

*Cuisinart recall leaves many cooks with some mixed feelings.*

Page B5

# BUSINESS

● **DOW** 19,852.24, up 59.71 (+0.3%)  
● **S&P 500** 2,262.03, up 8.75 (+0.4%)  
● **CRUDE OIL** \$50.90, down 14¢ (-0.3%)  
● **NATURAL GAS** \$3.434, down 10.6¢ (-3.0%)

EMPLOYMENT

## Hotels target of federal wage inquiry

By L.M. Sixel

After federal investigators began to notice a spate of wage violations in Houston-area hotels, local Labor Department officials launched a widespread inquiry last year into the labor practices of the hospitality industry.

The initiative, just in time for Houston to host the Super Bowl on Feb. 5 when thousands of visitors will need hotel rooms, uncovered extensive violations of wage and hour laws, including employers who instructed their employees to work off the clock and failed to pay employees for mandatory training time.

The 41 investigations by the Labor Department over the past year recovered back wages and penalties totaling \$285,000 for more than 125 workers. In some cases, the amount hotel workers received represents more than half their wages for a year.

Investigators found employees were often improperly paid straight time for overtime hours.

**Labor continues on B5**

INSIDE



## Landmark building gets a new owner

A developer is buying the Houston Food Bank building on the North Freeway. **Page B2**

MAKEOVER

## Super Bowl game changer for east side of downtown



Houston First

A rendering of Avenida Houston near the George R. Brown Convention Center.

Landing sports event kicked city into motion to make changes to convention area that will be unveiled Friday

By Erin Mulvaney

City boosters on Friday will unveil a \$175 million makeover to east downtown that is intended to leave a good impression on Super Bowl LI visitors in February while attracting more convention business in the years ahead.

Construction is nearing completion on the Avenida Houston pedestrian plaza near the George R. Brown Convention Center and Discovery Green, part of a massive makeover several decades in the making. Houston First Corp., the region's main tourism arm, led the charge several years ago to reinvent the area, creating a park-facing pedestrian plaza, narrowing the street in front of the convention center to make it an easier place to walk and add-



ing local art displays, among other upgrades.

Space that was once part of the street is now available for restaurants. A 1,900-space parking garage has been completed. New artwork can be seen hanging inside the renovated and now more open convention center's glass facade. A 1,000-room Marriott Marquis opens this month and a new Greater Houston

Partnership building recently opened.

"The area lacked vibrancy," said Dawn Ullrich, Houston First president and CEO. "We want to reflect the vibrancy and vitality of the city."

Friday's unveiling, by Houston First and the Houston Super Bowl Host Committee, also will celebrate the 51-day countdown to Super Bowl LI on Feb. 5. The newly designed area will host a game-related 10-day celebration expected to draw 1.2 million people.

"It was critical that we have it ready for the Super Bowl to give us a goal to work toward," Houston First board Chairman David Minberg said. "But it's also critical to have it ready for all Houstonians. The Super Bowl is a once-in-

**Vibrancy continues on B6**

CONVENTIONS

## Houston wins bid to host world oil congress

Event in 2020 will draw major figures in petroleum industry to city

By Jordan Blum

Houston will host the so-called Olympics of the oil and gas sector in 2020 when the World Petroleum Congress comes to the Bayou City.

Houston beat out Vancouver, British Columbia, to bring the international energy event to the United States for the first time since 1987.

The World Petroleum Congress takes place every three years and attracts delegates and top energy executives from more than 70 nations. Houston lost out in its two previous bids against Moscow and Istanbul, which will host in July.

Houston Mayor Sylvester Turner traveled to Bahrain for the vote and jokingly compared the bid to his three times running for mayor.

The World Petroleum Council selected Houston over Vancouver on a 25-10 vote on Thursday. Turner emphasized Houston's oil and gas stronghold, as well as the city's diversity — its population speaks 140 different languages and about 25 percent of Houstonians are foreign-born.

"People come from all over the globe to take advantage of what Houston has to offer," Turner said before the vote.

Houston tourism and economic officials are projecting the December 2020 event will attract at least 10,000 people — many top-level energy executives and national oil ministers — and create a local economic impact of \$60 million to \$80 million during a typically slow time of the year for tourism and conventions.

Galen Cobb, chairman of the U.S. WPC Bid Committee and vice president of Halliburton in Houston, touted the Olympics comparison because of the event's international flair and schedule of running every few years. However, unlike the

**Event continues on B6**

SAFETY ALERT

## 2 companies sued as chemical taints Corpus Christi water

By Jennifer Hiller

SAN ANTONIO EXPRESS-NEWS

The city of Corpus Christi's more than 320,000 residents can't drink tap water due to what officials called a chemical "back-flow incident" that zeroed in on tanks at an asphalt facility in the city's large refining complex — the latest trouble for a community plagued by problems with its water system.

Residents rushed to buy bottled water, schools and

businesses closed; and state emergency management officials and grocery stores trucked water to the Gulf Coast city. Corpus Christi has had multiple boil-water notices in recent years, but these warnings were more dire and instructed residents to use bottled water for everything from bathing to laundry.

While local businesses rushed to blame Valero Energy Corp., the refiner pointed the finger at Ergon Asphalt & Emulsions. A

Corpus Christi attorney filed a lawsuit Thursday against both Ergon and Valero's Corpus Christi refinery mere hours after the city issued its warning.

The contamination warning sent panic throughout the city as water disappeared from the shelves in Corpus Christi and surrounding communities in the Coastal Bend region. The city closed its senior centers, recreation centers, gymnasiums and pools.

**Companies continues on B6**



Lia Ramos, left, struggles with her family's limit of water purchased at an H-E-B as Corpus Christi deals with its public water system being contaminated.

Bob Owen / San Antonio Express-News

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**BUSINESS**

# Companies trade blame over spill

*Companies from page B1*

San Antonio-based Valero, the nation's largest refiner, said the problem was a backflow issue from Ergon and not its refineries. Neither company responded to questions, and the exact relationship between them is unclear. Texas Commission on Environmental Quality records list them both as affiliated with the asphalt terminal at 6746 Up River Road.

Valero has two plants at its Bill Greehey refineries complex in Corpus Christi. The plants have a combined capacity of 325,000 barrels per day and are located along the Corpus Christi Ship Channel.

Jackson, Miss.-based Ergon has a location in Corpus Christi near Valero's West Plant refinery. It's on property owned by Valero Marketing and Supply Co., according to the Nueces County Appraisal District.

"While we have been named in lawsuits, we are not the source of the contamination in question. We continue to believe this is a localized backflow issue from Ergon in the area of Valero's asphalt terminal," spokeswoman Lillian Riojas said in an email, adding that the company is cooperating with regulators and providing truckloads of bottled water to residents. "Valero is offering its resources to assist in isolating the issue and helping to confirm the City's water supply is safe."

Attorney Bob Hilliard filed suit against Ergon, the refineries and several Valero subsidiaries on behalf of local businesses, including Anthony's Aveda Concept Salon, which had to close because of the lack of water. The plaintiffs are seeking more than \$1 million in damages.

**Seeing a sheen**

The leak first came to light Wednesday when workers at a refinery noticed a sheen to the water coming from its faucets, said Deanna McQueen, a Corpus Christi city spokeswoman.

Resident Leslie Green woke up around 7:30 a.m. Thursday to a phone full of messages and two boys, 14 and 11, celebrating that school was canceled.

"This is the third water crisis in a year here," Green said. "It's disgraceful. It shouldn't be happening." She said she threw on her

clothes and raced out to try to find water without much luck, stopping at every convenience or grocery store she passed. Green drove to Sam's Club about 90 minutes before it opened, but she estimated the line of cars waiting for the store to open stretched about two miles. So she skipped it.

Green and her sons loaded up on apple juice and Gatorade instead, and she finally found water at an H-E-B that had received a fresh shipment. Every aisle was jammed with people in line for water.

"There are cops all over making sure there are no riots because the water apocalypse is coming," Green said. "It was actually very orderly."

There's confusion about exactly what chemicals were involved.

The city's legislative delegation on Thursday said the aromatic chemical indoline and hydrochloric acid, a corrosive mineral acid, may have been released.

The city initially identified Indulin AA-86, an emulsifying agent for asphalt, as the main hazard. It's an amber liquid considered hazardous by the Occupational Safety and Health Administration, and can cause eye and skin burns and severe respiratory tract irritation, according to its chemical Material Safety Data Sheet.

As much as 24 gallons of the chemical may have entered the water supply beginning Wednesday, city officials said. City Councilman Michael Hunter told the Corpus Christi Caller-Times that it's unlikely the chemicals are concentrated enough to do harm, but officials are "taking every precaution that we can."

**Abbott backs EPA**

Texas officials are "aggressively monitoring" the situation, calling on state health, emergency management and industry regulators to work with the U.S. Environmental Protection Agency, according to a statement from Texas Gov. Greg Abbott's office. The Texas Department of Emergency Management is coordinating shipments of water to Corpus Christi in the meantime.

"Governor Abbott's top priority is a transparent response and the safety of Corpus Christi residents, and our office will continue to provide any and all support to remedy this

situation as quickly as possible," the statement said.

Resident Lisa Olivares, who lives about five blocks from the Corpus Christi Bay, said she first learned not to drink the water from a local TV news report around 2 a.m. Thursday. Since then, residents have vented their frustrations with their city government on social media.

"We can't bathe, we can't do dishes, we can't wash clothes," Olivares said. "Our city is not telling us anything."

**Sending in water**

H-E-B spokeswoman Dya Campos said the San Antonio-based supermarket chain has been shipping bottles and gallons of water on 18-wheeler trucks to its 10 stores in Corpus Christi since Wednesday night. The company is also bringing in water tankers from around the region to provide clean water for its store operations, Campos said.

Corpus Christi customers are limited to three cases of water per purchase, Campos said.

"By putting a limit on case purchases, we can make sure all customers have access to the water they need throughout the day," Campos said. An anonymous donor also provided 27,000 cases of bottled water to be distributed to residents.

The Port of Corpus Christi said it was complying with the notice to discontinue the use of tap water and is in touch with customers, but it has other water sources available.

"Port Corpus Christi continues to notify customers who may be using the Port facilities of the ban and will continue to keep customers aware and updated on the situation as we know more," the port said.

The Texas Commission on Environmental Quality, which enforces federal clean water rules, said it's begun sampling the water supply in Corpus Christi to determine the extent of the problem, spokeswoman Andrea Morrow said.

It's not the first time the city has had trouble with its water supply. The TCEQ ordered residents to boil water after low levels of chlorine disinfectant and chlorine were found in the supply in May and September 2015, respectively.

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# Event will be bigger than OTC

*Event from page B1*

Olympics, Houston already has the infrastructure in place and won't have to build new facilities.

"We're overdue," Cobb said in a phone interview from Bahrain. "This is the upper echelon of the oil and gas industry that only meets every three years."

The World Petroleum Congress at George R. Brown Convention Center will be the second-largest convention event in Houston for the year only behind the annual Offshore Technology Conference at

NRG Park. OTC can draw 100,000 people a year, but had less than 70,000 this year during the oil bust.

The first World Petroleum Congress was 1933 in London and the only other time it's been in the U.S. other than Houston was 1959 in New York. Only London and Moscow have hosted twice.

Greater Houston Convention and Visitors Bureau President Mike Waterman estimates the event will create about 45,000 daily hotel room bookings in Houston over four or five days.

The World Petroleum Congress is great for attracting companies to Houston and allowing Houston-based energy companies to develop more international partnerships and projects, said Bob Pertierra, chief economic development officer for the Greater Houston Partnership.

"The long-term effect of positioning Houston as the energy capital of the world is symbolic and elevates the brand of Houston globally," Pertierra said.

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Houston First

A rendering of Avenida Houston near the George R. Brown Convention Center.

# Vibrancy, hotel rooms added to area near convention center

*Vibrancy from page B1*

a-decade experience. The game will last for only a few hours. All the work being done will help with convention and tourist business for everybody in Houston."

As construction began in 2014, Houston First leaders said they were hampered in drawing conventions, in part, because the area around the Brown Convention Center lacked hotel rooms or much vibrancy.

Houston First is now wrapping up a record-breaking year with 750,000 hotel rooms booked and 27 conventions throughout 2016.

"People can look at the downtown skyline or the green space or new restaurants and see that Houston is livable and an enjoyable place to be," said Sallie Sargent, president and CEO of

the Super Bowl Host Committee. "It's staggering how the face of downtown has changed from 2004 to the upcoming Super Bowl."

When the Super Bowl last came to Houston, in 2004, Discovery Green had not opened and the area was mostly surface parking lots. The convention center itself needed an update in design and structure.

The Discovery Green park has attracted apartment towers and restaurants and investment in downtown. The Hilton Americas-Houston hotel and new restaurants and entertainment venues also injected life into the area.

The large roadway in front of the convention center, Avenida de las Americas, cut people off from the surrounding area, said Marie Hoke, the project's original lead architect who is still consulting with Houston First.

Before designing the project, she and a team looked at four convention centers around the country, in Los Angeles, Chicago, Nashville, Tenn., and Orlando, Fla. They were inspired by the pedestrian-friendly environments and the use of local art.

Several studies were conducted beforehand about what kinds of enhancements to try locally. One key was creating a pedestrian-friendly environment, Hoke said.

"We have a critical mass of things happening at once to create a civic space," she said. "This is a space for Houston for the long-term beyond the Super Bowl. But, if you're having a party at your house, you have to get things ready. It's more of a deadline."

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