Chief Accountant



Executive Summary

The accompanying quarterly investment report lists in summary form and in detail the investment positions of the Port of Corpus Christi Authority's (Authority) operating funds as of June 30, 2016. As of that date, the Authority had a total of approximately \$249.5 million invested in a local government investment pools, money market accounts, agencies, treasuries, certificates of deposit, and municipal securities.

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

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

QUARTERLY SUMMARY:

March 31, 2016

Beginning Book	\$ 255,569,297
Beginning Market	\$ 255,736,572
Unrealized Gain/(Loss)	\$ 167,274
WAM	294 Days
Net Quarterly Yield	0.679%
Yield at End of Quarter	0.659%
Benchmark for Quarter	0.580%
Earnings for Quarter	\$ 397,690

June 30, 2016

Ending Book	\$ 249,513,590
Ending Market	\$ 249,736,162
Unrealized Gain/(Loss)	\$ 222,572
WAM	255 Days
Net Quarterly Yield	0.648%
Yield at End of Quarter	0.659%
Benchmark for Quarter	0.570%
Earnings for Quarter	\$ 403,119



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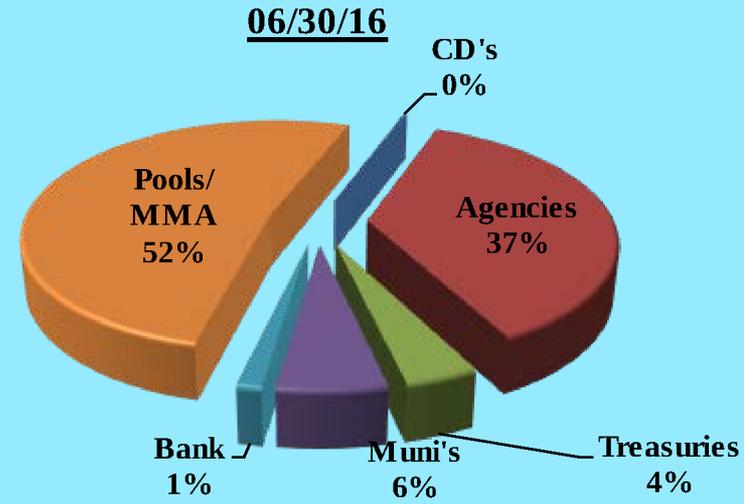
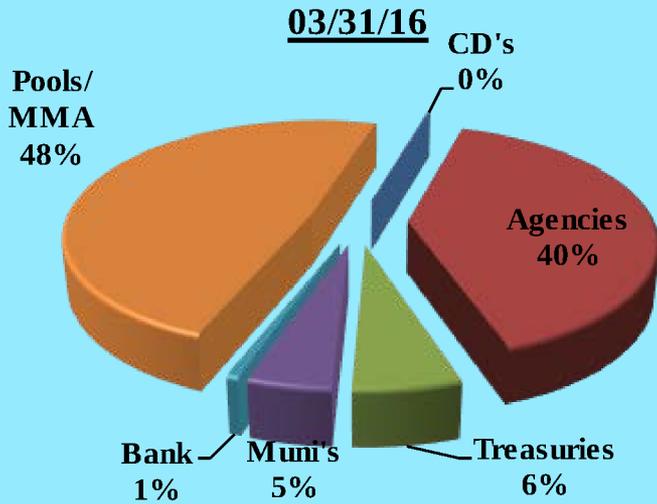
Moving America's Energy

Investment Values and Yield Returns

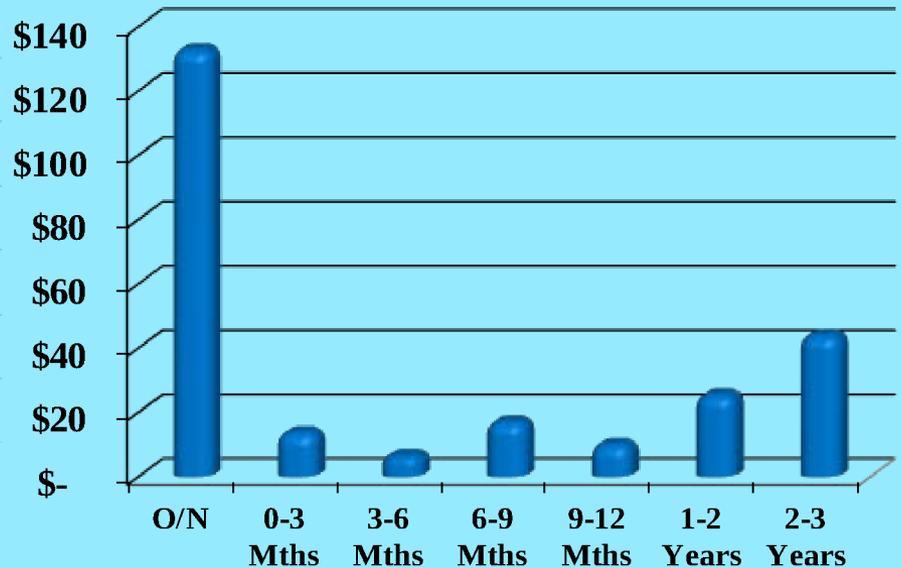
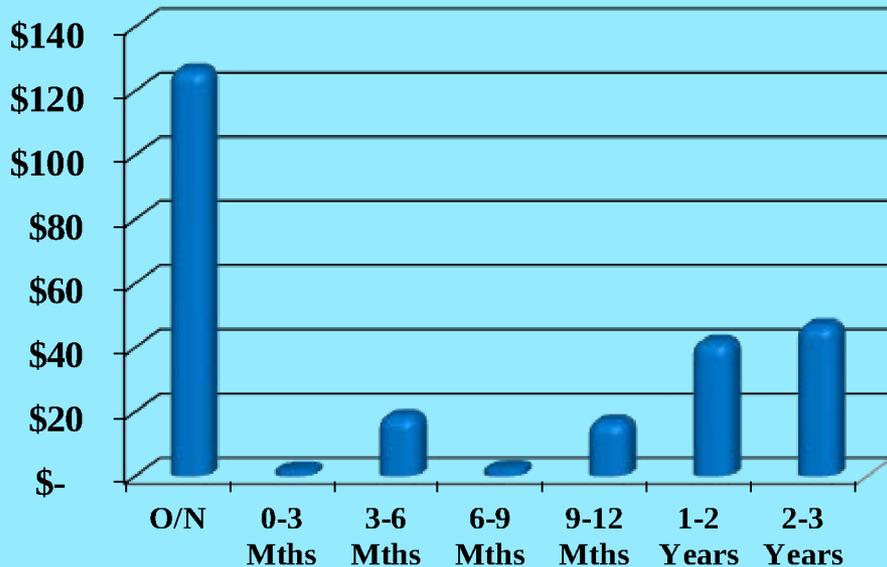
	Values	Yields
Bank	\$ 47,950,038	0.139%
Texpool	\$ 43,951,503	0.363%
Texpool Prime	\$ 40,701,944	0.555%
Money Market Account	\$ 246,869	0.350%
Certificates of Deposit	\$ 490,000	0.875%
Federal Agencies	\$ 91,463,265	1.084%
Treasuries	\$ 9,978,579	0.825%
Municipal Bonds	\$ 14,731,391	0.772%
Total	\$ 249,513,590	0.659%

Allocation Analysis

Asset Allocation

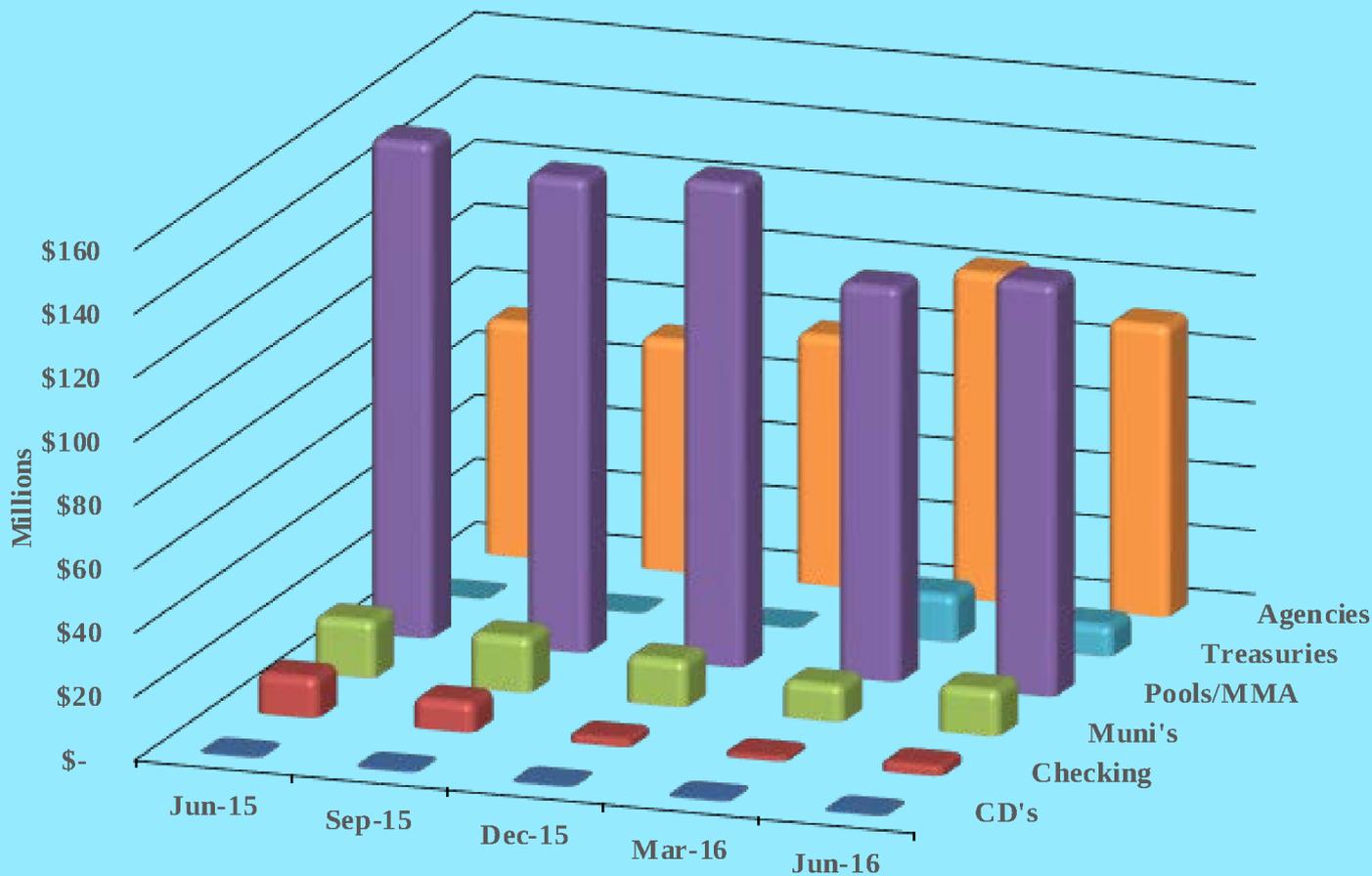


Maturity Allocation (in Millions)



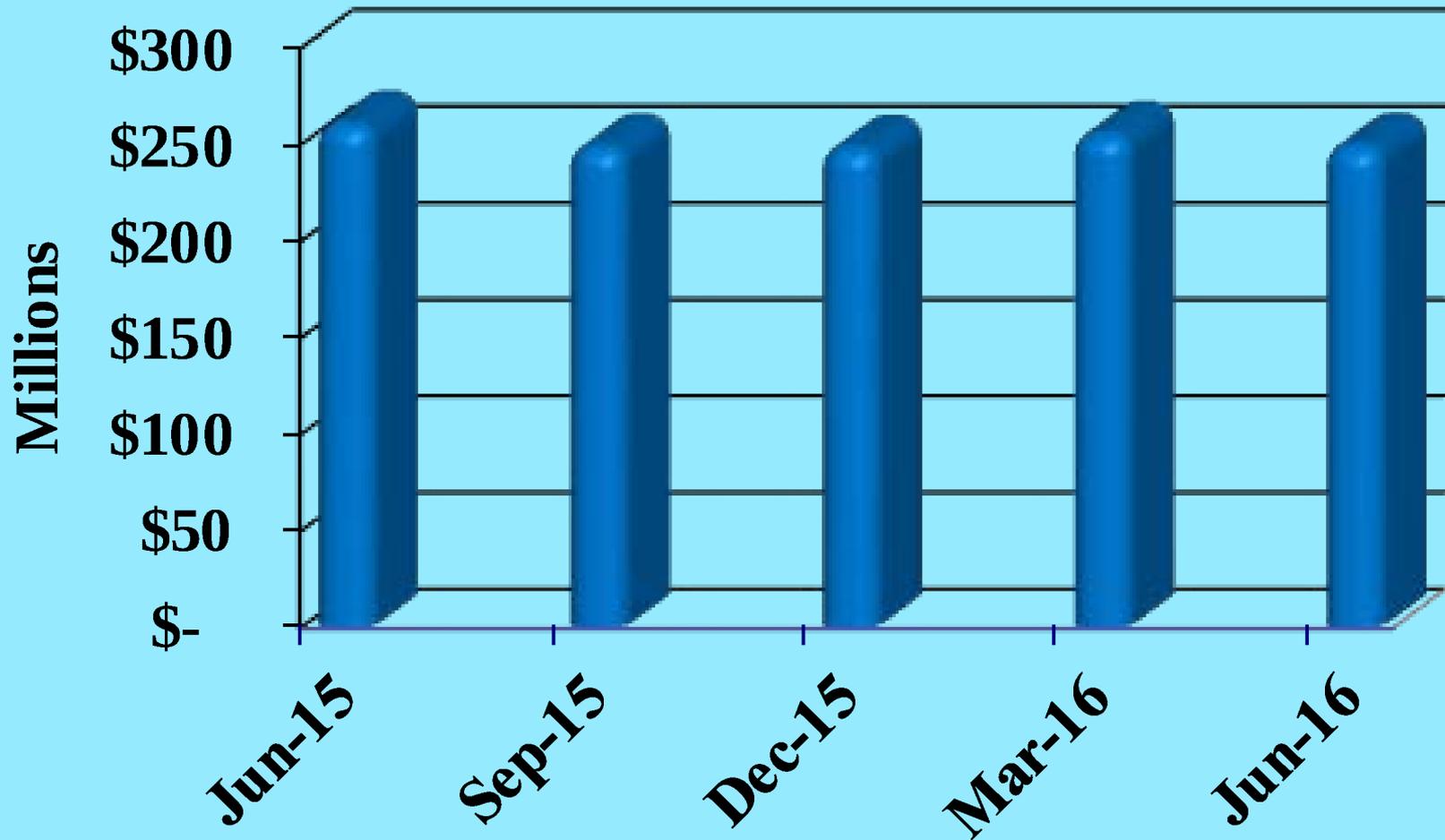
Allocation Analysis

Quarterly Asset Allocation



■ CD's ■ Checking ■ Muni's ■ Pools/MMA ■ Treasuries ■ Agencies

Portfolio Balances

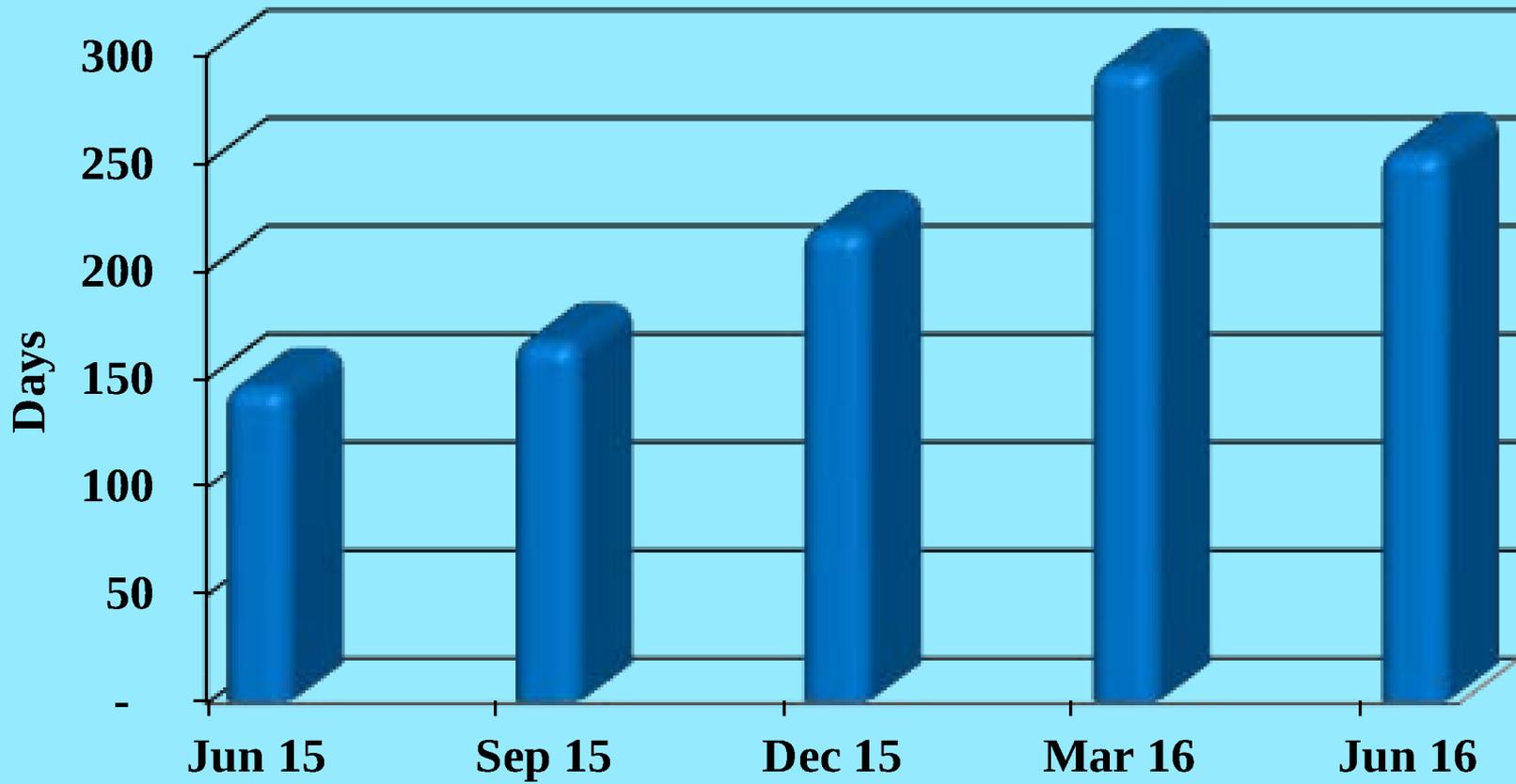




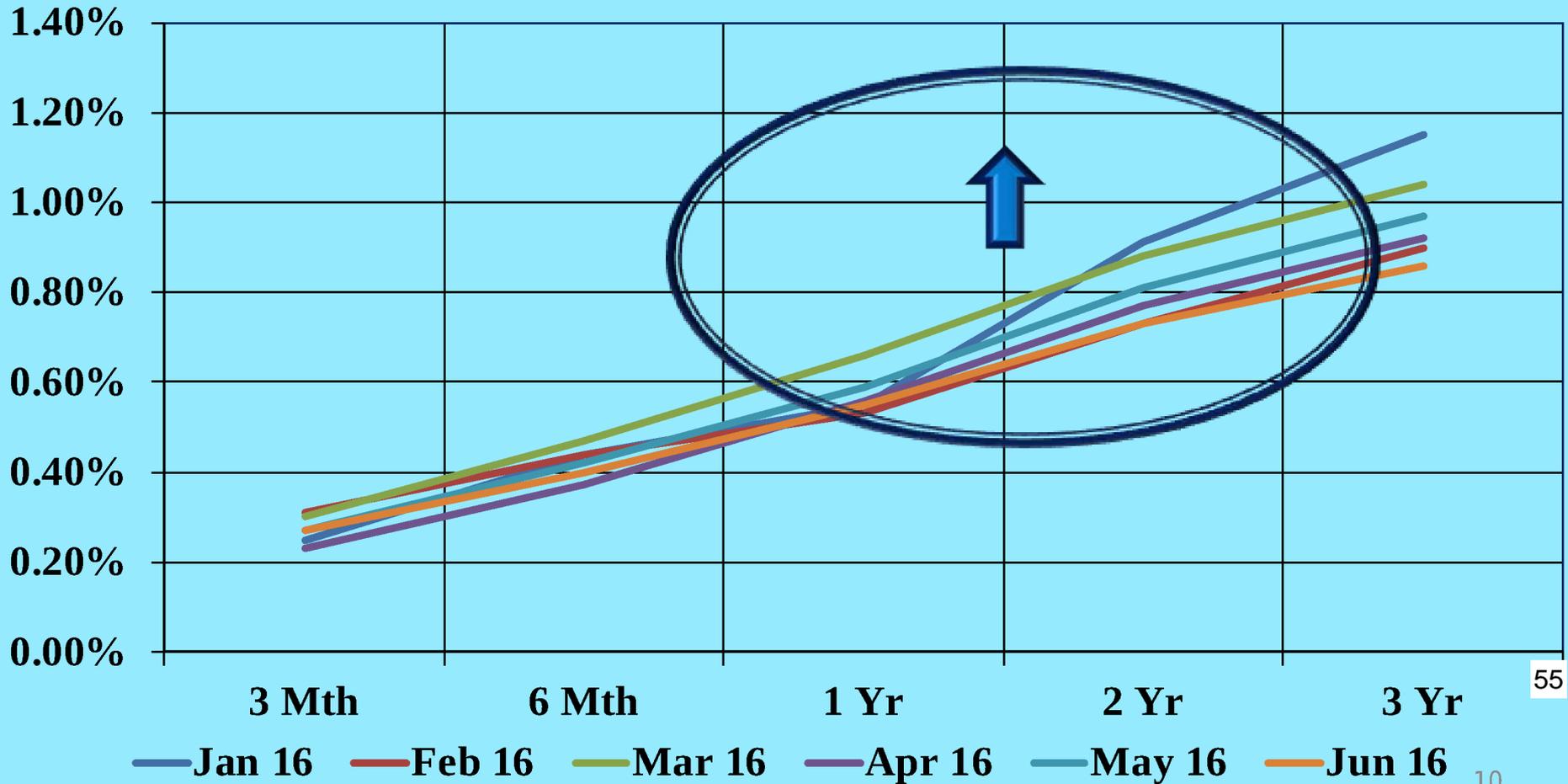
PORT CORPUS CHRISTI[®]

Moving America's Energy

Weighted Average Maturity (WAM)



Rates



Benchmarks



	June 2015	September 2015	December 2015	March 2016	June 2016
■ 3 Month Treasury	0.010%	0.040%	0.130%	0.290%	0.260%
■ 6 Month Treasury	0.090%	0.170%	0.320%	0.450%	0.400%
■ 1 Year Treasury	0.250%	0.350%	0.470%	0.580%	0.570%
■ Portfolio Yield	0.379%	0.379%	0.379%	0.659%	0.659%

■ 3 Month Treasury ■ 6 Month Treasury ■ 1 Year Treasury ■ Portfolio Yield

Benchmark Review

	Q1-2016	\$ Impact
Investment Portfolio	0.648%	
3 Mth Treasury Bill	0.260%	\$244,965
6 Mth Treasury Bill	0.400%	\$156,576
12 Mth Treasury Bill	0.570%	\$49,246



Appendix



Investment Portfolio

Purchase Date	Type	Maturity Date	Days to Maturity at Purchase	Remaining Days to Maturity	Coupon/Rate	Book Yield (%)	Par Value	Book Value	Market Value	Unrealized Gain(Loss)	Quarterly Accrued Interest
06/30/2016	Operating Fund	07/01/2016	1	1	0.000%	0.000%	\$ 1,964,696	\$ 1,964,696	\$ 1,964,696	\$ -	\$ -
06/30/2016	Vendor Fund	07/01/2016	1	1	0.000%	0.000%	\$ 1,089,508	\$ 1,089,508	\$ 1,089,508	\$ -	\$ -
06/30/2016	Payroll Fund	07/01/2016	1	1	0.000%	0.000%	\$ 360,291	\$ 360,291	\$ 360,291	\$ -	\$ -
06/30/2016	Asset Forfeiture Fund	07/01/2016	1	1	0.025%	0.025%	\$ 16,858	\$ 16,858	\$ 16,858	\$ -	\$ 2
Total Bank							\$ 3,431,353	\$ 3,431,353	\$ 3,431,353	\$ -	\$ 2
06/30/2016	TEXPOOL	07/01/2016	1	1	0.363%	0.363%	\$ 43,951,503	\$ 43,951,503	\$ 43,951,503	\$ -	\$ 40,692
06/30/2016	TEXPOOL-Prime	07/01/2016	1	1	0.555%	0.555%	\$ 40,701,944	\$ 40,701,944	\$ 40,701,944	\$ -	\$ 54,223
06/30/2016	Wells Fargo MMMF	07/01/2016	1	1	0.150%	0.150%	\$ 44,518,685	\$ 44,518,685	\$ 44,518,685	\$ -	\$ 11,171
06/30/2016	East West Bank - MMA	07/01/2016	1	1	0.350%	0.350%	\$ 246,869	\$ 246,869	\$ 246,869	\$ -	\$ 215
Total Pools/MMA							\$ 129,419,001	\$ 129,419,001	\$ 129,419,001	\$ -	\$ 106,301
10/18/2015	Certificate of Deposit-1st Community	10/18/2016	366	109	1.250%	1.250%	\$ 245,000	\$ 245,000	\$ 245,000	\$ -	\$ 764
11/05/2015	Certificate of Deposit-Prosperity	11/05/2016	366	127	0.500%	0.500%	\$ 245,000	\$ 245,000	\$ 245,000	\$ -	\$ 305
Total Certificate of Deposits							\$ 490,000	\$ 490,000	\$ 490,000	\$ -	\$ 1,069
11/21/2014	FHLB Note	05/06/2016	532	0	0.375%	0.375%	\$ -	\$ -	\$ -	\$ -	\$ 749
09/09/2016	FHLB Note	09/09/2016	658	70	2.000%	0.746%	\$ 5,000,000	\$ 5,013,616	\$ 5,015,155	\$ 1,539	\$ 6,979
04/10/2015	FHLB	11/01/2016	571	123	0.750%	0.552%	\$ 2,000,000	\$ 2,000,684	\$ 2,001,200	\$ 516	\$ 2,612
04/28/2015	FNMA	07/05/2016	434	4	0.375%	0.344%	\$ 5,000,000	\$ 5,000,014	\$ 4,999,995	\$ (19)	\$ 4,372
05/12/2015	FHLMC	05/12/2017	731	315	0.800%	0.794%	\$ -	\$ -	\$ -	\$ -	\$ 4,556
07/14/2015	FHLMC	07/14/2017	731	378	0.900%	0.887%	\$ 3,000,000	\$ 3,000,000	\$ 3,007,458	\$ 7,458	\$ 6,750
09/08/2015	FHLMC	09/08/2017	731	434	1.000%	0.986%	\$ 2,500,000	\$ 2,500,000	\$ 2,502,213	\$ 2,213	\$ 6,250
09/28/2015	FHLMC	09/28/2017	731	454	1.000%	0.986%	\$ -	\$ -	\$ -	\$ -	\$ 2,417
09/29/2015	FHLMC	09/28/2018	1,095	819	0.625%	0.629%	\$ -	\$ -	\$ -	\$ -	\$ 7,552
10/29/2015	FHLMC	10/29/2018	1,096	850	1.160%	1.160%	\$ 7,000,000	\$ 7,000,000	\$ 7,000,490	\$ 490	\$ 20,300
10/30/2015	FNMA Step-Up	10/29/2018	1,095	850	0.750%	0.750%	\$ 5,000,000	\$ 5,000,000	\$ 5,001,000	\$ 1,000	\$ 9,375
11/23/2015	FHLB	06/09/2017	564	343	1.000%	0.809%	\$ 5,000,000	\$ 5,008,888	\$ 5,019,525	\$ 10,637	\$ 10,133
11/24/2015	FNMA	05/21/2018	909	689	0.875%	1.165%	\$ 5,000,000	\$ 4,973,088	\$ 5,019,790	\$ 46,702	\$ 14,499
11/24/2015	FHLB	11/17/2017	724	504	0.940%	0.990%	\$ 5,000,000	\$ 4,996,591	\$ 5,020,260	\$ 23,669	\$ 12,369
11/24/2015	FFCB	11/19/2018	1,091	871	1.290%	1.281%	\$ 5,000,000	\$ 5,001,038	\$ 5,058,845	\$ 57,807	\$ 16,016
12/29/2015	FHLMC	12/29/2017	731	546	1.050%	1.050%	\$ -	\$ -	\$ -	\$ -	\$ 12,833
01/07/2016	US Treasury Note	02/28/2017	418	243	0.500%	0.825%	\$ 10,000,000	\$ 9,978,579	\$ 10,002,730	\$ 24,151	\$ 20,419
01/07/2016	FHLMC	02/23/2018	778	603	1.030%	1.164%	\$ -	\$ -	\$ -	\$ -	\$ 6,546
01/07/2016	FFCB	04/21/2017	470	295	0.500%	0.885%	\$ 5,000,000	\$ 4,984,609	\$ 4,996,400	\$ 11,791	\$ 11,026
01/07/2016	FFCB	03/23/2018	806	631	1.220%	1.245%	\$ -	\$ -	\$ -	\$ -	\$ 1,017
01/07/2016	US Treasury Note	06/30/2016	175	0	1.500%	0.474%	\$ -	\$ -	\$ -	\$ -	\$ 5,888
01/27/2016	FHLB	07/27/2018	912	757	1.375%	1.375%	\$ 10,000,000	\$ 10,000,000	\$ 10,001,250	\$ 1,250	\$ 34,375
01/29/2016	FHLB	01/29/2019	1,096	943	1.600%	1.600%	\$ -	\$ -	\$ -	\$ -	\$ 12,444
04/05/2016	FHLB	04/05/2019	1,095	1,008	1.350%	1.350%	\$ 7,000,000	\$ 7,000,000	\$ 7,005,355	\$ 5,355	\$ 22,575
05/24/2016	FHLMC	05/24/2019	1,095	1,057	1.400%	1.400%	\$ 10,000,000	\$ 10,000,000	\$ 10,007,170	\$ 7,170	\$ 14,389
05/27/2016	FFCB	02/16/2018	630	595	0.750%	0.940%	\$ 5,000,000	\$ 4,984,737	\$ 5,005,770	\$ 21,033	\$ 4,429
06/29/2016	FHLMC	06/29/2018	730	728	1.150%	1.150%	\$ 5,000,000	\$ 5,000,000	\$ 5,003,270	\$ 3,270	\$ 319
Total Treasuries/Agencies							\$ 101,500,000	\$ 101,441,844	\$ 101,667,876	\$ 226,031	\$ 271,190



Investment Portfolio

Purchase Date	Type	Maturity Date	Days to Maturity at Purchase	Remaining Days to Maturity	Coupon/Rate	Book Yield (%)	Par Value	Book Value	Market Value	Unrealized Gain(Loss)	Quarterly Accrued Interest
10/21/2014	Bemidji MD ISD	04/01/2016	528	0	4.000%	0.345%	\$ -	\$ -	\$ -	\$ -	\$ -
11/13/2014	Randolph MA	09/01/2016	658	62	2.000%	0.691%	\$ 1,245,000	\$ 1,247,674	\$ 1,247,602	\$ (72)	\$ 2,213
08/20/2015	Hamden CT	08/18/2016	364	48	3.000%	0.642%	\$ 2,405,000	\$ 2,412,328	\$ 2,411,710	\$ (618)	\$ 4,005
03/24/2016	Town of Guttenberg NJ	03/16/2017	357	259	2.000%	0.770%	\$ 7,000,000	\$ 7,060,497	\$ 7,058,940	\$ (1,557)	\$ 13,648
05/13/2016	Jersey City NJ	12/09/2016	210	161	1.500%	0.871%	\$ 4,000,000	\$ 4,010,891	\$ 4,009,680	\$ (1,211)	\$ 4,691
Total Municipal Securities							\$ 14,650,000	\$ 14,731,391	\$ 14,727,932	\$ (3,459)	\$ 24,557
Total Investments							\$ 249,490,354	\$ 249,513,590	\$ 249,736,162	\$ 222,572	\$ 403,119

SUMMARY:	Total	Bank	Pools/MMA	CD's	Treasuries/Agencies	Municipal Securities
Valuation Date:	06/30/2016					
Book Value:	\$ 249,513,590	\$ 3,431,353	\$ 129,419,001	\$ 490,000	\$ 101,441,844	\$ 14,731,391
% of Portfolio	100.00%	1.38%	51.87%	0.20%	40.66%	5.90%
Average Maturity:	255 Days	1 Days	1 Days	118 Days	599 Days	181 Days

Investment Transactions

Transaction Date	Purchase Date	Description	Coupon	Yield	Maturity Date	Par Value	Transaction Price	Total Cost
<u>Purchases:</u>								
04/05/2016	04/05/2016	FHLB	1.350%	1.350%	04/05/2019	\$ 7,000,000	100.000	\$ 7,000,000
05/13/2016	05/13/2016	Jersey City NJ	1.500%	0.871%	12/09/2019	\$ 4,000,000	100.355	\$ 4,014,200
05/24/2016	05/24/2016	FHLMC	1.400%	1.400%	05/24/2019	\$ 10,000,000	100.000	\$ 10,000,000
05/27/2016	05/27/2016	FFCB	0.750%	0.940%	02/16/2018	\$ 5,000,000	99.677	\$ 4,983,850
06/29/2016	06/29/2016	FHLMC	1.150%	1.150%	06/29/2018	\$ 5,000,000	100.000	\$ 5,000,000
Total Purchases						\$ 31,000,000		\$ 30,998,050
KS								
Transaction Date	Purchase Date	Description	Coupon	Yield	Maturity Date	Par Value	Transaction Price	Total Cost
<u>Maturities:</u>								
04/01/2016	10/21/2014	Bemidji MD ISD	4.000%	0.345%	04/01/2016	\$ 885,000	100.00	\$ 885,000
05/06/2016	11/21/2014	FHLB	0.375%	0.375%	05/06/2016	\$ 2,000,000	100.00	\$ 2,000,000
06/30/2016	01/07/2016	US Treasury Note	1.500%	0.474%	06/30/2016	\$ 5,000,000	100.00	\$ 5,000,000
05/12/2016	05/21/2015	FHLMC	0.800%	0.794%	05/12/2017	\$ 5,000,000	100.00	\$ 5,000,000
06/28/2016	09/28/2015	FHLMC	1.000%	0.986%	09/28/2017	\$ 1,000,000	100.00	\$ 1,000,000
06/29/2016	12/29/2015	FHLMC	1.050%	1.050%	12/29/2017	\$ 5,000,000	100.00	\$ 5,000,000
05/23/2016	01/07/2016	FHLMC	1.030%	1.164%	02/23/2018	\$ 4,400,000	100.00	\$ 4,400,000
04/06/2016	01/07/2016	FFCB	1.220%	1.245%	03/23/2018	\$ 6,000,000	100.00	\$ 6,000,000
06/28/2016	09/29/2015	FHLMC	0.625%	0.629%	09/28/2018	\$ 5,000,000	100.00	\$ 5,000,000
04/29/2016	01/29/2016	FHLB	1.600%	1.600%	01/29/2019	\$ 10,000,000	100.00	\$ 10,000,000
Total Maturities						\$ 44,285,000		\$ 44,285,000
Total Net Transactions						\$ (13,285,000)		\$ (13,286,950)



Thank You



DATE: August 16, 2016

TO: Port Commission

FROM: Lynn Angerstein
lynn@pocca.com
 (361) 885-6142

AGENDA ITEM NO. 12.c

Approve the PCCA’s 2016 Procurement Policy

SUMMARY: Staff is seeking Commission approval of Procurement Policy.

BACKGROUND: The PCCA formally established the first Procurement Services department in 2016 and began staffed operation on April 11, 2016. Among the top priorities tasked of the procurement group was to develop a comprehensive procurement policy and manual to serve as a detailed resource of procurement best practices for PCCA Staff. All previously adopted policies and/or resolutions related to procurement have been reviewed and incorporated into the proposed policy being presented at this time for Commission consideration and adoption as applicable.

ALTERNATIVES: None.

CONFORMITY TO PORT POLICY: Yes.

EMERGENCY: No.

FINANCIAL IMPACT: N/A

STAFF RECOMMENDATION: Staff recommends adoption of the attached Procurement Policy for the Port of Corpus Christi Authority.

DEPARTMENTAL CLEARANCES:

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

Port Commission
Agenda Item No. 12.c
August 16, 2016
Page 2

LIST OF SUPPORTING DOCUMENTS:

Procurement Policy

Port of Corpus Christi Authority
Procurement Policy
(Approved _____, 2016)

I. Purpose

The Port Commission of the Port of Corpus Christi Authority (the “Port Authority”) hereby establishes this policy (the “Procurement Policy”) for the procurement of goods and services.

II. Policy Statement

It is the policy of the Port Authority that its procurement of goods and services should conform to the Port Authority’s mission and applicable law in a deliberate, fair, and ethical manner while providing every qualified provider with an equal opportunity to compete for Port Authority procurements.

III. Policy Authority

This procurement-related policy is in compliance with the following statutes:

- A. Texas Water Code, Chapters 60 and 62
- B. Texas Government Code, Chapter 2254, Subchapter A
- C. Texas Government Code, Chapter 2054
- D. Texas Local Government Code, Chapter 271, Subchapters D, F, and G

IV. Definitions

- A. “Best Bid” means the lowest responsive, responsible bid.
- B. “Best Value” means, with respect to any bid, proposal or procurement method, the bid, proposal or procurement method that is determined to be the most advantageous to the Port Authority when compared to other bids, proposals or procurement methods based on price and non-price factors.
- C. “Bidders/Proposers” means actual and prospective respondents (including their authorized representatives acting on their behalf) to a Formal Procurement solicitation.
- D. “Competitive Sealed Bids” means an advertised procurement method in which the award is made to the lowest responsive, responsible bidder. The use of competitive

sealed bids is a method of contracting for goods and nonprofessional services. In open competitive bidding, the sealed bids are opened in full view of all who may wish to witness the bid opening. Competitive bidding aims at obtaining goods and services at the lowest prices by stimulating competition and by preventing favoritism.

- E. “Competitive Sealed Proposals” means an advertised procurement method in which a selection is made of the proposal that offers the best value based on the published selection criteria and ranking evaluation, followed by contract negotiation. This method permits the consideration of non-price criteria and negotiation of scope of services.
- F. “Formal Procurement” means the procurement of goods or services for more than \$50,000.
- G. “Informal Procurement” means the procurement of goods or services for not more than \$50,000.
- H. “Misconduct” means a violation of law or Port Authority’s procurement policy, standards, or procedures, by a Port Commissioner, employee, or third-party acting in connection with the Port Authority.
- I. “No-Contact Period” means the period commencing on public issuance by the Port Authority of a solicitation for Formal Procurement, and ending when the Port Authority publicly posts notice of the agenda for the Port Commission meeting during which award of the Formal Procurement is scheduled for action.
- J. “Professional Services” means services that are predominantly mental or intellectual, rather than physical or manual, in nature. Professional Services, include, without limitation, services performed by members of disciplines requiring special knowledge or attainment of a high order of learning, skill, and intelligence.
- K. “Request for Proposals” means an advertised procurement method in which the award is made to the lowest and best evaluated offer resulting from negotiation based on the published evaluation criteria.
- L. “Subchapter N” means Subchapter N of Chapter 60 of the Texas Water Code, which is entitled *Competitive Bidding Requirements*.
- M. “Subchapter O” means Subchapter O of Chapter 60 of the Texas Water Code, which is entitled *Purchase Contracts*.

V. Authority of the Port Commission

- A. Port Authority procurement is under the control of the Port Commission, which oversees and approves Port Authority expenditures in conformity with the Texas

Water Code, the Texas Government Code, the Texas Local Government Code, and this Procurement Policy. The Procurement Policy is not intended to restrict the authority of the Port Commission to act as may be permitted by law.

- B. The Port Commission must approve all Formal Procurements by the Port Authority.

VI. Adoption of Applicable Procurement Laws

- A. This policy supersedes all previous purchasing guidelines and/or purchasing policies adopted by the Port Commission. The Port Commission hereby reaffirms its prior adoption of Subchapter N “Competitive Bidding Requirements” for all Formal Procurements, unless the Port Commission approves one of the purchasing methods described in Subchapter O for a particular procurement.
- B. Notwithstanding anything to the contrary contained herein, the Port Authority may participate in cooperative purchasing programs approved by the State of Texas, other Texas local governments, or the United States General Services Administration without seeking competitive bids. Similarly, the Port Authority may purchase information technology products and services under the Texas Department of Information Resources Cooperative Contracts without the need for competitive bidding.

VII. Methods of Making Formal Procurements

- A. Customary Formal Procurement Methods. Each Formal Procurement by the Port Authority which is not exempt from the requirements of Subchapter N will be made in accordance with the competitive bidding or request for proposal requirements set forth in Subchapter N, unless the Port Commission determines that making the procurement under one the following purchasing methods described in Subchapter O (each an “Alternative Procurement Method”) will provide the best value to the Port Authority:
 - 1. Solicitation of “Competitive Sealed Bids,” for construction, repair, or renovation of a structure, road, highway, or other improvement or addition to real property and repair of facilities, including as may be required following damage caused by third parties.
 - 2. Solicitation of “Requests for Proposals,” for procurement of high technology items, insurance, services, and other intangible items, other than construction services.
 - 3. Solicitation of “Requests for Qualifications,” where price is negotiated following selection. The selection and award must be based on demonstrated competence and qualification to perform the services for a fair and reasonable price. RFQ is used for certain professional services only.

4. Solicitation of “Competitive Sealed Proposals,” for construction, repair, rehabilitation, or alteration of facilities (except as provided above), and for non-construction items.
- B. Use of an Alternative Procurement Method. The Port Authority will not make any Formal Procurement of goods or services utilizing an Alternative Procurement Method unless the Port Commission has authorized the use of an Alternative Procurement Method for such procurement in advance.
- C. Procedure for Using an Alternative Procurement Method. The Port Commission may approve in advance the use of an Alternative Procurement Method for making a Formal Procurement. In such cases the following processes shall be adhered to:
1. Port Authority staff shall request Port Commission Action at a Port Commission meeting authorizing the use of a particular Alternative Procurement Method for the Formal Procurement.
 2. The Port Commission shall determine at a Port Commission meeting whether the recommended Alternative Procurement Method offers the best value to the Port Authority for the specified Formal Procurement.
 3. If the Port Commission approves an Alternative Procurement Method for a Formal Procurement, the staff shall utilize the approved Alternative Procurement Method in making the procurement.

VIII. Formal Procurement Communications

- A. Bidder/Proposer Restrictions. Except as provided below, during the No-Contact Period, Bidders/Proposers are prohibited from communicating with members of the Port Commission and Port Authority employees regarding a Formal Procurement.
- B. Port Commission and Port Authority Staff Restrictions. Except as provided below, during the No-Contact Period, any Port Commissioner and any Port Authority employee contacted by a Bidder/Proposer regarding a Formal Procurement shall instruct the Bidder/Proposer to contact the Manager of Procurement Services and shall not otherwise communicate with the Bidder/Proposer regarding such Formal Procurement.
- C. Exceptions. Notwithstanding the foregoing, the following types of communications are permitted during the No-Contact Period:
1. Formal responses to the Port Authority’s solicitation;
 2. Publicly-made communications at the Port Authority’s pre-bid/pre-proposal conferences, and public meetings of the Port Commission and Port Commission committees;

3. Written questions or clarification requests made to the Manager of Procurement Services or designee during the period designated by the Port Authority for such purpose, including questions or requests presented via electronic means;
4. Communications during oral interviews and presentations conducted at the request of the Port Authority to assist with its evaluation of Formal Procurement proposals;
5. Authorized negotiation of the contract that is the subject of the Formal Procurement, engaged in by designated Port Authority employees; and
6. A report of Misconduct to a Port Commissioner and/or Port Authority employees.

IX. Formal Procurement Made by Competitive Sealed Bids

The following award procedure applies to Formal Procurements using the Competitive Sealed Bids purchasing method as described in Subchapter N:

A. Customary Staff Responsibilities Upon Opening Competitive Sealed Bids

1. Sealed bids are date stamped and logged by Procurement Services on or before the deadline specified in the solicitation. When the time for opening bids has arrived, the Manager of Procurement Services, or designee, shall (1) personally and publicly open all bids received before that time, (2) read the bids (name and price) aloud to the persons present, and (3) record the bids.
2. Once the bid is opened, the Manager of Procurement Services, or designee, will determine responsiveness, share the results, and will distribute copies of the bids to the evaluation team.
3. The evaluation team shall always seek to award the contract to the responsible bidder submitting the lowest and best bid pursuant to the Texas Water Code, Section 60.408.

B. Port Commission Action.

1. The Port Commission may:
 - a. Award the contract to the responsible bidder submitting the lowest and “best bid”; or

- b. Reject any and all bids and the matter will be returned to the originating department for appropriate action.
2. If two responsible bidders submit the lowest and “best bid”, the Port Commission shall decide between the two bids by drawing lots.
3. A contract may not be awarded to a bidder who does not submit the lowest dollar bid meeting specifications unless, before the award, each person with a lower bid is given notice of the proposed award and an opportunity to appear before the Port Commission and present evidence concerning his/her responsibility.

X. Formal Procurements Made by Requests for Proposals, Requests for Qualifications or Competitive Sealed Proposals

Approval to Advertise or Solicit Proposals. The Port Commission shall approve in advance a Formal Procurement made using any of the following purchasing methods described in Subchapter O -- Request for Proposals, Request for Qualifications, or Competitive Sealed Proposals:

A. Customary Staff Responsibilities for Evaluation of Proposals/Qualifications.

1. Unless the Port Commission determines otherwise, Port Authority staff should evaluate, in relation to the published selection criteria, the proposals/qualifications received by the Port Authority in response to the RFP, RFQ, or Competitive Sealed Proposals.
2. Thereafter, the staff should:
 - a. Select the highest-ranked proposer that it believes may offer the “best value” to the Port Authority,
 - b. Rank all additional proposers that it believes may also offer “best value” to the Port Authority, and
 - c. Otherwise rank proposers as required by law.
3. Staff should submit its recommended ranking to the Port Commission for action at a public meeting.
4. Staff may also request that the Port Commission consider taking action to award the contract at that time, in the event that it determines in good faith that:
 - a. Only one proposal/qualification offers “best value,” or

- b. It is in the best interest of the Port Authority to immediately award the contract.
- 5. Staff may terminate the Formal Procurement by an Alternative Procurement Method in the event that it determines that no proposal offers “best value” to the Port Authority, provided staff shall notify the Port Commission of such termination and obtain its concurrence.

B. Port Commission Action.

- 1. The Port Commission may:
 - a. Approve the ranking and (i) authorize negotiation of a contract, or (ii) award the contract (as applicable);
 - b. Reject all proposals and terminate the Formal Procurement; or
 - c. Reject all proposals and require that staff conduct a new solicitation.
- 2. In the event the Port Commission has only authorized negotiation of a contract, subsequent Port Commission action is required to award such contract following negotiation by staff.

XI. Informal Procurements

Informal Procurements. Except as may otherwise be provided by the Port Commission from time to time, the Executive Director or designee shall have the authority to make Informal Procurements in accordance with the following general purchasing guidelines:

- 1. Purchases less than \$5,000. No minimum number of quotes required. All purchases must be approved by the Department Director or designee.
- 2. Purchases of \$5,000 but less than \$20,000 (except marine and rail construction). A minimum of three quotes required. All purchases must be approved by the Department Director and Chief Operating Officer.
- 3. Purchases for Construction or Repair of Port Facilities and Equipment of \$20,000 but less than \$50,000 (except marine and rail construction). A minimum of three quotes required. All purchases must be approved by the Department Director, Chief Operating Officer, and Executive Director.
- 4. Purchases for Marine and Rail Construction less than \$50,000. Exempt from a minimum of three quotes due to limited availability of local marine and rail contractors. All purchases must be approved for the dollar limits as outlined in items 1, 2, and 3 above.

5. Purchases of Cars, Truck, Boats, and Other Major Mobile Equipment (i.e., Tractors, Forklifts, Sweepers, Man Lifts, etc.). Sealed bids required unless they can be purchased directly from state or federally approved purchasing programs. All purchases must be approved by the Port Commission.

XII. Emergency Purchases

Except as may otherwise be provided by the Port Commission from time to time, the Executive Director shall have the authority to make emergency purchases or contracts or emergency amendments to existing purchase orders or contracts as permitted by Texas Water Code Section 60.4035, including the Executive Director's spending authority for Pre-Readiness and Post-Storm Recovery Hurricane Expenditures.

XIII. Professional Services Selection & Authorization.

- A. Authorization. The Port Commission shall approve each contract for Professional Services with fixed or projected fees and expenses in excess of \$50,000. The executive director shall have the authority to approve any contract for Professional Services with fixed or projected fees and expenses of not more than \$50,000.
- B. Formal Selection Process. Unless otherwise approved by the Executive Director, a formal selection process will be used to procure high cost (i.e., \$150,000 or more in anticipated fees and expenses) Professional Services subject to the Professional Services Procurement Act (Chapter 2254, Subchapter A of the Texas Government Code). A formal selection process shall be followed to ensure that all interested and qualified firms are permitted an opportunity to be considered and that the best qualified firm is selected. A Request for Qualifications (RFQ) statement shall be prepared identifying the services needed and the selection process to be used. A notice shall be published in a newspaper of general circulation for two (2) consecutive weeks prior to the opening date. A selection committee shall determine the most qualified firm and negotiate contract terms.
- C. Informal Selection Process. An informal selection process will be used to procure routine, low cost (i.e., under \$150,000 in fees and expenses anticipated) Professional Services subject to the Professional Services Procurement Act (Chapter 2254, Subchapter A of the Texas Government Code). The selection will be made on the basis of demonstrated competence and qualifications to perform the required services for a fair and reasonable price.

XIV. Contract Participation for Historically Underutilized and/or Disadvantaged Businesses

It is the policy of the Port Authority that reasonable opportunities are afforded to historically underutilized and/or disadvantaged businesses to participate in the performance of contracts awarded by the Port Authority, subject to federal and state laws. In furtherance of this Contract Participation policy, the Port Authority's objective will be

to develop procedures to conduct outreach programs to encourage and maximize participation by historically underutilized and/or disadvantaged businesses, establish objectives and initiatives for such participation, and monitor the progress and effectiveness of such objectives.

XV. Policy Responsibility

A. Staff Procurement Standards and Procedures.

1. The Procurement Services Department shall prepare and from time-to-time update a Procurement Manual designed as a resource of standards and procedures consistent with this Procurement Policy to be used as a resource of best practices by the Port Authority staff in the procurement of goods and services.
2. Standards and procedures developed by staff shall not contain restrictions on the authority of the Port Commission or impose obligations on the Port Commission.

B. Periodic Procurement Reports. The Executive Director or his designees shall periodically report to the Port Commission regarding Port Authority procurement and supply management activities.

C. Procurement Policy Updates. The Audit Committee shall evaluate this Procurement Policy's effectiveness at least annually and recommend updates as needed to the Port Commission for possible action at regularly scheduled meetings.

D. Staff Responsibility. The Manager of Procurement Services is responsible for implementation of this Procurement Policy, and is the contact for staff members seeking its interpretation.



DATE: August 16, 2016

TO: Port Commission

FROM: Tyler Fuhrken, Director of Information Technology
885-6150
Tyler@pocca.com

AGENDA ITEM NO. 12.d

Approve the Purchase of Cisco Phone System from Computer Solutions in the Total Amount of \$200,405.53

SUMMARY: Staff requests approval to issue a purchase order to Computer Solutions in the amount of \$200,405.53 for the purchase of a Cisco BE6000M Unified Communication System. This purchase is through the Texas Directory of Information Resources (DIR) Cooperative Contracts Program. The 2016 budget allocated \$230,000 for the purchase of a phone system.

BACKGROUND: The PCCA has four interconnected phone systems. The primary system is a Nortel CS1000 that was installed in 2001 and upgraded in 2006. The CS1000 reached product end of life in 2012 and will reach end of manufacture support in 2018. The other three systems for remote locations are Nortel BCM 50 phone systems. The BCM 50 was end of life in 2011 and reached end of manufacture support in 2015.

Due to the age of these systems, it is becoming difficult to find replacement parts. Recently the CS1000 phone system was down for five hours. This occurred in the early AM hours and prevented Port PD from making or receiving calls during this outage. IT was able to come up with a temporary fix but had to wait two days to receive the part for a permanent resolution.

The existing design of our voice infrastructure is subpar for redundancy and cost effectiveness. The advancement in technology and the expansion of PCCA-owned fiber infrastructure allows for the reduction of four systems into one. The new system will include a BE6000M in the production data center and a backup BE6000M in the disaster recovery facility. This hardware setup along with the redundancy of our telecommunication services will maximize system uptime for voice communications.

The Cisco BE6000M is considered a unified communication system because of its versatility in communications. It can handle traditional voice and messaging communication but also includes video, instant messaging, mobility integration and conferencing. The new system has the ability to send out employee notifications in several different methods including paging, text message, email and on screen computer alerts.

The BE6000M will enhance the PCCA's internal communications while also improving safety and security communications. An example of this is when an employee dials 911 from a PCCA phone. Currently, the 911 call is routed to Metrocom. Port Police do not know the call was made until they are notified by Metrocom. With the Cisco BE6000M, the 911 call will still route to Metrocom and Metrocom will notify Port Police. However, the system will immediately notify Port Police a 911 call was made and send a recording of the call. This may only save seconds or possibly minutes but that savings could result in lives saved, property protected, or criminal act prevented or mediated more effectively.

ALTERNATIVES: Alternative systems and technologies do exist. Staff along with Computer Solutions engineers recommend this system as the best fit for PCCA operations and current infrastructure.

CONFORMITY TO PORT POLICY: DIR's Cooperative Contracts Program is a streamlined cooperative purchasing program with over 750 Master Contracts for technology products and services. All Master Contracts awarded by DIR have been competitively bid to meet state purchasing requirements, and all Master Contract terms have been negotiated to comply with state law. PCCA is eligible to buy through DIR as a political subdivision of the state.

EMERGENCY: None.

FINANCIAL IMPACT: Total cost is \$200,405.53.

STAFF RECOMMENDATION: Staff recommends a purchase order be issued to Computer Solutions in the amount of \$200,405.53 for the purchase a Cisco BE6000M through the Texas DIR contract DIR-TSO-2542.

DEPARTMENTAL CLEARANCES:

Originating Department	Information Technology
Reviewed & Approved	Tyler Fuhken
Executive Staff	Sean Strawbridge
Legal	

LIST OF SUPPORTING DOCUMENTS:

Computer Solutions Quote
Computer Solutions Letter of Engagement



DIR Agreement# DIR-TSO-2542



To: Tyler Fuhrken and Bland Chamberlain
 Port of Corpus Christi
 222 Power Street
 Corpus Christi, TX 78401

From: Jeff Byrom
 Account Executive
 Computer Solutions
 814 Arion Parkway, Suite 101
 San Antonio, TX 78216

Phone: 361-885-6146
tyler@pocca.com
bland@pocca.com

Phone: 361-548-5926
 Email: jbyrom@comsoltx.com

Port of Corpus Christi - Unified Communications System

Component	Product	Description	Qty	Unit List	Discounted	Extended
				Price	Unit-Price:	Price:
Administration Building						
Business Edition Servers	BE6M-M4-K9=	Cisco Business Edition 6000M Svr (M4), Export Restricted SW	2	9,400.00	4,700.00	9,400.00
	CON-SNT-BE6M4M4K	SNTC-8X5XNBD Cisco Business Edition 6000M Svr (M4), E	2	315.00	253.58	507.15
	CAB-N5K6A-NA	Power Cord, 200/240V 6A North America	2	-		
	BE6K-SW-10X11X-K9	Cisco Business Edition 6000 - Software App Version 10.X 11.X	2	-		
	VMW-VS6-HYPPLS-K9	Embedded License, Cisco UC Virt. Hypervisor Plus 6.x (2-cpu)	2	-		
	CIT-A03-D300GA2	300GB 6Gb SAS 10K RPM SFF HDD/hot plug/drive sled mounted	12	-		
	CIT-PSU1-770W	770W AC Hot-Plug Power Supply for 1U C-Series Rack Server	2	-		
	CIT-CPU-E52630D	2.40 GHz E5-2630 v3/85W 8C/20MB Cache/DDR4 1866MHz	2	-		
	R2XX-RAID5	Enable RAID 5 Setting	2	-		
	CIT-MR-1X162RU-A	16GB DDR4-2133-MHz RDIMM/PC4-17000/dual rank/x4/1.2v	4	-		
	CIT-MRAID12G	Cisco 12G SAS Modular Raid Controller	2	-		
	CIT-MRAID12G-1GB	Cisco 12Gbps SAS 1GB FBWC Cache module (Raid 0/1/5/6)	2	-		
Unified Comm. Licensing	R-CBE6K-K9	Cisco Business Edition 6000-Electronic SW Delivery-Top Level	1	-		
	CON-ECMU-RCBE6KK	SWSS UPGRADES Cisco Business Editi	1	-		
	BE6K-SW-11.0	Business Edition 6000 v11 export restricted software	1	-		
	BE6K-START-UWL35	BE 6000 - User License Starter Bundle with 35 UWL Licenses	1	1,000.00	500.00	500.00
	BE6K-UCL-ESS	Cisco Business Edition 6000 - Essential User Connect License	72	40.00	20.00	1,440.00
	BE6K-UWL-STD	Cisco Business Edition 6000 - Workspace License Standard	125	325.00	162.50	20,312.50
	UCM-11X-UWLSTD	BE6000 UCM v11 CUWL Standard User License	160	-		
	CON-ECMU-UCM11STD	SWSS UPGRADES BE6000 UCM v11 CUWL	160	39.00	31.40	5,023.20
	UCXN-11X-SCPORTS	BE6K - Unity Connection 11x - VM Speech Connect Ports	2	-		
	UCM-11X-ESS-UCL	BE6K UCM 11X Essential User Connect Lic-Single Fulfillment	72	-		
	CON-ECMU-UCMESSUC	SWSS UPGRADES BE6K UCM 10X Essenti	72	5.00	4.03	289.80
	UCXN-11X-UWLSTD	BE6000 Unity Connection v11 CUWL Standard License	160	-		
	BE6K-PAK	Cisco Business Edition 6000 - PAK - Single Fulfillment	1	-		
	BE6K-UXL-START	BE6K Starter Pack - Single Fulfillment Enforcement	1	-		
	BE6K-UCL-ENH	Cisco Business Edition 6000 - Enhanced User Connect License	10	210.00	105.00	1,050.00
	UCM-11X-ENH-UCL	BE6K UCM 11X Enhanced User Connect Lic - Single Fulfillment	10	-		
	CON-ECMU-UCMENHUC	SWSS UPGRADES BE6K UCM 10X Enhance	10	24.00	19.32	193.20

AGENDA ITEM NO. 12.d

Gateway (Annex)	C1-CISCO4331/K9	Cisco ONE ISR 4331 (3GE,2NIM,1SM,4G FLASH,4G DRAM,IPB)	1	3,300.00	1,650.00	1,650.00
	CON-SNT-C14331K9	SNTC-8X5XNBD C1 ISR 4331 (2GE,2NIM,1SM,4G FLASH)	1	382.00	307.51	307.51
	SL-4330-IPB-K9	IP Base License for Cisco ISR 4330 Series	1	-	-	-
	PWR-4330-AC	AC Power Supply for Cisco ISR 4330	1	-	-	-
	CAB-AC	AC Power Cord (North America), C13, NEMA 5-15P, 2.1m	1	-	-	-
	SM-S-BLANK	Removable faceplate for SM slot on Cisco 2900,3900,4400 ISR	1	-	-	-
	MEM-4300-4G	4G DRAM (2G+2G) for Cisco ISR 4330, 4350	1	-	-	-
	MEM-FLSH-4G	4G Flash Memory for Cisco ISR 4300 (Soldered on motherboard)	1	-	-	-
	C1F1PISR4330SK9	Cisco ONE Foundation Perpetual License ISR 4331	1	2,000.00	1,000.00	1,000.00
	CON-ECMU-C1F4330S	SWSS UPGRADES C1 Foundation Perpetual Lic ISR 4331	1	320.00	257.60	257.60
	SL-4330-SEC-K9	Security License for Cisco ISR 4330 Series	1	-	-	-
	SL-4330-APP-K9	AppX License for Cisco ISR 4330 Series	1	-	-	-
	ISRWAAS-RTU-750	ISRWAAS 750 conns RTU for ISR4300 series	1	-	-	-
	CON-ECMU-ISRW750	SWSS UPGRADES ISRWAAS 750 conns RT	1	-	-	-
	VWAAS-RTU-1300	VWAAS 1300 conns RTU for UCS-E on single ISR only	1	-	-	-
	CON-ECMU-VWV1300	SWSS UPGRADES VWAAS 1300 conns RTU	1	-	-	-
	C1-PI-LFAS-ISR-K9	Cisco ONE PI Device License for LF, AS, & IWAN App for ISR	1	-	-	-
	C1-NAM-60-VX10-K9	Cisco ONE vNAM Software 6.0 and 150 Mbps License	1	-	-	-
	C1-CEM-100-K9	Cisco ONE Energy Management - 100 DO End Points	1	-	-	-
	C1-CAND-1	Cisco ONE Connected Analytics Net Deployment -1 Dev Lic 1 YR	1	-	-	-
	C1F1VISR4330S-01	Tracker PID v01 Fnd Perpetual ISR4330S - no delivery	1	-	-	-
	C1AUPISR4330SK9	Cisco ONE Advanced UC Perpetual License ISR 4331	1	1,700.00	850.00	850.00
	CON-ECMU-C1A4330S	SWSS UPGRADES C1 Advanced UC Perpetual Lic ISR 4331	1	255.00	205.28	205.28
	SL-4330-UC-K9	Unified Communication License for Cisco ISR 4330 Series	1	-	-	-
	FL-CME-SRST-25	Communication Manager Express or SRST - 25 seat license	1	-	-	-
	FL-CUBEE-5	Unified Border Element Enterprise License - 5 sessions	2	-	-	-
	PVDM4-32	32-channel DSP module	1	-	-	-
	SISR4300UK9-316S	Cisco ISR 4300 Series IOS XE Universal	1	-	-	-
	FL-CUBEE-25	Unified Border Element Enterprise License - 25 sessions	1	2,995.00	1,497.50	1,497.50
	NIM-1MFT-T1/E1	1 port Multiflex Trunk Voice/Clear-channel Data T1/E1 Module	1	1,430.00	715.00	715.00
	PVDM4-64	64-channel DSP module	1	3,400.00	1,700.00	1,700.00
	NIM-2FXO	2-port Network Interface Module - FXO (Universal)	1	500.00	250.00	250.00
Gateways (Admin, Maint A, Maint B, Bulk Terminal)	C1-CISCO4321/K9	Cisco ONE ISR 4321 (2GE,2NIM,4G FLASH,4G DRAM,IPB)	4	1,995.00	997.50	3,990.00
	CON-SNT-C14321K9	SNTC-8X5XNBD C1 ISR 4321 (2GE,2NIM,4G FLASH)	4	229.00	184.35	737.38
	SL-4320-IPB-K9	IP Base License for Cisco ISR 4320 Series	4	-	-	-
	PWR-4320-AC	AC Power Supply for Cisco ISR 4320	4	-	-	-
	CAB-AC-C5	AC Power Cord, Type C5, US, Canada	4	-	-	-
	NIM-BLANK	Blank faceplate for NIM slot on Cisco ISR 4400	4	-	-	-
	MEM-4320-4G	4G DRAM for Cisco ISR 4320 (Soldered on motherboard)	4	-	-	-
	MEM-FLSH-4G	4G Flash Memory for Cisco ISR 4300 (Soldered on motherboard)	4	-	-	-
	C1F1PISR4320SK9	Cisco ONE Foundation Perpetual License ISR 4321	4	1,500.00	750.00	3,000.00
	CON-ECMU-C1F4320S	SWSS UPGRADES C1 Foundation Perpetual Lic ISR 4321	4	240.00	193.20	772.80
	SL-4320-SEC-K9	Security License for Cisco ISR 4320 Series	4	-	-	-
	SL-4320-APP-K9	AppX License for Cisco ISR 4320 Series	4	-	-	-
	ISRWAAS-200-RTU	ISRWAAS software 200 conns for ISR4300 series	4	-	-	-
	CON-ECMU-ISRW200	SWSS UPGRADES ISRWAAS software 200 conns for ISR4300	4	-	-	-
	C1-PI-LFAS-ISR-K9	Cisco ONE PI Device License for LF, AS, & IWAN App for ISR	4	-	-	-
	C1-NAM-60-VX10-K9	Cisco ONE vNAM Software 6.0 and 150 Mbps License	4	-	-	-
	C1-CEM-100-K9	Cisco ONE Energy Management - 100 DO End Points	4	-	-	-
	C1-CAND-1	Cisco ONE Connected Analytics Net Deployment -1 Dev Lic 1 YR	4	-	-	-
	C1F1VISR4320S-01	Tracker PID v01 Fnd Perpetual ISR4320S - no delivery	4	-	-	-
	C1AUPISR4320SK9	Cisco ONE Advanced UC Perpetual License ISR 4321	4	1,100.00	550.00	2,200.00
	CON-ECMU-C1A4320S	SWSS UPGRADES C1 Advanced UC Perpetual Lic ISR 4321	4	165.00	132.83	531.30
	SL-4320-UC-K9	Unified Communication License for Cisco ISR 4320 Series	4	-	-	-
	FL-CME-SRST-25	Communication Manager Express or SRST - 25 seat license	4	-	-	-
	FL-CUBEE-5	Unified Border Element Enterprise License - 5 sessions	8	-	-	-
	SISR4300UK9-316S	Cisco ISR 4300 Series IOS XE Universal	4	-	-	-
	NIM-4FXO	4-port Network Interface Module - FXO (Universal)	4	1,000.00	500.00	2,000.00

AGENDA ITEM NO. 12.d

Gateway (Security Center)	C1-CISCO4321/K9	Cisco ONE ISR 4321 (2GE,2NIM,4G FLASH,4G DRAM,IPB)	1	1,995.00	997.50	997.50
	CON-SNT-C14321K9	SNTC-8X5XNBD C1 ISR 4321 (2GE,2NIM,4G FLASH)	1	229.00	184.35	184.35
	SL-4320-IPB-K9	IP Base License for Cisco ISR 4320 Series	1	-		
	PWR-4320-AC	AC Power Supply for Cisco ISR 4320	1	-		
	CAB-AC-C5	AC Power Cord, Type C5, US, Canada	1	-		
	MEM-4320-4G	4G DRAM for Cisco ISR 4320 (Soldered on motherboard)	1	-		
	MEM-FLSH-4G	4G Flash Memory for Cisco ISR 4300 (Soldered on motherboard)	1	-		
	C1F1PISR4320SK9	Cisco ONE Foundation Perpetual License ISR 4321	1	1,500.00	750.00	750.00
	CON-ECMU-C1F4320S	SWSS UPGRADES C1 Foundation Perpetual Lic ISR 4321	1	240.00	193.20	193.20
	SL-4320-SEC-K9	Security License for Cisco ISR 4320 Series	1	-		
	SL-4320-APP-K9	AppX License for Cisco ISR 4320 Series	1	-		
	ISRWAAS-200-RTU	ISRWAAS software 200 conns for ISR4300 series	1	-		
	CON-ECMU-ISRW200	SWSS UPGRADES ISRWAAS software 200 conns for ISR4300	1	-		
	C1-PI-LFAS-ISR-K9	Cisco ONE PI Device License for LF, AS, & IWAN App for ISR	1	-		
	C1-NAM-60-VX10-K9	Cisco ONE vNAM Software 6.0 and 150 Mbps License	1	-		
	C1-CEM-100-K9	Cisco ONE Energy Management - 100 DO End Points	1	-		
	C1-CAND-1	Cisco ONE Connected Analytics Net Deployment -1 Dev Lic 1 YR	1	-		
	C1F1VISR4320S-01	Tracker PID v01 Fnd Perpetual ISR4320S - no delivery	1	-		
	C1AUPISR4320SK9	Cisco ONE Advanced UC Perpetual License ISR 4321	1	1,100.00	550.00	550.00
	CON-ECMU-C1A4320S	SWSS UPGRADES C1 Advanced UC Perpetual Lic ISR 4321	1	165.00	132.83	132.83
	SL-4320-UC-K9	Unified Communication License for Cisco ISR 4320 Series	1	-		
	FL-CME-SRST-25	Communication Manager Express or SRST - 25 seat license	1	-		
	FL-CUBEE-5	Unified Border Element Enterprise License - 5 sessions	2	-		
	SISR4300UK9-316S	Cisco ISR 4300 Series IOS XE Universal	1	-		
	NIM-4FXO	4-port Network Interface Module - FXO (Universal)	1	1,000.00	500.00	500.00
	NIM-4E/M	4-Port Network Interface Module - Ear and Mouth	1	1,200.00	600.00	600.00
	Color Phone	CP-8841-K9=	Cisco IP Phone 8841	140	495.00	247.50
CON-SNT-CP8841K9		SNTC-8X5XNBD Cisco UC Phone 8841	140	17.00	13.69	1,915.90
Color Phone KEM Capable	CP-8851-K9=	Cisco IP Phone 8851	20	595.00	297.50	5,950.00
	CON-SNT-CP8851K9	SNTC-8X5XNBD Cisco UC Phone 8851	20	20.00	16.10	322.00
Expansion Mod.	CP-BEKEM=	Cisco IP Phone 8800 Key Expansion Module	20	490.00	245.00	4,900.00
	CON-SNT-CPBEKEM	SNTC-8X5XNBD Cisco IP Phone 8800 Key Expansion Module	20	10.00	8.05	161.00
	CP-PWR-CUBE-4=	IP Phone power transformer for the 89/9900 phone series	20	65.00	32.50	650.00
	CP-PWR-CORD-NA=	Power Cord, North America	20	10.00	5.00	100.00
Conf. Phone	CP-8831-K9=	Cisco 8831 Base/Control Panel for North America	10	1,395.00	697.50	6,975.00
	CP-8831-DCU-S	Spare Cisco 8831 Display Control Unit (DCU)	10	-		
	CP-MIC-WIRED-S=	Cisco 8831 Wired Microphone Kit	8	350.00	175.00	1,400.00
	CP-8831-MIC-WRLS=	Wireless Microphone Kit for Cisco IP Conference Phone 8831	2	650.00	325.00	650.00
	CON-SNT-CP8831MS	SNTC-8X5XNBD Wireless Microphone Kit for Cisco IP Con	2	26.00	20.93	41.86
	CP-MIC-WRLS-S-US	Spare 8831 Wireless Microphone	2	-		
Analog Gateway (high density)	VG310	Modular 24 FXS Port VoIP Gateway with PVDM3-64	2	5,400.00	2,700.00	5,400.00
	CON-SNT-VG310ICV	SNTC-8X5XNBD Cisco VG310 - Modular 24 FXS Port Voice	2	449.00	361.45	722.89
	SVG3XUK9-15403M	Cisco VG3X0 UNIVERSAL	2	-		
	MEM-CF-256MB	256MB Compact Flash for Cisco 1900, 2900, 3900 ISR	2	-		
	CAB-AC	AC Power Cord (North America), C13, NEMA 5-15P, 2.1m	2	-		
	HWIC-BLANK	Blank faceplate for HWIC slot on Cisco ISR	2	-		
	PVDM3-64	64-channel high-density voice DSP module	2	-		
	SL-VG3X0-UC-K9	Cisco VG3X0 Unified Communications License	2	-		
	SL-VG3X0-IPB-K9	Cisco VG3X0 IP Base License	2	-		
	Analog Gateway	ATA190	UC 2 Port Analog Telephone Adapter	12	300.00	150.00
CON-SNT-ATA190		SNTC-8X5XNBD UC 2 Port Analog Telephone Adapter	12	24.00	19.32	231.84
ATA-PWRLIP-NA		ATA power clip for North America	12	-		

AGENDA ITEM NO. 12.d

Outdoor IP	SP-ATLAS-IHVP=	Atlas IHVP Outdoor, Vandal Resistant IP Speaker	7	1,439.00	791.45	5,540.15
Paging Speaker	SP-PRODUCTS-TERMS	Buyer Acceptance of SolutionsPlus Terms and Conditions	7	-		
	SP-ATLAS-SEST-IH=	Atlas SEST-IH Straight outdoor enclosure	7	269.00	147.95	1,035.65
	SP-PRODUCTS-TERMS	Buyer Acceptance of SolutionsPlus Terms and Conditions	7	-		
External Ringer	88284158	Stinger Ringer - Dees Communications	1		210.00	210.00
SynApps	Announce-T0	SA-Announce T0 Per Endpoint License	50	17.00	-	-
Notification and	Announce-T0-PCS	1 Year of Syn-Apps Maintenance: T0 Per Endpoint	50	3.40	3.06	153.00
Recording	Alert-T1	Call Alert T1 Per Phone License Fee	175	10.80	9.72	1,701.00
	Alert-T1-PCS	1 Year of Syn-Apps Maintenance: T1 Per Endpoint	175	2.16	1.94	340.20
	Replay-T0	Call Recording - T0 Per Phone	30	290.00	261.00	7,830.00
	Replay-T0-PCS	Call Recording T0 Per Phone Maintenance	30	58.00	52.20	1,566.00
	Syn-300	Syn-Apps Appliance 300 Intel Xeon E3-1230 Processor, 4GB RAM 250GB hard drive. Includes Windows 2012 OS (64 bit). Apps will be preloaded.	2	3,200.00	2,880.00	5,760.00

Professional Services / Structured Cabling:

ComSol Professional Services	Professional Services - Installation / Configuration	36,675.00
Estimated Travel Expenses	ComSol Estimated Travel Expenses (Customer to be billed for actual expenses incurred.) (Please see Letter of Engagement - LOE - for details)	1,435.95
ComSol Cabling Services	Computer Solutions Structured Cabling Labor and Materials - Installation of 7 Horn Speakers and supporting cables. - Installation of 1 External Ringer and supporting cables. - Installation of analog extension to 2 two-way radio terminals (Security Center). - Installation of analog CO line extensions to 6 voice gateway routers. - Cross Connections for analog VG310 station lines and Existing Overhead Zones.	8,000.00

Grand Total = \$ 200,405.53



Letter of Engagement

Port of Corpus Christi

Cisco Unified Communications Project

Submitted By:

Jeff Byrom, Account Executive
210.369.0351, jbyrom@comsoltx.com

Published:

7/28/2016

Version:

1.0.2016(Rev3)

Contract #:

6471

AGREEMENT

This Letter of Engagement is by and between Computer Solutions and Port of Corpus Christi (Customer).

ENGAGEMENT OVERVIEW

I. Executive Summary

Computer Solutions will assist Customer in deploying a Cisco Unified Communications Solution at 6 locations. Including Unified Communications Manager, Unity Connection, Syn-Apps paging, and Syn-Apps call recording applications. Computer Solutions will deploy approximately 200 handsets.

II. Success Criteria

This engagement will be successful when the following is completed:

1. Customer validates the information gathered during Discovery as current and comprehensive.
2. Customer approves and signs-off on the project design and test plan.
3. As-built documentation is delivered.
4. Basic knowledge transfer is complete.
5. The Unified Communications solution had been successfully deployed to all locations.

SCOPE OF WORK

I. Planning

1. Kickoff Meeting
 - a. Attendees: Computer Solutions Project Team, Customer Point of Contact (POC), and stakeholders responsible for the project outcome.
 - b. Discuss Customer expectations for transitioning to the new systems and desired functionality.
 - c. Define project requirements, roles and responsibilities, dependencies, schedule, project change control, communications plan, and access needs.
2. Requirements Acceptance
 - a. Establish criteria for project success and acceptance.



II. Design Review

1. Review call recording requirements and access to the application.
2. Review the proposed design and test plans with Customer.
3. Modify the plans as necessary and obtain agreement.

III. Implementation

Computer Solutions will complete the following tasks:

1. Cisco Business Edition 6000 Server Installation
 - a. Physically install two (2) Cisco Business Edition 6000 Server.
 - b. Connect the device to the local power supply and network.
 - c. Configure the device to reviewed specifications.
 - d. Ensure the firmware is updated to the current version.
2. Cisco Unified Communications Manager Installation
 - a. Install Cisco Unified Communications Manager version 11.
 - b. Configure dial plans and devices to reviewed specifications.
 - c. Configure LDAP synchronization with Microsoft Active Directory.
3. Cisco Unity Connection Installation
 - a. Install Cisco Unity Connection version 11.
 - b. Configure up to 160 voicemail users.
 - c. Configure two (2) call handlers.
 - d. Configure voicemail and email synchronization.
4. Cisco IM and Presence Installation
 - a. Install Cisco IM and Presence version 11 virtual machines.
 - b. Assist Customer in creating DNS entries for service discovery of Cisco Jabber services.
5. Configuration Creation
 - a. Create voice VLANs, DHCP configurations, and multicast configurations.
6. Phone Deployment
 - a. Assist Customer in deploying 160 phones.
 - b. Assist Customer in deploying twelve (12) ATA analog adapters.
7. IP Speaker Horn Mounting
 - a. Mount seven (7) IP speaker horns.
8. Syn-Apps Call Recording Configuration

- a. Configure Syn-Apps Call Recording to record two (2) radios connected to E&M ports on one (1) 2901 router to reviewed specifications.
- 9. Cisco 2901 ISR Installation
 - a. Physically install six (6) Cisco 4321 ISR devices.
 - b. Connect the devices to the local power supply and network.
 - c. Configure the devices for connection to the phone-company and SRST.
- 10. Cisco VG310 Analog Gateway Installation
 - a. Physically install (2) Cisco VG310 Analog Gateways.
 - b. Connect the devices to the local power supply and network.
 - c. Configure the device to the reviewed specifications.
 - d. Assist Customer in cross-connecting the analog lines.
- 11. Syn-Apps Configuration
 - a. Configure Syn-Apps paging and notification application.

IV. Testing

- 1. During a customer approved outage, migrate from the existing PBX to the new Cisco Unified Communications System.
- 2. Execute the test plan.
- 3. Document and remediate issues as related to project requirements.

V. Closure

- 1. Training
 - a. Provide up to two (2) hours of end user training.
- 2. Documentation
 - a. Develop as-built documentation that includes: IP addresses, user accounts, serial numbers, and diagrams.
- 3. Project Signoff
 - a. Deliver as-built documentation, test results, and other project documentation as necessary.
 - b. Obtain Customer approval and signoff on project for closure.

DELIVERABLES

Computer Solutions will develop the following materials:

Deliverable	Description
<i>Architecture Design</i>	Developed during the planning phase, this document defines the implementation design.
<i>Test Plan</i>	The test plan will be used to validate the success of the implementation.
<i>As-built documentation</i>	Reflecting the current device and software configurations of the systems engaged, this document will be prepared after implementation and testing is complete.

OUT OF SCOPE

Work items, tasks, and deliverables not identified herein are outside the scope of this engagement. The following items are explicitly outside the scope of this engagement.

1. Documentation
 - a. Formal operational or training guides.
 - b. Vendor installation or configuration guides.
2. Software Deployment
 - a. Cisco Unified Communications Solution software client deployment to end users.
 - b. Microsoft Office or Outlook deployment to end users.
 - c. Mitigation for any existing network or Microsoft Active Directory issues identified during Discovery.

ENGAGEMENT ASSUMPTIONS/CONSIDERATIONS

1. Accurate information and documentation was provided to Computer Solutions for development of this document.
2. A Project Change Request (PCR) will be initiated by the Computer Solutions' team should there be a change that will impact resources, tasks, schedule, pricing, or the terms and conditions stated herein.
3. Hardware and Software licenses are provided and available.
4. Work is expected to be completed on contiguous basis, or project cost and resource scheduling may be at risk.
5. Training
 - a. Conduct up to two (2) hours of end-user training.



PROJECT MANAGEMENT

I. Computer Solutions Project Management

Computer Solutions will assign a Project Manager to lead this project. The Project Manager will oversee project planning, coordination, and reporting activities as well as:

1. Serve as the single point of contact for project activities, milestones, roles and responsibilities, and project tasks.
2. Coordinate status meetings and schedule, as well as management of the change control process.
3. Engage with Customer and vendor resources to execute project tasks.
4. Assist in reporting guidelines, risk and issue identification, and contingency planning.
5. Continually assess scope, timing, and resource requirements.

II. Change Management

For any project changes, Customer and/or Computer Solutions must request a Project Change Request (PCR). The PCR will identify changes to the project schedule, tasks, staffing, and/or pricing. Services requiring a PCR will not be performed prior to the approval of said PCR by Customer and Computer Solutions.

CUSTOMER RESPONSIBILITIES

Customer is obligated to meet certain responsibilities as described herein. Should Customer fail to adhere to said responsibilities thereby impacting Computer Solutions' ability to provide services under this engagement, Computer Solutions is not responsible for service delays.

1. **Access:** Customer will: (1) provide Computer Solutions with secure remote access to Customer's network, (2) grant access to physical sites including restricted areas, and (3) provide Computer Solutions with login credentials as required to provide the services stated herein.
2. **Escalation:** Customer will provide Computer Solutions with Customer's escalation procedure as well as names and multiple methods of contact for Customer personnel including office, cell phone numbers, and email addresses to be used in the event that Computer Solutions requires support or escalation beyond the capabilities of Customer's primary Point of Contact.
3. **Point of Contact:** Customer will establish business and technical Points of Contact to whom Computer Solutions may address all correspondence regarding this Letter of Engagement and associated Computer Solutions services. The technical Point of Contact must be familiar with all aspects of Customer's information technology environment. The business and technical Point of Contact will: (1) have the authority to act on behalf of Customer for all matters related to this Letter of Engagement; (2) be available; (3) assist Computer Solutions in the scheduling of services; (4) assist Computer Solutions in evaluating issues and executing diagnostic tests or other procedures as needed for problem resolution; and (5) attend all meetings and provide signatures as requested by Computer Solutions.
4. **Current State Documentation:** Customer will provide Computer Solutions with documentation regarding the current state of Customer's environment as required.
5. **Environment Stability:** Customer will ensure their environment is properly staged and prepared throughout this project. Computer Solutions is not responsible for preexisting conditions within Customer's environment that affect the delivery of Computer Solutions services. Computer Solutions is not responsible for pre-existing conditions or failure of Customer's equipment.
6. **Environment Changes:** Customer will notify and consult Computer Solutions prior to initiating changes to Customer's IT environment or implementing 3rd party vendor changes that affect the delivery of Computer Solutions services as stated herein. Computer Solutions will review the proposed changes and inform Customer if said changes will impact Computer Solutions' ability to service this Letter of



Engagement. Should Computer Solutions determine that said changes will impact Computer Solutions services and Customer opts to perform said changes through any means, Computer Solutions will not be held liable for any services failures or disruptions. If Computer Solutions' labor is required to correct said disruptions, Customer will be charged the appropriate time and materials hourly rates associated with remediation.

7. **Data Backup:** Customer will take necessary precautions to secure and backup sensitive data prior to the start of services. In the event that data loss occurs, Computer Solutions will not be held liable. Data loss includes but is not limited to corrupt, inaccurate, lost, and damaged data or unrecoverable media errors. Computer Solutions is not responsible for the changing or rotation of Customer's backup tapes.
8. **Licensing/Software/Hardware availability:** Customer is responsible for all Software and Hardware availability, as well as licensing compliance, and agrees to make it available in its entirety no later than the commencement of project work.
9. **3rd Party Vendors:** Customer will provide 3rd party vendor contacts, contract terms, and a Letter of Agency as needed if the 3rd party service or product may impact Computer Solutions' ability to service this Letter of Engagement. Computer Solutions will not be held responsible for the performance of 3rd party vendors or associated products. Customer is responsible for assisting Computer Solutions with scheduling, performing, or facilitating services with 3rd party vendors.
10. **Use of Tools:** Customer is hereby aware that software tools may be used in the customer's environment for data migration, device discovery, or service provisioning. If permission or notification is required (i.e. IT Security), it is the responsibility of the POC to make such request of communication prior to commencement of work.

ENGAGEMENT TERMS AND CONDITIONS

This engagement is subject to all terms of the Master Services Agreement between Customer and Computer Solutions. The following terms and conditions are specific to this engagement.

1. **Project Delays:** Computer Solutions is not responsible for project delays related to Customer's documentation approval process or Customer's personnel availability. Customer may be subject to additional fees for any Customer induced delays.
2. **Product Delays:** Computer Solutions is not responsible for project delays concerning product sourcing, delivery, and/or availability from the manufacturer. In the event that product sourcing affects the project, Computer Solutions will make reasonable efforts to find an alternative method for acquiring product. Any product delays will be communicated to Customer as necessary.
3. **Manufacturer Defects:** Computer Solutions will not be held responsible for any manufacturer's product defects, for the outcome or scheduling of services provided by manufacturers, or for 3rd party contractors for which the project is dependent upon.
4. **As-Built Documentation Acceptance:** After the delivery of project documentation, Customer has five (5) business days to approve or reject said documentation. If Customer does not provide a written explanation of rejection during this timeframe, Computer Solutions will consider the documentation as accepted and the project closed to be invoiced.
5. **Service Hours:** All services will be scheduled and performed during Computer Solutions' business hours of Monday through Friday, 8:00 a.m. to 5:00 p.m. CST. Services outside these hours must be scheduled at least 24 hours in advance of performing said services. If the project requires services outside of these hours, Computer Solutions will work with Customer to schedule such services.
6. **Unscheduled Work:** If Customer requests Computer Solutions to perform work that is not scheduled at least 24 hours in advance of performing said work, Customer will be charged at current after-hours rates. These rates do not apply when Computer Solutions requests the option to perform unscheduled services for convenience purposes.
7. **Resource Reassignment:** Computer Solutions reserves the right to change staff and assign different resource types and applicable costs due to unique project requirements learned during project initiation or execution, with full intent to stay within quoted price.



8. **Travel:** For travel outside the San Antonio metropolitan area, Customer will be charged for travel charges incurred by Computer Solutions. Travel fees may include but are not limited to reasonable airfare, rental car, lodging, meals, mileage, and travel time to Customer's site.
 - a. **DIR Travel:** For Texas Department of Information Resources (DIR), Customer will not be charged travel time.
9. **Start Date:** Services will begin at a later date as agreed upon between Customer and Computer Solutions.
10. **Payment:** Payment terms shall be in accordance with the terms of the Master Services Agreement (MSA) between Customer and Computer Solutions. Computer Solutions will invoice monthly for actual hours worked on Time & Materials engagements.
 - a. **Product Delivery:** Customer will not withhold payment of product delivered by Computer Solutions regardless of project outcomes or timeline.
 - b. **Progressive Billing:** Customer agrees to progressive, month-end billing for Time and Materials engagements, or to Milestone billing as agreed upon in LOE/SOW.
 - c. **Engagement Readiness:** Customer is responsible to be prepared for engagement. Preparations refer to Customer Responsibilities section of this document to include revealing existing issues that exist in the environment. Remediation of existing issues is considered out of scope and may be billed separately from the project. Customer will also be responsible for idle time as a result of an unprepared project site.
11. **Taxes:** Pricing does not reflect applicable sales taxes and are the responsibility of Customer.
12. **Termination:** Termination conditions shall be in accordance with the terms of the Master Services Agreement between Customer and Computer Solutions.
13. **Cancellation/Rescheduling:** If Customer postpones scheduled project within eight (8) hours of the scheduled start date, Computer Solutions reserves the right to invoice up to eight (8) hours for each resource if alternative work cannot fulfill idle time.
14. **Computer Solutions Commitment:** For a period of thirty (30) days, following project completion, Computer Solutions warrants the performance of Computer Solutions' professional services, which is not inclusive of product functionality or RMA support.
15. **Finality:** This Letter of Engagement is final and no other written or verbal agreements are binding.
16. **Validity:** The terms and pricing of this Letter of Engagement are valid for thirty (30) days from the date of delivery of this Letter of Engagement to Customer.
17. **Confidentiality:** This Letter of Engagement contains privileged information that is critical to the success of Computer Solutions. Customer agrees to maintain the confidentiality of this document at all times.
18. **Managed Services:** If Customer is currently supported by Computer Solutions' NetWatch Managed Services, Customer is eligible for Preferred Billing Rates for this Letter of Engagement. Any design, planning, and execution of services performed within the scope of this Letter of Engagement may not be applied towards any existing NetWatch Managed Services Agreements. Furthermore, NetWatch Managed Services Agreement costs cannot be applied to cover Projects covered by Letters of Engagement. Once complete, management of the solution may be added to the current NetWatch Managed Services Agreement and supported by the Computer Solutions Support Operations Center (SOC). Inclusion of the solution under NetWatch Managed Services may be subject to additional fees.
19. **Equal Opportunity:** "This contractor and all covered subcontractors shall abide by the requirements of 41 CFR } } 60-1.4(a), 29 CFR Part 741, Appendix A to Subpart A, 60-300.5(a) and 60-741.5(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals based on their race, color, religion, sex, or national origin. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, national origin, protected veteran status or disability."

PRICING AND PROJECT SUMMARY

- 1. **Fixed Bid:** This is a Fixed Bid engagement. Customer will be billed only for expenses incurred.
- 2. **Assigned Resource(s):** Project Manager, Senior Engineer, Operations Technician
- 3. **Estimated Project Duration:** Four (4) weeks (in week increments and considering planned change windows or 3rd party dependencies)
- 4. **Estimated Project Total:** \$36,675.00
- 5. **Estimated Travel Expenses:** \$1,435.95

ACCEPTANCE

By signing below, Customer accepts this Letter of Engagement in its entirety and recognizes its finality. Customer accepts all terms and acknowledges the incorporation of this Letter of Engagement into the Master Services Agreement between Customer and Computer Solutions. Customer also authorizes Computer Solutions to commence services and to begin the procurement of both product and resources.

Computer Solutions Account Executive

Signature:

Name: Jeff Byrom

Title: Account Manager

Quote/CNET:

Port of Corpus Christi

Signature:

Name: Tyler Fuhrken

Title:

P.O. (if required):

Computer Solutions Architect

Signature: *Gordon White*
Gordon White (Jul 28, 2016)

Name: Gordon White

Title: Solutions Architect

Quote/CNET:



AGENDA ITEM NO. 12.e

NO ATTACHMENT

DATE: August 16, 2016
TO: Port Commission
FROM: David Krams, P.E., Director of Engineering Services
Krams@pocca.com
(361) 885-6134

AGENDA ITEM NO. 12.f

Award Indefinite Delivery/Indefinite Quantity Contract to Coastal Bend Demolition Inc., the Best Proposer Based on Proposals Received on June 28, 2016, for Residential/Commercial Demolition and Property Clearing Services in Connection with the Harbor Bridge Project

SUMMARY: Staff recommends award of an Indefinite Delivery Indefinite Quantity (IDIQ) contract to Coastal Bend Demolition Inc. for residential and commercial demolition and property clearing services.

BACKGROUND: As part of the Harbor Bridge replacement program and under the terms of the Four-Party Agreement (between the PCCA, the Texas Department of Transportation [TxDOT], the City of Corpus Christi, and the Corpus Christi Housing Authority), the PCCA initiated the Neighborhood Acquisition and Relocation Program for eligible property owners and residents of the Hillcrest and Washington-Coles neighborhoods. A component of this voluntary buy-out program is that the PCCA will demolish and remove site improvements as properties are acquired.

On April 19, 2016, the Port Commission authorized staff to issue a Request for Proposals (RFP) for Residential and Commercial Demolition and Property Clearing Services. The PCCA received eight responses to the RFP. A committee comprised of four PCCA staff and a TxDOT representative evaluated the proposals and concluded that Coastal Bend Demolition Inc. provided the best offer based on criteria established in the RFP.

This conclusion was based on a two-step process in which interested firms were asked to submit a proposal package that included a technical proposal and a separate price proposal. The evaluation committee first evaluated and scored the technical proposals, which required firms to include information on experience, technical approach, past performance, and other relevant factors. After technical proposals were evaluated and scored, four firms were shortlisted based on qualifications, and the evaluation committee then proceeded with opening and scoring the price proposals for those four firms. Since the PCCA does not have any actual quantities of properties that will require demolition,

price proposals submitted by firms were evaluated based on hypothetical quantities to compare the proposers' prices.

Since the selection of Coastal Bend Demolition Inc., staff has been negotiating the final terms and conditions of the agreement and pricing structure. Though the contract addresses various improvements that potentially will be required to be demolished, in general, for a typical standard residential property, the cost to perform the demolition and clearing work on a property purchased by the PCCA will be \$5.27 per square foot of the residence. Additional costs may be paid for some concrete slabs and excessive outbuildings on the property. In addition, any Asbestos and Household Hazardous Wastes Abatement and Disposal that is required for the property will be paid as determined and scoped by a separate PCCA consultant to be hired to perform the environmental inspections and plans for each property purchased by the PCCA. This consultant will also assist the PCCA in administering this demolition and clearing project.

Coastal Bend Demolition Inc. will work in coordination with Del Richardson & Associates (DRA) as they finalize acquisition of properties. The PCCA anticipates grouping the acquired properties on a monthly basis as properties are deemed 'demo-ready' by DRA. A service order/work authorization with Coastal Bend Demolition Inc. will be prepared as properties are ready for demolition, and the contractor will have a specified number of days to clear the property to meet PCCA specifications, as addressed in the contract.

ALTERNATIVES: N/A

CONFORMITY TO PORT POLICY: Consistent with PCCA's Professional Services Policy.

EMERGENCY: This is not an emergency but was handled expeditiously so the PCCA would have a contractor on board and available as property acquisitions are finalized.

FINANCIAL IMPACT: The financial obligation related to demolition and property clearing services is unknown at this time and will depend on the number, type, and condition of properties acquired.

STAFF RECOMMENDATION: Staff recommends the award of the attached Indefinite Delivery Indefinite Quantity contract with Coastal Bend Demolition, Inc. for residential and commercial demolition and property clearing services in connection with the Harbor Bridge Replacement Project

DEPARTMENTAL CLEARANCES:

Originating Department	Engineering Services
Reviewed & Approved	David Krams
	Brett Flint
	Sonya Lopez-Sosa
Legal	Jimmy Welder
Senior Staff	John LaRue
	Sean Strawbridge

LIST OF SUPPORTING DOCUMENTS:

Indefinite Delivery/Indefinite Quantity Contact

INDEFINITE DELIVERY INDEFINITE QUANTITY CONTRACT FOR RESIDENTIAL AND COMMERCIAL DEMOLITION AND PROPERTY CLEARING SERVICES IN CONNECTION WITH THE HARBOR BRIDGE REPLACEMENT PROJECT

This INDEFINITE DELIVERY INDEFINITE QUANTITY CONTRACT FOR RESIDENTIAL AND COMMERCIAL DEMOLITION AND PROPERTY CLEARING SERVICES IN CONNECTION WITH THE HARBOR BRIDGE REPLACEMENT PROJECT (the “*Agreement*”) is made and entered into effective as of August 16, 2016 (“*Effective Date*”), by and between COASTAL BEND DEMOLITION, INC. (“*Contractor*”), and the PORT OF CORPUS CHRISTI AUTHORITY OF NUECES COUNTY, TEXAS (“*PCCA*”), each a “*Party*” and, collectively, the “*Parties*.” This Agreement includes all of the attachments hereto, all of which are hereby incorporated herein by reference.

RECITALS

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

WHEREAS, TxDOT, the PCCA, the City of Corpus Christi, Texas (“*City*”), and the Corpus Christi Housing Authority have entered into a Four Party Agreement (“*Four Party Agreement*”) that allocates responsibility among the parties to that agreement for implementing certain Title VI mitigation actions in those parts of the Hillcrest and Washington-Coles neighborhoods in the City 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 PCCA has agreed, among other things, (1) to offer to purchase all of the eligible 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 demolish each dwelling or facility it purchases pursuant to the terms of the Neighborhood Acquisition Plan (the “*Demolition Project*”); and

WHEREAS, on June 3, 2016, the PCCA issued a Request for Proposals for a demolition contractor to implement and administer the Demolition Project on the PCCA’s behalf (“*RFP*”); and

WHEREAS, the PCCA has determined that the Contractor’s proposal is the most advantageous to the PCCA; and

WHEREAS, the PCCA wishes to engage the Contractor to implement and administer the Demolition Project on the PCCA’s behalf in accordance with the terms and conditions of this Agreement; and

WHEREAS, capitalized terms in this Agreement shall have the same meanings given to those terms in the RFP unless otherwise defined herein; and

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

Section 1. *Contractor's Services.* Contractor will provide the services set forth in this Agreement (collectively, the "**Services**") with respect to each Demo-ready Property (as defined in the RFP) for which a service order (each a "**Service Order**") is issued by the PCCA pursuant to this Agreement. **Services pursuant to this Agreement will be required on an irregular and as needed basis during the term of this Agreement, and PCCA has not made nor does it make any representation of any kind or guarantee regarding the amount of Services PCCA will require from Contractor under this Agreement.**

1.1 Attachments. The following Attachments are hereby incorporated herein and Contractor agrees to comply with these Attachments as if fully set forth herein:

Attachment 1 Special Conditions

Attachment 2 Price Schedules & Contractor's Equipment and Labor Rates

Attachment 3 Required Insurance

Attachment 4 Service Order Form

Attachment 5 PCCA Policies & Procedures Specification

Attachment 6 Project Coordination Specification

Attachment 7 Submittals Specification

Attachment 8 Building Demolition Specification

Attachment 9 Asbestos Abatement Specification

Attachment 10 Excavating Specification

Attachment 11 Monthly DBE Progress Assessment Report

Attachment 12 Monthly HUB Progress Assessment Report

Attachment 13 Monthly SBE Progress Assessment Report

1.2 From time to time during the term of this Agreement, PCCA will issue Service Orders for the demolition of improvements on and the clearing of the Demo-ready Property or Properties

described therein. A sample Service Order is attached hereto as **Attachment 4**. Each Service Order issued pursuant to this Agreement will be attached to this Agreement, and each Service Order attached to this Agreement is hereby incorporated herein by reference for all purposes. Multiple Service Orders may be issued during the term of this Agreement. Each Service Order must be in writing and signed by an authorized representative of PCCA and the Contractor, and shall include a list of the Demo-ready Property or Properties covered by the Service Order, and such other information or special conditions as may be necessary for the Services required.

1.3 Generally speaking, each Demo-ready Property will be classified as a:

- Standard Residential Property (as defined in Section 1.5),
- Nonstandard Residential Property (as defined in Section 1.5), or
- Commercial Property (as defined in Section 1.5).

1.4 For purposes of this Agreement the following definitions will apply to properties that are eligible for purchase under the Four Party Agreement:

- **Residential Structures**

A residential structure is a building, including attached improvements, which primarily is used or could be used as a dwelling. Any frame, concrete block or masonry building, or an “on-frame” or “off frame” modular home located on a parcel on which a residential structure is situated shall be construed to be a residential structure, unless otherwise identified in the Scope of Work. Any structure with more than four (4) separate dwelling units shall not be construed as a residential structure. The Footprint square footage of a residential structure means the square footage of the portion of the structure which is under roof and enclosed by walls on the ground floor.

Composite structures consisting of more than one type of construction will be classified and paid by the unit rate of the predominate unit of the structure.

- **Commercial/Industrial Structures**

A commercial/industrial structure is a building including attached improvements, which primarily is used as commercial/industrial office or warehouse space, including non-profit business purposes, such as a church. Any metal, frame concrete block or masonry building located on a parcel on which a commercial/industrial structure is situated shall be construed as a commercial/industrial structure, unless otherwise identified in the Scope of Services. Any structure with more than four (4) separate dwelling units shall be construed as a commercial/ industrial structure. The square footage of a commercial/ industrial structure means the square footage of the portion of the structure which is under roof and enclosed by walls. Square footage for each story shall be calculated.

Composite structures consisting of more than one type of construction will be classified and paid by the unit rate of the predominate unit of the structure.

1.5 Further the following property classifications have the meanings given to them in this Section 1.5:

- a. “**Standard Residential Property**” means a residential property in the Neighborhood that is typical for the Neighborhood. A standard residential property is further defined as a property with a single-story residential structure, that has other improvements such as a detached garage or other out-buildings, driveways, walkways, fencing, trees, and vegetation that could be considered to be normal or standard for the area.
- b. “**Non-Standard Residential Property**” means a residential property with a multi-story residential structure, or a property in the Neighborhood that is unusual for the area due to the size of the property, the size, type, or number of improvements on the property, or other factors as determined by PCCA. The Contractor may request that a specific residential property be considered to be “Non-Standard” and cite the specific items or circumstances justifying a Non-Standard designation. PCCA will review the request and make a determination regarding the designation. A determination that a Non-Standard designation is not warranted, which determination will not be unreasonable, will be accompanied by an explanation of the determination.
- c. “**Commercial Property**” means a property with a Commercial Structure, and associated out-buildings, parking areas, driveways, trees, vegetation, and other improvements associated with the commercial structure.

1.6 The PCCA may direct the Contractor to demolish and clear one or more Standard Residential Properties on a single Service Order. The PCCA will use individual Service Orders to direct the Contractor to demolish and clear Commercial properties, and multi-story or Nonstandard Residential Properties that are unusually large or have other unusual conditions or circumstances.

1.7 In the event of a conflict between terms in this Agreement and a Service Order, the terms stated in the Service Order will control.

1.8 Upon execution of this Agreement and issuance of a Service Order, the Contractor is authorized to begin providing the Services set forth herein with respect to the Demo-ready Property or Properties described in the Service Order.

1.9 The compensation to be paid to the Contractor for the work performed under each Service Order will be determined in accordance with Section 3 and the Pricing Schedules attached hereto as **Attachment 2**.

Section 2. *Scope of Work.* The scope of work under this Agreement will include, but not necessarily be limited to, the following items for each Demo-ready Property described in a Service Order:

- a. Provide all labor, materials, facilities, equipment, services, permits, notifications and agreements necessary to perform the Services described in this Agreement.
- b. Provide a site supervisor at each Demo-ready Property, as stated in the Special Conditions, any time work is being performed on that property, who has the authority to make on-site decisions.
- c. Verify that purchase of the property has been completed and that the property is vacant.
- d. In the event that the Contractor identifies evidence of illegal activity on the property, the Contractor will secure the property without disturbing the evidence of illegal activity and notify the PCCA. The PCCA will notify the appropriate law enforcement agency. The Contractor will then proceed as directed by PCCA.
- e. Prepare and submit an Asbestos Abatement / Demolition 10-Day Notification to the Texas Department of State Health Services (*DSHS*). Contractor will also submit any required amendments to the 10-Day Notification. Contractors should list PCCA as facility owner and identify Del Richardson in the "Attention:" field on the notification form so the notification fees will be submitted to and paid by PCCA.
- f. Conduct abatement of any asbestos-containing material (ACM) as per the provided abatement plan and **Attachment 5** through **Attachment 10**, inclusive (collectively, the "*Technical Specifications*"; remove and dispose of any household hazardous materials in accordance with the disposal plan prepared for the specific property, the Technical Specifications and in accordance with applicable codes and regulations.
- g. Package, transport, and dispose of regulated materials that cannot be transported and disposed with typical demolition debris in accordance with provided regulated materials disposal plan and the Technical Specifications.
- h. Prepare and submit to the PCCA or the PCCA's representative adequate documentation of abatement activities and disposal of ACM, household hazardous waste (*HHW*), and other materials that were not transported and disposed with typical demolition debris.
- i. Obtain a demolition permit through the City of Corpus Christi Department of Development Services and pay applicable permit fees.
- j. Confirm utilities have been disconnected and meters removed, including potable and/or other water services, natural gas service, electrical service, and other utilities that may be present.

- k. Coordinate return of salvaged fencing, oriented strand board (OSB), and locks installed by DRA to secure property back to DRA for re-use.
- l. Note the location of overhead power and utility lines and conduct on site activities such as to prevent damage to these lines. Provide for the protection of adjacent properties and improvements, public sidewalks, monitoring and or water wells, streets, utilities, and other items that are to remain.
- m. Safely demolish, remove, and dispose of improvements on the property to include, but not necessarily be limited to, houses, out buildings, walkways, awnings, driveways, garages, fences (unless excluded in the applicable Service Order), and other improvements that may be present.
- n. Demolition methods employed will not produce excessive dust, flying debris or other conditions that could impact adjacent property owners. Water should be used to provide adequate wetting of demolition activities to prevent excessive dust.
- o. Safely remove and dispose of trees, brush, shrubs or other vegetation, other than grass, identified for removal on each property to leave a clear and open lot, unless otherwise directed for each specific property.
- p. Remove underground piping, cables, wires and other underground structures that are identifiable to a point at or near the property line, or as close as practicable to fences, sidewalks or other structures that are to remain in place. If necessary properly cap underground utilities in accordance with current standards for each utility. Backfill any excavations with clean excavated materials and provide additional fill as necessary to match the surrounding grade. In the event that soil contamination is encountered or suspected, excavation in the area will be stopped and the PCCA or PCCA's representative will be contacted. Work will then proceed as directed by the PCCA or the PCCA's representative.
- q. Grade disturbed areas and plant grass seed, as necessary, to stabilize soils on the site.
- r. Contractor shall limit hours of operation, including staging and set up, to Monday through Friday during the hours of 8:00 a.m. to 7:00 p.m. and limit noise pollution at all times to prevent objectionable conditions for surrounding residences.
- s. Dispose of demolished items and materials promptly. On-site storage of removed items is prohibited. Contractor must remove and transport debris only in a manner that will prevent spillage on adjacent surfaces and areas. PCCA will be direct billed for landfill fees and pay landfill costs for regulated materials under the disposal plan and ACMs. Landfill fees for demolition debris of non-regulated materials are included in Contractor's demolition cost.
- t. Contractor will not allow other parties to remove debris from the site.

- u. Contractor must ensure minimum interference with roads, streets, walks, and other adjacent occupied and used facilities and conduct demolition operations to prevent injury to people and damage to adjacent buildings and facilities to remain. Contractor should also ensure safe passage of people around demolition areas, and limit disruption to local traffic. If necessary, a traffic control plan will be developed and implemented to protect the traveling public.
- v. Any damage to public roads, sidewalks, fences, monitoring wells or other items that are to remain in place, or adjacent property or improvements will be repaired or replaced to the satisfaction of the PCCA and the impacted owner.
- w. Handle and store equipment, materials and supplies in a safe and orderly manner and keep the property orderly and free from accumulation of rubbish resulting from operations.
- x. Be responsible for any materials or equipment or both left on site. Any loss of materials or equipment or both due to theft, vandalism, etc., shall be the sole responsibility of the Contractor.

Section 3. *Pricing Schedules and Pay Items.* Attached hereto as **Attachment 2** are the pricing schedules for (i) the Asbestos Abatement and Household Hazardous Waste Management Work, and (ii) the Demolition and Site Clearing Work (collectively, the “**Pricing Schedules**”) described in this Agreement. The purpose of this section is to establish, in general terms, what is meant by the items described in the Pricing Schedules (each a “**Pay Item**” and collectively the “**Pay Items**”), and the limits, inclusions and exclusions of each of the Pay Items. However, Pay Items that are self-explanatory are not further defined in this Section 3. The unit price of each Pay Item in **Attachment 2** includes all costs including, but not limited to the materials, labor, supervision and equipment necessary to accomplish the item. The unit prices in **Attachment 2** will be used as a basis to determine the compensation to be paid to the Contractor for the Services provided under each Service Order, subject to the terms and conditions of the Agreement. Where items listed in a Service Order do not specifically match the description of a Pay Item in **Attachment 2**, rates for a similar Pay Item may be used as agreed to by the Contractor and PCCA.

3.1. *Definition of Pay Items.* The PCCA and Contractor agree that the Pay Items listed in **Attachment 2** will have the meanings assigned to them in this Section 3.1 for purposes of this Agreement.

- a. *Mobilization/Demobilization for Asbestos Abatement and Household Hazardous Waste Removal:* This means mobilizing and removing labor, equipment and materials needed to conduct the necessary abatement, packaging, removal, and disposal of asbestos containing materials and / or household hazardous waste, if present, on the subject property.
- b. *Mobilization/Demobilization for Demolition and Site Clearing:* This means mobilizing and removing labor, equipment and materials needed to conduct the

necessary demolition, packaging, removal, and disposal of improvements and for filling, grading and seeding on the subject property.

- c. *Permits and Notifications:* is the cost for preparation and filing of a Notice of Asbestos / Demolition Activities with the Texas Department of State Health Service and preparing and submitting, along with the appropriate fee, a City of Corpus Christi Demolition Permit Application.
- d. *Asbestos Abatement Disposal:* This means safely and effectively containing, removing, packaging and disposal of any identified asbestos containing materials using appropriate certified personnel and in accordance with applicable laws and regulations. Pricing for removal of asbestos containing materials will be in accordance with the unit rates identified in Attachment 2 for various classes of ACM and disposal methods. Unit rates will include proper preparation, containment, removal, packaging, transport and disposal for each type of ACM encountered.
- e. *Household Hazardous Wastes Abatement / Disposal:* This means safely and effectively containing, removing, packaging and disposal of any identified household hazardous wastes using appropriately certified personnel and in accordance with applicable laws and regulations. Pricing for removal of household hazardous waste and other materials that cannot be transported and disposed with typical demolition debris will be in accordance with the unit rates identified in Attachment 2 for various classes of waste. Unit rates will include proper preparation, containment, removal, packaging, transport and disposal for each type of waste encountered.
- f. *Demolition and Disposal of Nonstandard Residential Improvements:* This means to demolish, remove and dispose of residential house improvements on a Nonstandard Residential Property, including establishing safety zones; verification that the residence is vacant; dust, debris and noise control; and removal, transport and disposal of demolition debris and materials. Residential improvements include the structure and any attached awnings, canopies, chimneys, or foundation elements.
- g. *Demolition and Disposal of Commercial Improvements:* This means to demolish, remove and dispose of commercial improvements on a property, including establishing safety zones; verification that the structure is vacant; dust, debris and noise control; and removal, transport and disposal of demolition debris and materials. Commercial improvements include the structure and any attached awnings, signs, canopies, antennas, chimneys, or other items. Removal will be to the ground or to the top of concrete foundation floor slabs or other concrete foundation elements. Structures with multiple types of construction will be paid at the rate of predominate structural system (i.e. frame, metal, or masonry). For purposes of this work, masonry structures will be those built predominantly with brick, concrete masonry units, and/or similar materials.

- h. *Demolition of Out Building and Other Site Improvements:* This means to demolish, remove and dispose of out buildings such as sheds, detached garages, gazebos, free standing awnings, pavilions, car-ports, or other similar structures on residential or commercial properties, and to remove fencing (including gates), privacy walls or similar structures. This item includes dust and debris control, removal, transport and disposal of demolition debris and material.
- i. *Demolition and Disposal of Flatwork:* This means to demolish, remove and dispose of site flatwork including floor and foundation slabs, asphalt or concrete driveways, patios, sidewalks, or similar structures that are six (6) inches or less in thickness. This item includes dust and debris control, removal, transport and disposal of demolition debris and material.
- j. *Concrete Stairs, Porches and Foundation Footers:* This means to demolish, remove, and dispose of concrete structures that are greater than six inches in thickness. This includes debris control, removal, transport and disposal of demolition debris and material.
- k. *Demolition of Poles:* This means to remove free standing light poles, power poles, antenna towers, or free standing signs. Fence posts, mailboxes, or other small items will not be considered as Poles under this item and will be included as miscellaneous debris or ancillary to the removal of fences or associated and attached items. This includes dust and debris control, removal, transport and disposal of demolition debris and material.
- l. *Tree Removal:* This means to remove, transport and dispose of trees with a trunk diameter larger than four (4) inches as measured at a point four (4) feet above the adjacent ground surface. Removal of trees include removal of roots to a depth of four feet below the ground surface. Any tree removal that requires access to adjacent property owner must be approved and coordinated with PCCA.
- m. *Utility Removal:* This means to excavate and remove underground pipelines and cable. Removal of pipes, cables and other underground structures will be ancillary to the excavation, as will the capping or sealing of pipelines or drains as required by this Agreement and documenting the location of the capped utility or drain lines as addressed in Attachment 7, Section 1.05. Contractor is required to call 811 to verify underground utility lines prior to any digging.
- n. *Pump Out Septic Tanks, Lift Stations, and Grease Traps:* This means to pump and properly dispose of the contents, of any septic tanks, grease traps or lift stations.
- o. *Remove Septic Tank/Grease Trap:* This means to remove and properly dispose of any septic tanks, grease traps or lift stations on the property

- p. *Property Clearing*: This means to remove shrubs, small trees (with a trunk diameter of four (4) inches or less as measured at a point four (4) feet above the adjacent ground surface) and other vegetation other than grass, and any other items not covered in other pay items.
 - q. *Final Property Grading and Stabilization*: This means to grade the property to drain to adjacent streets or drainage ways and stabilize exposed soil areas by planting grass.
 - r. *Fill Material*: This means to provide, place and compact fill material, as necessary to fill low areas and establish required grade.
 - s. *Backfill*: This means to backfill and compact excavations for removal of utilities, foundations, or other structures using excavated material from the property.
 - t. *Top Soil*: This means to provide and place top soil to a depth of three inches, as necessary, in disturbed areas or areas without grass as addressed in the Service Order to establish sufficient growth of grass to stabilize the site.
 - u. *Seeding*: This means to plant grass on disturbed areas to provide final stabilization of soils on the property.
 - v. *Debris Removal*: This means to remove general debris not associated with otherwise defined pay items.
 - w. *Concrete Debris Removal*: This means concrete debris not associated with structures in excess of three (3) cubic yards.
 - x. *Tire disposal*; Cost, per tire, to remove and dispose of any tires located on the subject Property
 - y. *Handling salvaged items*: This means to retrieve, protect and return to Del Richardson and Associates, Inc. (DRA) all temporary fencing, signs, boards, and locks for reuse by DRA.
- 3.2. *Demolition and Site Clearing of Standard Residential Properties.*
- a. Upon receipt of a completed and signed Service Order from PCCA with respect to a Standard Residential Property, the Contractor will demolish, remove and dispose of the improvements on and clear the property. This work will include: establishing safety zones; verification that the residence is vacant; dust, debris, and noise control; any required mobilization and demobilization; all permits and notifications; demolition and removal of residential improvements, demolition and removal of one concrete porch and stairs; demolition and removal of one outbuilding and slab (the larger structure if multiple outbuildings are present unless

otherwise agreed and directed by PCCA); demolition and removal of all driveways, walkways, wood decks, stairs, and ramps; demolition and removal of fencing (limits to be determined by PCCA); removal of debris not associated with demolition; excavation and underground utility capping and removal; vegetation and property clearing; tree removal; backfill; deliver and compact clean fill; and seeding, grading, site stabilization; and, salvage and handling of salvaged items. The various items included in the pricing for a Standard Residential Property are understood to have the same meaning and cover the same work as defined in Section 3.1 without regard to specific quantity. Upon completion of this work, PCCA will pay the Contractor an amount equal to the product of (i) the number of square feet in the Footprint of the residential structure on the Standard Residential property, multiplied by (ii) \$5.27 per square foot.

- b. If the house on the Standard Residential Property includes a slab foundation, the Contractor will demolish and remove the slab, and the PCCA will pay the Contractor one thousand one hundred dollars (\$1,100) for this work. This payment will be in addition to the payments described in Section 3.2(a).
- c. The following items are not included in the work described in Sections 3.2(a) and (b): asbestos abatement and disposal; household hazardous waste abatement and disposal; removal and disposal of slabs and concrete structures not covered in the base price or in the concrete foundation slab pricing; removal of poles; tire disposal; vehicle disposal; and pumping and removal of septic tanks, grease traps, and lift stations. The PCCA will pay Contractor for the excluded items, if present on the property, according to the unit prices of these items listed in the Pricing Schedules.

3.3. Demolition and Site Clearing of Nonstandard Residential and Commercial Properties. Upon receipt of a completed and signed Service Order from PCCA with respect to a Nonstandard Residential Property or a Commercial Property, the Contractor will demolish, remove and dispose of the improvements on the property and clear it in accordance with the Service Order. Upon completion of this work, PCCA will pay the Contractor for the Pay Items involved in the work in accordance with the unit prices of the Pay Items listed in the Pricing Schedules.

3.4. Ancillary Work: All reasonably foreseeable costs are included in the Pay Items as described above. Ancillary work that is not specifically described in one of the Pay Items will be included with an associated Pay Item or Items.

3.5. Labor and Equipment Rates: Contractor's hourly rates for labor categories, including management, supervision, operators and general labor and hourly equipment rental and operation rates for labor and equipment that may be used in the work are listed in **Attachment 2**. These rates will be used to establish costs for unusual or unanticipated demolition work that may be encountered on individual properties or used to negotiate a time and materials, not to exceed budget to execute such work. Labor and Equipment Rates will not be utilized for asbestos abatement and waste management work. The equipment rental rates include cost of fuel, oil, grease, maintenance, overhead, profit, depreciation charges, taxes, insurance, and all other charges, except for operators. No increase or change in the rates will be made for overtime hours or for any other reason. The

labor rate schedule includes labor classifications and charge rates. Profit, overhead, taxes, and insurance are included in the hourly labor rates. For calculation of overtime compensation, the PCCA workweek begins Monday a.m.

3.6 *Extra Materials:* Materials used for extra work will be charged at cost plus 15%. The 15% markup will include all indirect costs, such as bond and insurance costs, profit, overhead, etc.

Section 4. *Term.* The term of this Agreement (“**Term**”) will commence on the Effective Date and expire on the third anniversary of the Effective Date (“**Third Anniversary Date**”) unless terminated earlier pursuant to this Section. The Term shall automatically be extended for one (1) additional year upon the same terms and conditions set forth herein, unless PCCA terminates the Term prior to the Third Anniversary Date pursuant to this Section. Notwithstanding anything to the contrary contained in this section, after the first anniversary of the Effective Date the PCCA may terminate the Term of this Agreement for any reason with thirty (30) days’ advance written notice sent to the Contractor at the address set forth in Section 11 or personally delivered to the Contractor. The PCCA also reserves the right to stop issuing Service Orders to the Contractor if the Contractor’s performance of the Services does not meet the conditions of this Agreement.

Section 5. *Effect of Termination of Term.* Upon the termination of the Term of this Agreement, PCCA shall have no further obligation to the Contractor hereunder except to pay the Contractor (i) all unpaid fees which the Contractor has earned under this Agreement, and (ii) all fees earned by the Contractor after the date of termination pursuant to the following paragraph.

In the event that there are one or more open (i.e., unfinished) Service Orders in place on the date of termination of the Term of this Agreement, the Contractor shall complete the work under these Service Orders and this Agreement shall govern any and all work authorized under the open Service Orders. No new Service Orders will be issued after the termination of the Term of this Agreement.

Section 6. *Contractor’s Responsibilities.* In addition to all other obligations contained herein, the Contractor agrees, warrants, and represents that:

6.1 The Contractor will furnish all material, equipment, and supplies in such quantities and of the proper quality to professionally and timely perform the Services;

6.2 The Contractor will proceed with due diligence and promptness in providing the Services;

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

6.4 The Contractor does not have the authority to 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;

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

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

Section 7. *Contract Fees.* In consideration of the Contractor's performance of the Services in accordance with this Agreement and the Service Orders issued hereunder, PCCA shall pay to the Contractor the compensation set forth in Section 3, if applicable, and the Pricing Schedules for the Services performed.

Section 8. *Invoices.* Upon completion of each demolition and clearing of a Demo-ready Property, Contractor will submit an invoice to PCCA calculated in accordance with Section 3, if applicable, and the Pricing Schedules attached to this Agreement as **Attachment 2**. Invoices must be supported by documentation such as invoices, receipts, statements, stubs, tickets, time sheets, property completion reports and any other documentation that, in the reasonable judgment of PCCA, provides complete substantiation of the work performed by Contractor. PCCA shall review the invoices and notify Contractor in writing (including email) within twenty (20) days of any disputed amounts. PCCA shall pay all undisputed portions of the invoices within thirty (30) days after receipt.

PCCA reserves the right to withhold payment for any Pay Items that, in PCCA's reasonable judgement, are not complete, or that are defective or deficient in any way, until such time that those items are completed or corrected to the reasonable satisfaction of PCCA.

Section 9. *Authorized Project Representative.* Contemporaneously with the execution of this Agreement, Contractor and PCCA will each designate a specific individual to act on its behalf in connection with the Services to be performed or furnished by Contractor under this Agreement. Such individuals will have authority to transmit instructions, receive information and notices, and render decisions regarding matters relating to the Demolition Project and the Services. Each such representative is referred to in this Agreement as a "**Project Representative**." A Party may change its Project Representative by giving notice of such change to the other Party in accordance with the notice provisions of Section 11 of this Agreement.

Section 10. *Amendment.* This Agreement may be amended or modified from time to time only by a written instrument executed by the Parties.

Section 11. *Notices.* Any notice required under this Agreement will be in writing, addressed to the Project Representative of the receiving Party at its address on the signature page and given personally, or by registered or certified mail postage prepaid, or by telefax transmission,

or by a commercial courier service, or by electronic mail (if the receiving party confirms receipt of the e-mail by a reply e-mail). All notices will be effective upon the date of receipt. A notice delivered by e-mail will not be deemed to have been received by the recipient until the recipient confirms receipt of the notice by a reply e-mail to the sending party. Either Party may change the mailing address for notifications by providing written notice of such change to the other party.

Section 12. *Assignment.* This Agreement may not be assigned by the Contractor without the prior written consent of the PCCA.

Section 13. *Binding.* This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns.

Section 14. *Governing Law.* **THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, EXCLUDING ANY CONFLICT-OF-LAWS RULE OR PRINCIPLE THAT MIGHT REFER THE GOVERNANCE OR CONSTRUCTION OF THIS AGREEMENT TO THE LAW OF ANOTHER JURISDICTION. THE PARTIES HERETO EXPRESSLY AGREE THAT THIS AGREEMENT IS EXECUTED AND SHALL BE PERFORMED IN NUECES COUNTY, TEXAS, AND VENUE OF ALL DISPUTES, CLAIMS AND LAWSUITS ARISING HEREUNDER SHALL LIE IN NUECES COUNTY, TEXAS.**

Section 15. *Severability.* If any part of this Agreement is held to be invalid, illegal, or unenforceable in any respect, such determination shall not affect any other provision of this Agreement, and this Agreement shall then be construed as if the invalid, illegal, or unenforceable provision had not been included in this Agreement.

Section 16. *Open Records.* The PCCA is a governmental body subject to the requirements of the Texas Public Information Act (Texas Government Code, chapter 552), and as such the PCCA is required to disclose to the public (upon request) this Agreement and certain other information and documents relating to the consummation of the transactions contemplated hereby. In this regard, the Contractor agrees that the disclosure of this Agreement or any other information or materials related to the consummation of the transactions contemplated hereby to the public by the PCCA as required by the Texas Public Information Act or any other applicable law will not expose the PCCA (or any party acting by, through or under the PCCA) to any claim, liability or action by the Contractor.

Section 17. *Entire Agreement.* This Agreement, together with the Service Orders attached hereto, constitutes the entire agreement between the Parties with respect to the 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.

Section 18. *Waiver.* The failure of either Party in any one or more instances to insist upon strict performance of any of the terms and provisions of this Agreement or to exercise any option herein conferred shall not be construed as a waiver or relinquishment to any extent of the right to assert or rely upon any such terms, provisions or options on any future occasion.

Section 19. *Force Majeure.* In the event either Party shall be delayed or hindered in or prevented from the performance of any act required hereunder by reasons of strike, lockouts, labor troubles, restrictive government or judicial orders or decrees, riots, insurrection, war, Acts of God, inclement weather or other similar reason or a cause beyond such Party's control, then performance of such act shall be excused for the period of such delay. Any timelines affected by such force majeure shall be extended for a period equal to that of the delay. Notice of the start and stop of any such force majeure shall be provided to the other Party.

Section 20. *Limitation of Liability.* Except as otherwise expressly provided herein, neither Party shall be liable or responsible to the other Party for any indirect, incidental or consequential loss or damage of any nature whatsoever (including, but not limited to, contract, negligence or tort liability) of the other Party, including without limitation, any actual or anticipated profits, loss of time, inconvenience, commercial loss or any other damages, even if the Party has advance notice of the possibility of such damages.

Section 21. *Headings.* All Section headings or other titles used in this Agreement are used solely for convenience and shall not affect or be used in connection with the interpretation or construction of this Agreement.

Section 22. *Defamation.* The Parties covenant and agree that in no event, and at no time during the term of this Agreement or at any time thereafter, shall either of them disparage, denigrate, slander, libel or otherwise defame the other or the other's businesses, services, properties or assets, or employees, personnel, agents, or representatives.

Section 23. *Independent Contractor Status.* The Parties agree that the Contractor will act as an independent contractor in the performance of any and all Services under this Agreement, and will in no way be considered an agent, partner, joint venturer, or employee of the PCCA at any time during the Term. Neither the Contractor nor its employees nor the employees of its subcontractors shall be entitled to any rights or benefits of an employee of the PCCA at any time during the Term.

Section 24. *Income and Employment Taxes.* The PCCA shall have no responsibility for withholding any federal income taxes or paying payroll taxes on any amounts paid to the Contractor. The Contractor agrees to pay all income and employment taxes on the Contract Fees or other amounts paid to the Contractor hereunder, consistent with its status as an independent contractor, in compliance with all applicable laws and regulations.

Section 25. *Audit.* Upon PCCA providing 24-hour prior notice, Contractor shall make all records, invoices, time cards, cost control sheets and other records maintained by Contractor in connection with this Agreement available during Contractor's regular working hours to PCCA for review and audit by PCCA or its representatives. To the extent that an audit by the PCCA, the PCCA's independent auditors, Contractor or their designees discloses charges inaccurately or improperly invoiced to the PCCA for Contractor's fees and expenses, Contractor agrees to remit the amount of overcharge or overpayment to the PCCA upon demand.

Section 26. *Bonds.*

26.1. Contractor agrees to procure and maintain at its sole expense, for as long as Contractor is obligated to provide Services under this Agreement, a Performance Bond and a Payment Bond (collectively, the “**Bonds**”) in the amount of \$25,000 each. The Contractor shall provide the PCCA with these Bonds before any Services are provided under this Agreement. Upon receipt of these Bonds, PCCA will make a one-time payment to Contractor in the amount of six hundred twenty-five dollars (\$625) to offset a portion of the cost of these Bonds.

26.2 PCCA may request that the amount of the Bonds be increased to cover the full value of authorized work. Should PCCA do this, PCCA will pay to Contractor a mutually agreed upon amount to offset a portion of the cost incurred by Contractor in obtaining this increased coverage.

Section 27. *Insurance.*

27.1 Contractor agrees to procure and maintain at its sole expense, for as long as Contractor is obligated to provide Services under this Agreement, the policies of insurance described in **Attachment 3** attached hereto and in at least the minimum amounts specified in **Attachment 3** to protect Contractor from claims which may arise out of or result from Contractor’s Services pursuant to this Agreement, whether such operations be by Contractor, by any subcontractor of Contractor, by anyone directly or indirectly employed by Contractor or Contractor’s subcontractor, or by anyone for whose acts Contractor or Contractor’s subcontractor may be liable. Upon receipt of proof of insurance, PCCA will make a one-time payment to Contractor in the amount of five hundred dollars (\$500) to offset a portion of the cost of Insurance.

27.2 Contractor will deliver to PCCA certificates of insurance evidencing the insurance coverages indicated in **Attachment 3**. Such certificates will be furnished prior to commencement of Contractor’s Services and at renewals thereafter while this Agreement is in effect. Any such certificates must be executed by an authorized representative of the company issuing the insurance policy and contain a provision that coverage afforded under the policies will not be cancelled until at least 30 days prior written notice has been given to PCCA. Contractor’s subcontractors will be named as “additional insureds” on each liability policy of insurance purchased and maintained by Contractor under this Agreement.

27.3 Under all applicable coverages, Contractor will obtain a Waiver of Subrogation endorsement in favor of PCCA. Contractor hereby releases PCCA from any liability for any claims Contractor may have against PCCA that are or should have been covered by the insurance for which the Waiver of Subrogation is made.

27.4 Under all applicable coverages, Contractor will include PCCA as a “named additional insured,” when permitted by law.

27.5 Contractor will not commence work under this Agreement until Contractor has obtained all insurance required hereunder and certificates of such insurance have been filed with and approved by PCCA. Insurance coverage must be on the forms and with insurers

acceptable to PCCA. Approval of the insurance by PCCA will not relieve, decrease, or otherwise affect the liability of Contractor.

Section 28. Indemnification.

28.1 The Contractor agrees, to the fullest extent permitted by law, to indemnify and hold harmless the PCCA, its Commissioners, officers, directors and employees from and against all damages, liabilities or costs, including reasonable attorneys' fees and defense costs, claimed by anyone (including Contractor and/or Contractor's agents or employees) by reason of injury to, or death of, any person(s) (including Contractor's agents or employees), or for damage to, or destruction of, any property (including property of Contractor and/or Contractor's agents or employees) or for any and all other losses, founded upon or alleged to have arisen out of, pertain to, or relate to any errors, omissions, or negligent acts of the Contractor or its subcontractors or the employees or agents of the Contractor or its subcontractors in performing the Services.

28.2 The Contractor shall not be obligated to indemnify the PCCA in any manner whatsoever for the PCCA's own negligence.

28.3 The Contractor's indemnity obligations in this Agreement shall not be limited by a limitation on the amount or type of damages, compensation or benefits owed by Contractor to any employee of Contractor under workers' or workmen's compensation acts, disability benefit acts, or other employee benefit acts.

28.4 The provisions of this Section 28 shall survive the termination of this Agreement.

Section 29. *Disadvantaged Business Enterprise (DBE) Program Commitment.* The PCCA has entered into a Memorandum of Understanding with TxDOT in which the PCCA adopted TxDOT's Federally-Approved Disadvantaged Business Enterprise Program ("**DBE Program**"). Pursuant to the DBE Program, the PCCA has established a Disadvantaged Business Enterprise goal of three percent (3%) for this Agreement.

29.1 The Contractor shall submit Monthly Progress Assessment Reports (**Attachment 11**), after work begins, on DBE involvement to meet the 3% goal and for race-neutral participation. One copy of the report is to be sent to the PCCA monthly. Only actual payments made to subproviders are to be reported. These reports will be required until all subprovider activity is completed.

29.2 DBE subproviders should be identified on the report by name, type of work being performed, the amount of actual payment made to each during the billing period, cumulative payment amount and percentage of the total contract amount. These reports will be due within fifteen (15) days after the end of a calendar month. Reports are required even when no DBE activity has occurred in a billing period.

Section 30. *Historically Underutilized Business (HUB) Program.* Although there is no specific commitment to the HUB program, the Contractor will be required to submit Monthly Progress Assessment Reports (**Attachment 12**), after work begins, on HUB involvement. One copy of the report is to be sent to the PCCA monthly. Only actual payments made to subproviders are to be reported. These reports will be required until all subprovider activity is completed.

Section 31. *Small Business Enterprise (SBE) Program.* Although there is no specific commitment to the SBE program, the Contractor will be required to submit Monthly Progress Assessment Reports (**Attachment 13**), after work begins, on SBE involvement. One copy of the report is to be sent to the PCCA monthly. Only actual payments made to subproviders are to be reported. These reports will be required until all subprovider activity is completed.

Section 32. *Attachments.* The following Attachments are hereby incorporated herein and Contractor agrees to comply with these Attachments as if fully set forth herein:

- Attachment 1 Special Conditions
- Attachment 2 Price Schedules
- Attachment 3 Required Insurance
- Attachment 4 Service Order Form
- Attachment 5 PCCA Policies & Procedures Specification
- Attachment 6 Project Coordination Specification
- Attachment 7 Submittals Specification
- Attachment 8 Building Demolition Specification
- Attachment 9 Asbestos Abatement Specification
- Attachment 10 Excavating Specification
- Attachment 11 Monthly DBE Progress Assessment Report
- Attachment 12 Monthly HUB Progress Assessment Report
- Attachment 13 Monthly SBE Progress Assessment Report

[Signature page follows this page]

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: _____

Name: John P. LaRue
Title: Executive Director

Date Signed: _____

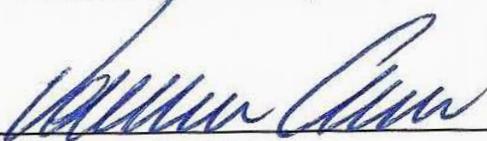
APPROVED AS TO FORM BY LEGAL
WELDER LESHIN, LLP

By: _____

Name: Jimmy Welder

Contractor:

Coastal Bend Demolition, Inc.



Name: Vernon Carr
Title: President

Date Signed: 8/9/2016

ATTACHMENT 1

SPECIAL CONDITIONS

- 1. GENERAL.** This project is an Indefinite Delivery, Indefinite Quantity contract for Building Demolition and Property Clearing Services associated with the Hillcrest/Washington-Coles Voluntary Real Estate Acquisition and Relocation Program.

The PCCA has retained a Real Property Acquisition and Relocation Assistance Consultant to manage the voluntary program and this consultant will coordinate with the demolition contractor(s) to schedule demolition activities after closing on the property and vacating of the property by the former owner or tenants. Upon acquisition of each property, the Real Property Acquisition and Relocation Assistance Consultant will secure all windows and doors with Oriented Strand Board (OSB) and maintain the property until a demolition permit is obtained by Contractor.

- 2. PROJECT DESCRIPTION.** The Contract Documents intend to secure contractor(s) for building demolition and site clearing of properties acquired under the Hillcrest/Washington-Coles Voluntary Real Estate Acquisition and Relocation Program for the new Harbor Bridge.

The PCCA does not guarantee any minimum or maximum quantities for this contract, and improvements to be demolished and/or removed cannot be identified at this time, quantities are undefined.

All services being performed/provided by the Contractor as described in this Contract must be performed by or under the direction of a person qualified or licensed as specified in this Contract and any other local, state and federal laws, regulations and guidelines that apply to the type of services being performed.

- 3. INTERPRETATION AND MODIFICATIONS.** The term ‘Contractor’ refers to the selected firm(s) and any contractor, subcontractor, or other entity retained by the Successful Firm for the purpose of demolition and removal of building, contents, foundation and any additional site improvements. Site improvements include but are not limited to paving, landscape, vegetation and other items that may be encountered on residential or commercial properties.

- 4. ASBESTOS ABATEMENT.**

The location and type of asbestos-containing material (ACM) will be identified in the asbestos survey report for each property and/or structure, which shall be provided to the Contractor. An abatement plan for each property and/or structure for each property will also be provided and the Contractor shall comply with the abatement plan.

The types of ACM that may be identified for abatement include Category I and II non-friable ACM and regulated ACM. Regulated ACM is defined as friable ACM, Category I non-friable ACM that has become friable, Category I non-friable ACM that will be or has been subjected to sanding, grinding, cutting, or abrading, and Category II non-friable ACM that has a high probability of becoming or has become crumbled, pulverized, or reduced to powder by the forces expected to act on the material in the course of demolition. Common ACMs that may be found on the interior of buildings to be demolished including joint compounds, ceiling textures, gypsum board, caulking, mastics, and floor tiles. Common ACMs that may be found on the exterior of buildings or structures to be demolished may include transite paneling, window glaze putty, caulking, and roofing materials.

Abatement plans will be developed for identified ACMs taking into account the most economical means of removal and disposal for exterior and interior ACMs. In addition, abatement plans will distinguish removal and containment requirements for ACMs that are non-friable and for RACMs that are friable or may become friable during abatement or demolition.

Three forms of containment may be utilized during abatement of the structures, dependent upon the type of ACM and whether it is located in there interior or on the exterior of the structure. The forms are wet method only, glove bags for small areas, and full containment with negative pressure for large areas. The Resilient Floor Covering Institute (RFCI) method will be allowed for small areas with no negative pressure. All abatement will require wet methods within a controlled area. All containment and abatement work will require Contractor to utilize appropriately trained and certified or licensed individuals as required for abatement work by the Texas Department of State Health Services (DSHS). Third party air monitoring during abatement and clearance sampling upon completion will be completed by DRA. Contractor will coordinate abatement schedule with DRA for this activity.

For wet method only abatement, the Contractor will be responsible for providing an adequate water supply for all wet demolitions and conducting the work within a controlled area. A spray nozzle or high volume water hose must be used to adequately wet materials during wet demolitions.

For abatement of interior ACMs required to be performed under containment, the Contractor will be responsible for ensuring adequate containment prior to removing the containment. Contractor will also ensure proper Personal Protective Equipment, control of work area and double bagging of all abated materials and placement in a designated container for proper disposal. Delivery of the container with abated materials to disposal site may be held until the container is filled or for a period not to exceed 60 days.

The Contractor will be responsible for completing the manifest(s) for disposal. Proper disposal of all construction debris, including ACMs, will be the responsibility of the Contractor. In addition, Contractor will comply with all applicable Occupational Safety and Health Administration (OSHA) requirements (29 CFR, Part 1910.1001), Texas Department of State Health Services (DSHS) (25 TAC, Chapter 295), and National

Emission Standards for Hazardous Air Pollutants (40 CFR Part 61) during all asbestos abatement and related work.

5. **HOUSEHOLD HAZARDOUS WASTE DISPOSAL.** In accordance with the waste disposal plan for each property provided at notification of demolition, Contractor will dispose of identified household hazardous wastes at each property at either El Centro Landfill or U.S. Ecology Landfill, both located adjacent to each other in Robstown, Texas. Refrigerants from house hold appliances and/or central air conditioning systems will be removed by appropriately trained and certified persons and recycled and disposed of in accordance with applicable regulations. Refrigerant containing household appliances may be recycled intact. Wastes will be handled and prepared for shipment in accordance with the waste disposal plan for each property and in accordance with applicable federal, state and local regulations pertaining to waste management and disposal (i.e. Resource Conservation Recovery Act of 1996 “RCRA” – 42 USCA 6901-6992k; Texas Solid Waste Disposal Act – Texas Health and Safety Code, Chapter 361; Hazardous Materials Transportation Authorization Act of 1994 – 49 USCA 5101-5127; County Regulation of Transportation of Waste – Texas Health & Safety Code, Chapter 368). Additionally, transporters hauling the waste must be properly registered.
6. **WELLS.** In the event that water or monitoring wells are located on a Demo-ready property, the contractor will document the location of the well and notify PCCA’s representative. Demolition work will then proceed in manor that prevents damage to the well.
7. **AUTOMOBILES AND VEHICLES.** Any automobiles or other licensed vehicles located on Demo-ready properties will be reported to PCCA’s representative. The Contractor will proceed as directed.
8. **WORK SUPERVISION AND SUPERVISOR REQUIREMENTS.** The Contractor shall have a qualified, responsible Supervisor for all locations where the Contractual Services are being performed/provided. A location will be considered to be any Demo-ready Property, or group of Demo-ready Properties that in close proximity such that one supervisor can adequately maintain control over, and monitor work in progress.

The Contractor’s Project Manager shall be responsible for notifying the PCCA and/or the PCCA’s Project Manager (or his/her designee) of any and all emergencies and problems. The Contractor’s work shall be performed and/or directed by the personnel identified by the Contractor in the proposal submitted to the PCCA.

The Contractor’s Project Manager shall be available to meet with the PCCA’s Project Manager (or his/her designee) at a mutually convenient time for both parties during regular “business hours” to discuss work requirements prior to the Contractor assuming the responsibilities of this Agreement.
9. **WORK AUTHORIZATION.** This will be a master term contract for Building Demolition and Site Clearing Services where services will be authorized via Service Orders as acquired properties become Demo-ready Properties.

Services to be provided by the Contractor under this contract shall be initiated and completed as directed by the PCCA's Project Manager (or his/her designee) for each Service Order. The work authorization shall specify the work to be completed and the maximum or lump sum payment amount. The Service Order shall be signed by the PCCA's Project Manager (or his/her designee).

It is imperative that the Contractor begin work on the date specified in the Service Order which shall be the date specified in the Asbestos/Demolition notification to the Texas Department of State Health Services.

The PCCA shall issue a formal Service Order for Property Clearing services authorizing the Contractor to begin work on a specific date. No work shall be undertaken by the Contractor unless it has been authorized in writing by the PCCA's Project Manager (or his/her designee). Work shall not begin until the Contractor is in receipt of a Service Order.

- 10. SAFETY REQUIREMENTS.** The Contractor shall utilize proper safety measures to ensure the proper protection for persons and property at all times. Contractor will be responsible for providing bracing, tarps, temporary partitions, barricades, and any additional safety devices deemed necessary for the protection of existing and adjacent facilities not included in the service work.

Contractor shall protect and exercise caution to prevent damage to adjacent structures, pavements, monitoring wells, tracks, utilities, pipe, poles, sidewalks and streetscape and to ensure that existing homes and businesses in the area can be accessed normally without significant disruption during demolition activities. Contractor should note the proximity of surrounding buildings. Any damage to surrounding buildings or property will be promptly repaired by the Contractor at its sole expense.

No wall over ten feet high, without adequate lateral support of any width or length shall remain standing after working hours. At the conclusion of a workday, the Contractor / Contractor Personnel must leave the work area so that no safety hazard is present. The Contractor shall utilize proper safety measures to ensure the proper protection for persons and property at all times.

The Contractor is responsible for any injury to person(s) or damage to property(ies) that may occur in performing any of the contractual services being performed/provided by the Contractor under this Agreement.

The PCCA assumes no liability for any equipment or personal belongings or effects left on PCCA property/site overnight. The Contractor is solely responsible for the safety of all its personnel during their working hours that they are present in a PCCA location.

The Contractor is responsible for ensuring that all equipment used shall be maintained in a safe and efficient manner in accordance with all local, state and federal laws, regulations and guidelines pertaining to providing the required services. The Contractor shall be solely

responsible for maintaining the safety required and providing safety equipment and procedures for the protection of employees and the public throughout the area(s) that the contractual services being performed/provided by the Contractor as described in this proposal.

11. **PERFORMANCE SCHEDULE.** The Contractor will prepare and submit applicable notifications and permit applications within seven (7) calendar days of receiving an approved Service Order. Unless otherwise stated in the Service Order, Services described in the Service Order will be completed within thirty (30) calendar days of the receipt of the City of Corpus Christi Demolition Permit or the filing of the Demolition Notification with Texas State Department of Health Services, whichever is later.
12. **LIQUIDATED DAMAGES.** Liquidated damages in the amount of \$300.00 per day will be assessed against the Contractor for each day beyond the required completion time that a Demo-ready Property remains substantially incomplete.
13. **PERMITS.** A City of Corpus Christi building permit is required for this Project. Texas Department of Health (*TDH*) 10-day notification is required and must be submitted by the Contractor prior to proceeding with any demolition.
14. **ENVIRONMENTAL POLICY.** The following Environmental Policy supersedes the policy listed in the General Conditions. The new Environmental Policy states:

The Port of Corpus Christi Authority Port Commission formally adopts a set of guidelines designed to further demonstrate Environmental Leadership in the South Texas Coastal Bend region.

In its commitment to be “*An Environmental Leader,*” the Port of Corpus Christi Authority in collaboration with stakeholders will strive to exceed what is required as a minimum by applicable rules and regulations to mitigate environmental impacts, prevent pollution, and employ continuous improvement policies and environmental stewardship initiatives that promote the following five (5) key precepts:

- **Air Quality** in attainment of national air quality standards and in support of the Corpus Christi region's efforts to stay in attainment through voluntary actions;
- **Water Quality** that maintains or improves the health of the coastal bend ecosystems;
- **Soils & Sediments** protective of human health and the environment;
- **Wildlife Habitat** development, improvements, and replacement when modification to existing habitat is necessary; and
- **Environmental Sustainability** in the development of port facilities and in ongoing port operations.

The Port’s Environmental Policy is the formalization of many existing environmental programs that address soil, sediment, wildlife, air and water quality impacts. Together, these programs have already realized tremendous positive impacts in the surrounding

communities and estuaries. The Port also intends to use legislative channels, where appropriate, to help meet its environmental agenda.

The Environmental Policy is one of the strategic imperatives that will be considered and integrated into decisions related to the development of infrastructure or the operations of Port facilities, supporting the Port of Corpus Christi's vision *To Be the Energy Port of the Americas* and its mission of *Leveraging Commerce to Drive Prosperity* for the Port, its stakeholders, and the Community, Region, State, and Nation.

15. **MATERIALS TO BE FURNISHED BY OWNER.** The Owner will not furnish any equipment, materials, or services. The Contractor will furnish all material, equipment, and supplies in proper quantities and of the proper quality to professionally and timely perform the work.
16. **BONDS.** Performance and Payment Bonds are required when the successful bidder executes the contract, each in the amount of \$25,000. PCCA reserves the right to increase bonding level should awarded work exceed the \$25,000 bond amount.
17. **QUALIFICATION OF CONTRACTOR.** Contractor must be a company engaged in the business of providing demolition and disposing of improvements for a minimum of 3 years. Contractor must hold and retain all applicable licenses and permits necessary to perform all services identified in this Agreement.

Contractors must be in good financial standing, not in any form of bankruptcy and current in payment of all taxes. PCCA reserves the right to request a copy of the respondents audited or un-audited financial statements.

All services being performed/provided by the Contractor as described in this Contract must be performed by or under the direction of a person qualified or licensed as specified in this Contract and any other local, state and federal laws, regulations and guidelines that apply to the type of services being performed.

18. **CONTRACTOR'S PROPERTY REPORTS.** Property reports will be prepared by the Contractor and submitted to PCCA Project Engineer at the conclusion of the service work of each property.

Photographs will be required on each property assigned for demolition; one photograph before the work is started and one after the work is completed. Both photographs are to be taken at the same location and angle and bear the address and date. If both photographs are not submitted with the property completion report, payment may be withheld.

19. **PREVAILING WAGE RATE.** The Contractor will comply with wage rates that have been determined to be the prevailing minimum rates in this area. Contractor will not pay less than these rates.

20. **CALENDAR DAYS.** “*Calendar day*” means any day of the week or month; no days being excepted. Unless otherwise specified, all PCCA contracts will be done on a calendar-day basis. Accordingly, where the term “*day*” is used herein by itself, it means a Calendar Day.
21. **CLAIM.** “*Claim*” means a written notice received by the Director of Engineering Services of PCCA that a person or entity asserts entitlement to damages arising from the Demolition Project.
22. **INSPECTION BY PCCA.** PCCA Representative will make periodic visits to the Demo-ready Property or Properties to familiarize PCCA with the progress of the executed Services and to determine if such Services generally meet the essential performance and technical and functional requirements of this Agreement. PCCA, however, is not responsible for making any detailed, exhaustive, comprehensive, or continuous on-site inspection of the quality or quantity of the Services; nor is PCCA in any way responsible, directly or indirectly, for Contractor’s construction means, methods, techniques, sequences, quality, procedures, programs, safety precautions, or lack of same, incident to or in connection with the Services. Notwithstanding any other provision of the Agreement, PCCA is not in any way responsible or liable for any acts, errors, omissions, or negligence of Contractor.
23. **DISPUTE DETERMINATIONS.** All Claims, disputes between the Parties, and other matters in question between Contractor and PCCA relating to the execution or progress of the Services or the interpretation of this Agreement will first be decided by PCCA; and decision will be rendered in writing within a reasonable time after notice to PCCA of any such dispute. Should PCCA fail to make such decision within a reasonable time, or if the Contractor disagrees with PCCA’s finding, the parties agree to submit the dispute to mediation prior to pursuing any other remedies available.
24. **LOSSES FROM NATURAL CAUSES.** Unless otherwise specified, all losses or damage to Contractor arising out of the Services from the action of the elements, from any unforeseen circumstances in the prosecution of the same, or from unusual obstructions or difficulties that may be encountered in the prosecution of the Services will be sustained and borne by Contractor.
25. **PROTECTION AGAINST CLAIMS OF SUBCONTRACTOR, LABORERS, MATERIALMEN, AND FURNISHERS OF MACHINERY, EQUIPMENT, AND SUPPLIES.** Contractor will defend, indemnify, reimburse, and hold harmless PCCA and PCCA’s representatives from all Claims arising out of the Services or labor performed or materials supplied to or for the benefit of the Demolition Project by Subcontractors, laborers, workmen, mechanics, materialmen, and furnishers of machinery and parts thereof, equipment, power tools, and all supplies, including commissary, incurred in the performance of the Agreement. When requested by PCCA, Contractor will furnish satisfactory evidence that all obligations of the nature hereinabove described have been paid, discharged, or waived. If Contractor fails to do so, then PCCA may at the option of PCCA either pay directly any such unpaid bills of which

PCCA has written notice or withhold from Contractor's unpaid compensation a sum of money reasonably sufficient to liquidate any and all such Claims until satisfactory evidence is furnished that all such liabilities have been fully discharged, whereupon payments to Contractor will be resumed in full in accordance with the terms of the Agreement; but in no event will the provisions of this sentence be construed to impose any obligation of any kind upon PCCA to either Contractor, Contractor's corporate surety, or Contractor's Subcontractors, materialmen, and laborers.

- 26. EXTENSION OF TIME.** Should Contractor be delayed in the completion of the Services by any act or negligence of PCCA or any employee of PCCA or any contractors employed by PCCA, by changes ordered in the Services, by strikes, lockouts, fires, and unusual delays by common carriers, by unavoidable cause or causes beyond Contractor's control (other than normal weather delays); or by any cause which, in PCCA's sole discretion, justifies the delay, then PCCA will determine an extension of time to be allowed for completing the Services, provided Contractor gives PCCA notice in writing of the duration and cause of delay promptly upon discovering that such delay may occur. Any extension of time for completing the Services will be set forth in a written authorization. There will be no extension of time allowed under this Agreement for delays due to inclement weather conditions—*i.e.*, rain, wind, cold, or heat. Contractor will anticipate and include sufficient time, equipment, and personnel in Contractor's proposal to account for lost production days due to inclement weather conditions.
- 27. PAYMENTS WITHHELD.** Upon discovery that any of the following has occurred, PCCA may withhold payment for Services to the extent necessary to protect PCCA from loss:
- A. Defective work not remedied;
 - B. Claims filed or reasonable evidence indicating probable filing of Claims related to the Demolition Project;
 - C. Failure of Contractor to make payments properly to Subcontractors for material or labor;
 - D. Damage to another contractor or to property adjoining or adjacent to a Demo-ready Property; or
 - E. Discovery of any unfinished Services on a Demo-ready Property after PCCA has paid the Contractor for demolishing the improvements on and clearing the property.

When all defaults are resolved or Contractor provides a corporate surety bond satisfactory to PCCA that will protect PCCA for the amount withheld, payment of the amount withheld may be made to Contractor.

**End of
Special Conditions**

ATTACHMENT 2

PRICING SCHEDULES

PRICING SCHEDULE FOR ASBESTOS ABATEMENT AND WASTE MANAGEMENT WORK

Pay Item Description	Unit	Unit Price
ASBESTOS ABATEMENT		
Asbestos Abatement – Wet Method (Exterior)	PER SQ FT	\$1.50
Asbestos – Glove Bag Removal	PER LINEAR FT	\$10.00
Asbestos Abatement – Full Containment		
Floor tile, vinyl and linoleum	PER SQ FT	\$1.40
Mastic and packing & gaskets	PER SQ FT	\$1.40
Wallboard and cementitious paneling	PER SQ FT	\$1.50
Other – not identified	PER SQ FT	\$2.00
TRANSPORTATION of ACMs	PER CU YD	\$6.00
Mobilization	PER SITE	\$250.00
Demobilization	PER SITE	\$250.00
WASTE MANAGEMENT & TRANSPORTATION		
Class I Wastes	PER CU YD	\$6.00
Class II Wastes	PER CU YD	\$6.00
Refrigerant evacuation – residential A/C unit	PER ITEM	\$500
Refrigerant evacuation – A/C window unit	PER ITEM	\$200
Refrigerant evacuation – appliances	PER ITEM	\$200
Hazardous Wastes	PER GALLON	\$1.00
Hazardous Wastes	PER CU YD	\$6.00
Recycling	PER GALLON	\$0.25
Recycling	PER CU YD	\$1.00
Mobilization	PER SITE	\$250.00
Demobilization	PER SITE	\$250.00

ATTACHMENT 2 (cont.)

PRICING SCHEDULE FOR DEMOLITION AND SITE CLEARING WORK

Pay Item Description	Unit	Unit Price
PERMITS, MOBILIZATION AND DEMOBILIZATION		
Permits/Notifications	EACH	\$200.00
Mobilization	EACH	\$250.00
Demobilization	PER SERVICE ORDER	\$250.00
Remobilization	PER SERVICE ORDER	\$250.00
NONSTANDARD RESIDENTIAL STRUCTURE DEMOLITION AND DISPOSAL (calculated on the area of each story or the Footprint for a single story structure)		
Frame Structures	SQ FT	\$2.25
Masonry Structures	SQ FT	\$2.00
COMMERCIAL PROPERTY DEMOLITION AND DISPOSAL		
Single-story frame	SQ FT	\$2.45
Multi-story frame	SQ FT	\$2.45
Single-story metal	SQ FT	\$2.00
Multi-story metal	SQ FT	\$2.00
Single-story masonry	SQ FT	\$2.25
Multi-story masonry	SQ FT	\$2.25

Pricing Schedule for Demolition and Site Clearing Work (cont.)

Pay Item Description		Unit	Unit Price
EARTHWORK			
Backfill		CU YD	\$12.50
Property clearing		SQ YD	\$2.50
Tree Removal (greater than 4")		EACH TREE	\$100.00
"Clean Fill" Delivered and Compacted		CU YD	\$12.50
Grading		SQ YD	\$2.50
Handling and returning of salvaged items to DRA		PER PROPERTY	\$100.00
Excavation		CU YD	\$10.00
Top Soil (only in disturbed areas)		CU YD	\$20.00
Seeding		SQ YD	\$0.75
MISCELLANEOUS DEMOLITION ITEMS			
Free-standing poles (Light, sign, general)		EACH POLE	\$25.00
Flatwork	up to 6 inches	SQ FT	\$0.75
Concrete Stairs, Porches and Foundation Footers	> 6 inches	CU FT	\$1.00
Saw cut-concrete/asphalt	6 inches or less	LINEAR FT	\$7.50
Saw cut-concrete/asphalt	> 6 inches	LINEAR FT	\$8.50
Wood Decks and Ramps		SQ FT	\$0.50
Outbuildings (calculated on structure Footprint)		SQ FT	\$1.25
Canopies (carport, pergola, patio cover)		SQ FT	\$1.00
Underground utility removal and capping		PER LOT	\$200
Septic Tank/Grease Trap - Removal		PER ITEM	\$250.00
Pump out of Septic tank/Grease trap		PER GALLON	\$0.50
Lift Station Removal		PER ITEM	\$2,500.00
Chain-Link Fencing		LINEAR FT	\$0.25
Wood Fencing		LINEAR FT	\$0.25
Masonry Walls		LINEAR FT	\$5.00
Tire disposal		PER TIRE	\$30.00 standard car size \$43.00 with rim \$70.00 18-wheeler size \$140.00 with rim \$105.00 tractor size \$180.00 with Rim

AGENDA ITEM NO. 12.f

Debris Removal (other debris not associated with defined pay items)	CU YD	\$7.50
Concrete Debris (not associated with defined pay items over 3 cubic yards in volume)	CU YD	12.50

ATTACHMENT 2 (cont.)

CONTRACTOR'S EQUIPMENT AND LABOR RATES



606 Tulip Street
Corpus Christi, Tx 78408
(361) 851-0464

www.CoastalBendDemolition.com

June 28, 2016

Mr. David L. Krams, P.E.
Director of Engineering
Port of Corpus Christi Authority
222 Power Street
Corpus Christi, Texas 78401

Re: Equipment Hourly Rates
Residential & Commercial Demolition and Property Clearing
Project # (16-061A)

Mr. David L. Krams, P.E.,

The following is a list of our Equipment and Manpower rates that you have requested for the aforementioned job;

1. Excavator with Thumb Attachment - \$87.50 per Hour
 - a. Excavator Operator - \$35.00 per Hour
2. Skid Steer Track Loader with Attachments - \$30.00 per Hour
 - a. Skid Steer Operator - \$30.00 per Hour
3. General Laborer - \$25.00 per Hour
4. QC Manager- \$35.00 per Hour

Thank You for Your Consideration,

A handwritten signature in blue ink, appearing to read "Vernon Carr".

Vernon Carr
President
Coastal Bend Demolition, Inc.
vernon@coastalbenddemolition.com

ATTACHMENT 3

REQUIRED INSURANCE

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

	<u>TYPE OF INSURANCE</u>	<u>LIMITS OF LIABILITY</u>
A.	Workers' Compensation	Statutory
B.	Employer's Liability	\$500,000 per Occurrence \$500,000 per Aggregate
C.	Commercial General Liability	\$1,000,000 per Occurrence \$2,000,000 (Aggregate)
	<i>The CGL Policy will provide contractual liability coverage at the aforementioned limits.</i>	
D.	Business Automobile Liability	\$1,000,000 per Occurrence
	<i>Automobile liability coverage will include all owned, non-owned, and hired vehicles.</i>	
F.	Umbrella Liability	\$5,000,000 per Occurrence
	<i>Umbrella liability coverage will apply to Employer's Liability, Commercial General Liability, and Business Automobile Liability.</i>	
G.	Contractor's Pollution Liability	\$2,000,000 per Occurrence

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

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

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

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

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

ATTACHMENT 4
HILLCREST DEMOLITION CONTRACT
Service Order Form

PORT OF CORPUS CHRISTI AUTHORITY
OF NUECES COUNTY, TEXAS

SERVICE ORDER NO. _____ PROPERTY ID# _____

PROPERTY CLASSIFICATION _____

This Service Order is issued and accepted pursuant to the INDEFINITE DELIVERY INDEFINITE QUANTITY CONTRACT FOR RESIDENTIAL AND COMMERCIAL DEMOLITION AND PROPERTY CLEARING SERVICES IN CONNECTION WITH THE HARBOR BRIDGE REPLACEMENT PROJECT (the “*Agreement*”) between the Port of Corpus Christi Authority of Nueces County, Texas (“*PCCA*”), and Coastal Bend Demolition, Inc. (“*Contractor*”) made effective as of August 16, 2016.

Demo-ready Property or Properties:

Except as may otherwise be provided in the Special Instructions below, the PCCA hereby authorizes and instructs the Contractor and the Contractor agrees to demolish the improvements on and clear the following Demo-ready Property in accordance with the terms and conditions of the Agreement and any attachments to this Service Order:

Special Instructions: The Authority instructs the Contractor and the Contractor agrees not to demolish or clear the following improvements and trees on the Properties covered by this Service Order:

Compensation:

Contractor will be compensated for the Services performed pursuant to this Service Order in accordance with Sections 3 and 7 of the Agreement and the Pricing Schedules attached to the Agreement as **Attachment 2**.

Invoices:

Upon completion of the demolition and clearing of each Demo-ready Property described above, Contractor will submit an invoice to PCCA in accordance with Section 8 of the Agreement. Invoices must be supported by documentation such as invoices, receipts, statements, stubs, tickets, time sheets, and any other documentation that, in the reasonable judgment of PCCA, provides complete substantiation of the work performed by Contractor.

Amendments to Service Order:

Material changes to this Service Order may be made only by written agreement of the PCCA and the Contractor.

**Port of Corpus Christi Authority
of Nueces County, Texas**

By: _____

Name: _____

Title: _____

Date of Execution: _____

“PCCA”

Coastal Bend Demolition, Inc.

By: Vernon Carr

Name: Vernon Carr

Title: President

Date of Execution: 8/9/2016

“Contractor”

**ATTACHMENTS 5 THROUGH 10 ARE THE TECHNICAL SPECIFICATIONS
OF THE AGREEMENT**

ATTACHMENT 5

PCCA POLICIES & PROCEDURES

1.01 SUMMARY

- A. This section specifies policies and procedures to which the PCCA obligates the Contractor, his subcontractors and suppliers, and their employees.
- B. This specification is intended to provide a minimum policy level for all personnel working on PCCA property. The Contractor and subcontracts will have in place policies that meet or exceed the requirements of this specification. Alternately, the Contractor or Subcontractor may implement this specification as their personnel policy.
- C. PCCA reserves the right to request a copy of the Contractor's or a Subcontractors policies related to this section for review.

1.02 EQUAL OPPORTUNITY EMPLOYMENT

Contractors will adopt a policy for PCCA projects to not allow discrimination against any person in job structuring, recruitment, examination, selection, appointment, placement, training, upward mobility, discipline, or any other aspect of personnel administration based on a person's sex, race, age, religion, color, disability, citizenship, national origin, or veteran status. An occupational qualification may, however, disqualify certain persons from a particular job.

1.03 AFFIRMATIVE ACTION POLICY

The Contractor will establish and enforce employment policies to prevent discriminatory actions against a member of an identifiable protected group of persons and to apply good faith efforts to seek out, employ, train, and promote under-represented protected group members into and within its workforce.

1.04 COMPLIANCE WITH APPLICABLE LAWS

The Contractor will comply with applicable federal, state and local laws including, without limitation, the Family and Medical Leave Act, the Americans with Disabilities Act, the Fair Labor Standards Act, and the Texas Worker's Compensation Act.

1.05 HARRASSMENT POLICY

The PCCA is determined to maintain a work environment that is free of harassment, exploitation, and intimidation based on sex, race, age, religion, color, disability, national origin, or veteran status. The Contractor, his subcontractors, suppliers, and their employees are expected to comply with this policy. Failure to do so may result in PCCA requesting removal of an individual or individuals from the project or termination of the contract. The Contractor and any Subcontractors will have in place policies and procedures that, at a minimum will adhere to the following:

- A. General: The PCCA does not condone and will not tolerate harassment of employees on the basis of race, color, religion, sex, national origin, age, citizenship, veteran status, disability, or work-related injury or illness. Harassment may include physical conduct as well as insulting remarks or jokes. The PCCA considers harassment to be a grave act of misconduct and may subject the perpetrator to disciplinary action up to and including discharge from employment. Harassment of employees by co-workers, clients, visitors, vendors, or other third parties will also not be tolerated.

- B. Sexual Harassment: The PCCA is concerned about the prevention of sexual harassment. For purposes of this policy, sexual harassment includes unwelcome sexual advances, requests for sexual favors, and other verbal, graphic or physical conduct of a sexual nature where:
 - 1. Submission to such conduct is either an expressed or implied term or condition of an individual's employment;
 - 2. Submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting that individual; or
 - 3. Such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile or offensive working environment.

- C. Handling of Harassment Complaints:

The Contractor and any Subcontractors will have a policy in place that allows employees to confidentially report a harassment complaint without fear of retaliation or inappropriate treatment of the claim, and that provides for the prompt, thorough, and impartial investigation and resolution of any claim.

1.06 WORKPLACE VIOLENCE POLICY

The PCCA is committed to preventing workplace violence and to maintaining a safe work environment. Intimidation, harassment or other threats of (or actual) violence is prohibited on PCCA premises. The Contractor or his subcontractors and suppliers, are expected to comply with this policy. Failure to do so may result in a request to have an individual or individual(s) removed from the project or termination of the contract. The Contractor and

any subcontractors will have in place a policy that will, at a minimum, adhere to the following:

A. Prohibited Conduct:

Employees, including temporary employees, of the Contractor and his subcontractors and suppliers, will be treated with courtesy and respect at all times. Conduct that threatens, intimidates or coerces another employee, a customer, an employee of PCCA, or a member of the public at any time, including off-duty periods, will not be tolerated. This prohibition includes all acts of harassment, including harassment that is based on an individual's sex, race, age, national origin, disability, religion, veteran status, or any characteristic protected by federal, state, or local law.

B. Reporting Conduct:

1. The Contractor and any Subcontractors will have a policy in place that allows employees to confidentially report a threat, or actual act, of violence, both direct and indirect, without fear of retaliation or inappropriate treatment of the claim, and that provides for the prompt, thorough, and impartial investigation of any claim.
2. All suspicious individuals or activities should also be reported as soon as possible to the PCCA's Representative, Manager of Risk Management or PCCA Police Department, as appropriate for the situation. Contractors, subcontractors, suppliers, and their employees are requested not to place themselves in peril. If a commotion or disturbance occurs near the work area, employees are requested not to try to intercede or see what is happening, but to report it immediately. The identity of the individual making a report will be protected as much as practical. Anyone determined to be responsible for threats of (or actual) violence or other conduct that is in violation of these guidelines will be subject to prompt and permanent removal from PCCA property. The Contractor will be directed to remove such individuals from the project and provide replacement personnel. There will be no contract time or contract cost considerations associated with such actions.

1.07 SUBSTANCE ABUSE POLICY

PCCA maintains a drug free work place policy. The Contractor or his subcontractors and suppliers, are expected to comply with this policy. Failure to do so may result direction to remove an individual or individuals from the project or termination of the contract. The Contractor and Subcontractor will have policies in place, that at a minimum adhere to the following:

- A. Violations: The following are the minimum violations to be included in the Contractor's and Subcontractor's policy:

AGENDA ITEM NO. 12.f

1. Engaging, on the job or off the job, in current illegal use, possession, consumption, exchange, delivery, manufacture, distribution, sale, or purchase of any drug;
2. Engaging in the improper use or possession of prescription drugs. Contract and Subcontract employees may use or possess prescription drugs at work only if:
 - a. The drugs/medications have been prescribed by a health care provider (authorized by law to prescribe such drugs) for the person in possession of the drugs/medications.
 - b. The drugs/medications are kept in their original container, which identifies the drug, the dosage, the prescription date, the prescribing health care provider, and the person for whom the drugs/medications were dispensed.
 - c. The drugs/medications are ingested or administered only in the prescribed or recommended therapeutic dosages, and all restrictions on the use of the prescription drugs are observed by the employee.
 - d. Use of the prescribed drug does not render the person unable to safely perform assigned duties or to present a hazard to others on the project site.
3. Engaging in the use of over-the-counter drugs/medications in a manner inconsistent with the instructions or warnings on the container for the drug/medication.
4. Possessing paraphernalia associated with the illegal use of drugs.
5. Engaging in current use, possession, consumption, exchange, delivery, distribution, or sale of any alcoholic beverage while at work, or on PCCA property, in PCCA vehicles, or in personal vehicles being used for PCCA purposes.
6. Engaging in off-the-job use of alcohol that adversely affects the employee's ability to perform his/her job duties safely and/or efficiently. This policy does not prohibit off-the-job use of alcohol by employees when that use does not adversely affect the employee's ability to perform his/her job responsibilities safely and efficiently.
7. Reporting to work or performing job duties after having consumed drugs, including prescription or over-the-counter drugs, when that drug use may

impair the employee's ability to safely perform his/her job duties or may affect his/her safety and/or the safety of others.

8. Refusing to consent to a urinalysis and/or alcohol test as required by this policy or refusing to release the results of any such urinalysis and/or alcohol test.
 9. Failure to comply or fully cooperate with any provision of the Substance Abuse Policy.
 10. Producing a positive test result on a urinalysis or alcohol test indicating a violation of this policy.
- B. Penalties for Violations: Engaging in any illegal drug activity, producing a positive test result on a urinalysis test indicating the illegal use of drugs, refusal or failure to fully cooperate in testing, or any other violation of this policy will be considered cause for prompt and permanent removal of the individual from PCCA property. The Contractor will be directed to remove such individuals from the project and provide replacement personnel. There will be no contract time or contract cost considerations associated with such actions.
- C. Policy Enforcement: The PCCA reserves the right to request that the Contractor or Subcontractor perform urinalysis and/or alcohol testing under the following conditions:
1. Reasonable Suspicion Testing: When the PCCA determines that there is reasonable individualized suspicion to believe that Contractor or Subcontractor employee may have violated the prohibitions of this policy, the PCCA may require that the Contractor or Subcontractor require the employee to submit to urinalysis testing and/or alcohol testing. Reasonable suspicion may be based upon, among other factors:
 - a. Observable phenomena, such as direct observation of alcohol or drug use and/or the physical symptoms of being impaired by a drug;
 - b. Deteriorating work performance, absenteeism, or poor personal hygiene;
 - c. A pattern of abnormal conduct, erratic or a marked change in personal behavior or attitude;
 - d. An arrest or conviction for a drug-related offense or the identification of an employee as the focus of a criminal investigation into illegal drug possession, use, or trafficking;
 - e. Information provided by reliable and credible or independently corroborated sources;

- f. Newly discovered evidence that the employee has tampered with a previous drug/alcohol test.
2. **Post-Incident Testing:** Any Contract or Subcontract employee that may have caused, contributed to, or been involved in a job-related accident or injury is to be subject to urinalysis and/or alcohol testing. Post-incident testing occurs when there is reason to believe that Contractor, Subcontractor or supplier employee may have contributed to an injury to themselves, another employee, another person, or may have contributed to substantial damage to PCCA property or the property of another entity or individual.
3. **Random Testing:** The Contractor's and Subcontractor's substance abuse policy will include a random testing provision wherein employees are randomly selected for drug and alcohol testing. The percentage of workforce, timing and frequency of random testing is at the discretion of the Contractor or individual subcontractors. PCCA reserves the right to request that any person working, or present, on PCCA property submit to random drug and/or alcohol testing as a condition of entry onto PCCA property.
4. **Searches and Inspections:** When the PCCA has good reason to suspect that there may be drug or alcohol use or possession in violation of this policy by persons on PCCA property, the PCCA reserves the right to conduct or employ specialists to conduct searches and inspections, including the use of scent-trained dogs. The Executive Director must approve searches and inspections, which may be conducted at any time without notice. During any search, there will be at least one searcher and one observer present. In conducting such a search, management will attempt to carry it out in a confidential and discreet manner. Employee work areas, desks, lockers, briefcases, and personal vehicles parked on PCCA property may be subject to searches at any time. The PCCA may also search any personal items brought onto PCCA premises, and employees should have no expectation of privacy with regard to those items. In addition to drug and alcohol concerns, searches may be conducted for other legitimate reasons. Refusal to voluntarily submit to a search or inspection by a supervisor or authorized search specialist is a violation of PCCA policy and may result in disciplinary action up to and including dismissal.

1.08 CONCEALED HANDGUN POLICY

The use or possession of firearms, except by law enforcement officials or authorized security personnel, is prohibited on all PCCA property. PCCA property includes all land, parking areas, facilities, buildings, offices, open and covered cargo storage areas, sheds and docks (including their entries and exits) owned, controlled or operated by the PCCA. In addition, prohibited areas include PCCA equipment, machinery, railroad right-of-way, and roadways that are owned, controlled, or operated by the PCCA. Contractor, Subcontractor, and supplier

personnel will adhere to this policy. Failure to do so will be considered cause for prompt and permanent removal of the individual from PCCA property. The Contractor will be directed to remove such individuals from the project and provide replacement personnel. There will be no contract time or contract cost considerations associated with such actions.

**END OF
POCCA POLICIES & PROCEDURES SPECIFICATION**

ATTACHMENT 6

PROJECT COORDINATION

PART 1 – GENERAL

1.01 SUMMARY

- A. This section specifies administrative and supervisory requirements necessary for project coordination including, but not necessarily limited to:
 - 1. Coordination.
 - 2. Administrative and supervisory personnel.
 - 3. General installation provisions.
- B. Requirements for construction schedules are included in **Attachment 7**, “Submittals.”

1.02 COORDINATION

- A. Coordination: Coordinate demolition and related activities (as defined in the various sections of these specifications) to assure efficient and orderly progress of the work.
 - 1. Where availability of space is limited, coordinate work to assure maximum accessibility for required maintenance, service, and repair.
 - 2. Prepare memoranda for distribution to each involved party outlining special procedures required for coordination. Include such items as required notices, reports, and attendance at meetings.
- B. Administrative Procedures: Coordinate scheduling and timing of required administrative procedures with other work activities to avoid conflicts and ensure orderly progression of the work. Such administrative activities include, but are not limited to, the following:
 - 1. Preparation of schedules.
 - 2. Installation and removal of temporary facilities.
 - 3. Delivery and processing of submittals.
 - 4. Progress meetings.
 - 5. Property closeout activities.

1.03 SUBMITTALS

Within 10 days of the Letter of Work Authorization, the Contractor will submit a list of the Contractor’s principal staff assignments including the superintendent and other personnel

in attendance at the site; provide a proposed organizational chart that identifies individuals, their duties and responsibilities; and list the proposed staff's addresses and telephone numbers.

1.04 CLEANING AND PROTECTION

During demolition activities, protect adjacent property, structures, and other improvements that are to remain in place and maintain a clean and orderly work area.

**END OF
PROJECT COORDINATION SPECIFICATION**

ATTACHMENT 7

SUBMITTALS

1.01 SUMMARY

This section specifies administrative and procedural requirements for submittals requisite to the performance of the work, including:

- A. Contractor's Request for Payment Form and Typical Demolition Schedule
- B. Property Completion Reports.
- C. Product or material data.

The format and procedure specified in this section will be applicable to other submittals required elsewhere in the contract documents.

1.02 SUBMITTAL PROCEDURES

- A. Coordination: Coordinate preparation and processing of submittals with performance of construction activities. Transmit each submittal sufficiently in advance of performance of related construction activities to avoid delay.

Processing:

- a. Allow sufficient review time so that Demolition will not be delayed as a result of the time required to process submittals (including time for resubmittals).
 - b. Allow two weeks for initial review. Allow additional time if processing must be delayed to permit coordination with subsequent submittals. The Engineer will promptly advise the Contractor when a submittal being processed must be delayed for coordination.
- B. Submittal Preparation: Place a permanent label or title block on each submittal for identification. Indicate the name of the entity that prepared each submittal on the label or title block.
 - 1. Provide a space approximately 4" x 5" on the label or beside the title block on shop drawings to record the Contractor's review and approval markings and the action taken.
 - 2. Include the following information on the label for processing and recording action taken.
 - a. Project name.
 - b. Property address and parcel number, as appropriate.
 - b. Date.

- c. Name of Engineer.
- d. Name of Contractor.
- e. Name of subcontractor.
- f. Name of supplier, as applicable.
- g. Name of manufacturer, as applicable.
- h. Number and title of appropriate specification section.
- i. Drawing number and detail references as appropriate.

1.03 CONTRACTOR'S PAYMENT AND TYPICAL DEMOLITION SCHEDULE

Prepare and submit for review and comment by PCCA or PCCA's Representative:

- A. A typical Request for Payment form for use on each property or group of properties assigned for demolition PCCA. Request for Payment for groups of properties should clearly indicate the costs associated with each individual property.
- B. A typical residential and commercial property demolition schedule, preferably a computer-based CPM type, but a Gantt chart at a minimum. Submit within 10 days of issuance of the Letter of Work Authorization. The schedule will include the time commitments for performing critical elements of the work from parties involved. Coordinate each element on the schedule with other demolition activities including minor elements involved in the sequence of the work. Show each activity in proper sequence. Indicate graphically sequences necessary for completion of related portions of the work.

1.04 SUBMITTAL SCHEDULE

- A. After development and acceptance of the Contractor's construction schedule, Contractor will review the contract documents and prepare a complete schedule of submittals. Submit the schedule within 10 days of the date required for establishment of the Contractor's construction schedule.
 - 1. Coordinate submittal schedule with the list of subcontractors, schedule of values, and the list of products as well as the Contractor's construction schedule.
 - 2. Prepare the schedule in chronological order; include all submittals required during construction. Provide the following information:
 - a. Scheduled date for the first submittal.
 - b. Related section number.
 - c. Submittal category.
 - d. Name of subcontractor.
 - e. Description of the part of the work covered.
 - f. Scheduled date for resubmittal.
 - g. Scheduled date for Engineer's final release or approval.
- B. Distribution:

1. Following response to initial submittal, print and distribute copies to the Engineer, subcontractors, and other parties required to comply with submittal dates indicated.
2. When revisions are made, distribute to the same parties. Delete parties from distribution when they have completed their assigned portion of the work and are no longer involved in construction activities.

1.05 PROPERTY COMPLETION REPORTS

Upon the completion of demolitions and site clearing activities, the Contractor will prepare and submit to PCCA a Property Completion Report.

- A. Each property will be identified by the mailing address and the unique lot number assigned under the Voluntary Neighborhood Buy-Out Program.
- B. The property Completion Report will include the following information for each property where demolition and site clearing activities have been completed.
 1. Identification of the property
 2. A brief description of the work completed, including type and size of improvements demolished and removed.
 3. Description of any improvements left in place and documentation of existing conditions prior to start of work.
 4. Description of any problems encountered and the resolution.
 5. Description of utility lines and approximate location where underground pipes and/or cables were terminated and capped.
 6. Number and type of refrigerant containing appliances, if any, and method of disposal.
 7. At least two photographs, taken from the same vantage point, one taken before work starts and one upon completion of the work. Additional photographs, as may be necessary to illustrate and document work completed.
 8. A statement by the Contractor that to the best of his knowledge, the work is complete and meets the requirements of the contract documents.
 9. Appendices that include the following:
 - a. Air monitoring report during abatement.
 - b. Copy of the Demolition Permit acquired from the City of Corpus Christi.
 - c. Copy of the Texas Department of State Health Services Demolition notification
 - d. Disposal manifests demonstrating the regulated asbestos containing materials and regulated materials were properly disposed.
 - e. Any other documentation, drawings, sketches, or certificates applicable to the demolition, site clearing, and disposal of debris related to the specific property.
 - f. Recycling tickets for any materials recycled.

- D. Submittal: The report will be submitted to PCCA or PCCA's representative for review. The draft report by be submitted by e-mail, or reproducible PDF. Any relevant comments will be incorporated into the final report. Submit two (2) Bound hard copies, a reproducible PDF version, and native files (Microsoft Word, AutoCAD, etc.).

1.06 PRODUCT AND MATERIAL DATA

Collect product or material data into a single submittal for each element of Work. Product data includes printed information such as manufacturer's installation instructions, catalog cuts, or materials source and characteristics.

- A. Manufacturer's printed recommendation.
- B. Compliance with recognized testing agency standards.
- C. Application of testing agency labels and seals.
- D. Notation of coordination requirements.

1.07 ENGINEER'S ACTION

- A. Except for submittals for record, information of similar purposes where action and return is required or requested, the Engineer will review each submittal, mark to indicate action taken, and return promptly.
- B. Compliance with specified characteristics is the Contractor's responsibility. Submittal will be rejected for non-compliance of required characteristics.
- C. Action Stamp: The Engineer will stamp each submittal with a uniform, self-explanatory action stamp. The stamp will be appropriately marked to indicate the action taken.
- D. Submittals not returned within 21 days of receipt by the Engineer will be considered approved as submitted by the Contractor.

END OF
SUBMITTALS SPECIFICATION

ATTACHMENT 8

BUILDING DEMOLITION

PART 1 – GENERAL

1.01 SUMMARY

This specification describes the nature and extent of the demolition and removal of buildings, appurtenances and other improvements, together with property clearance, all of which are required by the Contract to be completed down to bare land, with no exceptions other than those specifically permitted herein. The project includes all areas (structures, walkways, driveways, out buildings, patio, awnings, fences, and other items) located within the parcels boundaries. Acceptable safety measures are to be employed by the Contractor at all times. At any time during the performance of the Contract the PCCA may enforce such other measures as may be reasonably necessary for the protection of the public, the Contractor's workmen, streets, public and private utilities or other properties. The finished project will be a vacant, mowable lot for each property parcel assigned for demolition work.

This section specifies handling and procedural requirements for demolition activities required for performance of the Work including:

- A. Environmental Regulations
- B. Asbestos-Containing Materials.
- C. Household Hazardous Waste
- D. Lead-Based Paint.
- E. Demolition

1.02 ENVIRONMENTAL REGULATIONS

- A. All demolition activities will be conducted in accordance with applicable local, state, and federal environmental regulations.
- B. Prior to beginning renovation or demolition activities, the Contractor will prepare and submit a Texas Department of State Health Services (DSHS) 10-day Demolition Notification on PCCA's behalf.
 - 1. The Work will be commenced on the date identified in the 10-day notification.
 - 2. The Work will be completed by the date identified in the 10-day notification, unless an extension is authorized by the PCCA and an amendment to the notification is submitted to the DSHS.

3. Contractor should mark demolition on the DSHS notification form under "Type of Work".
4. The appropriate DSHS Regional or Local Program inspector must be notified by phone of all start or stop date changes.
5. Contractor will prepare and submit any required modifications to the DSHS 10-day notification.

C. Reference regulations include:

1. CODE OF FEDERAL REGULATIONS (CFR)

- 29-CFR Part 1910 Occupational Safety and Health Standards
- 29-CFR Part 1926 Safety and Health Regulations for Construction
- 40-CFR Part 261 Identification and Listing of Hazardous Waste
- 40-CFR Part 262 Standards Applicable to Generators of Hazardous Waste
- 40-CFR Part 263 Standards Applicable to Transporters of Hazardous
- 40-CFR Part 264 Standards for Owners and Operators of Hazardous Waste Treatment, Storage, and Disposal Facilities
- 40-CFR Part 265 Interim Status Standards for Owners and Operators of Hazardous Waste Treatment, Storage, and Disposal Facilities
- 49-CFR Part 171-179 Department of Transportation Regulations to Hazardous Materials Transportation

Waste

2. NATIONAL FIRE PROTECTION ASSOCIATION (NFPA)

- NFPA 30 (1990) Flammable and Combustible Liquids Code
- NFPA 70 B (1990) Recommended Practice for Electrical Equipment Maintenance
- NFPA 325M Fire Hazard Properties of Flammable Liquids, Gases, and Volatile Solids

1.03 ASBESTOS-CONTAINING MATERIALS

An asbestos survey will be conducted by others on each property acquired by PCCA. In the event that Asbestos-containing materials (ACMs) and or Regulated ACMs (RACMs) are identified, an asbestos abatement plan will be provided to the Contractor. If ACM is not identified demolition will proceed in accordance with the remaining sections of this specification.

- A. Regulated ACMs identified in the Asbestos Survey Report and Abatement plan will be properly removed, packaged, transported and disposed by the Contractor in accordance with the abatement plan.

- B. Non-Regulated ACMs may be left in place, as noted in the Asbestos Survey and Abatement Plan and necessary precautions will be used when handling these materials so as not to render the material friable.
- C. Removal of non –regulated ACMs and Disposal:
 - 1. Demolition of asbestos-containing roofing materials will be conducted in a manner so as to not render the materials friable. At no time during the demolition activities, including during preparation for disposal, will sanding, grinding, cutting, or abrading of ACMs be allowed, unless proper containment and abatement methods are used.
 - 2. The asbestos containing materials will be kept adequately wet during the demolition of the building and loading of the materials into a dumpster.
 - 3. The demolition of asbestos containing materials will occur in a manner to allow for segregation of these materials for separate disposal at a local landfill in accordance with TCEQ Regulatory Guidance RG-4 regarding asbestos wastes disposal.
 - 4. ACMs are to be loaded into lined dumpsters or lined dump trucks on-site for off-site disposal. The designated waste container will remain secured at all times when the Contractor is not engaged in loading the container.
 - 5. Asbestos containing roofing materials will not be reduced to compact materials for transportation or disposal.
 - 6. Third party air monitoring during demolition, if required, will be completed by DRA. Contractors will coordinate with DRA for this activity.
 - 7. The Contractor will have on-site a project supervisor that has completed a 40-hour asbestos course. This person must have at least three years of experience in successfully completing projects similar in size and scope.

1.04 LEAD-BASED PAINT

Properties will not be surveyed or sampled for lead based paint. However lead based paint may be present and the contractor will take proper precautions in order not to generate lead dust and fumes during any demolition activities.

1.05 HOUSEHOLD HAZARDOUS WASTE

Properties will be surveyed by others for household hazardous waste and other materials that may require special handling or regulated disposal. Items that cannot be disposed with typical demolition debris will be noted in the survey report and a regulated material disposal plan will be provided to the Contractor. Where hazardous waste is present, the Contractor will properly consolidate, package, transport and dispose of the waste.

- A. Wastes encountered may consist of paint related materials, batteries, pesticides, pool chemicals, fuels, corrosive cleaners, mercury containing switches/thermostats, smoke detectors with radioactive materials, medical wastes and/or syringes, light bulbs, oils or automotive fluids, aerosol cans, refrigerant (chlorofluorocarbon) containing equipment, or similar materials.
- B. Contractor will have personnel on site with the proper certifications and/or licenses necessary to handle and/or abate wastes, and transport wastes, which may include the following:
 - 1. 40-Hour HAZWOPER Certified
 - 2. Annual RCRA Waste Management Training
 - 3. Registered DOT Transporter
 - 4. Registered EPA Hazardous Waste Transporter
 - 5. Registered Texas Hazardous Waste Transporter
- C. The Contractor will be required to properly label and manage all wastes following local, state, and federal rules and regulations for said wastes. In addition, wastes must be disposed of or recycled in compliance with the disposal plan and following all local, state, and federal rules and regulations. A representative of the PCCA environmental staff will sign all manifests and/or bills of lading. Contractor must coordinate with the PCCA Director of Environmental Planning and Compliance, Mrs. Sarah L. Garza or her representative, for the signing of all manifests and/or bills of lading.

If refrigerant containing appliances or equipment is present, the Contractor will arrange to have the refrigerant removed and recycled prior to disposal of the appliance or equipment. Alternately, the Contractor may have the appliance or equipment properly recycled as whole.

- D. Any materials identified by the Contractor that are hazardous in nature or that cannot be disposed with typical demolition debris, and that are not identified in the hazardous waste report, will be immediately reported to PCCA's Representative, and a revised disposal plan will be provided.

1.06 FUGITIVE DUST, NOISE, AND DEBRIS CONTROL

- A. Contractor will use demolition methods that limit the amount of fugitive dust generated and will take measures to prevent dust from becoming a nuisance to adjacent residents.

- B. Contractor will confine operations to Monday through Friday, during the hours of 8:00 AM to 7:00 PM and will utilize means and methods that reduce the level of noise to the extent practicable.
- C. No materials, obstructions or debris shall be placed or allowed to accumulate within fifteen (15) feet of any fire hydrant. All fire hydrants shall be accessible at all times.
- E. Debris from demolition activities will be confined to the lot on which the demolition takes place. Debris will not be allowed to accumulate in areas outside of, and around, any building being removed. Excess debris and materials will be removed from the site as work progresses. If debris is left on site overnight, the Contractor will be responsible to secure the site so as to prevent public access.
- F. If a hurricane or Tropical Storm is issued for the Corpus Christi Area, the Contractor will take such measure as are necessary to remove and dispose of loose debris, materials and other items on properties where work is underway and otherwise secure, brace, or otherwise protect structures that are in the process of being demolished to prevent wind-blown debris from leaving the property and impacting adjoining properties, utilities, fences, structures, or other improvements.

1.07 TEMPORARY UTILITIES

Contractor will provide temporary power, water, and sanitary facilities, as required, for the work. Cost for temporary utilities will be incidental to work.

PART 2 – DEMOLITION

2.01 METHOD OF WORK

- A. The method of demolition and property clearance shall be in full compliance with all applicable Federal, State and Local laws and with these specifications. The method employed must be such as to avoid hazards to persons and property, and no interference with the use of adjacent buildings, or interruption of the free passage to and from such buildings. Care must also be taken to prevent the spread of dust and flying particles by periodic sprinkling.
- B. Demolition shall not begin until a demolition permit has been secured from the local authority, if required. Fees for permits shall be paid in accordance with the fee schedule currently in effect at the local jurisdiction.
- C. Reduction of Fire Hazards. During the demolition and property clearance program, the Contractor shall carry-out the following requirements:

1. ONSITE BURNING OF WASTE LUMBER AND OTHER BUILDING MATERIALS OR TRASH SHALL NOT BE PERMITTED UNDER ANY CIRCUMSTANCES.
 2. It shall be the Contractor's responsibility to keep approved fire extinguishers near the area and ready for instant use.
- D. The Contractor is prohibited from using any part of the land outside of the demolition area for his operations, for storage of material or equipment; for disposal of waste or any other purpose whatsoever. Disposition of rubble, salvage and waste material, debris and trash, from within the Demolition Areas shall be strictly in accordance with these specifications. Public streets, alleys or other thoroughfares anywhere in the County used by the Contractor in carrying out the Contract shall at all times be kept free of litter attributable to him and his trucks. Other vehicles shall be loaded and equipped as to prevent leakage, blowing or other escape of any portion of whatever is being hauled. Any cost incurred by the PCCA in cleaning up such litter will be charged to the Contractor, and shall be deducted from funds due, or to become due, under the Contract.
- E. The Contractor shall furnish and erect all temporary barricades, signage, warning devices, and other temporary structures and night warning lights, necessary for the proper and safe conduct of the work, and shall remove all temporary structures upon the completion of work under the Contract, all without additional compensation. Temporary traffic control devices required by the City as part of an approved traffic control plan will be paid by PCCA at a negotiated price on an as needed basis.
- F. Excavations required to accomplish the work will be performed in accordance with **Attachment 10**.
- G. Mean Grade, when referred to in these specifications, shall be defined as that grade existing adjacent to the foundation prior to demolition or property clearance operations

2.02 UTILITIES

- A. Before starting demolition or removal, it shall be the responsibility of the Contractor to verify that all utility service connections such as water, gas, electrical and telephone to buildings have been disconnected in accordance with the regulations of the utility concerned. In the event any are still operating, the Contractor shall notify the PCCA or PCCA's Representative at once before proceeding with the work.
- B. The Contractor shall preserve in operating condition all active utilities traversing the project site. The Contractor shall pay for all damage to any such utility due to work under the contract to the satisfaction of the utility company concerned and the appropriate local authority. All such repairs shall be completed at the Contractor's sole expense.

- C. The Contractor will at the time of, or prior to, demolition of each structure, be required to seal storm and sanitary sewers leading from structures to be demolished in the following manner:
 - 1. Fully expose sanitary and storm laterals at the right-of-way or property line.
 - 2. Coordinate with the appropriate local jurisdiction in order to meet local code and inspection requirements.
 - 3. The pipe shall be sealed in accordance with the requirements of the appropriate local authority.
 - 4. The excavation will be backfilled to match the surrounding grade.
 - 5. The location of the ends of the sealed drains shall be documented and included in the Property Completion Report.
- D. The water service shall be properly removed in accordance with the requirements of the local authority and any resulting excavation backfilled to the match the surrounding grade. The location of the capped water service will be documented and included in the Property Completion Report.
- E. The Contractor shall be wholly responsible for the adequate support of all adjacent buildings, sidewalks, pavement, overhead and underground utilities, and supporting poles until proper back filling and compaction has been completed.
- F. Overhead or underground electrical cables, if not previously removed by the provider, will be removed to the property line or to the existing main line (overhead) Coordination with the electrical provide will be required to ensure that cables are de-energized prior to removal.

2.03 BUILDINGS

- A. Materials that have been installed to secure a building prior to demolition will be removed and salvaged and returned to PCCA's representative for re-use.
- B. Houses, commercial buildings, sheds, garages, canopies (attached or free standing) and other buildings will be removed using methods that are protective of adjacent properties and improvements to remain in place.
- C. No unstable portions of any building shall be left freestanding or inadequately braced against all reasonable cause of collapses at the end of a day's work.
- D. At the close of each day's work, the Contractor shall be required to take any action necessary to leave the streets and sidewalks adjacent to the demolition and property clear and in a condition satisfactory to PCCA and the City of Corpus Christi.

- E. Building foundations, including piers, footings, slabs, foundations of accessory parts (interior or exterior stairwells, chimneys, porches, entrance steps, platforms), shall be completely removed and resulting openings backfilled to mean grade.
- F. Concrete, brick or masonry floors and foundations shall be broken up and removed from the property.
- G. Wood timbering, beams, sills, columns, piers, shores or bracing protruding from the exterior ground surface, shall be removed and disposed of.
- H. The Contractor or his subcontractors shall not use explosives under any circumstances in any phase of the demolition and property clearance operation

2.04 PAVEMENT AND SLABS

- A. Concrete, brick or asphaltic slabs on the ground, including floor slabs, entrance slabs, patios, walks, garage floors, shed floors, and similar exterior slabs, regardless of composition, shall be broken up and removed from the property.
- B. Concrete or asphaltic slabs, driveways, walkways or other that adjoin public or shared walkways, driveways or other structures that are to remain in place, will be saw-cut to leave a clean edge on the remaining structure. If saw-cutting of concrete exposed reinforcing steel concrete that is to remain, the exposed steel will be coated with an epoxy based corrosion inhibitor.
- C. Sidewalks that are part of a continuous publicly accessible travel way, driveways, or other paving that is jointly used by an adjacent property holder will be left in place and protected unless PCCA has ownership of the adjacent property. If adjacent properties are owned by PCCA, joint use pavements will be removed.

2.05 FOOTING, PIERS, AND CONCRETE STAIRS

- A. Footings, piers or other foundation elements will be removed to full depth and resulting voids backfilled to match the mean grade of the property.
- B. Concrete stairs and porches will be removed. Where possible concrete stairs will be removed from the property as a unit.
- C. Breaking, chipping, and saw-cutting of concrete elements may be necessary to reduce footings, piers, stairs or porches to manageable sizes. Such operations will be limited to extent practicable to reduce noise and fugitive dust. The Contractor will employ means and methods to minimize fugitive dust and noise.

2.06 FENCING, GUARD RAILS, WALLS

- A. Temporary fencing that is installed to secure a property prior to demolition will be removed and salvaged for re-use. Salvaged fencing will be turned over to PCCA's Representative, or transported to the PCCA facility at 2301 N. Port Avenue for storage.
- B. Existing fencing, guard rails, or walls associated solely with the property will be removed in entirety and properly disposed. Fence posts and wall foundations, and any associated concrete will be removed to full depth and the resulting void backfilled to match the surrounding grade.
- C. Fencing that is on or near a property line, and may be considered to have a joint use with an adjacent property will be left in place, unless the adjoining property owner has agreed in writing to the removal and PCCA approves. If PCCA owns the adjoining property, fencing will be removed.

2.07 SIGNS, FLAG POLES, LIGHT POLES, POWER POLES

- A. Signs, Power poles, Pole mounted lighting, flag poles or other poles associated with the property and not part of a continuous utility or system will be removed to the full depth including removal of any concrete surrounding the pole or concrete foundation, and the resulting void backfilled.
- B. Signs, Power poles, Pole mounted lighting, or other poles associated with a continuous utility, part of public system, or otherwise associated or used by other property owners will be left in place and protected from damage, unless PCCA has ownership of the other associated properties.

2.08 SEPTIC TANKS, HOLDING TANKS, LIFT STATIONS, LEACH FIELDS, GREASE TRAPS

- A. Septic Tanks, holding tanks, lift stations, leach fields, and / or subterranean grease traps, if encountered, will be removed in accordance with local, State, and Federal requirements and properly disposed.
- B. If necessary, the Contractor shall arrange to have Septic Tanks emptied by a licensed sludge hauler prior to removal and will comply with Texas Commission on Environmental Quality requirements for removal, transport and disposal of on-site septic systems.
- C. Excavations resulting from the removal of septic tanks, holding tanks, lift station, leach fields and / or subterranean grease traps will be backfilled to match the surrounding grade.

2.09 PROPERTY CLEARING

AGENDA ITEM NO. 12.f

- A. Debris Removal - The Contractor will remove any miscellaneous materials that may be detached from other structures on the property. This includes but is not limited to rubbish, masonry, wood, and metal. This does not include hazardous materials which will be removed in accordance with Section 1.05 of this specification.
- B. Automobiles - The Contractor will remove any abandoned vehicles that are present on property at the time of demolition, after confirming the vehicle is indeed abandoned and Contractor is provided with title for the vehicle. Vehicles shall be removed and transported to a licensed recycling facility.
- C. Tires will be removed and disposed of or recycled in accordance with local requirements.
- D. Trees, shrubs and other vegetation - The Contractor will remove trees, shrubs, and other vegetation other than grass from each property. Remaining grass will be cut to be no more than 3 inches high. Stumps and Roots shall be removed to a depth of at least four feet below the adjacent grade, to the extent that such removal can be accomplished without damage to adjacent properties and / or improvements that are to remain in place.
- E. Trees and / or shrubs that are on or near the property boundary, and that may be considered as providing benefit to adjacent properties, or that cannot be safely removed with potentially damaging adjacent properties or improvement that are to remain, will be left in place and protected from damage unless the adjacent property owner has agreed to the removal. If PCCA owns the adjacent property or properties, such trees and shrubs will be removed.

2.10 UNDEFINED WORK

- A. Work required to remove elements or items not covered by previously established unit rates, that is not clearly incidental to items covered by unit rates, and is necessary to complete work on specific properties as agreed by PCCA and the Contractor will, be completed on a time and materials basis using the previously established equipment and labor rates.
- B. Labor and Equipment costs for time and materials work will be tracked documented, and agreed upon by the Contractor's Project Manager or site Superintendent and PCCA's Representative at the end of each day that such work is performed.

PART 3 – PROPERTY RESTORATION AND STABILIZATION

3.01 DEBRIS REMOVAL

AGENDA ITEM NO. 12.f

- A. Demolition debris, materials, and items not specifically designated to remain on a property will become the property of the Contractor and will be removed from the property and properly disposed, or recycled.
- B. Disposition of materials shall be the responsibility of the Contractor. The Contractor shall secure suitable disposal location in compliance with applicable laws and regulations for the disposal of all construction debris; garbage, rubbish, hazardous materials and asbestos contaminated debris, if any.
- C. The Contractor will provide documentation of proper disposal or recycling of materials, hazardous and otherwise, that are removed from the property.

3.02 FILL AND GRADING

- A. The Contractor shall backfill below grade areas resulting from removal of improvements, utilities, trees, and vegetation or that were existing at the time of demolition with clean fill, properly graded to prevent standing water and to permit the surface to properly drain. Fill material shall consist of clean soil or bank run material, and be subject to approval by PCCA or PCCA's Representative. Fill Material shall be free from organics, rubble, or large rock.
- B. Fill will be moisture conditioned as necessary, placed in horizontal lifts of no more than eight (8) inches in uncompacted depth, and compacted by mechanical means to prevent settlement and the development of low areas that may result in standing water. PCCA reserves the right to have fill tested and request additional compaction.
- C. Demolition debris will not be used for backfill.
- D. Disturbed areas and areas that have been backfilled will be graded to promote drainage and prevent standing water.

3.03 PLANTING

- A. Disturbed and filled areas will be stabilized by planting grass seed.
- B. If necessary to promote grass growth the contractor will supply and place topsoil over disturbed and fill areas prior to seeding. Spread the topsoil to a uniform loose cover of 2 to 4 inches and shape the topsoil to provide the required final grade.
- C. Buffalo grass, Bermuda grass, St. Augustine grass, or approved similar will be used.
- D. Provide seed from the previous season's crop meeting the requirements of Texas Seed Law, including the testing and labeling for pure live seed (PLS). Furnish seed of the designated species and use within 12 months from the date of analysis.

If Buffalo grass is used, use seed that is treated with potassium nitrate (KNO₃) to overcome dormancy.

- E. Hydro seeding, clean mulch or other methods may be used to promote germination and growth of grass. Seed will be applied in accordance with the supplier's recommendations.
- F. Contractor will water grass, as needed to provide at least 70 percent survival and coverage of the seeded areas. Areas where grass fails to grow or does not achieve the required coverage will be re-seeded, as necessary to attain the required survival and coverage.

3.04 RESTORATION OF AREA

- A. Paved driveways, alleys, sidewalks, lawns, survey monuments, curbs and street pavements, outside the property lines or which are designated to remain in place which are damaged through the Contractor's operations, shall be repaired or removed and replaced at the Contractor's expense.
- B. The start of demolition activities shall be considered as acceptance of streets, sidewalks, and curbs in good condition except where documented by the Contractor with notice to PCCA. Where existing damage is noted and documented by the Contractor, work will not commence until PCCA or PCCA's Representative has notified the City or other entity with jurisdiction and received concurrence on the exiting conditions.
- C. Any damage to adjacent property, improvements, or items owned by an adjacent property owner will be repaired or replaced, at the Contractor's sole expense, to the satisfaction of the PCCA and the adjacent property owner.
- D. Public streets, sidewalks, curb and gutter, and adjacent properties will be left in a clean and neat condition when work is completed. Payment will not be approved for a property until any damage has been repaired or damaged items replaced and the surrounding area cleaned and approved by PCCA's Representative.

PART 4 – MEASUREMENT & PAYMENT

Payment will be in accordance with the established unit rates and agreed upon quantities for each property.

END OF
BUILDING DEMOLITION SPECIFICATION

**ATTACHMENT 9
ASBESTOS ABATEMENT**

PART 1 – GENERAL

1.01 SECTION INCLUDES

This specification shall govern all work required for the removal and disposal of asbestos required to complete the removal of Asbestos Containing Materials (ACM). Regulated Asbestos Containing Materials (RACM) requiring abatement have been identified in the Asbestos and Household Hazardous Waste Survey Report of each property. Additionally, an abatement plan will be provided to Contractor directing the abatement methodology and specific measures to be adhered to during abatement. In the event that recommendations for asbestos abatement provided in the site specific report are not in agreement with this specification, the more conservative or stringent will apply.

1.02 DEFINITIONS

- A. AMENDED WATER: Water containing a wetting agent or surfactant.
- B. ASBESTOS: The term asbestos includes chrysotile, amosite, crocidolite, tremolite, anthophyllite, and actinolite.
- C. ASBESTOS CONTROL AREA: An area where asbestos removal operations are performed which is isolated by physical boundaries to prevent the spread of asbestos dust, fibers or debris.
- D. ASBESTOS FIBERS: This expression refers to asbestos fibers having an aspect ratio of 3:1 and longer than 5 micrometers.
- E. CEILING CONCENTRATION: An exposure of airborne concentrations of asbestos fibers at any time in excess of 10 fibers, longer than 5 micrometers, per cubic centimeter of air.
- F. COMPETENT PERSON: One who is capable of identifying existing asbestos, tremolite, anthophyllite, of antinolite hazards in the workplace and who has the authority to take prompt corrective measures to eliminate them, as specified in 29 CFR 1926.32(f). The duties of the competent person include at least the following: establishing the negative-pressure enclosure, ensuring its integrity, and controlling entry to and exit from the enclosure; supervising any employee exposure monitoring required by the standard; ensuring that all employees working within such an enclosure wear the appropriate personal protective equipment, are trained in the use of appropriate methods of exposure control, and use the hygiene facilities and decontamination procedures specified in the standard; and ensuring that engineering controls in use are in proper operating condition and are functioning properly.
- G. AREA MONITORING: Sampling of asbestos fiber concentrations within the asbestos control area and outside the asbestos control area which is representative of the airborne concentrations of asbestos fibers which may reach the breathing zone.

- H. FRIABLE ASBESTOS MATERIAL: Material that contains more than one percent asbestos by weight and that can be crumbled, pulverized or reduced to powder by hand pressure when dry.
- I. HEPA FILTER EQUIPMENT: High efficiency particulate absolute filtered vacuuming equipment with a filter system capable of collecting and retaining asbestos fibers. Filters shall be of 99.97 percent efficiency for retaining fibers of 0.3 microns or larger.
- J. NONFRIABLE ASBESTOS MATERIAL: Material that contains asbestos in which the fibers have been locked in by a bonding agent, coating, binder, or other material so that the asbestos is well bound and will not release fibers in excess of the asbestos control limit during any appropriate use, handling, demolition, storage, transportation, processing or disposal.
- K. PERSONAL MONITORING: Sampling of asbestos fiber concentrations within the breathing zone of an employee.
- L. TIME WEIGHTED AVERAGE (TWA): Three samples are required to establish the 8 hour time weighted average. The TWA is an 8-hour time weighted average airborne concentration of fibers, longer than 5 micrometers, per cubic centimeter of air.
- M. ASBESTOS PERMISSIBLE EXPOSURE LIMIT (PEL): 0.1 fibers (longer than 5 micrometers) per cubic centimeter as an 8-hour time weighted average.

1.03 REFERENCE STANDARDS

Reference standards to be observed include, but are not limited to, the following:

- A. TITLE 29- Code of Federal Regulations, Sections 1910.134, 1910.1001, 1910.1200, 1923.58 and 1926.1101 OSHA, U.S. Department of Labor.
- B. TITLE 40- Code of Federal Regulations, Part 61, Subpart M, National Emissions Standards for Hazardous Air Pollutants, EPA.
- C. EPA GUIDELINE-"Guidance for Controlling Asbestos Containing Materials in Buildings", June, 1985, shall be available at all times on the job site.
- D. Resource Conservation and Recovery Act (RCRA): (a) Title 40, Part 260 to 265, (b) U.S. Department of Energy 10 CFR 851 Worker Protection Rule.
- E. National Emissions Standard for Hazardous Air Pollutants (Asbestos): Title 40, Part 61, Subpart M of the Code of Federal Regulations including Asbestos NESHAP Revision; Final Rule, Federal Register; Tuesday, November 20, 1990.
- F. Asbestos Hazard Emergency Response Act: Final Rule: Title 40, Part 763, Subpart E of the Code of Federal Regulations
- G. State of Texas Department of State Health Services Asbestos Program.
- H. Other applicable State and Local Regulations.

1.04 MEDICAL REQUIREMENTS (29 CFR 1910.1001.)

- A. Medical Examinations: Before exposure to airborne asbestos fibers, provide workers with a comprehensive medical examination as required by 29 CFR 1910.1001. This examination is not required if adequate records show the employee has been examined

as required by 29 CFR 1910.1001 requirements with in the past year. The same medical examination shall be given on an annual basis to employees engaged in an occupation involving asbestos fibers and within 30 calendar days before or after the termination of employment in such occupation. Specifically identify x-ray films of asbestos workers to the consulting radiologist and mark medical record jackets with the word "ASBESTOS".

- B. Medical Records: Maintain complete and accurate records of employees' medical examinations for a period of 40 years after termination of employment and make records of the required medical examinations available for inspection and copying to: The Assistant Secretary of Labor for Occupational Safety and Health, the Director of The National Institute for Occupational Safety and Health (NIOSH), authorized representatives of them, and an employee's physician upon the request of the employee or former employee.
- C. Respirator Program: Establish a respirator program as required by ANSI Z88.2 and 29 CFR 1910.134.

1.05 NOTIFICATIONS

Contractor is to submit 10-day notice and any amendments to the original notice to the Texas Department of State Health Services (See **Attachment 8**), with a copy to the PCCA Representative.

1.06 SUBMITTALS

Prior to initiating asbestos abatement on any properties, the Contractor will provide the following to PCCA or PCCA's Representative (See **Attachment 7**-Submittals):

- A. A general Asbestos Compliance Work Plan describing the means and methods of asbestos related work. Contractor shall submit a detailed plan of work procedures to be used in the removal and demolition of materials containing asbestos. Such a plan shall include methods for establishing asbestos control areas, change rooms, layout of change room, inter face of trades, involved in the demolition, sequencing of asbestos related work, disposal plan, type of wetting agent and asbestos sealer to be used, air monitoring and a detailed description of the method to be employed in order to control pollution and provide a safe work area.
- B. Worker Certification: Current asbestos worker certifications for personnel to be engaged in the work of this Section. Workers will not be permitted on the project site until the submittal is complete and has been accepted by the PCCA Representative. Provide the following information for each worker:
 - 1. Medical Records: The Contractor shall submit documentation that each employee has had a current physical examination including name, address, and phone number of the physician conducting said examination.
 - 2. Contractor License: Submit proof of license for asbestos-related contracting from the State of Texas as required by Texas Administrative Code, Rule 295.45.

1.07 REPORTING

Upon completing of demolition work for each property the Contractor will provide the documentation listed below. This documentation will be included with Property Completion Report described in **Attachment 7**.

- A. Proof that all required permits, disposal sites, transport and other necessary arrangements for the hazardous waste were procured.
- B. Disposal Manifest: The Contractor shall submit written evidence that the landfill for disposal is approved for asbestos disposal by the EPA and state or local regulatory agency(s). Submit detailed delivery tickets, prepared, signed and dated by an agent of the landfill, certifying the amount of asbestos materials delivered to the landfill.
- C. Personal air sampling results collected.
- D. Pressure differential recorder readings shall be submitted in written form (i.e., circular chart or other form of print out).

1.08 QUALITY ASSURANCE

- A. Industrial Hygienist: Conduct monitoring and training under the direction of an industrial hygienist certified by the American Board of Industrial Hygiene.
- B. Qualifications:
 - 1. Qualifications of Contractor:
 - a. The Contractor shall have a minimum of three (3) years of experience as an approved asbestos abatement contractor. If requested, the Contractor shall provide the names and locations of 5 projects of similar size and scope that he has completed within the previous five years.
 - b. The Contractor must hold a current and valid asbestos license issued by the State of Texas.
 - 2. Qualifications of Asbestos Abatement Personnel:
 - a. All work shall be completed utilizing fully qualified persons who are trained, experienced, and knowledgeable in the proper techniques and procedures for asbestos abatement activities covered by this Section.
 - b. Asbestos Workers: All workers performing asbestos related work shall be currently certified as AHERA asbestos workers.
 - c. Asbestos in Construction Contractor Supervisor: Currently certified as an AHERA Asbestos Contractor Supervisor.
 - 3. Qualifications of Analytical Laboratory:
 - a. The Contractor shall submit asbestos air samples to an analytical laboratory that is accredited by the American Industrial Hygiene Association's (AIHA) Industrial Hygiene Laboratory Accreditation Program (IHLAP). The Contractor shall choose another AIHA accredited lab if their current AIHA accredited lab does not maintain accreditation throughout the duration of this project.

PART 2 – PRODUCTS

2.01 MATERIALS

- A. Plastic Sheeting: Fire retardant polyethylene sheeting conforming to NFPA 701 and ASTM S502-74T for surface flammability and smoke density. A single polyethylene film in the largest sheet size possible to minimize seams, 6 mils or 4 mils thick, clear, frosted or black as required.
- B. Duct Tape: Provide duct tape in 2- or 3-in widths, with an adhesive which is formulated to stick aggressively to polyethylene sheeting.
- C. Spray Adhesive: Shall not contain methylene chloride, as listed on the product's label and/or Material Safety Data Sheet (MSDS). Provide spray adhesive in aerosol cans that is specifically formulated to stick aggressively to polyethylene sheeting.
- D. Disposal Bags: 6-mil polyethylene.
- E. Asbestos-Containing Materials Disposal Containers: Leak-tight container.
- F. Detergent: High-phosphate wash containing at least 5 percent trisodium phosphate (TSP).

2.02 EQUIPMENT

- A. Clothing: Furnish the following for each worker and others as specified.
 - 1. Coveralls:
 - a. Disposable full-body coveralls with attached head and foot covers conforming to requirements of OSHA Standards 29 CFR 1926.1101.
 - 2. Respirators:
 - a. Full facepiece negative pressure respirators with an assigned protection factor of 50X the PEL, or equivalent, for asbestos related work.
 - b. Respirators shall be equipped with HEPA (P-100) Filters.
 - c. Powered Air Purifying Respirators (PAPRs) with protection factors of 50X that have been quantitatively fit tested and equipped with HEPA (P-100) filters shall be acceptable substitutes for the respirator specified in 2.02(A)(2)(a) and must be worn for Class 1 work involving TSI or surfacing materials.
 - 3. Goggles, safety glasses, face shields: Provide eye and face protection as required by OSHA.
 - 4. Gloves:
 - a. Leather work gloves.
 - b. Compatible chemical resistant gloves for asbestos removal/solvent products.
 - 5. Boots: Steel toed foot protective work boots with non-skid soles and steel shanks.
 - 6. Hard Hats: Head protection (hard hats) approved by ANSI.
 - 7. Soap and Towels.

- B. Industrial Grade Vacuum and Negative Air Machines: High Efficiency Particulate Air (HEPA) filtered vacuum and negative air machines with appropriate HEPA filters and prefilters. Household type HEPA vacuum cleaners shall not be acceptable. Provide one spare negative air machine per work area at all times. Spare negative air machines shall be of the same size and capacity as the largest operating units onsite.
- C. Pressure differential recorders shall be in working condition, calibrated and operated continuously during the operation of the negative pressure enclosure and provide a pressure reading at least every 10 minutes, or more frequent, and provide a written documentation of the pressure readings that will be submitted to PCCA at the end of the project.
- D. Temporary Shower Facility: A pre-fabricated or site-built temporary shower facility, with hot and cold water to shower head that can be controlled from inside shower, shall be installed and used by all workers.

PART 3 – EXECUTION

3.01 COMPETENT PERSON

The Contractor shall have a "Competent Person" on the job site during work.

3.02 MONITORING PRIOR TO WORK

Contractor will coordinate with DRA to provide third party air monitoring and establish the referenced time weighted average (TWA) one day prior to the masking and sealing operations for each demolition site.

3.03 CONTAINMENT SYSTEMS:

- A. If at any time during the course of the work visual emissions are detected, the Contractor shall immediately stop work, correct the condition(s) causing the emission, and notify the PCCA Representative.
- B. In case of inclement weather, such as high winds or rain, which may jeopardize the containment system, immediately secure the work area and stop work until weather conditions improve.

3.04 WORK AREA PROCEDURES

- A. Provide appropriate and required warning signs and provide temporary barriers as needed to prevent public access to building where asbestos work is underway.
- B. No visitors shall be allowed in work area, except as authorized by the PCCA Representative.
- C. Tools and Local Exhaust System: Provide a local exhaust system in the asbestos control area. The local exhaust system shall be in accordance with ANSI Z9.2 Equip exhaust with absolute (HEPA) filters. Local exhaust equipment must be sufficient to maintain a minimum pressure differential of minus 0.02 inch of water column relative to adjacent, unsealed areas. In no case shall the building ventilation system be used as

the local exhaust system for the asbestos control area. Filters on vacuum and exhaust equipment shall conform to ANSI Z9.2.

- D. Work Procedures: Perform asbestos related work in accordance with 29 CFR 1910.1001 and as specified herein. Use wet removal procedures. Personnel shall wear and utilize protective clothing and equipment as specified herein. Eating, smoking and drinking shall not be permitted in the asbestos control area. Personnel of other trades not engaged in the removal and demolition of asbestos shall not be exposed at any time to airborne concentrations of asbestos unless all the personnel protection provisions of this specification are complied with by the trade personnel.
- E. Provide additional make-up air openings as necessary to effectively move air through the work area and to avoid creating too high a pressure differential that would jeopardize the integrity of the enclosure system. Provide self-closing polyethylene flaps over the openings to prevent backflow of air from the contained area to the outside.
- F. Vent all exhaust units to the outside of the building. Provide flexible or rigid duct as necessary to provide exterior venting and proper location of exhaust units. Ducts shall be completely sealed, in good repair, and protected from possible damage within the work area.
- G. After asbestos removal has begun, maintain operation of exhaust units continuously to maintain a constant negative pressure until final clearance results are achieved. Do not turn units off at the end of the work shift or when removal operations temporarily stop.

3.05 ASBESTOS REMOVAL PROCEDURES

- A. Asbestos Handling Procedures: Sufficiently wet asbestos material with a fine spray of amended water during removal, cutting or other handling so as to reduce the emission of airborne fibers. Remove material and immediately place in plastic disposal bags. Where unusual circumstances prohibit the use of plastic bags, submit an alternate proposal for containment of asbestos fibers to PCCA's Representative for approval. For example, in the case where both piping and insulation are to be removed, the Contractor may elect to wet the insulation and wrap the pipes and insulation in plastic and remove the pipe by sections.
- B. Sealing and Removal of Asbestos-Contaminated Items: Remove contaminated architectural mechanical and electrical appurtenances such as venetian blinds, full-height partitions, carpeting, duct work, pipes and fittings, radiators, light fixtures, conduit, panels, and other contaminated items for removal by completely coating the items with an asbestos sealer at the demolition site before removing the items from the asbestos control area. Remaining asbestos residue shall not be of such size so as to allow dislodging by means other than vacuuming. These items need not be vacuumed. The asbestos sealer shall be tinted a contrasting color. It shall be spray-applied by airless method. Thoroughness of sealing operation shall be visually gauged by the extent of colored coating on exposed surfaces. Sealers shall be equal to the following

Products:

- a. "Asbestite 2000" manufactured by Arpin Products, Inc., P.O. Box 262, Oak Hurst, NJ 07755, Phone (201)531-0674. (Application rate as recommended by manufacturer.)

- b. "Wedbestos Sealer" distributed by Webco Products, Stinnes Western Chemical, 3270 East Washington Blvd., Los Angeles, CA 90023, Phone (213) 269-0191. (Application rate as recommended by manufacturer.)
- c. "Dust-Set" Manufactured by Mateson Chemical Corporation, 1025 E. Montgomery Avenue, Phila., PA 19125, Phone (215)423-3200. (Application rate as recommended by manufacturer.)

3.06 CLEANING

Clean-up and Disposal: Maintain surfaces of the asbestos control area free of accumulations of asbestos fibers. Give meticulous attention to restricting the spread of dust and debris; keep waste from being distributed over the general area. Do not blow down the space with compressed air. When asbestos removal is complete, all asbestos debris is removed from the worksite, the final clean-up is completed, certify the area as safe before the signs are removed. After final clean-up, remove all filters on the building HVAC system and provide new filters. Dispose of filters as asbestos contaminated materials. Reestablish HVAC, mechanical, and electrical systems in proper working order. The Contractor will coordinate visual inspection of the affected surfaces for residual asbestos material and accumulated dust with DRA representative and when directed, the Contractor will re-clean all areas showing dust or residual asbestos materials. If re-cleaning is required, Contractor will also coordinate with DRA at that time for required air monitoring to certify the areas are safe before entry is permitted.

3.07 PROCEDURE FOR DISPOSAL

Collect asbestos waste, scrap, debris, bags, containers, equipment, and asbestos-contaminated clothing which may produce airborne concentrations of asbestos fibers and place in sealed impermeable bags. Affix a caution label to each bag. Dispose of waste asbestos materials in accordance with provided abatement plan and regulated material disposal plan. For temporary storage, store sealed impermeable bags in asbestos waste drums. Procedure for hauling and disposal shall comply with 40 CFR 61 (Subpart B), state, regional and local standards. Sealed plastic bags may be dumped from drums into the landfill unless the bags have been broken or damaged. Damaged bags shall remain in the drum and the entire contaminated drum shall be buried. Uncontaminated drums may be recycled. Workers unloading the sealed drums shall wear appropriate respirators and personal protective equipment when handling asbestos materials at the disposal site.

Delivery of the container with abated materials to disposal site may be held until the container is filled or for a period not to exceed 60 days from date of earliest demolition completion date of abated materials being held in container. Delivery of the Class I and II waste will be paid upon delivery to the disposal site.

PART 4 – Measurement and Payment

Payment will be in accordance with the established unit rates for asbestos abatement or the minimum property charge, whichever is greater.

END OF
ASBESTOS ABATEMENT SPECIFICATION

ATTACHMENT 10

EXCAVATING

PART 1 – GENERAL SECTION INCLUDES

- A. Excavating for removal of utilities.
- B. Excavating for removal of foundations, septic tanks, lift stations, leach fields, grease traps, and / or trees and vegetation.
- C. Excavating for items not otherwise defined that extend three (3) feet below the ground line.

PART 2 – EXECUTION

2.01 PREPARATION

Identify required lines, levels, contours and datum.

2.02 EXCAVATION

- A. Underpin, shore, or otherwise protect adjacent structures that are to remain in place and may be damaged by excavation work.
- B. Excavate subsoil required to remove required elements.
- C. Grade top perimeter of excavation to prevent surface water from draining into excavation.
- D. Remove lumped subsoil, boulders, and rock.
- E. Notify Engineer of unexpected subsurface conditions and discontinue affected work in area until notified to resume work.
- F. Correct areas over-excavated by placing and compacting fill material removed from the area.
- G. Stockpile excavated material in a suitable area that will not interfere with the work or impact adjacent property, roads, or sidewalks.
- H. Excavation material may be used as backfill.
- I. If contaminated soils are suspected, Contractor will cease work and promptly notify PCCA Representative and proceed as directed.

2.03 FIELD QUALITY CONTROL

Provide for visual inspection of excavations by a Responsible Person as defined in 29 CFR Part 1910.

2.04 PROTECTION

- A. Protect excavations by methods required to prevent cave-in or loose soil from falling into excavation.
- B. All excavating work will strictly comply with all requirements of the Occupational Safety and Health Administration (OSHA) Manual.

PART 3 – MEASUREMENT & PAYMENT

Payment will be in accordance with the established unit rates and the agreed upon and documented quantities.

END OF
EXCATATING SPECIFICATION SECTION

AND
END OF TECHNICAL SPECIFICATIONS



DATE: August 16, 2016

TO: Port Commission

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

AGENDA ITEM NO. 12.g

Award an Indefinite Delivery/Indefinite Quantity Professional Services Contract to Professional Service Industries, Inc., the Best Proposer for Proposals Received on August 3, 2016, for Environmental Inspections and Plans and Demolition Contract Administration Related to Properties Acquired by the Port Authority under the Hillcrest/Washington-Coles Voluntary Real Estate Acquisition and Relocation Assistance Program

SUMMARY: Staff requests award of an Indefinite Delivery/Indefinite Quantity Professional Services Contract to Professional Service Industries Inc. (PSI) for environmental inspections and plans and administration of the demolition contract also on this month’s agenda.

BACKGROUND: As part of the Harbor Bridge replacement project and under the terms of the Four-Party Agreement (between the PCCA, Texas Department of Transportation [TxDOT], City of Corpus Christi and the Corpus Christi Housing Authority), the PCCA initiated the Neighborhood Acquisition and Relocation Program for eligible property owners and residents of the Hillcrest and Washington-Coles neighborhoods. A component of this voluntary buy-out program is to conduct environmental inspections and testing for regulated materials and efficient coordination and administration of the demolition contract prior to demolition and removal of site structures.

In July, the Port Commission authorized staff to issue a Request for Proposals (RFP) for the Environmental Inspections and Demolition Contract Administration Professional Services. Eight proposals were received and evaluated by a committee comprised of PCCA staff. That committee selected Professional Services Industry Inc. as the best proposer based on the criteria set forth in the RFP.

As the properties are acquired, PSI will work in coordination with Del Richardson & Associates (DRA) and the approved demolition contractor to inspect, plan, and clear the properties.

ALTERNATIVES: Not Applicable.

CONFORMITY TO PORT POLICY: Conforms to PCCA's proposed procurement policy which is also on this month's agenda for approval. See Item 12.c.

EMERGENCY: No.

FINANCIAL IMPACT: The financial obligation related to this scope of work is unknown at this time and will depend on the number, type, and condition of properties acquired.

STAFF RECOMMENDATION: Staff recommends award of an Indefinite Delivery/Indefinite Quantity Professional Services Contract to Professional Service Industries Inc. for environmental inspections and plans and demolition contract administration services related to properties acquired by the Port Authority under the Hillcrest/Washington-Coles Voluntary Real Estate Acquisition and Relocation Assistance Program.

DEPARTMENTAL CLEARANCES:

Originating Department	Environmental Planning & Compliance
Reviewed By	Sarah Garza
	Stevenson Ashley
Legal	Jimmy Welder
	Dane Bruun
Senior Staff	John LaRue
	Sean Strawbridge
	Jarl Pederson

LIST OF SUPPORTING DOCUMENTS:

Professional Consulting Services Contract

PROFESSIONAL CONSULTING SERVICES CONTRACT

THIS CONTRACT (the “Contract”) is made and entered into effective as of the ___ day of August, 2016 (“Effective Date”) by and between the Port of Corpus Christi Authority of Nueces County, Texas (“Authority”), and Professional Service Industries, Inc. (“Consultant”), each a “Party” and collectively as “Parties”.

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

1. CONTRACT: Authority hereby engages the Consultant and the Consultant hereby accepts its engagement for the purpose of providing to Authority the consulting services (“Services”) as are generally described in the “Scope of Services” set forth in Exhibit A to this Contract which is incorporated herein by reference. All designs, reports, drawings and specifications prepared hereunder will be sealed, if required by law, by an employee of the Consultant licensed to practice in the State of Texas.

2. PERIOD OF SERVICE: The Consultant shall complete the Services on or before August, 2019 (the “Deadline”), unless the Authority agrees to extend the Deadline for good reason; provided, however, that the Authority may terminate this Contract at any time in accordance with Section 14. Time is of the essence in performance of this Contract and Consultant shall perform within the milestones identified for each task. There will be no obligation established between Authority and the Consultant for performance of the Services until Authority provides the Consultant with a written notice to proceed which shall be issued upon execution of this Contract and receipt by the Authority of appropriate Certificates of Insurance and other documentation as may be required herein. The term of this Contract (“Term”) shall begin on the Effective Date and shall end on the first to occur of the following: (1) the Deadline, as the same may have been extended by the Authority, (2) the date on which, in the opinion of Authority, all of the Services have been rendered, or (3) the date on which this Contract is terminated by the Consultant pursuant to Section 14.

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

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

Steven Ashley, Senior Environmental Specialist
P.O. Box 1541
Corpus Christi, Texas 78403
Work Phone: (361) 885-6116
Email: stevenson@pocca.com

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

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

If to the Authority: P.O. Box 1541
Corpus Christi, TX 78403
Attention: Director of Environmental Planning & Compliance
E-mail: sarah@pocca.com

If to the Consultant: 810 South Padre Island Drive
Corpus Christi, Texas 78416
Attention: John Langan
E-mail: john.langan@psiusa.com

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

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

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

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

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

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

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

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

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

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

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

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

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

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

7. COMPENSATION: The compensation to be paid Consultant for providing the Services shall be the compensation described in Exhibit B hereto, which is incorporated herein by reference; provided, however, the total paid to Consultant for the Services shall be in accordance with Exhibit B.

The Authority does not guarantee any minimum or maximum quantities, any range of quantities, or the exact quantities shown for each item of the Contract, and the quantities of residential and/or commercial properties needing inspections, sampling or abatement plan cannot be identified at this time.

8. INVOICE PROCEDURE AND PAYMENT: Consultant shall submit invoices monthly to the Authority for work performed during the preceding calendar month. Such invoices shall be due and payable by Authority on or before thirty (30) days from receipt by Authority. Monthly compensation will be for the Services actually performed during the billing period, invoiced in accordance with the Fee Schedule included in Exhibit B. Invoices shall also describe any work performed by subcontractors retained by Consultant and reimbursable costs. Sub-consultant cost mark-up shall not exceed five percent (5%). Consultant will provide sufficient detail with each invoice to substantiate the requested amount of monthly payment. At the Authority's request, Consultant will provide additional backup such as signed time sheets, invoices for materials and subcontracted service or other documentation sufficient to establish the accuracy of the invoices. Invoices are to be submitted in a format previously approved by Authority.

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

10. INDEMNIFICATION AND RELEASE. Consultant hereby releases and discharges Authority and its agents, servants, representatives, employees, officers, directors, and Port Commissioners (collectively, the "Authority Parties") from liability for and assumes the risk of loss or damage to the property of Consultant and the injury or death of any person employed by Consultant.

Consultant shall defend, indemnify and hold harmless the Authority Parties from and against all damages, losses, costs and expenses, of any nature whatsoever, whether incurred as a judgment, settlement, penalty, fine or otherwise (including reasonable attorneys' fees and the cost of defense), in connection with any action, proceeding, demand or claim but only to the extent caused by the negligent acts, errors, or omissions of the Consultant, its employees, agents, or subconsultants, or others for whom the Consultant is legally liable, in the performance of Services under this Contract. The Consultant is not obligated under this paragraph to indemnify the Authority Parties for the negligent acts of the Authority Parties.

Consultant shall defend, indemnify and hold harmless the Authority Parties from and against all damages, losses, costs and expenses, of any nature whatsoever, whether incurred as a judgment, settlement, penalty, fine or otherwise (including reasonable attorneys' fees and the cost of defense), in connection with any action, proceeding, demand or claim arising out of a violation of any environmental law or regulation in effect during the Term of the Contract by the Consultant, its employees, agents, or subconsultants, or others for whom the Consultant is legally liable, in the performance of Services under this Contract. The Consultant is not obligated under this paragraph to indemnify the Authority Parties for the negligent acts of the Authority Parties.

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

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

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

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

14. SUSPENSION OR TERMINATION: Authority may suspend or terminate this Contract for convenience with seven (7) days prior written notice to Consultant of

such action. Upon termination of this Contract in accordance with this paragraph, Authority will have no further obligation to the Consultant hereunder except to pay the Consultant unpaid fees and expenses which the Consultant can reasonably show to have been earned under this Contract. **Under no circumstances may Consultant claim or recover consequential damages from Authority.**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

27. ENTIRETY OF CONTRACT: This writing embodies the entire Contract and understanding between the Parties hereto, and there are no other contracts or understandings, oral or written, between them with reference to the subject matter hereof that are not merged herein and superseded hereby. No alteration, change, or

modification of the terms of this Contract shall be valid unless made in writing and signed by both Parties hereto.

[Signature page follows this page]

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

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

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

“Authority”

By: _____
Name: _____
Title: _____
Date: _____

“Consultant”

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EXHIBIT A

SERVICES

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

Consulting and inspection activities are to be conducted in accordance with Environmental Protection Agency (EPA) guidelines, National Emission Standards for Hazardous Air Pollutants (NESHAPs), Department of Transportation (DOT), Occupational Safety and Health Administration (OSHA), Texas Commission on Environmental Quality (TCEQ), Texas Department of State Health Services (TDSHS), Texas Asbestos Health Protection Rules (TAHPR) and other applicable federal, state and local laws, regulations and guidelines pertaining to asbestos and regulated waste.

TASK 1. INITIAL INVESTIGATION AND PROPERTY ASSESSMENT

Notice will be provided of acquired parcel(s) from Del Richardson & Associates (DRA) to the Authority and/or the Consultant. At that time, Consultant will mobilize its team and arrive onsite within three (3) business days of receiving notification that a commercial or residential property (properties) has been acquired and ready for inspection. Consultant will identify potential Regulated Asbestos Containing Material (RACM) and regulated wastes, determine necessary sampling requirements to fully characterize RACM and regulated wastes, and collect appropriate samples. Consultant will provide all labor and equipment required to conduct the work including, but not limited to, sampling tools and sample containers, coolers, ice, spot encapsulants, respirators and other personal protective equipment, plastic sheeting, asbestos disposal bags, flashlights, ladders, photographic equipment and supplies, air monitoring equipment, chain of custodies, and other supplies. Consultant will transport and/or deliver bulk samples to the appropriate analytical laboratory(ies) and ensure proper disposal of inspection derived contaminated or regulated waste.

Consultant will also identify the structures for demolition and quantify them for demolition and removal, using the Demolition Contractor Administration and Completion Checklist (Attachment 1).

SUBTASK 1A. ASBESTOS INSPECTION

Asbestos inspection, bulk sampling and analysis, and reporting activities will comply with the EPA's Guidance for Controlling Asbestos-Containing Materials in Buildings (a/k/a the EPA Purple Book) and all updates thereto, the State of Texas Asbestos Program, and will be conducted by an inspector properly licensed under the TDSHS. The inspection work will include, but is not limited to, the following:

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- A. Areas of homogeneous suspect material, without regard to the results of subsequent laboratory bulk analysis, will be indicated on a sketch of the structure and clearly delineated. The extent and location of asbestos-containing material (ACM) must be shown on a floor plan diagram in the final report.
- B. ACMs are to be classified as friable or non-friable and categorized as follows:
 - 1. Surfacing Materials: Materials that are sprayed-on or otherwise applied to surfaces. Examples include acoustical plaster on ceilings, fireproofing or structural components, wallboard, or other materials on surfaces for acoustical, fireproofing, or other purposes.
 - 2. Thermal System Insulation (TSI): Materials in buildings or distribution systems applied to pipes, fittings, boilers, breaching, tanks, ducts, or for other purposes.
 - 3. Miscellaneous Materials: Interior or exterior material components such as linoleum, floor and ceiling tiles, fire doors, roofing, siding, and materials not integral to components of the structure, and other materials not listed.
- C. All ACMs are to be further classified pursuant to NESHAPs 40 CFR Part 61 Subpart M definitions as follows:
 - 1. Category I Non-Friable ACM: Asbestos containing packing, gaskets, resilient floor covering, and asphalt roofing products containing more than one percent (1%) asbestos as determined by a National Institute of Standards and Technology (NIST) accredited laboratory licensed by TDSHS for the analysis of bulk-materials for asbestos by polarized light microscopy.
 - 2. Category II Non-Friable ACM: Any material excluding Category I Non-Friable ACM, containing more than one percent (1%) asbestos as determined by a NIST accredited laboratory licensed by TDSHS for the analysis of bulk-materials for asbestos by polarized light microscopy that when dry cannot be crumbled, pulverized, or reduced to powder by hand pressure.
 - 3. Regulated ACM: (a) Friable asbestos material; (b) Category I non-friable ACM that will be or has become friable; (c) Category I non-friable ACM that will be or has been

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subjected to sanding, grinding, cutting, or abrading; or (d) Category II non-friable ACM that has a high probability of becoming or has become crumbled, pulverized or reduced to powder by the forces expected to act on the material in the course of demolition or renovation operations.

- D. Identify all locations where potential ACM is anticipated to be present but cannot be sampled, and provide an explanation for the reason it cannot be sampled. A diligent effort will be made to sample all suspect ACM. Areas where access is impossible will be indicated on the drawings with a notation as to why the areas could not and/or should not be fully investigated. Spaces ordinarily physically inaccessible may be made accessible and inspected.
- E. Collect and analyze a sufficient number of bulk samples of suspect ACM as may be warranted by site conditions. Quality assurance and chain of custody procedures outlined in the Environmental Protection Agency (EPA)'s Guidance for Controlling Asbestos-Containing Materials in Buildings and all updates thereto are to be followed. Sampled locations will be marked, using a permanent marker, with an identification number corresponding to the representative sample number. If the sampled location is friable, place the marking near the sampled spot and draw an arrow to indicate the sampled spot. Bulk samples will be collected from materials in each homogeneous area to determine the asbestos content and to identify the complete content matrix of the material. Develop and use a sample number system that will incorporate the specific property parcel where samples were collected in the sample ID.
- F. Bulk samples will be analyzed utilizing Polarized Light Microscopy (PLM) techniques by a National Laboratory Accreditation Program (NLAP) accredited laboratory that is licensed with the TDSHS. Point counting analysis of bulk samples will be conducted as required by the policies and procedures established by NESHAPs 40 CFR Part 61.

The analyst conducting the analysis will have sufficient education, training and experience to perform the analysis in a competent manner. Applicable certifications of the analyst responsible for conducting the analysis as well as documentation of lab accreditation shall be provided in the inspection report.

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SUBTASK 1B. REGULATED WASTE INSPECTION

The regulated waste inspection will be conducted by an individual that is currently 40-Hour Hazardous Waste Operations and Emergency Response (HAZWOPER) Certified and has current Annual Resource Conservation and Recovery Act (RCRA) Waste Management Training. The inspection will include, but is not limited to, the following:

- A. Identification, characterization, profiling, and quantification of regulated materials that must be packaged, transported and disposed or recycled separate from general demolition waste under current regulations and regulatory guidelines will be conducted. Waste materials that may be encountered include, but are not limited to, liquid paint and related materials; antifreeze, fuel, oil, and other automotive related chemicals; batteries; pesticides; pool chemicals; corrosive cleaners and solvents; mercury containing equipment and lights; smoke detectors with radioactive materials; medical wastes and/or syringes; aerosol cans; and refrigerant containing appliances that require removal of refrigerant prior to disposal or recycling.
- B. Identifying types and quantities of regulated materials and document locations within the structure. Where necessary, collect samples and/or conduct field tests to characterize all materials that are regulated and unknown, unlabeled materials that may be regulated. Consultant will be responsible for use of appropriate protective measures and using methods that will minimize exposure or spillage of materials sampled. Samples will be transported to the appropriate NLAP accredited laboratory for analysis and characterization. Develop and use a sample number system that incorporates the specific property parcel where samples were collected in the sample ID.

The initial investigation and assessment activities for ACMs, regulated wastes, and the identification of demolition quantities will be completed within three (3) business days of mobilizing.

SUBTASK 1C. REPORT DEVELOPMENT

Prepare individual, parcel specific, inspection/assessment reports that summarizes the results of the asbestos and regulated materials inspection. The report will include any and all documentation including lab analysis, photographs, drawings, etc., which may be needed to substantiate the presence or absence,

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quantity, condition, and location of asbestos and regulated materials. Report will also identify types and quantities of all materials to be demolished.

The Consultant will prepare one report as necessary for each parcel in electronic PDF format sent via e-mail to the Senior Environmental Specialist within three (3) business days following receipt of final laboratory results. Revisions to the inspection report will be submitted to Authority within two (2) calendar days of receipt of any comments. One (1) original copy with original signatures submitted within thirty (30) calendar days of the date of the inspection.

TASK 2. ABATEMENT AND DISPOSAL PLANS

If ACMs are identified, an abatement plan that addresses containment, site safety, abatement, air monitoring, transportation and disposal along with estimated quantities of ACMs will be prepared.

If regulated materials are identified, an appropriate disposal plan that addresses removal, consolidation, packaging, transportation and disposal at either El Centro Landfill or U.S. Ecology landfill in Robstown, Texas or recycling requirements along with estimated quantities of regulated materials will be prepared. Disposal recommendations and requirements provided will limit any future liability risk to the Authority and will take into consideration the most cost effective abatement and disposal method to the Authority. Consultant will also develop profile for Authority signature and coordinate approval with the appropriate landfill and include records of such in the Disposal Plan.

The Consultant will prepare the plan(s) as necessary for each parcel in electronic PDF format sent via e-mail to the Senior Environmental Specialist within three (3) business days following receipt of final sample results from the laboratory for ACMs and waste characterizations, respectively. Revisions to the plan(s) will be submitted to Authority within two (2) calendar days of receipt of any comments. One (1) original copy of the abatement and disposal plan with original signatures will be submitted within thirty (30) calendar days of the date of the inspection.

TASK 3. DEMOLITION CONTRACTOR NOTIFICATION ACTIVITIES

SUBTASK 3A. PLAN DELIVERY

Provide Contractor approved Asbestos Inspection and Abatement Plan and/or Regulated Materials Inspection and Disposal Plan with notification that the property is vacant of all occupants and is ready for demolition within two (2) business days of approval of each from the Authority. Consultant shall also provide demolition quantities to the demolition Contractor.

SUBTASK 3B. REVIEW OF 10 DAY NOTIFICATION

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Review and approve Asbestos Abatement/Demolition 10 Day Notification to the Texas Department of State Health Services provided by the demolition contractor on behalf of the Authority.

TASK 4. AIR MONITORING AND INSPECTION DURING ABATEMENT ACTIVITIES

Conduct necessary third party air monitoring required during abatement activities by the demolition contractor as specified in the abatement plan including area monitoring prior to commencement of abatement activities and establishing the referenced time weighted average (TWA), personal air sampling, and clearance monitoring. Inspect demolition contractor's abatement work when completed and advise that all residual asbestos materials and dust have been abated in accordance with the provided abatement plan and advise demolition contractor to re-clean, if necessary. In addition, be responsible for air monitoring and sampling for clearance monitoring in the event re-cleaning is necessary. Provide a detailed report in hard copy and electronic format of the third party air monitoring activities to the demolition contractor within five (5) days of completion of the abatement activities.

TASK 5. DEMOLITION CONTRACT ADMINISTRATION

Following completion of demolition, obtain from Demolition Contractor required submittals for invoice payment and verify compliance on the Property Completion Report (Attachment 2). A complete package including the Demolition Contractor's completion report, the completed Demolition Contractor Administration and Completion Checklist and the Property Completion Report, and the Property Completion Report will be provided to Authority for demolition contractor invoice payment and with all quantities verified by Consultant. This paperwork will be provided to the Authority within three (3) business days after receipt of complete package from Demolition Contractor. Consultant will also answer questions on invoice or work completed from the Authority's Chief of Program Management as they arise.

TASK 6. DBE, HUB, AND SBE REPORTING

The Consultant will submit Monthly Progress Assessment Reports (Attachment 3), after work begins, on DBE involvement to meet the 3% goal and for race-neutral participation. Only actual payments made to subproviders are to be reported. These reports are required until all subprovider activity is completed.

DBE subproviders are to be identified on the report by name, type of work being performed, the amount of actual payment made to each during the billing period, cumulative payment amount and percentage of the total contract amount. These reports are due within fifteen (15) days after the end of a calendar month. Reports are required even when no DBE activity has occurred in a billing period.

Although there is no specific commitment to the HUB and SBE programs, the Consultant will submit Monthly Progress Assessment Reports (Attachment 3), after

AGENDA ITEM 12.g

work begins, on HUB and SBE involvement. One copy of each report is to be sent to the Authority monthly. Only actual payments made to subproviders are to be reported. These reports are required until all subprovider activity is completed.

EXHIBIT B

FEE SCHEDULE

The Consultant will perform the Services described in Exhibit A in accordance with the terms and conditions of this Contract on a unit cost basis for the initial inspection and sampling activities and the time and materials not to exceed amounts in accordance with the attached Unit Cost and Fee Schedule. Demolition contract administration will not exceed \$2,775 per commercial property and \$2,335 per residential property without Authority's prior written approval. Services provided by Consultant will be billed at the unit cost rates or on an hourly basis as specified in the attached Unit Cost and Fee Schedule. The unit rates will cover all of Consultant's overhead costs, including but not limited to, office rent, long distance telephone charges, postage, payroll and copying charges, travel, per diem, and mobilization to each property.

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

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

Unit Cost & Fee Schedule

Unit Cost			
Unit Cost Description	Quantity	Unit	Unit Cost
Preliminary Inspection Services - Commercial			
Property Inspection and Asbestos and Regulated Waste Reports including all labor for inspection, sampling and completion of draft and final reports	1	Per Parcel	\$ 350.00
Preliminary Inspection Services - Residential			
Property Inspection and Asbestos and Regulated Waste Reports including all labor for inspection, sampling and completion of draft and final reports	1	Per Parcel	\$ 275.00
Asbestos Containing Material Sample - Laboratory Analysis Costs			
Asbestos Containing Material Sample - Laboratory Analysis Costs	1	Per Sample	\$ 9.00
Waste Characterization Sampling - Laboratory Analysis Costs			
Reactivity, Corrosibility, Ignitability (EPA Method SW 846 Ch. 7)	1	Per Sample	\$ 95.00
Volatile Organic Compounds (EPA Method 8260)	1	Per Sample	\$ 85.00
Semi-Volatile Organic Compounds (EPA Method 8270)	1	Per Sample	\$ 155.00
Total Petroleum Hydrocarbons (TX Method 1005)	1	Per Sample	\$ 55.00
Total RCRA Metals (EPA Method 6020)	1	Per Sample	\$ 80.00
Abatement and Disposal Plan Preparation			
Abatement Plan, including completion of draft and final report	1	Per Parcel	\$ 250.00
Regulated Waste Disposal Plan, including completion of draft and final report	1	Per Parcel	\$ 150.00
Profile Development, including submittal to landfill and coordination with landfill for final approval	1	Per Profile	\$ 250.00
Note 1 - Above items may not at any time be billed on time and materials basis and should be invoiced to the Authority as unit cost per parcel.			

AGENDA ITEM 12.g

Time & Materials Not To Exceed			
Description of Service		Hours	Cost
Time and Materials Not To Exceed Total Cost Commercial: Property Demo Contract Administration			
Demolition Contract Administration Project Management		5	\$ 375.00
Field Verification of Demolition Quantities		2	\$ 130.00
Air Monitoring During Abatement Activities		24	\$ 1,320.00
Total Time & Materials Amount			\$ 1,825.00

Note 2 - The amount provided above will serve as the Consultant's not-to-exceed amount per parcel for these listed services. Extraordinary or unusual expenses should be reviewed with the Authority Project Manager prior to incurring to gain approval to bill separately using the herein listed hourly rates.

Time and Materials Not To Exceed Total Cost: Residential Property Demo Contract Administration		Estimated Hours	Extended Total Cost
Demolition Contract Administration Project Management		5	\$ 375.00
Field Verification of Demolition Quantities		2	\$ 130.00
Air Monitoring During Abatement Activities		16	\$ 880.00
Total Time & Materials Amount			\$ 1,385.00

Note 3 - The amount provided above will serve as the Consultant's not-to-exceed amount per parcel for these listed services. Extraordinary or unusual expenses should be reviewed with the Authority Project Manager prior to incurring to gain approval to bill separately using the above listed hourly rates.

Time and Materials Not To Exceed Total Cost: General Demo Contract Administration		Estimated Hours	Extended Total Cost
Review of Notification to TxDSHS		3	\$ 195.00
Verification of Demolition Completion		2	\$ 130.00
Review of Final Demolition Contractor Report		2	\$ 130.00
Submittal of final Property Completion Report to Port Authority		2	\$ 150.00
Submittal of DBE/HUB/SBE Report to Port Authority		2	\$ 150.00
Oversight During Waste Management Activities		3	\$ 195.00
Miscellaneous:			
Total Time & Materials Amount			\$ 950.00
Commercial Property Not to Exceed Total:			\$ 2,775.00
Residential Property Not to Exceed Total:			\$ 2,335.00

Note 4 - The amount provided above, in addition to either the applicable not-to-exceed amount for commercial or residential, will serve as the Consultant's overall not-to-exceed amount per parcel. Extraordinary or unusual expenses should be reviewed with the Authority Project Manager prior to incurring to gain approval to bill separately using the above listed hourly rates.

AGENDA ITEM 12.g

Billing Rates for Time & Materials Not to Exceed Items	
Hourly Rates	Hourly Rate
Air Monitoring (including equipment and personnel)	\$ 55.00
Project Manager	\$ 75.00
Field Technician	\$ 65.00

EXHIBIT C

INSURANCE

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

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

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

D. Business Automobile Liability	\$500,000 per Occurrence
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Automobile liability insurance coverage will include all owned, non-owned, and hired vehicles.

E. Professional Liability	\$1,000,000
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AGENDA ITEM 12.g

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

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

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

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

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

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



DATE: August 16, 2016

TO: Port Commission

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

AGENDA ITEM NO. 12.h

**Approve an Easement Agreement with Cheniere
 Corpus Christi Pipeline, L.P. for a 48-Inch Natural Gas Pipeline on
 PCCA Property Located at the La Quinta Terminal Site in San Patricio County**

SUMMARY: Cheniere Corpus Christi Pipeline, L.P. (Cheniere) has requested an easement for a 48-inch diameter natural gas pipeline crossing the PCCA’s property located on the west side of Highway 181 in San Patricio County, Texas. The easement will contain 139.67 rods across PCCA’s 138.56 acre parcel and 164.67 rods across PCCA’s 72.476 acre parcel. The term of the easement will be for thirty (30) years. The pipeline will serve as the primary source of natural gas to be processed at the Corpus Christi Liquefaction, LLC gas liquefaction plant. Reference memo exhibit for easement general locations.

BACKGROUND: On May 13, 2015, Corpus Christi Liquefaction, LLC (CCL), a subsidiary of Cheniere Energy, began construction of a natural gas liquefaction plant located in San Patricio County, Texas. Stage 1 and Stage 2 of the project are designed for up to three trains with expected aggregate nominal production capacity of approximately 13.5 million tonnes per annum (mtpa), three LNG storage tanks with capacity of approximately 10.1 Bcfe, two LNG carrier docks and a 23-mile, 48-inch natural gas supply pipeline. Cheniere Corpus Christi Pipeline, L.P., an indirect wholly-owned subsidiary of Cheniere Energy, filed an application with the Federal Energy Regulatory Commission (FERC) in August 2012 for the authorization to site, construct and operate 23 miles of 48-inch pipeline that would interconnect the CCL Project with several inter and intrastate natural gas pipelines. The pipeline is designed to transport 2.25 Bcf/d of feed and fuel gas required by the Corpus Christi Liquefaction Project from the existing natural gas pipeline grid. The pipeline easements granted by PCCA are segments within the 23 mile pipeline that will supply CCL. The first train is expected to start operations in 2018.

ALTERNATIVES: An alternative is to not grant the easement to Cheniere and require Cheniere to proceed with condemnation provisions granted to Cheniere by the FERC.

CONFORMITY TO PORT POLICY: N/A

EMERGENCY: N/A



FINANCIAL IMPACT: The fee for the first ten years period of the easement agreements will be \$500,000.

STAFF RECOMMENDATION: Staff recommends approval of the Easement Agreement with Cheniere Corpus Christi Pipeline, L.P.

DEPARTMENTAL CLEARANCES:

Originating Department	Real Estate
Reviewed & Approved	Darrin Aldrich
Legal	Bruce Hawn
Senior Staff	John LaRue
	Sean Strawbridge
	Jarl Pedersen
	David Krams, P.E

LIST OF SUPPORTING DOCUMENTS:

Map Exhibit
Easement Summary
Pipeline Easement

Cheniere Corpus Christi Pipeline, L.P. **AGENDA ITEM NO. 12.h**

Approve Easement With Cheniere Corpus Christi Pipeline, L.P., For A 48" Nominal Diameter Pipeline Crossing PCCA Lands Situated In San Patricio County, Texas



- Legend**
- Cheniere_48_NG_PL
 - Cheniere_48_NG_PL_50ft_Easement
 - PCCA_TRACTS

Generated by
Port of Corpus Christi
Real Estate Department

Cheniere Corpus Christi Pipeline, L.P.
48" Natural Gas Pipeline Easements

Map Disclaimer:
This product is for informational purposes and has not been prepared for, or is suitable for legal, engineering, or surveying purposes.

State Plane NAD 1983
South Zone FIPS 4206

**PORT OF CORPUS CHRISTI AUTHORITY
EASEMENT SUMMARY**

- Grantee: Cheniere Corpus Christi Pipeline, L.P.
700 Milam Street, Suite 1900
Houston, Texas 77002
- Easement Location: See Exhibit Attached
- Use: The Pipeline will transport natural gas to supply the Corpus Christi Liquefaction, LLC plant being constructed adjacent to the East side of the PCCA La Quinta Terminal.
- Term: Thirty (30) years
- Start Date: August 16, 2016 – August 15, 2046
- Fee: \$500,000.00 (First Ten Years)
- Adjustment of Fee: At the beginning of each succeeding ten (10) year period during the Term of this Agreement, the fee shall be the greater of (i) the adopted Pipeline and Utility Easement Fee Schedule B of the Authority, for pipelines forty-eight inches (48”) in diameter, in effect at the time of each ten year anniversary of this Agreement or (ii) an amount equal to the fee paid for the preceding ten year term of this Agreement multiplied by the increase in the Producers Price index for Ports and Harbors Published by the United States Department of Labor compounded annually for each year of the preceding ten year term.
- Remarks: Within Three Hundred Sixty-Five (365) days of termination of the Pipeline Easement by abandonment, or within Three Hundred Sixty-Five (365) days following Grantee’s receipt of written approval(s) required from FERC (or any successor governmental agency having jurisdiction) of the abandonment of the Pipeline, whichever is later, Grantee will either remove the Pipeline or abandon the Pipeline in place, in accordance with all orders, rules and regulations of FERC (or successor governmental agency having jurisdiction).
In the event FERC or any successor governmental agency having jurisdiction releases its jurisdiction and authority over the Pipeline and all operations with respect thereto, then, within One Hundred Eighty (180) days of termination of the Pipeline Easement, Grantee shall remove the Pipeline, unless Authority consents in writing to the abandonment of the Pipeline in place.

PIPELINE EASEMENT

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

Port of Corpus Christi Authority of Nueces County, Texas, acting herein by and through its Port Commissioners hereunto duly authorized (hereinafter called "**Authority**") for good and valuable consideration as described below, and including the covenants and conditions herein made and provided to be kept and performed by Grantee, has **GRANTED AND CONVEYED** and by these presents does **GRANT AND CONVEY** to Cheniere Corpus Christi Pipeline, L.P. authorized to do business in Texas, whose principal address is 700 Milam Street, Suite 1900, Houston, Texas 77002, (hereinafter called "**Grantee**"), a pipeline right-of-way and easement (the "**Pipeline Easement**") on and through the Authority's land located in San Patricio County, Texas, for the purpose of constructing, laying, testing, operating, maintaining, protecting, repairing, replacing and removing a natural gas pipeline up to forty-eight inches (48") nominal inside diameter for the transportation of natural gas (the "**Pipeline**") upon, over and across the Pipeline Easement hereby granted, together with, except to the extent otherwise provided, such above and below ground equipment and appurtenances as may be necessary for operation and maintenance purposes. Either the Authority or Grantee may individually be referred to herein as a "**Party**" or jointly as "**Parties**". "**Pipeline**", as used in this agreement (the "**Agreement**"), means one or more pipelines and any appurtenances thereto which are described herein by number and size which will be placed in the Pipeline Easement.

The Pipeline Easement consists of two parts. Part I of the Pipeline Easement being 2.645 acres of land, more or less, more particularly described in **Exhibit A** and depicted in **Exhibit B**. Part II of the Pipeline Easement being 3.119 acres of land, more or less, more particularly described in **Exhibit C** and depicted in **Exhibit D**. Exhibits A, B, C, & D are all attached hereto and incorporated herein for all purposes. The Pipeline Easement shall, during the period of initial construction of the said Pipeline, include the Temporary Workspace and Additional Temporary Workspace depicted in said **Exhibits B and D**. All references to a "permanent" pipeline easement in said Exhibits are hereby amended to read "term" pipeline easement. Grantee's Pipeline Easement for all Temporary Workspace and Additional Temporary Workspace depicted in **Exhibits B and D** shall expire upon the termination of the Initial Construction Period (defined below).

Ingress and egress to and from the Easement is limited to those points where the Pipeline Easement enters and exits Authority's adjacent lands or crosses or abuts any state, county or city road.

The period of initial construction of the Pipeline ("**Initial Construction Period**") will terminate sixty (60) days after Grantee actually completes construction, or one (1) year from the date of commencement of construction of the Pipeline on the Pipeline Easement, whichever occurs first. In the event that construction is not commenced within five (5) years from the date hereof, this Agreement and the Pipeline Easement will terminate unless the period for commencement of construction is extended beyond five (5) years by Authority.

TO HAVE AND TO HOLD unto Grantee, its successors and assigns, the rights and privileges hereby conveyed for a term (the "**Term**") beginning on the 16th day of August, 2016 (the "**Effective Date**") and ending at midnight Central Time on the 15th day of August 2046, subject to the exceptions and reservations herein set forth, and which covenants and conditions by its acceptance hereof Grantee covenants and agrees to keep and perform, and upon the following covenants and conditions which are a part of the consideration for this grant, which covenants and conditions are and shall be construed as covenants running with the land, and which covenants and conditions by its acceptance hereof Grantee covenants and agrees to keep and perform, this Pipeline Easement is granted subject to the following:

A. Number and Size of Pipelines. The Pipeline shall not exceed the following number of pipelines and a nominal inside diameter as follows:

Number of pipelines: one (1);

Nominal inside diameter: up to forty-eight inches (48”).

B. Fee. For the first ten (10) years of the Term of this Agreement, Grantee will pay to the Authority a fee in the amount of Five Hundred Thousand and 00/100 Dollars (\$500,000.00) due and payable on the later of the Effective Date or within ten (10) days after the approval of this Pipeline Easement by Authority's Port Commission. At the beginning of each succeeding ten (10) year period during the Term of this Agreement, the fee shall be the greater of (i) the adopted Pipeline and Utility Easement Fee Schedule B of the Authority, for pipelines forty-eight inches (48”) in diameter, in effect at the time of each ten year anniversary of this Agreement or (ii) an amount equal to the fee paid for the preceding ten year term of this Agreement multiplied by the increase in the Producers Price index for Ports and Harbors Published by the United States Department of Labor compounded annually for each year of the preceding ten year term, however, provided that, if Authority sells the property which the Pipeline Easement occupies, the rate of increase in the annual fee used to calculate the ten (10) year payment for each succeeding ten (10) year period shall not exceed the increase of the US Department of Labor Bureau of Labor Statistics CPI (All Urban Consumers, U.S., All Items, 1982 – 1984, Not Seasonally Adjusted, Series I.D. CUUR0000SA0 during the preceding ten (10) year period. Authority, or its successors and assigns, must provide Grantee not less than thirty (30) days prior written notice of the change in the fee. Grantee shall prepay all annual installments due for each ten (10) year period on or before the date that begins each such ten (10) year period. Grantee will settle independently all tenant damages with Authority's tenant, if any. Grantee, acknowledges that at the time of the execution of this Agreement, the lands covered by the Pipeline Easement are subject to an existing farm lease. Other than those damages reasonably anticipated during the Initial Construction Period, Grantee agrees to promptly pay to Authority and/or Authority's tenants, as the case may be, all actual damages resulting from or arising out of Grantee's or its employees', agents' or contractors' construction, operation, repair, maintenance of the Pipeline or other operations of conducted ostensibly pursuant to the rights granted hereunder.

C. Access. The rights of ingress and egress hereinabove conferred on Grantee is at those points where the Pipeline Easement enters and exits Grantor's lands, where the Easement crosses or abuts any state, county or city road and shall thereafter be confined to the above-described Pipeline Easement, and Grantee shall not have the right to cross Authority's adjacent land, store materials or equipment on Authority's adjacent land, or conduct any of Grantee's operations on Authority's adjacent land unless the prior consent of the Authority is obtained in writing, which consent will not be unreasonably withheld, conditioned or delayed. Except in the case of an emergency or certain routine maintenance, as provided for elsewhere in this Section C, Grantee agrees to notify the Authority not less than forty-eight (48) hours prior to Grantee's employees, agents or contractors entering upon the Pipeline Easement for construction, maintenance, repairs or other operations. In the case of an emergency necessitating entry upon the Pipeline Easement by Grantee, its employees, agents or contractors without first giving at least forty-eight (48) hours prior notice to Authority, Grantee agrees to notify the Authority of the nature and extent of any such emergency within twenty-four (24) hours after any such entry. Grantee may request Authority to allow a shorter notice period, or even no notice period, for entering the Pipeline Easement for routine maintenance of certain above ground equipment within the Pipeline Easement. Grantee, its employees, agents or contractors shall follow whatever shorter routine maintenance notice periods as may be granted by Authority from time to time and shall adhere to any special requirements that may apply related to any such reduced notice period granted.

D. Construction, Maintenance and Use. Grantee acknowledges that Authority has stated Authority's intention to fully develop for industrial purposes Authority's land that borders on either side of the Pipeline Easement, and Grantee covenants that Grantee will design, construct and operate the Pipeline in a manner consistent with, and in regulatory compliance with, the Pipeline's close proximity to such industrial buildings, equipment, operations and personnel. Accordingly, Grantee agrees to construct the Pipeline at a minimum to the design standards required by 49 CFR Part 192 for "Class 3 Locations" as that term is defined by 49 C.F.R. 192.5.

Grantee agrees to construct the pipeline in accordance with the plans attached hereto as **Exhibit E** (the "**Plans**"). In the event, the plans for the Pipeline are substantially changed or altered from the Plans attached hereto as **Exhibit E** prior to initial construction of the Pipeline or

if the Pipeline, once constructed, is thereafter modified or improved in a manner that causes the Pipeline to become substantially altered or changed from the Plans set forth in Exhibit "E", then in such event Grantee must submit to Authority, revised plans for the initial construction of the Pipeline associated appurtenances and Plans for any future, substantial modifications and improvements to the Pipeline or its appurtenances or other improvement of any kind to be constructed within the boundaries of the Pipeline Easement, and such revised initial construction plans or plans for future, substantial modifications and improvements must be approved in writing by the Director of Engineering Services of Authority prior to the commencement of construction of the same, which approval shall not be unreasonably denied, delayed or conditioned. To facilitate the Authority's review, two (2) sets of formal plans that clearly define the revised, modified and/or improved project must be submitted to Authority for its prior approval. The drawings must be prepared on a standard engineering format and show all physical features and improvements proposed to be installed within the boundaries of the Pipeline Easement. Any approval, comments or denial, of such revised initial construction plans or plans for future, substantial modifications and improvements, by the Authority shall be promptly made to Lessee within ten (10) Business Days after Authority's receipt of the of such revised plans or plans. Further, Authority shall prepare detailed comments or responses to the revised initial construction plans or plans for future, substantial modifications and improvements to the Pipeline in order to direct Grantee on the action needed to have such plans revised and approved. The final plans as ultimately approved by the Authority are referred to herein as the "**Approved Plans**". The Plans attached hereto as Exhibit "E" are preapproved and are therefore Approved Plans. Notwithstanding the forgoing in the event of a conflict between Authority requirements and construction requirements imposed by the Federal Energy Regulatory Commission ("**FERC**"), the FERC requirements shall govern and control.

During the installation and during any reconstruction or replacement of the Pipeline the Authority shall be entitled to engage the services of an inspector which shall be selected by the Authority, to observe the Grantee's construction of the Pipeline in order to verify that the Pipeline is installed in substantial compliance with the Approved Plans. The Authority shall be responsible for the payment of all reasonable wages and expenses charged by the inspector, however, Grantee shall reimburse the Authority for all such reasonable wages and expenses incurred by the Authority in connection with the inspector's wages and expenses regarding the observation of the construction of the Pipeline. Upon completion of the construction of the Pipeline, Authority will invoice Grantee for all the inspector's wages and expenses and shall include with such invoice evidence of all amounts charged by and paid to the inspector for services rendered in connection with the observation of the construction of the Pipeline. Grantee agrees to pay all undisputed amounts contained in Authority's invoice within thirty (30) days after Grantee receives the said invoice.

No above ground equipment and appurtenances shall be installed within the Pipeline Easement except for pipeline location markers in compliance with regulatory requirements and, such corrosion protection test lead stations as may be required. Pipeline markers and corrosion test stations, except to the extent otherwise required by law shall be located next to roads, fence lines, ditches, and property lines.

Prior to the commencement of construction of the Pipeline, Grantee will furnish Authority issued-for-construction drawings for the Pipeline Easement, if different from the Plans attached hereto. Grantee shall construct and maintain the Pipeline in in compliance with 49 CFR Part 192 for "Class 3 Locations" as defined by 49 C.F.R. 192.5. Warning signs for the existence of the Pipeline that conform to Federal and State laws applicable to such warning signs will be posted at the required locations along the Pipeline Easement.

All backfill placed in the Pipeline Easement must be compacted so as to prevent settlement or erosion. Grantee shall at a minimum bury the Pipeline to the depths specified in Exhibit "E". In no event may the top of the Pipeline at any point be buried to a depth of less than five feet (5') below the surface of the ground. In addition, for the full length of the Pipeline within the Pipeline Easement, Grantee shall design the Pipeline with sufficient pipe wall thickness and depth of cover meeting Cooper E-80 Railroad Live Load standards. In no event shall the design standards be less than the design standards required by 49 CFR Part 192 for "Class 3 Locations" as defined by 49 C.F.R. 192.5. Authority and Grantee agree that, in addition to constructing other roads across the Pipeline Easement for vehicular traffic and equipment in accordance with the terms of Section E

below, Authority shall additionally be entitled to construct no more than two (2) roads across the Pipeline Easement of no more than one-hundred feet (100') in width for the purpose of crossing the Pipeline with heavy loads at locations (each a "Heavy Haul Location") to be selected by the Authority after reasonable consultation with Grantee to such Heavy Haul Location and Heavy Haul Load Limit (defined below). Authority and Grantee at the time of reasonable consultation for each Heavy Haul Location shall also determine appropriate heavy haul load limits for that location in light of the Authority's anticipated use of such Heavy Haul Location (the "Heavy Haul Load Limit"). Thereafter the use by the Authority, its successors and assigns of any such Heavy Haul Location shall not exceed the Heavy Haul Load Limit. Grantee shall construct, reinforce or protect the Pipeline to withstand the Heavy Haul Load Limit at each Heavy Haul Location.

In refilling any hole or ditch, Grantee must compact the subsoil to ninety-five percent (95%) of original compaction. After any construction, repair or removal, Grantee shall compact, loosen, or otherwise condition the topsoil to the degree of compaction of non-disturbed topsoil so that there will be no settling or compaction of soil and so that the land disturbed will be at the same level as the surrounding lands thus maintaining the drainage that existed prior to such work and preventing erosion.

Grantee shall promptly back-fill all excavations made by or for Grantee on the Pipeline Easement with top soil on top and bottom soil on bottom. Grantee shall use the double ditching method of trench construction whereby up to eighteen (18) inches of the top soil is segregated from the rest of the excavation and is used to backfill the top layers of the trench.

Grantee will immediately notify the appropriate State and Federal agencies that regulate pipelines of the type in the Pipeline Easement, and, no later than twenty-four (24) hours after discovery, notify Authority of any visible or apparent contamination discovered in the Pipeline Easement during initial construction of the Pipeline.

Following completion of construction of the Pipeline, Grantee will immediately notify the appropriate State and Federal agencies who regulate pipelines of the type of pipeline in the Pipeline Easement, and, no later than twenty-four (24) hours after discovery, notify Authority of any visible or apparent contamination discovered in, on, under, or adjacent to the Pipeline Easement.

If, during or after completion of construction of the Pipeline, contamination is found to be emanating from the Pipeline, then Grantee will immediately take all steps necessary to shut down the pipeline or pipelines in the Pipeline Easement from which the contamination is emanating, repair or replace the pipeline or pipelines, and restore the Pipeline Easement to the condition it was in prior to the discovery of the contamination. If the contamination is not emanating from a pipeline or pipelines in the Pipeline Easement, then Grantee and Authority shall cooperate to determine the source of the contamination and advise the appropriate State and Federal agencies of the occurrence.

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

Grantee shall furnish Authority, within one (1) year of upon completion of the installation the Pipeline in the Pipeline Easement, an as-built (i.e., "record") drawing of the location of the Pipeline and will furnish Authority an as-built (i.e., "record") drawing of any subsequent modification of the location of the Pipeline.

Grantee shall be responsible for coordination of any construction, maintenance and use of the Pipeline Easement with any other existing users and easement holders in or near the Pipeline Easement. Grantee shall promptly restore any portion of the right-of-way damaged by Grantee to its condition prior to such damage. All restoration work shall be appropriately tested at Grantee's expense. Authority shall be promptly notified in writing of the method used and results of all tests of any such restoration work.

E. Reservations and Exceptions. The easement herein granted shall be subject to any and all easements heretofore granted by Authority to other parties which are either of record in San Patricio County or physically evident on the property. The Authority reserves the right to use its

property within the Pipeline Easement and the right to grant easements including, without limitation, roadway easements for vehicular traffic and equipment (not to exceed maximum loads for state or Federal roads and highways), pipelines, utility lines, electric lines, water lines, irrigation lines, communication lines, railroads and ditches upon, over, under and across its property within the Pipeline Easement, and to grant rights of use, leases and easements above, below and on the surface of the Pipeline Easement, provided that any use by Authority of its property within the Pipeline Easement shall comply with governmental laws, regulations and requirements for the operation, maintenance and safety of the Pipeline, and any grant by Authority to a third party shall require in any such grant that the grantee thereof, comply with governmental laws, regulations, and requirements relating to the construction, operation, maintenance and safety of the Pipeline and any of Grantee's other authorized facilities located within the Pipeline Easement. Except as otherwise provided for herein, any use by Authority of its property within the Pipeline Easement and any easement granted to a third party shall not cross the Pipeline Easement at an angle of less than forty-five degrees (45°) to the Pipeline, and in the case of a drainage ditch or railroad at an angle of not less than fifteen degrees (15°) to the Pipeline Easement, without the express written consent of Grantee, which consent will not be unreasonably withheld, conditioned, or delayed. All such third party easements shall also require that they not unreasonably interfere with the rights herein granted. Any use of the Pipeline Easement by Authority shall likewise not unreasonably interfere with the rights herein granted. In the event, Authority crosses the easement with any type of roadway for vehicular traffic and equipment or pipelines, utility lines, electric lines, water lines, irrigation lines, communication lines (collectively "Lines") then Authority agrees to not cross the Easement with such roadway or Line at an angle less than a forty-five degrees (45°) to the Pipeline and agrees not to cross the Easement with a railroad, ditch, or rail service road at an angle of less than fifteen degrees (15°), without the express written consent of Grantee, which consent will not be unreasonably withheld, conditioned, or delayed. Grantor may lease or use the surface of the Easement for the open storage of cargos in transit or bulk materials, provided the same do not unreasonably interfere with the rights herein granted. However, notwithstanding anything to the contrary stated in this Section E, nothing herein shall be interpreted to otherwise limit or restrict the terms, provisions and requirements for Heavy Haul Locations set forth in Section D above.

F. Indemnity. Except for liabilities caused by the sole negligence, gross negligence or willful misconduct of the Authority, its commissioners, officers, directors, managers, employees, and agents, Grantee shall defend, indemnify and hold harmless Authority, its commissioners, officers, directors, managers, employees, and agents (for the purposes of this Section F, the "Indemnified Parties") from and against, and Grantee shall be responsible for, any and all liabilities (including strict liability), actions, demands, damages, penalties, fines, losses, claims, costs, expenses (including reasonable attorneys', experts' fees and expenses), suits, settlements or judgments of any nature whatsoever (including claims for personal injury, bodily injury, real and personal property damage and economic loss) which may be brought or instituted or asserted against the Indemnified Parties based on or arising out of or resulting from (i) the failure on the part of the Grantee, its agents, employees, contractors, subcontractors or licensees (collectively, "Grantee Parties") to comply with the provisions of any laws or regulations applicable to the Pipeline or Grantee's equipment, facilities and appurtenances situated in the Pipeline Easement (collectively, "Pipeline Facilities"), (ii) any injury to or death of or claim of injury to or death of any person or any damage to or loss of or claim of damage to or loss of property arising from or in any manner connected with the acts, conduct, or negligence of the Grantee Parties in the design, construction, maintenance, repair, removal, or replacement of the Pipeline or the Pipeline Facilities, (iii) the failure on the part of any of the Grantee Parties to comply with the provisions of any laws or regulations applicable to the Easement, the Pipeline or the Pipeline Facilities, or (iv) the condition, use, malfunction, defect, or explosion of the Pipeline or any of the Pipeline Facilities (collectively "Indemnified Claims"), EVEN IF THE INDEMNIFIED CLAIM ARISES OUT OF OR RESULTS FROM THE JOINT, CONCURRENT, OR CONTRIBUTORY NEGLIGENCE OF THE INDEMNIFIED PARTIES. The Grantee's indemnity obligations under this Agreement shall not be limited by a limitation on the amount or type of damages, compensation or benefits owed by Grantee to any employee of Grantee under workers' or workmen's compensation acts, disability benefit acts, or other employee benefit acts.

Notwithstanding anything to the contrary stated elsewhere herein, Grantor and Grantee understand and agree that, in not event, shall either Grantor or Grantee be liable for special,

exemplary, consequential or other indirect damages to the other, and all such damages are hereby waived to the extent permitted by law.

G. Insurance.

Without limiting the indemnity obligations or liabilities of Grantee, or its insurers, provided herein, Grantee agrees, from the first day of construction and at all times thereafter that this Agreement is in effect, to carry and maintain at its sole expense policies of insurance (the “Policies”) of the types and in the minimum amounts as follows:

(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 Five Hundred Thousand and 00/100 Dollars (\$500,000.00) each employee accident and disease, or such similar insurance which is in accordance with state and federal law applicable to said employees;

(b). Commercial General Liability (CGL) coverage with policy limits of at least One Million and 00/100 Dollars (\$1,000,000.00) per occurrence and Two Million and 00/100 Dollars (\$2,000,000.00) general aggregate in the right of way and easement endorsed to cover contractual liability;

(c) Business Auto Liability coverage for all owned and non-owned vehicles, with a policy limit of One Million and 00/100 Dollars (\$1,000,000.00) (Combined Single Limit);

(d) Umbrella Liability coverage limits of not less than Five Million and 00/100 Dollars (\$5,000,000.00) over and above the underlying primary coverage limits stated in subparagraph (a), (b) and (c) in this Section; and

(e) Pollution Legal Liability including cleanup and defense costs for premises and operations including pollution of any body of water with limits of not less than \$5,000,000.00 per occurrence.

The minimum insurance protection amounts set forth in the Policies shall be increased from time to time upon request by Authority to an amount which is commercially reasonable at the time.

Authority shall be furnished, Attention Risk Manager, prior to the commencement of any work by Grantee on the Pipeline Easement, as proof of the insurance required of Grantee, a certificate or certificates of insurance (and the endorsements required in this paragraph shall be attached to the certificate or certificates of the insurance) describing the Policies, which certificates must be acceptable, in their form and content, to Authority. Each of the Policies will be endorsed to (x) (except for Workers' Compensation and Employee's Liability insurance) named Authority, its Port Commissioners, officers, officials, employees and agents as an additional insured, (y) provide that it will not be suspended, voided, canceled or reduced in coverage or limits without thirty (30) days' prior written notice from Grantee to Authority, Attention: Risk Manager, and (z) provide that, notwithstanding any language in any policy of insurance held by Authority (“**Authority Insurance**”) to the effect that the Authority Insurance is primary, the policy or policies held by Grantee are primary coverage and the Authority Insurance is non-contributory so that Authority Insurance will not share with the Policies.

Grantee shall deliver to Authority certificates of insurance at least thirty (30) days prior to the expiration date of each of the Policies. The deductible or self-insured retention for each of the Policies must be stated in the certificate of insurance provided to Authority if either exceeds Fifty Thousand and 00/100 Dollars (\$50,000.00); and, in such event, Authority may decline to approve this Agreement. The company writing each of the Policies must possess a current rating with A.M. Best Company of at least A: VI. If Grantee neglects or refuses to provide any insurance required herein, or if any insurance is canceled, Authority may procure such insurance at Grantee's expense, and Authority is entitled to reimbursement from Grantee for all amounts spent to procure and maintain the insurance, with interest on such expense at a rate of ten percent (10%) annually from the date Grantee receives Authority's notice of payment until reimbursement.

H. Waiver of Subrogation

Grantee agrees that all insurance policies required herein shall include Waivers of Subrogation in favor of Authority. Grantee agrees to immediately give to each insurance company which has issued to it policies of insurance applicable to provisions of this Agreement written notice of the terms of the waiver set forth in this Section, and to have said insurance policies properly endorsed, if necessary, to prevent the invalidation of said insurance coverage by reason of said waiver; and Grantee 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.

I. Assignment. The rights herein granted may not be assigned without the prior written consent of the Authority, which consent will not be unreasonably withheld, conditioned or delayed; provided, however, Authority consents to assignment of this Agreement to any corporation or other entity which is an affiliate of Grantee. An “**Affiliate**”, as used herein, is a person or entity which is controlled by Grantee or the controlling interest of which is owned by the same persons or entities controlling Grantee. This Pipeline Easement shall be deemed a covenant running with the land and shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns. Assignment by Grantee shall not relieve Grantee from liability for the performance of the covenants and indemnities hereof. Authority acknowledges that Grantee (i) has obtained financing (“**Financing**”) from various entities (“**Lenders**”) for the cost of construction of the Pipeline and (ii) is obligated to grant a deed of trust over its real estate interests including this Agreement. Authority grants Grantee the right to assign, mortgage, execute deeds of trust, or pledge all or any of its rights, interests, and benefits hereunder to secure payment of any indebtedness incurred or to be incurred in connection with the Financing, construction and placing into operation of the Pipeline.

J. Abandonment and Termination. The Pipeline Easement shall continue in force and effect during the Term of this Agreement unless and until abandonment of the Pipeline has been approved and/or required by written order issued by the FERC or any successor governmental agency having jurisdiction, at which time, this Pipeline Easement shall terminate; provided, however, that, in the event FERC or any successor governmental agency releases its jurisdiction and authority over the Pipeline and all operations with respect thereto, then this Easement shall thereafter continue in force and effect during the Term of this Agreement for so long thereafter as the Pipeline Easement is being used to transport natural gas for its intended purpose, as approved by FERC with no cessation of throughput for more than twenty-four (24) consecutive months; provided, however, that such twenty-four (24) consecutive month period of cessation of throughput shall be tolled during any Force Majeure Event; a “Force Majeure Event” shall include, but not be limited to, any event beyond the reasonable control of Grantee in the exercise of due diligence to mitigate or prevent any such event.

Within Three Hundred Sixty-Five (365) days of termination of the Pipeline Easement by abandonment, or within Three Hundred Sixty-Five (365) days following Grantee’s receipt of written approval(s) required from FERC (or any successor governmental agency having jurisdiction) of the abandonment of the Pipeline, whichever is later, Grantee will either remove the Pipeline or abandon the Pipeline in place, in accordance with all orders, rules and regulations of FERC (or successor governmental agency having jurisdiction). In the event FERC or any successor governmental agency having jurisdiction releases its jurisdiction and authority over the Pipeline and all operations with respect thereto, then, within One Hundred Eighty (180) days of termination of the Pipeline Easement, Grantee shall remove the Pipeline, unless Authority consents in writing to the abandonment of the Pipeline in place. Furthermore, in the event of the removal of the Pipeline, Grantee shall promptly remove all trash, debris, materials and equipment left by its operations from the premises, refill the pipeline ditch and all excavations it may make, leaving Pipeline Easement and any other property of Authority impacted by such removal in as nearly as reasonably practicable a level condition as before the Pipeline construction, following the natural contours of the land. In the event Grantee abandons its Pipeline in place upon termination of this Easement, Grantee will comply with all laws, rules and regulations of any governmental entity having jurisdiction over such matters. Furthermore, in such event, Grantee will: a) purge the Pipeline; b) render the Pipeline inert; and c) provide written evidence to Authority certifying as to the manner in which the Pipeline has been abandoned. The provisions of this section will survive termination of this Easement.

K. Compliance with Authority Security Requirements. Grantee, its employees, agents, representatives and subcontractors shall at all times comply with the security requirements and regulations pertaining to the Pipeline Easement and right of way location and access thereto, that are required by federal or state law or regulation or any future security requirement reasonably required by Authority.

L. Notice. All notices, demands, or requests from Grantee to Authority shall be given to Port of Corpus Christi Authority of Nueces County, Attention: Executive Director, PO Box 1541, Corpus Christi, Texas 78403, or at such other address as Authority shall request in writing from time to time. All notices, demands, or requests from Authority to Grantee shall be given to Grantee at Cheniere Corpus Christi Pipeline, L.P., Attention: President, 700 Milam Street, Suite 1900, Houston, Texas, 77002, or at such other address as Grantee shall request in writing from time to time.

The execution of this Agreement shall be conclusive of the agreement of Grantee to all of the terms and conditions hereof, whereupon this easement and all of its provisions shall extend to and be binding upon the legal representatives, successors and assigns of Grantee and Authority, respectively.

[Signature Page Immediately Follows]

WITNESS this ____ day of _____, 2016.

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

By: _____

Name: _____

Title: _____

"Authority"

APPROVED AS TO FORM BY LEGAL
WELDER LESHIN, LLP

By: Bruce S. Hawn, Partner

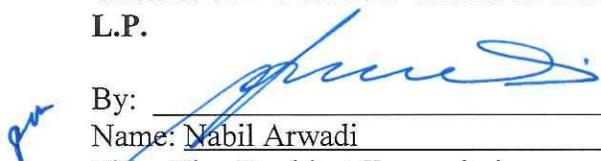
**CHENIERE CORPUS CHRISTI PIPELINE,
L.P.**

By: _____

Name: Nabil Arwadi

Title: Vice President Transmission

"Grantee"

per 

STATE OF TEXAS §

§

COUNTY OF NUECES §

This instrument was acknowledged before me on the _____ day of _____, 2016, by _____, _____, of Port of Corpus Christi Authority of Nueces County, Texas, on behalf of the Authority.

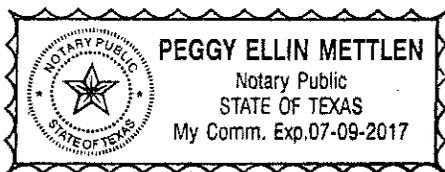
NOTARY PUBLIC, STATE OF TEXAS

STATE OF TEXAS §

§

COUNTY OF NUECES §

This instrument was acknowledged before me on the 10th day of August, 2016, by Nabil Arwadi, Vice President Transmission, of Cheniere Corpus Christi Pipeline, L.P., on behalf of said limited partnership.



Peggy E Mettlen
NOTARY PUBLIC, STATE OF TEXAS

SAN PATRICIO CO.

EXHIBIT "A"

A CENTERLINE DESCRIPTION OF A
PROPOSED 2.645 (116,210 square foot) ACRE
50 FOOT WIDE PIPELINE EASEMENT

Being a 2.645 (116,210 square foot) acre easement being out of a (called) 138.56 acre tract of land conveyed to Port of Corpus Christi Authority of Nueces County, Texas, recorded as Document Number 649208, Official Public Records of San Patricio County, Texas, situated in the John Keating Survey, abstract 180 and John Cerraghty Survey, abstract 139, said 2.645 acre easement centerline being more particularly described as follows:

COMMENCING: at a found 5/8" iron rod (N: 17221171.03, E: 1372297.02) for the southwest corner of called 100.111 acre tract, recorded as Document Number 636564, Official Public Records of San Patricio County, Texas;

THENCE: N 50°45'00" W, a distance of 524.71 feet to a point on the east property line of (called) 138.56 acre tract, and the west right-of-way line of State Highway 35 (Variable width R.O.W.), the **POINT OF BEGINNING** (N: 17221503.02, E:1371890.69) of the herein described easement;

THENCE: departing the east line of the 138.56 acre tract, into and across said tract the following courses and distances:

THENCE: N 62°57'07" W, a distance of 758.91 feet to an angle point, of the herein described easement;

THENCE: N 60°00'39" W, a distance of 659.95 feet to an angle point, of the herein described easement;

THENCE: N 45°05'36" W, a distance of 720.09 feet to an angle point, of the herein described easement;

THENCE: N 60°12'55" W, a distance of 165.54 feet to the **POINT OF TERMINUS** (N:17222768.57, E:1369989.51) a point on the west line of the aforementioned 138.56 acre tract, from which a found 2" iron pin bears S 39°03'14" W, a distance of 130.90 feet, said easement containing 2.645 acres of land more or less.

I, Lindy F. Glenn, Registered Professional Land Surveyor No. 5214 of the State of Texas, do hereby certify that this plat and description shown hereon represents an on the ground survey under my supervision.

Lindy F. Glenn 4/6/2016
Lindy F. Glenn Date
Registered Professional Land Surveyor
Texas Registration No. 5214



Gateway Services Group, LLC
12029 Starcrest Drive
San Antonio, Texas 78247

A survey plat of even date accompanies this Centerline Description.
The bearings shown hereon are based on the Texas Coordinate System, South Zone, North American Datum of 1983 (NAD 83).

FILENAME: S:\NUECES\14-DRAINAGE\2014\CHENIERE\BEGINS\PL-CCPL-E-SP-005.100.dwg
 PROJECT: 14-03-33-RR
 DATE: 4/6/2016

NOTES

- DATUM BASED ON TEXAS SOUTH STATE PLANE COORDINATES SYSTEM, NAD 83, NAVD 88, ELEVATIONS MSL, DERIVED FROM GPS OBSERVATION.
- EXISTING UTILITIES ARE SHOWN IN APPROXIMATE LOCATIONS GENERATED FROM PREVIOUS MAPS AND SURVEY. CONTRACTOR SHALL VERIFY EXACT LOCATION AND ELEVATION OF ALL EXISTING UTILITIES IN AREA OF WORK PRIOR TO CONSTRUCTION AND CALL 811 AND ALL OTHER UTILITY COMPANIES AT LEAST 2 WORKING DAYS (48 HOURS) PRIOR TO CONSTRUCTION.

DRAWN BY:	GL
CHECKED BY:	VB
DATE:	04/06/2016
REVISION:	4
SHEET:	2 OF 2

TX-SP-005.100
PORT OF CORPUS CHRISTI AUTHORITY
OF NUECES COUNTY, TEXAS

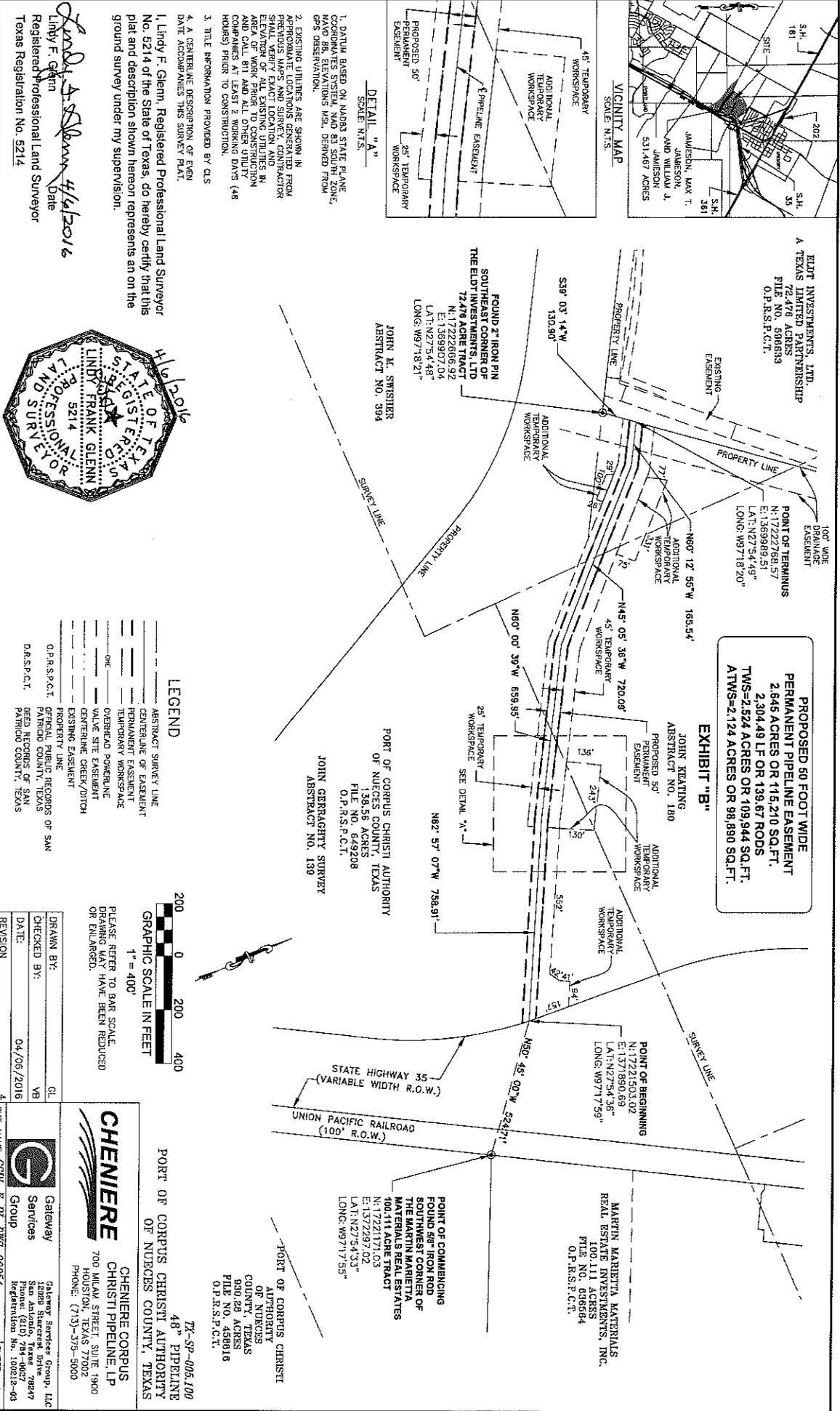
CHENIERE
CHENIERE SPH
PIPELINE, LLC
700 MILAM STREET, SUITE 600
HOUSTON, TEXAS 77002
PHONE: (713)-375-5000

G Gateway Services Group
Gateway Services Group, LLC
12029 Starcrest Drive
San Antonio, Texas 78247
Phone: (210) 784-0027
Registration No. 190212-03

DWG. FILE: CCPL-E-PL-DWG-00054

SHEET 2 OF 2

PLOT DATE: 4/6/2016 4:07:33 PM FILENAME: S:\DRAWINGS\AA-DRAWINGS 2014\CHENIERE ENERGY\14-0507 CHENIERE CORPUS CHRISTI PIPELINE\DWG\LAND OWNER FLAT DWG\TX-SP-005.100 (48IN PIPE)-REV.A.DWG

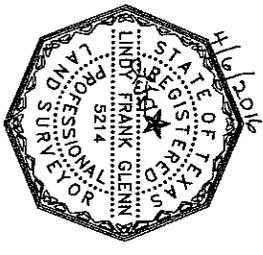


DETAILED "A"
SCALE: N.T.S.

1. DATUM BASED ON NAD83 STATE PLANE, NAD83 STATE PLANE 5000 ZONE, NAVD83 STATE PLANE 5000 ZONE, GPS OBSERVATION.
2. EXISTING UTILITIES ARE SHOWN IN ACCORDANCE WITH THE RECORD DRAWING. PREVIOUS MAPS AND SURVEY CONTRACTOR SHALL VERIFY EXACT LOCATION AND ELEVATION OF ALL EXISTING UTILITIES IN FIELD. ALL EXISTING UTILITIES SHALL BE MAINTAINED AND NOT TO BE MOVED OR DELETED. ALL OTHER UTILITY COMPANIES AT LEAST 2 WORKING DAYS (48 HOURS) PRIOR TO CONSTRUCTION.
3. TITLE INFORMATION PROVIDED BY CLS
4. A CENTERLINE DESCRIPTION OF EASEMENT ACCOMPANIES THIS SURVEY PLAT.

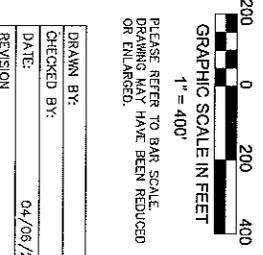
I, Lindy F. Glenn, Registered Professional Land Surveyor No. 5214 of the State of Texas, do hereby certify that this plat and description shown hereon represents an on the ground survey under my supervision.

Lindy F. Glenn
Registered Professional Land Surveyor
Texas Registration No. 5214
Date 4/6/2016



LEGEND

--- ABSTRACT SURVEY LINE	--- CENTERLINE OF EASEMENT
--- PERMANENT EASEMENT	--- TEMPORARY WORKSPACE
--- OVERHEAD POWERLINE	--- VALVE SITE EASEMENT
--- CENTRALINE CREEK/DITCH	--- EXISTING EASEMENT
--- PROPERTY LINE	--- ORIGINAL PUBLIC RECORDS OF SAN PATRICK COUNTY, TEXAS
--- O.P.R.S.P.C.T.	--- DEED RECORDS OF SAN PATRICK COUNTY, TEXAS



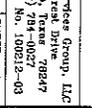
DRAWN BY:	CL
CHECKED BY:	VB
DATE:	04/06/2016
REVISION:	

PORT OF CORPUS CHRISTI AUTHORITY
OF NUECES COUNTY, TEXAS

CHENIERE
CHENIERE CORPUS CHRISTI PIPELINE, LP
700 MILKAM STREET, SUITE 1900
HOUSTON, TEXAS 77002
PHONE: (713)-375-5000

TX-SP-005.100
48" PIPELINE

Gateway Services Group
12030 Starcrest Drive
San Antonio, Texas 78249
Phone: (214) 380-0200
Registration No. 10822-08



SHEET 1 OF 2

SAN PATRICIO CO.

EXHIBIT 'A'

**A CENTERLINE DESCRIPTION OF A
PROPOSED 3.119 (135,850 square foot) ACRE
50 FOOT WIDE PIPELINE EASEMENT**

Being a 3.119 (135,850 square foot) acre easement being out of a (called) 72.476 acre tract of land conveyed to ELDT Investments, LTD. recorded as Document Number 596633, Official Public Records of San Patricio County, Texas, situated in the John M. Swisher Survey, abstract 394, said 3.119 acre easement centerline being more particularly described as follows:

COMMENCING: at a found 2" iron pin (N: 17222666.92, E: 1369907.04) for the southeast corner of called 72.476 acre tract, recorded as Document Number 596633, Official Public Records of San Patricio County, Texas;

THENCE: N 39°03'14" E, a distance of 130.90 feet to a point on the east property line of (called) 72.476 acre tract, the **POINT OF BEGINNING** (N: 17222768.57, E:1369989.51) of the herein described easement;

THENCE: departing the east line of the aforementioned 72.476 acre tract, into and across said tract the following courses and distances:

THENCE: N 60°12'55" W, a distance of 2167.03 feet to an angle point, of the herein described easement;

THENCE: N 18°07'34" W, a distance of 261.96 feet to an angle point, of the herein described easement;

THENCE: N 61°04'46" W, a distance of 267.99 feet to the **POINT OF TERMINUS** (N:17224242.59, E:1367786.45) a point on the west line of the aforementioned 72.476 acre tract and center line of FM 2986, from which a found 5/8" iron rod bears S 20°46'35" W, a distance of 312.60 feet, said easement containing 3.119 acres of land more or less.

I, Lindy F. Glenn, Registered Professional Land Surveyor No. 5214 of the State of Texas, do hereby certify that this plat and description shown hereon represents an on the ground survey under my supervision.

Lindy F. Glenn 4/6/2016
Lindy F. Glenn Date
Registered Professional Land Surveyor
Texas Registration No. 5214



Gateway Services Group, LLC
12029 Starcrest Drive
San Antonio, Texas 78247

A survey plat of even date accompanies this Centerline Description.
The bearings shown hereon are based on the Texas Coordinate System, South Zone, North American Datum of 1983 (NAD 83).

PLOT DATE: 4/8/2016 3:06:59 PM FILENAME: S:\P\AMERICA\AL\DRAWINGS\2016\CHENIERE ENERGY\14-2016\CHENIERE CORPUS CHRISTI AREA\PLANS\LAND OWNED\PLAT\DWG\12-SP-006-000-REV.DWG

NOTES

- DATUM BASED ON TEXAS SOUTH STATE PLANE COORDINATES SYSTEM, NAD 83, NAVD 86, ELEVATIONS MSL, DERIVED FROM GPS OBSERVATION.
- EXISTING UTILITIES ARE SHOWN IN APPROXIMATE LOCATIONS GENERATED FROM PREVIOUS MAPS AND SURVEY. CONTRACTOR SHALL VERIFY EXACT LOCATION AND ELEVATION OF ALL EXISTING UTILITIES IN AREA OF WORK PRIOR TO CONSTRUCTION AND CALL 811 AND ALL OTHER UTILITY COMPANIES AT LEAST 2 WORKING DAYS (48 HOURS) PRIOR TO CONSTRUCTION.

<i>TX-SP-006.000</i>	
ELDT INVESTMENTS, LTD.	
CHENIERE CORPUS CHRISTI PIPELINE, LP 700 MILAM STREET, SUITE 1900 HOUSTON, TEXAS 77002 PHONE: (713)-375-5000	
CHENIERE	Gateway Services Group
	Gateway Services Group, LLC 12029 Starcrest Drive San Antonio, Texas 78247 Phone: (210) 764-0027 Registration No. 100212-03
DRAWN BY: GL	
CHECKED BY: VB	
DATE: 04/06/2016	
REVISION: 2	
SHEET: 2 OF 2	DWG. FILE: <i>CCPL-E-PL-DWG-00055</i> SHEET 2 OF 2



DATE: August 16, 2016

TO: Port Commission

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

AGENDA ITEM NO. 13.a

**Approve Electric Transmission Line Easement with
 AEP Texas Central Company for the Replacement of
 Two 138kV Transmission Lines Across the
 Corpus Christi Ship Channel**

SUMMARY: Staff and representatives of AEP Texas Central Company (AEP) have been working on a project to replace two sets of existing submarine 138kvr transmission lines crossing the Industrial Canal reach of the Corpus Christi Ship Channel to connect AEP’s Gila substation situated on the north side of the channel to a Citgo Refining facility situated on the south side of the Ship Channel as shown on the attached drawing. The attached Electric Transmission Line Easement authorizing the installation of the new 138kV electrical transmission lines crossing PCCA-owned lands has been prepared by outside counsel and reviewed and accepted by AEP. The Easement will be granted for a 50-year term and fee adjusted on a 10-year basis, payable in advance. The fee for the first 10-year period will be based on a one-time fixed fee of \$34,273. For each succeeding 10-year period during the term of the easement, the fee will be subject to an adjustment based on the PCCA’s current fee schedule at the time of adjustment. In addition to the channel crossing, AEP has requested permission to use a temporary staging area of 0.898 acres located along the shoreline of Nueces Bay. Staff has no object to granting the request for the temporary staging area and no fee will be assessed its use.

BACKGROUND: The project includes the replacement of two sets of electrical transmission cables that currently cross beneath the Corpus Christi Ship Channel with new conduits and cables. The new conduits and cables will be installed at a depth of 95 feet. The proposed work involves directionally drilling two new 36” diameter bores within the proposed 100-foot-wide easement, located in the same approximate location as the existing 30-foot easement crossing the ship channel. Four 8-inch SDR11 HDP conduits (three containing 4-1/2” conductors) will be installed in each bore and will run from the AEP Gila substation north of the ship channel to the Citgo facility south of the ship channel. The total length of both bores is approximately1, 125 feet per bore.

AEP will cap and fill the two existing transmission lines granted by the easement dated March 13, 2001. A provision of the existing easement requires AEP to remove the

transmission lines at AEP's sole cost if it interferes with any future improvements to channel.

ALTERNATIVES: Overhead installation; not recommended.

CONFORMITY TO PORT POLICY: N/A

EMERGENCY: N/A

FINANCIAL IMPACT: Fee for the first 10-year term is \$34,273.00

STAFF RECOMMENDATION: Staff recommends approval of the Easement Agreement with AEP Texas Central Company.

DEPARTMENTAL CLEARANCES:

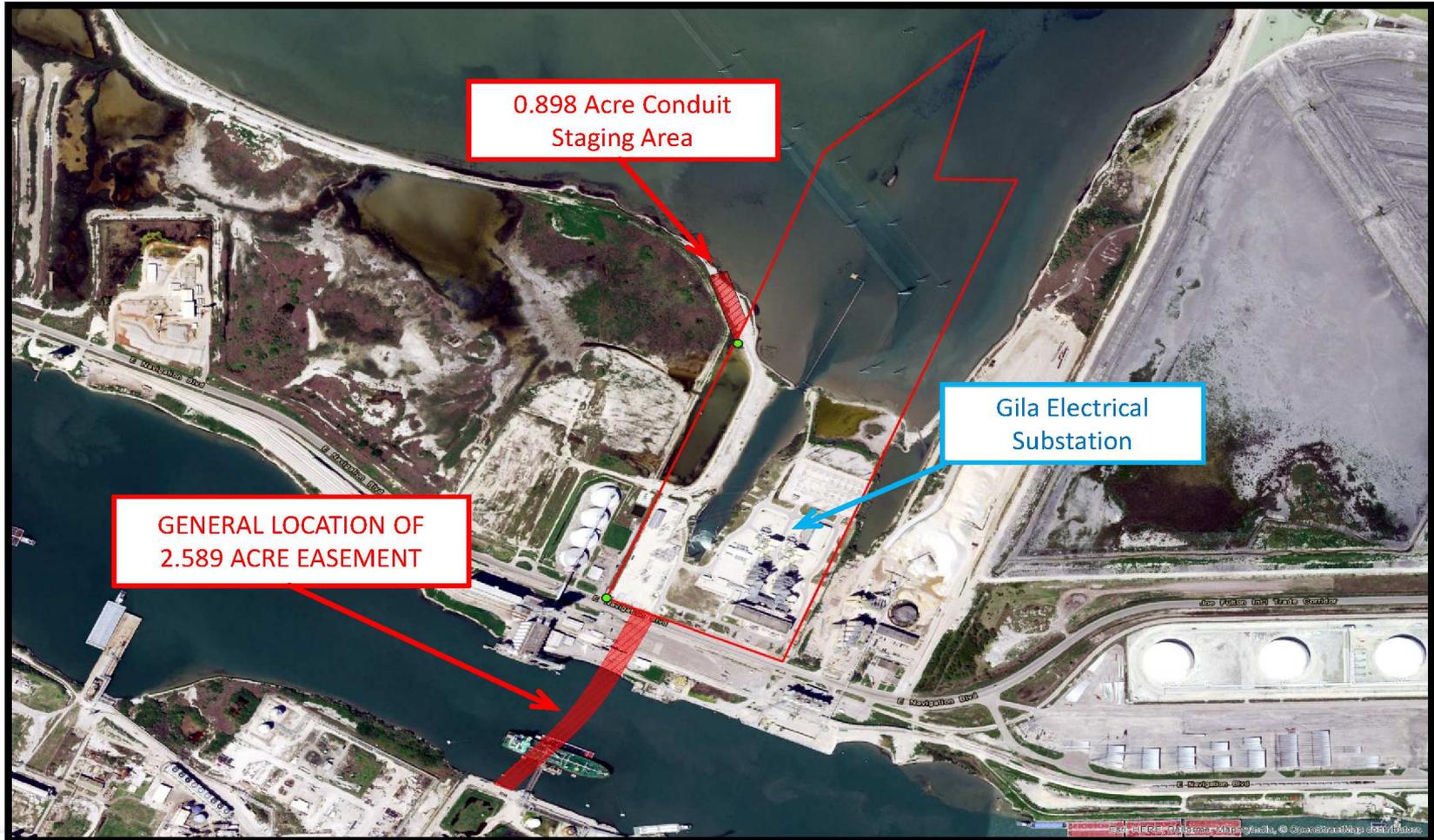
Originating Department	Real Estate
Reviewed & Approved	Darrin Aldrich
Legal	
Senior Staff	John LaRue
	Sean Strawbridge
	Jarl Pederson
	David Krams, P.E.

LIST OF SUPPORTING DOCUMENTS:

Map Exhibit
Easement Summary
Easement Agreement
Metes & Bounds Description – Exhibit A
Metes & Bounds Description – Exhibit B

AEP Texas Central Company

138kV Electrical Transmission Lines Crossing the Industrial Canal





**PORT OF CORPUS CHRISTI AUTHORITY
EASEMENT SUMMARY**

Grantee: AEP Texas Central Company
P.O. Box 2121
Corpus Christi, Texas 77403

Easement Location: Reference Exhibit Attached

Use: Grantee will directionally drill two (2) new 36” diameter bores within the 100 ft. wide easement, located in the approximate location of the existing 30 ft. easement crossing the Channel, as indicated on Exhibit "A" attached hereto. Four (4) 8-inch SDR11 HDP conduits (3 containing 4-1/2” conductors) will be installed in each bore and will run from the AEP Gila Substation north of the Channel to the Citgo facility south of the Channel as further depicted on Exhibit “A”.

Term: Fifty (50) years

Options: None

Start Date: August 16, 2016 – August 15, 2066

Fee: \$34,273.00 for the first ten year period.

Adjustment of Fee: During each succeeding ten (10) year period during the term of this easement, the ten year fee will be set by the Port Commissioners of the Authority based upon Authority’s then current fee schedule for pipelines or utility lines crossing Authority land then in force and effect as of each ten year anniversary date.

Remarks: The Transmission Lines replace two (2) sets of electrical transmission lines that currently cross beneath the Channel.

ELECTRIC TRANSMISSION LINE EASEMENT

THE STATE OF TEXAS §
 §
COUNTY OF NUECES §

PORT OF CORPUS CHRISTI AUTHORITY OF NUECES COUNTY, TEXAS, acting herein by and through its Port Commissioners hereunto duly authorized (hereinafter called "Authority") for and in consideration of Thirty Four Thousand Two Hundred Seventy Three and NO/100 Dollars (\$34,273.00) as payment for the first ten (10) year term of the fifty (50) year period of this easement and other good and valuable considerations, including the covenants and conditions herein made and provided to be kept and performed by Grantee, has GRANTED AND CONVEYED and by these presents does GRANT AND CONVEY to **AEP TEXAS CENTRAL COMPANY**, a Texas Corporation (hereinafter called "Grantee"), an exclusive right-of-way and easement (hereinafter called the "Easement") on and through the Authority's land located in Nueces County, Texas, for the purpose of replacing two (2) sets of electrical transmission lines that currently cross beneath the Corpus Christi Ship Channel (the "Channel") by constructing, laying, operating, maintaining, repairing and removing two (2), new sets of submarine and/or underground electric transmission lines, conduits, conductors, static wires, communication circuits and all necessary or desirable appurtenances (hereinafter called the "Transmission Lines" as shown in Exhibit "A" for the uses herein set out upon, over and across the Easement hereby granted, together with the right of ingress and egress over, across, and upon said land and Authority's adjacent land, subject to the provisions of this agreement, for the purpose of constructing, operating, reconstructing, inspecting, patrolling, repairing, maintaining, and removing said lines. Payment for each succeeding ten year term of this Easement shall become payable on the tenth, twentieth, thirtieth and fortieth anniversary of the 50 year period of this Agreement and shall be calculated in accordance with the fee schedule for pipeline or utility lines crossing Authority land then in force and effect as of each ten year anniversary date.

As additional consideration for this Easement, Grantee shall (i) at its sole cost and expense, cut, purge and cap the two (2) sets of electrical transmission lines that currently cross beneath the Channel constructed by virtue of: a) that certain Electric Transmission Line Easement by and between Authority and Grantee, dated October 9, 2001 and recorded as Document No. 2002010589 in the Official Public Records, Nueces County, Texas; and b) that certain Electric Transmission Line Easement by and between Authority and Grantee, dated May 8, 2001 (collectively called the "Existing Easement Agreements"); and (ii) continue to be responsible for removal of the two (2) sets of electrical transmission lines pursuant to the terms of Paragraph G – Relocation of the Existing Easement Agreements should either the Authority or the Federal Government require Grantee to remove, lower, raise, or relocate the transmission lines in the event the Authority or Federal Government commences the deepening or widening of the Channel.

The Easement is described and depicted on Exhibit "A" attached hereto, which is incorporated herein by reference for all purposes.

TO HAVE AND TO HOLD unto Grantee, its successors and assigns, the rights and privileges hereby conveyed for fifty (50) years, and subject to the exceptions and reservations herein set forth, and upon the following covenants and conditions which are a part of the

consideration for this grant, which covenants and conditions are and shall be construed as covenants running with the land, and which covenants and conditions by its acceptance hereof Grantee covenants and agrees to keep and perform.

This Easement is granted subject to the following:

A. Type of Transmission Lines. The Transmission Lines shall be high voltage submarine and/or underground electric transmission cables together with conduits, static wires, communication circuits and other appurtenances as deemed appropriate by Grantee.

B. Temporary Construction Easement. Authority hereby grants and conveys to Grantee an exclusive temporary workspace easement described on and depicted on the survey plats attached hereto as Exhibit "B" (the "Temporary Construction Easement") for the staging and storage of components, equipment, facilities and appurtenances for the initial construction of the Transmission Lines, including: structural steel, instrumentation, piping, and hardware materials; light fabrication; and employee and contractor temporary offices and parking. This Temporary Construction Easement and all of Grantee's rights hereunder shall automatically terminate upon whichever event occurs first (the "Term"): (1) the completion of the initial construction of the Transmission Lines; or (2) eighteen (18) calendar months from the date of execution below. Upon the termination of this Temporary Construction Easement, Grantee shall have no further rights relating thereto, and all improvements on the Temporary Construction Easement in which Authority elects to not have Grantee remove shall become the property of Authority.

C. Access. Except for the Temporary Construction Easement, the rights of ingress and egress hereinabove referred to in Grantee shall be confined to the above-described Easement. Grantee shall have the right to cross Authority's adjacent land, store materials or equipment thereon or to conduct any of its operations thereon only if the prior consent of the Authority is obtained in writing, which consent will not be unreasonably withheld. Except in the case of an emergency, Grantee agrees to notify the Authority not less than seventy-two (72) hours prior to its employees, agents or contractors entering upon the Easement for construction, maintenance, repairs or other operations.

D. Construction, Maintenance and Use. Grantee shall construct and maintain the Transmission Lines in a good and workmanlike manner and in compliance with all applicable governmental and industry standards for construction and maintenance of the same.

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

Grantee shall furnish the Authority upon completion of the installation of the Transmission Lines or any modification thereof an as-built drawing of the location of the Transmission Lines and any modification.

Grantee shall be responsible for coordination of its construction and use in the Easement with any other existing users and easement holders near the Easement. Grantee shall promptly

restore any portion of the Easement damaged by Grantee. All restoration work shall be appropriately tested at Grantee's expense.

E. Reservations and Exceptions. The Easement and Temporary Construction Easement are further made subject to any restrictions, covenants, easements, rights-of-way, encumbrances, and mineral or royalty reservations or interests affecting the Easement and/or the Temporary Construction Easement whether or not appearing of record in the Official Public Records of Nueces County, Texas, to the extent that said items and matters are in effect and validly enforceable.

F. Indemnity. GRANTEE HEREBY RELEASES AND DISCHARGES AUTHORITY FROM LIABILITY FOR, AND ASSUMES THE RISK OF LOSS OR DAMAGE TO THE PROPERTY OF GRANTEE, AND THE PERSONAL INJURY OR DEATH OR ANY PERSON EMPLOYED BY GRANTEE, AND GRANTEE EXPRESSLY AGREES TO DEFEND, INDEMNIFY, REIMBURSE AND HOLD AUTHORITY, ITS AGENTS, SERVANTS, EMPLOYEES AND COMMISSIONERS, HARMLESS FROM ALL CLAIMS, CAUSES OF ACTION, DEMANDS, DAMAGES AND LIABILITIES OF ANY KIND OR CHARACTER, INCLUDING BUT NOT LIMITED TO CLAIMS, CAUSES OF ACTION, DEMANDS, DAMAGES AND LIABILITIES IN ANY MATTER RESULTING FROM, ARISING OUT OF OR CAUSED, IN WHOLE OR IN PART, BY GRANTEE'S WILLFUL MISCONDUCT, NEGLIGENCE, GROSS NEGLIGENCE, DELIBERATE ACTS, STRICT LIABILITY IN TORT, BREACH OF WARRANTY, EXPRESS OR IMPLIED, OR BREACH OF ANY TERM OR CONDITION OF THIS EASEMENT, INCLUDING THAT CAUSED BY ANY OF THE GRANTEE'S AGENTS, CONTRACTORS, EMPLOYEES, INVITEES OR LICENSEES, ACTIVITIES DIRECTLY RELATED TO THIS EASEMENT OCCURRING IN, DURING OR AFTER THE TERM OF THIS EASEMENT, SAVE AND EXCEPT SUCH DAMAGES AS MAY BE CAUSED BY THE NEGLIGENCE OF THE AUTHORITY, ITS AGENTS, CONTRACTORS, EMPLOYEES, INVITEES OR LICENSEES IT BEING INTENDED THAT GRANTEE WILL INDEMNIFY AUTHORITY FOR GRANTEE'S PROPORTIONATE FAULT, INCLUDING BUT NOT LIMITED TO, NEGLIGENCE, WHICH CAUSES SUCH DAMAGES. IT IS EXPRESSLY AGREED THAT SHOULD GRANTEE FAIL OR REFUSE TO PARTICIPATE IN THE SETTLEMENT OF A CLAIM FOR DAMAGES, THEN AUTHORITY MAY SETTLE WITH THE CLAIMANT WITHOUT PREJUDICE TO AUTHORITY'S INDEMNITY RIGHTS SET FORTH HEREIN, IT BEING EXPRESSLY RECOGNIZED THAT A SETTLEMENT AFTER DEMAND ON GRANTEE WILL CONSTITUTE A SETTLEMENT OF THE PROPORTIONATE FAULT, INCLUDING BUT NOT LIMITED TO NEGLIGENCE, OF BOTH GRANTEE AND AUTHORITY, WHICH SETTLEMENT MAY LATER BE APPORTIONED BETWEEN AUTHORITY AND GRANTEE.

TO THE EXTENT PERMITTED BY LAW, AUTHORITY HEREBY RELEASES AND DISCHARGES GRANTEE FROM LIABILITY FOR, AND ASSUMES THE RISK OF LOSS OR DAMAGE TO THE PROPERTY OF AUTHORITY, AND THE PERSONAL INJURY OR DEATH OF ANY PERSON EMPLOYED BY AUTHORITY, AND AUTHORITY EXPRESSLY AGREES TO DEFEND, INDEMNIFY, REIMBURSE AND HOLD GRANTEE, ITS AGENTS, SERVANTS, EMPLOYEES AND COMMISSIONERS, HARMLESS FROM ALL CLAIMS,

CAUSES OF ACTION, DEMANDS, DAMAGES AND LIABILITIES OF ANY KIND OR CHARACTER, INCLUDING BUT NOT LIMITED TO CLAIMS, CAUSES OF ACTION, DEMANDS, DAMAGES AND LIABILITIES IN ANY MATTER RESULTING FROM, ARISING OUT OF OR CAUSED, IN WHOLE OR IN PART, BY AUTHORITY'S WILLFUL MISCONDUCT, NEGLIGENCE, GROSS NEGLIGENCE, DELIBERATE ACTS, STRICT LIABILITY IN TORT, BREACH OF WARRANTY, EXPRESS OR IMPLIED, OR BREACH OF ANY TERM OR CONDITION OF THIS EASEMENT, INCLUDING THAT CAUSED BY ANY OF THE AUTHORITY'S AGENTS, CONTRACTORS, EMPLOYEES, INVITEES OR LICENSEES, ACTIVITIES DIRECTLY OR INDIRECTLY RELATED TO AUTHORITY'S USE OF THE EASEMENT OR ITS SURROUNDING PROPERTIES AND OCCURRING IN, DURING OR AFTER THE TERM OF THIS EASEMENT, SAVE AND EXCEPT SUCH DAMAGES AS MAY BE CAUSED BY THE NEGLIGENCE OF THE GRANTEE, ITS AGENTS, CONTRACTORS, EMPLOYEES, INVITEES OR LICENSEES, IT BEING INTENDED THAT AUTHORITY WILL INDEMNIFY GRANTEE FOR AUTHORITY'S PROPORTIONATE FAULT, INCLUDING BUT NOT LIMITED TO, NEGLIGENCE, WHICH CAUSES SUCH DAMAGES. IT IS EXPRESSLY AGREED THAT SHOULD AUTHORITY FAIL OR REFUSE TO PARTICIPATE IN THE SETTLEMENT OF A CLAIM FOR DAMAGES, THEN GRANTEE MAY SETTLE WITH THE CLAIMANT WITHOUT PREJUDICE TO GRANTEE'S INDEMNITY RIGHTS SET FORTH HEREIN, IT BEING EXPRESSLY RECOGNIZED THAT A SETTLEMENT AFTER DEMAND ON AUTHORITY WILL CONSTITUTE A SETTLEMENT OF THE PROPORTIONATE FAULT, INCLUDING BUT NOT LIMITED TO NEGLIGENCE, OF BOTH AUTHORITY AND GRANTEE, WHICH SETTLEMENT MAY LATER BE APPORTIONED BETWEEN AUTHORITY AND GRANTEE.

EXCEPT AS OTHERWISE EXPRESSLY LIMITED HEREIN, IT IS THE INTENT OF THE PARTIES HERETO THAT ALL INDEMNITY OBLIGATIONS AND LIABILITIES ASSUMED UNDER THE TERMS OF THIS EASEMENT BE WITHOUT MONETARY LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES HEREOF. THE INDEMNITY CONTAINED IN THIS PARAGRAPH APPLIES, WITHOUT LIMITATION, TO ANY VIOLATION OF ANY APPLICABLE ENVIRONMENTAL LAW IN EFFECT DURING THE TERM OF THIS EASEMENT, INCLUDING ANY EXTENSION, AND ANY AND ALL MATTERS ARISING OUT OF ANY ACT, OMISSION, EVENT OR CIRCUMSTANCE EXISTING OR OCCURRING DURING THE TERM OF THIS EASEMENT, INCLUDING ANY EXTENSIONS, REGARDLESS OF WHETHER THE ACT, OMISSION, EVENT OR CIRCUMSTANCE CONSTITUTED A VIOLATION OF ANY APPLICABLE ENVIRONMENTAL LAW AT THE TIME OF ITS EXISTENCE OR OCCURRENCE.

G. Assignment. The rights herein granted may not be assigned without the prior written consent of the Authority, which consent will not be unreasonably withheld; if the Authority withholds consent, Authority will provide written notice within thirty (30) days from date of notice of assignment to third parties by Grantee; failure to provide such written notice within the said thirty (30) days shall constitute acceptance of assignment.

Authority, however, consents to the assignment of the Easement to any corporation that is an affiliate of and controlled by, Grantee, or to a parent corporation of Grantee or a subsidiary corporation of such parent corporation.

The Easement shall be deemed a covenant running with the land and shall inure to the benefit of and be binding upon the parties hereto, their successors and assigns. Assignment in accordance with this paragraph G shall relieve Grantee from liability for the performance of the covenants and indemnities hereof.

H. Relocation. The Authority or Federal Government may require Grantee to remove, lower, raise, or relocate the Transmission Lines, equipment, facilities and appurtenances situated in the aforesaid Easement in the event the Authority or Federal Government commences the deepening or widening of the Channel and such deepening or widening will result in Grantee's Transmission Lines becoming an interference with the navigation of the Channel. In such event, the cost of such removal, lowering, raising or relocation shall be paid solely by Grantee in accordance with the terms of this Easement and applicable laws, rules, and regulations. In the event of such removal, lowering, raising, or relocation, Authority will provide Grantee with an alternate easement, using its best efforts, on Authority land in a location that is reasonably acceptable to Grantee and at no additional cost to Grantee.

I. Compliance with all Laws. The rights and privileges associated with the Easement and/or Temporary Construction Easement granted under this Agreement shall not be exercised in a manner so as to violate any standards or provisions of any applicable common law or legislation, or the rules, regulations or policies of any regulatory body, whether Federal, State municipal or county, including without limitation, applicable standards, legislation, rules and regulations relating to the protection of the environment.

J. Exhibits. All Exhibits attached hereto are hereby incorporated herein by this reference and made a part hereof for all purposes.

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

If to Authority: Port of Corpus Christi Authority
Attn: Executive Director
222 Power Street
P.O. Box 1541
Corpus Christi, Texas 78403
Fax: (361) 881-5155

If to Grantee: AEP Texas Central Company
c/o Transmission Right-of-Way Agent
P.O. Box 2121
Corpus Christi, Texas 78403

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

L. Severability/Interpretation. In case any one or more of the provisions contained in this Agreement shall for any reason be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein. Whenever required by the context, as used in this Agreement, the singular number shall include the plural and the neuter shall include the masculine or feminine gender, and vice versa.

M. Counterparts. This Agreement may be executed and acknowledged in counterparts, all of which executed and acknowledged counterparts shall together constitute a single document. Signature and acknowledgement pages may be detached from the counterparts and attached to a single copy of this document to physically form one document, which may be recorded.

N. Governing Law. THIS AGREEMENT IS GOVERNED BY AND SHALL BE CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, EXCLUDING ANY CONFLICT-OF-LAWS RULE OR PRINCIPLE THAT MIGHT REFER THE GOVERNANCE OR THE CONSTRUCTION OF THIS AGREEMENT TO THE LAW OF ANOTHER JURISDICTION.

The execution of this Easement shall be conclusive of the agreement of Authority and Grantee to all of the terms and conditions hereof, whereupon the Easement and all of its provisions shall extend to and be binding upon the legal representatives, successors and assigns of Grantee and Authority, respectively.

WITNESS this _____ day of _____, 2016.

[Signature and acknowledgment pages follow this page]

GRANTOR:

PORT OF CORPUS CHRISTI AUTHORITY

By: _____
John P. LaRue, Executive Director

THE STATE OF TEXAS §
 §
COUNTY OF NUECES §

This instrument was acknowledged before me on the _____ day of _____, 2016, by John P. LaRue, Executive Director of Port of Corpus Christi Authority of Nueces County, Texas, on behalf of the Port.

NOTARY PUBLIC, STATE OF TEXAS

My Commission Expires: _____

GRANTEE:

AEP TEXAS CENTRAL COMPANY

By: _____
Name: Thomas Schaffer
Title: Authorized Signer

THE STATE OF OHIO §
 §
COUNTY OF FRANKLIN §

This instrument was acknowledged before me on the _____ day of _____, 2016, by Thomas Schaffer, Manager Transmission Right of Way for American Electric Power Service Corporation, as Authorized Signer for AEP Texas Central Company, on behalf of the Company.

NOTARY PUBLIC, STATE OF OHIO

My Commission Expires: _____



**AEP TEXAS CENTRAL COMPANY
PORT OF CORPUS CHRISTI
NUECES COUNTY, TEXAS
2.589 ACRE TRANSMISSION LINE EASEMENT**

EXHIBIT "A"

BEING a 2.589 acre tract of land lying in the Nueces County Navigation District No. 1 Survey, Abstract 2677, Nueces County, Texas, same also being a portion of a 2,694.93 acre tract of land as described and recorded in volume 192, page 579, Deed Records of Nueces County, Texas, same also being described by a drawing (POCCA ESMT.dwg dated March 10, 2016) attached to and made part hereof and more particularly described as follows:

BEGINNING at a 1/2" iron rod found with plastic cap stamped "CDS/MUERY S.A. TX." in the northeast right-of-way line of Joe Fulton Corridor (a.k.a. Navigation Boulevard) (varying width right-of-way) for the west corner of a 55.1225 acre tract of land as described as "Tract 1" and recorded in volume 250, page 390, Deed Records of Nueces County, Texas, and an interior corner of the herein described 2.589 acre tract;

THENCE along the northeast right-of-way line of the aforementioned Joe Fulton Corridor and the southwest line of the aforementioned 55.1225 acre tract, S66°41'29"E a distance of 76.89 feet to a 1/2" iron rod set with plastic cap stamped "CDS/MUERY S.A. TX." for the most southerly east corner of the herein described 2.589 acre tract, from which a 1/2" iron rod found with plastic cap stamped "CDS/MUERY S.A. TX." for the most southerly west corner of a 63.710 acre tract of land as described and recorded in document number 2004032951, Official Public Records of Nueces County, Texas, bears S66°41'29"E a distance of 186.10 feet;

THENCE leaving the northeast right-of-way line of the aforementioned Joe Fulton Corridor and the southwest line of the aforementioned 55.1225 acre tract, the following three (3) courses:

S26°36'02"W a distance of 388.91 feet to a point of curvature of the herein described 2.589 acre tract,

an arc distance of 522.63 feet along a curve to the right having a radius of 1,860.00 feet, a central angle of 16°05'57", and a chord which bears S34°39'00"W a distance of 520.91 feet to a point of tangency of the herein described 2.589 acre tract, and

S42°41'59"W a distance of 213.62 feet to a point in the northeast line of a tract of land described as "Pontiac Tract A" and recorded in volume 2142, page 803, Deed Records of Nueces County, Texas, for the south corner of the herein described 2.589 acre tract;

THENCE along the northeast line of the aforementioned "Pontiac Tract A," N66°39'45"W, passing at a distance of 105.52 feet a point for the east corner of a 60.89 acre tract of land as described and recorded in volume 2185, page 809, Deed Records of Nueces County, Texas, and the north corner of said "Pontiac Tract A," a total distance of 106.00 feet to a point for the west corner of the herein described 2.589 acre tract;

THENCE leaving the northeast line of the aforementioned 60.89 acre tract the following three (3) courses:

N42°41'59"E a distance of 248.76 feet to a point of curvature of the herein described 2.589 acre tract,

**AEP TEXAS CENTRAL COMPANY
PORT OF CORPUS CHRISTI
NUECES COUNTY, TEXAS
2.589 ACRE TRANSMISSION LINE EASEMENT**

an arc distance of 494.54 feet along a curve to the left having a radius of 1,760.00 feet, a central angle of 16°05'57", and a chord which bears N34°39'00"E a distance of 492.91 feet, to a point of tangency of the herein described 2.589 acre tract, and

N26°36'02"E a distance of 392.18 feet to a 1/2" iron rod set with plastic cap stamped "CDS/MUERY S.A. TX." in the northeast right-of-way line of the aforementioned Joe Fulton Corridor for the north corner of the herein described 2.589 acre tract;

THENCE along the northeast right-of-way line of the aforementioned Joe Fulton Corridor, S66°40'06"E a distance of 22.74 feet to a 1/2" iron rod set with plastic cap stamped "CDS/MUERY S.A. TX." for the most northerly east corner of the herein described 2.589 acre tract;

THENCE continuing along the northeast right-of-way line of the aforementioned Joe Fulton Corridor, S23°12'51"W a distance of 9.00 feet to the **PLACE OF BEGINNING** and containing 2.589 acres of land.

The bearing basis for this survey is Grid North, Texas State Plane Coordinate System, NAD 1983(HARN), South Zone.

**THE STATE OF TEXAS
KNOWN TO ALL MEN BY THESE PRESENTS:
COUNTY OF BEXAR**

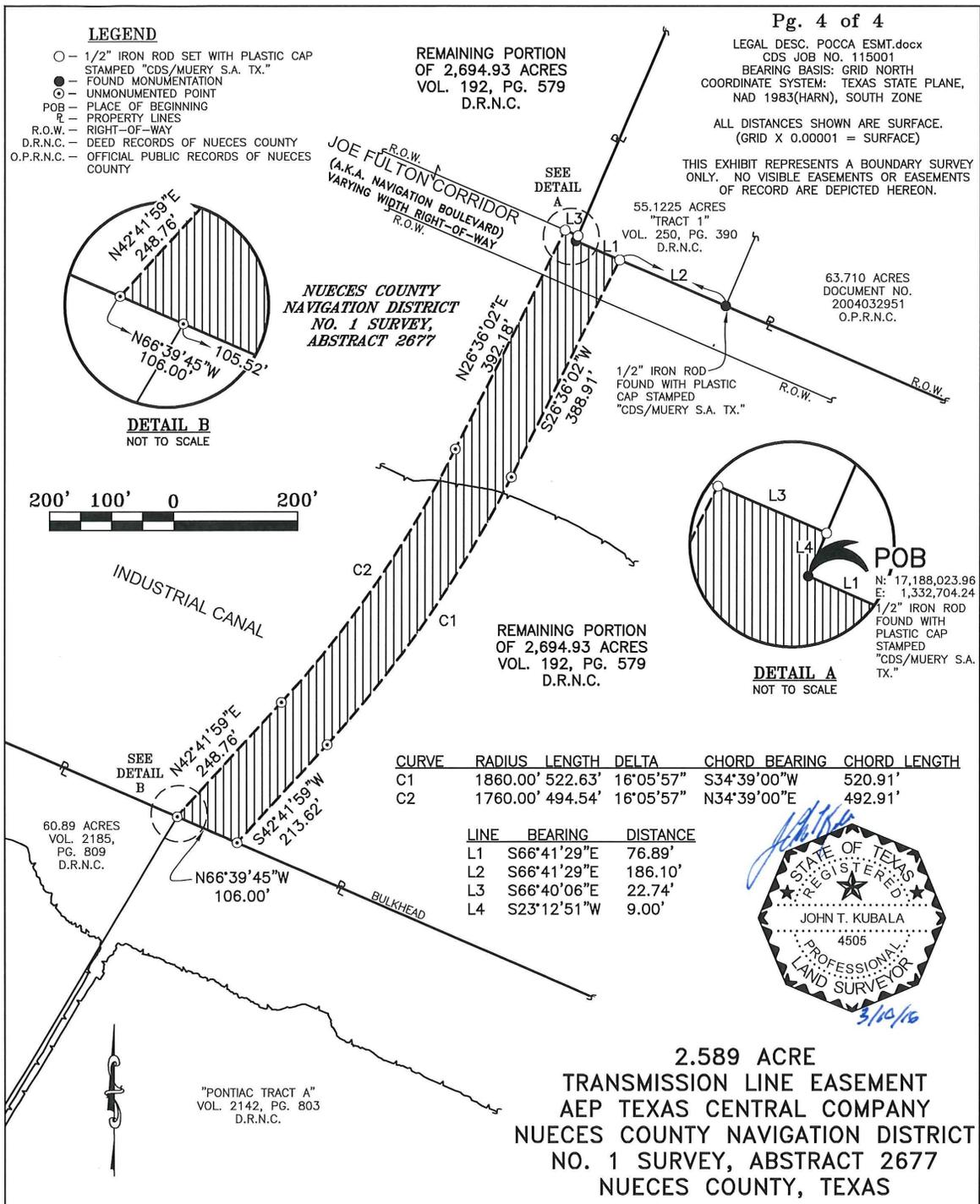
I, John T. Kubala, a Registered Professional Land Surveyor, do hereby certify that the above field notes were prepared using information obtained by an on the ground survey made under my direction and supervision in November 2015 through March 2016.

Date 10th day of March 2016 A.D.





John T. Kubala
Registered Professional Land Surveyor
No. 4505 - State of Texas



Pg. 4 of 4

LEGAL DESC. POCCA ESMT.docx
 CDS JOB NO. 115001
 BEARING BASIS: GRID NORTH
 COORDINATE SYSTEM: TEXAS STATE PLANE, NAD 1983(HARN), SOUTH ZONE
 ALL DISTANCES SHOWN ARE SURFACE.
 (GRID X 0.00001 = SURFACE)

THIS EXHIBIT REPRESENTS A BOUNDARY SURVEY ONLY. NO VISIBLE EASEMENTS OR EASEMENTS OF RECORD ARE DEPICTED HEREON.



CURVE	RADIUS	LENGTH	DELTA	CHORD BEARING	CHORD LENGTH
C1	1860.00'	522.63'	16°05'57"	S34°39'00"W	520.91'
C2	1760.00'	494.54'	16°05'57"	N34°39'00"E	492.91'

LINE	BEARING	DISTANCE
L1	S66°41'29"E	76.89'
L2	S66°41'29"E	186.10'
L3	S66°40'06"E	22.74'
L4	S23°12'51"W	9.00'



CDS muery
 ENGINEERS • SURVEYORS
3411 HAGGARD DRIVE SAN ANTONIO, TEXAS 78239 • C: (210) 581-4111 F: (210) 581-5555
 T8PE FAX: F-1733 • T8PLS FAX: 100495-00

DRAWN BY: J. KENNEDY	DATE: MARCH 10, 2016
DRAWING NAME: POCCA ESMT.dwg	





**AEP TEXAS CENTRAL COMPANY
NUECES COUNTY NAVIGATION DISTRICT
NUECES COUNTY, TEXAS
0.898 OF AN ACRE CONDUIT STAGING AREA**

EXHIBIT "B"

PARCEL 4

BEING a 0.898 of an acre tract of land lying in the Submerged Land Survey 708A and the Nueces County Navigation District No. 1 Survey, Abstract 2677, Nueces County, Texas, same being a portion of a 2,694.93 acre tract of land as described and recorded in volume 192, page 579, Deed Records of Nueces County, Texas, same also being described by a drawing (PARCEL 4 CONDUIT STAGING AREA POCCA.dwg dated March 10, 2016) attached to and made part hereof and more particularly described as follows:

COMMENCING at a 1/2" iron rod found with plastic cap stamped "CDS/MUERY S.A. TX." in the northeast right-of-way line of Joe Fulton International Trade Corridor (a.k.a. Navigation Boulevard) (varying width right-of-way) for the west corner of a 55.1225 acre tract of land described as "Tract 1" and recorded in volume 250, page 390, Deed Records of Nueces County, Texas;

THENCE leaving the northeast right-of-way line of the aforementioned Joe Fulton International Trade Corridor, along the northwest line of the aforementioned 55.1225 acre tract, N23°12'51"E, passing a 1/2" iron rod set with plastic cap stamped "CDS/MUERY S.A. TX." at a distance of 9.00 feet, a total distance of 1,774.46 feet to a point in a northwest line of a 63.710 acre tract of land described as "Exhibit-A1" and recorded in document number 2004032951, Official Public Records of Nueces County, Texas, for the **PLACE OF BEGINNING** and the south corner of the herein described 0.898 of an acre tract;

THENCE leaving a northwest line of the aforementioned 63.710 acre tract, N17°19'58"W a distance of 449.41 feet to a point for the west corner of the herein described 0.898 of an acre tract;

THENCE N72°40'02"E a distance of 100.00 feet to a point for the north corner of the herein described 0.898 of an acre tract;

THENCE S17°19'58"E a distance of 332.52 feet to a point in a northwest line of the aforementioned 63.710 acre tract for the east corner of the herein described 0.898 of an acre tract;

AEP TEXAS CENTRAL COMPANY
NUECES COUNTY NAVIGATION DISTRICT
NUECES COUNTY, TEXAS
0.898 OF AN ACRE CONDUIT STAGING AREA

THENCE along a northwest line of the aforementioned 63.710 acre tract, S23°12'51"W a distance of 153.83 feet to the **PLACE OF BEGINNING** and containing 0.898 of an acre of land.

The bearing basis for this survey is Grid North, Texas State Plane Coordinate System, NAD 1983(HARN), South Zone.

**THE STATE OF TEXAS
KNOWN TO ALL MEN BY THESE PRESENTS:
COUNTY OF BEXAR**

I, John T. Kubala, a Registered Professional Land Surveyor, do hereby certify that the above field notes were prepared using information obtained by an on the ground survey made under my direction and supervision from August 2015 to March 2016.

Date 10TH day of MARCH 2016 A.D.





John T. Kubala
Registered Professional Land Surveyor
No. 4505 - State of Texas

LINE	BEARING	DISTANCE
L1	N17°19'58"W	449.41'
L2	N72°40'02"E	100.00'
L3	S17°19'58"E	332.52'
L4	S23°12'51"W	153.83'

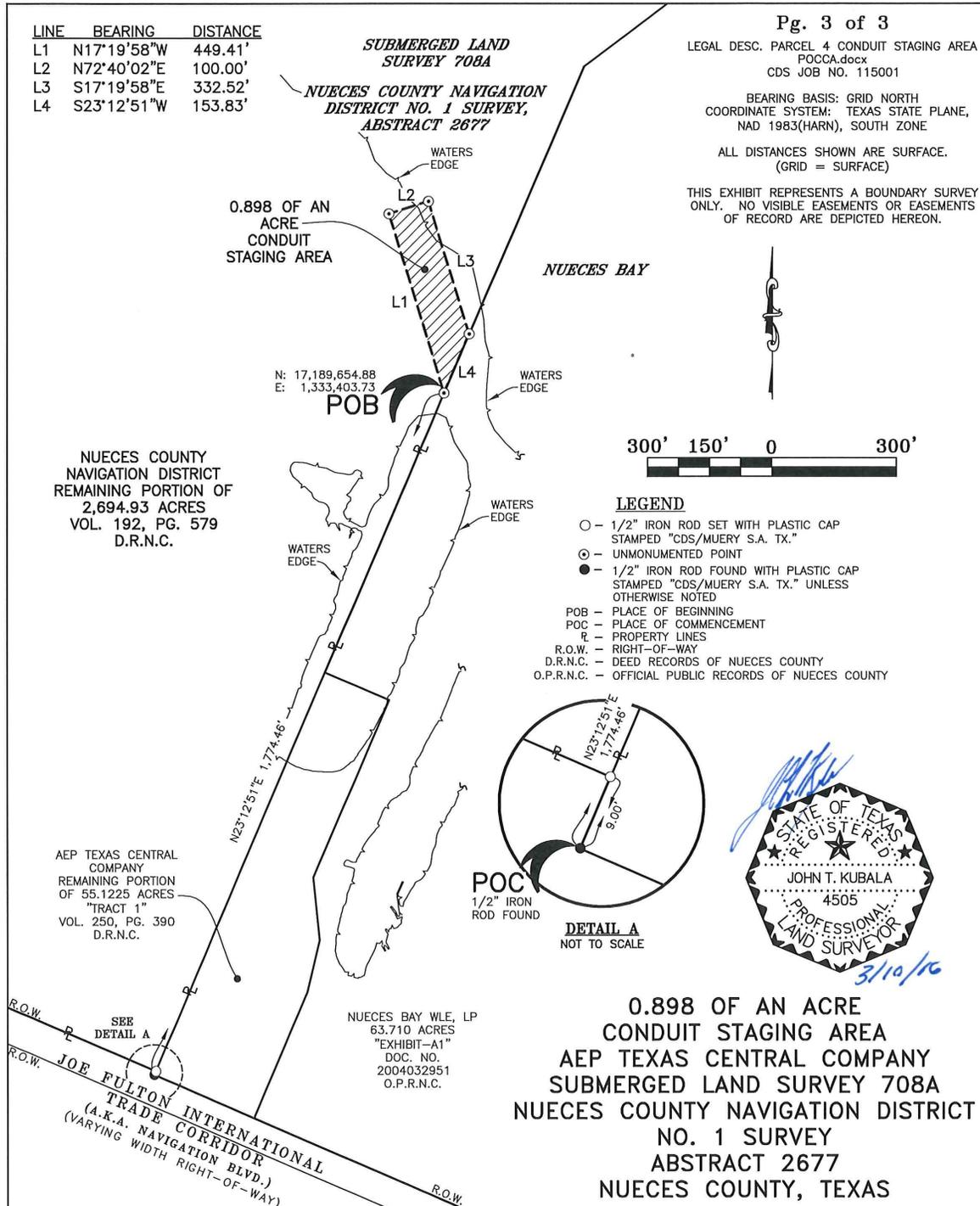
Pg. 3 of 3

LEGAL DESC. PARCEL 4 CONDUIT STAGING AREA
POCCA.docx
CDS JOB NO. 115001

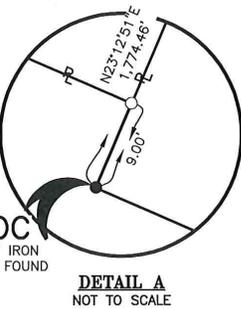
BEARING BASIS: GRID NORTH
COORDINATE SYSTEM: TEXAS STATE PLANE,
NAD 1983(HARN), SOUTH ZONE

ALL DISTANCES SHOWN ARE SURFACE.
(GRID = SURFACE)

THIS EXHIBIT REPRESENTS A BOUNDARY SURVEY
ONLY. NO VISIBLE EASEMENTS OR EASEMENTS
OF RECORD ARE DEPICTED HEREON.



- LEGEND**
- - 1/2" IRON ROD SET WITH PLASTIC CAP STAMPED "CDS/MUERY S.A. TX."
 - ⊙ - UNMONUMENTED POINT
 - - 1/2" IRON ROD FOUND WITH PLASTIC CAP STAMPED "CDS/MUERY S.A. TX." UNLESS OTHERWISE NOTED
 - POB - PLACE OF BEGINNING
 - POC - PLACE OF COMMENCEMENT
 - - PROPERTY LINES
 - - RIGHT-OF-WAY
 - D.R.N.C. - DEED RECORDS OF NUECES COUNTY
 - O.P.R.N.C. - OFFICIAL PUBLIC RECORDS OF NUECES COUNTY



**0.898 OF AN ACRE
CONDUIT STAGING AREA
AEP TEXAS CENTRAL COMPANY
SUBMERGED LAND SURVEY 708A
NUECES COUNTY NAVIGATION DISTRICT
NO. 1 SURVEY
ABSTRACT 2677
NUECES COUNTY, TEXAS**

<p>CDS muery ENGINEERS • SURVEYORS <small>3411 MAGIC DRIVE SAN ANTONIO, TEXAS 78239 • O. (210) 581-1111 F. (210) 581-5555 TSP#162-F-1733 • TSP#3422-100955-03</small></p>	DRAWN BY: J. KENNEDY	DATE: MARCH 10, 2016	
	DRAWING NAME: PARCEL 4 CONDUIT STAGING AREA POCCA.dwg		

DATE: August 16, 2016
TO: Port Commission
FROM: David Krams, P.E., Director of Finance
Krams@pocca.com
(361) 885-6134

AGENDA ITEM NO. 13.b

Award a Construction Contract in the Amount of \$69,930 to Malek Inc., the Lowest and Best Bidder Based on Bids Received on July 22, 2016, for Replacement of the HVAC Chiller in the Annex Building

SUMMARY: Staff requests approval of a construction contract with Malek Inc. in the amount of \$69,930.00 for the Annex Building HVAC Chiller Replacement project.

BACKGROUND: Earlier this year after staff and technicians addressed several maintenance and repair issues with the Annex Building HVAC system, the maintenance department recommended proceeding with a project to replace the 10-year-old air-cooled water chiller system. Primary issues with the existing equipment were related to the failure and excessive vibration exhibited in two of the system's four compressors, most likely caused by the poor, corroded, condition of the condenser coils. Given the system's proximity to the highly corrosive bayfront environment, it is common for equipment of this type to exhibit accelerated corrosion, increased maintenance needs, and limited life.

Therefore, the PCCA solicited bids to replace the Annex Building's chiller system with an 80-ton, 4-compressor system, similar to what exists today. On July 22, 2016, we received four responses to our Notice to Bidders (see attached Bid Tabulation). Malek Inc. submitted the lowest and apparent best bid of \$69,930 for the Base Bid.

ALTERNATIVES: Replace two of the four compressors at an estimated cost of \$40,000 to \$50,000; however, the other two compressors will also need to be replaced in the near future, possibly within the next few years.

CONFORMITY TO PORT POLICY: N/A

EMERGENCY: No.

FINANCIAL IMPACT: This capital project was not budgeted for 2016.

STAFF RECOMMENDATION: Staff recommends that a contract be awarded to Malek Inc. in the amount of \$69,930 for the Base Bid. Staff further recommends that the Director of Engineering Services be granted a 9% contingency in accordance with the PCCA's standard contingency guidelines for general construction projects.

DEPARTMENTAL CLEARANCES:

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

LIST OF SUPPORTING DOCUMENTS:

Bid Tabulation

AGENDA ITEM NO. 13.b



**BID TABULATION FOR
ANNEX BUILDING CHILLER REPLACEMENT
PROJECT NO. 16-058A
Bid Opening: July 22, 2016 at 2:30 pm**

Company Name	Bid Bond or Check	Base Bid ^A	Addendum No 1	Addendum No 2
Malek Inc.	5%	\$69,930.00	x	x
Weathertrol, Inc.	5%	\$72,995.00	x	x
Miller & Miller Mechanical Contracting Company, Inc.	5%	\$74,000.00	x	x
Pro Tech Mechanical, Inc.	5%	\$91,500.00	x	x

^A BASE BID: The scope of work consists of demolishing an existing water chilling unit and associated components, installing new approximately 81 ton water chilling system and associated piping, and performing electrical work, as necessary to provide a working system. This is a lump sum bid. Work to be complete within 90 calendar days.

Read By: Jacob Morales, P.E.

Tabulated By: Bert Perez, P.E.

Checked & Prepared By: Lucy Betancourt

Date: July 22, 2016



DATE: August 16, 2016

TO: Port Commission

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

AGENDA ITEM NO. 13.c

Approve Lease Agreement with Flatiron/Dragados, LLC for temporary construction areas located on the North side and the South Side of the Corpus Christi Turning Basin to facilitate construction of the new Harbor Bridge

SUMMARY: Staff and representatives of Flatiron/Dragados, LLC (FD) have negotiated the terms of temporary construction lease area on the north side of the Ship Cannel (1.46 Acres) and the south side (1.30 Acres) of the Corpus Christi Turning Basin to facilitate construction of the new Harbor Bridge. The lease agreement will be for a four-year primary term with two 1-year options. The annual lease fee is \$82,800, and payable in monthly installments of \$6,900. Staff and FD have also coordinated the use of the construction right of way on the north side and south side of the channel within the Lease Agreement to minimize the impact on Port operations.

BACKGROUND: On September 15, 2015 the Port Commission approved a Construction Access Agreement between the Texas Department of Transportation (TxDOT) and the PCCA. The Agreement outlines the coordination and cooperation between the PCCA and TxDOT, and TxDOT’s developer (Flat Iron/Dragados, LLC), in connection with the design, development, construction, operation, and maintenance of the project. Flat Iron/Dragados’s (FD) lease request is in alignment with the terms and conditions of the Construction Access Agreement. On July 20, 2016, TxDOT issued the Notice to Proceed Two (NTP-2) to FD to begin the construction phase of the Harbor Bridge project.

ALTERNATIVES: Several site options were explored to identify FD with a construction area that grants FD the most viable access and storage area adjacent to the bridge right of way and minimize the impact to Port operations.

CONFORMITY TO PORT POLICY: N/A

EMERGENCY: N/A

FINANCIAL IMPACT: Primary Term – 4 Years x \$82,800= \$331,200
 Primary Term + 1st Option = \$414,000
 Primary Term + 2nd Option = \$496,800



STAFF RECOMMENDATION: Staff recommends approval of the Lease Agreement with Flat Iron/Dragados, L.L.C.

DEPARTMENTAL CLEARANCES:

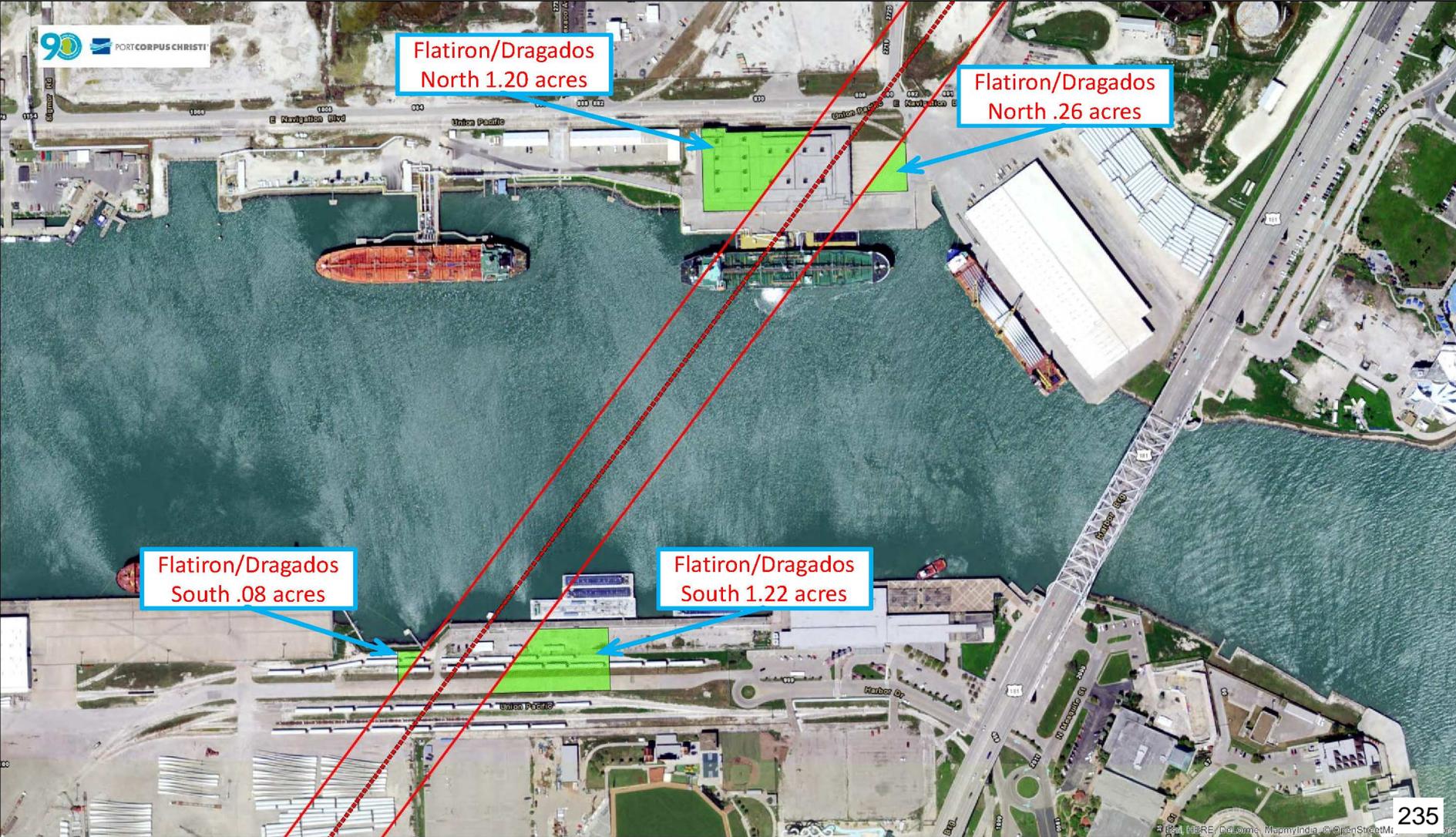
Originating Department	Real Estate
Reviewed & Approved	Darrin Aldrich
Legal	Jimmy Welder
Senior Staff	John LaRue
	Sean Strawbridge
	Jarl Pederson
	David Krams, P.E.

LIST OF SUPPORTING DOCUMENTS:

Memo Exhibit
Easement Agreement
Easement Summary

Flatiron/Dragados, LLC

Approve Temporary Construction Lease Areas With Flatiron/Dragados, LLC



- Legend**
- New_Bridge_Centerline
 - New_Bridge_ROW
 - Flatiron/Dragados, LLC

Generated by
Port of Corpus Christi
Real Estate Department

Flatiron/Dragados, LLC

Map Disclaimer:
This product is for informational purposes and
has not have been prepared for, or be suitable
for legal, engineering, or surveying purposes.

State Plane NAD 1983
South Zone FIPS 4205
Not To Scale

**PORT OF CORPUS CHRISTI AUTHORITY
LEASE SUMMARY**

Lessee: Flatiron/Dragados USA
2711 Centerville, Road, Suite 400
Wilmington, Delaware 19808

Leased Premises: South Leased Premises: 1.30 Acres, more or less, fronting on the Corpus Christi Turning Basin together. Lessee to install and maintain all necessary fencing and gates to maintain PCCA secured perimeter and FTZ compliance. Access gates allowed to be constructed on the east side and the west side of the lease premises. West gate is the primary entrance/exit point and the one to be used for shift change traffic. No construction equipment to enter through the east gate due to proximity to Solomon Ortiz Center. East gate limited to light duty Pickup trucks without trailers and passenger vehicles only and no shift change traffic.

North Leased Premises: 1.46 Acres, more or less, parking and storage area at the former cold storage warehouse fronting on Cargo Dock 10. Ingress and Egress limited to the right of way strip Grantee to coordinate crane movements and rail road operations within the Port Coordination Area shown on the drawing. Lessee's operations shall not interfere with PCCA's use of Cargo Dock 9 or PCCA's cargo transfers from Cargo Dock 9 and the shed behind Cargo Dock 9 to and from, Ave. F. and the Northside Open Storage Areas (West and East). Lessee to install and maintain all necessary fencing and gates to maintain PCCA secured perimeter and FTZ compliance.

Use: The Leased Premises shall be used for the following:
(1) The placement of temporary office buildings and employee parking areas;
(2) Receiving, storing and handling of materials including cement, gravel and materials used in the blending of concrete; and
(3) Installation and operation of cranes and other heavy industrial equipment to be used in connection with the construction of the new Hwy 181 Bridge over the Corpus Christi Ship Channel.

Term: Four (4) year primary term

Options: Two (2) extension periods of one (1) year each.

Start Date: August 17, 2016

Annual Rent: During the primary term - \$82,800 per year, payable in monthly installments of Seven Thousand One Hundred Fifty and no/100 Dollars (\$6,900.00) (based on Equalization Value of \$300,000 per acre and 10% yield)

Remarks: Partial Early Termination: In the event FD is no longer using any portion of the Leased Premises prior to the expiration of the Lease Term, upon written request by the Authority FD will surrender the unused area to the Authority and the base rent will be adjusted proportionately for any such portion of the Leased Premises surrendered.

Timeline Commitments:

FD will apply for all regulatory and construction permits within sixty (60) days of the Effective Date of the Lease Agreement.

All regulatory and construction permits shall be obtained within one hundred eighty (180) days of the Effective Date of the Lease Agreement

LEASE AGREEMENT

This **LEASE AGREEMENT** (the "Lease Agreement") is made this 16th day of August, 2016, by and between **PORT OF CORPUS CHRISTI AUTHORITY OF NUECES COUNTY, TEXAS**, pursuant to authorization by its Port Commissioners (hereinafter called "Authority"), and **FLATIRON/DRAGADOS LLC**, a Delaware limited liability company authorized to do business in Texas, whose principal address is 2711 Centerville Rd., Suite 400, Wilmington, Delaware 19808, (hereinafter called "Lessee"). Authority and Lessee shall be hereinafter jointly referred to as the "Parties" or individually to as the "Party".

ARTICLE I
LEASED PREMISES

A. Description and Term: Authority, in consideration of the rents to be paid and the terms, covenants, and conditions hereinafter set forth, hereby leases to Lessee the following two tracts of Land situated in Nueces County, Texas:

Tract I: 1.46 acres of land, more or less, more particularly described and depicted in Exhibit "A.1" (the "North Tract");

Tract II: 1.30 acres of land, more or less more particularly described and depicted in Exhibit "B.1" (the "South Tract").

The North Tract and the South Tract shall hereinafter collectively referred to as the "Leased Premises", **TO HAVE AND TO HOLD** the Leased Premises for a term (the "Primary Term") of four (4) years, beginning the 17th day of August, 2016 (the "Effective Date"), and terminating at midnight, Central Time on the 16th day of August, 2020, unless sooner terminated. Upon the expiration of the Primary Term this Lease Agreement shall be extended for a term of one (1) year (the "First Extension Term") upon Authority's receipt, not more than ninety (90) days prior to the expiration of the Primary Term, of Lessee's written notice of its election to extend the term of the Lease Agreement. The Lease Agreement may thereafter be extended one time for another one (1) year term (the "Second Extension Term") upon Authority's receipt, not more than ninety (90) days prior to the expiration of the First Extension Term, of Lessee's written notice of its election to extend the term of the Lease Agreement. The Primary Term, First Extension Term and the Secondary Extension Term shall hereinafter be collectively referred to as the "Term".

B. Holding Over: In the event of any holding over by Lessee beyond the Term of this Lease Agreement without the written consent of Authority, Lessee is deemed to be occupying the Leased Premises as a tenant at sufferance. During any holdover period, Lessee will pay 1.5 times the monthly rent being charged Lessee in the month prior to the commencement of Lessee's holding over, and Lessee will be subject to all other terms of this Lease Agreement insofar as the same are applicable to a tenant at sufferance. Nothing in this Section shall be construed to give Lessee the right to holdover after the termination of this Lease.

C. Assignment: Lessee may not assign this Lease Agreement in whole or in part or any interest therein nor sublet the Leased Premises or any part thereof nor grant any license,

concession or other right of occupancy of any portion of the Leased Premises without the prior written consent of Authority.

ARTICLE II
RENT AND UTILITIES

A. Rent: During the Primary Term, Eighty-Two Thousand Eight Hundred and no/100 Dollars (\$82,800.00) per year payable in monthly installments of Six Thousand Nine Hundred and no/100 Dollars (\$6,900.00) and other good and valuable consideration including the construction by Lessee of certain site improvements, if any, upon the Leased Premises. Rent shall be payable in advance, with the first monthly payment of rent (prorated) being due upon the Effective Date, and thereafter on the first day of the month for the remainder of the Term of this Lease.

If Lessee should fail to pay Authority any sum to be paid by Lessee to Authority hereunder within thirty (30) days after such payment is due, interest on the unpaid amount shall accrue at a rate of twelve percent (12%) per annum or the maximum rate allowed by law, whichever is greater, from the date payment was due until the date payment is made. Authority may also impose a late charge of Twenty-Five Dollars (\$25.00) or five percent (5%) of the unpaid amount, whichever is greater, to defray Authority's administrative costs incurred as a result of Lessee's failure to timely make such payment or payments, the amount of such costs not being readily ascertainable. Any such late charge shall be in addition to all other rights and remedies available to Authority hereunder or at law or in equity and shall not be construed as liquidated damages or limiting Authority's other remedies in any manner. Failure to pay such interest or late charge within thirty (30) days after written demand shall be an event of default hereunder. Following the dishonor of any check presented for payment, Authority shall have the right, at Authority's option, to require all further payments to be made by cashier's check, money order or wire transfer. For purposes of this Section, any adjustment payment made by Lessee to correct a prior underpayment shall be treated as due on the date such underpayment was due; provided, however, an adjustment payment made by Lessee as the result of an independent audit conducted at Lessee's expense shall not be subject to a late charge as described herein. Rent must be paid in legal tender of the United States of America without notice, demand, abatement, deduction or offset.

This is a net Lease. Authority shall not be required to make any expenditure, incur any obligation, or incur any liability of any kind whatsoever in connection with this lease unless provided for in this Lease Agreement or the financing, ownership, construction, reconstruction, maintenance, operation, or repair of the Leased Premises or the improvements thereon

B. Utilities: In addition to the rent described hereinabove, Lessee agrees to pay when due all charges it contracts for (a) water, gas, electricity, and other utilities, (b) garbage service, (c) security or guard services, or (d) railroad services in connection with the Leased Premises.

ARTICLE III
USE OF PREMISES

A. Use: The Leased Premises may be used for the following purposes, and for no other purpose, unless written permission for other use is obtained from Authority:

- (1) The placement of temporary office buildings and employee parking areas;
- (2) Receiving, storing and handling of materials including cement, gravel and materials used in the blending of concrete; and
- (3) Installation and operation of cranes and other heavy industrial equipment to be used in connection with the construction of the new Hwy 181 Bridge over the Corpus Christi Ship Channel.

In its use of the Leased Premises, Lessee will not violate any applicable and enforceable restrictive covenant or deed restriction (recorded or otherwise) affecting the Leased Premises, or any applicable law, statute, ordinance, rule, regulation, order or determination of any governmental authority or any board of fire underwriters.

Access – Lessee’s right of ingress and egress to the Leased Premises shall be as follows:

North Tract: Ingress and Egress is limited to the boundaries of the bridge right of way identified in the “Construction Access Agreement Between Texas Department of Transportation and Port of Corpus Christi Authority For the US 181 Harbor Bride Replacement Project” with an effective date of September 25, 2015 (the “TxDOT Construction Agreement”). Said bridge right of way is depicted in Exhibit A.3. Lessee is to coordinate with Authority all crane movements and rail road operations affecting areas outside the boundaries of the North Tract and within the area designated as the “Port Coordination Areas or Monitored Area” shown on Exhibit A.3. Lessee will be allowed temporary access to the North Tract through the Authority’s Avenue F Gate as shown on Exhibit A.2 until the long term fencing of the bridge right of way is completed.

South Tract: Lessee in the course of installing Security Fencing (defined below) for this Tract shall install gates, one on the East side (the “East Gate”) and one on the West side (the “Main Gate”) of the South Tract for purposes of ingress and egress to and from the South Tract. The Main Gate shall be the primary entrance and exit point for all employees and construction equipment and materials entering onto the South Tract. The Main Gate must and shall be used for all shift change traffic. The East Gate is limited to emergency response or emergency evacuation use only (i.e. emergency response vehicles, and the evacuation of light duty pickup trucks and passenger vehicles). Construction equipment and vehicles pulling a trailer, regardless of size, are prohibited from utilizing the East Gate. Similarly, the East Gate may not be used for employee shift change traffic. Lessee understands that the primary reason for the limitations on the utilization of the East Gate is to avoid interference with the traffic flow and operation of the Solomon Ortiz Center. If Authority determines in its sole and absolute discretion that Lessee has failed to abide by the East Gate limitations set forth above, then determined by Authority may elect to prohibit Lessee’s use of the East Gate permanently or for a specified period of time. To get to the Main Gate on the South Tract, Lessee will be allowed temporary access to the Port’s south side cargo terminal through the Main Port entrance on Stroman Rd. as shown on Exhibit B.2 until the long term fencing of the bridge right of way is completed. Once the bridge right of way fencing is completed, access to the Main Gate will be as shown on Exhibit B.3.

Fencing and Security – Lessee, at Lessee’s sole cost and expense, shall comply with: (1)

Authority's fencing requirements, (2) ingress and egress limitations imposed by Authority, (3) Authority's secure perimeter requirements, (4) ingress and egress limitations and any other security requirements imposed by federal or state law or regulation, and (5) the fencing specifications and requirements and other security requirements set forth in the TxDOT Construction Agreement for the Authority's secure perimeter (1-5 above collectively the "Security Regulations"). In order to comply with the Security Regulations it may be necessary for Lessee, both inside and outside the Leased Premises, to add fencing, reconstruct existing fencing, and to install gates and check points to ensure compliance with the Security Regulations ("Security Fencing"). All gates designated as being for Port Use (i.e. "Gate for Port Use") shall only be open/unlocked when manned by a Port Police Officer, Port Security Officer, or Port Contract Security Officer. All other gates to the Bridge right of way or Leased Premises will be kept locked or when open/unlocked will be manned or controlled as required by the Authority's Chief of Police.

All plans, specifications and designs for Security Fencing must be approved in advance by the Director of Engineering prior to their construction or reconstruction. In no event may Security Fencing, gates, check points or any of Lessee's operations on the Leased Premises interfere with the Authority's operations, the use of Authority facilities. In addition, Lessee's Security Fencing, gates, and operations on, at or near the North Tract shall not interfere with the smooth flow and transportation of cargo between Cargo Dock 9 and the following locations: (1) Shed located behind Cargo Dock 9, (2) Avenue F, and (3) the Authority's West and East Northside Open Storage Areas. All security fencing, gates and check points shall be sufficient to allow for the transportation of large bulky cargos, including but not limited to, wind turbine blades and towers.

B. Hazardous Use: No hazard may be created or allowed to continue on the Leased Premises that will increase the insurance rate of Authority or of other lessees of Authority whose properties are adjacent to the Leased Premises.

Lessee's occupancy, operation and/or use of the Leased Premises shall not violate any applicable city, state or federal laws or regulations pertaining to the storage, disposal, use or release of environmentally hazardous substances ("Hazardous Materials") as defined by any applicable city, state or federal law or regulation, and must comply with Authority's Tariffs, Rules and Regulations and the Port of Corpus Christi Authority's Design and Construction Guidelines set forth in Authority's Real Estate Manual.

Lessee will cooperate with the Authority's Tenant Audit Program (the "Program"). The audit will consist of a scheduled review of Lessee's operations and activities, a review of Lessee's environmental management programs, and a tour of the Leased Premises. Authority staff involved in the Program intend to gain an understanding of Lessee's operations and activities and what measures the Lessee is utilizing to comply with applicable local, state, and federal laws, rules and regulations, this Lease Agreement, and Authority's Tariffs, Rules, and Regulations. Through the Program they will seek to achieve cooperative conservation between Authority and Lessee that are actions relating to the use, enhancement and enjoyment of natural resources and protection of the environment. The audit will be conducted at least one time during the Primary Term of this lease and more frequently if determined by Authority staff to be necessary. A letter from Authority staff setting forth staff's observations will be provided to the Lessee following the audit. If violation of

applicable laws, rules, regulations, this Lease Agreement or the tariff have been observed, then Lessee will be notified of the same in the letter, and required to immediately take action to come into compliance, and to verify it has done so to Authority staff.

Lessee must clean up, remove, remediate and repair any soil or ground water contamination and damage caused by the release of any Hazardous Materials by the Lessee (or others for which the Lessee is responsible in law) in, on, under, or about the Leased Premises during occupancy of the Leased Premises in conformance with the requirements of applicable law. . Lessee shall immediately give Authority written notice of any suspected breach of this paragraph, upon learning of the presence or any release of any Hazardous Materials, or upon receiving any notice from governmental agencies pertaining to Hazardous Materials which may affect the Leased Premises.

The obligations of Lessee hereunder shall survive the expiration or earlier termination, for any reason, of this lease for a period of two (2) months and thereafter automatically terminate and be null and void for all purposes.

Lessee shall not bring or permit to remain on the Leased Premises any asbestos, petroleum or petroleum products, explosives or toxic materials except for commercially reasonable amounts of materials used in the ordinary course of Lessee's business, nor commit or permit to remain any waste or damage to the Leased Premises

C. Exclusive Possession: Subject to paragraph D, below, Lessee shall have exclusive possession of the Leased Premises during the Term of this Lease Agreement.

D. Use by Authority: Authority reserves the right to use any streets, docks, or roadways on the Leased Premises. Authority further reserves the right to use as much of the Leased Premises as is necessary to perform environmental testing on the Leased Premises, including without limitation environmental assessments and soil borings, and to lay mains for gas, water or sewers on the Leased Premises, 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, pipelines for oil, petroleum, petroleum products, fiber optics and any other products over, under and upon the Leased Premises (collectively, the "Authority Uses"); provided, however, that the same shall not interfere with Lessee's buildings, improvements or Lessee's use of the Leased Premises. Authority has the right to use third parties for the performance of the rights reserved to Authority in this Article subject to Lessee's reasonable approval. Lessee at any time may require that any of the Authority Uses stated above be relocated, raised, lowered, altered, or encased and protected by the Authority (at Authority's sole cost and expense) within 90 days after notice by Lessee to Authority.

ARTICLE IV **CONDITION OF PREMISES AND MAINTENANCE**

A. Lessee's Inspection: Lessee has inspected the Leased Premises, including all improvements, fixtures, equipment and personal property situated on the Leased Premises and has conducted any environmental assessment it desired and on the date of this Lease Agreement accepts the Leased Premises As Is, Where Is, and in the condition it existed on

that date, as reasonably suited and fit for Lessee's intended uses of the Leased Premises. Lessee acknowledges that Authority has made no express warranties with regard to the premises and to the maximum extent permitted by applicable law, Authority hereby disclaims, and lessee waives the benefit of, any and all implied warranties, including implied warranties of habitability, or fitness or suitability for lessee's purpose. Lessee shall not be responsible for any contamination or pollution of the Leased Premises which was caused by a party other than Lessee prior to the date of this Lease.

B. Authority's Inspection: Authority's agents, representatives, or employees may enter the Leased Premises for the purpose of inspection to determine whether Lessee is in compliance with the terms of this Lease Agreement, for purposes of maintaining, repairing, or altering the Leased Premises, or for the purpose of showing the Leased Premises to prospective lessees.

C. Maintenance: Lessee will, throughout the Term , at its own expense and risk, maintain the Leased Premises, Security Fencing, and all improvements on them in good order and condition, including but not limited to making all repairs and replacements necessary to keep the premises, Security Fencing and improvements in that condition. All maintenance, repairs, and replacements required by this Section must be performed promptly when required and so as not to cause material depreciation in the value of the Leased Premises (excepting real estate market fluctuations that occur from time to time).

If Lessee fails to perform its obligation to repair, replace, or maintain, as set forth above, within a reasonable time after notice from Authority of the need for repair, replacement, or maintenance, Authority may enter the Leased Premises and make the repairs or replacements, or perform the maintenance, or have the repairs or replacements made or maintenance performed, at its own expense. Upon Authority's notice to Lessee of the performance and cost of any maintenance, repairs, or replacements under this Section, Lessee must immediately reimburse Authority for the costs incurred by Authority pursuant to this Section, together with interest on the sum at the highest legal rate from the date of the notice until the date paid by Lessee to Authority.

At the expiration of the Term or any renewals or extensions thereof, or earlier termination or the lease, Lessee will surrender the Leased Premises in good order and repair except for reasonable wear and tear since the last necessary repair, replacement, restoration or renewal made by Lessee pursuant to its obligations under this Lease Agreement.

D. Alterations: All alterations or improvements made, placed, or constructed on the Leased Premises by Lessee after the date of this Lease Agreement will be at the sole cost and expense of Lessee. Lessee must construct and install Lessee's improvements in a good and workmanlike manner. New or additional improvements may not be constructed nearer than 8.5 feet to the centerline of any existing or proposed railroad track on or adjacent to the Leased Premises.

The following alterations or improvements, if any, must be made or constructed by Lessee on the Leased Premises: Security Fencing required by Authority or any Security Regulation;

Adequate environmental controls for the purpose of controlling dust from stockpiled materials on the Leased Premises.

Lessee must submit to Authority plans for any proposed buildings, drainage or improvements of any kind on the Leased Premises, or any alterations or additions to existing buildings or improvements (collectively, the “Plans”), and the Plans must be approved in writing by the Director of Engineering Services of Authority prior to the commencement of work on the same, which approval shall not be unreasonably denied, delayed or conditioned.

Copies of all permits for work in navigable waters related to the Leased Premises issued to Lessee by the Department of Army or any other federal, state or other governmental agency shall be filed with Authority.

No approval of designs, site plans, plans, specifications or other matters may ever be construed as representing or implying that such designs, site plans, plans, specifications or other matters will, if followed, result in a properly-designed building or other improvements constructed on the Leased Premises. Such approvals shall in no event be construed as a representation or guaranty by the Authority that any improvements will be built in a workmanlike manner, nor shall such approvals relieve Lessee of its obligation to construct the building in a workmanlike manner. **Lessee will defend, indemnify, and hold harmless Authority from and against any lawsuits, actions, causes of action or claims arising out of Authority's approval of any designs, site plans, plans, and specifications relating to the Leased Premises.**

At least Ninety (90) days prior the expiration or termination of this Lease Agreement, Authority and Lessee will conduct a joint inspection of the Leased Premises to confirm and identify the permanent improvements which Authority will allow Lessee to abandon in place upon expiration or termination of the Lease Agreement. The following permanent improvements are preauthorized for abandonment upon termination of the Lease Agreement: roadways, stabilized base materials used for laydown and storage areas, Security Fencing in compliance with the Security Regulations, utility service connections, railroad extensions, sidings and switches, provided all preauthorized improvements meet the Authority’s minimum construction and materials standards and specifications for such improvements. All permanent improvements abandoned in place with the consent of the Authority shall become the property of the Authority upon the termination or expiration of the Lease Agreement. Lessee shall remove all other Lessee improvements to the Leased Premises, including, but not limited to any pilings, which shall be cut or removed a minimum of five (5) feet below the finished surface of the site with the excavation above the pilings filled and compacted with approved fill and base material level with the adjoining surface, where base material is on the surface, or native soil where native soil is on the surface, to a compaction of 95% standard proctor density. Lessee shall remove all debris and residual materials from the surface of the Leased Premises. In the event Lessee fails to remove any improvements required to be removed by this Lease Agreement, then Lessee may undertake to remove and dispose of such improvements as it sees fit, all at the expense of Lessee.

E. Partial Early Termination: In the event Lessee is no longer using any portion of the Leased Premises prior to the expiration of the Term, then in such event and upon written request

by the Authority, Lessee will surrender the unused area to the Authority and the rent will be adjusted proportionately for any such portion of the Leased Premises so surrendered.

F. Signs: Lessee shall not place any signs at or on the Leased Premises, nor paint any signs on any building on the Leased Premises unless first approved by the Director of Engineering Services of Authority in writing, which approval shall not be unreasonably denied, delayed or conditioned.

G. Damages: Lessee agrees to pay to Authority for all damages to Authority or Authority's property (whether real or personal) caused by or which is related to Lessee's operations and construction activities or which are caused by anyone acting by through or under Lessee, regardless of whether or not such damages occur inside or outside the boundaries of the Leased Premises.

ARTICLE V
INSURANCE

A. Without limiting the indemnity obligations or liabilities of Lessee, or its insurers, provided herein, commencing on the date that any material building activity by Lessee on the Leased Premises begins, Lessee agrees to satisfy the insurance requirements set forth in Exhibit "C" attached hereto, which is incorporated in this Lease Agreement.

B. Waiver of Subrogation: Lessee hereby 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, to the extent that such loss or damage is or would have been covered by any property insurance which Lessee is required to carry under this Lease (whether or not Lessee actually carries such insurance or self-insures for the loss or damage). Lessee agrees to immediately give to each insurance company which has issued to it policies of fire and extended coverage insurance written notice of the terms of 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.

C. Limited Waiver of Consequential Damages: For purposes of this Lease Agreement, the term "consequential damages" includes loss of revenue and loss of profits.

The Authority agrees to limit its right to recover consequential damages against the Lessee to consequential damages that are recoverable, available or covered under any of the Policies that Lessee is required to procure and maintain in satisfaction of the insurance requirements set forth in Exhibit "C" to this Agreement. However, this limitation of Lessee's liability for consequential damages shall not apply to its indemnification obligations for third party claims pursuant to Article VI of this Lease Agreement. If Lessee elects to self-insure, the Authority may recover consequential damages from Lessee or its corporate parent, whichever maintains the self-insurance program, to the same extent that an insurance company would have been obligated to pay those consequential damages to the Authority if Lessee had procured and maintained the Policies described in Exhibit "C" in at least the minimum amounts specified in Exhibit "C".

The Lessee agrees to limit its right to recover consequential damages against the Authority to consequential damages that are recoverable, available or covered under any of the Authority's insurance policies that may provide coverage for consequential damages incurred by Lessee in connection with this Lease Agreement.

ARTICLE VI
INDEMNITY

A. Lessee shall defend, indemnify and hold harmless the Authority, its Port Commissioners, directors, managers, employees and agents (“Authority Parties”) from and against, and Lessee shall be responsible for, any and all claims, liabilities, actions, demands, damages, penalties, fines, losses, costs, expenses (including reasonable attorneys’ and experts’ fees and expenses), suits, settlements or judgments of any nature whatsoever (“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 Article VI 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 Article VI 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 Article VI 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 Article VI shall survive the expiration or any earlier termination of the term of this Lease.

F. Notice of Claims: The Authority shall give the Lessee prompt and timely notice of any Claims made or instituted against it or any other Authority Party, of which it has knowledge, relating to any matter which in any way may result in indemnification pursuant to Article VI. A. Subject to the prior rights, if any, of insurers, the Lessee shall be entitled to control the defense and any compromise of any such Claims to the extent of any actual or potential claim for indemnification made or reserved by the Authority, but the Lessee shall give the Authority the opportunity to participate in the defense and any compromise of any such Claim to the extent of the Authority's interest therein.

ARTICLE VII
DEFAULT

If for ten (10) calendar days after service by mail or otherwise to Lessee by Authority of written notice of a breach or default by Lessee under any provision of this Lease Agreement, the Lessee does not or shall neglect or fail to comply with or remedy such breach or default, or if the said breach or default complained of shall be of such a nature that the same cannot be completely remedied or cured within such ten (10) day period, then such breach or default shall not be an enforceable breach or default against Lessee if Lessee shall have commenced curing such breach or default within such ten (10) day period, and shall with reasonable diligence and in good faith, proceed to remedy the default complained of; or if any proceedings concerning Lessee or the Leased Premises be had in bankruptcy, reorganization, arrangement or receivership, or if any assignment shall be attempted to be made of this Lease Agreement for the benefit of creditors; or if Lessee abandons or vacates a substantial portion of the Leased Premises for fourteen (14) consecutive days; then in any of said cases or in any similar case which, in the sole judgment of Authority, evidences a serious financial insecurity of Lessee, Authority shall have the rights and remedies that may be provided at law or in equity and the following options:

A. Without terminating this Lease Agreement, Authority may terminate Lessee's right of possession of the Leased Premises under this Lease Agreement by giving Lessee five (5) calendar days' notice of termination of Lessee's right of possession and Lessee's right of possession shall thereupon cease and come to an end and Authority may reenter and take possession of the Leased Premises; provided, however, Authority shall not be required to give such notice prior to the filing of an action of forcible detainer or at common law upon default by Lessee in the payment of rent. Upon entering and taking possession of the Leased Premises, Authority may:

(1) Relet for the account of, or as agent for, Lessee the Leased Premises or any part thereof, to a tenant acceptable to Authority, without terminating this Lease Agreement or working a forfeiture of the rent to be paid, and after receiving the rent therefrom apply the same, first to the payment of all expense the Authority may be put to in recovering possession of the Leased Premises and in reletting same, including but not limited to the costs of renovating, altering and repairing for a new tenant and attorneys' and brokers' fees, and then to the payment of the rent and additional rent payable under this Lease Agreement and to the fulfillment of Lessee's covenants hereunder. Lessee shall be entitled to any balance remaining after subtracting such costs

and debts. Authority may at any time after reletting terminate this Lease Agreement for the breach or default on account of which it reentered and relet.

(2) Accelerate the future rent and additional rent due under this Lease Agreement and seek recovery of such rent and additional rent and any other damages provided for in this Lease Agreement, at law or in equity. Authority is entitled to recover future rent and additional rent from Lessee based upon the present value of the rent and additional rent discounted to present value at the rate of 3% per annum for the remainder of the term of the lease reduced by the fair market rental value of the Leased Premises during that period.

B. Terminate this Lease Agreement.

ARTICLE VIII
GENERAL PROVISIONS

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 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 Attention: Harbor Bridge Replacement Project Manager, 500 North Shoreline Boulevard, Suite 500, Corpus Christi Texas 78401 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. Amendment: This Lease Agreement, including any exhibits, constitutes the parties' final and mutual agreement. There are no written or oral representations or understandings that are not fully expressed in this Lease Agreement. No change, waiver or discharge is valid unless in writing that is signed by the party against whom it is sought to be enforced.

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 Public Information 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 Public Information 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. Force Majeure: In the event either party hereto shall be delayed or hindered in or prevented from the performance required hereunder by reason of *force majeure*, which includes strikes, lockouts, labor troubles, failure of power, riots, insurrection, war, acts of God, or other reason of like nature not the fault of the party delayed in performing work or doing acts (hereinafter "*force majeure*"), such party shall be excused for the period of time equivalent to the delay caused by such *force majeure*.

Notwithstanding the foregoing, any extension of time for *force majeure* shall be conditioned upon the party seeking an extension of time delivering written notice of such *force majeure* to the other party within 10 days of the event causing the *force majeure*, and the maximum period of time which a party may delay any act or performance of work due to *force majeure* shall be 60 days.

J. Floodplain: Lessee acknowledges that Lessee has been advised by Authority that the Leased Premises is in the FEMA floodplain and that construction of improvements must conform to the laws and regulations applicable to construction of improvements in a floodplain.

K. 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.

L. 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.

Next Page is the Signature Page.

FLATIRON/DRAGADOS, LLC

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

By: _____

By: _____

Name: Marcos Gonzalez

John P. LaRue
Executive Director

Title: Project Manager

Date: _____

Date: _____

"Authority"

By: _____

Name: Robert Boyce

Title: Construction Manager

Date: _____

"Lessee"

ATTACHMENTS:

- Exhibit "A" – NORTH SIDE DRAWINGS
 - Exhibit A.1 – Leased Tract. North Side
 - Exhibit A.2 – Temporary Access to Construction Area. North Side
 - Exhibit A.3 – Long-Term Access to Construction Areas. North Side-
- Exhibit "B" – SOUTH SIDE DRAWINGS
 - Exhibit B.1 – Leased Tract. South Side
 - Exhibit B.2 – Temporary Access to Construction Area. South Side
 - Exhibit B.3 – Long-Term Access to Construction Areas. South Side
- Exhibit "C" - LESSEE'S INSURANCE REQUIREMENTS

(Acknowledgements on the next page)

STATE OF TEXAS §
 §
COUNTY OF NUECES §

This instrument was acknowledged before me on the ____ day of _____, 2016 by JOHN P. LARUE, Executive Director of the Port of Corpus Christi Authority of Nueces County, Texas, on behalf of said Authority.

NOTARY PUBLIC, STATE OF TEXAS

STATE OF _____ §
 §
COUNTY OF _____ §

This instrument was acknowledged before me on the ____ day of _____, 2016, by _____, _____ of _____, a _____ corporation, on behalf of said company.

NOTARY PUBLIC, STATE OF _____

EXHIBIT "A"

[Attach Exhibit "A" here]

AGENDA ITEM NO. 13.c

EXHIBIT "B"

[Attach Exhibit "B" here]

EXHIBIT "C"

LESSEE'S INSURANCE REQUIREMENTS

Without limiting the indemnity obligations or liabilities of Lessee or its insurers provided in this Lease Agreement, before commencing any material activities on the Leased Premises under this Lease Agreement, Lessee shall procure and maintain at its sole expense during the Term of the Lease, and during any time period following expiration or termination of the Lease in which Lessee is required to perform additional work on the Leased Premises, the following policies of insurance (sometimes collectively referred to in this Exhibit "C" as the "Policies") and in at least the minimum amounts specified below:

(1) *Property Insurance.* Special form property insurance with no exclusions, except the standard printed exclusions, covering all loss, damage or destruction to the Improvements or Lessee's Equipment on the Leased Premises ("Property Insurance") in an amount equal to 100% of the Full Replacement Cost (hereinafter defined) of the Improvements and Lessee's Equipment on the Leased Premises, or in such greater amount as may be necessary to avoid the effect of the co-insurance provisions of the applicable policy or policies. The term "Full Replacement Cost" shall mean the actual replacement cost of the Improvements and Lessee's Equipment, including the cost of demolition and debris removal and without deduction for depreciation and excluding the cost of excavation, foundations and footings. Such policy must be endorsed to waive subrogation in favor of the Authority Parties and to show the Authority Parties as additional insureds. Subject to the claims of any Leasehold Mortgagee, the Authority shall be named as a loss payee as its interests may appear.

(2) *Workers' Compensation and Employer's Liability Insurance.* For all its employees engaged in performing work on the Leased Premises, workers' compensation insurance for at least the applicable statutory limit required by the Texas Workers' Compensation Code; and Employer's Liability insurance with at least \$500,000 limit for each for bodily injury by accident, and at least a \$500,000 limit for each employee for bodily injury by disease. Under the Worker's Compensation policy, Lessee shall provide a Waiver of Subrogation in favor of the Authority Parties on the Certificate of Insurance. In the event that the work of Lessee's employees on the Leased Premises falls within the purview of the United States Longshoremen's and Harbor Workers' Compensation Act, the Jones Act or the Federal Employer's Liability Act, the Lessee shall extend its insurance coverage to provide insurance against the liabilities imposed under the applicable Act or Acts.

(3) *Commercial General Liability Insurance.* Commercial General Liability (CGL) insurance coverage, which shall cover or be endorsed to cover bodily injury, personal injury, broad form property damage, operations hazard, owner's protective coverage, contractual liability, products and completed operations liability, and time element pollution coverage, with a per occurrence limit of \$1,000,000 and aggregate limits of at least \$2,000,000 and endorsed to name the Authority Parties as additional insureds on a primary, non-contributory basis, but only with respect to liabilities arising out of 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, in each case

arising out of (i) the use or occupancy of the Leased Premises by Lessee or any Lessee Party, or (ii) the condition, use, malfunction, defect, or explosion of any equipment, or (iii) the construction, alteration, repair or maintenance of Lessee's facilities.

(4) *Automobile Liability Insurance.* When any motor vehicles (owned, non-owned or hired by Lessee) are used in connection with work being performed on the Leased Premises, the Lessee shall provide or cause to be provided Automobile Liability Insurance with limits of not less than \$1,000,000 per occurrence for bodily injury and property damage.

(5) *Umbrella Insurance.* Excess or Umbrella liability insurance coverage limits of not less than \$5,000,000 over and above the underlying primary coverage limits stated above with respect to bodily injury or death to any number of persons in any one accident or occurrence. The policy shall be endorsed to name the Authority Parties as additional insureds, non-contributory basis, but only with respect to liabilities arising out of 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, in each case arising out of (i) the use or occupancy of the Leased Premises by Lessee or any Lessee Party, or (ii) the condition, use, malfunction, defect, or explosion of any equipment, or (iii) the construction, alteration, repair or maintenance of the Lessee's facilities.

(7) *Pollution Legal Liability Insurance.* Pollution Liability insurance covering bodily injury, property damage, including cleanup, and other losses caused by pollution conditions occurring during the Term of this Lease and arising directly from Lessee's operations at the Leased Premises, including pollution of any body of water, with limits of not less than \$10,000,000 per occurrence. Pollution Coverage shall include, but not be limited to, environmental cleanup, remediation and disposal and may be included within the required General Liability and/or Umbrella Insurance.

Lessee shall deliver to Authority, prior to the commencement of any material activity by Lessee on the Leased Premises, as proof of the insurance required of Lessee, a certificate or certificates of insurance (and any endorsements required to provide evidence of the insurance coverages required under this Lease) describing the Policies, which certificates must be in their form and content, reasonably acceptable to the Authority.

In the event that a claim is filed against the Authority and governed by the terms of this Lease, Lessee shall, upon receipt of a written request, deliver to the Authority, true and correct copies of the Policies required hereunder which may be responsive to the claim. In addition, to the extent that during the Term there shall occur any material changes in any of the Policies required hereunder, Lessee shall notify the Authority of such changes. In the event that Lessee fails to obtain or maintain any of the insurance required by this Exhibit "C", the Authority retains the right to procure such insurance coverage and charge the Lessee the premium cost plus an additional 10% administrative fee.

From time to time during the Term to the extent that the Authority provides written notice to Lessee evidencing Authority's reasonable belief (in reasonable detail) that the amounts of coverage required by this Exhibit "C" have become insufficient to adequately protect the interests

of the Authority, then upon Lessee's receipt of such notice the Parties will commence a dialog in good faith to discuss a possible adjustment to the coverage amounts herein provided, to adequately restore the protection afforded to the interests of the Authority.

Lessee shall deliver to Authority certificates of renewal at least thirty (30) days prior to the expiration date of each of the Policies. The company writing each of the Policies, except for Lessee's captive insurance company, must possess a Financial Strength Rating of no less than "A-" and a Financial Size Category rating of at least "VI" by A.M. Best Company (or any successor rating agency or entity reasonably selected by Authority if A.M. Best Company discontinues publishing ratings of insurance companies or if the rating system is changed

Notwithstanding the foregoing, Lessee expressly reserves the right, at its sole option, to comply with the insurance obligations using self-insurance programs maintained by it or its corporate parent. If Lessee exercises the option to self-insure, then (i) Lessee shall provide written notice of its intent to self-insure accompanied with details of its self-insurance program; (ii) such self-insurance program must be permitted by applicable law; (iii) the insuring company must maintain a net worth (as shown by its most recent financial statements audited in accordance with generally accepted accounting principles) of not less than One Hundred Million Dollars (\$100,000,000); and (iv) the insuring company must maintain an "Investment Grade" financial rating by Moody's or Standard and Poor's or an equivalent rating service; and as to any of the insurance requirements which Lessee elects to self-insure, Lessee will self-insure Authority in the same manner as an additional insured using self-insurance programs maintained by Lessee or Lessee's corporate parent. If Lessee elects to self-insure or to maintain insurance required herein subject to deductibles and/or retentions exceeding \$50,000, Authority and Lessee shall maintain all rights and obligations between themselves as if Lessee maintained the insurance with a commercial insurer including any additional insured status, primary liability, waivers of rights of recovery, other insurance clauses, and any other extensions of coverage required herein. Lessee or its corporate parent, whichever maintains the self-insurance program, shall pay from its assets the costs, expenses, damages, claims, losses and liabilities, including reasonable attorney's fees and necessary litigation expenses at least to the extent that an insurance company would have been obligated to pay those amounts if Lessee had maintained the insurance pursuant to this Exhibit "C". Authority shall not be responsible for payment of any deductible or self-insured retention or uninsured amount.



DATE: August 16, 2016

TO: Port Commission

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

AGENDA ITEM NO. 13.d

Approve a Professional Engineering Services Contract with Freese and Nichols Inc. in the Amount of \$92,262 for Engineering Services Associated with Paving Improvements at the Bulk Terminal

SUMMARY: Staff requests the approval of a Professional Engineering Services Contract with Freese and Nichols Inc. in an amount not to exceed \$92,262 for professional design services associated with upgrading and improving paved areas at the PCCA Bulk Terminal to improve access and to reduce fugitive dust emissions related to ongoing and future operations.

BACKGROUND: Paved areas within the Bulk Terminal are typically exposed to heavy loads from trucks and machinery due to the nature of Bulk Terminal operations and require periodic repair and upgrades to maintain service to port customers and tenants. Unpaved areas contribute to fugitive dust in the area, and staff has identified a number of heavily used areas for paving to reduce dust emission and improve air quality at the facility. This project will repair pavement along the Bulk Terminal access road and along the ship loader access road at Bulk Dock 2, provide additional paved parking, turnarounds, and work areas along the ship loader access road, pave the access road north of the railroad tracks in the vicinity of Bulk Dock 2, pave portions of Kirsky Road, and add paved access roads in the vicinity of conveyer belt 8. See attached exhibit.

ALTERNATIVES: N/A

CONFORMITY TO PORT POLICY: The proposed work is consistent with the current Port Environmental Policy and Strategic Plan initiatives to update and improve port facilities.

EMERGENCY: None.

FINANCIAL IMPACT: This capital project was included in the 2016 budget. Since several port customers and tenants utilize the facilities at the Bulk Terminal, this project will maintain and improve the level of service provided to them by the Bulk Terminal.



STAFF RECOMMENDATION: Staff recommends approval of a Professional Engineering Services Contract with Freese and Nichols Inc. in amount not to exceed \$92,262 to provide professional engineering and design services for paving improvements at the Bulk Terminal. Staff further recommends that the Director of Engineering Services be granted a 5 percent contingency (\$4,613.10) should it be required for any changes in the scope of work during the project.

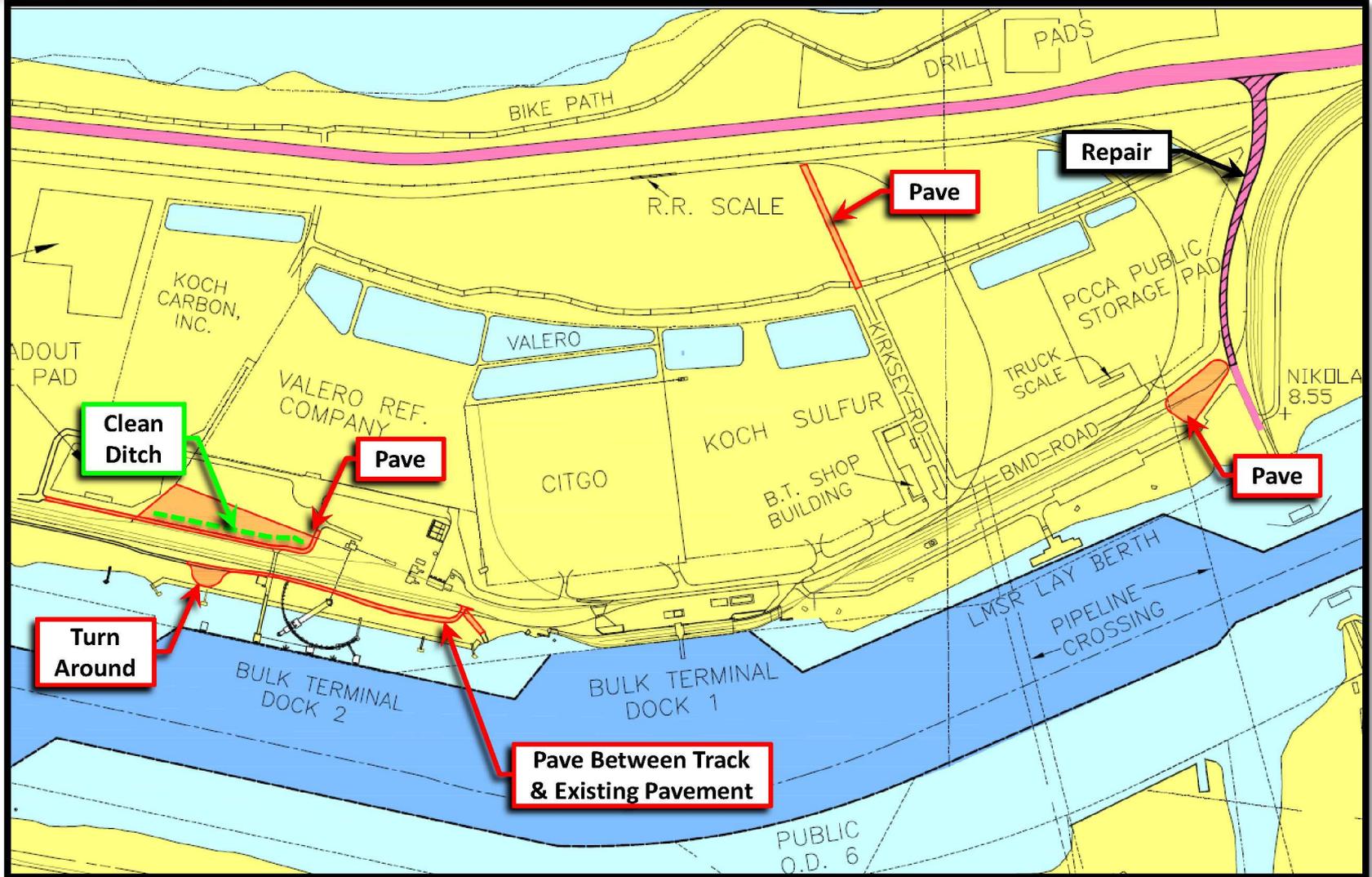
DEPARTMENTAL CLEARANCES:

Originating Department	Engineering Services
Reviewed & Approved	David Krams Brett Flint Dave Michaelson
Senior Staff	John LaRue Sean Strawbridge Jarl Pedersen

LIST OF SUPPORTING DOCUMENTS:

Map Exhibit of Project Location

Paving Improvements at Bulk Terminal



DATE: August 16, 2016
TO: Port Commission
FROM: Tom Mylett, Chief of Port Security
Tom@pocca.com
(361) 885-6238

AGENDA ITEM NO. 13.e

Approve Agreement for Marine Firefighting Services with the Refinery Terminal Fire Company

SUMMARY: Staff recommends approval of an Agreement for Marine Firefighting Services with the Refinery Terminal Fire Company (RTFC) to provide specialized fire-fighting and industrial emergency response services for the PCCA.

BACKGROUND: RTFC is regularly engaged in providing and giving marine fire protection, prevention, suppression, inspection, and emergency response services, including technical rescue, emergency medical services, plus on-site and off-site industrial hazardous materials response for its members in accordance with its organizational and governing documents. PCCA is an Emergency Response Participating Member of RTFC and has agreed to be bound by the terms of the RTFC Bylaws and Emergency Response Services Operating Plan.

In 2015, Risk Management conducted an analysis of PCCA's liability exposures and whether those exposures warranted continuation of existing insurance limits. As a result of that analysis, staff and legal determined that certain limits could be lowered and that both PCCA and RTFC would benefit from a marine firefighting services agreement. This agreement provides clarification of the relationship between the parties and RTFC's obligations to provide marine firefighting services to and on behalf of the PCCA specifically as it relates to operation of PCCA's fire barge. Currently, there is no agreement in place other than the RTFC Bylaws and Emergency Response Services Operating Plan. Additionally, this agreement provides a legal mechanism for the RTFC to be afforded PCCA's immunities and limitation on damages provided by the Texas Tort Claims Act, further reducing PCCA's exposure to liability and the subsequent need to transfer this risk through the purchase of insurance.

ALTERNATIVES: Maintain current status with no agreement in place.

CONFORMITY TO PORT POLICY: N/A

EMERGENCY: N/A

FINANCIAL IMPACT: With approval and execution of this agreement, PCCA's risk will be significantly reduced, thus eliminating the need for an Excess P&I policy. This policy expires October 1, 2016. Staff will come back to the Commission in September (for approval of all liability policies up for renewal) with the recommendation that the Excess P&I policy not be renewed, which will result in an estimated savings of \$65,000-\$70,000 annually.

STAFF RECOMMENDATION: Staff recommends approval of a Marine Firefighting Services Agreement with the Refinery Terminal Fire Company (RTFC) to provide specialized firefighting and industrial emergency response services for PCCA.

DEPARTMENTAL CLEARANCES:

Originating Department	Port Security
Reviewed & Approved	Dennis DeVries
	Tom Mylett
	Donna James-Spruce
Legal	Dane Bruun
Senior Staff	John LaRue
	Sean Strawbridge
	Jarl Pederson

LIST OF SUPPORTING DOCUMENTS:

Marine Firefighting Services Agreement
RTFC Bylaws
RTFC Emergency Response Services Operating Plan

AGREEMENT FOR MARINE FIREFIGHTING SERVICES

This Agreement for Marine Firefighting Services (“Agreement”) is made and entered into effective as of the 16th day of August, 2016 (“Effective Date”), by and between Port of Corpus Christi Authority of Nueces County, Texas (“Authority”), and Refinery Terminal Fire Company (“RTFC”), each a “Party” and, collectively, the “Parties.”

WHEREAS, RTFC is a Texas Non-Profit Corporation qualified under Section 501(c)(4) of the Internal Revenue Code of 1986, as amended, formed for the purpose of providing specialized fire-fighting and industrial emergency response services for the public benefit to its members, and specifically including the Authority; and

WHEREAS, RTFC is regularly engaged in providing and giving marine fire protection, prevention, suppression, inspection, and emergency response services, including technical rescue, emergency medical services, plus on-site and off-site industrial hazardous materials response for its members in accordance with its organizational and governing documents (Services); and

WHEREAS, Authority is an Emergency Response Participating Member of RTFC and has agreed to be bound by the terms of the revised Bylaws of RTFC adopted March 3, 2015 (the “Bylaws”); and

WHEREAS, this Agreement provides clarification of the relationship between the parties and RTFC’s obligations to provide Marine Firefighting Services to and on behalf of the Authority.

NOW, THEREFORE, in consideration of the foregoing recitals and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

1. Marine Firefighting Services.
 - a. Fire Barge Maintenance and Operations.
 - i. Authority will provide a water-borne platform (Fire Barge) to enable firefighting or other emergency response within the Corpus Christi channel and the vicinity of the Port of Corpus Christi.
 - ii. RTFC will perform scheduled weekly and other periodic inspections and testing of the Fire Barge emergency response equipment, including pumps, monitors and other equipment necessary or advisable for responding to various emergencies in which the Fire Barge may be used.

- iii. In the event of an emergency requiring the use of the Fire Barge, RTFC will provide a minimum of five personnel trained in Fire Barge operations.
- iv. RTFC will arrange towage services for movement of the Fire Barge for response to marine fires or other emergencies, and for drills, exercises and non-emergency activities.
- v. Authority will reimburse RTFC for the cost of towage services for movement of the Fire Barge.
- vi. Authority will reimburse RTFC for the cost of storage, repair, maintenance (including scheduled weekly and other periodic inspections and testing of equipment) and/or upgrades to the Fire Barge.

b. Emergency Operations.

- i. RTFC agrees to provide emergency response Services, including response to marine fire emergencies and first responder medical Services, to Authority in accordance with this Agreement and the terms of RTFC’s Emergency Response Services Operating Plan and its Revised Bylaws (the “Governing Documents”), which are incorporated herein. Authority agrees to be bound by the terms of the Governing Documents.
- ii. Authority may from time-to-time during the term of this Agreement request RTFC to provide Services beyond the scope of Services as described herein, such as training and standby Services, or Services that exceed the manpower obligations of this Agreement. Such Services may be provided upon such terms and conditions as agreed to by the parties, such as a special assessment allocated to the Authority for the related costs.

2. Compensation.

- a. In addition to assessments to be paid by Authority in accordance with RTFC’s Revised By-Laws and Emergency Response Services Operating Plan,

Authority shall be assessed and shall pay RTFC for all charges and expenses for Services as set forth in Exhibit A, and related attachments.

- b. It is understood that during the term of this Agreement, the fees for services and wages, salaries and benefits of RTFC employees, on which Exhibit A is based, will be amended and updated from time-to-time by RTFC's Board of Directors. Authority agrees that any such amendment, modification, or update by RTFC'S Board of Directors shall immediately constitute a like amendment, modification, and/or update to this Agreement, and/or Exhibit A.
- c. RTFC shall keep an accounting of all labor, equipment, supplies and material furnished by RTFC under the terms of this Agreement and for which RTFC shall invoice Authority for payment.
- d. The amount due for any Services provided by RTFC that relate in any way to this Agreement, and all Services and costs provided to Authority as an RTFC Member shall be paid by Authority by check (or EFT, at Authority's option) mailed/sent within thirty (30) working days of receipt of the invoice and subject to the payment terms set forth above.

3. Indemnity.

- a. Authority acknowledges and agrees that pursuant to this Agreement and as a Participating Member of RTFC it is subject to and responsible for all indemnity obligations related to the Services provided in this Agreement and stated in RTFC's Revised Bylaws as may be amended from time to time, to the extent allowable by law.
- b. Authority shall obtain an Endorsement EL217 – Indemnification Under Contract – to cover any liability assumed by Authority pursuant to this Section 3.
- c. Authority's obligation of indemnity under this section shall not alter or affect in any way the limitations on RTFC's liability and that of its firefighters under Sections 78.053 and 78.103 of the Texas Civil Practice & Remedies Code.
- d. RTFC shall give Authority prompt and timely notice within 30 days of any claims made or instituted against it relating to any matter which in any way may result in indemnification by Authority pursuant to this section. Subject to the prior rights, if any, of insurers, Authority shall be entitled to control the defense and any compromise of any such Claims to the extent of any actual or

potential claim for indemnification made or reserved by RTFC, and Authority shall give RTFC the opportunity to participate in the defense and any compromise of any such Claim to the extent of RTFC's interest therein.

4. Medical Records and Services.

- a. It is expressly recognized that RTFC's employees assigned to fulfill the terms of this Agreement shall have basic emergency medical response qualifications. RTFC shall have the express authority to provide first aid or emergency response as such trained personnel, within their discretion, believe is appropriate and/or necessary under the circumstances. RTFC'S employees responding in such fashion shall provide such Services until such treatment is turned over to another medical treatment provider of equal or higher medical certification, or to the custody of the employer representative for the individual who assumes the responsibility of the individual's care provided such representative is of equal or higher medical certification, or until the person to whom treatment is being provided refuses such or further treatment. Provided, further, however, that in the absence of instructions from the individual being treated demanding to be released to others, the RTFC employee providing such service/treatment may reject releasing the individual to non-medical personnel if in the RTFC'S discretion, continued medical attention is necessary.
- b. If at any time during the life of this Agreement, RTFC provides medical Services or treatment to Authority's employees, subcontractors, invitees, or any other person, Authority acknowledges that the records of such treatment constitute private medical information of the person receiving such treatment and that such information may not be disclosed to Authority without authorization of the treated person.

5. Miscellaneous Provisions.

- a. Entire Agreement. This Agreement, and the Governing Documents as incorporated herein, constitutes the entire agreement between Authority and RTFC with regard to the subject matter hereof and this Agreement supersedes all prior oral or written agreements, proposals or understandings between Authority and RTFC with regard to the subject matter hereof. No oral statement by either of the parties hereto or any third party shall alter the meaning or interpretation of this Agreement. No amendment or change hereof or addition hereto shall be effective or binding on either of the parties hereto

unless reduced to writing and executed by the respective duly authorized representatives of both parties hereto.

- b. Counterparts. This Agreement may be executed in one or more counterparts, all of which shall be considered one and the same agreement and shall become effective when one or more counterparts have been signed by each of the parties and delivered to the other party, it being understood that all parties need not sign the same counterpart.
- c. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, regardless of the laws that might otherwise govern under applicable principles of conflicts of laws thereof.
- d. Severability. In the event that any provision of this Agreement or the application thereof, becomes or is declared by a court of competent jurisdiction to be illegal, void or unenforceable, the remainder of this Agreement will continue in full force and effect and the application of such provision to other persons or circumstances will be interpreted so as reasonably to effect the intent of the parties hereto. The parties further agree to replace such void or unenforceable provision of this Agreement with a valid and enforceable provision that will achieve, to the extent possible, the economic, business and other purposes of such void or unenforceable provision.
- e. Independent Contractor. RTFC is an independent contractor with respect to the performance of all Services to be performed under this Agreement and neither RTFC nor anyone employed by RTFC shall be deemed for any purpose to be an employee, agent, servant or representative of Authority. Authority is interested in the results of the Services being performed by RTFC and Authority shall not direct the manner or method by which RTFC performs the Services. By way of example and not as a limitation, RTFC will have the sole discretion to select and assign personnel to perform RTFC's obligations hereunder. Provided, however, nothing herein shall be interpreted as modifying any full or partial indemnity or limitation of damages of or to RTFC or any of its employees as may be provided by statute or common law.
- f. Termination. Either party may terminate this Agreement with or without cause, at any time during any term hereof by written notice to the other party provided, however, the effective date of such termination shall be not less than

60 days after the date of the notice. During the time period between the date of notice and the effective date of termination, the parties' respective rights, duties and obligations hereunder shall continue unabated.

- g. Notice. Except as otherwise provided herein, any and all notices, consents or other communications between the parties, in order to be effective, shall be in writing and shall be sent via personal delivery or by Federal Express or similar overnight service or by first class certified mail, return receipt requested, to the following addresses, or any other addresses designated by notices delivered in accordance with this section:

TO Authority:

Port of Corpus Christi Authority
222 Power Street
Corpus Christi, Texas 78401
Attn: Mr. Sean Strawbridge
Telephone Number: (361) 885-6133
Fax Number: (361) 882-7110
Email: sstrawbridge@pocca.com

TO RTFC:

Refinery Terminal Fire Company
P.O. Box 4162, Corpus Christi, Texas 78469
Attn: Mr. Lonnie K. Bartlett
Telephone Number: (361) 885-7122
Fax Number: (361) 884-6476
E-mail: Lonnie.bartlett@rtfc.org

Such communications, when sent in accordance with this provision, shall be deemed duly provided or received upon personal delivery or on the business day that such delivery occurred as indicated on the receipt. Facsimile numbers and e-mail addresses are provided for convenience only but shall not be considered an effective form of notice unless actually received by the other party. Authority or RTFC may change its address for the purpose of this provision by giving notice to the other party in accordance herewith

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

Port of Corpus Christi Authority of Nueces County, Texas

By: _____
Name: _____
Title: _____

Refinery Terminal Fire Company

By: _____
Name: _____
Title: _____

**EXHIBIT A
COMPENSATION**

A. Service Costs

Authority shall reimburse RTFC for the following actual costs to the extent that they are necessary and reasonable (“Reimbursable Costs”).

1. Services Rates for all Services shall be charged on a per hour basis according to the fees in effect at the time the Service is performed, and shall include:
 - a. The cost of back-filling RTFC’s main-station personnel who are required to provide emergency services;
 - b. Reimbursement for reporting pay or like payments due RTFC employees called to an emergency response pursuant to this Agreement;
 - c. All time spent by RTFC employees directly involved in scheduled Services;
 - d. Time spent for Authority required safety qualification or other training, briefing, informal and/or scheduled safety meetings.

B. Other Reimbursable Costs

1. Authority shall provide and/or reimburse RTFC for the replacement cost of all necessary RTFC equipment and supplies expended, lost or damaged during the performance of Services performed under or related to this Agreement, including services provided to Authority as an RTFC Member, including without limitation, uniforms, consumables, safety and testing equipment, response vehicles and supplies. All materials for which reimbursement is required shall carry a 10% overhead charge.
2. Legal fees and costs pertaining to any litigation, investigation or lawsuit relating to Services provided by RTFC to or on the request of Authority, or on Authority’s property, that in any way involves RTFC or its employees, including as potential witnesses.
3. Cost to RTFC of licenses, permits, inspection services or other taxes relating specifically to the Services.
4. All amounts paid by RTFC to its suppliers for materials procured for incorporation into the Services at RTFC’S actual cost plus 10% overhead charge. All materials procured for incorporation into the Services, other than those expended or necessary

in an emergency response, must have written approval of Authority, unless such requirement is excluded herein.

5. Cost to RTFC for towage services for movement of the Fire Barge for response to marine fires or other emergencies, and for drills, exercises and non-emergency activities.
6. Cost to RTFC for storage, repair, maintenance and/or upgrades to the Fire Barge.

C. Authority Supplied Materials, Tools and Equipment

1. Authority will furnish a water-borne platform (Fire Barge) for use in marine responses, and shall include and provide appropriate and necessary firefighting and other emergency response equipment as recommended by RTFC.

REVISED BYLAWS OF
REFINERY TERMINAL FIRE COMPANY

ARTICLE I

Definitions

As used in these Revised Bylaws of Refinery Terminal Fire Company (these “Revised Bylaws”), the following terms shall have the following respective meanings:

“Affiliate” means the parent of a Member or any company of which a Member or its parent owns directly or indirectly 50% or more of the shares entitled to vote at an election of directors.

“Area of Interest” shall mean the Primary Response Area and Secondary Response Area, and any Site-Member facility outside of the Primary or Secondary Response Areas at which the Corporation provides safety and/or emergency response and related services.

“Corporation” shall mean the Refinery Terminal Fire Company.

“Emergency Response Annual Member” shall mean any eligible Person which, upon election and qualification as an Emergency Response Annual Member, agrees to abide by these Revised Bylaws, pay the annual membership fee assessment and service fees determined by the Board of Directors from time to time.

“Emergency Response Participating Member” shall mean any eligible Person which, upon election and qualification as an Emergency Response Participating Member, agrees to abide by these Revised Bylaws, make capital contributions and operating costs in the form of Annual Participating Member Assessments, and to pay service fees as determined by the Board of Directors from time to time.

“Facility” shall mean any of the following: (i) a refining, petrochemical, chemical, industrial, power, gas or manufacturing plant; (ii) a terminal tank storage facility; (iii) oil, chemical, gas or cargo dock; (iv) an interconnecting oil, gas, or chemical pipeline; or (v) an oil, gas or chemical storage or processing facility.

“Former Member” shall mean any Person whose membership has been terminated either voluntarily or involuntarily pursuant to Section 3.5 or 3.6.

“Member” shall mean any Person admitted as an Emergency Response Participating Member, Emergency Response Annual Member, Training Academy Participating Member, Training Academy Annual Member, or Site Member of the Corporation pursuant to Section 3.3, which has not had its membership terminated or assigned pursuant to Section 3.5, 3.6, or 3.9.

“Membership Interest” shall mean the cumulative capital interest of a Member expressed as a percentage and calculated pursuant to Section 4.7.

“Parent” means any company which owns directly or indirectly 50% or more of the shares entitled to vote at an election of directors of a Member.

“Persons” shall mean individuals, partnerships, joint ventures, corporations, limited liability companies, and other entities.

“Primary Response Area” is defined as set forth in the Corporation’s Emergency Response Services Operating Plan, as such is from time to time adopted by the Board of Directors.

“Representative(s)” shall mean any person(s) appointed by a Member to act as its delegates or representatives or alternate delegates or representatives pursuant to Section 3.4.

“Secondary Response Area” is defined as set forth in the Corporation’s Emergency Response Services Operating Plan, as such is from time to time adopted by the Board of Directors.

“Site Member” shall mean any Person with whom the Corporation enters into an agreement to provide safety and/or emergency response and related services on an in-plant services basis at a location outside of the Primary and Secondary Response Areas.

“Training Academy Annual Member” shall mean any eligible Person which, upon election and qualification as a Training Academy Annual Member, agrees to abide by these Revised Bylaws, pay annual dues and service fees as determined by the Board of Directors from time to time.

“Training Academy Participating Member” shall mean any eligible Person which, upon election and qualification as a Training Academy Participating Member, agrees to abide by these Revised Bylaws, make capital contributions and pay operating assessments and service fees as determined by the Board of Directors from time to time.

“Voting Member” shall mean any Emergency Response Participating Member or Training Academy Participating Member.

Wherever the context requires herein, the gender of all words used herein shall include the masculine, feminine and neuter, and the number of all words shall include the singular and the plural.

ARTICLE II

Name and Offices; Purpose

2.1 Name. The name of the Corporation is Refinery Terminal Fire Company.

2.2 Registered Office. The registered office of the Corporation shall be located in the City of Corpus Christi, State of Texas, or such other place as the Board of Directors may from time to time determine.

2.3 Purpose. The purpose of the Corporation is set forth in Article II of the Corporation's Articles of Incorporation. The Board of Directors shall govern the Corporation in furtherance of such purpose, including without limitation, its determination of the Corporation's Area of Interest.

ARTICLE III

Membership

3.1 Eligibility.

(a) Emergency Response Participating Member and Emergency Response Annual Member.

(1) A Person shall be eligible to be an Emergency Response Participating Member only if such Person operates or owns an interest in a Facility located within the Primary Response Area.

(2) A Person shall be eligible to be an Emergency Response Annual Member only if such Person operates or owns an interest in Facility located within the Secondary Response Area.

(b) Training Academy Participating Member and Training Academy Annual Member. A Person shall be eligible to be Training Academy Participating Member and/or Training Academy Annual Member only if such person (i) operates or owns an interest in (A) a Facility or (B) fixed or mobile hydrocarbon or chemical transporting equipment; or (ii) is a volunteer fire department.

(c) Site Member. Any Person operating or owning an interest in a Facility at a location outside of the Primary and Secondary Response Areas may become a Site Member under the terms and conditions of a written agreement between such Person and the Corporation for the Corporation to provide safety and/or emergency response and related services to such Person. Site Members shall have no voting rights.

3.2 Qualification.

(a) An eligible Person desiring to become a Member, other than a Site Member, must meet and maintain requirements of the Board of Directors, as may be set from time to time, relating to safety policies, medical, fitness, and health requirements of the Members' agents and employees, insurance and indemnification requirements, and such other qualification for membership the Board of Directors may deem necessary to further the Corporation's purposes. Further, an eligible Person desiring to become a Member

must make application through the secretary of the Corporation, providing information as to such eligible Person's corporate organization, officers, directors, location, operation, and such other information as may be deemed necessary by the Board of Directors.

- (b) An eligible Person desiring to become a Site Member shall be granted such status upon such terms and conditions of a written agreement executed by such eligible Person and the Corporation.

3.3 Election.

(a.) Emergency Response Participating and Training Academy Participating Members.

- (1) Any Person meeting the requirements set forth in Sections 3.1 and 3.2, above, for Emergency Response Participating ("ERP") Members shall be entitled to become an ERP Member upon (i) approval by the Board of Directors and (ii) such Person's filing of the written designation of its Representative as required by Section 3.4.
- (2) Any Person meeting the requirements set forth in Sections 3.1 and 3.2, above, for Training Academy Participating ("TAP") Members shall be entitled to become a TAP Member upon (i) approval by the Board of Directors and (ii) such Person's filing of the written designation of its Representative as required by Section 3.4.

(b.) Emergency Response Annual Members and Training Academy Annual Members. Any Person meeting the requirements set forth in Section 3.1 and 3.2 above for Emergency Response Annual ("ERA") Members or Training Academy Annual ("TAA") Members shall be entitled to become an ERA or TAA Member upon (i) approval by the Board of Directors and (ii) such Person's filing of the written designation of its Representative as required by Section 3.4.

(c.) Site Members. Any Person meeting the requirements set forth in Section 3.1 and 3.2 above for a Site Member shall be deemed to have been admitted as a Site Member of the Corporation upon such Person's entering into a binding written agreement with the Corporation for the Corporation to provide safety and/or emergency response and related services to such Person, unless otherwise provided in such agreement.

(d.) Prior Members. The requirement of this Section 3.3 shall not apply to Persons which are Members at the time of adoption of these Revised Bylaws.

- (e.) General Membership Requirement. If a Person is admitted to membership as provided hereby, such Person shall become a Member upon payment of any initial assessment and/or capital contribution, as determined by the Board of Directors from time to time, and upon satisfactory written evidence of such Person of the obligation to be bound by the Articles of Incorporation, these Revised Bylaws, and the Emergency Response Services Operating Plan of the Corporation.
- (f.) Readmittance of Former Members. Any Former Member which seeks readmittance as a Member shall be subject to the same requirements as any other Person applying for membership, including the requirement to make payments pursuant to Article VIII, unless waived or modified by the Board of Directors.

3.4 Representatives of Members. Every Member shall file with the secretary of the Corporation a duly authorized and executed instrument designating a Representative and one or more alternates, who shall for all purposes hereof have full power and authority to represent such Member in all matters dealing with the affairs of the Corporation and upon whom any notices, statements of costs and expenses or any other communications with respect to the Corporation may be given, delivered or served. The power and authority of such Representative (or alternate) shall continue until the Member represented by him shall designate another Representative and shall notify the secretary in writing of the name and address of such new Representative, or until the membership of the Member is terminated or assigned as provided below.

3.5 Voluntary Termination of Membership.

- (a) Any Member, except for an Emergency Response Participating Member or a Site Member, may terminate its membership in the Corporation by filing a written notice thereof with the secretary of the Corporation. Such withdrawal shall become effective immediately upon receipt of said notice or as provided in said notice, whichever occurs later in time.
- (b) An Emergency Response Participating Member must terminate its membership in the Corporation in accordance with the Emergency Response Services Operating Plan of the Corporation, as such may, from time to time, be amended by the Board of Directors.
- (c) A Site Member must terminate its membership in the Corporation in accordance with the agreement that such Site Member has with the Corporation for the Corporation to provide safety and/or emergency response and related services to that Site Member.

3.6 Involuntary Termination of Membership.

- (a) In addition to any other remedy at law or equity which the Corporation or the other Members may have, the membership of any Emergency Response

Participating or Training Academy Participating Member shall be terminated upon a finding by other Voting Members holding at least a two-thirds (2/3) majority of the remaining Membership Interest (i) that the Member no longer meets the qualifications for membership as described in Sections 3.1 and 3.2, or (ii) that such Member (A) has failed to pay all or part of any capital dues assessments, expenses or service fees properly attributable to such Member or (B) has failed to reimburse part or all of capital dues assessments, expenses or service fees duly incurred pursuant to these Revised Bylaws within thirty (30) days after written demand for payment, given by Certified Mail, Return Receipt Requested.

- (b) In addition to any other remedy at law or equity which the Corporation or the other Members may have, the membership of any Emergency Response Annual Member or Training Academy Annual Member shall be terminated upon a finding by the Board of Directors that the Member no longer meets the qualifications for membership as described in Sections 3.1 and 3.2 or that such Member has failed to pay all or part of any capital dues assessments, expenses or service fees properly attributable to such Member or has failed to reimburse part or all of capital dues, assessments, expenses or service fees duly incurred pursuant to these Revised Bylaws within thirty (30) days after written demand for payment, given by Certified Mail, Return Receipt Requested.
- (c) In addition to any other remedy at law or equity which the Corporation or the other Members may have, the membership of any Site Member may be terminated by an act of the Board of Directors in accordance with the agreement that the Corporation has with such Site Member for the Corporation to provide agreement safety and/or emergency response and related services to that Site Member. Additionally, a Site Member's membership in the Corporation is automatically terminated upon the termination, for any reason, of the agreement that the Corporation has with such Site Member for the Corporation to provide safety and/or emergency response and related services to that Site Member.

3.7 Obligations on Termination. Upon termination of membership, whether voluntary or involuntary, the Former Member shall pay in full, in accordance with the Former Member's membership status prior to termination, all capital expenditure assessments, expenses, costs, service fees and other amounts due and payable hereunder as of the effective date of the termination of membership. The Former Member shall be entitled to pro rata return of prepayments for costs, expenses and capital expenditures attributable to the time after the effective date of the termination of membership. Except as provided in the immediately preceding sentence, the termination of membership shall not relieve the Former Member from its proportionate share of any liability, if any, incurred by, or rights or claims accruing to the Corporation as of the effective date of the termination of membership.

3.8 Adjustments of Membership Interest Upon Admission or Termination. The Membership Interest of each Voting Member shall be adjusted as of the effective date of the admission of a new Voting Member or termination of an existing Voting Member.

3.9 Assignment of Membership. Except as provided below, no Member may assign or transfer in whole or in part its membership without the assignee being admitted as a new Member pursuant to Section 3.3. The following assignments of membership shall not be subject to the requirements of Section 3.3, provided that the assignee assumes all obligations of membership from such transferring or recognized Member and such transfer or reorganization does not cause the Corporation to be in violation of applicable law: (i) a transfer by a Member of its Membership Interest to an Affiliate of such Member or to an existing Member or an Affiliate of an existing Member, or (ii) a corporate reorganization of a Member, by merger or otherwise.

ARTICLE IV

Meeting of Voting Members

4.1 Place of Meeting. All meetings of Voting Members shall be held in Corpus Christi, Texas, unless otherwise specified in the notice of any such meeting or waiver thereof.

4.2 Annual Meeting. The annual meeting of Voting Members shall be held at 2:00 o'clock p.m. on the first Tuesday in March of each year, if not a legal holiday, and if a legal holiday, then at 2:00 o'clock p.m. on the following day. At such meeting, the Voting Members shall select a Board of Directors and may conduct any other business in accordance with these Revised Bylaws the Members may deem necessary.

4.3 Special Meetings. Special meetings of the Voting Members, for any purpose or purposes, unless otherwise prescribed by statute, may be called by the chairman or the secretary, and shall be called by the chairman or the secretary at the request in writing of one-third (1/3) of the Board of Directors or at the written request of one-third (1/3) of the Voting Members. Such request shall state the purpose or purposes of the proposed meeting, and the business conducted at any special meeting of Voting Members shall be limited to the purposes stated in the notice thereof.

4.4 List of Voting Members. The officer who has charge of the membership ledger of the Corporation shall maintain a complete list of Voting Members showing the Membership Interest registered in the name of each Voting Member. Such list shall be open to the examination of any Voting Member at the place where the meeting is to be held.

4.5 Notice of Meetings. Written notice of the annual meeting of the Voting Members and special meetings of the Voting Members stating the place, date and hour of the meeting shall be given to each Voting Member at such meeting not less than ten (10) nor more than fifty (50) days before the date of the meeting. Such notice shall state the number of votes each Voting Member shall be entitled to cast for transactions occurring at such meeting. Such notice shall be given either personally, by facsimile with receipt confirmed, by United States mail, postage prepaid, or by other means of written communication, including e-mail, directed to each Voting

Member at such meeting at the mailing address or e-mail address of such Member appearing on the books of the Corporation or given by it to the Corporation for the purpose of such notice. The notice shall be deemed to have been given at the time when delivered personally, sent by facsimile or deposited in the United States mail, postage prepaid, or sent by other means of written communication.

4.6 Quorum. A majority of the outstanding Membership Interest in the Corporation entitled to vote, represented in Person or by proxy, shall constitute a quorum at a meeting of the Voting Members. If less than a majority of such Membership Interest is represented at a meeting, a majority of the Membership Interests so represented may adjourn and reschedule the meeting from time to time without further notice. At such a rescheduled meeting at which a quorum of Voting Members is present or represented, any business may be transacted that might have been transacted at the meeting as originally notified. The Membership Interests present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough Membership Interest to leave less than a quorum.

4.7 Voting Rights. Only the Voting Members shall be entitled to vote on matters submitted to a vote at any meeting of the membership. The number of votes which may be cast by the Voting Members shall be determined in accordance with these Revised Bylaws. The number of votes which may be cast by any Voting Member on any matters submitted to a vote of the Voting Members shall be determined as follows:

- (a) Ten (10) days prior to the annual meeting, or a special meeting, the treasurer shall deliver to the secretary a report stating the following:
 - (1) the amount of the total cumulative capital assessments (“TCCA”) of the Corporation since its inception;
 - (2) the amount of each Voting Member’s TCCA paid to the Corporation; and
 - (3) the percentage of the Corporation’s TCCA paid by each Voting Member.
- (b) The secretary shall certify receipt of such report and allot to each Voting Member one (1) vote for each \$1,000.00 that such Voting Member has paid toward the TCCA. The secretary shall deliver or cause to be delivered to each Voting Member notice of its vote allotment in accordance with Section 4.5 hereof not less than ten (10) days prior to such meeting. In all matters other than the election of Directors and except as otherwise provided by these Revised Bylaws, the affirmative vote of a majority of a quorum of the Voting Members shall be required for approval of matters submitted to the Voting Members. Notwithstanding the foregoing, in the event a different vote is required by express provision of statute, or by the Articles of Incorporation, such express provision shall govern and control. With

respect to the election of the Directors, Voting Members shall cast such votes in accordance with Section 5.2 hereof.

4.8 Members and Representatives; Proxies. All Voting Members may vote at all Voting Member meetings either in person, through such Voting Member's representative, or by written proxy. All proxies shall be filed with the secretary prior to the meeting where such proxy vote is to be cast.

4.9 Member Action Without Meeting. Unless otherwise provided in the Articles of Incorporation, any action required to be taken at any annual or special meeting of the Voting Members of the Corporation, or any action which may be taken at any annual or special meeting of such Voting Members, may be taken without a meeting, without prior notice and without a vote, if a consent or consents in writing, setting forth the action so taken, shall be signed by the Voting Members holding the percentage of Membership Interest having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all Voting Members were present and voted. Prompt notice of the taking of the corporate action without a meeting by less than unanimous written consent shall be given to those Voting Members who have not consented in writing.

ARTICLE V

Directors

5.1 Board of Directors.

- (a) The governance, property and business of the Corporation shall be managed and controlled by a Board of Directors consisting of at least three (3) and up to nine (9) Director positions. For quorum and voting purposes on the Board of Directors, computation will be made by Voting Percentages (defined below) allocated to Directors and not by individual Director head count.
- (b) The Board of Directors has the authority to conduct any business consistent with both (i) the provisions of these Revised Bylaws and (ii) the purpose of the Corporation as set forth in Article II of the Corporation's Articles of Incorporation.

5.2 Election and Term of Office. Each Person selected to fill a Director's position(s) in accordance with these Revised Bylaws shall serve until the next annual meeting of the Voting Members or until his successor has been elected or appointed and qualified, unless removed in accordance with the provisions of these Revised Bylaws. Directors shall be selected in the following manner:

- (a) Upon receipt of the treasurer's report called for in Section 4.7 hereof the secretary shall prepare a list of all Voting Members indicating the percentage of the TCCA which each such Voting Member shall have paid.

- (b) At the annual meeting, the presiding officer shall first request that each Voting Member entitled to appoint a Director make such appointment.
- (c) Each Voting Member which shall have paid at least eleven percent (11%) of the TCCA shall be entitled to fill one (1) Director position for each eleven percent (11%) of the TCCA paid by the Voting Member. A single Director shall be assigned a voting percentage equal to the actual percentage of the TCCA paid by the Member making the appointment, less any excess percentage used to appoint a different Director pursuant to 5.2(d) and (e) below (the "Voting Percentage"). Voting Members which are otherwise entitled to fill more than one (1) Director position may fill less than the maximum number of Directors and allot to each such Director a designated amount of Voting Percentage, not less than 11% each. For example, a company that has 27% of the TCAA can appoint a director who will have 22% of the TCAA (votes as 2 directors) and can use the remaining 5% for electing directors that may not have adequate TCCA percentage for the 11% needed to hold a director position.
- (d) After filling their authorized Director position(s) and apportioning Voting Percentages to such Directors in accordance with 5.2(c) above, a Voting Member may use remaining Voting Percentage to combine with other Voting Members with excess Voting Percentages, and Voting Members with less than 11% Voting Percentage to fill additional Director positions provided that the cumulative Voting Percentage for each such Director shall be at least eleven percent (11%).
- (e) After receiving the appointments from Voting Members entitled to appoint Directors under subsection 5.2(c) above, the presiding officer shall ask for appointments from any Voting Members whose combined Voting Percentages is at least eleven percent (11%), including any excess Voting Percentage from Voting Members who have made appointments.. Voting Members that have paid less than eleven percent (11%) of the TCCA, and Voting Members with excess percentages remaining after making their appointment(s) pursuant to subsection 5.2(c) above, may combine their remaining Voting Percentages with other such Voting Members to obtain at least an eleven percent (11%) Voting Percentage. Directors appointed pursuant to this subsection 5.2(e) shall be assigned a Voting Percentage equal to the cumulative percentage of the TCCA paid by the Voting Members making such appointment.

5.3 Decisions of the Board. Decisions of the Board of Directors shall be approved by the majority vote of the Voting Percentage of a quorum of the Directors unless the Articles of Incorporation shall require a vote of a greater number.

5.4 Qualifications. A Director shall not have employment duties which involve the oversight of the delivery of services by RTFC to the Voting Member that appointed

him/her. A Director shall not be the client contact for services provided by the Corporation to a Member.

5.5 Vacancies. If the office of any Director becomes vacant for any reason, during the term of office of such Director, such vacancy shall be filled by the Voting Member or Voting Members which appointed the Director vacating his position, except when that Voting Member has appointed another Director then serving on the Board of Directors. In the event of a vacancy in one Director office when the appointing Voting Member has another Director still serving, the vacancy will not be filled and the Voting Percentage held by the vacated Director office shall automatically be assigned to the remaining Director. Any Director appointed under this section shall complete the unexpired term of the prior Director.

5.6 Compensation of Directors. The Directors shall not receive any stated salary for their services as Directors but may, upon approval of the Board of Directors, be paid their expenses, if any, of attendance at each meeting of the Board of Directors. Members of special, ad hoc, or standing committees may, upon approval of the Board of Directors, be allowed like reimbursement for attending committee meetings.

5.7 Resignation and Removal. Any Director may resign effective upon giving written notice to the chairman and the secretary or the Board of Directors, unless the notice specifies a later time for the effectiveness of such resignation. If the resignation is effective at a future time, a successor may be elected to take office when the resignation becomes effective.

Any Director may be removed at any time with or without cause and with or without notice (a) by a vote of the majority of the Voting Percentage of all Voting Members or (b) by notice of removal from the Voting Member which appointed such Director or (c) if such Director was appointed under Section 5.2(d) and (e), by notice of removal from the Voting Members holding at least one-half (1/2) of the combined Voting Percentage that appointed such Director.

ARTICLE VI

Meetings of the Board of Directors

6.1 Place of Meeting. The Board of Directors of the Corporation may hold meetings, both regular and special, at the principal office of the Corporation, or at such other location as the Board of Directors may from time to time designate.

6.2 Annual Meeting. As soon as possible after each annual meeting of Members, the Board of Directors shall hold an annual meeting for the purpose of electing officers and transacting other business. No notice of such meeting need be given. In the event such meeting is not so held, the meeting may be held at such time and place as shall be specified in a notice given as hereinafter provided for special meetings of the Board of Directors, or as shall be specified in a written waiver signed by all of the Directors.

6.3 Regular Meetings. Regular meetings of the Board of Directors may be held at such time and at such place as shall from time to time be determined by the Board of Directors; provided, however, that if the date so designated falls upon a legal holiday, then the meeting shall be held at the same time and place on the next succeeding day which is not a legal holiday. Such regular meetings may be held without notice.

6.4 Special Meetings. Special meetings of the Board of Directors may be called by the president, and shall be called by the chairman or the secretary on the written request of three (3) directors.

6.5 Notice of Special Meetings. Notice of the time and place of special meetings of the Board of Directors shall be delivered personally to each Director, or if sent to each Director by mail, it shall be deposited in the United States mail at least four (4) days prior to the time of the holding of the meeting. Such notice shall not be necessary if appropriate waivers, consents and/or approvals are filed in accordance with Section 6.6.

6.6 Waiver of Notice. Notice of meeting need not be given to any Director who signs a waiver of notice, whether before or after the meeting, or who attends the meeting without protesting, prior thereto or at its commencement, the lack of notice to such Director.

The transactions of any meeting of the Board of Directors, however called and noticed or wherever held, shall be as valid as though made at a meeting duly held after regular call and notice if (a) a quorum is present and (b) if, either before or after the meeting, each of the Directors not present signs (1) a written waiver of notice, (2) a consent to holding the meeting, or (3) an approval of the minutes thereof. All such waivers, consents and approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

6.7 Quorum. At all meetings of the Board of Directors, Directors holding Voting Percentages representing two-thirds of the TCCA shall constitute a quorum for the transaction of business unless the Articles of Incorporation requires a greater number. The majority vote of the Voting Percentage of a quorum of the Directors shall be the act of the Board of Directors unless the Articles of Incorporation shall require a vote of a greater number. If a quorum shall not be present at such meeting any Director may adjourn the meeting until a quorum shall be present, provided those Directors who are not in attendance are given notice of the time and place of the meeting as rescheduled.

6.8 Adjournment. Any meeting of the Board of Directors, whether or not a quorum is present, may be adjourned to another time and place by the vote of Directors holding a majority of the Voting Percentages held by all Directors. Notice of the time and place of the rescheduled meeting need not be given to absent Directors if said time and place are fixed at the meeting adjourned.

6.9 Action Without Meeting. Unless otherwise restricted by the Articles of Incorporation or these Revised Bylaws, any action required or permitted to be taken at any meeting of the Board of Directors or of any committee thereof may be taken without a meeting, if all Directors on the Board of Directors or committee thereof, as the case may be, consent thereto in

writing, and the writing or writings are filed with the minutes of proceedings of the Board of Directors or committee thereof.

6.10 Conference Communication. Unless otherwise restricted by the Articles of Incorporation or these Revised Bylaws, Directors on the Board of Directors or any committee designated by the Board of Directors may participate in a meeting of the Board of Directors or committee by means of conference telephone or similar communications equipment by means of which all Persons participating in the meeting can hear each other. Participation in a meeting pursuant to this Section 6.10 shall constitute presence in Person at such meetings.

6.11 Committees.

(a) Ad Hoc Committees: The Board of Directors may establish and disband any committee as it deems appropriate and delegate to and remove from any committee the authority to act on behalf of the Board of Directors; provided, however, that except for the standing committees, below, the formation and/or disbandment, and authorization or removal of authorization of any such committee must be in writing.

(b) The following standing committees are established.

(1) Executive Committee. The Board of Directors may designate and redesignate annually an Executive Committee consisting of up to four (4) persons. Such committee shall have and may exercise all the authority of the Board of Directors in the business and affairs of the Corporation, but the designation of such committee and the delegation thereto of authority shall not operate to relieve the Board of Directors or any Director of any responsibility upon it or him by law. The Executive Committee shall keep regular minutes of its proceedings and report the same and all action of such committee to the Board of Directors when required.

(2) Compensation Committee. The Board of Directors may designate and redesignate annually a Compensation Committee consisting of up to three (3) persons. Such Committee shall have and may exercise the authority of the Board of Directors in setting compensation and benefit levels for the staff and employees of the Corporation. The Compensation Committee shall keep regular minutes of its proceedings and report the same and all action of such Committee to the Board of Directors when required.

(3) Capital Committee. The Capital Committee shall consist of the Chairman, Senior Vice Chairman, Secretary, Treasurer and the Chief Executive Officer. Such Committee shall have and may exercise all the authority of the Board of Directors in the preparation, review, administration, and oversight with respect to capital, budget, and expenditures for the Corporation. The Capital Committee shall keep regular minutes of its proceedings and report the same and all action of such Committee to the Board of Directors when required.

ARTICLE VII

Officers and Senior Management

7.1 Officers. The officers of the Corporation shall consist of a president/chief executive officer, a chairman, a senior vice chairman, a secretary, and a treasurer, and such subordinate officers as may from time to time be elected or appointed by the Board of Directors. Any number of offices may be held by the same person, unless applicable law provides otherwise. The officers elected by the Board of Directors must also be Directors. No officer of the Corporation will be entitled to compensation or remuneration for acting in such capacity.

7.2 Other Officers. The Board of Directors may appoint such other eligible officers and agents as it shall deem necessary who shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board of Directors.

7.3 President/Chief Executive Officer/President. The Board of Directors shall employ a president/chief executive officer, whose compensation shall be determined by the Board of Directors (or Compensation Committee if in effect) and who shall manage and direct the work and employees of the Corporation, subject to and in accordance with the instructions of the Board of Directors; shall prepare budgets of expenses for the approval of the Board of Directors and shall be authorized to incur expenses in accordance with the approved budget or as instructed by the Board of Directors; shall issue all notices of meetings of the Voting Members of the Corporation and Board of Directors when requested by the secretary in the name of the secretary; shall notify individuals elected to office or to membership on the Board of Directors; keep complete records of the Members of the Corporation and of the Board of Directors, including an accurate record of attendance of Voting Members of the Corporation; shall mail other notices as instructed by the Board of Directors; shall be custodian of all records of the Corporation, except such records and papers as required by his office or as instructed by the Board of Directors; shall have the authority to enter into any contract that is both (i) consistent with the purpose of the Corporation and (ii) within the limits issued by the chairman, including contracts for safety and/or emergency response and related services, and shall perform other duties given to him from time to time by the Board of Directors.

7.4 Term. Each officer shall hold office until his successor is elected and qualified or until his earlier resignation or removal. Any officer may be removed at any time, either with or without cause, by the Board of Directors. Any officer may resign at any time by giving written notice or at any later time specified therein; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. Any vacancy occurring in any office of the Corporation by death, resignation, removal or otherwise, shall be filled by the Board of Directors.

7.5 The Chairman. The chairman shall be subject to the control of the Board of Directors, and will have operating direction and control of the business and affairs of the Corporation. He shall present at each annual meeting of Members and of Directors a report of the condition of the Corporation. He shall be ex officio a member of all committees, and shall have the

general powers and duties of management usually vested in the office of chairman of a Corporation, and shall have such other powers and duties as may be prescribed by the Board of Directors or by these Revised Bylaws.

7.6 The Vice Chairmen. The senior vice chairman shall be vested with all the powers and shall perform all the duties of the chairman in his absence or disability. In the absence or disability of the chairman and senior vice chairman, the vice chairmen in order of their rank as fixed by the Board of Directors, or, if not ranked, the vice chairmen in order of their appointment as a vice chairman, shall perform the duties of the chairman, and when so acting shall have all the powers of, and be subject to all the restrictions upon the chairman. The vice chairman and each other vice chairmen shall perform such other duties as may be assigned to or required of them and shall have such other powers as shall be conferred upon them from time to time by the Board of Directors.

7.7 The Secretary. The secretary shall keep, or cause to be kept, a book of minutes in written form of the proceedings of the Board of Directors, committees of the board, and Voting Members. Such minutes shall include all waivers of notice, consents to the holding of meetings, or approvals of the minutes of meetings executed pursuant to these Revised Bylaws or statute. The secretary shall keep, or cause to be kept at the principal executive office, a record of its Members, giving the names and addresses of all Members, the names and addresses of all Representatives of Members and the Membership Interest held by each Voting Member. The secretary shall also keep, or cause to be kept at the principal executive office, all other records and correspondence relating to corporate governance. The secretary shall certify the voting qualifications of all Voting Members for all elections.

The secretary shall give or cause to be given notice of all meetings of the Voting Members and of the Board of Directors required by these Revised Bylaws or by law to be given, and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or these Revised Bylaws.

7.8 The Treasurer. The treasurer shall keep account of all monies, credits and property of the Corporation which shall come into his hands and keep an accurate account of all monies received and discharged. Except as otherwise ordered by the Board of Directors, he shall have the custody of all the funds and securities of the Corporation and shall deposit the same in such banks or depositories as the Board of Directors shall designate. He shall keep proper books of accounts and other books showing at all times the amount of funds and other property belonging to the Corporation, all of which books shall be open at all times to the inspection of the Board of Directors. He shall submit a report of the accounts and financial condition of the Corporation at each annual meeting of the Board of Directors or when the chairman or Board of Directors so requires. He shall also make such transfers and alterations in the securities of the Corporation as may be ordered by the Board of Directors. It shall be the responsibility of the treasurer to ensure that dues and assessments are timely paid by the Members and that payments required to be made by the Corporation in accordance with any funding obligations the Corporation may have to other organizations are timely properly made. In general, the treasurer shall perform all the duties which are incident to the office of treasurer, subject to the Board of Directors, and shall perform such

additional duties as may be prescribed from time to time by the Board of Directors. The treasurer shall give bond only if required by the Board of Directors.

ARTICLE VIII

Assessments

8.1 Emergency Response Participating Members. Prior to the end of each fiscal year, the chief executive officer shall prepare, or cause to be prepared, an estimated budget for emergency response services showing expected receipts and operating costs and expenditures, including without limitation, equipment purchases, replacements and repair, wages, employee benefits, and insurance, and shall submit the same to the Board of Directors for approval or modification thereof. All emergency response services operating costs as determined by the approved annual budget shall be assessed and allocated to and among Emergency Response Participating Members as determined by the Board of Directors from time to time as set forth in the Corporation's Emergency Response Services Operating Plan to be adopted by the Board of Directors.

Each Emergency Response Participating Member shall additionally pay and reimburse the Corporation for damage to or loss of property of the Corporation used on or required to be used as a result of any fire, spill, or other emergency response on such Member's property. Further, each Emergency Response Participating Member shall reimburse the Corporation for all costs incurred in providing emergency response services, at rates and upon the terms and conditions as determined by the Board of Directors from time to time and set forth in the Corporation's Emergency Response Services Operating Plan.

8.2 Emergency Response Annual Member. Each Emergency Response Annual Member shall pay an annual membership fee assessment set by the Board of Directors from time to time and set forth in the Corporation's Emergency Response Services Operating Plan. Each Emergency Response Annual Member shall additionally pay and reimburse the Corporation for damage to or loss of property of the Corporation used on or required to be used as a result of any fire, spill, or other emergency response on such Member's property. Further, each Emergency Response Annual Member shall reimburse the Corporation for all costs incurred in providing emergency response services, at rates and upon the terms and conditions as determined by the Board of Directors from time to time and set forth in the Corporation's Emergency Response Services Operating Plan.

8.3 Training Academy Participating Members. Prior to the end of each fiscal year the chief executive officer shall prepare, or cause to be prepared, an estimated budget for the training academy showing expected receipts and operating costs and expenditures, including, but not limited to, equipment purchases, replacements and repairs, wages, employee benefits, and insurance, and shall submit the same to the Board of Directors of the Corporation for approval and modification thereof. All operating costs for training services as determined by the approved annual budget shall be assessed and allocated among Training Academy Participating Members by the method determined by the Board of Directors from time to time as set forth in the Corporation's Emergency Response Services Operating Plan.

8.4 Training Academy Annual Members. Each Training Academy Annual Member shall pay an annual dues assessment as set by the Board of Directors from time to time and set forth in the Corporation's Emergency Response Services Operating Plan.

8.5 Site Members. Each Site Member shall pay such annual dues assessment, if any, as set in that Site Member's written agreement with the Corporation for the Corporation to provide safety and/or emergency response and related services to that Site Member.

ARTICLE IX

Indemnification

9.1 Indemnification by the Corporation of Officers and Directors. The Corporation shall indemnify any Person who by reason of the fact that he is or was a director or an officer of the Corporation, or due to action taken pursuant to and within the scope of his duties as a Director or officer of the Corporation, was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit, or proceeding, whether civil, criminal, administrative or investigative. Such indemnity shall include all expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding to the fullest extent and in a manner set forth in and permitted by the law of the State of Texas, and any other applicable law, as from time to time may be in effect. Such right of indemnification shall not be deemed exclusive of any other rights to which such Director or officer may be entitled apart from the foregoing provisions. The foregoing provisions shall be deemed to be a contract between the Corporation and each Director and officer who serves in such capacity at any time while this Section 9.1 and other relevant provisions of the law of the State of Texas and other applicable law, if any, are in effect, and any repeal or modification thereof shall not affect any rights or obligations then existing with respect to any state of facts then or theretofore existing or any action, suit or proceeding theretofore or thereafter brought or threatened based in whole or in part upon any such state of facts.

Notwithstanding anything to the contrary in this Section 9.1, the Corporation shall not, in any event, indemnify any Director or officer for any malfeasance, intentional misconduct, gross negligence, or acts against the Corporation.

9.2 Insurance. The Corporation may purchase and maintain insurance on behalf of any Person who is or was or has agreed to become a Director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a Director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him and incurred by him on his behalf in any such capacity, or arising out of his status as such, whether or not the Corporation would have the power to indemnify him against such liability under the provisions of this Article IX.

9.3 Savings Clause. If this Article IX or any portion hereof shall be invalidated on any ground by any court of competent jurisdiction, then the Corporation shall nevertheless indemnify each Director and officer of the Corporation as to costs, charges and expenses (including attorneys,

fees), judgments, fines and amounts paid in settlement with respect to any action, suit or proceeding, whether civil, criminal, administrative or investigative, including an action by or in the right of the Corporation, to the full extent permitted by any applicable portion of this Article IX that shall not have been invalidated and to the full extent permitted by applicable law.

9.4 Indemnification by the Members. It is the intent of this Section 9.4 to establish that the Member for whom a response or service is provided by the Corporation shall fully and completely indemnify the Corporation and all other Members from any and all liability relating to the response or service, except as specifically provided below in this Section 9.4. All provisions of this Section 9.4 shall be interpreted consistent with this intent.

9.4.1 For purposes of this Section 9.4, the following definitions apply:

9.4.1.1 “Indemnifying Member” means a Member who is provided services by the Corporation in response to an emergency relating to that Member.

9.4.1.2 “Indemnified Parties” means the Corporation and each non-Indemnifying Member, including subsequent Members, and all agents, directors, officers and employees thereof.

9.4.2 Each Indemnifying Member shall hold harmless and indemnify the Indemnified Parties, against all claims, liability and costs incurred, including, but not limited to, defense costs, attorneys’ fees, expenses, penalties, fines (including penalties or other charges or costs imposed by any federal, state or local authority), and damages which the Indemnified Parties suffer, sustain or become liable for by Persons (including any employee or agent thereof) or to property (including any equipment or material provided by a Member or the Corporation, and any natural resources) of the Indemnified Parties or to the Person and/or property (including any natural resources) of any third party, including, but not limited to, federal and state governments and agencies thereof, in any matter arising out of or connected with any act or omission (i) relating to emergency response services to the Indemnifying Member, excluding travel off the Indemnifying Member’s premises to and from the response site; or (ii) relating to training services provided to the Indemnifying Member and occurring on the Indemnifying Member’s premises or other training site, including the Corporation’s Training Academy; or (iii) of the Indemnifying Member, its agents, directors, officers and employees where such liability is asserted against the Indemnified Party by reason of its being a Member of the Corporation. The foregoing indemnity and hold harmless provisions by the Indemnifying Member shall be applicable to the Indemnified parties, regardless of whether such accident, damages or injuries are the result of negligence of an Indemnified Party.

In addition, the parties to whom this indemnification and hold harmless provision contained in this Article IX extends shall have the right, but not the obligation, to tender the defense to the Indemnified Parties of any and all lawsuits arising out of or in any way connected with matters which are the subject to this indemnity and hold harmless provision, but that failure to render any such defense shall in no way release or relieve the Indemnifying Member of its obligations hereunder. The indemnity and hold harmless provision granted hereunder shall not be

limited, restricted or in any way affected by the amount of insurance carried by the Indemnifying Member.

Notwithstanding any other provision thereof, no Member shall be liable to an Indemnified Party for any claims or penalties arising out of or resulting from the intentional violation of any criminal law, or gross negligence, or intentional misconduct of such Indemnified Party, hereunder, or otherwise.

9.5 Financial Responsibility and/or Insurance Requirements for Members. Each Member shall provide evidence of insurance or financial solvency to satisfy the obligations associated with the indemnification referenced in this section by having in place at all times during the Member's participation the schedule of coverages required under the Corporation's Emergency Response Services Operating Plan as set by the Board of Directors from time to time, to be verified on an annual basis.

9.6 Conspicuousness/Express Negligence. **THE DEFENSE, INDEMNIFICATION, AND HOLD HARMLESS PROVISIONS PROVIDED FOR IN THIS AGREEMENT SHALL BE APPLICABLE WHETHER OR NOT THE DAMAGES, LOSS, INJURIES, LIABILITIES, COSTS OR EXPENSES IN QUESTION AROSE SOLELY OR IN PART FROM THE ACTIVE, PASSIVE OR CONCURRENT NEGLIGENCE, OR OTHER FAULT OF ANY INDEMNIFIED PARTY. EACH MEMBER AND THE CORPORATION ACKNOWLEDGE THAT THIS STATEMENT AND THIS ARTICLE IX COMPLIES WITH THE EXPRESS NEGLIGENCE RULE AND IS CONSPICUOUS UNDER THE LAWS OF THE STATE OF TEXAS.**

ARTICLE X

General Provisions

10.1 Contracts. The Board of Directors may authorize any officer, or the chief executive officer of the Corporation, in addition to the officers so authorized by these Revised Bylaws, to enter on behalf of the Members into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances.

10.2 Checks, Drafts or Orders for Payment. All checks, drafts or orders for payment of money, notes or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or officers of the Corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors.

10.3 Deposits. All funds of the Corporation shall be deposited from time to time to the credit of the Corporation on behalf of the Members in such banks, trust companies or other depositories as the Board of Directors may elect.

10.4 Books and Records. The Corporation shall keep correct and complete books and records of account of all transactions conducted hereunder and shall also keep minutes of the

proceedings of its Members and Board of Directors and shall keep at the registered or principal office a record giving the names and addresses of the Members, directors and officers. These Revised Bylaws and amendments thereto shall be filed in a minute book which shall be kept at the principal office. All books and records of the Corporation may be inspected by any Member for any proper purpose at any reasonable time.

10.5 Corporate Seal. The Board of Directors may provide for a corporate seal.

10.6 Severability. If any provision of these Revised Bylaws or portion thereof should be declared invalid for any reason, the invalid provision or portion thereof shall be deemed omitted and the remaining terms shall nevertheless be carried into effect.

ARTICLE XI

Dissolution

11.1 Election by Members. The Corporation may elect to wind up its affairs and voluntarily dissolve by the vote of the Voting Members pursuant to Section 4.7 at a meeting of the Voting Members specially called for this purpose, or by written consent of all Voting Members without a meeting.

11.2 Disposition. Upon the dissolution of the Corporation, no Member, director, officer, or private Person shall be entitled to any distribution or division of its remaining property or its proceeds, and the balance of all money and other property received by the Corporation from any source, after the payment of all debts and obligations of the Corporation, shall be used or distributed to the State of Texas or an organization exempt from taxes under IRC §501(c)(3) for one or more purposes that are exempt under the Texas franchise tax. Any such assets not so disposed of shall be disposed of by the appropriate court of the county in which the principal office of the Corporation is then located exclusively for the purposes described in the preceding sentence, or to such organization or organizations as said court shall determine which are organized and operated exclusively for such purposes.

ARTICLE XII

Amendments

These Revised Bylaws may be altered, amended, or repealed or new bylaws may be adopted by the Voting Members at any regular meeting of the Voting Members or at any special meeting of the Voting Members if notice of such alteration, amendment, repeal or adoption of new bylaws is contained in the notice of such special meeting.

These Revised Bylaws were adopted at a meeting of Voting Members held on March 3, 2015 at which a quorum was present. The Revised Bylaws received at least two-thirds (2/3) of the votes that the Voting Members who were present or represented by proxy at the meeting were entitled to cast.

[SIGNATURE PAGE FOLLOWS]

By: 
Name: JOE Almaraz
Title: Chairman RTFC

**EMERGENCY RESPONSE SERVICES
OPERATING PLAN
TAB 4 - BOARD OF DIRECTORS HANDBOOK**

- 4.1 Purpose
- 4.2 Geographical Scope of Operations
- 4.3 Participating Members
- 4.4 Annual Members
- 4.5 Price Schedule for Annual Members
- 4.6 In-Plant Members
- 4.7 Reserve Fund
- 4.8 Current Year Operating Budget
- 4.9 Current Year Capital Budget
- 4.10 Payments
- 4.11 Dispute Resolution
- 4.12 Mutual Aide Response City of CC, Nueces County, or Others
- 4.13 Response to Non-Member
- Exhibit A Wage and Equipment Rate Schedule
- Exhibit B Work Order
- Exhibit C Rate Agreement And Schedule for Non Members

Approved: 15 June 2010

4.1 PURPOSE

The Corporation's principal objective is to provide emergency response services to its Participating Members in the Corpus Christi Bay Area.

4.2 GEOGRAPHICAL SCOPE OF OPERATIONS

Accordingly, until changed by the Board of Directors, the Corporation shall provide services from the Main Fire Station (Headquarters Station) as follows:

- (a) Primary Response Area. The Primary Response Area represents the industrial complex associated with the Port of Corpus Christi, which is also commonly referred to as the Corpus Christi Bay Area. Emergency Response within this area requires a major commitment of the Corporation's resources, and response within the Primary Response Area takes priority over response within the Secondary Response Area. At no time, and under no conditions, will the Corporation leave the Primary Response Area without adequate protection.
- (b) Secondary Response Area. The Secondary Response Area represents a geographical area in which the Corporation represents the closest meaningful help to a potential member at the time of emergency. Traditionally, the Corporation has responded to calls for assistance by facilities and public officials well outside of the Primary Response Area. The intent of this provision is to acknowledge the high probability that the Corporation will continue to be called upon for assistance outside of its Primary Response Area, and to provide a mechanism for those potential members (former non-members) to enter into a formal agreement with the Corporation. This agreement provides a standard response, maximizes the safety of all concerned with the emergency, and establishes an outer boundary to the Secondary Response Area, which acknowledges the availability of other emergency response resources within the State of Texas and the geographical limitations on providing services. Further, this provision acknowledges that many of the Corporation's Members have operations themselves (or through corporate affiliates) conducted outside of the Primary Response Area. These Members have traditionally called upon the Corporation for assistance at such locations at the time of emergency, due to the Corporation's expertise and its relationship with the associated Member Company. The Secondary Response Area currently designated contains an area of Texas comprising all locations within a geographical area within an eighty-mile radius of the Primary Response Area, which area will remain in effect until otherwise approved by the Board of Directors. The Corporation shall only respond to emergencies within the Secondary Response Area in a manner which does not leave Participating Members within the Primary Response Area with reduced protection for a significant period of time.

4.3 PARTICIPATING MEMBERS

Participating Members are those members within the Primary Response Area who agree to make capital contributions, pay operating assessments and pay service fees in accordance with the following:

- (a) Participating Member Annual Assessment and Formula.
 - (1) General Plan
 - (i) The annual assessment charged Emergency Response Services Participating Members contains two components; one for capital expenditures, and one for operating expenses. The capital component is recorded and is used in calculating the participating members' pro-rata ownership share.
 - (ii) The entire Emergency Response Services Division annual budget (capital and operating expenditures) is divided and apportioned among the Participating Membership utilizing a risk based cost allocation described in more detail in Section 4.3(a)(2) below. First, each distinct physical location owned, operated and maintained by a Participating Member within the Primary Response Area is assigned risk based points derived through a hazard matrix analysis of the process areas comprising the location. Next, the amount of tankage or inventory of flammable hydrocarbons maintained by a Participating Member at all of its locations is determined and assigned a point total determined by one of three aggregate volume levels. The foregoing point totals are combined, yielding an overall risk index for each Participating Member. The proportionate expense share for each Participating Member is then calculated as a fraction, the numerator of which is that Participating Member's point total and the denominator of which is the sum of all Participating Members' point totals.
 - (2) Risk based Cost Allocation Methodology
 - (i) Process Area Risk Index – The currently used risk assessment was done in 2003. From time-to-time, the Board, in its discretion, may conduct a new risk assessment for all or some facilities with notice to Participating Members.
 - (ii) Methodology for new assessments: When directed by the Board, on or before the first day of September preceding a budget year, each process area within a distinct physical location owned, operated and maintained by a Participating Member will be analyzed using a hazard matrix methodology developed by the Corporation's risk consultant, ETA, and set forth in ETA's Report dated February 2003. Each Participating Member will provide a declaration on or before September 30th preceding a budget year, setting forth anticipated changes (deletions or additions) to each process area from the prior year. The relative risks and statistical likelihood associated with certain events to which the Corporation must respond will be determined by use of a separate matrix for each of the following events: Flammable Liquids Fire (40%), Flammable Gas Release or Fire (20%), Toxic Vapor Cloud Release (15%), Marine Fire Fighting (5%), Other Fires (Grass, metal, etc.) (10%) and Confined Space/High Angle Rescue (10%). The figures in parenthesis reflect the Corporation's assessment of the weighted importance attached to each event. The assessed probability of the event's occurrence is compared with the anticipated level of response required, utilizing the matrix format. The resulting numerical point score is multiplied by the weighting factor, and recorded along with the other weighted scores for each

of the Participating Member's process areas. The sum of these figures represents the point total for that location.

- (iii) Tank Storage Facilities Index -- Total flammable hydrocarbon tank capacity (including sphere volumes) for each distinct physical location of a Participating Member will be determined on or before the first day of September preceding the budget year. The totals per location will be aggregated to yield a single volume for such Participating Member. Tank capacity declared in "barrels" will not include those tanks which will not be in service for the entire upcoming calendar year. These tanks must be cleaned, opened-up or blinded, and contain no residue. In addition to total storage capacity figure, Participating Members must also provide a tabulated record of capacity on or before the 30th day of September preceding a budget year. This tabulated record must include the following information:

- Tank Service, Identification Number, Location, and Diameter
- Tank Construction: External Floating Roof, Internal Floating Roof, or Other (Explain)
- Foam System Protection
 - Topside (Seal or Full Surface)
 - Subsurface

A point factor is assigned to each Participating Member based upon the aggregate barrels of storage capacity so determined, as follows:

- One million barrels or less – 50 points
- Between one million and three million barrels – 100 points
- Over three million barrels – 150 points

- (iv) Allocation Formula – The point totals determined under Sections 4.3 (a)(2)(i) and (ii) above for each Participating Member will be added together and represent the Participating Member Risk Index for each such member. The sum of all Participating Member Risk Indices represents the Total Risk Index. The allocated expense sharing interest for the budget year for each Participating Member will be calculated and expressed as a percentage, based upon the following formula:

$$\frac{\text{Participating Member Risk Index}}{\text{Total Risk Index}}$$

- (3) New Participating Members. An initiation fee equal to the first year's Participating Member Annual Assessment will be charged for each new Participating Member for its pro-rata interest in the Emergency Response Services Division of the Corporation, with deferred payment over a time period designated by the Board of Directors.

- (b) Service Fees. In addition to Annual Assessments, Participating Members will be invoiced for the following costs related to any response to any spill, fire, release or other emergency response to which the Corporation has committed on behalf of the Participating Member:

- (1) All consumables expended at cost plus 10% handling charge; and
- (2) Reimbursement for any damage to or loss of any equipment or property of the Corporation or any third party relating to or arising from the response; and

- (3) Payment, at budgeted rates, for all additional Corporation firefighting personnel required to be scheduled due to callout; and
 - (4) Payment, at budgeted rates, for all Corporation management and chief personnel engaged in the call out, for all periods extending more than 8 hours after the initial callout occurs.
- (c) Termination of Membership. In the event a Participating Member elects to terminate its participation in the Corporation, such withdrawal will only be effective six (6) months after written notice of withdrawal has been delivered to the Executive Committee, during which such six (6) month period the withdrawing Participating Member will remain liable for all fees described herein, plus all costs and expenses incurred by the Corporation in collecting such payments (including attorney's fees and court costs).

4.4 ANNUAL MEMBERS

Annual members are those members within the Secondary Response Area who agree to pay membership and service fees as follows:

- (a) General Statement. Two fee structures apply to Annual Members. The Annual Member Fee provides cost reimbursement to the Corporation, which covers expenses associated with emergency response preparedness. Service fees are assessed only after emergency response or standby services are received.
- (b) Annual Member Fee/Operating Assessment. The Annual Member Fee for each Emergency Response Annual Member shall be one-half (50%) of the amount computed under Article 4.3(a) as if such Annual Member were a Participating Member. Provided, however, that the Annual Member Fee shall not include the capital contribution component contained in Article 4.3(a). In no event will an Annual Member be required to make capital contributions to the Corporation.
- (c) Service Fees. In addition to Annual Member Fee, Annual Members will be invoiced for the following costs related to any response to any spill, fire, release or other emergency response to which the Corporation has committed on behalf of the Annual Member:
 - (1) All consumables expended at cost plus 10% handling charge; and
 - (2) Reimbursement for any damage to or loss of any equipment or property of the Corporation or any third party relating to or arising from the response; and
 - (3) Payment, at budgeted rates, for all additional Corporation firefighting personnel required to be scheduled due to callout; and
 - (4) Payment, at budgeted rates, for all Corporation management and chief personnel engaged in the call out, for all periods extending more than 8 hours after the initial callout occurs; and
 - (5) An equipment fee for all equipment used in the response at the rates contained in the then current rate scale provided in Exhibit A hereto. Exhibit A may be amended and published from time-to-time by the Board of Directors.

4.5 PRICE SCHEDULE FOR SERVICES

- (a) Personnel: When applicable, wages for incidents will be charged at budgeted rates, or for Non-Members at the rates contained in the then current rate scale contained in Exhibit A hereto. Exhibit A may be amended and published from time-to-time by the Board of Directors.

- (b) Equipment: When applicable the equipment fee for equipment used in an incident or response shall be at the rates contained in the then current rate scale contained in Exhibit A hereto. Exhibit A may be amended and published from time-to-time by the Board of Directors,

4.6 IN-PLANT MEMBERS

Beginning in 1995, the Corporation began offering In-Plant Services to its member companies in the Corpus Christi Bay Area. Currently the Corporation serves Equistar's Corpus Christi Plant and Chocolate Bayou facility, Flint Hill Refining Company's East and West refineries, and CITGO's Corpus Christi refinery complex, all pursuant to separate agreements with such members. To the extent disputes or conflicts arise in connection with such in plant agreements and operations (including without limitation, personnel matters), the matter will be brought before the Executive Committee, which will have full authority to resolve any such conflicts or disputes on behalf of the Corporation. Unless approved by the Board of Directors in a written services agreement otherwise, it is the express understanding of the Board of Directors that the scope of duties the Corporation will perform through its employees under such in plant agreements will be limited and restricted to provision of safety and emergency response services only. (See section 4.14)

4.7 RESERVE FUND

Since the 1980s it has been the policy of the Corporation to maintain a reserve fund. The purpose of the fund is to provide emergency cash for any cost overruns, working capital, additional assets, operational costs, and other uses. The Board of Directors determines the amount and use of this reserve. Currently, the Board of Directors goal is to strive to keep at least \$200,000 in an interest bearing money market account.

4.8 CURRENT YEAR OPERATING BUDGET

Prior to November 1, the Chief Executive Officer shall prepare, or cause to be prepared, an estimated budget showing expected receipts and operating costs and expenditures for Emergency Response Services, In-Plant Services, and Corporate Services; and, shall submit the same to the Board of Directors of the Corporation for approval or modification thereof. Any price schedule for response services to Annual Members, City or County may be amended from time to time by approval of the President.

4.9 CURRENT YEAR CAPITAL BUDGET

Prior to November 1, the Chief Executive Officer shall prepare, or cause to be prepared, the estimated capital budget for the upcoming year for Emergency Response Services. The proposed capital budget should be consistent with the latest **5-Year Capital Plan**.

If the 5-year Capital Plan is front end loaded and requires a loan, this becomes an annual commitment by the Members, because the equipment is used as collateral to finance the loan. If the membership changes, the obligation redistributes to remaining members.

4.10 PAYMENTS

- (a) Payments for the operating expense portion for the Participating Member Annual Assessments are due in quarterly installments on January 2, April 1, July 1, and October 1 of each year.
- (b) Payments for the capital expenditure portion of the Participating Member Annual Assessments are due January 2 of each year.

- (c) Payments for Annual Member Fee Assessments are due in quarterly installments on January 2, April 1, July 1, and October 1 of each year.
- (d) Payment for Service Fees will be due immediately upon receipt of an invoice from the Corporation for services rendered.

4.11 DISPUTE RESOLUTION - FEES

With respect to Service Fees for Emergency Response Services to a member, the amounts assessed by the Corporation for items consumed and property damaged in providing the services (or other non-budgeted items requiring reimbursement) shall be due and payable upon receipt by the member, unless the member disputes the fee in accordance with this provision. Within five (5) days of receipt by the member of an invoice for the Service Fee, such member, if it disputes any portion of the charge, shall request in writing that the President appoint a representative from each of three (3) disinterested members to determine the amount due by such member for the services rendered. If the fee is due from the member for whom the President is employed, then the Senior Vice President shall make the appointment. The majority decision of such committee shall be given in writing to the Corporation and the member within thirty (30) days from the member's written request. The committee's decision shall be deemed conclusive as to the amounts owed for services rendered.

4.12 MUTUAL AIDE RESPONSE CITY OF CC, NUECES COUNTY, OR OTHERS

In the interest of public safety and cooperation with local governments or other response groups like the City of Corpus Christi, Nueces County, or other entities, RTFC may provide Emergency Response Services to non-members on a negotiated basis.

4.13 RESPONSE TO NON-MEMBER

Before a response to a non-member company will be made, such non-member will be required to (a) sign and deliver a Work Order substantially in the form of Exhibit B hereto and (b) sign and deliver a Rate Agreement (Exhibit C) agreeing to the rates for wages and equipment contained in the then current Exhibit A hereto. Exhibits B and C may be amended and published from time-to-time by the Board of Directors. Alternatively, the non-member may become an Annual Member.

4.14 ADDITIONAL CONTRACT SERVICES

All Participating Members, Annual Members, Training Academy Participating Members and Training Academy Annual Members may enter into contracts with the Corporation to provide services in addition to emergency response services, with the approval of the Board of Directors. Payment for such services shall be in addition to any required fee or assessment and payment is due upon the terms stated in the contract for services.

(a) PERSONNEL

POSITION	MARKET RATE, (\$/HOUR)
Fire Chief	\$225
Deputy Chief	\$200
Assistant Chief	\$175
Division Chief	\$150
Captain	\$100
Firefighter	\$100
Administrative Assistant	\$100
Fireboat Captain	\$175
Fireboat Engineer	\$100

(b) EQUIPMENT

APPARATUS	UNIT NO.	MARKET PRICE, (\$/DAY)
Breathing Air Trailer		\$2,000.00
Brush Truck		\$1,500.00
Bus	S-1	\$1,000.00
Command Post / Transport	C-1	\$1,000.00 / \$500.00
Communication Vehicle	CV-1	\$6,500.00
Dry Chem Skid		\$4,000.00
Foam 1	F-1	\$10,000.00
Foam 5	F-5	\$8,000.00
Foam 6	F-6	\$8,000.00
Foam Tender	FT-1, FT-2	\$5,000.00 each
Foam Tower	FT 2, FT 3	\$10,500.00 each
Foam Transport	Transport 1, 2, or 3	\$2,000.00 each
Haz-Mat Trailer		\$5,000.00
Hose Tender	HT-1	\$4,000.00
Marine Vessel		\$15,000.00
Rehab Trailer	REHB-1	\$5,000.00
Rescue Trailer	RESCUE 1	\$2,000.00
Skid Pump	PUMP 1, PUMP 2	\$4,000.00 each
Skid Pump	PUMP 3	\$5,000.00
Utility Vehicle	U-1, U-2, U-3	\$500.00 each
Tugs		Hourly / Daily Rate + 15%

Exhibit B

WORK ORDER

REFINERY TERMINAL FIRE COMPANY

Date _____

CUSTOMER'S NAME _____

ADDRESS _____

TELEPHONE NO. _____

TO: REFINERY TERMINAL FIRE COMPANY, CORPUS CHRISTI TEXAS

You are hereby requested to perform, or attempt to perform, the following services:

at the following location: _____

Notes / Comments: _____

For the performance of, or attempted performance of, the above described, and any subsequently requested services, Customer, acting by and through its duly authorized agent, hereby agrees upon receipt of invoice to pay Refinery Terminal Fire Company herein called "Company", in Corpus Christi, Nueces County, Texas upon completion or discontinuance of their services, as hereinafter provided, the invoice price for such services and the reasonable value of any materials furnished, equipment destroyed or lost and any loss sustained by reason of equipment damaged in the performance of the requested services.

Customer further agrees as follows:

- (1) That Company is an independent contractor with complete discretion as to the means to be employed in performing all requested services. As such, Company will determine, in its sole and exclusive discretion, the means and manner of achieving the requested services without direction or control by Customer or any other third party.
- (2) That Customer has complete authority, dominion and control over the ship, vessel, tanks, and/or related equipment there located, exclusive of that supplied by Company;
- (3) _____ That Company shall in not be liable in any way to Customer for any *ACT OR OMISSION, WHETHER OR NOT THE SAME BE NEGLIGENCE*, in performing or attempting to perform the services above described or which may be hereafter requested, and Customer *EXPRESSLY DISCLAIMS ANY DAMAGES* which may accrue to it by reason of any such *ACT, OMISSION OR NEGLIGENCE*;
- (4) _____ Customer shall *INDEMNIFY* Company from any and all claims, demands, losses and causes of action of every kind and character, including, without limitation, claims (a) by reason of personal injury, death, property damage or destruction, both real and personal, (b) relating to any and all interests in the surface and in materials, and (c) including litigation costs, investigation expenses and attorney's fees, which may be asserted against Company, its agents or employees, by reason of or in anyway connected with the performance or attempted performance of the above described, or subsequently requested, services, and *WHETHER OR NOT ANY OF SUCH CLAIMS, DEMANDS AND CAUSES OF ACTION ARISE, IN WHOLE OR IN PART, FROM THE NEGLIGENCE OF COMPANY, ITS AGENTS OR EMPLOYEES*;
- (5) That Company shall have at all times the unabridged right, without negating any other provisions hereof, to discontinue the services, or attempted services, above described or hereafter requested, when, within Company's sole discretion, continuance of the same would entail unreasonable risk of life and property, and that by the exercise of such right, Company shall incur no liability unto Customer who shall pay Company for services rendered until the date the same are discontinued as well as for materials and equipment as hereinabove provided.
- (6) That Customer shall be liable for and shall pay any state income tax and state permits or other fees which Company may be obligated to pay by reason of the performance or attempted performance of the services herein or hereafter requested and the compensation earned therefor;
- (7) _____ That the indemnity obligations set forth in items (3) and (4) above are conspicuous and operate to expressly indemnify the Company from its own negligence.

By _____
Name of Customer
Title or Position

**RTFC RATE AGREEMENT AND SCHEDULE FOR NON-MEMBERS
AS OF 18 November 2013**

Agreement Fees:

The client / company agrees to pay 2% of the value (based on insurance documented replacement value) of the unit / tank & product / structure that is involved in the emergency response of \$20,000 whichever is greater plus the cost for personnel, equipment and consumable outlined below.

Personnel:

Attached is a schedule that has a listing of the personnel that would be utilized during an emergency response.

Equipment:

The client / company agree to pay Refinery Terminal Fire Company based on the attached rate schedule for equipment. The equipment will be charged on a per day basis only. The equipment needed for the response will be agreed to by the client / company and the RTFC Duty Chief prior to responding to the incident.

Consumables:

The client / company agrees to reimburse the Corporation for any consumables plus 20% used on or required to be used as a result of any fire, spill or other emergency response.

The client agrees to reimburse RTFC for damage to or loss of property of the RTFC used on or required to be used as a result of any fire, spill, or other emergency response.

I hereby agree to the above information and attached equipment and personnel charge schedule.

Name of the Customer

Title or Position



DATE: August 16, 2016
TO: Port Commission
FROM: John LaRue, 885-6189; john@pocca.com

AGENDA ITEM NO. 14.a

EXECUTIVE DIRECTOR'S REPORT



Port of Corpus Christi Authority

Monthly Safety Data Report
July 2016

Table with 11 columns: Safety, POCCA Employees Total, BMD Personnel, Maintenance Personnel, PD Personnel, Admin. & Annex Personnel. Rows include Number of Employees, Work Hours, First Aid Cases, Recordable Injuries, Recordable Illnesses, Lost Time Cases, Number of Days Lost, Restricted Cases, Number of Days Restricted, TOTAL RECORDABLES, and INCIDENT RATE (YTD).

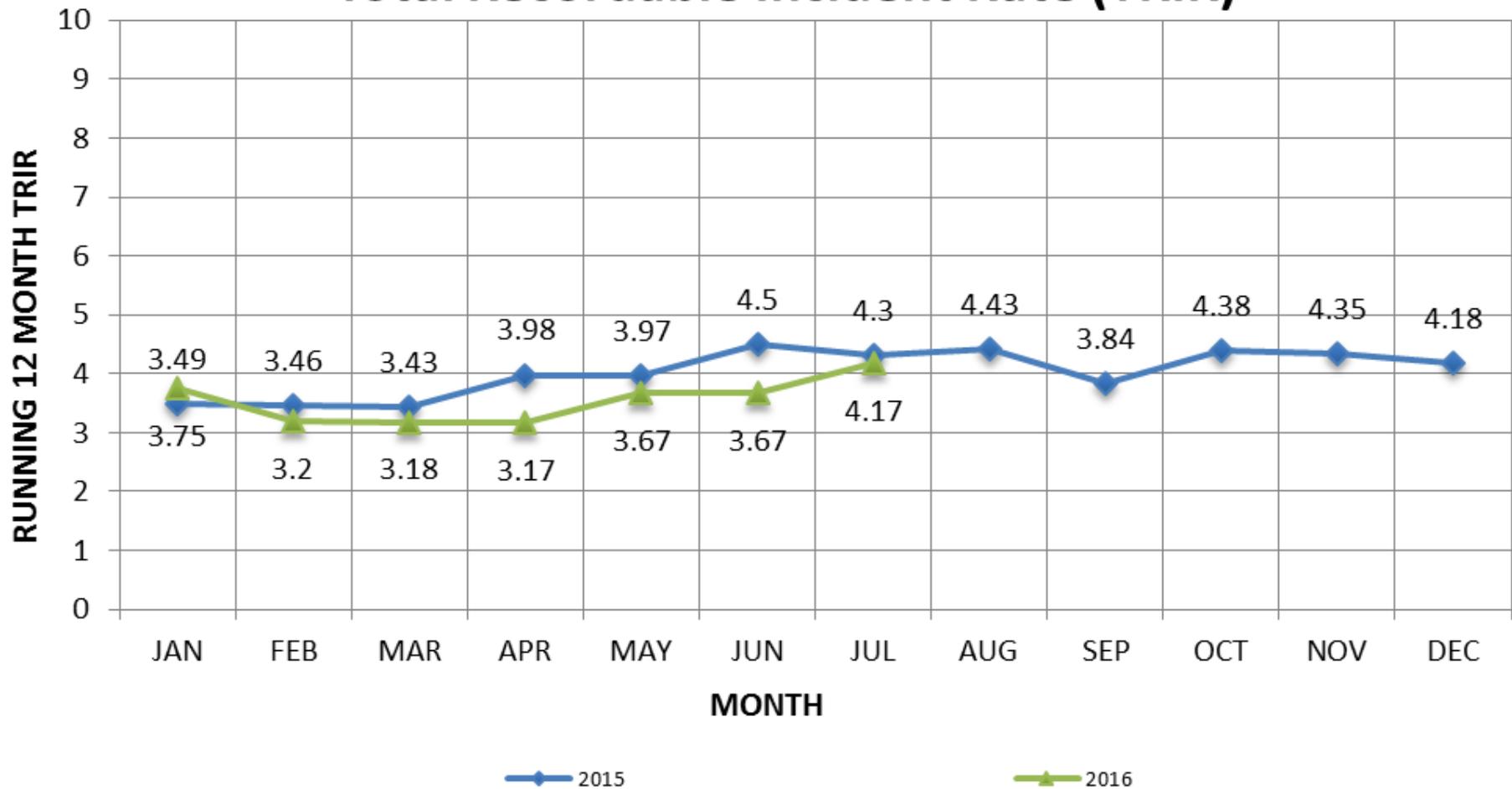
Table titled 'Types of Injuries' with 11 columns. Rows include Slips/Trips/Falls, Struck By, Strains/Sprains, Cuts/Lacerations/Punctures, Back Injuries, Heat Stress, Insect Bites, Other, and TOTAL.

Table with 4 columns: Days Since Last Lost Time Case (33), Hours Since Last Lost Time Case (264), Days Since Last Recordable Injury/Illness (6), Hours Since Last Recordable Injury/Illness (48).

Table with 3 columns: Date of Last Lost Time Case (Wednesday, June 29, 2016), Date of Last Recordable (Tuesday, July 26, 2016), and 12 Month Rolling Average (August 2015 - July 2016: 383,612 Manhours Worked, Total Recordable Incident Rate (TRIR): 4.17).



12 MONTH AVG Total Recordable Incident Rate (TRIR)





SAFETY COMMUNICATIONS



Incident Report for the Month of July

Incident 1

An employee assisting in a welding project received 1st degree burns on hand. After the rebar was cut and placed into the back of the truck, the employee noticed smoke coming from the end of freshly cut rebar. In fear that it would catch something in the back of the truck on fire, the employee grabbed the bar to move it causing injury to the hand.

Injury Prevention

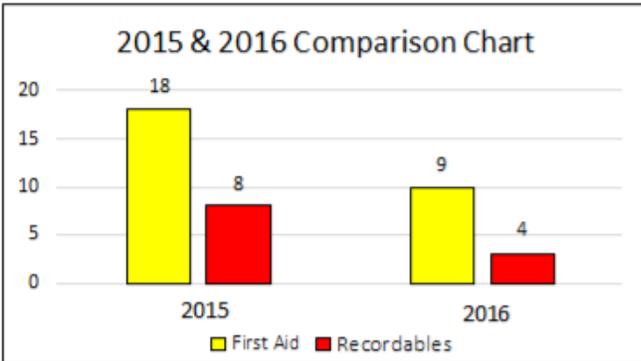
- Planning
- JSA
- Training
- PPE

Incident 2

An employee was in the process of adjusting tree limbs while standing in the bed of the truck. While pulling on tree limbs, employee struck himself with the tree limb in the middle section of the abdomen causing pain to a pre-existing injury.

Injury Prevention

- Fit for duty
- JSA
- Planning



Port TRIR: 4.17
 2016 Injuries:
 Slips/Trips/Falls = 3
 Struck By = 3
 Strain/Sprain = 4
 Cuts/Lacerations = 1
 Other = 2

JULY SAFETY SUGGESTION WINNER IS: JOHNATHAN REED



Safety Suggestions

- Response plan for suspicious odors.
Status: In process
- Buy a personal locator beacon and a boat ready cooler for Port PD.
Status: Researching
- Provide a portable eyewash station for the Gantry located at Bulk Terminal.
Status: In process
- All tripping hazards in Air Handler rooms should be painted bright yellow.
Status: After review the tripping hazards are already painted and not visible tripping hazards.
- To place mirrors in all corners in hallways to prevent running into someone.
Status: Researching
- Check status of lights under the bridge during the night
Status: Contacted TX Dot and submitted a ticket to ensure the lights are on at night.
- Fire exit doors should have a small window to view outside.
Status: Small windows have been placed in stairway doors to prevent a near/miss.
- To add a ladder to Oil Dock #10.
Status: No ladder will be added.

*"Safety doesn't happen by accident."
 -Unknown Author*

Picture This!



JULY 2016

SAFETY

First Aid / CPR/ AED

This year we are using a blended learning course through Red Cross that allows employees to work on a computer-based portion at their own pace and then completing the skills portion with the Safety Manager at their convenience. We have about 45% of employees updated.

SELECT INTERNATIONAL

Safety introduced the SafetyMirror Workshop and 1 on 1 coaching sessions to Admin and Annex employees. Coaching material is currently being utilized in incident/injury investigation and prevention.

JOB SAFETY ANALYSIS (JSA)

The JSA process continues to be a focal point of safety. Training and instructions are ongoing and JSAs are currently uploaded into our internal documentation system.

ON-THE-SPOT PROGRAM

Second quarter for the OTS program is just starting. Several OTS recognitions have already been submitted and the program is still in full force.

COMMUNITY RELATIONS

- Corpus Christi Chamber of Commerce-Government Affairs meeting
- Mayor's Big Bang Celebration 4th of July
- Valero Meeting
- Weekly Chamber of Commerce transition meeting
- Wednesday Morning Group
- Del Mar College Alumni meeting
- American Diabetes Association-Father of the Year
- The Rise School Golf Tournament
- Mandela Day Celebration
- Port Aransas 2016 Deep Sea Roundup
- Corpus Christi Seamen's Center Barbeque
- Education is our Freedom Scholarship Banquet
- Corpus Christi Hispanic Chamber of Commerce Legacy Award
- Texas State Aquarium Campers (PCCA visit)
- July Mayor's Interagency Meeting
- South Texas Military Facilities Task Force Quarterly meeting
- Corpus Christi Hispanic Chamber of Commerce Executive Board meeting
- United States Hispanic Chamber of Commerce Institute
- World Affairs Council monthly luncheon
- LULAC Scholarship Banquet
- Corpus Christi Chamber of Commerce-Salute to the Military
- Food Bank Drive for employees
- Hispanic Woman's Network Open Meeting
- Del Mar College Foundation Board of Trustees meeting
- Corpus Christi Hispanic Chamber of Commerce Board of Directors meeting
- H2O4 Texas Statewide Luncheon and Town Hall Meeting
- Texas A&M University-Corpus Christi
- Marketing Plan meeting with Jarl Pederson, Patricia Cardenas and Matt Garcia

HILLCREST/WASHINGTON COLES ACQUISITION AND RELOCATION PROGRAM

- Hillcrest DRA Field Office visits-4
- Hillcrest/Washington Coles Neighborhood Action Plan conference call
- Hillcrest Buyout Neighborhood Action Plan Stakeholder Meeting
- Hillcrest Community Advisory Board monthly meeting
- Hillcrest Buyout Neighborhood Coles Voluntary Acquisition and Relocation Program
- Hillcrest/Washington Coles Voluntary Acquisition and Relocation Program

- Hillcrest/Washington Coles Voluntary Acquisition and Relocation Program, Budgeting Basics: Learn how to budget your money and new tools for reducing debt
- Hillcrest/Washington Coles Voluntary Acquisition and Relocation Program, City Liaison: Learn about the role of the City Liaison and services available.
- Hillcrest/Washington Coles Voluntary Acquisition and Relocation Program, Understand, Build, Repair and Manage Your Credit
- Hillcrest/Washington Coles Voluntary Acquisition and Relocation Program, The ABC's of Appraisals
- Del Richardson, DRA meeting
- Hillcrest/Washington Coles Voluntary Acquisition and Relocation Program, Church Workshop

Community Advisory Board Meeting, July 7, 2016



COMMUNICATIONS

JULY STAFF & EMPLOYEE EVENT

- Reviewed 2016 Marketing Plan and Creative for B2B
- Various PMOP Positive Engagement Campaign meetings
- Various Harbor Bridge Acquisition & Relocation Program related meetings
- Port Commission Mtg.
- Wellness Committee meetings and Luncheon
- CVB monthly meeting
- VCS Board Meeting
- Planning upcoming conferences & tradeshow such as APLA, Breakbulk, FITAC.
- Planned & Participated in Texas State Aquarium Environmental Camp
- Planned & Participated in Oil Dock 15 groundbreaking
- Supported planning of Delegation traveling to China
- Supported planning of Groundbreaking of Harbor Bridge
- Planning annual visits to KCS, UP & Kirby Marine headquarters.
- Planning AAPA “Freight: Keep it Moving” Influencers roundtable at Port in August
- Supported Chairman Zahn’s presentation at Flour Bluff Business Association

NEW MEDIA MARKETING MANAGEMENT

- PortOfCorpusChristi.com
- Our Broadcasts/SEACASTS news feed stories are original content; written to inspire organic growth with search engines.
 - [Breaking Ground - Construction of 1,100 foot dock with 52 foot depth set to begin](#)

WEBSITE ANALYTICS (July 1 – 31, 2016)

- 13,294 Sessions
- 27,531 Page Views
- 6,681 Unique Users

USER PROFILE

<u>Country</u>	<u>Sessions</u>	<u>% Sessions</u>
United States	12,353	92.92%
United Kingdom	102	0.77%
India	99	0.74%
Mexico	86	0.65%
Canada	79	0.59%
Netherlands	39	0.29%

TOP TRAFFIC SOURCE

<u>Source</u>	<u>Sessions</u>	<u>%New Sessions</u>
Organic Search	6,258	51.81%
Direct	5,481	29.90%
Referral	1,244	30.63%
Other	219	70.78%
Social	92	75.00%

SOCIAL MEDIA – (July 1 – 31, 2016)

Facebook

- 4,575 Likes
- 74 New Likes
- 53,316 Total Reach (Organic)

Twitter

- 1,461 Followers
- 30 New Followers
- 10,400 Impressions (Organic)

MEDIA ADVISORIES/PRESS RELEASES

- [Clean Air a Priority as Port Corpus Christi Sponsors The 17th Annual AutoCheck Event](#)
- [People Move Our Port Community Awareness Campaign Brings Accolades to Port Corpus Christi](#)
- [Port Corpus Christi & Martin Midstream Partners Celebrate the Groundbreaking of Oil Dock 15](#)

MEDIA MENTIONS/WEB STORIES (June 1 – 28, 2016)

23 Mentions (See attached PortCCNewsAndSocial-6-2016)

PHOTO | VIDEO | DOCUMENTARY

OD15 groundbreaking
Safety Campaign
Commission Meeting
Employee Photos

MEDIA, MARKETING, COMMUNITY AND PUBLIC RELATIONS

Coordinate Publication/Release of Employee Newsletter

Port CC / CCREDC Co-op Ad



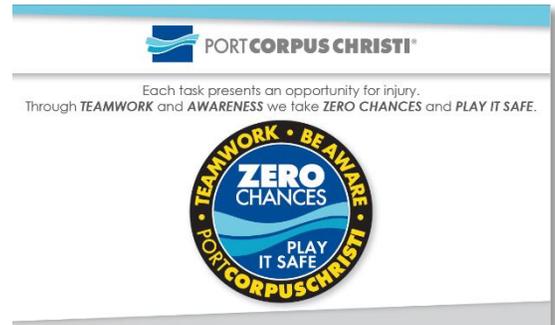
MULTIMEDIA COVERAGE FOR JULY: MARKETING RECAP-MDR

Marketing Recap: In July, MDR Advertising assisted with several small projects. The Safety Department helped design a signature board for employees to commit to Zero Chances, Play It Safe.

Work on the Port’s new website continues. The development phase is almost complete. Content is being reviewed and loaded onto the site. The goal is to launch the website for the Port’s 90th anniversary.

The community campaign – Feel the Energy – will launch on August 1st with a variety of media placements, from pre-roll videos on news stations and videos on social media, such as Facebook and Instagram. The campaign is 100% video based, utilizing Port statistics and showing Port employees and/or students learning a Port industry trade. The campaign will run through the end of the year.

Safety Signature



New Port Website in Development



MEDIA RECAP: 2016 CAMPAIGN

This year the media plan consists of print and online advertising.

Print: \$71,687 Added Value: \$21,948

Online: \$106,571 Added Value: \$65,941

ONLINE ADVERTISING - Click-thrus to portofcc.com:

Notes: America Economia, Central America Data, and T21 represented 39.4% of July referral traffic, all of which reach Latin American transportation and logistics audiences. Visits from Breakbulk accounted for the most page views with an average of 3.03 and for the longest time spent on the website with an average of 2:01 minutes. Overall average session lasted: 49 and average pages per session 1.39

May '16	June '16	July '16	Aug '16
aapa-ports.org ajot.com americaeconomia.com breakbulk.com centralamericadata.com expansionsolutionsmagazine.com globaltrademag.com heavyliftfpi.com joc.com Latin Trade e-Newsletter NACleanEnergy.com seatrade-maritime.com transportjournal.com T21.com.mx	aapa-ports.org americaeconomia.com breakbulk.com centralamericadata.com expansionsolutionsmagazine.com globaltrademag.com heavyliftfpi.com joc.com Latin Trade e-Newsletter seatrade-maritime.com transportjournal.com T21.com.mx	aapa-ports.org americaeconomia.com breakbulk.com centralamericadata.com drycargomag.com expansionsolutionsmagazine.com globaltrademag.com il-latam.com (Inbound Logistics Latin America) joc.com seatrade-maritime.com transportjournal.com T21.com.mx	aapa-ports.org ajot.com americaeconomia.com breakbulk.com centralamericadata.com drycargomag.com expansionsolutionsmagazine.com globaltrademag.com heavyliftfpi.com joc.com seatrade-maritime.com T21.com.mx
268	231	260	TBA

The image displays two overlapping screenshots of the CentralAmericaData.com website. The top screenshot shows the main navigation menu with categories like 'Actualidad', 'Compras de Gobierno', 'Clasificados', 'Empresas', 'Indicadores y Estadísticas', 'Comunicados', 'Agenda de Eventos', 'Contactanos', and 'Publicidad'. Below the navigation is a search bar and a 'Desarrollando Sinergias' banner. The main content area features several news articles, including 'Centroamérica y su transparencia fiscal según EE.UU.', 'Panamá: Más plazo para declarar renta', 'India como destino de exportación de carne de cerdo', and 'Costa Rica: Flujo de visitantes crece 12%'. A central widget displays 'Central America Data.com está contratando: Analista de Datos' with a table of economic indicators for Guatemala (GT), El Salvador (SV), Honduras (HN), and Nicaragua (NI). The bottom screenshot shows a detailed view of a news article titled 'Verizon adquiere a Yahoo por 4.8 mmd' and another about 'Empresas mexicanas se alistan para usar Canal de Panamá ampliado'. A Google search bar is visible in the background of the bottom screenshot.

PRINTED ADVERTISING

May '16	June '16	July '16	Aug '16
WINDPOWER 2016 Show Dir.** Breakbulk Magazine Expansion Solutions* ** N. American Clean Energy**	No print scheduled	Shippers Today (screenshot below)	Dry Cargo International T21 Revista
86,000	n/a	7,000	16,210

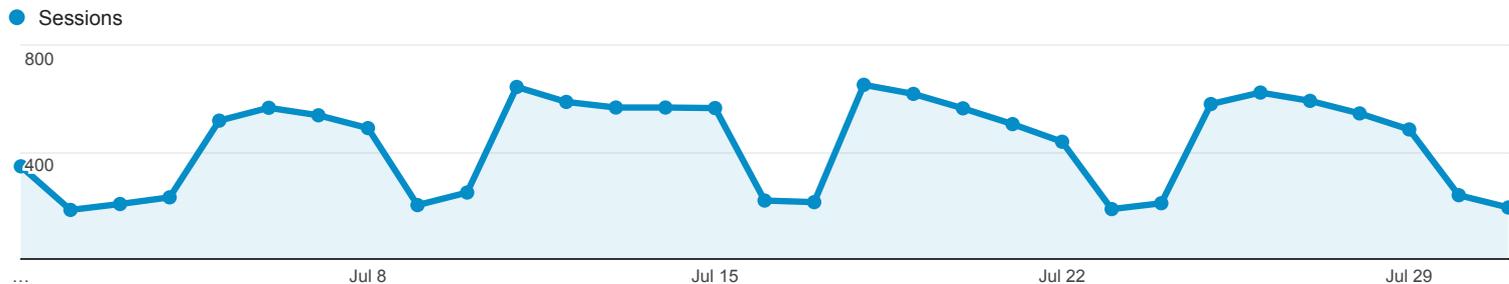
**Includes full page editorial of Port with photos, negotiated with media buy.
**Distributed at Conference – bonus circulation.*

Jul 1, 2016 - Jul 31, 2016

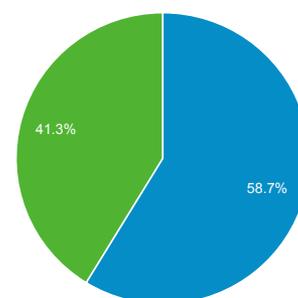
Audience Overview

All Users
100.00% Sessions

Overview



Returning Visitor (blue) | New Visitor (green)



Country	Sessions	% Sessions
1. United States	12,353	92.92%
2. United Kingdom	102	0.77%
3. India	99	0.74%
4. Mexico	86	0.65%
5. Canada	79	0.59%
6. Netherlands	39	0.29%
7. Chile	38	0.29%
8. Philippines	37	0.28%
9. Colombia	25	0.19%
10. Germany	25	0.19%

<u>time</u>	<u>Tweet per</u>	<u>Tweet text</u>	<u>impression</u>	<u>engageme</u>	<u>retweets</u>	<u>replies</u>	<u>likes</u>
2016-07-26	https://twi	Continuing to ci	344	11	1	0	3
2016-07-22	https://twi	Breaking Ground - Construction of 1,100 foot dock with 52 foot depth set to begin https://t.co/Wk8J3fvc6 #feeltheenergy	257	0	0	0	0
2016-07-22	https://twi	Port of Corpus Christi honored for its community awareness campaign @callerdotco m https://t.co/Kn37A3vis1	237	1	0	0	0
2016-07-22	https://twi	People Move Our Port Community Awareness Campaign Brings Accolades to Port Corpus Christi @AJOT https://t.co/HP1cPrzgy	232	0	0	0	0

2016-07-22	https://twitter.com/Delegation	216	0	0	0	0
	heads to China to promote Coastal Bend @callerdotco m https://t.co/MjMtZiFvB4					
2016-07-19	https://twitter.com/TonyReyes with	430	6	0	0	2
2016-07-19	https://twitter.com/LookingForward	326	1	0	0	0
2016-07-15	https://twitter.com/Wk	501	22	2	0	6
2016-07-15	https://twitter.com/3pt	323	2	0	0	0
2016-07-15	https://twitter.com/Q0	330	2	0	0	0
2016-07-15	https://twitter.com/ypl	352	2	0	0	1
2016-07-14	https://twitter.com/feeltheenergy	378	1	0	0	0
2016-07-14	https://twitter.com/feeltheenergy	342	4	1	0	0
2016-07-14	https://twitter.com/feeltheenergy	429	8	3	0	3
2016-07-14	https://twitter.com/FeelTheEnergy	572	15	5	0	6
	y - preparing for groundbreakin g of Oil Dock 15. #energy @AAPA_Seapo rts https://t.co/y8tDyW0Ea6					
2016-07-13	https://twitter.com/VideoFromThis	400	3	1	0	2
2016-07-13	https://twitter.com/LocalAreaOffice	411	8	2	0	1

GOVERNMENT AFFAIRS

LOCAL

- Meeting with City Council Member Carolyn Vaughn and representatives of the Texas Historical Commission.
- Attended Coastal Bend Council of Governments committee meeting.
- Attended various Harbor Bridge groundbreaking meetings in preparation for August event.
- Assisted Communications Dept with elected officials' participation at Port's new oil dock groundbreaking ceremony.
- Attended Corpus Christi Hispanic Legacy luncheon.

STATE

- Meeting with State Representative Abel Herrero and staff for briefing on potential project coming to Texas.
- Meeting with Representative Todd Hunter regarding upcoming Joint Interim Committee hearing to study cruise ship industry.
- Hosted State Representative Larry Gonzalez, Chair of Sunset Committee and Appropriations Committee, for port briefing and tour.
- Attended Windstorm Task Force Committee meeting hosted by Representative Todd Hunter to prepare for legislative session.
- Hosted with Community Relations H204 Texas members to Corpus Christi.
- Attended Texas Ports Association meeting to discuss upcoming legislative session priorities.
- Attended Transportation Advocates of Texas committee meeting.

FEDERAL

- Various meetings and conference calls with consultants to advance our Ship Channel Improvement Project and La Quinta Aids to Navigation.
- Supported passage of Senate WRDA legislation by signing on to AAPA letter. The legislation hopefully will get scheduled for floor time in September when Congress returns.
- USDOT announced both FASTLANE and TIGER grants in July. Unfortunately, the Port was not selected for funding (see attached).
- Working with congressional offices and consultants to monitor FY 2017-2018 budget, WRDA 2016, Harbor Maintenance Trust Fund, Port Security Grant Program, etc.



U.S. Department of Transportation Proposed FY 2016 FASTLANE Project Awards

Pursuant to Section 1105 of the FAST Act, the Department is providing this list of proposed awards to the authorizing committees of jurisdiction. This list must remain with the committees for 60 days before issuing the awards.

The U.S. Department of Transportation conducted a thorough and fully documented review process to choose projects that will have significant regional and national impacts by reducing congestion, expanding capacity, using innovative technology, improving safety, or moving freight more efficiently.

This list of proposed Fostering Advancements in Shipping and Transportation for the Long-term Achievement of National Efficiencies (FASTLANE) grant awards is the culmination of a thorough technical assessment of 212 applications requesting a total of \$9.8 billion, more than 10 times the available amount. Due to funding limitations, we were only able to fund a small percentage of the excellent, eligible applications.

Project Name	Applicant Organization	State	Project Size	FASTLANE Proposed Award	Total Project Cost	117(d)(2)(A) Limitation*
Interstate 10 Phoenix to Tucson Corridor Improvements	Arizona Department of Transportation	AZ	Large	\$54,000,000	\$157,500,000	-
SR-11 Segment 2 and Southbound Connectors	California Department of Transportation	CA	Large	\$49,280,000	\$172,200,000	-
Arlington Memorial Bridge Reconstruction Project	National Park Service	DC	Large	\$90,000,000	\$166,000,000	-
Port of Savannah International Multi-Modal Connector	Georgia Ports Authority	GA	Large	\$44,000,000	\$126,700,000	\$32,000,000
I-10 Freight CoRE	Louisiana Department of Transportation and Development	LA	Large	\$60,000,000	\$193,508,409	-
Conley Terminal Intermodal Improvements and Modernization	Massachusetts Port Authority	MA	Large	\$42,000,000	\$102,890,000	\$42,000,000
I-390/I-490/Route 31 Interchange, Lyell Avenue Corridor Project	New York State Department of Transportation	NY	Large	\$32,000,000	\$162,900,000	-
US 69/75 Bryan County	Oklahoma Department of Transportation	OK	Large	\$62,000,000	\$120,625,000	-
Atlantic Gateway: Partnering to Unlock the I-95 Corridor	Virginia Department of Transportation	VA	Large	\$165,000,000	\$905,000,000	\$45,000,000
South Lander Street Grade Separation and Railroad Safety Project	City of Seattle	WA	Large	\$45,000,000	\$140,000,000	-
I-39/90 Corridor Project	Wisconsin Department of Transportation	WI	Large	\$40,000,000	\$1,195,300,000	-
Truck Parking Availability System (TPAS)	Florida Department of Transportation	FL	Small	\$10,778,237	\$23,983,850	-
Cedar Rapids Logistics Park	Iowa Department of Transportation	IA	Small	\$25,650,000	\$46,500,000	\$25,650,000
U.S 95 North Corridor Access Improvement Project	U.S 95 North Corridor Access Improvement Project	ID	Small	\$5,100,000	\$8,500,000	-
Maine Intermodal Port Productivity Project	Maine Department of Transportation	ME	Small	\$7,719,173	\$15,438,347	\$7,122,485
Cross Harbor Freight Program (Rail)	The Port Authority of New York and New Jersey	NY	Small	\$10,672,590	\$17,787,650	\$10,672,590
Coos Bay Rail Line - Tunnel Rehabilitation Project	Oregon International Port of Coos Bay	OR	Small	\$11,000,000	\$19,555,000	\$11,000,000
Strander Boulevard Extension and Grade Separation Phase 3	City of Tukwila	WA	Small	\$5,000,000	\$38,000,000	-
Total				\$759,200,000	\$3,612,388,256	\$173,445,075

Legend:
Urban: White
Rural: Gray

*Number is estimated and subject to revision based on final negotiated project budgets

2016 TIGER Awards

Project Name	Applicant	Applicant State	Awarded
<u>One Mobile: Reconnecting People, Work and Play through Complete Streets</u>	City of Mobile	Alabama	\$14,465,044
<u>Little Rock Port Authority Growth Initiative</u>	Little Rock Port Authority	Arkansas	\$6,185,400
<u>Live Oak Streetscape Project</u>	City of Live Oak	California	\$10,000,000
<u>Redlands Passenger Rail Project</u>	County of San Bernardino DBA San Bernardino Associated Government	California	\$8,678,312
<u>Rosecrans/Marquardt Grade Separation Project</u>	Los Angeles County Metropolitan Transportation Authority	California	\$15,000,000
<u>Gateway to Oakland Uptown</u>	San Francisco Bay Area Rapid Transit District	California	\$6,321,688
<u>North Interstate 25 Phase 1</u>	Colorado Department of Transportation	Colorado	\$15,000,000
<u>Downtown Crossing</u>	City of New Haven	Connecticut	\$20,000,000
<u>Claymont Regional Transportation Center</u>	Delaware Transit Corporation	Delaware	\$10,000,000
<u>Broward Metropolitan Planning Organization Regional Complete Streets Initiative</u>	Broward Metropolitan Planning Organization	Florida	\$11,443,371
<u>Martin Luther King Jr Drive Corridor Improvement Initiative</u>	City of Atlanta	Georgia	\$10,000,000
<u>Rehabilitation of "H" Wharf</u>	Port Authority of Guam	Guam	\$10,000,000
<u>Des Moines' Community Connection</u>	City of Des Moines	Iowa	\$8,000,000
<u>Garfield Gateway Station</u>	Chicago Transit Authority	Illinois	\$25,000,000 ³²⁰
<u>Springfield Rail Improvements Project - Usable Segment II</u>	City of Springfield, Illinois	Illinois	\$14,000,000

2016 TIGER Awards (Continued)

Project Name	Applicant	Applicant State	Awarded
Urban Bridge Replacement Project Eighth Street Bridge Over White River	Madison County	Indiana	\$13,500,000
Town Branch Commons Corridor	Lexington-Fayette Urban County Government	Kentucky	\$14,095,887
North Avenue Rising	Maryland Department of Transportation	Maryland	\$10,000,000
US29 Bus Rapid Transit (BRT) Improvements	Montgomery County, Maryland	Maryland	\$10,000,000
Replacement of Beals Island Bridge	Maine Department of Transportation	Maine	\$10,525,000
Drinking Water Revolving Fund Roadway Reconstruction: Saginaw, Atherton & Dupont Streets	City of Flint	Michigan	\$20,000,000
US 169 Freight Mobility Project	Scott County	Minnesota	\$17,700,000
Natchez Railway's Bridge Rehabilitation	City of Natchez, Mississippi	Mississippi	\$10,000,000
Goldsboro Main Street Revitalization Through Transportation Investment II	City of Goldsboro	North Carolina	\$5,000,000
Camden Connections for the Future	City of Camden	New Jersey	\$16,200,000
Green Fleet Procurement	Regional Transportation Commission of Southern Nevada	Nevada	\$13,324,000
ExPORT Upstate New York thru Port of Albany Maritime Improvements	Albany Port District Commission	New York	\$17,629,800
The Downtown Akron Promenade	City of Akron	Ohio	\$5,000,000
Re-Connecting Cleveland: Pathways to Opportunity	Cleveland Metropolitan Park District	Ohio	\$7,950,000

2016 TIGER Awards (Continued)

Project Name	Applicant	Applicant State	Awarded
<u>Portland Marine Terminal Freight and Jobs Access Project</u>	Port of Portland	Oregon	\$7,329,000
<u>Carlisle Connectivity Project</u>	Borough of Carlisle	Pennsylvania	\$5,000,000
<u>I-579 Cap Urban Connector Project: Bridging a Critical Gap to Revitalize the Hill District</u>	Sports & Exhibition Authority of Pittsburgh and Allegheny County	Pennsylvania	\$19,000,000
<u>Pawtucket/Central Falls Commuter Rail Station</u>	Rhode Island Department of Transportation	Rhode Island	\$13,100,000
<u>Moving the Carolinas Forward: A Rural Freight Rail Project</u>	Horry County Government, South Carolina	South Carolina	\$9,765,620
<u>BIA Route 7 to US Highway 83 Improvement Project</u>	Rosebud Sioux Tribe	South Dakota	\$14,620,000
<u>Foothills Parkway Capstone Project</u>	Tennessee Department of Transportation	Tennessee	\$10,000,000
<u>Connecting Communities</u>	City of Brownsville, Texas	Texas	\$10,000,000
<u>First/Last Mile Connections: Improving Community Access to Regional Opportunities</u>	Utah Transit Authority	Utah	\$20,000,000
<u>Gordon A. Finch Terminal Improvements</u>	Virgin Islands Port Authority	Virgin Islands of the U.S.	\$10,666,878
<u>Port of Everett South Terminal Modernization Project</u>	Port of Everett	Washington	\$10,000,000



MEMORANDUM

To: Nelda Olivo
From: Hugo Berlanga
Re: July Report
Date: August 4, 2016

Below, please find an update on issues of interest to the Port. Also, please find a brief summary of those activities conducted by Berlanga Business Consultants on behalf of the Port:

In a recent House Appropriations Committee hearing, Rep. Larry Gonzales (R-Round Rock), chair of the subcommittee on Articles VI, VII, and VIII, said he has visited several ports in Texas on his own time. Gonzales said he wants legislators “to ask questions about the other modes of transportation, and how they can help.” He continued that “this is a water, road and rail combination that we’re talking about.” The overall tone of the hearing suggests the legislature needs to give more attention to maritime ports, especially with the expansion of the Panama Canal. Gonzales said by focusing on maritime ports and rail the state could help alleviate some of the congestion problems on state highways. To do this the legislature should dedicate funds to increase maritime ports and rail capacity during the session. Gonzales said this is an opportunity to address “road safety, road conditions, road congestion” all of which Governor Abbott asked the legislature to address back in September. Gonzales went on to say that the infrastructure needs to be able to handle any increase in ships and cargo of the ports; if rail and highway systems are not able to handle the increased load, the ports will have a problem.

Rep. John Otto (R-Dayton), chair of the House Appropriations Committee, stressed the importance of improving both rail and ports to take the pressure of busy state roads, but said you can’t do one without the other; doing so would only create additional problems. Rep. Joe Pickett (D-El Paso), chair of the House Transportation Committee, supports Rep. Gonzales in increasing funding for port infrastructure. As part of the interim charges of issues to study before the upcoming legislative session in January, Lieutenant Governor Dan Patrick asked the Senate to examine transportation infrastructure at the state’s maritime ports, while the House received no such charge from Speaker Straus. Gonzales said that even though no charge was issued, that by visiting ports he is preparing and hoping to make ports a budget priority in the upcoming session. Gonzales said he understands that ports vary in size and scope and export/import a variety of items.

In the bid to replace outgoing Senator Rodney Ellis (D-Houston), Rep. Borris Miles (D-Houston) beat out Rep. Senfronia Thompson (D-Houston) and former City Controller Ron Green. Miles received a majority of support from democratic precinct chairs to replace Ellis on the November ballot. Miles will not face a Republican opponent. The process now begins to fill Rep. Miles seat in the House, precinct chairs will also decide his replacement.

The Texas Water Development Board allocated another \$700 million through the State Water Implementation Fund for Texas (SWIFT) to projects across the state. The projects include El Paso, Austin, and North Harris County. The El Paso Water Utilities Public Service Board received a multi-year low interest loan of \$150 million, the City of Austin received a multi-year low interest loan of \$167 million to complete advanced metering infrastructure, and the North Harris County Regional Water Authority received \$225 million to help the expansion of transmission lines.

Governor Greg Abbott announced the appointment of Laura Ryan to the Texas Transportation Commission (TTC). Ryan, Vice President of Market Representation and Dealer Development at Gulf States Toyota, Inc., will serve on the TTC until the term expires on February 1, 2017. The TTC sets policy for the Texas Department of Transportation (TxDOT), specifically the state's highway system, statewide transportation plan, development of public transportation and TxDOT's operating rules.

Retiring Rep. Jim Keffer (R-Eastland) believes it's time for the Texas Railroad Commission (TRC) to change its name to something that reflects its true mission regarding oil and gas regulation. Rep. Keffer also said the Texas Public Utility Commission should regulate natural gas utilities instead of the TRC and the State Office of Administrative Hearings (SOAH) should conduct the rate hearings since SOAH are neutral. The TRC will be undergoing its third sunset review within the last 6 years.

- Attended a TWIA meeting in Austin on July 5, 2016;
- Attended a reception for Councilman Michael Hunter on July 7, 2016;
- Attended the PORT Celebration of Oil Dock 16 Commencement of Inner Harbor Construction on July 14, 2016;
- Attended the PORT Board of Director's Meeting held on July 19, 2016;
- Attended a meeting at the PORT with Sean Strawbridge on July 20, 2016;
- BBC will continue communication with the members and staff of Senate IGR, Senate Natural Resources, Senate State Affairs, the Lt. Governor's office and House Transportation & Speaker's Office;
- BBC will continue to send notices regarding meetings and articles of interest to the Port via fax and/or e-mail.

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

From: Brian Yarbrough and Janiece Crenwelge
Date: July 31, 2016
Re: Activities on behalf of Port Corpus Christi during July 2016

July 1: Review of Texas Register for state agency actions relating to POCCA and transmittal to staff.

July 8: Review of Texas Register for state agency actions relating to POCCA and transmittal to staff.

July 11: Meeting with SD-24 Republican nominee, Dr. Dawn Buckingham for introduction on behalf of Port and brief discussion of major Port current events. Teleconference with staff of Sen. Van Taylor (Senate Transportation) regarding Port issues.

July 12: Meeting with staff of Sen. Chuy Hinojosa regarding Harbor Bridge groundbreaking event and Port issues. Meeting with staff of Sen. Brandon Creighton, Chair, Texas Senate Select Committee on Texas Ports, regarding Port issues, future meetings dates, and logistics for a Port visit. Meeting with office of Sen. Kel Seliger (Senate Business and Commerce Committee) regarding Port issues.

July 13-14: Travel to Corpus Christi for groundbreaking ceremony of Martin Midstream Oildock 15. Meetings with Reps. Todd Hunter and Larry Gonzales on Port issues. Port tour and briefing with Rep. Larry Gonzales (Chairman, Texas Sunset Advisory Commission), Todd Hunter, Port Commissioners, John LaRue, Nelda Olivo regarding current port initiatives and relationship to Texas transportation needs.

July 15: Review of Texas Register for state agency actions relating to POCCA and transmittal to staff.

July 18: Attend and monitor House Appropriations Subcommittee on Articles VI, VII, and VIII. The subcommittee is studying the various methods of funding the state's transportation network including recent legislative enactments such as Proposition 1 (83(3)) and Proposition 7 (84R). The committee will review the current budget structure for the Texas Department of Transportation as it relates to transportation funding categories and make recommendations for future allocations to accurately address the transportation needs in the state. Meeting with Rep. Larry Gonzales regarding Port issues and to follow up on his earlier visit to the Port.

July 19: Attend and monitor for Port issues the House Appropriations Subcommittee on border security. The committee is evaluating the effectiveness of the use of funds appropriated during the 84th Texas Session for border security operations including the examination of existing data

and reporting on border security metrics. The committee will recommend improvements to ensure the availability of accurate information in considering sustaining or increasing border security funds in the next budget.

July 20: Meeting with Sen. Brandon Creighton staff regarding the September 15 meeting of the Senate Select Committee on Texas Ports and an interim visit to the Port for tour by members of the Select Committee.

July 21: Research and review of relevant provisions in the Texas Penal Code and the Texas Water Code relating to the prohibition of drones and firearms in secure areas of Port facilities. Correspondence with Tom Mylett regarding the same.

July 22: Review of Texas Register for state agency actions relating to POCCA and transmittal to staff.

July 25: Attend and monitor for Port issues the Senate Agriculture, Water, and Rural Affairs committee. The committee will make recommendations on the ownership, production, and transfer of surface water and groundwater in the state of Texas and make recommendations on improving the process of developing and executing the State Water Plan with an emphasis on the Texas Water Development Board's process in the identification and designation of brackish groundwater zones.

July 29: Review of Texas Register for state agency actions relating to POCCA and transmittal to staff.

July 1-31: 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.

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MEMO

To: Port of Corpus Christi
From: Borski Associates
Date: August 3, 2016
Re: Monthly Report

Funding for Ship Channel Improvement Project

We participated in a conference call on securing authority and funding to continue the Corpus Christi Ship Channel Improvement project.

Outlook for Remainder of 2016

Congress adjourned on June 17th for a seven week break and will return after Labor Day for five weeks. To date, no appropriations bills have become law, leaving Congress with a significant amount of work to do before the year's end.

Election season is sure to consume the five weeks in September and October. Typically, legislation considered during this period is more political in nature. Further, congressional leaders will want to avoid particularly controversial issues that do not offer any political advantage, such as those within appropriations bills. The exception to this is a continuing resolution to keep government programs funded, which we expect to be passed mid-September.

We anticipate that Congress will return after the election to address the remaining outstanding budget, defense, and tax issues that require legislation each year. Depending on the electoral outcome, it is not impossible that some budgetary items are left until a new Administration and Congress take office.

While we do not expect much legislative action, the Administration will likely look to “clear the decks” on outstanding items. This would be an opportune time to have our elected leaders weigh in with the Administration about the CC-SCIP. It appears that the issue remains at OMB, which is always a difficult agency to get past but at the same point is controlled by the White House. Our elected leaders can help break the impasse by appealing directly to the White House.

House WRDA Bill

We have been advised that the House may consider its WRDA bill in September. The Senate’s version is ready for floor action. However, Senate rules tend to necessitate several days for action on most legislation. Congress will not return from recess until after Labor Day and will adjourn again on October 7th, leaving little time for legislative action.

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Firm Client: Port of Corpus Christi Authority, Texas
Primary Client Team: Barry Rhoads, Steven McKnight, Andrew Forbes, and Kaleb Froehlich
Services Period: July 1-31, 2016

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

- Substantive consulting on federal government issues on behalf of PCCA
 - ▶ Reported and analyzed first year of planned Department of Transportation awards under the FASTLANE program for Nationally Significant Freight and Highway Projects under FAST Act
 - ▶ Discussed Port's ground-breaking for new Oil Dock 15 and federal policy developments following lifting of the ban on crude oil exports
 - ▶ Engaged in dialogue following FEMA announcement of FY16 Homeland Security Grant to Port of Corpus Christi Authority
 - ▶ Gathered information on status of Corps of Engineers consideration of Port's position on new starts and project partnership agreement
- Legislative Liaison and Monitoring
 - ▶ Attended House joint subcommittee hearing on port security issues and drafted detailed hearing summary
 - ▶ Engaged in liaison on proposed ATON legislation with Congressional delegation staff and committee professional staff
 - ▶ Inquired on status of proposed "new start" language with committee professional staff
 - ▶ Engaged in Congressional staff liaison and followed votes on appropriations legislation and DERA funding amendments
 - ▶ Reported on Congressional schedule and status of legislation in light of recess for party nominating conventions and district work period
- Client Contact and Team Coordination
 - ▶ Engaged in regular telephone and e-mail contact on PCCA matters with Executive Director John LaRue and Government Relations Manager Nelda Olivo
 - ▶ Participated in multi-consultant conference call on status of federal relations initiatives
 - ▶ Reviewed news media coverage of new developments at Port and other PCCA activities and discussed same with PCCA representatives

INFORMATION TECHNOLOGY

Status of Information Technology Programs & Initiatives

- Helpdesk – 445 IT helpdesk tickets submitted and 409 tickets closed in May.
- PD Network Redesign – Network redesign to convert analog network to digital has begun. The first phase is to install new switches and cameras at Oil Dock 14 along with distribution switches in the PD data center. A digital network will improve image quality, allow for easier software and firmware maintenance and replace the existing aging equipment.
- Employee Cyber Security Training – Partnered with Innove to conduct employee cyber security training on August 11. Training will be mandatory for all employees with a network account. The training package will include four parts. Classroom style training for employees, computer based training for new hires and reoccurring updates, monthly cyber threat intelligence bulletins for IT and monthly cyber security updates for all employees. A page has been added in the My Port Newsletter for cyber security updates and employee awareness.
- Data Center Colocation – Design of network and server environment for colocation data center is complete. Final pricing is submitted and we are under budget. Other options such as dedicated hosting and cloud hosting have been reviewed. CyrusOne is recommended by staff and is on the August agenda for approval.
- Phone System Replacement – Design of network and phone system completed. Staff has chosen Cisco Unified Communications as the best fit for the Port. This project is on the August agenda for approval.
- Agenda Management – Granicus has been chosen by staff to replace existing commission agenda management software. Agenda template design has been chosen and is complete. Agendas are being created in Granicus by Peggy and Sherry. Staff training is scheduled for August. IT is currently evaluating other Granicus modules for recording and archiving meetings along with real time recording of meeting minutes.
- Data Circuits – Proposals received for Data Circuit RFP which will provide services to a security camera location. Circuit costs were high due to the remote areas of the camera locations. Security Committee approved the purchase of microwave equipment for a wireless transmission. Equipment is currently being installed and will be completed by August 31.
- Virtualization of Servers (Port PD) – Project approved at the June commission meeting. All equipment has been delivered and is currently being installed at PD data center. Virtualized servers and SAN will be installed by August 31.

- Employee VPN – Enhanced VPN portal for employees is in design stage. The concept is for employees to access their data and applications in a more secure and efficient manner when out of the office. The project will be implemented with existing hardware and software at no additional cost. Two-factor authentication has been added into the scope of this project for added security
- Electronic Workflows – The goal of this initiative is to limit the number of paper workflows that exist within the Port. Testing is completed for Employee Action Notices and all notices are now going through Docuware. Mobile application for Docuware is being configured so approvals can be made when approvers are not in the office. Design of accounts payable invoice approvals is in progress.

2016 Budgeted Projects

- Data Center Colocation – This project will move the backup data center to a colocation facility in San Antonio. The site has been selected and approved by the Coast Guard. Port IT staff are in the final negotiations with the colocation and telecommunication providers. This project is scheduled to go before the Commission in March for approval. *Estimated project completion: 10/1/16*
- Phone Systems Replacement – Replacement of 10+ year old PBX phone system and consolidation of all sites into one system. This project will remove phone systems at Admin/Annex, HMO, PD, Maintenance and BMD. The existing design of our voice infrastructure is subpar for redundancy and cost effectiveness. Installing a VOIP phone system will allow for SIP trunks which will provide up to 50% reduction in long distance costs. *Estimated project completion: 11/1/16*
- Virtualization of Servers (Port PD) – Existing server infrastructure consists of out of date physical servers. This project would replace 15 to 20 servers with 3 to 4 servers utilizing virtualization. Virtualization introduces costs savings by reducing maintenance contracts along with a reduction in power and cooling needs. Virtualization of servers will also improve the redundancy of the systems they house by utilizing existing Port infrastructure for failover. *Estimated project start date: 9/1/16*
- Network Replacement (Port PD) – As identified in the Transportation Technology Associates Security Technology Master Plan, the network infrastructure for Port PD needs to be upgraded. Most equipment has reached end of life and is no longer supported by the manufacturer. This upgrade would allow for the transition from analog to digital cameras. *Estimated project completion: 12/31/16*

BUSINESS DEVELOPMENT

WIND ENERGY

- Vessel calls during June:
 1. Wind cargo vessels: 7
 2. Wind energy cargo inbound rail: 83 nacelles, 78 hubs
- Staff continued discussion regarding the possibilities of long-term storage for Production Tax Credit's Safe Harbor Program with multiple wind manufacturers and logistics providers with initiation time-frame of Q4 2016 and Q1 2017.
- Staff assisted with wind and project cargo identification for accurate billing of monthly storage.
- Staff attended meeting with Class I railroad to discuss several matters, including wind energy cargo
Staff met with local stevedoring company regarding use of alternate laydown sites on Southside

PROJECT CARGO

- Vessel calls during June: Project cargo vessel: 1
- Continue coordinating the import shipments of plant equipment for M&G as well as in the support for the future logistics involving the receiving of raw materials to initiate product production.
- Staff continued communication with major construction entity regarding project cargo movements and assisted with coordination of meeting with Spanish supplier (Aug). Staff also met with same entity regarding potential lease of property in the La Quinta vicinity for additional laydown space

DRY BULK CARGO

- Working with an entity seeking to handle "steel scrap" through our Bulk Terminal. Anticipated tonnage per year could reach 400 thousand tons. The overall logistics are to discharge the scrap and load onto rail cars to a final destination in Northern Mexico.
- Staff continues to meet with team to develop Master Development Plan for the Bulk Terminal. As part of the overall strategy, a Consultant has been selected to assist us with a Marketing Study. We anticipate to have a final report by mid-September.
- Continue dialogue with the entity seeking to handle bulk commodity within a 10 year business plan. In addition, analyzing other prospects-commodities to support the development of the future Bulk dock #3.

GENERAL CARGO

- Staff received confirmation; from one of the entities which will be importing large pipes for the natural gas projects to export said product into Mexico; will be discharged in PCC.
- Staff continues to meet and support M&G with general cargo storage needs, covered and open area.
- Staff continues to work with small business entities for liquid bulk transloading throughout port owned tracks.
- Staff received confirmation, from the small business importing cottonseed. The cargo will be arriving in early August. It will be temporarily stored and outbound by rail or barge.

LATIN AMERICA TRADE

- Working-coordinating the preparations for the Energy Forum which is going to take place next August, on the 24th.
- Continue dialogue with Palermo Port-Terminal in seeking to secure a large oil-machinery project from a local entity to Colombia.
- Coordinating with our Communications department the marketing efforts for coming trade conferences, such as Break Bulk. In addition, we are about to conclude the “report-video” on the Latin American countries economic study to promote and expand the Ports’ international exposure within said area.
- PCC information requested in July from interested persons-entities from CentralAmericaData.com:

GENERAL ACTIVITIES

- Staff working with assigned summer Interns. The Interns have been working on market-cargo research, upgrading our statistical data, researching and analyzing vessels’ frequencies as well as type of vessels docking within our various berths.
- Staff continued maintenance of Port Tariff 100-A and Bulk Terminal Tariff 1-A.
- Staff collaborated with other internal departments regarding new Harbor Bridge potential laydown issues at Southside Terminal.
- Staff continued efforts with internal departments and local stevedores regarding alternate future Southside and Northside laydown areas.
- Staff assisted with coordination of maritime Inner Harbor tour for State Representative.
- Staff assisted with coordination of additional covered storage for materials of current plant construction within Inner Harbor.

FOREIGN TRADE ZONE

A meeting with Foreign Trade Zone (FTZ) operators and local Customs and Border Protection (CBP) officers was held on Thursday, July 21, 2016. FTZ Manager and CBP provided updates on ACE system, status of compliance reviews and other FTZ procedures.

FTZ Manager has submitted FTZ expansion application for Valero to modify their FTZ boundaries to include an additional 6.7 acres along Up River Road into their zone.

Superior Weighting is working on FTZ application for their site on Rincon property. The company is in the process of receiving tax entity approval letters.

FTZ Manager continues working with Tex-Isle Supply, Inc. on information required for CBP activation approval of their site which was approved for FTZ designation.

OVATIONS

As usual, the month of July here at the Ortiz Center is the slowest month of the year. While we missed top line sales for the month due to not allowing the tattoo convention back this year, we still closed the month much better than budgeted.

We wanted to thank M&G Chemicals for choosing the Ortiz Center for their training and on-boarding site. As of last week, they have fully transitioned their teams on-site. We welcomed back the Corpus Christi Bar Association for their Annual Law Day, the U.S. Coast Guard Change of Command & Retirement Ceremony and the Texas Workforce Solutions Annual Childcare Director's Symposium.

We were pleased to have the Hispanic Chamber of Commerce 2nd Annual Legacy Awards Luncheon featuring keynote speaker and Legacy Award recipient Juan M. Garcia, former U.S. Assistant Secretary of the Navy.

This month we were proud to welcome for the first time the Higginbotham Annual Shareholders Meeting, the H20 for Texas Road Show, the first of the Port Corpus Stevedore Workshops, as well as the first Coastal Bend Women's Weekend Expo.

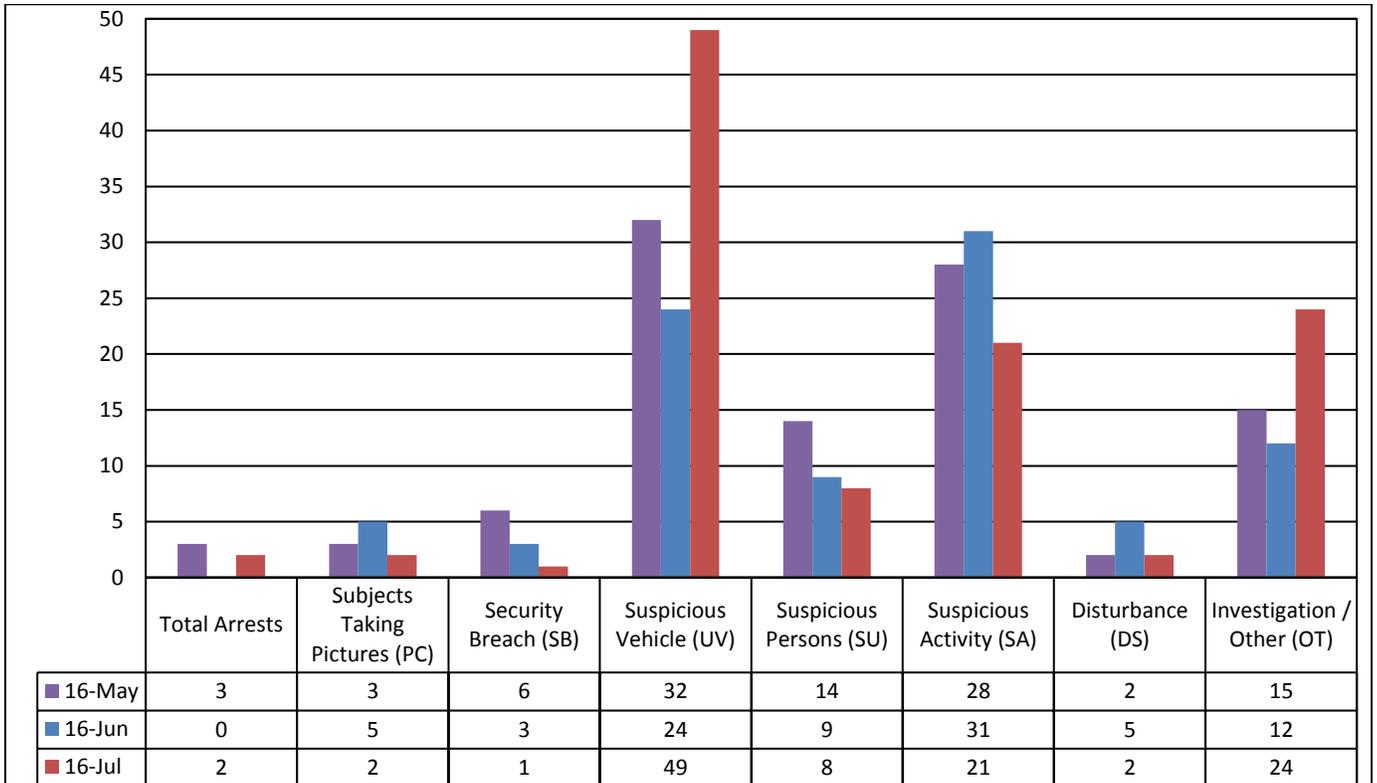
As part of our continued commitment to the community, we are pleased to report that Spectra and the Ortiz Center provided almost \$10,000 in discounts and sponsorships to various non-profit and Community Based Organizations this month. The support given by the Ortiz Center assists these wonderful groups in their ability to generate the resources needed to provide services throughout the Coastal Bend region.

Below are 2015 totals and numbers to-date for 2016 activity. * July revenue estimated.

2015	Guest Attendance	Number of Events	Revenue	2016	Guest Attendance	Number of Events	Revenue
January	5,113	42	\$216,694	January	4,621	41	\$149,911
February	2,639	27	\$75,227	February	4,366	39	\$204,819
March	5,397	40	\$197,604	March	4,553	59	\$199,597
1st Quarter	13,149	109	\$489,525	1st Quarter	13,540	139	\$554,327
April	5,046	53	\$187,262	April	5,033	47	\$207,522
May	5,727	42	\$187,077	May	5,980	47	\$190,851
June	4,152	47	\$204,576	June	4,342	44	\$213,748
2nd Quarter	14,925	142	\$578,915	2nd Quarter	15,355	138	\$612,121
July	3,511	52	\$165,634	*July	NA	NA	\$118,179
August	2,521	31	\$92,649	August			
September	3,418	30	\$157,647	September			
3rd Quarter	9,450	113	\$415,930	3rd Quarter			
October	4,572	52	\$214,263	October			
November	6,907	56	\$257,904	November			
December	5,468	50	\$385,933	December			
4th Quarter	16,947	158	\$858,100	4th Quarter			
EOY Total	54,471	522	\$2,342,470	YTD Total	15,355	138	\$730,300

SECURITY

2016 Port Police Calls – PICC Last Three Months



OPERATIONS

HARBORMASTER

Ship Arrivals	Tankers	Freighters	Year to Date Ships
<i>July 2016</i>	107	46	938
<i>July 2015</i>	109	45	1015
Barge Arrivals	Tank Barges	Freight Barges	Year to Date Barges
<i>July 2016</i>	322	1	2669
<i>July 2015</i>	423	10	3501

Shifting	Tankers	Freighters	Tank Barges	Freight Barges
<i>July 2016</i>	15	7	970	0
<i>July 2015</i>	16	4	885	8

	Average Daily Ship Arrivals	Average Daily Barge Arrivals
<i>July 2016</i>	4.94	11.87
<i>July 2015</i>	4.97	16.42

Channel Disruptions

Channel Disruptions	Total Hours	Light	Tropical Storm Bill	Strong Currents	Rig
<i>July 2016</i>	7.75	--	--	--	7.75
<i>July 2015</i>	5.50	--	--	--	5.50

Delays	Inbound Delays	Outbound Delays
<i>July 2016</i>	3	3
<i>July 2015</i>	1	3

BULK TERMINAL

Current Projects

- Replacing three-quarter belt covers with full belt covers 90% complete. Remaining covers will be installed when remaining conveyor idlers are purchased (2nd QTR 2016)
- Dust control for all pads and roads
- Preparing for pad resurfacing
- Completed cable tray along CB# 2
- Storm Water MGMT-Working with engineers to develop run-off strategy
- Replacing idlers on conveyors 75% complete
- Receiving bids for auxiliary power for BT office
- Receiving bids for concrete work associated with auxiliary power and water evacuation pump
- Preparing for paving projects throughout terminal
- Replaced gear box and feeder belt on Gantry
- Started new import business with AHMSA

Activity (short tons)

Railcars

- Load rail cars: 420 railcars loaded for a total of 0 Hot Briquetted Iron (HBI)
- Unload rail cars: 0 railcars unloaded for a total of 0 Hot Briquetted Iron (HBI)

Bulk Dock #1

- 48,501 HBI

Bulk Dock #2

- 164,957.78 Pet coke
- 51,923.75 Sulfur

Pads

- 113,256.42 Pet coke
- 16,585.00 Sulfur

YARDS & RAIL

- Rail traffic slow with ADM doing 347 railcars mixed wheat and sorghum,
- AHMSA/UPRR trial MetCoke and HBI ships to rail at BMD ongoing cargo on pads, trains cycling to AHMSA and Port
- 1309 total revenue rail cars in July 2016 compared to 1407 revenue cars in July 2015
- Working on Agreement (CCPN 1997 Operating) with Welder, Strawbridge and Stroot.
- North Bank storage yard wind components departing by truck and rail, no issues,
- North Storage yard project cargo and wind cargo departing by trucks, FTZ areas set up for M&G cargo
- CD 14 and Rincon small amount cargo from M&G

- South side yard paving project completed, VESTAS towers trains arrive to take all of VESTAS cargo off Port
- GWRR working on 2016 annual maintenance

CARGO DOCKS

- Freezer warehouse foundation being used for lay down by stevedores
- CD 8 – 7 vessels arrived July
- CD 9 – 9 vessels arrived July

Ortiz Center

- Replaced contactor
- ran n capacitor and checked refrigerant charge on split unit in Neil's office
- assisted contractor with fire system backflow preventer annual inspection

Commission Meeting Room:

- Set up and tear down stage

Guard Houses

- Installed gun lock boxes at BMD guardhouse
- met with engineering to coordinate and plan relocation of BMD guardhouse
- re-attached bird netting on canopy at Viola guardhouse
- installed flooring plate at Viola guardhouse
- repaired desk drawers and replaced door kick stands and closers on both doors at Avery point guardhouse
- secured area light at Stroman guardhouse
- monthly generator inspection and test at Stroman guardhouse

Administration Building

- Assisted Nancy with shredding of old documents
- adjusted front entrance door hinges
- cut and installed windows on stairway doors
- repaired water leak under sink on 3rd floor kitchen
- adjusted recycle bin area gate
- installed ceramic tile in 1st floor men's room to repair wall where urinal was replaced
- replaced ballast and lights in Liz's office
- relocated furniture from 2nd floor Admin to 3rd floor Annex as requested by procurement
- monthly generator inspection and test

Annex Building

- Cut and installed windows on stairway doors
- assisted contractors with Chiller repairs
- monthly generator inspection and test
- performed quarterly cleaning of floors and carpets and dusting of offices and restroom
- unclogged ice machine drain and brought in fresh ice to Harbor Master office

Port Security/PD

- Attained quotes for office additions - electrical, construction and a/c heat loads
- commence installation of power outlets and construction of wall
- replaced water stained ceiling tiles
- replaced GFI outlet with higher amperage breaker
- monthly generator inspection
- repaired broken handheld rail in men's restroom
- removed weights and workout equipment in preparation of office additions

BMD

- Unclogged commode in employee's restroom
- installed eye wash and shower station at main shop
- flush and inspect potable water outlets at BMD 1 and 2
- installed speed limit signs and added 3 road barriers at Bulk terminal road
- installed new bulletin board in lunchroom as requested by Safety

Cargo Docks

- Repaired water meter valve at CD 9
- replaced 2 fender elements and bull rails at CD 9
- removed damaged fender structure at CD 8
- fabricate and installed missing drain ditch grading
- prepped and paint potable water covers at CD 9
- flush and inspect potable water outlets on all cargo docks
- attained water meter readings on all outlets
- performed annual fire hose inspection and test at CD 9
- replaced broken toilet at CD 14
- removed and replaced burnt out lighting contactor at CD 15
- assisted contractor with fire system backflow preventer annual inspection for bldg. 26 and 27
- performed monthly test and inspection of fire alarms and sprinkler systems on all cargo docks
- continued refurbish of Dock panel for CD 8
- replaced bull rail (wharf log) at CD 8

Oil Docks

- Met with engineering to inventory dock repair materials
- fabricated and replaced damaged handrails at OD 4
- service and replaced air filters on a/c units on all Oil Docks
- flush and inspect potable water outlets on all oil docks
- attain water meter readings on all outlets
- straightened and painted damaged road post at Avery property
- replaced area lighting wiring at OD 2
- continue fabrication of extension handrail and rescue ladder for OD 10
- repaired door hinges and lock set on restroom door at OD 8
- conduct monthly fire monitor inspections at Oil Docks 1,2,3,4,7 and 11
- replaced potable water piping and valve at OD 7

Fire Boat

- Assisted Gulf Copper Marine with replacement of 6” fire piping to aft monitor
- replaced pressure relief valve on bottom air tanks
- test bilge and open hull door alarms

Gates, Fences & Roads

- Replaced corner post of gate #91
- repaired KBH road at La Quinta
- repaired damaged fence at OD 2 parking lot

Maintenance Shops

- installed cable and winch on trailer # 496
- replaced personnel basket on Versalift boom truck
- serviced and repaired a/c units at supervisor’s office and lunchroom
- assist employees and complete PAQ (position analysis questionnaire)
- conduct weekly Safety meetings

Property Other

- Mowed La Quinta, Harbor Island, Joe Fulton right of ways and Savage Lane
- coordinated and planned drain grading West of ADM
- inspected and removed excess cable and ropes from all mooring areas
- continue with repairs to crushed concrete sorting screens
- mowed Hillcrest Acquisition properties (11 properties) (boarded one house)
- assisted Communications department with ground breaking ceremonies for OD 15
- monthly generator test and inspection at Harbor Island and La Quinta
- assist engineering with several boat launch and retrieves for dock inspections
- assist EMS dept. with repairs to the refrigerated storm water sampling unit

Maintenance Routine

- Performed preventative Maintenance (PM) on vehicles, safety boat and equipment at the maintenance department
- performed routine inspection and PM on lights, water outlet
- performed ground keeping port wide
- oversaw janitorial service on all port facilities

Personnel Status

- One maintenance employee continues to be out from work due to illness and doctor’s request.
- Another maintenance employee continues to be on light duty per doctor’s request at maintenance shop

Environmental Planning and Compliance Monthly Report

Environmental Stewardship Measurements

Program Area	Measured Environmental Improvements – July '16
Electrical Consumption*	10% Green Energy –496,000 KWHs
Spent Liquids Recycled	890 gallons
Materials Recycled	43,451 lbs
Components Recycled	632
Regional Air Quality	~64 ppb (EPA standard of 70ppb)
Community Complaints	1
Notice of Violations	0
Tenant Audits Completed	7

Important Announcements

PCCA and the Pollution Prevention Partnership at Texas A&M University – Corpus Christi hosted an AutoCheck event for the public on July 12, 2016 and two (2) vehicles were identified with high exhaust and provided vouchers for free repairs.

Environmental Initiatives Dashboard

Listed below are the environmental initiatives planned or underway and the status of each:

Program	Description of Activities	Target Completion Date	% Complete	Status
Bulk Terminal Air Monitoring Network – Pilot Program	Installation of six air monitors at the Bulk Terminal and one in Dona Park neighborhood.	4/31/2015	100%	Complete
	Completion of a pilot program.	1/31/2016	100%	Complete
	Evaluation of data and final report with recommendations on changes to the monitoring program.	3/31/2016	100%	Complete
	Presentation to community at Long Term Health Group / Dona Park residents.	4/13/2016	100%	Complete
	Routine operation of the monitoring network.	Ongoing	Ongoing	Ongoing
Environmental Management System	Development of revised Environmental Policy.	2/16/2016	100%	Complete
	Baseline, evaluate and expand EMS with new environmental leadership objectives and targets port wide and develop an environmental standards document. <Same as Strategic Plan Action Plan #5>	2/28/2018	20%	Started
	Develop environmental design criteria for incorporation in planning of new development in accordance with Environmental Policy.	12/31/2016	15%	Started
	Certification to ISO 14001:2015.	5/20/2016	100%	Ongoing
	Development of updated EMS video.	8/31/2016	10%	Ongoing
	Complete annual compliance evaluation.	5/31/2016	25%	Ongoing
	Completion of system wide Internal Audit.	6/15/2016	100%	Completed
	Complete Management Review.	5/31/2016	100%	Completed
	Conduct quarterly EMS workshops for Stevedores.	11/30/2016	25%	Ongoing
	Conduct routine annual audits of all leases on PCCA facilities.	Ongoing	6%	Ongoing

Program	Description of Activities	Target Completion Date	% Complete	Status
Tenant Audit Program	Conduct routine lease-ending audits of terminated or completed lease agreements.	Ongoing	95%	Ongoing
	Conduct baseline assessments of properties as applicable for new lease agreements.	Ongoing	20%	Ongoing
Ozone Advance	Participation in Air Quality Committee and Ozone Advance Working Groups.	Ongoing	Ongoing	Ongoing
	Provide input to Annual Ozone Advance Report.	4/30/2016	100%	Ongoing
Storm Water	Conduct routine inspections and monitoring and sampling in accordance with applicable permits.	Ongoing	50%	Ongoing
	Complete annual reports for previous year in accordance with applicable permits.	1/30/2016	100%	Complete

Environmental Projects Dashboard

Listed below are the budgeted capital, maintenance and professional services projects and the status of each:

<u>Project Description (Proj. #)</u>	<u>Consultant Agreement Type</u>	<u>Description of Activities</u>	<u>Target Completion Date</u>	<u>% Complete</u>	<u>Status</u>
Purchase of Software for EMS Recordkeeping (15-057A)	MA 05-14 E2 ManageTech, SO#4,5,6	RFP for software vendors.	1/29/2016	100%	Completed
		Vendor demonstrations.	3/11/2017	100%	Ongoing
		Negotiations with Successful Vendor.	4/15/2016	100%	Started
		Commission approval of software purchase and implementation contract with successful vendor.	6/21/2016	100%	Completed
		Purchase/implementation of EMIS software.	12/31/2016	5%	Started
General Electrical Consumption Reduction Projects (13-013A)	Pending	Negotiating project scope with electrical engineering firm.	03/31/2016	25%	Ongoing
		Design electrical consumption reduction improvements.	06/30/2016	0%	Not Started
		Advertise project for bid.	07/31/2016	0%	Not Started
		Award contract.	8/16/2016	0%	Not Started
		Construction of project.	11/30/2016	0%	Not Started
Geographic Information System Maintenance and Upgrade (15-017B)	Professional Services Agreement – Brown & Caldwell	Data migration.	1/15/2016	100%	Completed
		Conversion – application setup, testing, reporting setup.	5/31/2016	90%	Ongoing
		Deployment	6/30/2016	0%	Not Started
Investigation and Remediation of Contamination from La Quinta Pipeline Removal/Relocation (14-002B)	MA –Platinum Environmental Solutions, LLC, SO# 1	Prepare and submit Groundwater Classification and Drinking Water Survey Reports to TCEQ.	3/7/2016	100%	Ongoing
		Prepare and submit APAR to TCEQ.	8/31/2016	15%	Started
		Receive and respond to TCEQ comments.	9/30/2016	0%	Not Started
		Case closure with TCEQ.	11/30/2016	0%	Not Started
Investigation of Former J.I. Hailey Property (11-002B)	PO – Arcadis	Fieldwork for additional groundwater sample collection.	1/5/2016	100%	Completed
		Prepare and submit APAR Addendum to TCEQ.	2/28/2016	100%	Completed
		Receive and respond to TCEQ comments.	04/30/2016	100%	Completed
		Case closure with TCEQ.	05/31/2016	85%	Started
		Additional fieldwork to collect groundwater samples and verification soil samples.	3/28/2016	100%	Ongoing

<u>Project Description (Proj. #)</u>	<u>Consultant Agreement Type</u>	<u>Description of Activities</u>	<u>Target Completion Date</u>	<u>% Complete</u>	<u>Status</u>
Investigation of Property Near Lift Bridge (14-002C)	MA – 06-14 Apex TITAN, SO# 1,2,3	Prepare and submit APAR to TCEQ.	5/31/2016	100%	Completed
		Respond to TCEQ comments.	7/31/2016	0%	Not Started
		Case closure with TCEQ.	8/31/2016	0%	Not Started
Storm Water Drainage Study (15-013A)	Pending	Negotiate scope of work and fees.	Pending	50%	Ongoing
		Complete field surveys.	Pending	0%	Not Started
		Receive final report.	Pending	0%	Not Started
Bulk Terminal Master Plan (16-009A)	Pending – Project is now being led by Commercial and Business Development	Commission Approval for RFP for Market Study.	4/19/2016	100%	Completed
		Advertise RFP for Market Study	4/30/2016	100%	Completed
		Shortlist firms and negotiate scope of work and fees.	5/25/2016	100%	Completed
		Commission approval of agreement	6/17/2016	100%	Completed
		Market Study Final Report	8/31/2016	10%	Not Started
		Advertise RFQ for Master Plan	9/30/2016	0%	Not Started
		Shortlist firms and negotiate scope of work and fees.	10/31/2016	0%	Not Started
		Commission approval of agreement	11/15/2016	0%	Not Started
Sampling to Support OD-3 Expansion Plans (14-058A)	MA 04-14 RSA, SO# 8	Master Plan – Final Draft	6/30/2017	0%	Not Started
		Fieldwork to conduct upland sampling per sampling plan.	10/1/2016	100%	Completed.
		Prepare final report including recommendations for management of upland soils during construction project.	12/31/2016	100%	Ongoing
		Conduct source investigation/delineation of hot spots.	6/30/2016	5%	Not Started
Bulk Terminal Storm Water Quality Improvements (15-046A)	MA 14-01 LAN, SO# 3,7	Develop final report summarizing source investigation and delineation of hot spots.	7/31/2016	0%	Not Started
		95% Design submittal for Task 1a and Task 2	02/26/2016	100%	Completed
		100% design submittal and contract documents for advertisement for Task 1a and Task 2.	7/1/2016	10%	Ongoing
		Advertise for bid.	8/1/2016	0%	Not Started
		Commission approval for construction.	8/16/2016	0%	Not Started
Landscape Enhancements (15-057A)	MA 13-07 LNV, SO#5	Construction completed.	3/31/2017	0%	Not Started
		Phase I 60% design.	3/31/2016	100%	Ongoing
		Phase I 95% design submittal.	5/1/2016	95%	Ongoing
		Phase I 100% design submittal and contract documents for advertisement.	6/1/2016	0%	Not Started
		Commission approval for construction.	8/16/2016	0%	Not Started
Storm Water Quality Improvements at Maintenance Facility (15-059A)	Professional Services Agreement with Alan Plummer & Associates	Construction completed.	12/31/2016	0%	Not Started
		95% Design submittal.	2/10/2016	100%	Completed
		100% Design submittal and contract documents for advertisement.	3/31/2016	99%	Ongoing
		Commission approval for construction.	6/21/2016	0%	Not Started
Bulk Dock 2 Air Permit (16-030A)	Pending Commission Approval	Construction completed.	11/30/2016	0%	Not Started
		Negotiate Master Agreement and Service Order.	3/15/2016	100%	Ongoing
		Prepare and submit air permit authorization for salt at Bulk Dock 1.	5/31/2016	10%	Ongoing
		Prepare technical memo regarding removal/lowering of moisture content from existing permits.	5/31/2016	0%	Not Started
		Support Master Planning activities at the Bulk Terminal.	6/30/2017	0%	Not Started

Environmental Consultant Master Agreements and Service Orders

Listed below are the Environmental Consultant Master Agreements and associated Service Order values:

Consultant (MA#)	2015 Service Order Amounts	2016 Service Order Amounts
Golder & Associates (01-14)	\$79,949	\$0
RPS, Inc. (02-14)	\$59,083	\$38,093
Trinity Consultants (03-14)	\$54,600	\$48,000
Rosengarten Smith and Associates, Inc. (04-14)	\$306,414	\$0
E2 ManageTech Inc. (05-14)	\$38,530	\$86,507
Apex TITAN, Inc. (06-14)	\$28,140	\$51,388.50
TRICORD Consulting, LLC (07-16)	NA	\$76,069
Alan Plummer Associates, Inc. (08-16)	NA	\$19,304
Cardno (09-16)	NA	\$49,343
Platinum Environmental Solutions, LLC (10-16)	NA	\$30,870

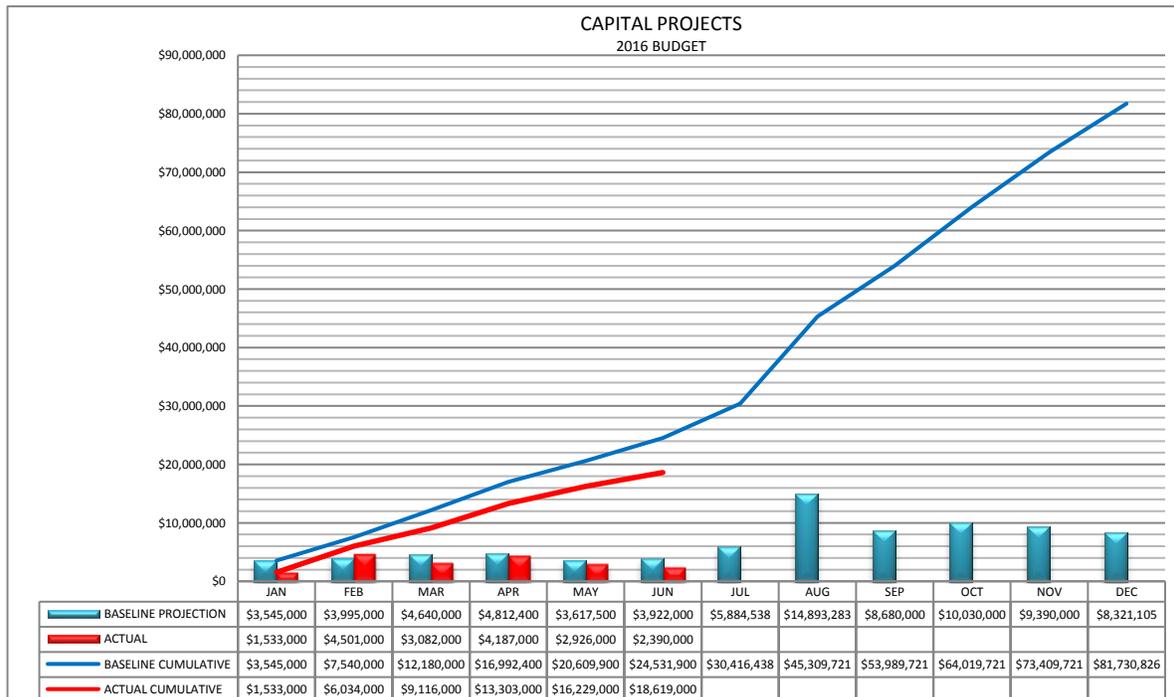
ENGINEERING SERVICES

As of July 31, 2016 (billing through June 30, 2016), the Port of Corpus Christi Authority Department of Engineering Services had completed 13 projects and has 105 projects in progress. These projects consist of 53 Capital, 37 Maintenance, and 28 Professional Service projects. During July, \$2,829,000 was invoiced for ongoing work. To date this year, approximately \$20,955,000 has been invoiced for work performed. Below is a table detailing the 2016 budget amount, the “to date” cost, and the year-end forecast for capital, maintenance, and professional services projects.

Engineering Services July 2016 Report				
Project Type	No. of Projects	2016 Budget Amount	Expended to Date	2016 Year-End Forecast
Capital	14	\$81,730,826	\$18,619,000	\$49,226,000
Maintenance	13	\$4,005,000	\$2,143,000	\$4,276,000
Professional Services	11	\$2,425,000	\$193,000	\$736,000
Total	38	\$88,160,826*	\$20,955,000	\$54,238,000

**Includes federal, state & other grants/funds by others – No land or software.*

Below is a graphic representation of the 2016 Capital Project Budget and the originally projected forecast of monthly expenditure of the capital projects throughout the year. An actual monthly capital project expenditure tracking line is included to follow the progress as the year develops.



CORPUS CHRISTI SHIP CHANNEL PLANNING, DEVELOPMENT, MAINTENANCE, AND DESIGN

Corpus Christi Ship Channel - Channel Improvement Project (CCSC-CIP)

- Authorized: WRDA 2007 and WRRDA 2014
- Project Elements:
 - Widening and Deepening the CCSC to -52 feet MLT
 - Adding barge shelves on both sides of the ship channel across Corpus Christi Bay.
 - Extending the La Quinta Channel 1.4 miles at -39 feet MLT
 - Constructing Ecosystem Restoration projects near Port Aransas and Ingleside on the Bay
- CCSC-CIP Status
 - La Quinta Extension Complete (2013)
 - Construction of Ecosystem Restoration Complete (2012)
 - Limited Reevaluation Report for Widening and Deepening Completed (December, 2015)
 - Pending Federal Funding. PCCA staff evaluating channel improvement implementation strategies.

2016 Maintenance Dredging Schedule

- Corpus Christi Ship Channel Entrance Channel
 - Includes Entrance Channel, Jetty Channel, and Inner Basin
 - Current Schedule:
 - Estimated Start Date: August 3, 2016
 - Estimated Completion Date: October 2016
- Corpus Christi Ship Channel to Viola Turning Basin/La Quinta Channel
 - Includes Upper Bay, Portions of Inner Harbor, Portions of La Quinta and Options for PCCA Oil Docks 1, 2, 4, 7, 8, & 11; PCCA Cargo Docks 8 & 9; Bulk Terminal Dock 2
 - Current Schedule:
 - Start Date: September 2016
 - Estimated Completion Date: September 2017

ENGINEERING
MASTER AGREEMENTS AND SERVICE ORDERS

Listed below are the Master Agreements implemented including values of Service Orders issued per year:

	<u>2015</u>	<u>2016</u>
HDR, Inc. (13-01)	\$401,150	\$49,900
Freese and Nichols, Inc. (13-02)	\$278,077	\$399,041
Govind Development, LLC (13-03)	\$176,500	
Naismith Engineering, Inc. (13-04)	\$176,780	
CH2M Hill (13-05)	\$279,380	\$1,061,385
RVE, Inc. (13-06)	\$225,665	\$48,900
LVN, Inc. (13-07)	\$468,517	\$68,845
Lockwood, Andrews and Newnam, Inc. (14-01)	\$643,044	
Maverick Engineering (14-02)	\$8,000	
Coast & Harbor Engineering (14-03)	\$449,331	
WKMC Architects (14-04)	\$50,000	
Worley Parsons (15-01)	\$48,079	
LJA Engineering, Inc. (16-01)		\$161,354

UPCOMING BIDS (PROJECTS > \$50,000) / REQUEST FOR PROPOSALS

Marine Improvements at Oil Dock 2 (15-039B)
Shoreline Revetment West of Bulk Dock 2 (16-011A)
Storm Water System Quality Improvements – Maintenance Facility (15-059A)

Department of Engineering Services
Project Design & Construction Status Report
DESIGN PROJECTS

Project No.	Project Title	Project Manager	% Completed
Capital			
14-036A	New Port Office Facility (Preliminary Phase)	BF	20
15-016A	Tule Lake Rail Yard Upgrades and Modifications	BF	10
14-023A	Fire System Pressurization Upgrades at Oil Docks	BP	60
14-028B	Equipment Storage Building	BP	50
14-030A	Public Storage Pads Upgrade	BP	80
14-044A	New Public Oil Dock 18	BP	20
15-047A	Chiller Replacement at Ortiz Center	BP	
15-053A	Reconstruction of Sam Rankin Road (24/76)	BP	80
15-059A	Storm Water System Quality Improvements – Maintenance Facility	BP	80
15-061C	Security Grant 15 – Perimeter Fencing at Bulk Terminal (25/75)	CM	50
09-019A	New Access Road to Good Hope DMPA	DJK	40
13-036A	Relocation of Suntide DMPA Drainage to Viola Turning Basin	DJK	100
14-045B	Construction of 8-inch Water Line at La Quinta Property	DJK	50
07-046C	Tule Lake Foundation Removal	DLM	90
15-043A	New Operator’s Cab for Gantry Crane	DLM	60
15-050A	Mike Carrell Road Construction	DLM	90
15-030A	General Improvements to Oil Dock 6	JEM	20
15-015K	Storm Water Drainage Improvements at Public Fishing Areas	LGD	90
15-040A	Concrete Paving Under Conveyor Belt 2	LGD	20
15-041A	Improvements to Fire Protection Systems at Oil Docks 4, 7, 11	NEF	50
Maintenance			
15-035A	Upgrades and Repairs to Bulk Dock 2 Marine Structures	EM	90
15-037B	Repair Bridge to Oil Dock 12 (\$150,000)	EM	80
15-032A	Bulk Dock 1 (\$120,000) Storage Building Upgrades	LGD	90

**Department of Engineering Services
Project Design & Construction Status Report
CONSTRUCTION PROJECTS**

Project No.	Project Title	Project Manager	% Completed
<u>Capital</u>			
14-028A	Bulk Terminal Office Renovation	BP	90
15-044A	Paving of Area Around CB-4 & CB-8	BP	30
13-032A	Construction of Oil Dock 14	DLM	90
13-043A	Nueces River Rail Yard Phase - II	DLM	50
13-054C	Security Grant 13 - La Quinta/GIWW Surveillance	DLM	100
13-054D	Security Grant 13 - Emergency Power	DLM	30
14-060C	Security Grant 14 – Oil Dock 14 Access Control	DLM	60
13-033A	Full Covers Over All Conveyor Belts	EM	100
15-055A	Purchase and Installation of Additional AEI Readers	EM	10
14-016A	Inner Harbor Rail Upgrades and Improvements	JEM	100
14-041A	Replace Dock House at Oil Dock 10	JEM	100
15-065A	Joe Fulton Corridor Waterline Extension	JEM	20
12-031A	La Quinta Terminal Mitigation – Aquatic Habitat - Phase I	PDC	100
12-031B	La Quinta Terminal Mitigation – Aquatic Habitat – Phase II	PDC	
<u>Maintenance</u>			
15-012A	Re-Roofing of the William D Dodge III Security Command Center and Annex Building Eyebrows	BP	100
15-018A	Roadway & Parking Lot Repairs (2015)	BP	90
15-019A	Inner and Outer (\$250,000) Harbor Land Management (2015)	BP	100
15-022A	Savage Lane Railroad Drainage	BP	100
15-014A	Purchase of Dock Fenders and Panels	EM	100
15-033A	Replace Conveyor Idlers	EM	100
15-037A	Repair Bridge to Oil Dock 11 (\$150,000)	EM	60
15-038A	Resurfacing of South Side (\$375,000) Open Storage Areas	EM	100
16-050A	Replace Conveyor Idlers (\$200,000)	EM	100
15-039A	Fire Line Improvements at Oil Dock 2	JEM	20

Port of Corpus Christi Authority

MONTHLY FINANCIAL RESULTS

● KEY METRICS	1
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June 2016



PORT CORPUS CHRISTI™

PORT OF CORPUS CHRISTI AUTHORITY

FINANCIAL RESULTS

KEY METRICS

OPERATING REVENUES	OPERATING EXPENSES	NET INCOME(LOSS)	TONNAGE	SHIPS AND BARGES	CAPITAL PROJECTS
\$ 38,047,332	\$ 27,514,295	\$ 6,533,977	45,283,732	8,666	\$ 24,292,942
↓ -9% Actual	↑ 8% Actual	↑ 2% Actual	↓ -11% Actual	↓ -20% Actual	
↓ -16% Budget	↓ -6% Budget	↓ -42% Budget			↓ -52% Budget

ALL METRICS

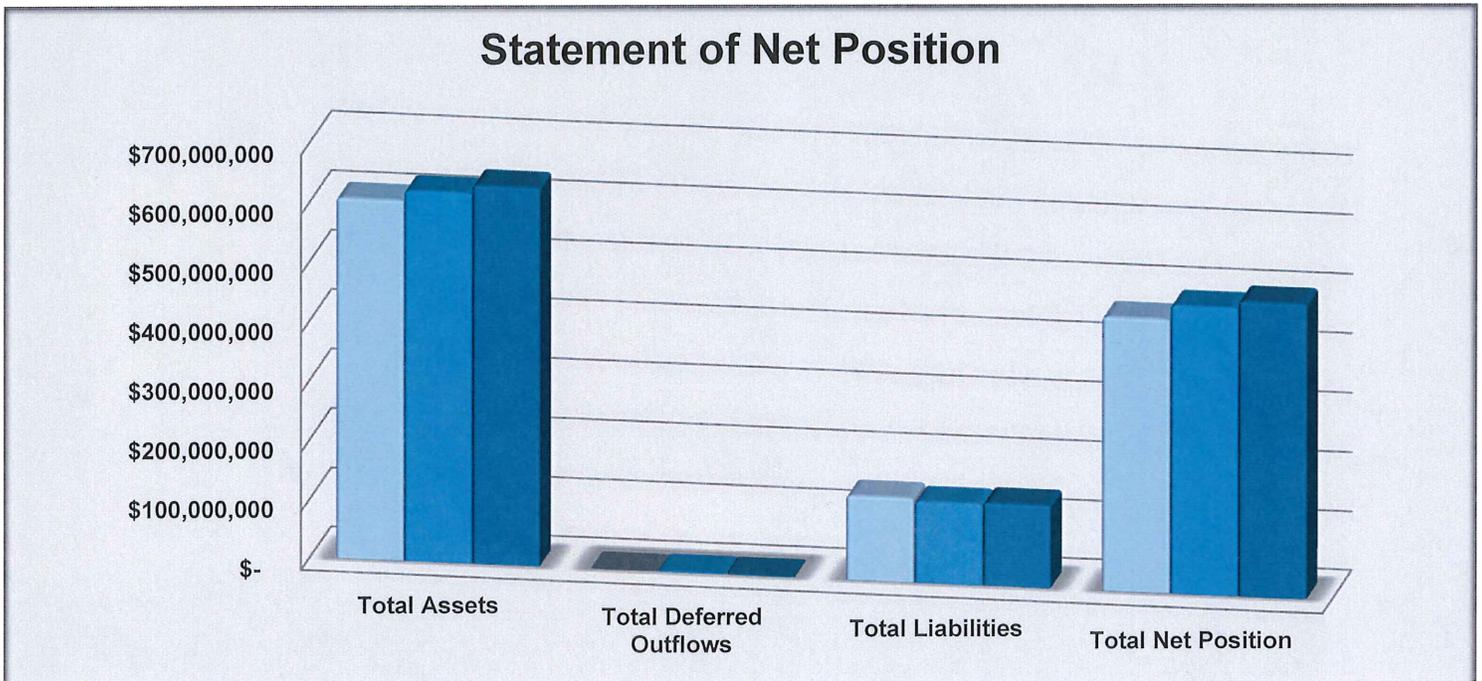
METRIC	YTD 2016 ACTUAL	YTD 2015 ACTUAL	% CHANGE	YTD 2016 BUDGET	% CHANGE
ASSETS	\$ 638,766,555	\$ 607,598,984	↑ 5%		
CASH & INVESTMENTS	\$ 168,632,163	\$ 160,477,537	↑ 5%		
ACCOUNTS RECEIVABLE	\$ 11,874,049	\$ 11,829,563	↑ 0%		
RESTRICTED ASSETS	\$ 79,985,537	\$ 99,965,232	↓ -20%		
LIABILITIES	\$ 141,596,031	\$ 144,405,603	↓ -2%		
NET POSITION	\$ 499,129,413	\$ 463,193,381	↑ 8%		
OPERATING REVENUES	\$ 38,047,332	\$ 41,865,228	↓ -9%	\$ 45,200,121	↓ -16%
OPERATING EXPENSES	\$ 27,514,295	\$ 25,517,929	↑ 8%	\$ 29,426,772	↓ -6%
NET OPERATING INCOME (LOSS)	\$ 10,533,037	\$ 16,347,299	↓ -36%	\$ 15,773,349	↓ -33%
NON OPERATING REVENUE (EXPENSES)	\$ (3,999,060)	\$ (9,947,158)	↑ 60%	\$ (4,587,695)	↓ -13%
NET INCOME (LOSS)	\$ 6,533,977	\$ 6,400,141	↑ 2%	\$ 11,185,654	↓ -42%
TONNAGE	45,283,732	51,070,584	↓ -11%		
SHIPS	780	863	↓ -10%		
BARGES	2,308	2,985	↓ -23%		
SHIPS & BARGES	3,088	3,848	↓ -20%		
RAIL CARS	8,666	7,590	↑ 14%		
CAPITAL PROJECTS	\$ 24,292,942			\$ 50,607,633	↓ -52%

PORT OF CORPUS CHRISTI AUTHORITY

FINANCIAL RESULTS

STATEMENT OF NET POSITION

	June	December	Annual Change	%	June	Year-Over-Year Change	%
	2016	2015			2015		
Cash/ Investments	\$ 168,632,163	\$ 155,618,723	\$ 13,013,440	8%	\$ 160,477,537	\$ 8,154,626	5%
A/R	\$ 11,874,049	\$ 17,592,762	\$ (5,718,713)	-33%	\$ 11,829,563	\$ 44,486	0%
Restricted Assets	\$ 79,985,537	\$ 90,967,295	\$ (10,981,758)	-12%	\$ 99,965,232	\$ (19,979,695)	-20%
P P & E, net	\$ 373,715,673	\$ 355,995,268	\$ 17,720,405	5%	\$ 325,726,628	\$ 47,989,045	15%
Other	\$ 4,559,133	\$ 3,967,987	\$ 591,146	15%	\$ 9,600,024	\$ (5,040,891)	-53%
Total Assets	\$ 638,766,555	\$ 624,142,035	\$ 14,624,520	2%	\$ 607,598,984	\$ 31,167,571	5%
Deferred Outflows-Pension	\$ 1,958,889	\$ 1,958,889	\$ -	0%	\$ -	\$ 1,958,889	100%
Total Deferred Outflows	\$ 1,958,889	\$ 1,958,889	\$ -	0%	\$ -	\$ 1,958,889	100%
Current Liabilities	\$ 7,938,590	\$ 7,241,469	\$ 697,121	10%	\$ 7,774,111	\$ 164,479	2%
Unearned Income	\$ 14,190,991	\$ 12,401,441	\$ 1,789,550	14%	\$ 17,543,731	\$ (3,352,740)	-19%
Long-term Debt	\$ 115,000,000	\$ 115,000,000	\$ -	0%	\$ 115,000,000	\$ -	100%
Other	\$ 4,466,450	\$ 4,347,870	\$ 118,580	3%	\$ 4,087,761	\$ 378,689	9%
Total Liabilities	\$ 141,596,031	\$ 138,990,780	\$ 2,605,251	2%	\$ 144,405,603	\$ (2,809,572)	-2%
Investment in Net Assets	\$ 294,234,451	\$ 287,147,608	\$ 7,086,843	2%	\$ 285,649,889	\$ 8,584,562	3%
Restricted Net Position	\$ 36,034,033	\$ 36,153,709	\$ (119,676)	0%	\$ 16,152,376	\$ 19,881,657	123%
Unrestricted Net Position	\$ 168,860,929	\$ 163,808,827	\$ 5,052,102	3%	\$ 161,391,116	\$ 7,469,813	5%
Total Net Position	\$ 499,129,413	\$ 487,110,144	\$ 12,019,269	2%	\$ 463,193,381	\$ 35,936,032	8%



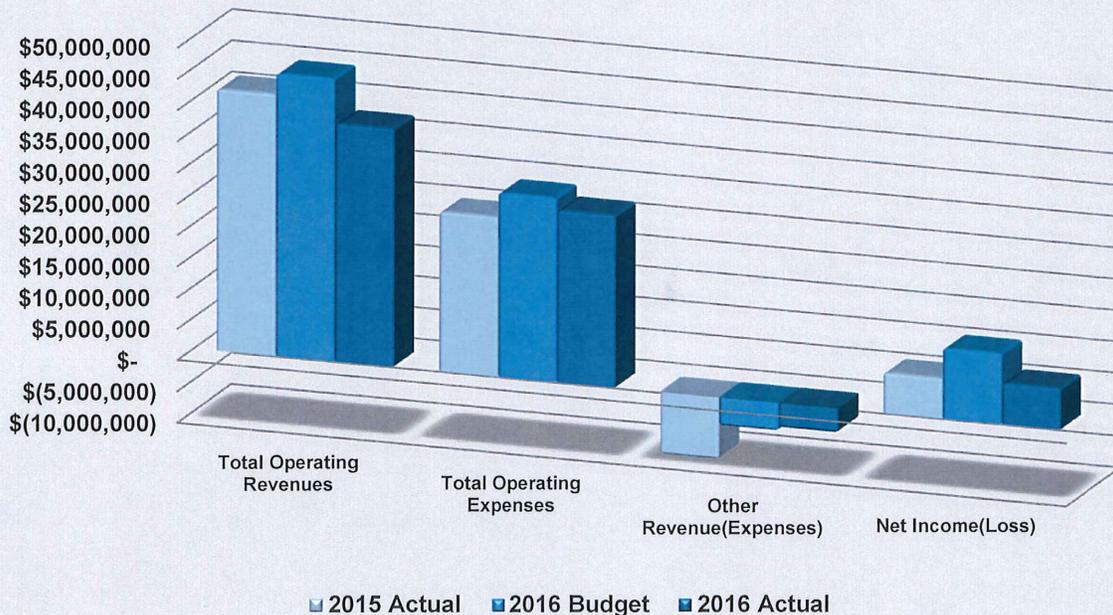
PORT OF CORPUS CHRISTI AUTHORITY

FINANCIAL RESULTS

STATEMENT OF REVENUES AND EXPENSES

	June			Change			
	2016		2015	Budget	%	Actual	%
	Actual	Budget	Actual				
Wharfage	\$ 19,822,718	\$ 24,152,723	\$ 22,857,246	\$ (4,330,005)	-18%	\$ (3,034,528)	-13%
Dockage	\$ 5,759,603	\$ 7,930,826	\$ 7,188,017	\$ (2,171,223)	-27%	\$ (1,428,414)	-20%
Security	\$ 2,862,341	\$ 3,566,263	\$ 3,334,679	\$ (703,922)	-20%	\$ (472,338)	-14%
Other Shipping Services	\$ 3,757,176	\$ 4,815,008	\$ 4,087,528	\$ (1,057,832)	-22%	\$ (330,352)	-8%
Building and Land Rental	\$ 5,845,494	\$ 4,735,301	\$ 4,397,758	\$ 1,110,193	23%	\$ 1,447,736	33%
Total Operating Revenues	\$ 38,047,332	\$ 45,200,121	\$ 41,865,228	\$ (7,152,789)	-16%	\$ (3,817,896)	-9%
Employee Services	\$ 10,098,085	\$ 11,074,288	\$ 9,901,799	\$ (976,203)	-9%	\$ 196,286	2%
Maintenance	\$ 3,062,043	\$ 3,419,648	\$ 2,186,388	\$ (357,605)	-10%	\$ 875,655	40%
Utilities/ Telephone	\$ 664,097	\$ 661,257	\$ 715,402	\$ 2,840	0%	\$ (51,305)	-7%
Insurance	\$ 841,878	\$ 1,044,216	\$ 961,210	\$ (202,338)	-19%	\$ (119,332)	-12%
Prof/ Contracted Services	\$ 3,534,328	\$ 3,526,501	\$ 3,043,367	\$ 7,827	0%	\$ 490,961	16%
Operator/ Event Expenses	\$ 797,453	\$ 660,135	\$ 708,049	\$ 137,318	21%	\$ 89,404	13%
Admin/Trade Dvlp/Other	\$ 1,943,873	\$ 2,099,811	\$ 1,900,950	\$ (155,938)	-7%	\$ 42,923	2%
Depreciation	\$ 6,572,538	\$ 6,940,916	\$ 6,100,764	\$ (368,378)	-5%	\$ 471,774	8%
Total Operating Expenses	\$ 27,514,295	\$ 29,426,772	\$ 25,517,929	\$ (1,912,477)	-6%	\$ 1,996,366	8%
Net Operating Income(Loss)	\$ 10,533,037	\$ 15,773,349	\$ 16,347,299	\$ (5,240,312)	-33%	\$ (5,814,262)	-36%
Interest Income	\$ 999,044	\$ 356,961	\$ 339,190	\$ 642,083	180%	\$ 659,854	195%
Other Revenue	\$ 77,468	\$ 125,319	\$ 77,998	\$ (47,851)	-38%	\$ (530)	-1%
Gain(Loss) Disposal of Assets	\$ -	\$ -	\$ (5,861,420)	\$ -	-	\$ 5,861,420	-100%
Interest/Bond Expense	\$ (2,075,572)	\$ (2,069,975)	\$ (1,502,874)	\$ (5,597)	0%	\$ (572,698)	38%
Other Expense	\$ (3,000,000)	\$ (3,000,000)	\$ (3,000,052)	\$ -	0%	\$ 52	0%
Other Revenue(Expenses)	\$ (3,999,060)	\$ (4,587,695)	\$ (9,947,158)	\$ 588,635	13%	\$ 5,948,098	60%
Net Income(Loss)	\$ 6,533,977	\$ 11,185,654	\$ 6,400,141	\$ (4,651,677)	-42%	\$ 133,836	2%

Statement of Revenues & Expenses



PORT OF CORPUS CHRISTI AUTHORITY

FINANCIAL RESULTS

<u>Public Oil Docks</u>	June		
	2016		Variance
	Actual	Budget	
Operating Revenues	\$ 12,116,976	\$ 16,294,592	\$ (4,177,616)
Operating Expenses	\$ (1,225,078)	\$ (1,166,877)	\$ (58,201)
Net Operating Income(Loss)	\$ 10,891,898	\$ 15,127,715	\$ (4,235,817)
Other Revenue(Expenses)	\$ (503,994)	\$ (503,994)	\$ -
Net Income(Loss)	\$ 10,387,904	\$ 14,623,721	\$ (4,235,817)

<u>Private Oil Docks</u>	June		
	2016		Variance
	Actual	Budget	
Operating Revenues	\$ 7,898,298	\$ 7,724,102	\$ 174,196
Operating Expenses	\$ (21,302)	\$ (25,397)	\$ 4,095
Net Operating Income(Loss)	\$ 7,876,996	\$ 7,698,705	\$ 178,291
Other Revenue(Expenses)	\$ -	\$ -	\$ -
Net Income(Loss)	\$ 7,876,996	\$ 7,698,705	\$ 178,291

<u>Dry Cargo Docks</u>	June		
	2016		Variance
	Actual	Budget	
Operating Revenues	\$ 3,315,962	\$ 5,214,328	\$ (1,898,366)
Operating Expenses	\$ (2,122,763)	\$ (1,409,192)	\$ (713,571)
Net Operating Income(Loss)	\$ 1,193,199	\$ 3,805,136	\$ (2,611,937)
Other Revenue(Expenses)	\$ -	\$ -	\$ -
Net Income(Loss)	\$ 1,193,199	\$ 3,805,136	\$ (2,611,937)

<u>Bulk Terminal</u>	June		
	2016		Variance
	Actual	Budget	
Operating Revenues	\$ 4,699,715	\$ 4,832,783	\$ (133,068)
Operating Expenses	\$ (2,826,507)	\$ (3,348,406)	\$ 521,899
Net Operating Income(Loss)	\$ 1,873,208	\$ 1,484,377	\$ 388,831
Other Revenue(Expenses)	\$ 2	\$ (499)	\$ 501
Net Income(Loss)	\$ 1,873,210	\$ 1,483,878	\$ 389,332

<u>Conference Center</u>	June		
	2016		Variance
	Actual	Budget	
Operating Revenues	\$ 1,208,246	\$ 1,018,232	\$ 190,014
Operating Expenses	\$ (1,186,724)	\$ (1,140,023)	\$ (46,701)
Net Operating Income(Loss)	\$ 21,522	\$ (121,791)	\$ 143,313
Other Revenue(Expenses)	\$ 4,002	\$ 1,764	\$ 2,238
Net Income(Loss)	\$ 25,524	\$ (120,027)	\$ 145,551

PORT OF CORPUS CHRISTI AUTHORITY

FINANCIAL RESULTS

<u>Property and Buildings</u>	June		
	2016		Variance
	Actual	Budget	
Operating Revenues	\$ 3,956,642	\$ 5,074,811	\$ (1,118,169)
Operating Expenses	\$ (2,542,724)	\$ (3,849,787)	\$ 1,307,063
Net Operating Income(Loss)	\$ 1,413,918	\$ 1,225,024	\$ 188,894
Other Revenue(Expenses)	\$ (822,949)	\$ (822,948)	\$ (1)
Net Income(Loss)	\$ 590,969	\$ 402,076	\$ 188,893

<u>Other Facilities</u>	June		
	2016		Variance
	Actual	Budget	
Operating Revenues	\$ 1,904,548	\$ 1,360,548	\$ 544,000
Operating Expenses	\$ (1,589,111)	\$ (1,258,430)	\$ (330,681)
Net Operating Income(Loss)	\$ 315,437	\$ 102,118	\$ 213,319
Other Revenue(Expenses)	\$ (3,743,031)	\$ (3,743,033)	\$ 2
Net Income(Loss)	\$ (3,427,594)	\$ (3,640,915)	\$ 213,321

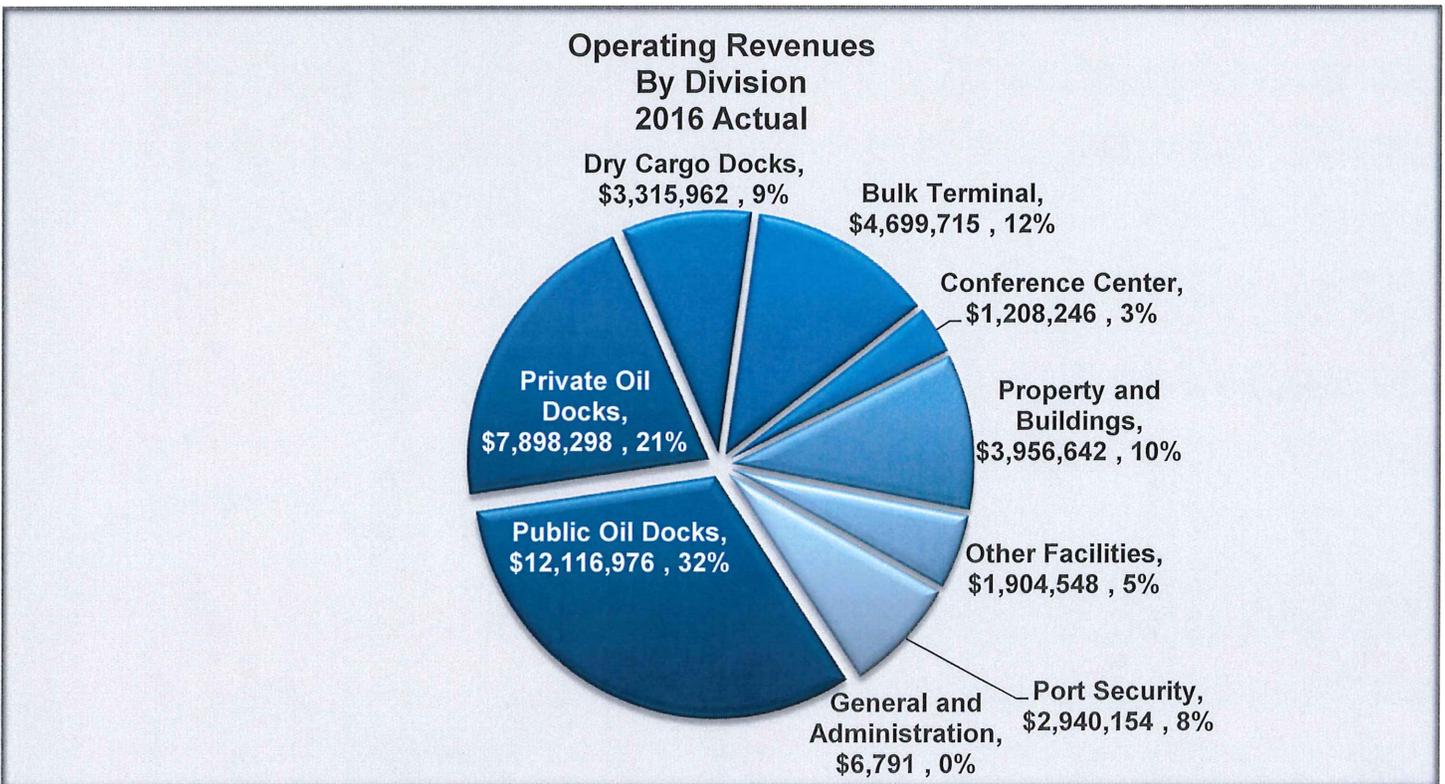
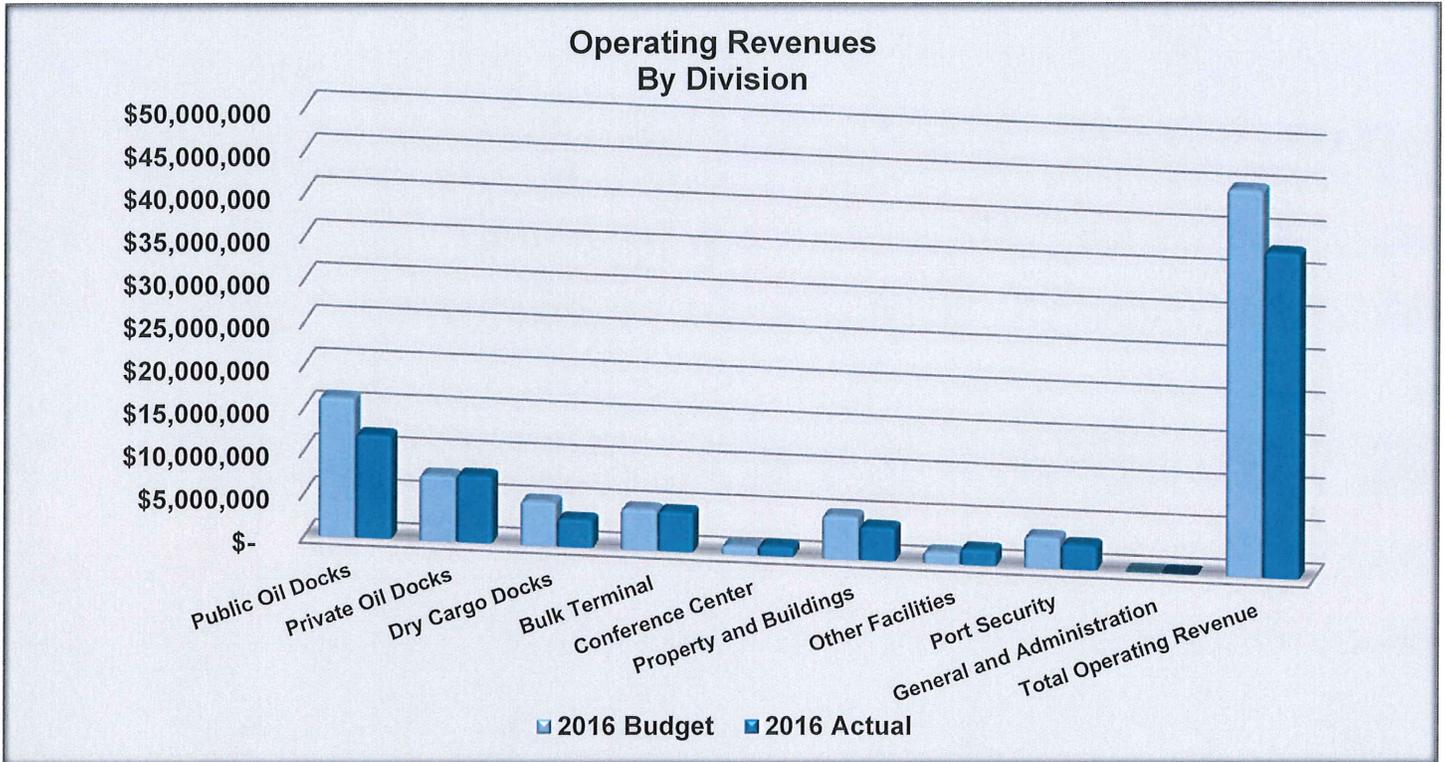
<u>Port Security</u>	June		
	2016		Variance
	Actual	Budget	
Operating Revenues	\$ 2,940,154	\$ 3,680,725	\$ (740,571)
Operating Expenses	\$ (4,609,077)	\$ (4,651,637)	\$ 42,560
Net Operating Income(Loss)	\$ (1,668,923)	\$ (970,912)	\$ (698,011)
Other Revenue(Expenses)	\$ 5	\$ -	\$ 5
Net Income(Loss)	\$ (1,668,918)	\$ (970,912)	\$ (698,006)

<u>General and Administration</u>	June		
	2016		Variance
	Actual	Budget	
Operating Revenues	\$ 6,791	\$ -	\$ 6,791
Operating Expenses	\$ (11,391,009)	\$ (12,577,023)	\$ 1,186,014
Net Operating Income(Loss)	\$ (11,384,218)	\$ (12,577,023)	\$ 1,192,805
Other Revenue(Expenses)	\$ 1,066,905	\$ 481,015	\$ 585,890
Net Income(Loss)	\$ (10,317,313)	\$ (12,096,008)	\$ 1,778,695

<u>Total</u>	June		
	2016		Variance
	Actual	Budget	
Operating Revenues	\$ 38,047,332	\$ 45,200,121	\$ (7,152,789)
Operating Expenses	\$ (27,514,295)	\$ (29,426,772)	\$ 1,912,477
Net Operating Income(Loss)	\$ 10,533,037	\$ 15,773,349	\$ (5,240,312)
Other Revenue(Expenses)	\$ (3,999,060)	\$ (4,587,695)	\$ 588,635
Net Income(Loss)	\$ 6,533,977	\$ 11,185,654	\$ (4,651,677)

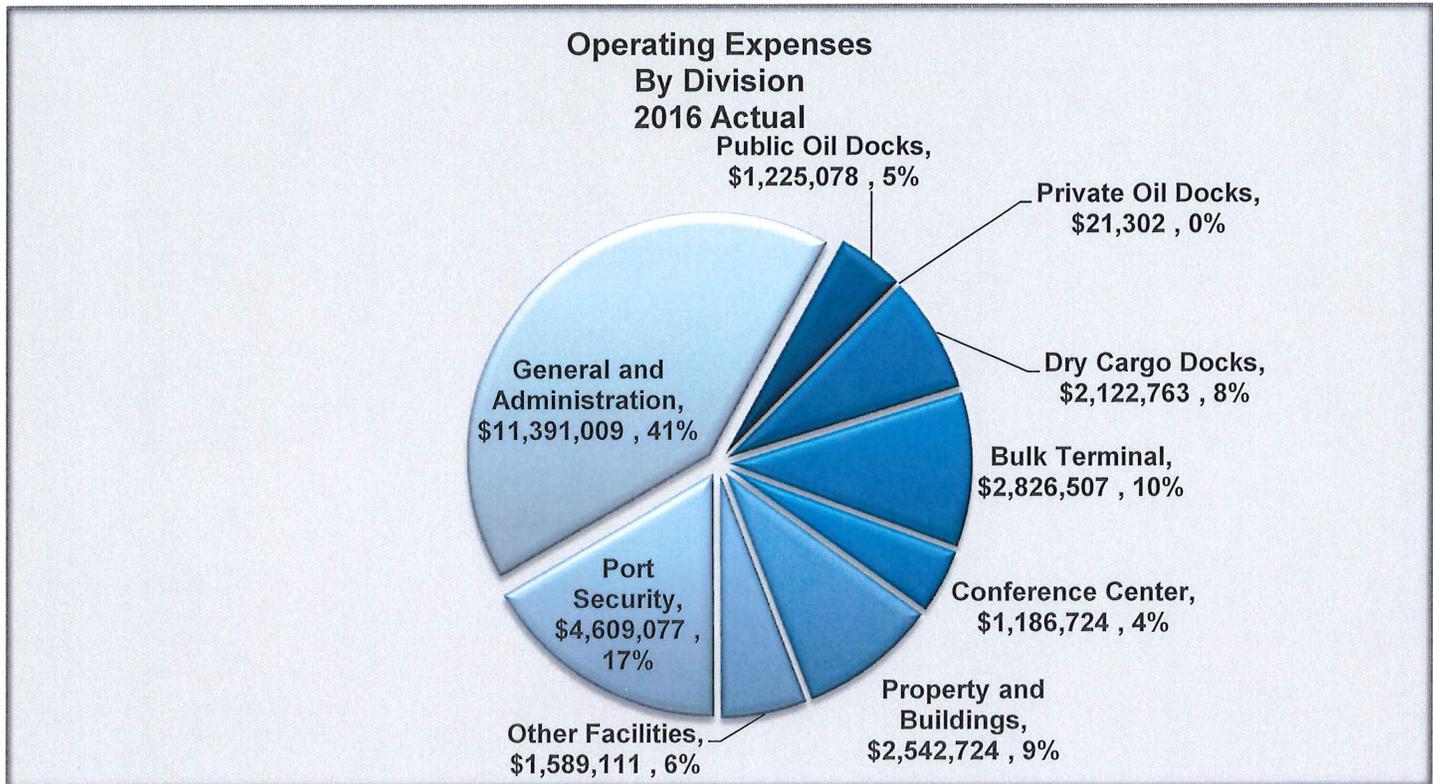
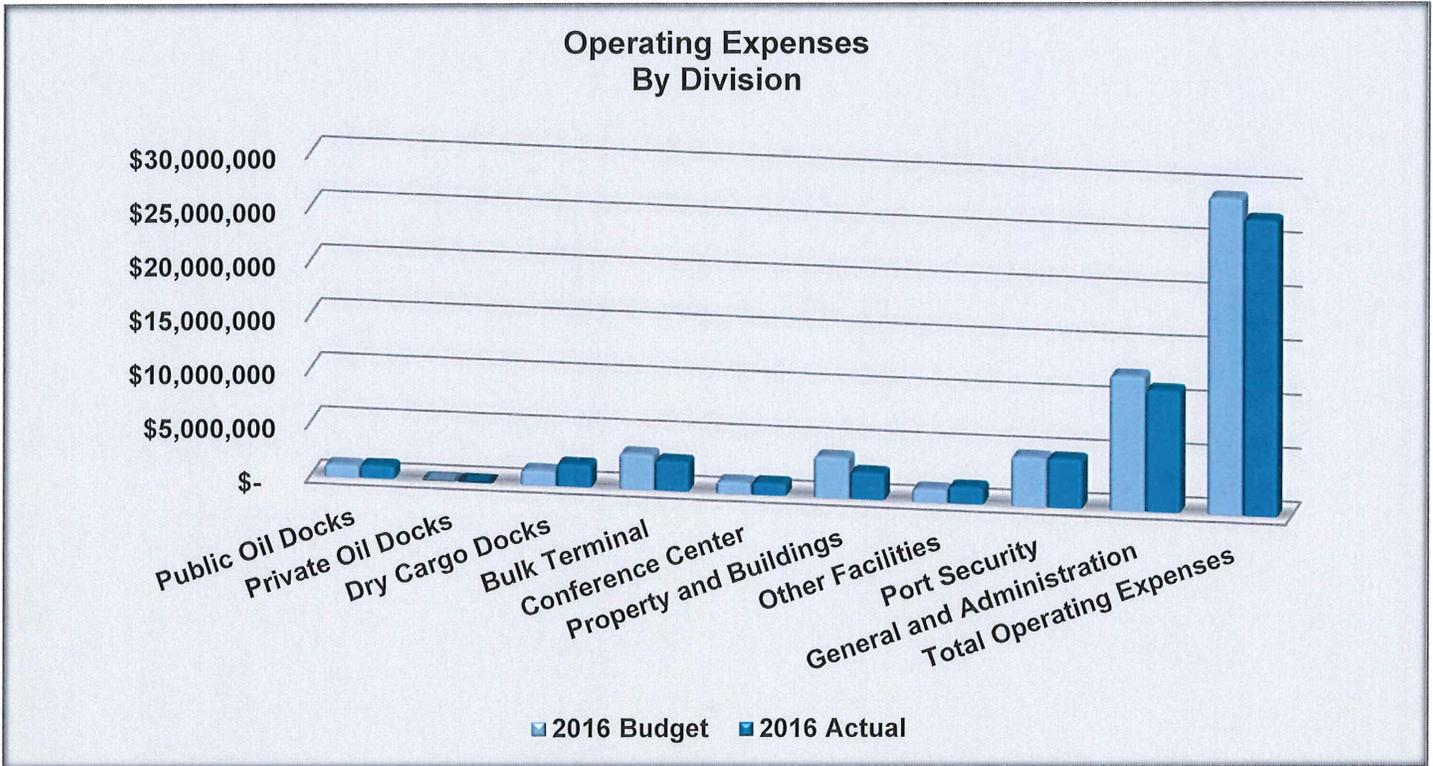
PORT OF CORPUS CHRISTI AUTHORITY

FINANCIAL RESULTS



PORT OF CORPUS CHRISTI AUTHORITY

FINANCIAL RESULTS

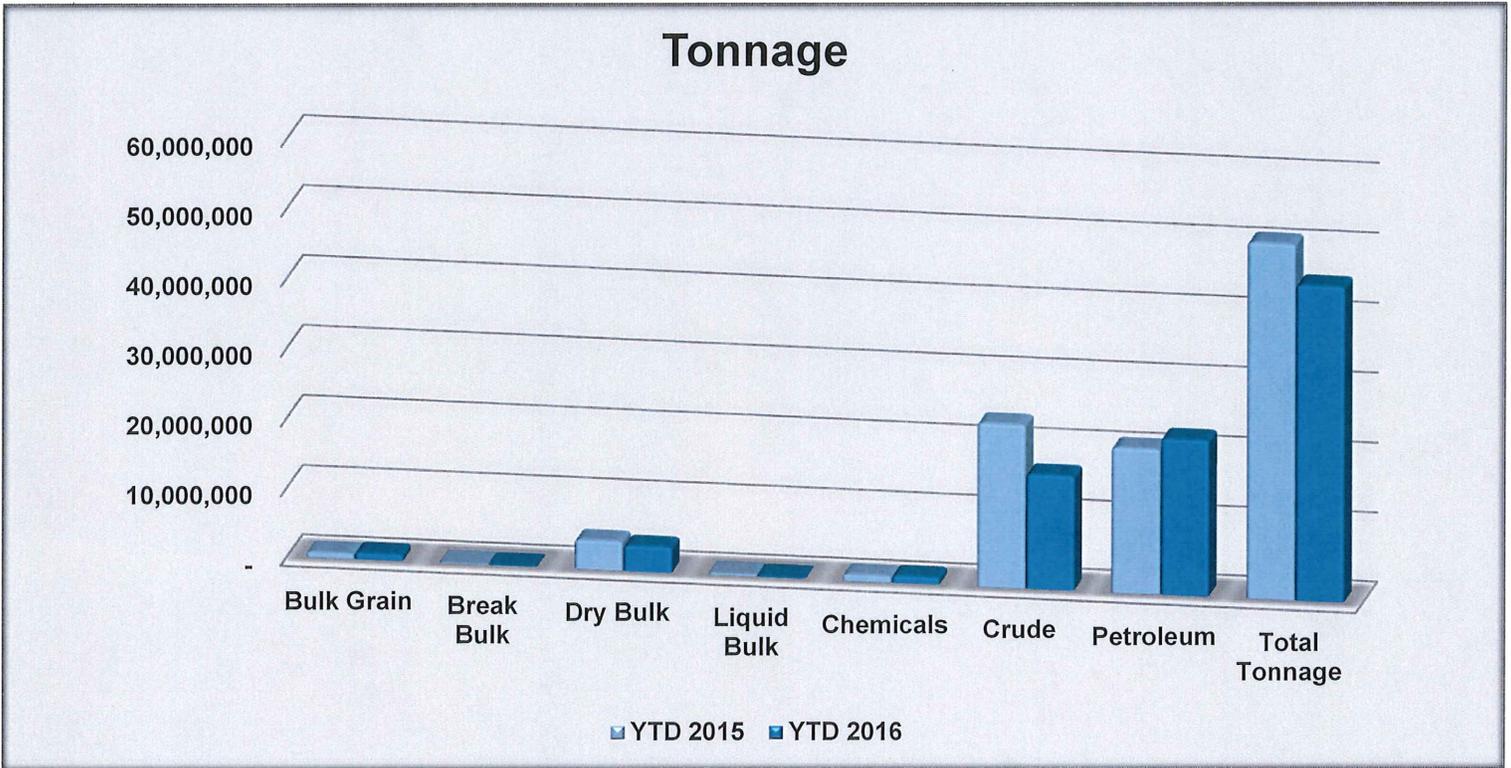


PORT OF CORPUS CHRISTI AUTHORITY

FINANCIAL RESULTS

TONNAGE

	June		Mth Over Mth Change	%	YTD		Year Over Year Change	%
	2016	2015			2016	2015		
Bulk Grain	323,257	96,084	227,173	236%	979,460	811,588	167,872	21%
Break Bulk	58,891	58,598	293	1%	152,138	156,457	(4,319)	-3%
Dry Bulk	724,379	677,787	46,592	7%	3,732,454	4,278,378	(545,924)	-13%
Liquid Bulk	-	-	-	#DIV/0!	209,624	357,862	(148,238)	-41%
Chemicals	194,411	135,896	58,515	43%	1,072,867	944,346	128,521	14%
Crude	2,722,484	4,138,100	(1,415,616)	-34%	16,603,212	23,589,210	(6,985,998)	-30%
Petroleum	3,555,242	3,792,530	(237,288)	-6%	22,533,977	20,932,743	1,601,234	8%
Total Tonnage	7,578,664	8,898,995	(1,320,331)	-15%	45,283,732	51,070,584	(5,786,852)	-11%



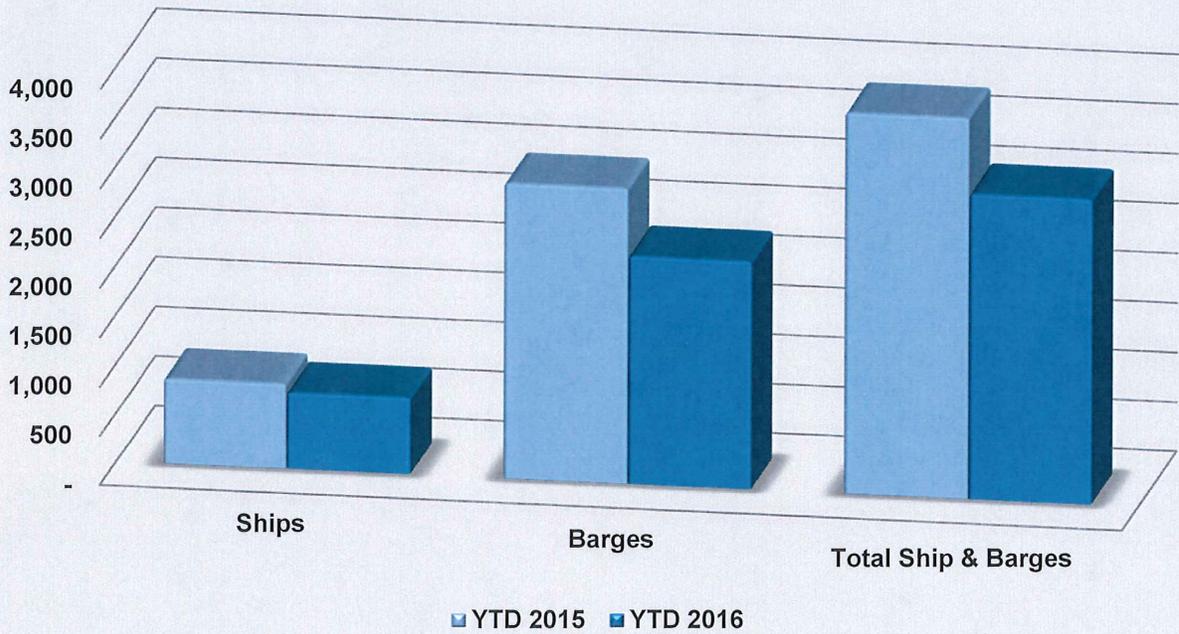
PORT OF CORPUS CHRISTI AUTHORITY

FINANCIAL RESULTS

SHIP & BARGE MOVEMENTS

	June		Mth Over Mth Change	%	YTD		Year Over Year Change	%
	2016	2015			2016	2015		
Ships	139	146	(7)	-5%	780	863	(83)	-10%
Barges	278	478	(200)	-42%	2,308	2,985	(677)	-23%
Total Ship & Barges	417	624	(207)	-33%	3,088	3,848	(760)	-20%

Ships & Barges

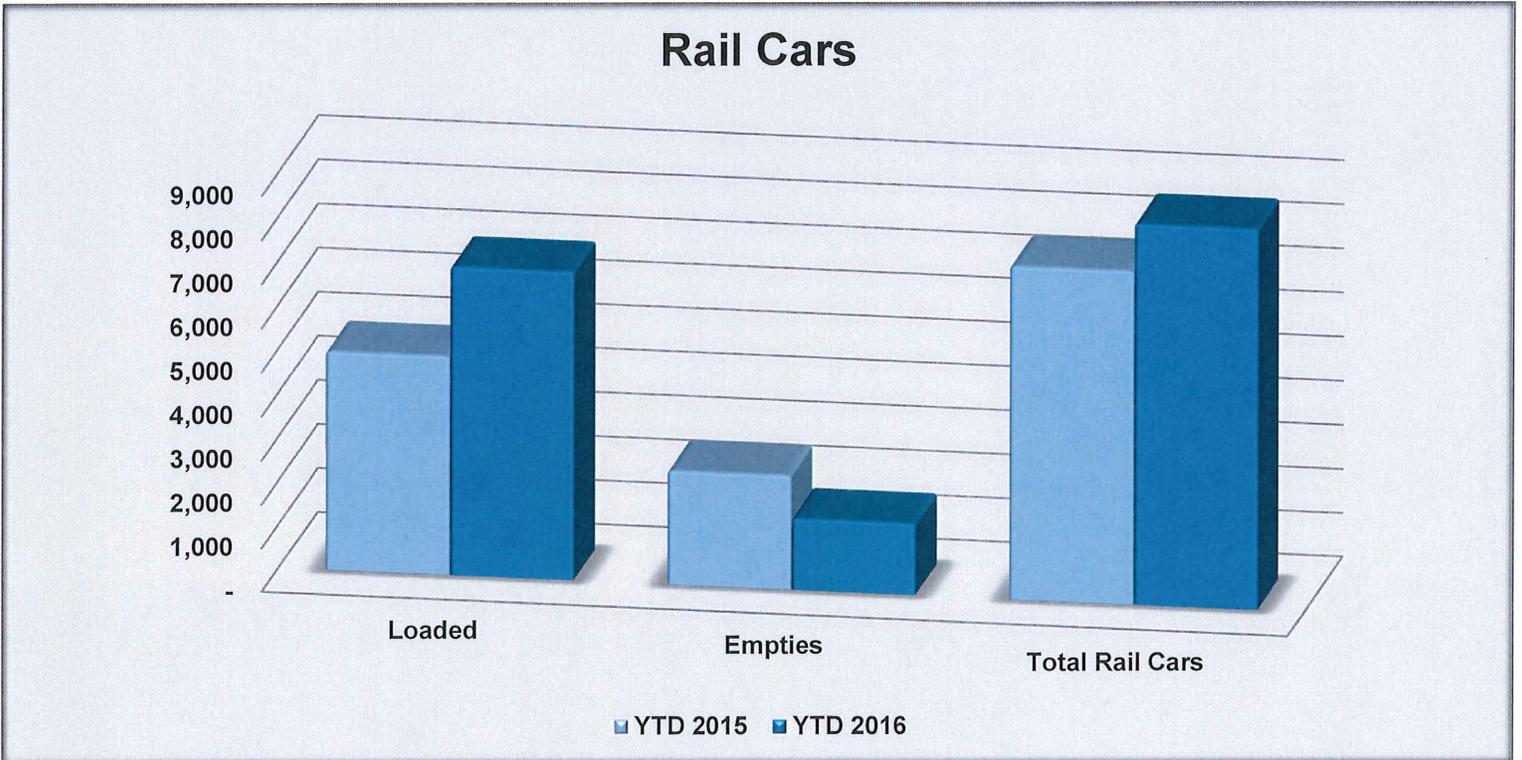


PORT OF CORPUS CHRISTI AUTHORITY

FINANCIAL RESULTS

RAIL CARS

	June		Mth Over Mth Change	%	YTD		Year Over Year Change	%
	2016	2015			2016	2015		
Loaded	1,386	797	589	74%	7,017	4,979	2,038	41%
Empties	468	336	132	39%	1,649	2,611	(962)	-37%
Total Rail Cars	1,854	1,133	721	64%	8,666	7,590	1,076	14%

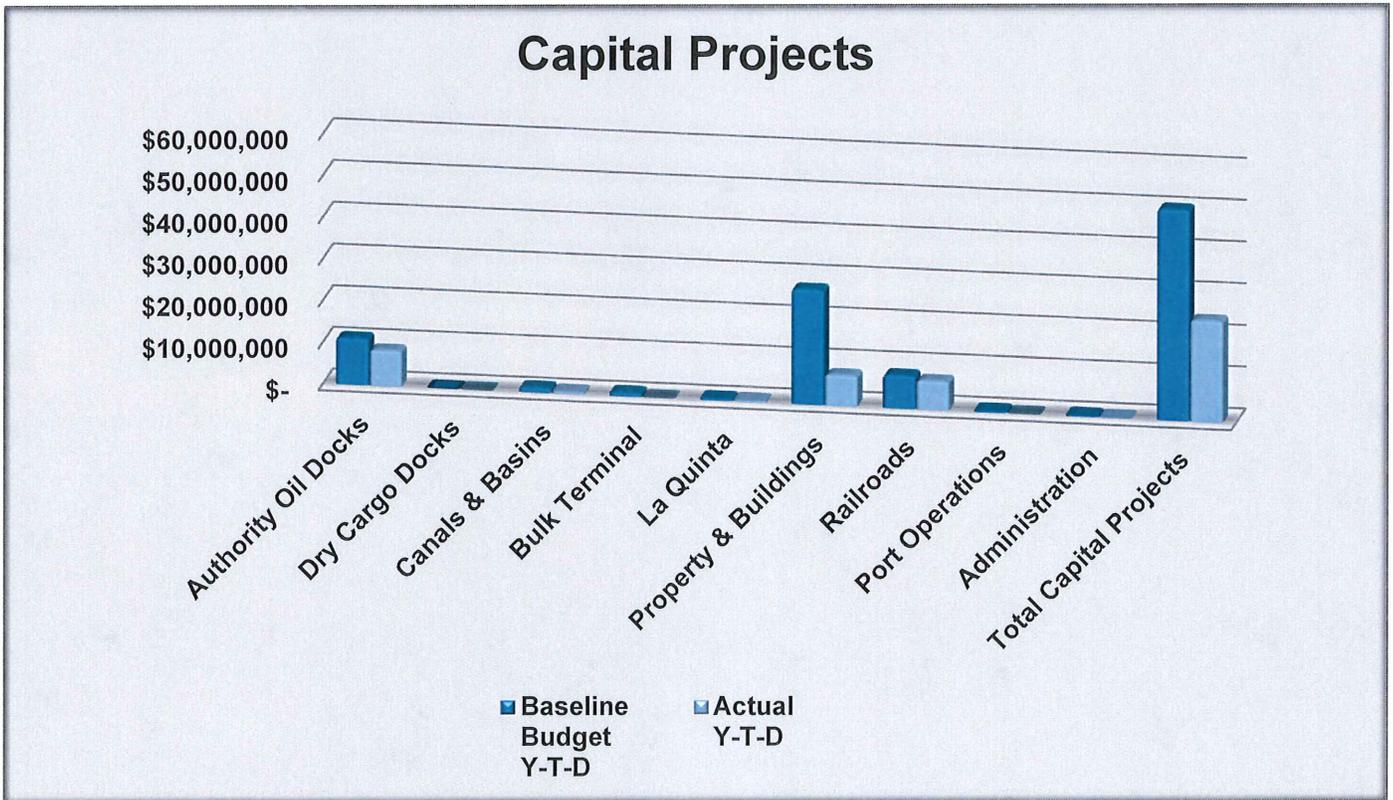


PORT OF CORPUS CHRISTI AUTHORITY

FINANCIAL RESULTS

CAPITAL PROJECTS

	Annual Budget	Actual Y-T-D	Balance Remaining	Baseline Budget Y-T-D	Actual Y-T-D	Variance
Authority Oil Docks	\$ 13,530,000	\$ 8,605,227	\$ 4,924,773	\$ 11,215,000	\$ 8,605,227	\$ (2,609,773)
Dry Cargo Docks	\$ 1,200,000	\$ -	\$ 1,200,000	\$ 60,000	\$ -	\$ (60,000)
Canals & Basins	\$ 23,996,321	\$ 613,044	\$ 23,383,277	\$ 1,207,300	\$ 613,044	\$ (594,256)
Bulk Terminal	\$ 5,397,500	\$ 9,889	\$ 5,387,611	\$ 977,500	\$ 9,889	\$ (967,611)
La Quinta	\$ 9,637,500	\$ 441,928	\$ 9,195,572	\$ 627,500	\$ 441,928	\$ (185,572)
Property & Buildings	\$ 36,196,305	\$ 7,433,415	\$ 28,762,890	\$ 27,620,000	\$ 7,433,415	\$ (20,186,585)
Railroads	\$ 17,110,000	\$ 7,043,458	\$ 10,066,542	\$ 7,990,000	\$ 7,043,458	\$ (946,542)
Port Operations	\$ 1,086,000	\$ 16,900	\$ 1,069,100	\$ 500,000	\$ 16,900	\$ (483,100)
Administration	\$ 1,355,000	\$ 129,081	\$ 1,225,919	\$ 410,333	\$ 129,081	\$ (281,252)
Total Capital Projects	\$ 109,508,626	\$ 24,292,942	\$ 85,215,684	\$ 50,607,633	\$ 24,292,942	\$ (26,314,691)



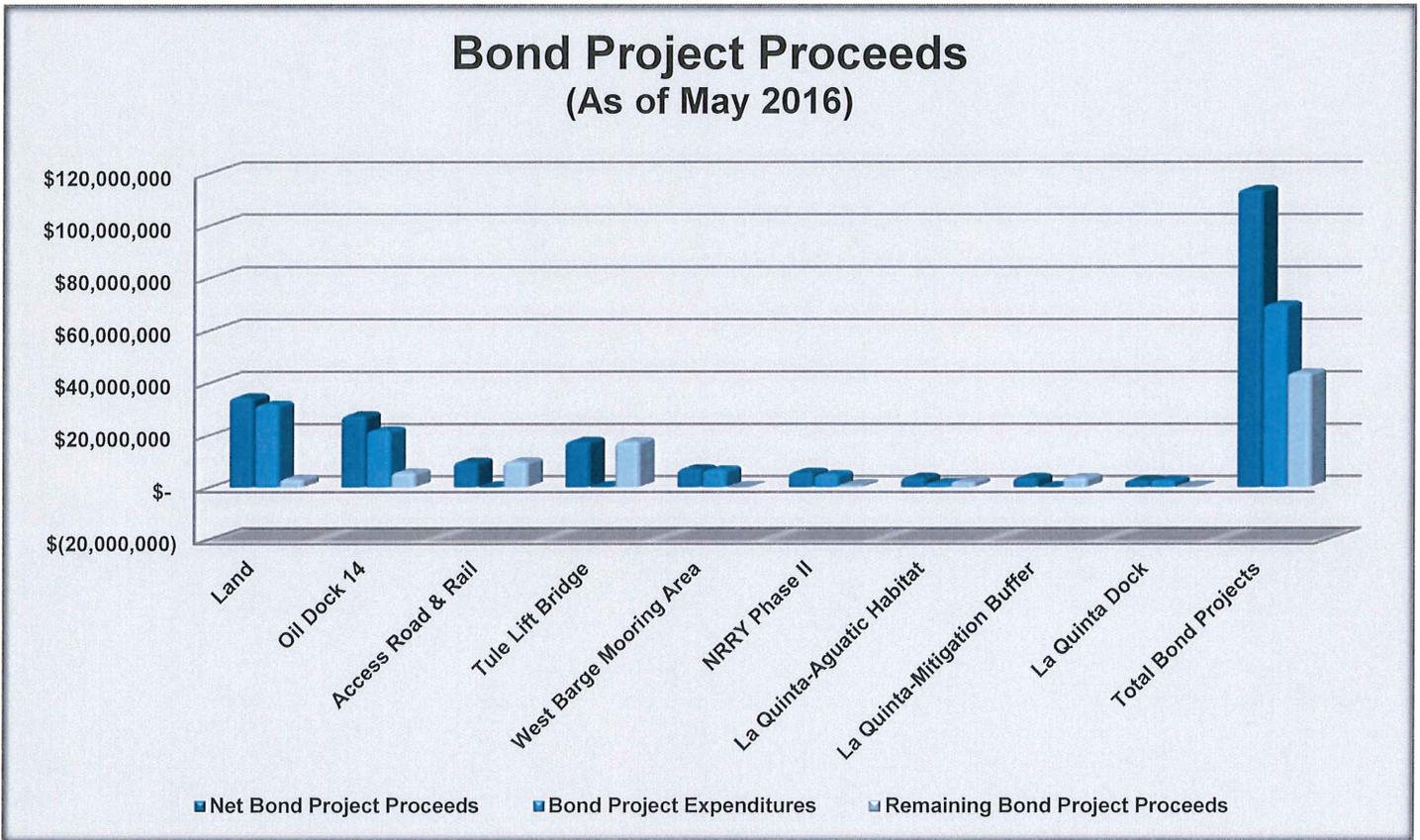
PORT OF CORPUS CHRISTI AUTHORITY

FINANCIAL RESULTS

BOND PROJECT PROCEEDS - (As of May 2016)

	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	\$ 31,757,503	\$ 3,317,862
Oil Dock 14	\$ 28,000,000	\$ 277,552	\$ 27,722,448	\$ 21,871,834	\$ 5,850,614
Access Road & Rail	\$ 10,000,000	\$ 99,126	\$ 9,900,874	\$ (22,376)	\$ 9,923,250
Tule Lift Bridge	\$ 18,000,000	\$ 178,426	\$ 17,821,574	\$ 158,929	\$ 17,662,645
West Barge Mooring Area	\$ 7,280,000	\$ 72,164	\$ 7,207,836	\$ 6,745,927	\$ -
NRRY Phase II	\$ 6,000,000	\$ 59,475	\$ 5,940,525	\$ 5,024,171	\$ 916,354
La Quinta-Aguatic Habitat	\$ 4,020,000	\$ 39,849	\$ 3,980,151	\$ 1,684,506	\$ 2,295,645
La Quinta-Mitigation Buffer	\$ 3,940,000	\$ 39,055	\$ 3,900,945	\$ 18,050	\$ 3,882,895
La Quinta Dock	\$ 2,800,000	\$ 27,755	\$ 2,772,245	\$ 2,670,007	\$ 102,238
Total Bond Projects	\$ 115,000,000	\$ 1,139,946	\$ 113,860,054	\$ 69,908,551	\$ 43,951,503

NOTE: Remaining bond proceeds from the completed West Barge Mooring Area project of \$491,809 have been transferred to the Land Acquisition project



1.1 Port of Corpus Christi

(a) Summary of activities

Date	Activity
7/1/2016	POCCA Community Relations Department visit to Hillcrest-DRA field office visit
7/5/2016	Community Relations staff meeting to discuss Hillcrest program
7/7/2016	Hillcrest Buyout Neighborhood Action Plan Meetings (With TxDot)
7/7/2016	Community Advisory Board Meeting
7/8/2016	Monique Espinosa Mortgage Lending Officer-Community Development
7/11/2016	Community Relations staff meeting to discuss Hillcrest program
7/12/2016	Corpus Christi Regional Economic Development Corporation Breakfast
7/14/2016	Budget Basics – Community Workshop
7/14/2016	Hillcrest/Harbor Bridge Project weekly conference call
7/15/2016	Conference call to discuss community outreach with Sam Esquivel, POCCA and Frank Jordan, DRA
7/15/2016	POCCA Community Relations Department visit to Hillcrest-DRA field office site visit
7/19/2016	Program update at POCCA’s Monthly Commissioners meeting
7/19/2016	City Liaison Roles and Responsibility – Community Workshop
7/19/2016	Corpus Christi Realtor Association meeting
7/19/2016	NEWS-Caller Times - Appraisers needed to help Hillcrest relocation program
7/19/2016	NEWS- KIII TV - Port Commissioners Get Update on Hillcrest Relocation

7/20/2016	Housing Opportunity Committee introduction to Voluntary Relocation and the Uniform Relocation Act
7/21/2016	Nick Mitchell-Bennett Non-Profit Builder
7/21/2016	Hillcrest/Harbor Bridge Project Conference Call
7/21/2016	Understanding, Building, Repair, and Manage Your Credit – Community Workshop
7/21/2016	Reporting meeting with DRA and POCCA’s representatives Sean Strawbridge and Sam Esquivel
7/21/2016	POCCA Community Relations Department visit to Hillcrest-DRA field office visit
7/22/2016	Restrictive Covenant walkthrough with Resident
7/22/2016	Bert Braselton Builder meeting
7/22/2016	Barbara Sweeney Habitat for Humanity housing discussion
7/22/2016	Corpus Christi Independent School District – Dr. Hernandez
7/22/2016	Hillcrest-DRA Affordable Housing meeting with Pastors
7/25/2016	United Way – Catrina Wilson
7/25/2016	Hillcrest/Washington-Coles Church Leadership discussion
7/25/2016	Citizen Alliance Meeting
7/25/2016	Reporting meeting with DRA and POCCA’s representatives Sean Strawbridge and Sam Esquivel
7/26/2016	ABC’s of Appraisals – Community Workshops
7/26/2016	TxDot Meeting with Program Appraisers
7/26/2016	Meeting with the 4 Party Partners
7/26/2016	NEWS - KRIS TV - Residents in path of new Harbor Bridge learn about appraisals
7/28/2016	Hillcrest/Harbor Bridge Project Conference Call

7/28/2016	Review of DRA August calendar events
7/29/2016	Meeting with loose group of local appraisers
7/29/2016	POCCA Community Relations Department visit to Hillcrest-DRA field office visit

(b) Total parcels acquired by ROW Contractor /total eligible parcels

None – Meeting with interested parties to explain options

(c) Information on appraisals performed on specific properties

During the month of July 65 parcels were tasked to be appraised by, Leonel Garza Jr. & Associates LLC (Leonel Garza) and Integra Realty Resources (IRR). Leonel Garza began site inspection during the week of July 25. IRR will begin during the week of August 1.

(d) Relocation assistance provided and to whom (owner or tenant)

None – Meeting with interested parties to explain the options

(e) Restrictive covenant purchases and to whom

None – Meeting with interested parties to explain the options

(f) Title work performed

No title clearance has been performed, however 147 preliminary title reports have been requested of which 116 have been received and are under review.

(g) Other services related to relocation of residents during reporting period

DRA continues to outreach to the neighbourhood residents and churches. One on one meetings are on-going. There has been increased walk-in visits to the site office from both owners and tenants.

(h) Summary of Port's ROW Contractor Disadvantaged Business Enterprise (DBE) % Goal

DRA is not aware of a DBE goal set for this project. However, it should be noted that one of the subcontractors and DRA are both certified DBE firms.

The month of July has seen the forward movement on several phases of the program, as fee appraisers and review appraisers have been contracted while DRA's efforts to incorporate local appraisers continues. Team DRA has executed contracts with Leonel Garza Jr. & Associates LLC (Leonel Garza) and Integra Realty Resources (IRR) to perform fee appraisals. Atrium Real Estate has been contracted to provide appraisal reviews. A total of 65 parcels have been tasked to be appraised. As reports are produced by the fee appraisers, they will be forwarded to the review appraisers.

To date a total of 147 title reports have been ordered with 116 title commitments received.

The lack of replacement housing remains of high concern and DRA continues the efforts of notifying the housing community, bankers, builders and officials of the shortage. Additionally, DRA is making the recommendation to utilize a fee schedule for both rental housing and for sale housing, in order to create uniformity in establishing consistent comparable Replacement Housing Payments.

May 7th Letter

As required in the Four Party Agreement each property owner was to receive a letter announcing the start of the Hillcrest-Washington Coles Voluntary Real Estate Acquisition and Relocation Program and their options. On May 6, 2016 Del Richardson & Associates Inc.(DRA) mailed out letters to the property owners of the properties identified within the designated program area. The property owners of the initial 541 parcels identified by the project, were sent two (2) letters, one via regular mail and the other via certified return receipt mail. A total of 1082 letters were mailed. Since the initial mailing owners from 3 additional properties have come forward and have been sent the May 7th letter. Therefore, the number of parcels impacted by the program has increased to 544.

As of June 30, 2016 we have confirmed delivery of the May 7th letters to owners of 424 properties, via the receipt of 388 return receipts, 1 verbal confirmation, and 35 owners expressing an interest in selling or requesting

additional information. DRA has received 141 letters from property owners interested in selling their property, 38 letters from owners requesting additional information and 3 interested in the restrictive covenant option.

DRA has identified 7 vacant parcels which will not be able to participate in the program.

Community Outreach

Community outreach focused on 4 areas based on feedback and questions received during June 2016 events. These areas are:

- Budgeting Basics:
- Presentation by the City Liaison on roles and available City Services:
- Understand, Build, Repair and Manage your credit:
- The ABC's of Appraisals:

July workshops had approximately 75 participants with the majority attending the ABC's of Appraisals. July's Overall post workshop evaluations indicated that the workshops held scored an average of 4.2 on a scale of 1 to 5 with 5 being the highest. Feedback from the June events helped to establish July events. Several of the July workshop attendees requested more information on the benefits offered. In the month of August, we will cover Onsite owner benefits.

To date over 56% of the program parcels have had face to face interactions with the DRA team.

DRA team members; Dionisio Marquez, Frank Jordan and Sandra Alvarez attended the July 7th Community Advisory Board (CAB) meeting at the Oveal Williams Senior Center. The DRA team provided program update and invited the board to upcoming workshops.

Sandra Alvarez scheduled several meetings throughout the month of July with several builders, for profit and non-profit organizations and bankers throughout the month. Ms. Richardson met with the following:

July 19th - Brooke LaClair, Director, Corpus Christi Board of Realtors

July 20th - Brooke LaClair, Chairwoman, Housing Opportunity Commission (HOC)

July 21st - Nick Mitchell, Bennett Builders

July 22nd - Greg Hettrick, Director of Community Investments

July 22nd – Barb Sweeney, Habitat for Humanity
July 22nd – Bart Braselton, Braselton Homes
July 22nd – Dr. Hernandez, Superintendent CCISD
July 25th – Katrina Wilson, President – United Way

Dionisio Marquez, Project Manager, DRA and Jeff Taylor, Relocation Manager-OPC, attended the Corpus Christi Regional Economic Development, CEO Breakfast on July 12th and presented an update of the program to a room full of key members of the community. On July 29th Mr. Marquez attended a luncheon with a group of appraisers identifying themselves as a “loose group of local appraisers”. Mr. Marquez announced the desire to incorporate local appraisers in the program. Several expressed concerns with the forms used by TxDOT since the forms do not auto populate like their current software for Fannie Mae forms. Several mentioned their concerns about providing a 3-year history of hours spent on appraising property, and disgust in general with government bureaucracy.

Acquisition

In the month of July, we requested 147 title commitments and completed 116 preliminary title reviews. The title review focused on sections A (Actual Facts), B (Buyer Notification), and C (Clear to Close) of the title reports to determine the scope of work needed to clear title. We identified 3 title risk levels low, medium, and high. Low-risk titles can be cleared with minimal client involvement. Medium risk titles can be cleared but need moderate legal involvement. High-risk issues take extraordinary legal/investigative work and high resident involvement. Of the 116 preliminary titles reviewed, 17% (20) low risk, 48% (56) medium, and 34% (40) high risk. 15 title curative plans were completed.

Issues were identified early in the month with the POCCA insurance requirements for TxDot approved appraisers. The Port wanted \$2 million in insurance coverage versus the \$500k required by TxDOT. The Port commissioners approved a lower insurance requirement during the July 19th commissioners meeting.

Leonel Garza and Associates and Integra Realty Resources were contracted and assigned 65 parcels of work. Each appraiser met with

TxDOT staff to review program specific requirements. 2 appraisal interviews were conducted with onsite owners

The acquisition manager also met with 52 property owners to address acquisition questions.

Relocation

The month of July has seen an increased level of interest regarding the relocation program. Over the course of the month, relocation has met with approximately 48 onsite and offsite owners, and 20 tenants. Relocation has also begun to compile a list of homes that are currently on the market and will begin to compile housing data to prepare a proposed rent and for sale housing schedule.

During the month of July, we met with Mrs. Brooke LaClair board member of the Corpus Christi Association of Realtors to discuss the housing market within the City of Corpus Christi. On July 22nd, we met with Bart Braselton, a local developer to discuss the possibility of developing a neighborhood to address the lack of affordable replacement housing. On July 21, we also met with Nick Mitchell – Bennet of Community Development Corporation of Brownsville to discuss the possibility of building replacement housing. On July 25, we met the leadership of five churches in the project area. An overview of relocation assistance and benefits to businesses in accordance with the URA was discussed. A few of the churches stated some of the challenges have been; finding a replacement site that they can afford in areas where their members will travel to. One constant complaint was the purchase price differential that homeowner will receive. The churches want the same type of relocation assistance benefit due offsite owners and believe that the intent of the 4 party agreement was to provide such payments. However, when reviewing the benefits to businesses in the 4 party agreement, which state; benefits for businesses will be in accordance with the URA, these same Pastors disagreed. Time was also spent searching various areas of Corpus Christi for possible comparable housing. Much more time was spent this month responding to telephone calls and going to project residents home to answer questions regarding the relocation program. We are

now preparing to conduct interviews with on-site property owners whose parcels are now being appraised.

Appendix B: Port of Corpus Christi Supplemental Information

- B.1. CCHARBORBRIDGERELOCATION.COM – July Website analytics
 - B.2. 071416 Budget Basics Meetings Feedback forms
 - B.3. 071416 Budget Basics Sign in Sheets
 - B.4. 071616 City Liaison Sign in & Feedback
 - B.5. 072116 Credit Repair Sign in & Feedback
 - B.6. 072616 ABC Appraiser Sign in Sheets
 - B.7. 072616 ABC Appraiser Feedback Forms
 - B.8. 070716 Neighborhood Voluntary Acquisition Plan
 - B.9. 072116 Hillcrest Washington Coles Conference Call Meeting Agenda
 - B.10. 072616 Harbor Bridge Voluntary Acquisition Relocation Meeting Agenda
 - B. 11. 072816 Hillcrest Washington Coles Conference Call Meeting Agenda
 - B.12. 0716 Hillcrest Washington Coles DRA July Community Workshops
 - B.13. 0716 Neighborhood Voluntary Acquisition Relocation Program Budget Tracking
- Attachments provided

NEIGHBORHOOD VOLUNTARY ACQUISITION RELOCATION PROGRAM BUDGET TRACKING

	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct.	Nov	Dec	Year
Acq Provider (DRA/OPC)													
Monthly Program Mgmt Fee	\$0.00	\$0.00	\$0.00	\$45,380.00	\$60,500.00	\$0.00	\$60,500.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$166,380.00
Monthly Community Outreach Fee	\$0.00	\$0.00	\$0.00	\$30,800.00	\$30,800.00	\$0.00	\$30,800.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$92,400.00
Acquisition Fee Per Parcel	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Friendly Condemnation Support Per Parcel	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Relocation Case Residential	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Relocation Case Business	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Property Management Fee	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Travel	\$0.00	\$0.00	\$0.00	\$2,577.90	\$10,025.27	\$0.00	\$15,614.24	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$28,217.41
Other costs	\$0.00	\$0.00	\$0.00	\$22,869.54	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$22,869.54
Acq Provider Totals	\$0.00	\$0.00	\$0.00	\$101,627.44	\$101,325.27	\$0.00	\$106,914.24	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$309,866.95
Legal Expense (Welder/Leshin)													
Employee 1	\$59,660.00	\$20,155.00	\$45,258.75	\$30,630.00	\$0.00	\$0.00	\$57,986.25	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$213,690.00
Employee 2	\$0.00	\$687.50	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$687.50
Other costs	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Outsource Totals	\$59,660.00	\$20,842.50	\$45,258.75	\$30,630.00	\$0.00	\$0.00	\$57,986.25	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$214,377.50
Third Party Services													
Spitzer Employee 1	\$20,496.00	\$13,776.00	\$10,416.00	\$2,240.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$46,928.00
Spitzer Employee 2 (Travel)	\$1,542.65	\$1,639.96	\$1,533.40	\$492.61	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$5,208.62
Other costs	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
W.L Bates Employee 1	\$2,000.00	\$1,250.00	\$500.00	\$650.00	\$0.00	\$500.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$4,900.00
W.L Bates Employee 2	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Other costs	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Naismith Eng Employee 1	\$0.00	\$10,952.50	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$10,952.50
Naismith Eng Employee 2	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
L.K. Jordan Temporary Services	\$0.00	\$0.00	\$0.00	\$0.00	\$3,278.33	\$3,437.28	\$3,496.87	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$10,212.48
Other costs	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Third Party Services Totals	\$24,038.65	\$27,618.46	\$12,449.40	\$3,382.61	\$3,278.33	\$3,937.28	\$3,496.87	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$78,201.60
Property													
Land Purchase Price	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Life Estates	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Title Policy Fees	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Appraisal Fees	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Legal Fees	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Recording	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Surveys/Boundary Descriptions	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Recording Fees	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Tax Transfers	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Property Maintenance Costs	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Property Totals	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Relocation													
Relo Assistance Payments	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Moving Costs	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Other Costs	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Relocation Totals	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Field Office													
Building	\$0.00	\$0.00	\$0.00	\$2,017.84	\$37,558.13	\$6,385.00	\$6,262.44	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$52,223.41
IT	\$0.00	\$114.95	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$114.95
Fencing	\$0.00	\$0.00	\$0.00	\$0.00	\$8,418.70	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$8,418.70
Security	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,872.92	\$3,004.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$4,876.92
Improvements	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Permits	\$0.00	\$0.00	\$0.00	\$0.00	\$196.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$196.00
Sign	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Utilities	\$0.00	\$0.00	\$0.00	\$0.00	\$63.46	\$294.68	\$406.02	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$764.16
Trash Removal	\$0.00	\$0.00	\$0.00	\$0.00	\$180.20	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$180.20
Computers	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,358.31	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,358.31
Phones	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Copiers	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Copies	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$425.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$425.00
Badges	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Other Costs	\$0.00	\$55.60	\$0.00	\$76.89	\$1,950.29	\$1,826.08	\$11,616.62	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$15,525.48
Field Office Totals	\$0.00	\$170.55	\$0.00	\$2,094.73	\$48,366.78	\$10,378.68	\$23,072.39	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$84,083.13
Property Maintenance Costs													
Inspections/Surveys	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Abatements	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Mowing	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Signs	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Security	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Demo Costs	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Permits	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Other Costs	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$15,801.99	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$15,801.99
Property Maintenance Cost Totals	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$15,801.99	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$15,801.99
Incidentals													
Food & Beverage	\$449.90	\$1,389.23	\$1,579.83	\$836.83	\$479.84	\$646.25	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$5,381.88
Meeting Rooms	\$0.00	\$2,328.60	\$429.50	\$2,341.50	\$3,885.90	\$2,182.20	\$3,986.70	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$15,154.40
Media	\$0.00	\$0.00	\$967.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$967.00
Signs	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Materials	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Ground Breaking	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Other Costs	\$1,529.85	\$0.00	\$132.38	\$0.00	\$0.00	\$6,514.43	\$190.53	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$8,367.19
Incidentals Totals	\$1,979.75	\$3,717.83	\$3,108.71	\$3,178.33	\$4,365.74	\$9,342.88	\$4,177.23	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$29,870.47

TOTAL **\$732,201.64**