REAL ESTATE SALES CONTRACT

THE STATE OF TEXAS §

KNOW ALL BY THESE PRESENTS

COUNTY OF NUECES

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This Real Estate Sales Contract ("Contract") is entered into by and between FLINT HILLS RESOURCES CORPUS CHRISTI, LLC, P.O. Box 2608, Corpus Christi, Nueces County, Texas 78403-2608, hereinafter called "Seller", and the CITY OF CORPUS CHRISTI, a Texas home rule municipal corporation, P.O. Box 9277, Corpus Christi, Nueces County, Texas 78469-9277, hereinafter called "Buyer".

1. **Property.** Seller for the consideration and under the terms set out herein, agrees to convey to Buyer the surface estate only of the properties described below together with together with all rights, privileges and appurtenances pertaining to such properties (collectively, the "Property") situated in Nueces County, Texas:

A tract of land containing 1.15-acres (50,225.69 square feet) shown on the attached survey marked "Exhibit A", consisting of Lots 6, 7, North one-half of 8, 9, and 10, Block 1, Sunset Place Addition as shown by map or plat recorded in Volume 4, Page 25, Map Records of Nueces County, Texas and Lot 8A, Block 1, Sunset Place Addition, being a replat of the "South one-half of Lot 8", Block 1, Sunset Place Addition, as recorded in Volume 27, Page 13, Map Records of Nueces County, Texas, to which reference is here made for all pertinent purposes.

- 2. **Purchase Price.** Buyer agrees to pay \$127,513.75 cash to Seller at the time of the closing of the transaction hereunder ("Closing").
- 3. **Title Insurance.** The Seller must provide, at Buyer's expense, a title insurance policy that guarantees good and indefeasible title to the Property, without exceptions to title other than the standard printed exceptions and exceptions permitted under this Contract, and that

wholly insures and indemnifies Buyer (to the extent provided for in such policy) against any title defects or adverse claims. A reliable title insurance company or title guaranty company ("Title Company") must issue the title insurance policy. The title commitment for title insurance must be delivered to Buyer within thirty (30) days after receipt of the Contract by the Title Company, with the title insurance policy to be timely issued after Closing. Notwithstanding any other provisions herein, if any title defect in the Property is identified prior to Closing, Seller may elect to not cure such defect and terminate this Contract at any time prior to Closing upon written notice to Buyer, with no liability to Buyer relating to such termination (the Earnest Money [as defined below] will be refunded to Buyer in the event of such termination). Notwithstanding any other provisions herein, if any title defect in the Property is identified prior to Closing that Seller does not timely cure or if Buyer decides (in its sole discretion) that Buyer is not comfortable with the Quitclaim Deeds as defined in Section 4 below, Buyer may elect to terminate this Contract at any time prior to Closing upon written notice to Seller, with no liability to Seller relating to such termination (the Earnest Money [as defined below] will be refunded to Buyer in the event of such termination).

4. Warranty Deed and Closing Costs. At Closing (if Closing occurs), the parties will execute a General Warranty Deed in the form attached hereto as Exhibit C, and Buyer must make the cash payment to Seller. Buyer will pay all Closing costs except costs to cure title, which must be paid by Seller.

The parties acknowledge a portion of the Property is apparently covered by the following deeds (the 'Quitclaim Deeds'): (i.) Quitclaim Deed dated Feb. 14, 2011 from Southwestern Refining Company, Inc. to Tronix Worldwide, LLC, recorded as Document No. 2011006795 in the Official Public Records of Nueces County, Texas; and (ii.) Quitclaim Deed dated Feb. 14, 2011 from Tronix Worldwide, LLC to Greenfield Environmental Multistate Trust, LLC, Trustee of the Multistate Environmental Response Trust, recorded as Document No. 2011006797 in the Official Public Records of Nueces County, Texas. The conveyance of the Property hereunder is subject to the Quitclaim Deeds and any rights, titles, interests, or claims created by the Quitclaim Deeds, and Buyer agrees that Seller's warranty of title under this Contract or the General Warranty Deed will not apply to or cover any matter relating to the Quitclaim Deeds, but this subparagraph does not affect any rights Buyer may hold under the title insurance policy noted in Section 3 above.

- 5. Property Taxes. Seller must pay all property taxes incurred on the Property up to and including 2017. All property taxes for the year 2018, if any are due and payable or incurred for the year, will be prorated between the Buyer and the Seller from January 1, 2018, to the date of Closing. The prorated taxes are only an estimate indicated by a Tax Certificate obtained by the Title Company and the Seller agrees to pay any shortages of property taxes (relating to the period prior to Closing) should they occur during the following year.
- 6. Earnest Money. Buyer deposits Five Hundred Dollars and no cents (\$500.00) with the Title Company as Earnest Money, which will be applied to the balance of the purchase price owing at Closing; Buyer will pay the balance of the purchase price owing at Closing. When the Title Company possesses the executed deed, any other necessary paperwork, and the balance of the cash payment, the Title Company will close and finalize the conveyance in accordance with its customary procedure.

If Buyer fails to close on this Contract as set out herein, for any reason other than title defects or Seller's exercise of its right to terminate this Contract, Seller is entitled to the Earnest Money as liquidated damages for breach of this Contract (for clarity, this sentence does not apply if Buyer exercises any right of termination it has under this Contract). Seller may seek to enforce this Contract by an action for specific performance. If Seller fails to tender an executed deed conveying the Property in accordance with the terms of this Contract, Buyer may seek to enforce this Contract by an action for specific performance.

- 7. **Restrictions on Title.** Buyer accepts title to the Property subject to all recorded restrictive covenants and use restrictions, if any, and all applicable local zoning regulatory ordinances, if any.
- 8. **Time for Performance.** This transaction will be closed through the Title Company on or before ninety (90) days from the effective date of this Contract. Seller shall give Buyer possession of the Property by executing a General Warranty Deed.

Seller's execution of this Contract means that Seller has read and understands that this Contract is not binding on Buyer until approved and accepted by the Corpus Christi City Council and executed by the City Manager, or designee, on behalf of the Buyer. Buyer must execute this Contract within ninety (90) days from the date of Seller's execution of this Contract or this Contract is void.

- 9. **Survives Closing.** This Contract survives Closing of the sale of the Property and the delivery of the General Warranty Deed and other necessary documents by Seller to Buyer at Closing, and all terms and conditions remain in effect between Seller and Buyer.
- 10. 60-Day Inspection Period. Buyer shall have sixty (60) days (the "60-Day Inspection Period") from the effective date of the Contract to notify Seller of Buyer's election, in Buyer's sole discretion, to cancel this Contract and receive a refund of the Earnest Money in the event that Buyer finds the Property to be unacceptable for any reason. Buyer shall have reasonable access to the Property during all normal business hours and Seller agrees to cooperate with and assist Buyer in Buyer's inspection of the Property. Failure of Buyer to deliver to Seller, within the 60-Day Inspection Period, written notice of Buyer's determination that the Property is unacceptable and to terminate this Contract shall constitute an election by Buyer to proceed with this Contract and a waiver of Buyer's right to terminate this Contract on this basis.

Buyer agrees to provide Seller with any reports and/or assessments prepared by or for Buyer prior to Closing concerning the condition of the Property. Such documents shall be provided to Seller without delay, and in any event prior to Closing if Closing occurs. Seller will have the right to be present during Buyer's investigations on the Property hereunder (the times of any such investigations will be as mutually agreed to by the parties), and if any soil/water samples are taken in the course of such investigations, Seller will be provided with a "split" sample.

a. Right of Entry.

(1) During the 60-Day Inspection Period and at Buyer's sole expense, Buyer or Buyer's authorized agents shall have the right to enter upon the Property for purposes of the

following: utility relocation, land surveys, environmental site analysis, engineering studies, wetland studies, soil borings and soil analysis as Buyer may deem necessary. Buyer shall not cause or permit damage or injury to the Property. Upon termination of this Contract. Buyer shall promptly restore the Property to the condition existing prior to any tests or studies conducted pursuant to this Contract. This obligation shall survive the termination of this Contract, notwithstanding anything to the contrary contained herein. previously given Buyer a copy of the Limited Phase II Assessment Report (the "Phase II Report") relating to the Property dated November 22, 2016, a copy of the 2016 Annual Groundwater Monitoring Report for the Flint Hills Resources Corpus Christi, LLC East Refinery previously filed with the TCEQ covering the July 2015 to June 2016 reporting period (the "2016 Groundwater Report), and a copy of the 2018 Annual Groundwater Monitoring Report for the Flint Hills Resources Corpus Christi, LLC East Refinery previously filed with the TCEQ covering the July 2017 to June 2018 reporting period (the "2018 Groundwater Report) (these Reports summarize Seller's current knowledge regarding the environmental status of the Property). Buyer acknowledges that, in addition to the 2016 Groundwater Report and the 2018 Groundwater Report, Seller has previously filed with the TCEQ certain groundwater monitoring reports relating to Seller's various properties in the vicinity of the Property.

- (2) In connection with Buyer's inspections, studies, and assessments, Buyer must: (i) employ only trained and qualified inspectors and assessors; (ii) notify Seller, in advance, of when the inspectors or assessors will be on the Property; (iii) abide by any reasonable entry rules or requirements that Seller may require; (iv) not interfere with existing operations or occupants of the Property; and (v) restore the Property to its original condition if altered due to inspections, studies, or assessments that Buyer completes or causes to be completed.
- (3) Except for those matters that arise from the negligence of Seller or Seller's agents Buyer is responsible for any claim, liability, encumbrance, cause of action, and expense resulting from Buyer's inspections, studies, or assessments, including any property damage or personal injury.

b. Environmental Condition of Property.

Definitions. "Environmental Law" shall mean any law relating to environmental conditions and industrial hygiene applicable to the Property, including without limitation, the Resource Conservation and Recovery Act of 1976, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act of 1986, the Federal Water Pollution Control Act, the Clear Air Act, the Clear Water Act, the Toxic Substances Control Act, the Endangered Species Act, the Safe Drinking Water Act, the Texas Water Code, the Texas Solid Waste Disposal Act, and all similar applicable federal, state and local environmental statutes, ordinances and the regulations, orders and decrees now or hereafter promulgated thereunder.

"Hazardous Materials" shall mean any pollutant, toxic substance, hazardous waste, hazardous material, hazardous substance, or oil as defined in any Environmental Law existing as of the date hereof.

Environmental Audit. Buyer shall have the right to cause an independent environmental consultant chosen by Buyer, in Buyer's sole discretion, to inspect the Property, including but not limited to an Environmental Site Analysis (ESA) Phase I and Phase II, to determine the condition of the Property, the presence of any Hazardous Materials and any apparent violation of any Environmental Law (the "Environmental Audit") and to deliver a report describing the findings and conclusions of the Environmental Audit. The cost and expense of the Environmental Audit shall be borne by Buyer. If the Environmental Audit reveals, or at any time prior to Closing Buyer otherwise becomes aware of the existence of, any environmental condition or violation of any Environmental Law which Buyer is unwilling to accept or the Seller is unwilling to cure, Buyer shall have the right and option to cancel this Contract and receive a full return of the Earnest Money. If, prior to Closing, Seller becomes aware of any environmental issue/problem relating to the Property that could require the owner of the Property to conduct remediation operations, Seller may elect to terminate this Contract at any time prior to Closing upon written notice to Buyer, with no liability to Buyer relating to such termination (the Earnest Money will be refunded to Buyer in the event of such termination).

- II. Broker Commission. Seller is responsible for payment of all broker's fees and commissions incurred in connection with the sale of this Property.
- 12. **Possession.** At the Closing, the Property will be conveyed free of the rights of possession of any third parties in or to the Property except for valid easements, if any, filed of record and currently in force and effect (and subject to any prior mineral reservations or leases). Any possession by Buyer before Closing or by Seller after Closing that is not authorized by a separate written lease agreement or the deed to be delivered hereunder is a landlord-tenant at sufferance relationship between the parties.

13. Representations and Warranties.

By Seller. In order to induce Buyer to enter into this Contract, Seller makes the following representations and warranties, all of which will be true and correct as of the effective date of this Contract and (except as otherwise noted in a subsequent written document delivered by Seller to Buyer prior to Closing) as of the date of Closing:

Authority; No Conflict. Seller has the absolute and unrestricted right, power and authority to execute and deliver this Contract and the documents to be executed and delivered by Seller in connection with the Closing of the transactions described in this Contract (such documents being collectively referred to herein as "Seller's Closing Documents") and to perform its obligations under this Contract and the Seller's Closing Documents. Seller shall present to the Buyer and/or the Title Company, if necessary, all reasonable evidence of such authority which may be requested by either of them. The execution and delivery of this Contract and Seller's Closing Documents, the consummation of the transactions described herein, and compliance with the terms of this Contract will not conflict with, or constitute a default under, any agreement to which Seller is a party or by which Seller or the Property is bound, or violate any regulation, law, court order, judgment, or decree applicable to Seller or the Property, except as otherwise expressly provided herein.

No Litigation or Proceedings. Seller has no knowledge of any pending or threatened litigation, condemnation, or assessment affecting the Property, other than the following

two cases involving property tax valuations (both filed in the Nueces County District Court): Flint Hills Resources Corpus Christi, LLC and Flint Hills Resources, LP v. Nueces County Appraisal District, Case No. 2016DCV-4761-F; and Flint Hills Resources Corpus Christi, LLC and Flint Hills Resources, LP v. Nueces County Appraisal District, Case No. 2017DCV-4605-G

Environmental Representations. Except as otherwise expressly provided herein or as stated in the Phase II Report, the 2016 Groundwater Report, or the 2018 Groundwater Report, Seller has no knowledge that the Property contains Hazardous Materials (as defined in Section 10(b)) in violation of any Environmental Law (as defined in Section I0(b)), contains any underground storage tanks, or is not in full compliance with any Environmental Law (as defined in Section 10(b)). (The parties agree that in the event of a breach of the foregoing representation or the "Compliance" representation below, the environmental remediation obligations of Seller relating to the Property are as detailed in the Deed.)

Title to Property. To the best of Seller's knowledge, Seller has full and complete fee simple title to the Property, subject only to matters of record and the liens and encumbrances, if any, disclosed on the commitment or survey to be furnished to Buyer hereunder. (The parties agree that Seller's liability for any breach of the foregoing representation is limited as detailed in the attached Exhibit B.)

No Options. No other person, corporation, or other entity has or, on the date of Closing, shall have any right or option to acquire the Property.

Compliance. To the best of Seller's knowledge, Seller has not received any notice from any governmental agency regarding the Seller's or the Property's non-compliance with any applicable laws, ordinances, regulations, statutes, rules and restrictions relating to the Property (other than as relating to matters that have been previously resolved).

- 14. Mineral Reservation. The sale of the Property is without minerals. To the extent that Seller currently holds any such right/title/interest, Seller reserves unto itself all of its right, title and interest in and to the oil, gas and other minerals in, on, or under the Property. If required by Buyer prior to Closing, Seller will execute a no-drilling agreement, prepared by Buyer and reasonably acceptable to Seller, to ensure that Seller will not construct or operate a well on the Property while exercising its right to recover any subsurface oil, gas, or other minerals (any such agreement will expressly only relate to any right/title/interest held by Seller and will be subject to any grants or leases of rights made prior to the date of this Contract).
- 15. Essential. Time is of the essence in closing this transaction.
- 16. **Effective Date.** The effective date of this Contract is the date in which the Contract is signed by the Buyer.

17. **Exhibits A. B and C.** Exhibits A, B and C are attached to and made a part of this Contract.

Executed in triplicate, any of which constitutes an original.

by Valerie H. Gray, P.E., as Executive Director of Public Works of the City of Corpus Christi, a Texas municipal corporation, on behalf of said corporation.

Notary Public in and for the State of Texas

[Seal]

APPROVED AS TO LEGAL FORM, THIS

Le DAY OF August

2018

FOR THE CITY ATTORNEY

Bv:

Janet Whitehead, Assistant City Attorney
CITY LEGAL DEPARTMENT

EXHIBIT A (Survey)

LNV INC 801 Navigation Blvd. Suite 200 Corpus Christi, Texas 78408 (361) 993-1984 Faa-(361) 883-1986

Field note description for a 1.15 acre tract of land, being Lot(s) 6-10, Block 1, out of Sunset Place as recorded in Volume 4, Page 25, Nueces County, Texas, Map and Plat Records, said 1.15 acre tract of land being more particularly described by metes and bounds as follows:

Beginning at a found t/2 inch iron rod in the North right-of-way line of Summers Street, also being the Southwest corner of Lot 6, and the Point of Beginning of the herein described tract;

Thence North 30°-02'-30" East, with the West property line of said Lot 6, a distance of 183.36 feet to a point in the South right-of-way line of West Broadway Street, said point being the Northwest corner of the herein described tract;

Thence South 67°-54'-21" East, with the South right-of-way line of said West Broadway Street, a distance of 203.04 feet to a found 1 inch iron rod, being the Northeast corner of Lot 9 and the Northwest corner of Lot 10, and said point being an interior corner of the herein described tract:

Thence South 68°-55'-49" East, with South right-of-way line of said West Broadway Street, a distance of 49.51 feet to a point in the West right-of-way of Floral Street, said point being the Northeast corner of the herein described tract;

Thence South 30°-02'-30" West, with the West right-of-way line of said Floral Street, a distance of 219.16 feet to a point for the Southeast corner of the herein described tract;

Thence North 59°-57'-30" West, with the North right-of-way said Summers Street, a distance of 250.00 feet to the Point of Beginning and containing approximately 1.15 acres of land, more or less.

State of Texas
County of Nueces

I, Robert M. Viera, a Registered Professional Land Surveyor, of LNV, Inc., do hereby certify that the foregoing field note description was prepared from information of record and from a survey made on the ground under my direction.

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Robert M. Viera

State of Texas License No. 6178

EXHIBIT A

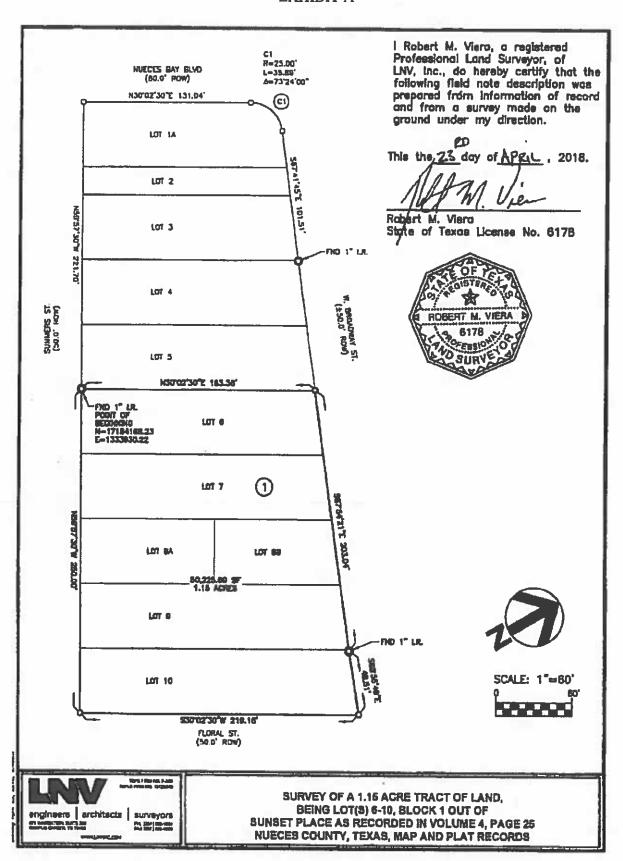


Exhibit B

This Exhibit is attached to and made a part of the Real Estate Sales Contract by and between the City of Corpus Christi, Texas and Flint Hills Resources Corpus Christi, LLC dated , 2018.

- 1. If Closing occurs under this Contract, the parties will execute and deliver a deed in the form attached to the Contract as Exhibit C (the "Deed"). The Parties acknowledge that the Deed contains certain use-restrictions that will apply to the Property after Closing.
- 2. Except as provided for in the Contract, Seller DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THE PROPERTY, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTY OF MERCHANTABILITY, AND WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, WHETHER ARISING BY OPERATION OF LAW OR OTHERWISE. Except as provided for in the Contract, BUYER SHALL ACCEPT THE PROPERTY IN AN "AS IS, WHERE IS" CONDITION, WITH ALL FAULTS OR DEFECTS, BOTH PATENT AND LATENT.
- 3. The Parties agree that Seller's liability for any breach of the warranty of title provided for in the Deed will be limited to a pro-rata refund of the Purchase Price or, if Buyer elects (at its option) to cure such title-related problem, the actual amount paid by Buyer to cure such title-related problem.
- 4. The environmental remediation obligations of Seller relating to the Property are detailed in the Deed.

Exhibit C

	ll Estate Sales Contract by and between the esources Corpus Christi, LLC dated
-	, 2018.

RECORDING REQUESTED BY: CITY OF CORPUS CHRISTI, TEXAS Department of Engineering Services P. O. Box 9277 Corpus Christi, Texas 78469-9277

WHEN RECORDED MAIL TO: CITY OF CORPUS CHRISTI, TEXAS Department of Engineering Services

P. O. Box 9277 Corpus Christi, Texas 78469-9277

SPACE ABOVE FOR RECORDER'S USE

GENERAL WARRANTY DEED ("Deed")

STATE OF TEXAS)	
)	KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF NUECES)	

SUBJECT TO THE FOLLOWING EXCEPTIONS AND RESERVATIONS: (i.) All easements, restrictions, and reservations of record; and (ii.) To the extent Seller currently holds any right/title/interest in and to the oil, gas and other minerals in, on, or under the property described in Exhibit A, Seller reserves unto itself all of its right, title and interest in and to the oil, gas and other minerals in, on, or under such property.

Such above-described property (subject to the exceptions and reservations stated or referred to above) together with all and singular the rights and appurtenances belonging in any way to such property, shall hereinafter collectively be referred to as the "Property."

1. TO HAVE AND TO HOLD the Property, subject to the provisions contained herein, to Buyer, its successors and assigns forever, and Seller binds itself and its successors and assigns to warrant and forever defend all and singular the Property to Buyer and its successors and assigns against every person lawfully claiming or to claim all or any part of the Property (subject to the provisions stated above), and subject to the limitations on such warranty stated in that certain unrecorded purchase and sale agreement by and between Seller and Buyer relating to the conveyance of the Property (the "Contract").

2. USE RESTRICTIONS.

- (a.) As used herein, the term "Property Owners" shall mean Buyer and Buyer's successors and assigns as relating to any right, title, or interest in the Property.
- (b.) As relating to the period from and after the Effective Time, Buyer agrees (on its behalf and on behalf of all other Property Owners) that:
- (i.) No water wells will be installed on the Property, nor will groundwater be withdrawn in any other manner from the Property (the foregoing restriction shall not relate to groundwater monitoring wells or environmental remediation wells);
- (ii.) In no event will the Property be used for any purpose other than industrial purposes or governmental utility supply purposes (such as water tanks/facilities); and

(iii.) No underground storage tanks will be installed on the Property.

3. ENVIRONMENTAL PROVISIONS.

- (a.) As used herein, the term "Pre-Closing Contamination" shall mean soil and/or water environmental contamination (if any) on or about the Property to the extent, and only to the extent, that (i.) such contamination existed as of Effective Time (including, but not limited to, subsequent migrations of such contamination); (ii.) such contamination requires remediation under applicable law; and (iii.) such contamination was caused by or arose out of the activities of Seller (or Seller's predecessors) on or in the vicinity of the Property and was not caused or materially aggravated by Buyer or Buyer's predecessors, successors, or assigns.
- (b.) From and after the Effective Time, Seller shall retain responsibility (as between Seller and Buyer) for remediating Pre-Closing Contamination in accordance with applicable law.
- (c.) To the fullest extent permitted by applicable law, Buyer, on its behalf and on behalf of all other Property Owners (as defined above), agrees as follows:
- (i.) With respect to any Pre-Closing Contamination, Property Owners will not require Seller (or its affiliates) to conduct remediation activities in excess of that required by applicable law;
- (ii.) Property Owners shall allow Seller and its affiliates (and their agents and contractors) reasonable unrestricted access to the Property at any time for purposes of investigating any Pre-Closing Contamination and performing any actions relating thereto. Seller and its affiliates (and their agents and contractors) will make reasonable efforts to not unreasonably interfere with Property Owners' continued use and operation of the Property during such

investigation/remediation operations; and

- (iii.) Notwithstanding any other provision herein or in the Contract, Buyer agrees that it will be responsible (at no cost to Seller) for any special handling or disposal requirements relating to soil and/or water that is excavated from the Property by or for Buyer or other Property Owners, even if such soil/water contains or consists of Pre-Closing Contamination.
- 4. The covenants, conditions, and restrictions set forth in Paragraphs 2 and 3 above, shall apply to and bind each and every owner of any part of the Property and their respective successors and assigns, and shall operate as a covenant running with the land and passing with the title to the Property and any part thereof. The covenants, conditions, and restrictions contained herein shall continue unless and until terminated by Seller (or, if Seller ceases to exist, by its successors or assigns). Invalidation of any of the covenants, conditions, and restrictions set forth above in Subparagraph 2(b), whether by court order, applicable law, or otherwise, shall in no way affect any of the other covenants, conditions, and restrictions, all of which shall remain in full force and effect.

TO HAVE AND TO HOLD the above described Property, together with all and singular, the rights and appurtenances in anywise belonging, unto Buyer, its successors and assigns forever, and Seller does hereby bind itself, its successors and assigns, to WARRANT AND FOREVER DEFEND all and singular the said Property unto Buyer, its successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof, subject to the exceptions stated herein and in the Contract.

Executed this day of	2018 by:
FLINT HILLS RESOURCES CORPUS CHRI	STI, LLC
Ву:	_
Printed Name:	_
Title:	
Accepted this day of,	2018 by:
CITY OF CORPUS CHRISTI, TEXA	S
Department of Engineering Services	
P. O. Box 9277	
Corpus Christi, Texas 78469-9277	
Valerie H. Gray, P.E.,	
Executive Director of Public Works	