



QUALIFICATION FOR SUBMERGED LAND LEASE

No Submerged Land Lease (including for Barge Fleeting) shall be approved unless the proposed tenant is shown to be a financially and legally responsible tenant who has demonstrated competence to perform the proposed activities on Port Authority owned or regulated submerged lands. Financially responsible tenants are those who regularly comply with their contractual undertakings and legal obligations, are not in default and have no material history of default in their obligations to their employees, customers, or the Port Authority, are able and willing to pay their obligations, and who at all times maintain in force and effect the insurance required of Port Authority tenants. Legally responsible tenants are those who regularly comply with and who have no history of violation of material federal and state statutes, including those statutes having particular applicability to those in the business of Barge Fleeting (or other activity permitted under the Lease). Competent tenants are those whose past practices demonstrate their commitment to safe and efficient operations of the permitted activities and who possess the skill, experience, equipment, and personnel necessary to do so.

Port Authority staff shall review each original or renewal application, may require the applicant to submit additional information, and may consider information obtained through an investigation or submitted by the public that bears on an applicant's responsibility or competence.

The Port Commission may deny, revoke, terminate, or decline to renew a lease if the tenant does not meet all of the qualifications for lease approval, or has made a material misrepresentation on an original or renewal application, or has been convicted of a material criminal offense. A material criminal offense is one that directly relates to the competence, duties, and responsibilities of the tenant. The Port Authority may similarly deny, revoke, terminate, or decline to renew a related marine construction permit for similar failure to meet these qualifications, to the extent applicable.

All original and renewal applications for a submerged land lease submitted to the Port Authority, written materials obtained or received by the Port Authority in connection with its consideration of an application, and the written recommendations of Port Authority staff to the Port Commission, shall be considered public records, with the exception of an applicant's customer or other proprietary information that is exempted from disclosure by the Texas Public Information Act.

Contact the Channel Operations Department at 713-670-2441 or chandev@porthouston.com for assistance regarding any of the above requirements.