RELOCATION AND REIMBURSEMENT AGREEMENT

This Relocation and Reimbursement Agreement ("**Agreement**") is made and entered into and effective this the 15th day of August 2023 (the "**Effective Date**"), by and between the City of Corpus Christi, Texas, a Texas home-rule municipality (the "**City**") and the Port of Corpus Christi Authority of Nueces County, Texas (the "**Authority**").

WITNESSETH:

WHEREAS, City is the owner of two 16-inch water pipelines (the "Facilities") crossing the Corpus Christi Ship Channel by virtue of the following described easement:

By virtue of a certain Pipeline Easement, dated August 10, 2004, and recorded in Nueces County as Doc# 2004043058 (herein, "Existing Easement"); and

WHEREAS, the U.S. Army Corps of Engineers, Galveston District ("Government"), has commenced construction of the congressionally authorized deepening and widening of the Corpus Christi Ship Channel which generally consists of deepening the existing Corpus Christi Ship Channel ("CCSC") from the Viola Turning Basin to the end of the jetties in the Gulf of Mexico (approximately 34 miles) from -47 feet Mean Lower Low Water (MLLW) to -54 feet MLLW, deepening and extending the remainder of the CCSC into the Gulf of Mexico (approximately 2 miles) from -49 feet MLLW to -56 feet MLLW, widening the CCSC to 530 feet through the Upper Bay and Lower Bay reaches (approximately 20 miles), and constructing 200-foot wide barge shelves to -14 feet MLLW on both sides of the CCSC (approximately 10 miles) across Corpus Christi Bay (the "Channel Improvement Project"); and

WHEREAS, Section 1001(40)(B) of the Water Resources Development Act of 2007 ("WRDA 2007") directs the Government to exercise navigational servitude on the CCSC, including the removal or relocation of any facility obstructing the Channel Improvement Project; and

WHEREAS, by letter from the Government to City received February 20, 2019, the Government directed City to remove or relocate the above-described Facilities by January 2021 (the "Federal Removal Deadline") to accommodate construction of the Channel Improvement Project; and

WHEREAS, WRDA 2007, which originally authorized the Channel Improvement Project, states that "the Secretary shall enforce the navigational servitude ... (including the removal or relocation of any facility obstructing the project) consistent with the cost sharing requirements of section 101" of the Water Resources Development Act of 1986 ("WRDA 1986"); Pub. Law 110-114 § 1001(40)(B) (Nov. 8, 2007); and

WHEREAS, Section 101(a)(4) of the WRDA 1986 provides that the "non-Federal interests for a project ... shall perform or assure the performance of all relocations of utilities necessary to carry out the project, except that in the case of a project for a deep-draft harbor ..., one-half of the cost of each such relocation shall be borne by the owner of the facility being relocated and one-

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half of the cost of each such relocation shall be borne by the non-Federal interests." 33 U.S.C. § 2211(a)(4); and

WHEREAS, Section 101(a)(4) of the WRDA 1986 goes on to define the "deep-draft harbor" as a harbor which authorized to be constructed to a depth of more than 45 feet, 33 U.S.C. § 2241(1); and

WHEREAS, the transfer of the existing Facilities, to a new location is a relocation project for purposes of the WRDA 1986 and, thus, the Authority, as the Non–Federal Sponsor of a deep port channel relocation project, is required to pay 50% of the cost of relocation – including both the removal and installation activities associated with the Facilities; and

WHEREAS, in September 2017, the Government and the Authority signed a Project Partnership Agreement ("**PPA**") that governs the terms and conditions under which the Government is undertaking the Channel Improvement Project, including *inter alia*, a requirement that the Authority and City "shall share equally in the cost of the relocation." PPA, Art. II(J); and

WHEREAS, City, under the terms hereinafter stated, agrees to remove the existing Facilities and relocate the Facilities to accommodate the Channel Improvement Project, provided that Authority reimburses City fifty percent (50%) of its actual costs in performing the removal and installation activities; and

WHEREAS, relocation of the Facilities requires a new pipeline easement from the Authority, which new pipeline easement has been granted and is attached hereto in **Exhibit A** (the "**New Easement**"), and which New Easement was granted by the Authority to the City at no cost in exchange for the covenants contained herein.

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

- 1. City hereby agrees to perform, or cause to be performed, the work identified in the Scope of Work, attached hereto as **Exhibit B**, necessary to remove and relocate the Facilities to accommodate the Channel Improvement Project. City shall complete the work in two separate phases as identified in Exhibit B: Phase I which is the removal of the two existing 16" pipelines and Phase II which is the installation of the new 24" pipeline. For the purposes of this Agreement, "relocate" or "Relocation" means the alteration, lowering, raising, or replacement and attendant demolition of the Facilities, including, but not limited to, planning, engineering and design, project management, geotechnical, environmental, cultural and engineering studies, surveying, removing the existing pipeline facilities and the installation of a new 24" pipeline and functional equivalence to the Facilities, and securing land rights for the relocation of the Facilities, regulatory approvals, permitting, scheduling, material procurement, construction, construction management, inspection, non-destructive testing, and site restoration (collectively, the "**Relocation Work**").
- 2. Prior to commencement of its activities to relocate the Facilities, City will furnish

Authority with a detailed set of plans for the construction of the relocated Facilities (the "**Plans**") for the Authority's approval, which approval shall not be unreasonably withheld nor unreasonably delayed. The Plans must be prepared in a standard engineering format and must be signed and sealed by a Professional Engineer registered in the State of Texas.

- 3. Prior to the installation of the Facilities as defined in Exhibit B, City shall furnish Authority's Director of Engineering "issued-for-construction" drawings for the Facilities provided to its construction contractors for the construction of the Facilities, as well as, any subsequent revisions thereto. Upon completion of the installation of the Facilities in the New Easement, City shall provide an as-built drawing depicting and describing (by metes and bounds) the as-built location of the Facilities. For any segment of the Facilities installed utilizing horizontal directional drilling ("HDD") methods, City agrees to survey by smart pig or similar technology and to include in the as-built drawings all x, y, and z, coordinates for each segment of Facilities installed by HDD methods.
- 4. The estimated cost of the Relocation Work is \$14,235,445.90, as further delineated in **Exhibit C** (the "**Estimated Costs**"), as reasonably estimated by City. City and Authority acknowledge that the Estimated Costs shall not be considered a maximum or minimum and that the actual cost of the Relocation Work may be more or less than the Estimated Costs.
- 5. Authority shall reimburse City fifty percent (50%) of the actual costs arising from the Relocation Work (the "**Relocation Costs**"). Relocation Costs are those necessary to provide a functionally equivalent Facility, reduced by depreciation, as applicable, and by the salvage value of any removed items. Relocation Costs include the following costs paid by City:
 - (a). Costs of contractors as defined under any construction or contractor agreements, supplemental agreements and change orders, and/or under invoices, bills, and other demands for payment made by contractors for work, material, right of way remediation and other services provided by the contractor in association with planning and implementing the Relocation Work.
 - (b). Costs for contractors' equipment used as part of the Relocation Work, and rentals actually paid to third party contractors for the lease of such equipment.
 - (c). Costs of any and all Federal, State, County and municipal permits, licenses, inspections, any other payments and fees paid to any governmental unit as a result of the Relocation Work.
 - (d) Project management costs and inspection costs for the Relocation Work.
 - (e). All other external labor and material expenses paid by City in association with the Relocation Work.
- 6. Relocation Costs do <u>not</u> include the incremental costs associated with acquiring, constructing, drilling, laying, lowering, or installing new facilities that are objectively

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superior to the existing Facilities for reasons other than depreciation or the fact that the new facilities may be newer than the existing Facilities ("**Betterments**"). In the event the City acquires, constructs, drills, lays, lowers, or installs a Betterment, the Authority remains obligated to reimburse the City for fifty percent (50%) of the Relocation Costs that would have resulted if the new facility was of a similar functional like and kind as the existing Facilities, but is not obligated to reimburse the City for any incremental costs of the Betterment. In addition, the following are <u>not</u> considered Betterments:

- (a). Upgrades or improvements in design and features reasonably required to be in compliance with current applicable industry, legal, or regulatory standards;
- (b). Replacement of devices or materials that are of reasonably equivalent standards although not identical;
- (c). Replacement of devices or materials no longer regularly manufactured; and
- (d). Replacing two existing 16-inch pipelines with a single 24-inch pipeline.
- 7. The Authority shall provide notice as soon as reasonably practicable to City in the event that it considers any proposed scope of work or anticipated costs included in (i) the Plans, (ii) the "issued-for-construction" drawings provided to the Authority pursuant to Section 3 hereof or (iii) the Estimated Costs, to result in or to be an expense that it believes should be excluded from its reimbursement obligations hereunder due to the fact that such proposed work or expense would constitute or be attributable to a Betterment.
- 8. City shall select contractors it deems qualified in its sole discretion to perform the Relocation Work (each a "Contractor" and, collectively, "Contractors"). City agrees that each Contractor shall be selected in compliance with Texas law and its Charter. City will provide Authority with copies of all contracts for the Relocation Work awarded by City.
- 9. City shall provide written notice to the Authority if: (a) the actual amount of Relocation Costs for a particular relocation-related activity exceeds the Estimated Cost of that particular activity by 10% or more; or (b) if the actual amount of total Relocation Costs exceeds the total Estimated Amount by 10% or more. City agrees to provide Authority any change orders that may document any such increase in the Estimated Costs.
- 10. The Relocation Work shall be undertaken under the direction and responsibility of City. The Authority shall not directly contract for any Relocation Work to be performed and shall not be responsible for any liability arising out of such Relocation Work. City shall rely on its own consultants, engineers, and contractors to design and implement the Relocation Work such as to provide City with the same like and kind functionality in the Facilities as existed just prior to the relocation. Authority's sole responsibility in the Relocation Work is to reimburse 50% of the Relocation Costs as described more specifically above.

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- 11. City shall comply with any and all requirements and conditions of any necessary approvals from any governmental authorities having competent jurisdiction over the removal and relocation of the Facilities (the "Government Authorizations").
- 12. City shall notify Authority at least seven (7) days in advance of the time it expects to start the Relocation Work, as well as when actually commencing, suspending, resuming, and upon final completion of work.
- 13. This Agreement governs only those Facilities that will be removed and replaced. If the Government requires a Facility to be removed and the City does not replace the Facility, the Authority does not have any obligation under this Agreement (including no obligation under Section 5 to pay fifty percent (50%) of the costs associated with removing a Facility that will not be replaced).
- 14. Authority shall reimburse City fifty percent (50%) of City's actual Relocation Costs on the following schedule:
 - (a). Upon completion of Phase I of the Relocation Work as detailed in Exhibit B, City shall prepare an accounting with supporting documentation of its final actual costs and submit to Authority an invoice setting forth the actual Relocation Costs incurred by City in connection with the Phase I (the "Final Phase I Invoice"). Authority shall review City's supporting documentation within sixty (60) days of receipt. Authority may require additional supporting documentation prior to approval of City's Final Phase I Invoice. Within ten (10) days of Authority's approval of City's Final Phase I Invoice, which approval shall be no later than ninety (90) days from Authority's receipt of the Final Phase I Invoice, Authority shall pay City fifty percent (50%) of the undisputed Relocation Costs for Phase I. In the event that any item included in the Final Phase I Invoice is not accepted by the Authority as a reimbursable Relocation Cost, the Parties agree to resolve such dispute pursuant to Sections 16 and 17 below.
 - (b). For the Phase II Relocation Work, the City shall be reimbursed quarterly as provided herein. City shall notify the Authority upon the City's issuance of its notice to proceed with Phase II construction. City shall thereafter submit quarterly invoices to the Authority for reimbursement of the actual Relocation Costs incurred by City in connection with the Phase II Relocation Work for each quarter (the "Quarterly Phase II Invoices"). Authority shall review City's supporting documentation within sixty (60) days of receipt. Authority may require additional supporting documentation prior to approval of each Quarterly Phase II Invoice. Within ten (10) days of Authority's approval of a Quarterly Phase II Invoice, which approval shall be no later than ninety (90) days from Authority's receipt of each Quarterly Phase II Invoice, Authority shall pay City fifty percent (50%) of the undisputed Relocation Costs. In the event that any item included in a Quarterly Phase II Invoice is not accepted by the Authority as a reimbursable Relocation Cost, the Parties agree to resolve such dispute pursuant to Sections 16 and 17 below.
- 15. All payments due hereunder shall be in the form either of a check made out City of Corpus Christi, Texas, or ACH Payment. The ACH addenda information must contain the invoice number that is being paid. The email address for the ACH remittance advice is

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centralcashiering@cctexas.com and JudyAV@cctexas.com. Account information will be provided with the invoice.

- 16. The Parties shall endeavor to resolve amicably any dispute in the ordinary course of business between the Parties' representatives. If the Parties' representatives are unable to resolve the dispute in the ordinary course of business, then the dispute shall be referred to the Parties' senior management for resolution. If the Parties' designated senior management cannot resolve the dispute within sixty (60) days of a Party's notice to the other Party or such other time as agreed upon between Parties, the Parties agree that such dispute may be subject to mediation on the terms and conditions set forth herein.
- 17. If a dispute cannot be settled by direct negotiations, either party may initiate mediation by giving notice to the other party to that effect. The place of mediation will be in Corpus Christi, Texas. The parties shall attempt to agree on a mediator and, if the parties are unable to agree upon the mediator within fifteen (15) days from the date notice was sent to initiate the mediation process, then the parties shall use the International Institute for Conflict Prevention and Resolution Mediation Procedure to appoint the mediator. The expense and costs of the mediation will be borne equally by the parties, except that each party will be responsible for paying the fees of its attorneys. If no resolution is agreed to at the conclusion of the foregoing mediation process, each party may pursue all remedies available to it at law, in equity or otherwise. Any dispute relating to, arising out of, or connected with this Agreement shall be exclusively filed and maintained in a State or Federal court located in Nueces County, Texas.
- 18. City agrees to use reasonable efforts to remove the existing Facilities by dates provided in Exhibit B or as may be reasonably extended to account for delays incurred in schedule for factors beyond City and Authority's control, and in any event to remove the existing Facilities within six (6) months of the date that the relocated Facilities are complete and operational.
- 19. It is expressly understood by the parties hereto that by execution of this Agreement and the New Easement, the City is abandoning any right, title or interest it may have as to any portion of the Existing Easement not located within the boundaries of the New Easement.
- 20. Notices, demands, requests or other formal communication related to this Agreement shall be deemed to have been given when received, whether delivered personally or mailed. Email 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: Kent Britton

> Interim Chief Executive Officer Port of Corpus Christi Authority

400 Harbor Drive

Corpus Christi, Texas 78401

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City of Corpus Christi

P. O. Box 9277

Corpus Christi, Texas 78469-9277

21. This Agreement shall be construed in accordance with and governed by the laws of the state of Texas, without regarding to its principles of conflicts of laws. Any legal action brought to enforce or construe this Agreement shall be brought in the courts located in Nueces County, Texas, and the parties agree to the jurisdiction of such courts and agree that they will not invoke the doctrine of *forum non conveniens* or other similar defense.

- 22. This Agreement, along with the New Easement, supersede every antecedent or concurrent oral agreement, stipulation or understanding between City and Authority, and no representations or statements, oral or written, have been made modifying, adding to, or changing the terms of this Agreement or the New Easement.
- 23. This Agreement may be executed in multiple counterparts, each of which shall constitute an original, and all of which, when taken together, shall constitute one instrument.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized officers as of the dates provided below each signature, to be effective, however, for all purposes, as of the Effective Date.

[Signature page follows this page.]

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CITY OF CORPUS CHRISTI, TEXAS

By:	-
Name:	-
Title:	_
Date:	-
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OF NUECES COUNTY, TEXAS	RITY -
OF NUECES COUNTY, TEXAS By:	RITY - -

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EXHIBIT A

EASEMENT

PIPELINE EASEMENT

THE STATE OF TEXAS §

KNOW ALL MEN BY THESE PRESENTS THAT:

COUNTY OF NUECES §

Port of Corpus Christi Authority of Nueces County, Texas, acting herein by and through its Port Commissioners hereunto duly authorized (hereinafter called "Authority") and pursuant to Chapter 62 of the Texas Water Code, 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 the CITY OF CORPUS CHRISTI, a Texas home-rule municipal corporation whose principal address is P.O. Box 9277, Corpus Christi, Texas 78469-9277, (hereinafter called "Grantee"), a nonexclusive right-of-way and easement (the "Easement") on and through the Authority's land located in Nueces County, Texas, for the purpose of constructing, laying, operating, maintaining, repairing, replacing and removing one (1) pipeline(s) twenty-four inch (24") in nominal outside diameter for the transportation of potable water (the "Authorized Pipeline Products") (the "Pipeline") upon, over and across the Easement hereby granted. No above ground or below ground appurtenances are allowed except for those listed on Schedule 1 attached hereto and pipeline markers (the "Pipeline Appurtenances"). All above ground Pipeline Appurtenances and flush with the ground Pipeline Appurtenances, if any, shall be installed in the surface site location(s) described in Exhibits "A" and "C" and depicted in Exhibits "B" and "D" attached hereto. The Pipeline and the Pipeline Appurtenances shall hereinafter be collectively referred to as the "Pipeline Facilities"). The Easement initially conveyed hereby is a total of five feet (5') in width, together with a variable width temporary construction easement parallel and adjacent to the Easement, in the locations depicted on Exhibits "B" & "D" attached hereto ("Temporary Easement"). The Temporary Easement also includes the additional temporary workspace locations, if any, depicted in Exhibits "B" and "D". The Easement and Temporary Easement and any surface sites for the installation of above ground appurtenances are more particularly described in two segments. The first and southernmost segment is described in Exhibit "A" and is depicted in Exhibit "B" attached hereto. The second and northernmost segment is described in Exhibit "C" and is depicted in Exhibit "D" attached hereto. The Temporary Easement shall expire and the Easement shall revert to the exterior dimensions of the Pipeline Facilities on: (1) the date on which the initial construction of the Pipeline Facilities is completed and the Pipeline is operational, or (2) one year from the date of this Pipeline Easement Agreement ("Agreement"), whichever is earlier, (the "Initial Construction Period"). The Easement and Temporary Easement shall be collectively referred to as the "Easements".

TO HAVE AND TO HOLD unto Grantee, its successors and assigns, the rights and privileges hereby conveyed for thirty (30) years beginning on the 12 day of pecental 2022, and ending at midnight on the 11 day of pecental 2052, 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:

1. <u>Pipeline & Surface Site Fees</u>. For the entire thirty (30) year term of the term of this Agreement, Grantee will pay to the Authority a one-time pipeline easement fee in the amount of Ten Dollars (\$10.00) in advance.

For the entire thirty (30) year term of the term of this Agreement Grantee will pay to the Authority, in advance, a one-time surface site fee in the amount of Ten Dollars (\$10.00) for the above ground Pipeline Appurtenances locations described and depicted in Exhibits A and B attached hereto.

The consideration initially paid by Grantee upon execution and delivery of this Easement is solely for the grant of the Easement, Temporary Easement and anticipated reasonable non-negligent damages thereto arising during the Initial Construction Period for simultaneous installation of the Pipeline and all authorized appurtenances thereto. With respect to all other damages, Grantee shall pay to Authority and to Authority's tenants, if any, all damages to real or personal property, whether such property is located inside or outside the boundaries of the Easements, which arise out of Grantee's construction, operation, repair, maintenance of the Pipeline or any other operations of Grantee hereunder.

- 2. Other Damages: With respect to all other damages, Grantee shall pay to Authority or to Authority's tenants, from time to time, all damages to Authority, caused by Grantee or its employees, agents or contractors, including but not limited to damages to: docks, mooring structures, pipelines, equipment, reservoirs, water wells, grass, fences, trees, roads, and improvements, inside or outside the Easement or Temporary Easement now in existence or hereafter constructed, including, but not limited to, damages inside or outside the Easement as a result of crowning the Easement or the rising or sinking of the soil within the Easement, and for damage to Authority's tenants, caused by the construction, operation, repair, maintenance of the Pipeline or any other operations of Grantee hereunder, other than the anticipated reasonable non-negligent damages to Authority resulting from initial construction and simultaneous installation of the Pipeline, regardless if such damage arises during the Initial Construction Period.
- 3. Access and Post Construction Workspace. Grantee's rights of ingress and egress shall be confined to the above-described Easements during the Initial Construction Period. Grantee during the Initial Construction Period 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, without the prior express written consent of Authority. After the expiration of the Initial Construction Period, Grantee shall be permitted to have ingress and egress to and from the Easement for the construction, operation, maintenance, inspection, repair, removal or replacement of the Pipeline Facilities over a route or routes, across Authority's adjacent lands, if any, designated in advance by Authority. Grantee, during any period of construction, maintenance, inspection, repair, removal or replacement of the Pipeline Facilities, taking place after the expiration of the Initial Construction Period, shall be permitted to use a reasonable amount of Authority's adjoining property, as designated in advance by Authority, to the extent reasonably available, as determined by Authority in its sole and absolute discretion, and only for so long as reasonably

necessary for such construction, maintenance, inspection, repair, removal or replacement of the Pipeline Facilities ("Post Construction Workspace"). Notwithstanding the forgoing, Authority shall have no obligation to preserve the availability of any of Authority's adjacent lands for Grantee's use as Post Construction Workspace. After the expiration of the Initial Construction Period except in the case of an emergency, Grantee agrees to notify the Authority not less than seventy-two (72) hours prior to Grantee's employees, agents or contractors entering upon the Easement for construction, maintenance, repairs or other operations. In the case of an emergency necessitating entry upon the Easement by Grantee, its employees, agents or contractors without first giving at least seventy-two (72) 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.

4. Construction, Maintenance and Use.

During the installation of the Pipeline Facilities or during any significant repair or replacement of the Pipeline Facilities, Authority shall be entitled to engage the services of an inspector which shall be selected by the Authority, in its sole and absolute discretion, to observe the operations of Grantee and to verify that the Pipeline Facilities are installed in full compliance with the terms and conditions of this Agreement (the "Inspection Services"). The Authority shall be responsible for the payment of all wages and expenses charged by its inspector (the "Inspection Service Expenses"). Upon completion of the initial installation of the Pipeline Facilities and thereafter upon completion of any significant repair or replacement of the Pipeline Facilities, Authority shall invoice Grantee for all Inspection Service Expenses incurred by Authority, which invoice Grantee agrees to pay within thirty (30) days of Grantee's receipt thereof.

Grantee shall construct and maintain the Pipeline Facilities in a good and workmanlike manner and in compliance with all applicable governmental and industry standards for construction and maintenance of the same; including but not limited to the requirements set forth in Article VII (Hazardous Substances, Liquids, and Gas Pipelines and Distribution Systems) of Chapter 35 of the City of Corpus Christi's Code of Ordinances, as amended from time to time. Warning signs for the existence of the Pipeline Facilities that conform to Federal and State laws applicable to such warning signs will be posted at the required locations along the Easement.

Authority understands that Grantee intends to utilize a portion of the Easement and Temporary Easement for the operation of horizontal directional drilling ("HDD") equipment needed to install a portion of the Pipeline within the Easement, under the TULE LAKE TURNING BASIN. Grantee agrees not to place, store, dump or dispose of any drilling mud, chemicals, spoil, dredge, sludge, water or other material utilized or produced in connection with any of Grantee's HDD operations on the Easement or Temporary Easement or Authority's adjoining property. Absent Authority's express written consent to the contrary, all such material shall be captured and removed using watertight containers so that such material does not come into direct contact with any portion of the surface of such property in the course of performing such HDD operations. Grantee shall use all commercially reasonable efforts to minimize the Easement and Temporary Easement area utilized to perform the HDD operations, and Grantee agrees to restore the affected Easement and Temporary Easement area, and any adjoining property, to the same condition as existed prior to such operations. Grantee will consult with Authority regarding Grantee's planned HDD operations prior to

commencing such work. Grantee agrees to immediately notify Authority's Director of Engineering of any damages to any property, real or personal, occurring outside the boundaries of the Easement or to any road, railroad, or other improvement inside or outside of the Easement caused by Grantee's HDD operations. All backfill placed in the Easement must be compacted to prevent settlement or erosion. Grantee shall bury and maintain the Pipeline and all underground Pipeline Appurtenances at a depth of not less than 4 feet below the surface of the ground or to such deeper depth as may be reasonably required as a result of the presence on, or construction on, or adjacent to, the areas within the Easement of any road, pipeline, or pole line. Grantee agrees to bore under all navigable channels and rail crossings to a depth set by Authority's Director of Engineering Services and where applicable the U.S. Army Corp. of Engineers. 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 the same level as the surrounding lands which will maintain drainage previous to such work and prevent erosion.

In the event of any excavation within the Easements, including but not limited to excavation of any pipeline trench or in the event of removal of the Pipeline Facilities herein contemplated, the top eighteen (18") inches of topsoil (should eighteen inches of top soil exist), or the full depth of any such top soil, whichever is less, will be removed and stored separately from the subsoil. As the Pipeline trench is backfilled, the subsoil will be replaced over the pipe and pipe bedding and all topsoil will be placed on top of the subsoil, commonly referred to as the double-ditch method. Grantee shall promptly back-fill all excavations in this manner and agrees to promptly remove all excess subsoil from the Easements.

In no event during the term of this Pipeline Easement Agreement shall Grantee, or its permitted successors or assigns, have the right to dispose of any water generated or produced in connection with hydrostatic testing of the Pipeline Facilities upon or across any portion of the Easements, Post Construction Workspace, Grantor's lands or adjacent waters without all necessary permits therefore and the express written consent of Authority's Director of Environmental Planning and Compliance

Grantee agrees to contact and notify Authority, by contacting and informing Authority's Manager of Rail Operations, in writing at P.O. Box 1541, Corpus Christi, Texas 78403, at least ten (10) days in advance of Grantee's intent to conduct any Pipeline Easement related construction, operation, or maintenance activities within one hundred feet (100') of any railroad.

Grantee will restore the Easement and any Post Construction Workspace disturbed by Grantee's operations to pre-project elevations and contours, and paving. Grantee shall restore all paving, and other improvements and, if requested by Authority, will seed and/or vegetate the unpaved areas of the Easement and Post Construction Workspace to promote restoration of the pre-project percent vegetative coverage using perennial grass seed or transplant material as per the seasonal recommendations of the Nueces County Agriculture Extension Service, or with either Common Bermuda grass or other locally adapted perennial grass (if Authority so elects).

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

Following completion of construction of the Pipeline Facilities, Grantee will immediately, notify the appropriate State and Federal agencies who regulate pipelines of the type in the 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 Easement.

If, during, or after, completion of construction of the Pipeline Facilities, the contamination is coming from the Pipeline Facilities, then Grantee will immediately take all steps necessary to shut down the Pipeline Facilities in the Easement from which the contamination is coming, repair or replace the Pipeline Facilities, and restore the Easements and Authority's adjacent lands to the condition they were in prior to the discovery of the contamination. If the contamination is not coming from a pipeline or pipelines in the 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 Easements and Post Construction Workspace herein granted and its operations in relation thereto will always comply with all applicable laws, statutes, rules and regulations of federal, state and local government. Grantee's use of the Easements and Post Construction Workspace may not unreasonably interfere with existing easement rights of any owner of an easement in, on, over, under or across any lands owned by the Authority and which are crossed or are overlapped in whole or in part by the Easements. Grantee agrees to obtain all applicable environmental and all other permits necessary to conduct the work and provide a copy of said permits to Authority. Grantee agrees to construct and maintain the Pipeline Facilities in accordance with existing permits or permit applications related to the easement and in accordance with all applicable state and federal environmental rules and regulations.

Prior to commencement of construction of the Pipeline Facilities, Grantee will furnish Authority with a detailed set of plans for the construction of the Pipeline Facilities (the "Plans") for the Authority's approval, which approval shall not be unreasonably withheld. The Plans must be prepared in a standard engineering format and must be signed and sealed by a Professional Engineer registered in the State of Texas. The Plans for any Pipeline Facilities shall show the pipe grade, wall thickness and coating of the pipe to be constructed and shall depict the location and the depth at which such Pipeline Facilities will be installed within the Pipeline Easement. The Plans shall also depict all surface sites and any surface features, including but not limited to, drainage ditches, culverts, roads, fixtures, appurtenances, pipelines or containment levees in the vicinity of the Pipeline Easement that may be affected by the construction activity during installation or maintenance of the Pipeline Facilities. The Plans shall be submitted to Authority's Director of Engineering, who may require reasonable modifications to the Plans before approving them. Additionally, prior to the installation of the Pipeline Facilities within the Pipeline Easement, Grantee shall furnish Authority's Director of Engineering "issued-for-construction" drawings for the Pipeline.

Grantee as a condition precedent to Grantee's right to enter upon and otherwise access the Easements for construction purposes, shall furnish Authority all "issued for construction drawings" provided to its construction contractors for the construction of the Pipeline Facilities, as well as, any subsequent revisions thereto applicable to the Easement (the "Issued for Construction Drawings"). Grantee shall not enter upon the Easements for construction purposes until Grantee has provided Authority with a current set of Issued for Construction Drawings. Upon completion of the installation of the Pipeline Facilities in the Easement, Grantee shall provide an as-built drawing depicting and describing (by metes and bounds) the as-built location of the Pipeline Facilities. When any segment of pipeline is installed utilizing HDD methods, Grantee agrees to survey each pipeline by smart pig and to include in the as-built drawings all x, y, and z, coordinates for each segment of pipeline installed by HDD methods.

Grantee shall be responsible for coordination of its construction activities and use of the Easements and any Post Construction Workspace with any other, existing or future users and easement holders in or near the Easements. Grantee shall promptly restore any portion of the right-of-way damaged by Grantee to its condition prior to such damage. Grantee shall, if requested by Authority, test in the manner specified by Authority, all restoration work at Grantee's expense. Authority shall be promptly notified in writing of the results of all tests of any such restoration work.

5. Reservations, Exceptions, and Partial Release of Existing Pipeline Easements.

The Easements herein granted and authorization to utilize any Post Construction Workspace shall be subject to the terms and conditions of any and all easements heretofore granted by Authority to other parties which is either of record in Nueces County or San Patricio County, referenced in a memorandum of easement recorded in Nueces or San Patricio County or physically evident on the property. The Authority reserves the right to grant easements and the right to grant the use of Post Construction Workspace, upon, over, under and across the Easements, and to grant other rights of use, leases and easements above, below and on the surface of the Easements, provided that such grants shall not materially interfere with the rights granted herein.

THE U.S. ARMY CORP. OF ENGINEERS, GALVESTON DISTRICT ("USACE") HAS COMMENCED CONSTRUCTION OF THE CONGRESSIONALLY AUTHORIZED PROJECT (THE "CHANNEL IMPROVEMENT PROJECT") TO DEEPEN AND WIDEN THE CORPUS CHRISTI SHIP CHANNEL (THE "SHIP CHANNEL"). THE USACE, IN CONNECTION WITH THE CHANNEL IMPROVEMENT PROJECT, HAS ISSUED NUMEROUS DIRECTIVES TO VARIOUS OWNERS OF PIPELINES CROSSING UNDER THE SHIP CHANNEL TO REMOVE OR RELOCATE PIPELINES TRAVERSING UNDER THE SHIP CHANNEL. IN RESPONSE, SOME PIPELINE COMPANIES HAVE SIMPLY ELECTED TO REMOVE THEIR PIPELINES, OTHERS HAVE ELECTED TO RELOCATE THEIR PIPELINES, AND SOME HAVE ELECTED TO REMOVE A PIPELINE, AND IN SOME INSTANCES REMOVE MULTIPLE PIPELINES AND REPLACE WITH A SINGLE PIPELINE OF LARGER DIAMETER. THE EASEMENTS AND RIGHTS GRANTED TO GRANTEE BY THIS PIPELINE EASEMENT AGREEMENT ARE BEING GRANTED IN RESPONSE TO GRANTEE'S ELECTION TO REPLACE ITS EXISTING PIPELINE(S) PLACED UNDER THE SHIP CHANNEL BY VIRTUE OF THE FOLLOWING DESCRIBED EASEMENT(S): A UTILITY EASEMENT GRANTED BY THE PORT AUTHORITY OF CORPUS CHRISTI TO THE CITY OF CORPUS CHRISTI ON AUGUST 10, 2004, FOR THE INSTALLATION OF TWO 12-INCH WASTEWATER LINES AND TWO 16-INCH WATER LINES AND

OTHER PUBLIC UTILITY LINES RECORDED IN THE OFFICIAL RECORDS OF NUECES COUNTY ON AUGUST 19, 2004, IN DOCUMENT NUMBER 2004043058 (THE "EXISTING EASEMENTS"). GRANTEE HEREBY WAIVES, RELEASES, THAT PORTION OF THE EXISTING EASEMENTS UNDERLYING THE SHIP CHANNEL IN THE VICINITY OF THE EASEMENT DESCRIBED HEREIN; AS WELL AS ANY PORTION OF THE EXISTING EASEMENT BETWEEN THE POINT OF BEGINNING AND THE POINT OF TERMINATION OR POINT OF ENDING WHICH ARE BEING REPLACED BY THE PIPELINE(S) AUTHORIZED BY THIS PIPELINE EASEMENT AGREEMENT DESCRIBED AND DEPICTED ON EXHIBITS A & B ATTACHED HERETO; AND UNDERLYING THE SHIP CHANNEL, SAVE AND EXCEPT, THE FOLLOWING DESCRIBED PIPELINE WHICH THE USACE IS NOT REQUIRING THE REMOVAL OF IN CONNECTION WITH THE CHANNEL IMPROVEMENT PROJECT, AUTHORIZED TO BE LOCATED UNDER THE CHANNEL BY THE FOLLOWING DESCRIBED EASEMENT(S), IF ANY: NONE.

6. Indemnity. To the extent allowed by law, 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, 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 the 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, operation, 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 Easements, Post Construction Workspace, 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, Authority and Grantee understand and agree that, in no event, shall either Authority 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.

- 7. <u>Insurance</u>. Without limiting the indemnity obligations or liabilities of Grantee, or its insurers, provided herein, Grantee agrees at all times 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 and comply with the other requirements set forth in Exhibit "E" attached hereto and incorporated herein by reference.
- 8. <u>Assignment</u>. 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. In the event of an assignment or partial assignment of the Easement, any liability of Assignor or Assignee, to Authority under the terms of this Agreement shall be joint and several. The terms of this Agreement 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. Grantee agrees to promptly provide Authority with a copy of all assignments authorized by this Section.
- Termination. This Agreement and all rights to use and occupy the Easement shall terminate if the Pipeline(s) ceases to be used for the transmission of Authorized Pipeline Products, collectively, for a period of forty-eight (48) months during the term of this Agreement or if Grantee shall at any time expressly abandon this Easement for the use of the same for the purposes herein granted. This Agreement and all of Grantee's interest hereunder, at the option of Authority, shall forthwith terminate upon breach by Grantee of any of the conditions hereof and the failure of Grantee to remedy the same within ninety (90) days after Grantee's receipt of written notice from the Authority so to do. Grantee agrees it will, within ninety (90) days after the termination of this Agreement, remove the Pipeline Facilities existing in the Easement and restore the Easement and any Post Construction Workspace utilized to remove the Pipeline Facilities to substantially the same condition in which same existed prior to the existence of the Pipeline Facilities. In the event Grantee fails to remove the Pipeline Facilities within the above-described time period, Authority may either declare the termination of Grantee's interest in the Pipeline Facilities and all of Grantee's interest therein shall thereupon terminate, or the Authority may cause the Pipeline Facilities, or any part thereof, to be removed and disposed of, and the lands of the Authority restored, all at the cost of Grantee. In the event of a breach of the requirements of Section 11 ("Compliance with Authority Security Requirements"), this Agreement and all of Grantee's interest hereunder, at the option of Authority, shall forthwith terminate in the event Grantee fails to remedy the same within ten (10) days after Grantee's receipt of written notice from the Authority of such breach.
- 10. Relocation. The Authority may require Grantee to remove, lower or relocate the Pipeline Facilities situated in the aforesaid Easement in the event the same materially interferes with or will materially interfere with: (1) the development of Authority's lands; (2) any facility, facility modification, or proposed facility of Authority, Authority Lessee or Authority Franchisee; (3) any road or proposed road; or (4) any operation or proposed operation of Authority, Authority Lessee or Authority Franchisee. The Authority may also require Grantee to remove, lower or relocate the Pipeline Facilities situated in the aforesaid Easement in the event the same materially interferes with or will materially interfere with any navigable channel, railroad or proposed railroad under which the Pipeline passes. In the event Authority requires Grantee to remove, lower or relocate pursuant to the provisions of this Section, the cost of such removal, lowering or relocation shall be paid solely by

Grantee, and in such event, Authority will use its best efforts to provide Grantee with an alternate Easement route on Authority's land at no additional cost to Grantee; provided, however, Authority shall not be required to provide the alternate easement route.

- 11. Compliance with Authority Security Requirements. Grantee, its employees, agents, representatives and subcontractors shall at all times comply with all Authority mandated security requirements and regulations pertaining to the Easements and any Post Construction Workspace locations or access thereto, regardless of whether now existing or hereinafter imposed, pursuant to Authority's Tariffs (the "Security Measures"). Failure to comply with Authority's Security Measures will be grounds for terminating this Agreement as described in Section 9 above. Authority's Security Measures applicable to the Easement and right of way can be ascertained by contacting the Authority's Police Department.
- 12. <u>Notice.</u> Until notified in writing of a different address, all notices, demands, or requests must be sent to Authority and Grantee as follows. Notices will be deemed received 3 days after being mailed if sent by U.S. mail, postage paid, certified mail to the addresses below:

Authority:

Port of Corpus Christi Authority Attn: Chief Executive Officer P. O. Box 1541 Corpus Christi, Texas 78403

Grantee:

City of Corpus Christi Attn: City Manager P.O. Box 9277 Corpus Christi, Texas 78469-9277

- 13. Easement Maintenance and Litter. Grantee will maintain the Easements, Post Construction Workspace, and Pipeline Facilities in excellent repair and with a neat appearance, clean of all litter and trash including construction debris caused by Grantee (i.e., welding rods, grinding wheels, tools, metal pieces, pipe coating materials, rags, cans, bags, paper, plastic, boards, blocks, pallets, skids, etc.) during periods of construction, operation, maintenance, repair or removal of the Pipeline Facilities. Grantee shall require Grantee's employees, agents, representatives, contractors, and sub-contractors to pick up said construction debris daily. All construction debris shall be cleaned up and removed from Authority's lands prior to the termination of any construction period.
- 14. <u>Limitation on Easement Use</u>. Grantee specifically agrees that Grantee, its successors, assigns, and its related companies shall not use any portion of the Easements or portion of any Post Construction Workspace for any other purpose than the construction, operation and maintenance of the Pipeline Facilities. The Grantee will not grant, participate with, or initiate any contract with any third party to place any other use or operation within the Easement other than the Pipeline Facilities

described in this Agreement. This Agreement is made regardless of any past or future statutory authority by any governmental agency allowing additional usage within the Easement. Grantee disclaims any authority from any statutory rule or regulation that allows such additional usage and shall be bound by this Agreement.

- 15. <u>Mowing</u>. Grantee shall mow the upland segments of the Easement in a normal and customary fashion consistent with industry standards, a minimum of once a year. However, Authority may suspend said mowing activities by notifying Grantee of Authority's election to suspend such mowing activities. If suspended, Authority may elect for Grantee to resume the mowing schedule by so notifying Grantee.
- 16. <u>Brush and Tree Disposal</u>. All trees and brush cut shall be removed from the Easements and disposed of in a lawful manner. Alternatively, Authority may, in its sole and absolute discretion, elect to have all trees and brush mulched and spread evenly across the Easements and/or any Post Construction Workspace.
- 17. No Warranty of Title. It is hereby agreed that no warranty of title, expressed or implied, including but not limited to the implied covenants set forth in section 5.023 of the Texas Property Code, is made by Authority by the execution of this instrument. GRANTEE HEREBY ACKNOWLEDGES THAT IT HAS INDEPENDENTLY INVESTIGATED THE TITLE TO, AND SURFACE ROUTE OF, THE EASEMENT AND ACCEPTS SAME AS IS, WHERE IS, AND WITH ALL FAULTS, AND WITHOUT WARRANTY OF ANY NATURE, EXPRESS OR IMPLIED (INCLUDING ANY WARRANTY CONCERNING FITNESS OR SUITABILITY FOR GRANTEE'S INTENDED USE THEREOF).
- 18. <u>Counterparts</u>. This Agreement may be executed in multiple counterparts, each of which shall constitute an original, and all of which, when taken together, shall constitute one instrument.

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 Pages Immediately Follow

WITNESS this 12th day of December, 2022.

PORT	OF	CO	RPUS	CHR	ITZE	AUTHO	DRITY
OF N	UE	CES	COU	NTY.	TEX	AS	

By: On Oang

Sean C. Strawbridge Chief Executive Officer

"Authority"

STATE OF TEXAS

§ 8

COUNTY OF NUECES

§ §

This instrument was acknowledged before me on the 12th day of December, 2022, by Sean C. Strawbridge, Chief Executive Officer of Port of Corpus Christi Authority of Nueces County, Texas, on behalf of the Port.

TANA JETON NEIGHBORS

ID# 13153531-0 Notary Public STATE OF TEXAS

My Comm. Exp. 04-18-2026

Jana Jefon Neighbors NOTARY PUBLIC, STATE OF TEXAS

Grantee Signature Page Immediately Follows

CITY OF CORPUS CHRISTI

Name: Jeff H. Edmonds, P.E.

Title: Director of Engineering Services

"Grantee"

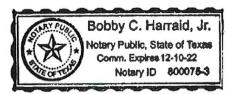
STATE OF TEXAS

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COUNTY OF NUECES

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This instrument was acknowledged before me on the <u>22</u> day of <u>November</u>, 2022, by Jeff H. Edmonds, Director of Engineering Services of the City of Corpus Christi, a Texas Home Rule municipal corporation, on behalf of said City.



OTARY PUBLIC, STATE OF TEXAS

Approved as to Form:

Assistant City Attorney



"EXHIBIT A"

METES AND BOUNDS DESCRIPTION

FOR

Approximately 3,244 linear feet for the centerline of a 24" Waterline, herein described as a "Pipeline Easement", across the remaining portion of a called 169.519-acre tract known as "Tract II, Tule Lake Tract" described in a deed to the Port of Corpus Christi Authority as recorded in Volume 2334, Page 325, Deed Records, Nueces County, Texas, and out of the "Rincon Del Oso" Grant, Abstract No. 1, in Nueces County, Texas, said 3,244 Linear Feet being more particularly described with bearings based on the Texas State Plane Coordinate System of 1983 (NAD 83), South Zone (4205), with metes and bounds as follows;

BEGINNING: At a point, X = 1,307,543.16, Y = 17,187,339.99, on the north right-of-way line

of Up River Road (60' wide r.o.w.), for the most southerly point of the herein described line, from which a 5/8" iron rod found on the north right-of-way line of said Up River Road, and for the west corner of a called 2.426-acre tract known as "Tract II, Port Tract" described in a deed to Valero Marketing and Supply Company as recorded in Document No. 2005011120, Official Records, Nueces County,

Texas, bears S 75°47'09" E, 215.14 feet;

THENCE: N 14°46'57" E, across said 139.519-acre tract, a distance of 5.47 feet to a point of

intersection of the herein described line;

N 42°56'58" E, continuing across said 139.519-acre tract, a distance of 278.75 feet THENCE:

to a point of intersection of the herein described line;

N 85°22'21" E, continuing across said 139.519-acre tract, a distance of 294.07 feet THENCE:

to a point of intersection of the herein described line;

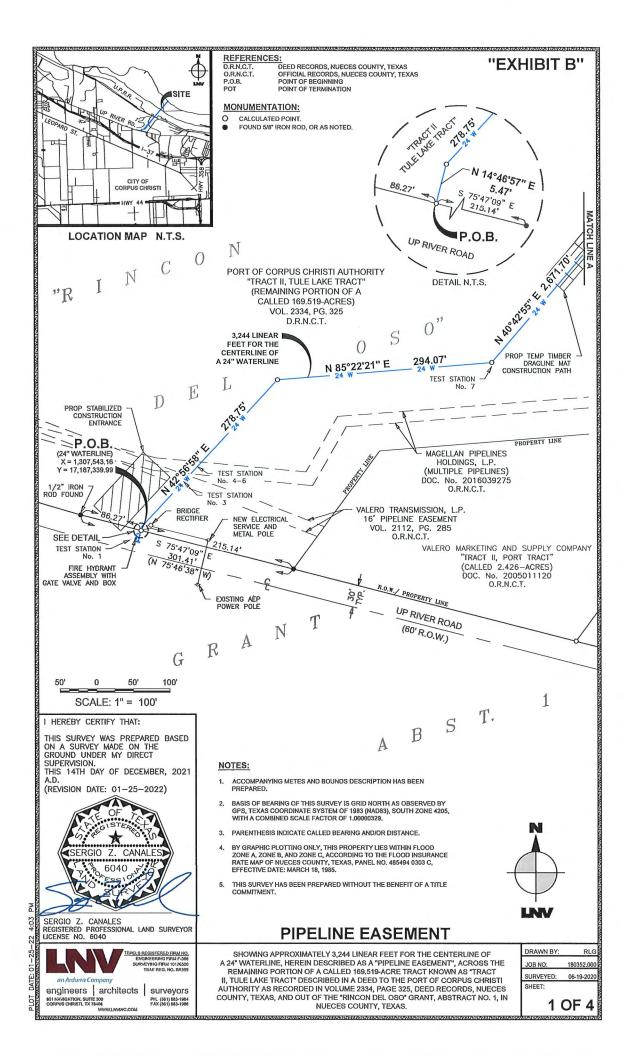
N 40°42'55" E, across said 139.519-acre tract, a distance of 2,671.70 feet to a point THENCE:

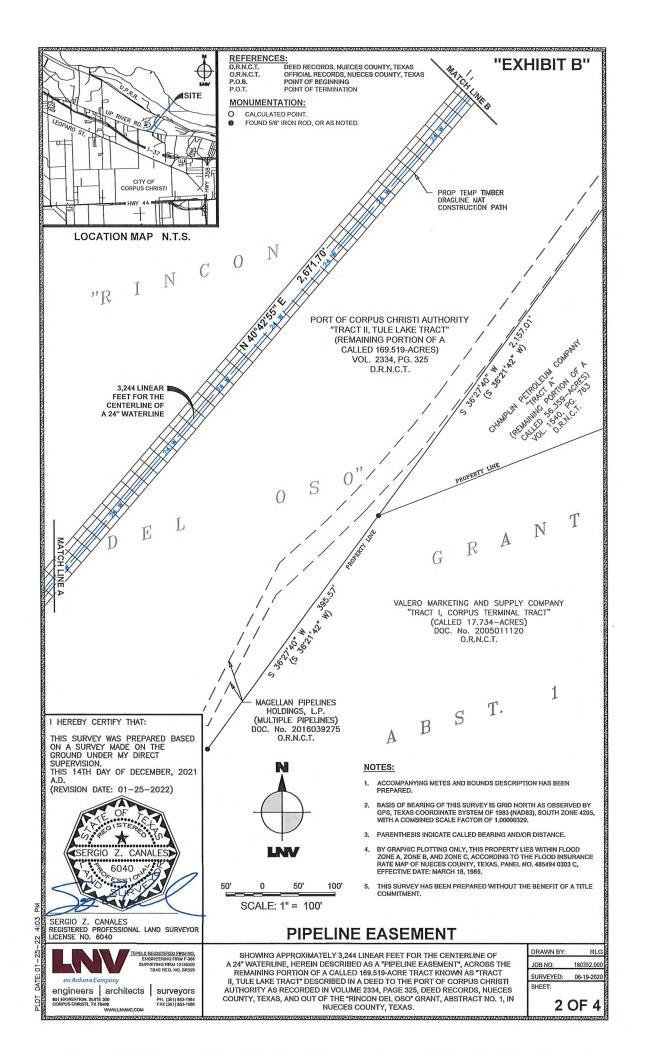
> on the south line of a called 26.9-acre tract known as a "Railroad right-of-way" described in a deed to San Antonio, Uvalde & Gulf Railroad Company as recorded in Volume 134, Page 369, Deed Records, Nueces County, Texas, for the POINT **OF TERMINATION,** X = 1,309,766.10, Y = 17,189,593.52, of approximately 3,244 linear feet for the centerline of a 24" Waterline, more or less. Said line being described in accordance with an actual survey made on the ground and a survey

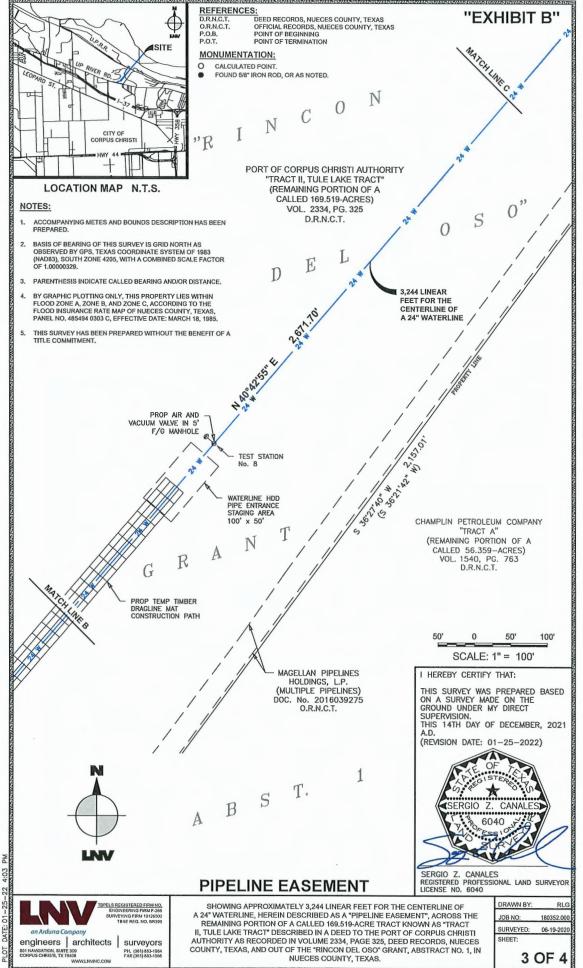
map prepared by LNV, LLC.

SERGIQ Z. CANALES REGISTERED PROFESSIONAL LAND SURVEYOR LICENSE NO. 6040

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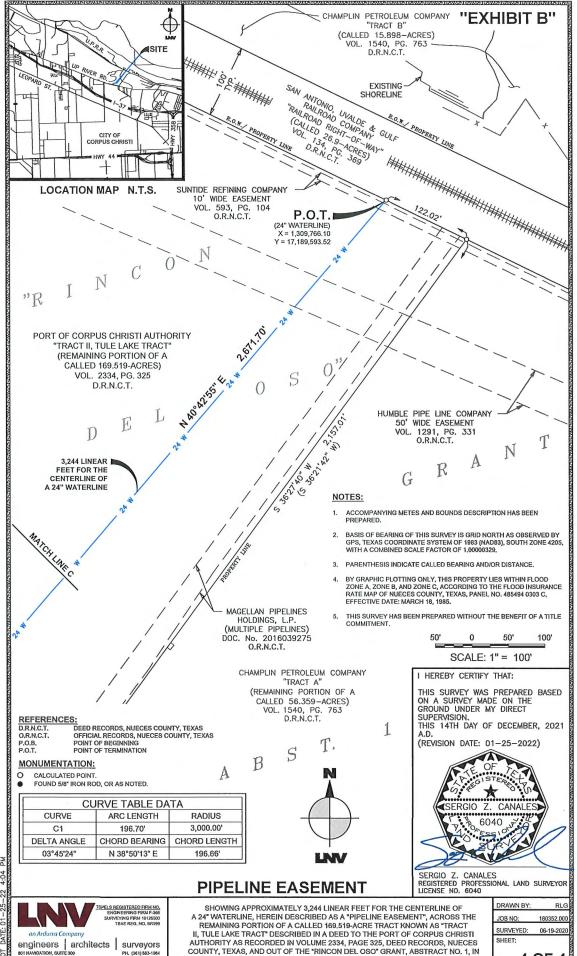




NUECES COUNTY, TEXAS.

3 OF 4

PH, (361) 883-1984 FAX (361) 883-1966



NUECES COUNTY, TEXAS.

4 OF 4

PLOT DATE: 01-25-



"EXHIBIT C"

METES AND BOUNDS DESCRIPTION

FOR

24" Waterline A

Approximately 2,843 linear feet for the centerline of a 24" Waterline, herein described as a "Pipeline Easement", across a called 2,694.93-acre tract and a called 1,945.75-acre tract described in deeds to the Nueces County Navigation District No. 1 as recorded in Volume 192, Page 579 and Volume 719, Page 358, Deed Records, Nueces County, Texas, and out of the "Rincon Del Oso" Grant, Abstract No. 1, in Nueces County, Texas, said 2,973 linear feet being more particularly described with bearings based on the Texas State Plane Coordinate System of 1983 (NAD 83), South Zone (4205), with metes and bounds as follows;

BEGINNING: At a point, X = 1,310,116.33, Y = 17,190,000.48, on the south line of said 2,694.93-acre tract, for the most southerly point of the herein described line from which an NGS Monument "5244D" bears N 21°10'55" E 3,066.00 feet;

THENCE: N 40°42'55" E, across said 2,694.93-acre tract and said 1,945.75-acre tract, at 2,545 feet to the approximate south right-of-way line of Joe Fulton Corridor (r.o.w. varies), at 2788 feet pass a center point of a 24" tee, in all a distance of 2,843.48 feet to the **POINT OF TERMINATION**, X = 1,311,971.13, Y = 17,192,155.73, of approximately 2,843 linear

feet for the centerline of a 24" Waterline, more or less. From which an NGS Monument "5244D" bears N 46°42'43" W 1,026.16 feet. Said line being described in accordance with

an actual survey made on the ground and a survey map prepared by LNV, LLC;

24" Waterline B

Approximately 185 linear feet for the centerline of a 24" Waterline, herein described as a "Pipeline Easement", across a called 2,694.93-acre tract and a called 1,945.75-acre tract described in deeds to the Nueces County Navigation District No. 1 as recorded in Volume 192, Page 579 and Volume 719, Page 358, Deed Records, Nueces County, Texas, and out of the "Rincon Del Oso" Grant, Abstract No. 1, in Nueces County, Texas, said 185 linear feet being more particularly described with bearings based on the Texas State Plane Coordinate System of 1983 (NAD 83), South Zone (4205), with metes and bounds as follows

BEGINNING: At a point, X = 1,311,934.91, Y = 17,192,113.64, on the northwest line of said 24" Waterline A, for a center point of a 24" tee, and for the most northerly point of the herein described line, from which the POINT OF TERMINATION for said 24" Waterline A bears

N 40°42'55" E 55.52 feet;

THENCE: N 51°08'18" W, across said 2,694.93-acre tract, a distance of 17.50 feet to a point for an

exterior corner of the herein described line;

THENCE: S 83°51'42" W, continuing across said 2,694.93-acre tract, a distance of 7.05 feet to a point

for an exterior corner of the herein described line;

THENCE: S 38°51'42" W, continuing across said 2,694.93-acre tract, a distance of 52.50 feet to the

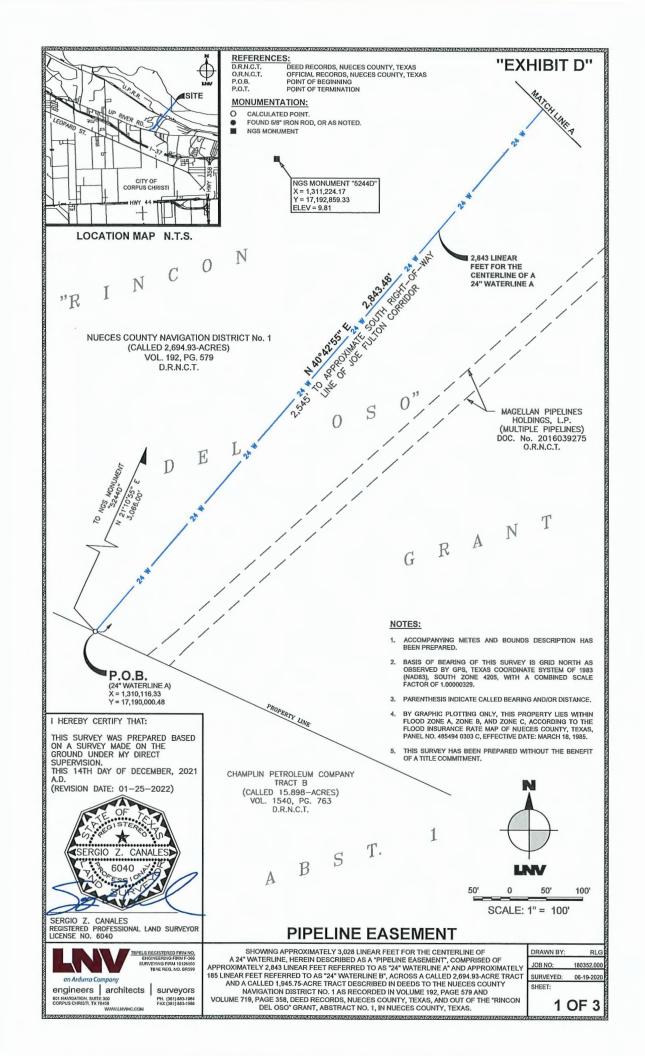
POINT OF TERMINATION, X = 1,311,813.41, Y = 17,191,998.72, of approximately 185 linear feet for the centerline of a 24" Waterline, more or less. Said line being described in accordance with an actual survey made on the ground and a survey map prepared by

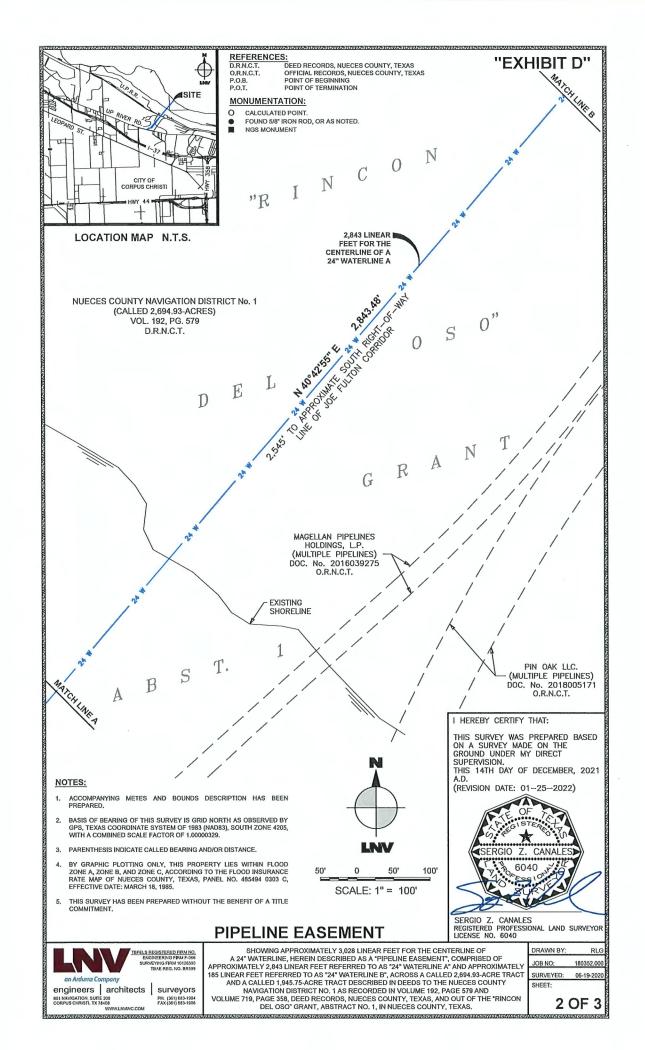
LNV, LLC;

SERGIO Z. CANALES

REGISTERED PROFESSIONAL LAND SURVEYOR LICENSE NO. 6040







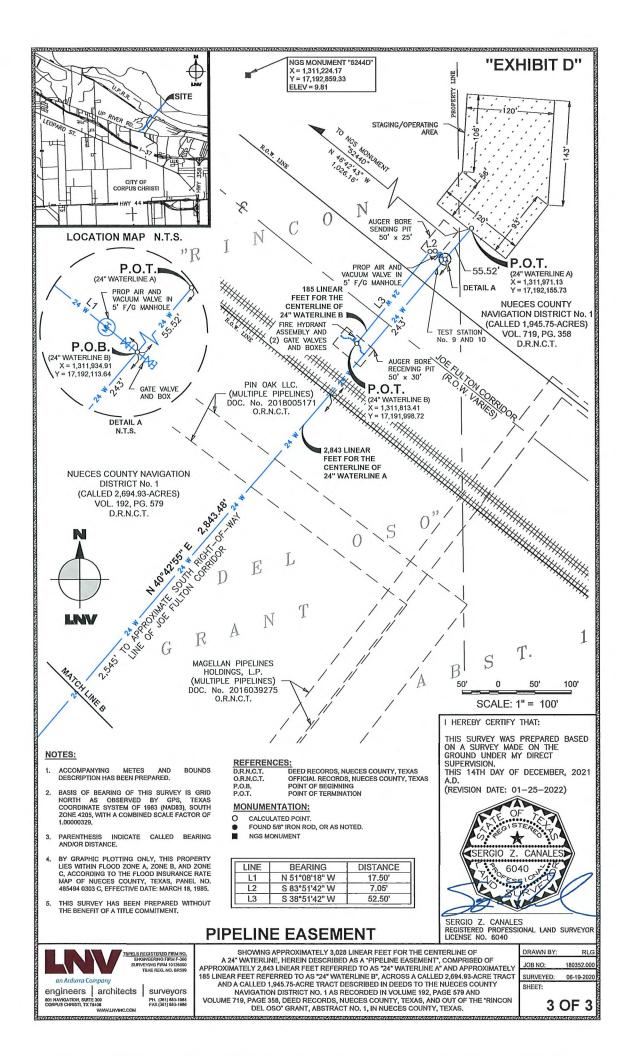


Exhibit "E"

INSURANCE REQUIREMENTS

Without limiting the indemnity obligations or liabilities of Grantee or its insurers, provided herein, Grantee agrees to procure and maintain at its sole expense during the term of the contract the following policies of insurance (sometimes collectively referred to in this exhibit as the "<u>Policies</u>") and in at least the minimum amounts specified below:

LIMITS OF LIABILITY

A. Workers' Compensation

Statutory

In the event that the work of Grantee's employees falls within the purview of the United States Longshore and Harbor Workers Coverage, the Jones Act or the Federal Employer's Liability Act, Grantee shall extend its insurance coverage to provide insurance against the liabilities imposed under the applicable Act or Acts.

B. Employer's Liability

\$1,000,000 per Occurrence

\$1,000,000 Aggregate

C. Commercial General Liability

\$3,000,000 per Occurrence

\$5,000,000 Aggregate

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

D. Business Automobile Liability

\$1,000,000 per Occurrence

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

E. Umbrella Liability

\$5,000,000 per Occurrence

Umbrella liability coverage will apply to Employer's Liability, Commercial General Liability, and Business Automobile Liability.

F. Pollution Liability

\$2,000,000 per Occurrence

Sudden and Accidental Pollution liability insurance covering bodily injury, property damage, environmental cleanup, remediation, disposal, and other losses caused by pollution conditions occurring during the term of this Contract.

If Grantee's Commercial General Liability and Umbrella policies contain a deletion of the pollution coverage exclusion, then this policy is not required.

G. Railroad Protective Liability \$1,000,000 per Occurrence \$2,000,000 Aggregate

If Commercial General Liability and Umbrella policies contain a deletion of the railroad coverage exclusion, then this policy is not required.

H. Protection & Indemnity (P&I) \$3,000,000 per Occurrence

Should any of the work require marine operations, the Grantee shall provide Protection & Indemnity insurance with respect to bodily injury and/or property damage arising from marine operations.

Grantee's liability shall not be limited to the specified amounts of insurance required herein. Each policy must contain an endorsement to the effect that the issuer waives any claim or right of subrogation to recover against the Authority, its Port Commissioners, officers and employees ("Authority Parties"). Grantee agrees that all insurance policies required herein shall include full Waivers of Subrogation in favor of the Authority. Grantee agrees to immediately provide to each insurance company, which has issued to it, policies of insurance applicable to provisions of this Contract, written notice of the terms of the waiver set forth in this Exhibit, 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 endorsement or evidence that such endorsement is not necessary to prevent the invalidation of the insurance coverage by reason of such waiver. Additionally, the Authority Parties shall be designated as an Additional Insured either by a blanket additional insured or a specific endorsement on all policies, except for Worker's Compensation and Employer's Liability. Each policy, except Workers' Compensation must contain an endorsement that the policy is primary to any other insurance available to the Additional Insureds with respect to claims arising under this Contract.

Prior to the execution of this contract and prior to the expiration date of each of the Policies, Grantee or its insurance producer/broker, shall provide Certificates of Insurance (COI) of the minimum insurance required in this Exhibit. 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".

If Grantee elects to self-insure or to maintain insurance required herein subject to deductibles and/or retentions, Authority and Grantee shall maintain all rights and obligations between themselves as if Grantee maintained the insurance with a commercial insurer including any additional insured status, primary liability, waivers of rights of recovery/subrogation, other insurance clauses, and any other extensions of coverage required herein. Prior to the execution of this contract, and annually thereafter, Grantee shall provide evidence of self-insured status by issuing a self-insured letter on company letterhead and endorsed by an executive officer of the company. Grantee 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 Grantee had maintained the insurance pursuant to this Section.

Without limiting any of the other obligations or liabilities of Grantee, Grantee shall require each contractor/subcontractor performing work under the Agreement at contractor's/subcontractor's own expense, to have in place at all times, the same stipulated minimum insurance as shown herein. As an alternative, Grantee may include its contractors/subcontractors as additional insureds on its own coverage as prescribed under these requirements. Grantee's certificate of insurance shall note in such event that Contractors/Subcontractors are included as additional insureds and that Engineer agrees to provide workers' compensation for subcontractors and their employees. Grantee shall obtain and monitor the certificates of insurance from each contractors/subcontractor in order to assure compliance with the insurance requirements. Grantee must retain the certificates of insurance for the duration of the Agreement plus five (5) years and shall have the responsibility of enforcing these insurance requirements among its contractors/subcontractors. Authority shall be entitled, upon request and without expense, to receive copies of these certificates.

EXHIBIT B Scope of Work SHIP CHANNEL CROSSING – WATER PIPELINE RELOCATION

As a result of the Channel Improvement Project, the U.S. Army Corps of Engineers (USACE) identified all pipelines and utilities that are in conflict with the USACE dredging plans. The City owns two 16" potable water pipelines at Avery Point that have been determined to be in conflict and will be relocated as part of this project. There are two separate phases to this relocation.

Phase I will be the removal of the two 16" pipelines at Avery Point. This includes marine removal of the pipelines in the Corpus Christi Ship Channel between the two bulkheads or shorelines on the north and south sides of the channel, which is approximately 1000 feet, and the land removal of the pipeline on the north and south sides of the channel to the nearest valve. The pipeline and any associated equipment will be fully removed and properly disposed of and the land area will be restored to its original condition. The valves for the two water lines will remain in place to potentially serve the Authority. Phase I of the relocation is expected to be complete in November 2023.

Phase II will be the installation of a 24" pipeline at the Tule Lake Turning Basin ("**Pipeline Facilities**"). The City has contracted with LNV Engineering for design services, is working to obtain required permits and easements and will contract for construction of the pipeline. A steel pipeline will be installed by directional drilling 175 feet below Mean Lower Low Water (MLLW). Phase II of the relocation is expected to be complete in March 31, 2025.

EXHIBIT C Estimated Cost SHIP CHANNEL CROSSING – WATER PIPELINE RELOCATION

Total Estimated Cost of Relocation = \$14,235,445.90

Phase I Removal Cost = \$2,669,813.00

USACE Permitting, Survey, Preliminary Engineering	\$115,500.00
Line Clearing, Cleaning, Prepare for Removal	\$72,950.00
Construction – Removal of Two Pipelines	\$2,368,178.06
Prepare As-builts, Final Documentation Preparation	\$19,050.00
Project Management and Inspection Costs	\$94,134.94

Phase II Installation Cost = \$11,565,632.90

USACE Permitting and Land Acquisition	\$50,000.00
Engineering Fees	\$605,846.00
Construction – Installation of One Pipeline	\$9,909,786.90
Project Management and Inspection Costs	\$940,000.00
Construction Materials Testing	\$60,000.00